

Conference Report on Continuation, Capital, and Expansion Budget

Public Education

GENERAL FUND

	FY 05-06	FY 06-07
Adjusted Continuation Budget	\$6,585,323,929	\$6,701,093,652

Legislative Changes

A. Updated Projections

1 Average Daily Membership (ADM)

	\$9,402,812	R		\$6,660,059	R
--	-------------	---	--	-------------	---

Revise projected increase in ADM for FY 2005-06 to reflect 2,338 more students than originally projected. Dollar amount of adjustment includes increases to all position, dollar, and categorical allotments.

Total funded ADM for FY 2005-06 is 1,397,372, an increase of 28,309.

Due to upward adjustment of 6,439 in ninth grade ADM receipts from Highway Fund budgeted for Driver's Education would increase by \$129,405 in 2005-06 and \$255,618 in 2006-07 if funding factor remained \$245.55 per ADM for 132,780 total ADM. Reduction in funding factor to \$240 per ADM (see page K3, item 12) results in net reduction of \$607,524 in FY 2005-06 and \$615,156 in FY 2006-07 from anticipated receipts. Total budgeted receipts from Highway Fund in FY 2005-06 will be \$31,867,200.

2 Budgeted Average Salary

	(\$23,642,099)	R		(\$23,965,417)	R
--	----------------	---	--	----------------	---

Revise budgeted funding for certified personnel salaries based on actual salary data from December 2004. Adjustment does not reduce any salary paid to certified personnel.

3 Exceptional Children

	(\$3,969,553)	R		(\$3,969,553)	R
--	---------------	---	--	---------------	---

Revise budgeted funding for children with special needs to reflect actual April 1, 2005 headcount. Continuation budget was based on projected headcount. Adjustment does not reduce funding per child.

4 High Priority Schools

	(\$400,000)	R		(\$400,000)	R
--	-------------	---	--	-------------	---

Revise funds appropriated for High Priority Schools based on projection of fewer participating High Priority Schools. In 2005-06, High Priority Schools will have the option of removing themselves from high priority status.

B. Continuation Budget Adjustments

5 Central Office Administration

	(\$510,023)	R		(\$510,023)	R
--	-------------	---	--	-------------	---

Reduce dollar allotment for Central Office Administration by 0.5%. Resulting total allotment in FY 2005-06 is \$101,494,560.

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	FY 05-06		FY 06-07	
6 School Building Administration	(\$5,038,433)	R	(\$5,038,433)	R
Allot assistant principal positions on the basis of one 10-month position per 800 ADM. Resulting total allotment for assistant principals in FY 2005-06 is \$80,538,079.				
7 At-Risk Student Services/Alternative Schools	(\$1,600,000)	R	(\$1,600,000)	R
Reduce At-Risk Student Services/Alternative Schools supplemental funding to reflect transfer of funds to the Department of Juvenile Justice and Delinquency Prevention (DJJDP) for contract educational services provided to school-age youth by Eckerd Youth Alternatives Therapeutic Camps.				
8 School Bus Replacement	(\$7,915,450)	R	(\$7,915,450)	R
Provide funds to meet outstanding lease purchase payment obligations, and \$10 million for new lease purchases (approximately 476 new buses). Resulting total allotment in FY 2005-06 is \$47,190,642.				
9 Department of Public Instruction (DPI)	(\$598,666)	R	(\$598,666)	R
Reduce funds for the Department of Public Instruction by 2%				
10 ADM Contingency Reserve	(\$2,000,000)	R	(\$2,000,000)	R
Reduce ADM Contingency Reserve. Resulting appropriation is \$5,000,000.				
11 Driver's Education				
Reduce receipts from Highway Fund budgeted for Driver's Education by \$607,524 to reflect adjustment of funding factor from \$245.55 to \$240 per 9th grade ADM of 132,780. Resulting total allotment in FY 2005-06 is \$31,867,200.				
C. Reductions: Pass-Through Funds				
12 ExplorNet	(\$100,000)	R	(\$100,000)	R
Reduce pass-through funding to non-profit program by 25%. LEAs may contract for services provided by this organization using various other allotments that may be expended for professional development.				
13 NC Network	(\$70,875)	R	(\$70,875)	R
Reduce pass-through funding to non-profit program by 25%. LEAs may contract for services provided by this organization using various other allotments that may be expended for professional development.				
14 Partnership for Excellence	(\$12,500)	R	(\$12,500)	R
Eliminate pass-through funding to non-profit program by 25%. LEAs may contract for services provided by this organization using various other allotments that may be expended for professional development.				

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	FY 05-06		FY 06-07	
D. Increased Receipts				
15 Sales Tax Refundable to LEAs			(\$33,300,000)	R
Redirect estimated State sales tax refundable to LEAs to the State Public School Fund for allotment through State position, dollar, and categorical allotments.				
16 Transfer from Civil Penalties and Forfeitures Fund				
Deposit \$18,000,000 in estimated revenues of the State Civil Penalties and Forfeitures Fund (CPFF) into the School Technology Fund in FY 2005-06 and in FY 2006-07. Deposit \$102,500,000 in estimated CPFF revenues in FY 2005-06 and \$107,500,000 in FY 2006-07 to the State Public School Fund for allotment to the LEAs on a per pupil basis.				
17 Budget Receipts from Civil Penalties & Forfeitures Fund	(\$102,500,000)	R	(\$107,500,000)	R
Budget increased receipts of \$102,500,000 in FY 2005-06 and \$107,500,000 in FY 2006-07 from Civil Penalties & Forfeitures fund. Adjust General Fund appropriations accordingly.				
E. Expansion: State Public School Fund				
18 Low Wealth Supplemental Funding	\$20,000,000	R	\$20,000,000	R
Provide additional funding for LEAs located in counties with below State average ability to raise local revenue for public schools.				
19 Disadvantaged Student Supplemental Funding (DSSF)	\$22,500,000	R	\$22,500,000	R
Continue funding at levels allotted in FY 2004-05 for the sixteen pilot LEAs that have previously received DSSF allotments. LEAs are encouraged to use funds to reduce class size and/or hire additional instructional support personnel, such as counselors, social workers, and nurses.				
20 Evaluate Effectiveness of DSSF and Low Wealth Initiatives	\$150,000	NR		
Provide funds for evaluation of both (i) the extent to which LEAs use DSSF and Low Wealth supplemental allotments to improve outcomes for students at-risk of school failure, and (ii) the extent to which DPI supports the LEAs in using DSSF and other supplemental allotments efficiently and effectively.				
21 ABC Bonuses	\$100,000,000	NR		
Fund ABC bonuses for schools that met or exceeded expected growth in the 2004-05 school year.				
22 Learn and Earn Initiative	\$3,247,426	R	\$3,247,426	R
Expand the Learn and Earn High School Workforce Development Initiative into an additional ten high schools (bringing the total to 15). Provide planning grants to twenty additional high schools. This funding is the second installment toward a \$10 million State match required to activate a \$10 million commitment from the Gates Foundation.				
	\$917,500	NR		
	3.00		3.00	

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	FY 05-06		FY 06-07	
23 Small Specialty High Schools Pilot Program	\$1,446,877	R	\$1,446,877	R
Fund additional principals, guidance counselors, and clerical staff at new "small specialty schools" within existing high schools at eight pilot sites. Allot each new "school within a school" the dollar equivalent of one principal position, one guidance counselor position, and two clerical positions.				
24 School-Based Child and Family Support Teams	\$8,500,000	R	\$8,500,000	R
Provide funds to establish school-based child and family support teams that will support children at-risk of school failure by coordinating services among educational and human service agencies working with the children and their families.				
25 Small County Supplemental Funding	\$750,000	NR		
Expand small county supplemental funding allotment to meet requirements of the amended formula.				
26 Virtual High School	\$150,000	R	\$150,000	R
Provide funds to the State Board of Education for establishment and implementation of a pilot virtual high school during the 2005-2006 school year.				
27 Education Value Added Assessment System (EVAAS)	\$500,000	R	\$500,000	R
Provide funds to LEAs to purchase licenses for EVAAS diagnostic software. The State Board shall identify up to 20 LEAs to receive funding in FY 2005-06 based on criteria that shall include (i) identified need, (ii) readiness, and (iii) county wealth, as defined in the Low Wealth Supplemental Funding formula. The LEAs shall be distributed geographically. It is the goal of the General Assembly to provide funds in future years so that every LEA may purchase these licenses.				
F. Expansion: Pass-Through Funds				
28 Teaching Fellows Scholarships	\$650,000	R	\$1,300,000	R
Fund 100 additional Teaching Fellows Scholarships.				
29 Communities in Schools	\$500,000	NR		
Provide additional pass-through funding to non-profit program				
30 A+ Schools	\$100,000	R	\$100,000	R
Provide funding to support non-profit program that assists schools in implementing comprehensive school reform by integrating arts into the curriculum				
31 Center for 21st Century Skills	\$250,000	R	\$250,000	R
Provide funds to the State Board of Education for establishment of the Center for 21st Century Skills. The State Board will transfer funds to the Office of the Governor for this purpose.				

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	FY 05-06		FY 06-07	
32 Teacher Working Conditions Survey	\$215,000	R	\$290,000	R
Provide funds to the State Board of Education for administration of the teacher working conditions survey formerly administered and funded out of the Office of the Governor. Provide \$100,000 to NC Network.				
33 SAS in Schools	\$500,000	R	\$500,000	R
Fund Statewide license for SAS in Schools, an instructional resource that will be made available to all NC teachers online through NC WSEOL.				
34 Regional Education Networks	\$100,000	NR		
Provide funds to the North Carolina Rural Economic Development Center and the e-NC Authority for a feasibility study on developing regional education networks that are centrally managed to provide and sustain broadband connectivity to individual students and teachers in schools, community colleges, and universities. In conducting the study, the Rural Economic Development Center and e-NC Authority shall collaborate with representatives from local school administrative units, The University of North Carolina, private colleges, the State Board of Education, the State Chief Information Officer, and the Community College System.				
35 Science Olympiad Funding	\$50,000	R	\$50,000	R
Provide funds to expand the Science Olympiad program to all LEAs in the State.				
36 Teach for America	\$200,000	R	\$200,000	R
Provide funds to non-profit organization that recruits recent college graduates in non-education majors to teach in hard-to-staff schools.				
37 Durham Nativity School	\$25,000	NR		
Provide funds for after school programs, basic office and school supplies, and equipment.				
38 Scarborough Nursery School	\$25,000	NR		
Provide funds for operating expenses.				
39 Futures for Kids	\$500,000	NR		
Provide funds to support non-profit organization that enhances schools' capacities to provide students with opportunities for career exploration.				
40 Project Enlightenment	\$100,000	NR		
Provide funding for Wake County to assist Project Enlightenment in continuing its model Demonstration Preschool program and consultation and education services to children, families, teachers, and other professionals in Wake County.				

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	FY 05-06	FY 06-07
41 Cumberland County Schools Provide seed funds for an elementary school cultural arts/dance program that focuses on at-risk children.	\$5,000	NR
42 Mount Airy High School Provide funds for a computer lab.	\$20,000	NR
43 North Surry High School Provide funds for a computer lab.	\$20,000	NR
44 Vance County Public School Fund Provide funds to be used to assist in retention and recruitment of teachers.	\$5,000	NR
45 AKA Center for Community Services Provide start-up funds for a tutorial project to reduce suspensions and drop outs in Wilson County.	\$5,000	NR
46 Wilson Delta Community Revitalization Corporation Provide funds to support the implementation of a test taking project for high school students.	\$5,000	NR
47 Judy Memorial Family Center Provide funds to support educational programs.	\$10,000	NR
48 Edgecombe County Out-of-School Suspension Intervention Program Provide funds to Edgecombe County to implement an out of school suspension intervention program for children who are on long-term suspension from school.	\$100,000	NR
49 WNC Communities Provide funds for operational and educational program support.	\$50,000	NR
50 Southside School Alumni Funds Provide funds to the Southside School Alumni Association for replacement of furnishings, repairs, and upgrades.	\$5,000	NR
51 The Vital Link Provide funds for operating support.	\$10,000	NR
52 God's Vision Ministries Provide funds to the Bridge Builder's for Change Juvenile Male Intervention program which provides afterschool activities for at-risk African American males between the ages of eight to twelve.	\$18,000	NR

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

FY 05-06

FY 06-07

G. Expansion: Department of Public Instruction

53 Receipt Supported Positions

Create the following permanent receipt supported positions in the Department of Public Instruction:

A. Healthy Schools – Federal HIV and Abstinence Education Funds

3 Education Consultants - \$249,056

1 Program Assistant V - \$42,648

Consultants will assist schools in providing health education for HIV and other health issues for school-age populations. Program Assistant will provide clerical and program support for the staff.

B. Safe Schools – Federal 21st Century Community Learning Centers and Safe and Drug Free Schools Funds

3 Education Consultants - \$249,056

1 Program Assistant IV - \$39,558

One Consultant will provide technical assistance to schools and LEAs on middle and high school counseling issues. Two Consultants will provide technical assistance to and monitor the 190 centers providing after school programs to at-risk students. Program Assistant will provide clerical and program support for the staff.

C. Child Nutrition – Federal Child Nutrition Funds

2 School Meals Program Consultants - \$133,480

One Consultant will assist local education agencies in ensuring that all compliance requirements for federal child nutrition programs are met. The other Consultant will coordinate the implementation and oversight of US Department of Agriculture's Seamless Summer Food Service program, Summer Milk program, Fruit and Vegetable Program, USDA Best Practice program, and the Healthier US program.

D. LEA Plant Operations – Plant Operation Maintenance Receipts

Facility Electrical Engineer II - \$90,755

Engineering Technician II - \$49,713

Positions will assist LEA customers with engineering projects which includes designing, installing and assisting with electrical, mechanical, HVAC and plumbing projects.

E. Evaluation and Compliance – Federal Title 1 Funds and Indirect Cost Receipts

Program Assistant V - \$42,648

Personnel Analyst II - \$66,740

Program Assistant V will provide clerical and program support to the Senior Research Director and the Education Program Administrator for evaluation, research and federal programs. Personnel Analyst II will train agency management and employees with respect to employee relations, the performance management system and equal employment opportunity policies.

Public Education

Conference Report on Continuation, Capital, and Expansion Budget

	<u>FY 05-06</u>		<u>FY 06-07</u>	
Total Legislative Changes	(\$80,645,484)	R	(\$121,286,555)	R
	\$103,320,500	NR		
Total Position Changes	3.00		3.00	
Revised Budget	\$6,607,998,945		\$6,579,807,097	

Public Education