

**Wake County Public School System  
Superintendent's Proposed Budget 2021-22  
Board of Education Q&A  
May 4, 2021**

- 1. My concern is around athletic fields and facilities around the district and the inequity that we see at older more established schools. How can we better support schools in establishing and maintaining a certain standard across the district? Is there a way to determine how much that would cost and would it involve changing a funding formula or providing a one-time infusion and then maintaining that with a funding formula?**

Funding for projects such as these are generally provided through the CIP Budget rather than the Operating Budget. The CIP Budget is currently a 7-year rolling plan, and coincidentally is being presented at your Work-Session today. The relatively new PRIMP program and funding line-item is an example of how the district is working towards addressing the stated concern. Recent discussion in Facilities Committee Meetings about school facility evaluation rubrics have also touched on managing this concern.

- 2. Could we have a breakdown of what the local funds could mean for non-certified pay? Specifically, what that would those funds translate to for each non-certified employee (pay scale adjustment by grade, step)?**

There is currently \$6.4 million in the Proposed 2021-22 Operating Budget that would be used to apply against the Non-Certified Pay Schedule. To give a sense of what that could cover we share what we achieved in the first year of this multi-year initiative. \$7.7 million of funding was used to apply against the Non-Certified Pay Scale in 2019-20, and that covered the investment of an across the board 3% increase for all non-certified staff, bringing the Bus Driver Grade to a \$15 minimum rate for 6 months recurring, and addressing compression within the Bus Driver Grade. An additional \$1.6 million was applied to the Bus Driver Grade in 2020-21 to fund the \$15 minimum rate on an annual basis. Once the amount of local funding available to apply against the Non-Certified Schedule is finalized, and we know what the State will legislate regarding Non-Certified Pay, staff will bring forward recommendations for how to apply additional funds to the Non-Certified Schedule. During that process, staff will also provide information about the investment that would be required, by Grade, to bring all Non-Certified Staff to a \$15 minimum rate.

- 3. I wanted to follow up with a few more questions. I see the answer to my previous question in the Q and A. I understand there are other variables in motion, but it would be very helpful to know what type of impact for the noncertified employees the increased funding would have. Can any possibilities be provided? I also notice there is now even more money being proposed for their pay (up to 10 million).**

**Additionally, isn't the 3% estimated state-legislative pay increase for noncertified staff, certified, and school-based administrators (pages 71-73) accounted for in a different area of the budget or are you saying that if the state legislates 3% then that would come from the 6.4 million (or higher amount of up to 10 million)?**

The legislative impact funding request on page 72 of the Superintendent's Proposed Budget is an estimate of what the legislature may approve for salary adjustments for non-certified staff in 2021-22. There is a state and local cost for this funding request. The local portion is \$2.0 million.

In addition, there is a deferred operational needs funding request for non-certified personnel salary increase multi-year phase in on page 19 of the Superintendent's Proposed Budget. The recommended increase from 2021-22 is \$6.4 million. The board may consider an option to increase the 2021-22 amount to \$10 million during its work-session on Tuesday.

These two cases are independent of each other in terms of dollars, but the cases are dependent on each other in terms of what specific changes the superintendent and her staff may recommend to the non-certified salary schedules in 2021-22. In keeping with standard practice, staff will prepare recommendations for any changes to the 2021-22 non-certified schedule once we know what actual state legislated compensation changes will be made for non-certified staff and determine the amount of Local funding available to apply against the schedules beyond what is required to meet state legislated changes. In keeping with standard practice, any changes made to the 2021-22 schedule will be retroactive to July 1, 2021.

**4. If the state does not legislate a 3% what happens to those funds (Would WCPSS still provide the 3% pay increase since money is being budgeted for it?) and alternatively, if they legislate a higher percentage pay increase, what funds might be used to cover that additional cost?**

The Superintendent's Budget includes a Potential Risk section on pages 11-12. As indicated in the first paragraph, the largest potential risk is the potential impact of legislated decisions by the General Assembly during the 2021 session. The two pages provide other risks or assumptions that may change.

We will likely begin the 2021-22 year under an interim budget resolution. This allows us to continue the normal operations of the school system until final decisions occur. Once the state passes a budget, and the county commissioners approve funding for WCPSS, staff will identify variances from the Board of Education's Proposed Budget. The superintendent and staff will bring forward recommendations to balance the interim budget resolution to an approved budget resolution. Any pay increase variance in either direction will be one of the adjustments.

For example, if the state approves no increase for noncertified staff, then the state portion of the funding request on page 72 will not exist. We estimated \$4.8 million from the state for state-paid non-certified staff. If they approve no raise, there would be no allotment of funds. So those dollars subtract from the estimated state budget. There would still be \$2.0 million in the local budget for the estimated cost of the state raise for local staff. Those funds would be freed up as "savings" that may be needed to balance the budget due to other variances that will occur. The local cost to provide non-certified staff an increase if it is not legislated is significantly higher than if it is legislated as the State provides funding for those State Funded staff when legislated.

If the state approves a salary increase higher than 3% for non-certified staff, then there will be an increase to the state budget. The state budget will increase because our estimated budget included 3%, but the state approved and allotted a higher raise. For our local budget, we will need additional resources to pay a higher state raise. We would first look to other variances that occur when balancing the budget to see if there are other savings to assist with the cost. Other options are making budget adjustments elsewhere, redistributing budget priorities to other funding sources (federal?) so there are local savings, or appropriating fund balance.

This work adjusting from an interim budget resolution to an approved resolution will occur after the fiscal year has begun. This too is keeping with standard practice in managing the issue of that the State will likely not finalize its 2021-22 Budget until after the new fiscal year has begun.

**5. Regarding budget reductions from fall of 2020 based primarily on delayed opening of on-site instruction (referenced on page 144 and any additional ones), is there a clear, concise presentation on the reduced amounts and how some of the savings/reductions were used or if they were not spent? I've seen a few references, but for transparency, it would be helpful to have this information available in a clear, concise presentation/slide.**

Per page 144 of the Superintendent's Proposed Budget, there were \$16.7 million of base budget reductions from the fall of 2020. These reductions occurred to balance from the interim budget to an approved budget resolution at that time (the process described in the previous question). Those dollars are no longer in the base budget. We are requesting they be added back from ESSER II federal funding in 2021-22.

This proposed budget includes the planning allotment. WCPSS plans to use ESSER II funds to replenish base budget reductions from the fall of 2020. The reductions were primarily based on delayed opening of on-site instruction.

Utilities	\$ 2,750,000
Custodial Contract	1,500,000
Pupil Transportation Contracted	5,500,000
Transportation Fuel	750,000
Academic Advancement	1,223,099
Workshop Expenses	1,285,500
Substitute Pay Sick Leave	3,700,000
	<u>\$ 16,708,599</u>

In addition, at the end of the third quarter there were \$7.0 million in net savings identified through the third quarter of 2020-21. These funds will roll to fund balance at the end of the year. The net savings identified in the local budget are provided quarterly to the Board. March 2021 year to date reporting of net savings-costs identified in 2021-22 local budget ii (d).

There will be additional savings in local dollars. We will not know final balances in accounts until after the fiscal year end closeout. We anticipate savings will be higher than typical based on the impact of the pandemic and the availability of other one-time resources.