



PUBLIC SCHOOLS OF NORTH CAROLINA

State Board of Education | Department of Public Instruction

Charter School Budget and Other items

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Discussion Topics

- Definition
- 2024 Budget
 - Potential items that will impact the base allocation
 - EC funding formula
 - Funding in Arrears
- CSADM – pending legislation re: material change
- Data usage – ppe, payroll, FTE, expenditure, M&C

Definitions

Public School Unit (PSU)

Local Education Agencies (LEA) + charter schools
+ lab schools + regional schools + residential
schools

Independent Public Schools (IPS)

Charter schools + lab schools + regional schools



Budget – Items that impact the base per pupil allocation



Nothing in this section is law and may, or may not, become reality. What actually becomes law may be as written in this presentation wholly, partially or not at all. DPI and agents of DPI do not take any responsibility for actions taken based on the information in this presentation.



Impact of Late Budget

- Continuation Budget – “Float”
- Allotments – initial, revisions, federal
- Possible retroactive pay



Budget – Salary

All Personnel Classifications

- House + 4.25%
- Senate +2.5%

Funding will be incorporated in the base per pupil allocation.

Benefits- for those who elect to be part of TSERS and/or SHP

	House	Senate
Retirement Rate	23.94%	24.12%
Health Benefit	\$7,654	\$7,557

Retirement rates appear to be holding relatively flat. The Health benefit continues to rise. House budget has \$8,493 in 2024.

Health Professional Allotment

- For LEAs move budget from one allocation to another and adds \$10m
- Plus \$10m = approx. \$6.67 per ADM



Small County Allotment

Only for charters that are located in districts with less than 3,300 ADM

Small County	\$20m House
	\$4.7m Senate

In 2014 legislation changed the formula from being indexed to positions to being a flat amount. The allotment has not be increased since that time and the purchasing power has declined significantly. LEAs can not sustain the personnel paid from the allotment.

Lesson on what happens when an appropriation is not indexed to anything.

School Safety

Grants that all PSUs may apply for. SRO grants are recurring, but may require reapplication by the DPI Center for Safer Schools.

Currently funded with non recurring funds

7.36 Safety Grants

House	\$20m (NR)
Senate	\$35m (NR)

7.34 Classroom Safety and Cyberbullying House only \$10m (NR)

\$5m for PSUs on the basis of ADM to contract with a 3rd party

\$2.5m for Gaggle.Net.inc

\$2.5m for Liminex d/b/a GoGuardian

Teacher Supplement Funds (PRC071)

In 2023 \$170m was provided to the PSUs for additional pay for teachers.

Charters – a per pupil share is included in your base per pupil. Legislation encourages charters to use the funds for additional pay for your teachers.

2024 House budget recommends additional funding for this purpose. If that is included in the budget will increase base allocation.

Funding Proposals

Funding in Arrears

In both House and Senate Budgets

Current Law - LEA Funded Average Daily Membership

Initial funding based on:

Higher of the Projection or the prior year B1 of 2

Adjust for

New and growing charter schools budget transfers (Oct/Nov)

Reduce based on current year B1 of 2 if more than 2% or 100 ADM and did not meet the projection (Nov/Dec)

Increases based on current year B1 of 2 if more than 2% or 100 ADM

Adjustments are made to base allotments. No adjustments for categorical allotments

Current Law - IPS Funded Average Daily Membership

Initial funding based on:
CSADM projection

Adjust to Month 1 ADM



Funding in Arrears

Funded Average Daily Membership

Initial Funding

Prior year month 2 (as an example month)

Final Funding

Increases above prior year month 2

- Increases based on current year month 2.
- Following year – the funded ADM will be the month 2 ADM

Decreases below prior year month 2

- No reductions to initial allotments
- Reset to actual month 2 for the year following (in effect a one year grace period for reductions)

Funding in Arrears

Benefits

- Charters will know the initial ADM in November for the next fiscal year and can hire with confidence of no reductions
- Charters will have a year to adjust to declining ADM
- More equitable with LEAs
- Reduces administration
- Greatly simplifies budgeting

Caution

- Relies on sufficient funding for growth

Paid Parental Leave

Paid Parental Leave SL2023-65

Charter schools may elect to participate
State funding for substitutes only



COVID Funds

COVID Funds – ESSER II ends Sept 30, 2023

PRCs 171 thru 180

Please spend your funding – there is no extension



Data Usage

Data Usage

Your data is important and people are interested

Your inputs

- EDDIE
- Payroll
- CSADM
- Expenditures



Data Usage

Our outputs

- FTE and personnel
- Federal reporting
- Per pupil expenditure
- State budget development
- Public Resource
- Communications- Finance Director

FBS as a resource

Questions for Us?