



Finance Committee Meeting

Preparation for 2021-22 Proposed Operating Budget

February 16, 2021

Preparation for 2021-22 Proposed Operating Budget

Today

- Provide brief background on current landscape
- Review multi-year funding priorities previously established by Board
- Provide opportunity for Board discussion on relative priorities of current multi-year funding plans

Preparation for 2021-22 Proposed Operating Budget

Background on Current Landscape

- Current year County Appropriation Increase is Non-Recurring
- Student Count Implications – WCPSS & Charter
- Held Harmless Provision on ADM & implications if not continued next year
- CNS operations in potential ongoing Virtual Learning Environment
- Additional Federal CARES funding update
- Fluid and uncertain funding sources & needs environment will continue

Preparation for 2021-22 Proposed Operating Budget

Multi-Year Funding Initiatives Previously Established by Board

- Non-Certified Staff Compensation
- Maintenance & Operations to Maintain School Facilities
- Student Social Emotional Support
- Instructional Support Technicians

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Multi-Year Funding Initiatives Established by Board – Non Certified Staff Compensation

Area Systemwide

Description The proposed increase for non-certified personnel is a five-year phase-in to adjust based on market competitive salaries. The total cost for the full five years is \$35 million. The phase-in included an increase of \$7.7 million in 2019-20, which provided a 3 percent salary increase for non-certified personnel and raised the bus driver salary schedule to a \$15 per hour minimum. The \$15 minimum bus driver salary adjustment began January 1, 2020 and the 2019-20 budget included \$1.568 million to cover costs for January through June. For 2020-21, the budget increased another \$1.568 million to cover costs for July through December.

This proposal is to add \$8.6 million to the budget for the next three years. These adjustments will be in addition to any salary increases approved by the legislature each year.

Multi-Year Phase-In Costs	
	Local
Actual	
2019-20	\$7,700,000
2020-21	\$1,568,000
Proposed	
2021-22	\$8,577,333
2022-23	\$8,577,333
2023-24	\$8,577,334
Total	\$35,000,000

Strategic Objective Human Capital

Budget Adjustments			
Description	MOE	Local	
Salary Increase		\$ 8,577,333	
Total	-	\$ 8,577,333	

Preparation for 2021-22 Proposed Operating Budget

Multi-Year Funding Initiatives Established by Board – Maintenance & Operations

Deferred Operational Needs

Formula Alignment - Maintenance and Operations																					
Area	Maintenance and Operations																				
Description	<p>The Current Replacement Value (CRV) for Wake County Public School System (WCPSS) facilities in 2020-21 is \$4,200,000,000. Industry standard for Maintenance and Operations (M&O) budgeting averages 3 percent annually of the CRV of facilities which would put the recommended industry standard for M&O at \$126,000,000. M&O was funded in 2020-21 with an operating budget of \$96,477,516. This amount includes maintenance, utilities, and operating capital. Based on the current funding and industry standards, M&O is currently funded at 77 percent of the industry standard.</p> <p>For the 2021-22 year, the projected CRV for WCPSS facilities will be \$4,184,757,348. Based on the 3 percent budgeting average of the CRV, the industry standard for M&O would be \$125,542,720. The projected budget for M&O will be the 2020-21 budget of \$96,477,516 plus the growth funding for 2021-22 of \$1,926,128 which equals \$98,403,644. The adjustment needed to reach industry standards is \$27,139,076.</p>																				
Calculations	<p>2021-22 CRV for M&O: \$4,184,757,348 Industry Standard for M&O Budgeting: \$4,184,757,348 * 3% of CRV = \$125,542,720</p> <p>2020-21 M&O Budget: \$96,477,516 2021-22 New Schools and School Changes Funding Request: \$1,926,128</p> <p>2021-22 M&O Budget (2020-21 budget + 2021-22 growth): \$96,477,516 + \$1,926,128 = \$98,403,644</p> <p>Industry Standard minus 2021-22 M&O budget (\$125,542,720 - \$98,403,644) = \$27,139,076</p> <p>Adjustment Needed to reach Industry Standards: \$27,139,076</p>																				
Proposed Funding	<p>M&O is requesting \$7.3 million for 2021-22 for the year three adjustment and \$9.9 million for the following two years to bring M&O to industry standards.</p> <table border="1"> <thead> <tr> <th colspan="2">Multi-Year Phase-In Costs</th> </tr> <tr> <th></th> <th>Local</th> </tr> </thead> <tbody> <tr> <td>Actual</td> <td></td> </tr> <tr> <td>2019-20</td> <td>\$2,500,000</td> </tr> <tr> <td>2020-21</td> <td>\$1,000,000</td> </tr> <tr> <td>Proposed</td> <td></td> </tr> <tr> <td>2021-22</td> <td>\$7,312,811</td> </tr> <tr> <td>2022-23</td> <td>\$9,913,133</td> </tr> <tr> <td>2023-24</td> <td>\$9,913,132</td> </tr> <tr> <td>Total</td> <td>\$30,639,076</td> </tr> </tbody> </table>	Multi-Year Phase-In Costs			Local	Actual		2019-20	\$2,500,000	2020-21	\$1,000,000	Proposed		2021-22	\$7,312,811	2022-23	\$9,913,133	2023-24	\$9,913,132	Total	\$30,639,076
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Multi-Year Funding Initiatives Established by Board – Student Social Emotional Support

New or Expanding Program

School Support for Social Emotional Learning

Area Student Services

Description After the joint Wake County commissioners and school board meeting in May of 2018, it was suggested that a multi-year plan would be helpful in seeing the total instructional support staff need for the district. During the Wake County Board of Education's Student Achievement Committee (SAC) meeting on August 13, 2018, it was requested that a five-year plan be developed around how to address additional instructional support staff based on an acuity model that favors need.

This request is to obtain funding for 1,223 Months of Employment (MOE) for full-time instructional support positions based on need as demonstrated by an approved acuity model. The long-term goal of reducing the ratios closer to recommended national averages for instructional support positions will require 4,731 MOE or \$36.05 million. This is the third year of a five-year request for funding for social emotional learning.

The focus of the services to schools will be to facilitate the social emotional learning of students in Wake County Public School System (WCPSS) schools based on evidenced-based curriculum and practices. The Adverse Childhood Experiences (ACE) study indicates that adults who experienced multiple indicators of trauma in childhood had more negative health outcomes as adults.

There is currently a director and two senior administrators supporting over 450 counselors, 192 schools, and multiple training initiatives including bullying prevention, dropout prevention, American School Counselor Association (ASCA) National Model, and social emotional learning. The department also supports regional and grade level counselor Professional Learning Teams (PLTs), Lose Control, Lose Your License legislation, and placement/supervision of school counseling interns (currently serving over 45 interns). An additional senior administrator would help with the daily workload and would allow for all counselors to have more direct support and leadership from district staff.

There has been a 60 percent increase in the number of homeless students entering the school system, resulting in a need to add one additional Homeless Program social worker to process students, support school-based social workers, and work with other departments such as Student Assignment and Transportation to ensure students experiencing homelessness receive all appropriate and adequate services.

This is a five-year plan for expanding school support for social emotional learning.

	Multi-Year Phase-In Costs								
	State		Local		Federal		Total		
	MOE	Cost	MOE	Cost	MOE	Cost	MOE	Cost	
Actual									
2019-20	270.00	\$ 1.7 m	86.00	\$ 0.9 m			356.00	\$ 2.6 m	
2020-21					310.00	\$2.3 m	310.00	\$ 2.3 m	
Proposed									
2021-22			1,277.00	\$10.0 m			1,277.00	\$10.0 m	
2022-23			1,385.00	\$10.4 m			1,385.00	\$10.4 m	
2023-24			1,403.00	\$10.7 m			1,403.00	\$10.7 m	
Total	270.00	\$ 1.7 m	4,151.00	\$32.0 m	310.00	\$2.3 m	4,731.00	\$36.0 m	

New or Expanding Program

School Support for Social Emotional Learning

Description **Demonstrated Need:** Adverse Childhood Experiences (ACE) indicators are physical, sexual, and emotional abuse, physical and emotional neglect, intimate partner violence, mother treated violently, substance misuse within household, household mental illness, parental separation/divorce, and incarcerated household member. Other barriers are homelessness, hunger, chronic absenteeism, substance abuse, and mental health challenges.

While the school system cannot change the environment of students, we can teach trauma-informed, resiliency and restorative practice skills, and we can identify needs in order to connect students and families to community resources to assist in addressing the barriers that prevent positive outcomes for students. 2019-20 Data from CaSS Department Annual Reports gives us an indication of the trauma that some of our students experience.

Child Protective Services (CPS) Referrals	874
Homelessness	2,431
Foster Care Placement	502
Self-injury	427
Suicide Screenings/Suicides	2,702/2
Threat Assessments	460
Behavior Incidents	80,337
Short-Term Suspensions	6,818
Long-Term Suspensions	3
ACE Referrals	499
Mental Health Referrals (Alliance)	622
Chronic Health Conditions	17,732
Medication (doses given)	37,943
Invasive Procedures	212

Strategic Objectives Learning & Teaching and Human Capital

Description	MOE	Local
Counselors	512.50	\$ 3,863,595
Social Workers	305.50	2,299,809
Psychologists	237.00	1,989,935
Instructional Specialists	84.00	623,942
School Nurses	42.00	378,861
Lead Psychologist	24.00	200,301
Director and/or Supervisor	24.00	198,599
Lead Social Workers	24.00	178,268
School Counseling Senior Administrator	12.00	99,478
Health Services Senior Administrator	12.00	99,478
Travel		20,000
Computers (one-time cost)		11,000
Supplies and Materials		5,000
Total	1,277.00	\$ 9,968,266

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Multi-Year Funding Initiatives Established by Board – Instructional Support Technicians

Deferred Operational Needs

Instructional Support Technicians

Area Technology

Description Over the past five years, the Wake County Public School System (WCPSS) added approximately 52,000 laptops through Capital Improvement Plan (CIP) 2013. During that time, no additional technology support staff was added. Over the next seven years, an additional \$22 million to \$25 million will be spent annually on devices and classroom technology. With COVID-19, an additional 135,000 Chromebooks and 6,000 iPads were purchased.

According to the North Carolina Digital Learning Media Inventory, the state average ratio of technician to devices is 1:1,956. The WCPSS ratio in 2018-19 was 1:7,714. There were 162,000 devices (Windows, iPads, Chromebooks) and 21 Instructional Support Technicians (ISTs) on staff. If we were to move to the state average, we would need 61 additional ISTs (without adding additional devices).

Proposed Funding The requested funding over five years will support the hiring of full-time ISTs and provide startup funds for the establishment of the positions. In 2019-20 and 2020-21, seven ISTs were allotted each year instead of 13 and 14 respectively. This changes the total provided after five years to 54 instead of 61.

Multi-Year Phase-In Costs		
	Local	
	MOE	Cost
Actual		
2019-20	84.00	\$ 603,127
2020-21	84.00	\$ 614,884
Proposed		
2021-22	168.00	\$ 1,220,489
2022-23	156.00	\$ 1,139,811
2023-24	156.00	\$ 1,139,811
Total	648.00	\$ 4,718,122

Strategic Objectives Learning & Teaching and Human Capital

Description	MOE	Local
ISTs	168.00	\$ 1,197,179
Laptops (one-time cost)		14,000
Travel		16,310
Remove prior year one-time cost		(7,000)
Total	168.00	\$ 1,220,489

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Board Finance Committee & Board Members

- Finance Committee led discussion on *relative priorities of existing multi-year plans within the context that all current needs may not be funded*:
 - Assuming short term needs for PPE etc. can be met,
 - With understanding that one-time Federal Cares Funding will not be maintained,
 - In context of the dynamic environment we remain in, and
 - With the understanding that all aspects of District Support are fundamental to success
 - What is the relative ranking of Board priorities in these areas relative to available resources



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