Board of Education Approval

The Superintendent is submitting this 2012-2013 budget request. The Edgecombe County Board of Education approved this request on April 9, 2012.

Budget Message

The Edgecombe County Public Schools' proposed budget for 2012-2013 highlights and summarizes our financial plan for the coming year and reflects our commitment to optimal academic achievement and success for all students. The first priority in this proposed budget is to maintain classroom teaching positions.

The $1,417,623 currently available through the federal assistance of Education Jobs will not be available in the next fiscal year. Also, the budget adopted by the General Assembly included an increase of the flexibility adjustment by $358,878 for a total flexibility adjustment in 2012-2013 to $2,437,228 for Edgecombe County Public Schools.

Our ADM (Average Daily Membership) for allotment purposes has decreased from 7175 to 7076, a decrease of 99 students. The ADM includes grades K-13. It does not include PreK students. This decrease will reduce our state allotments for fiscal year 2012-2013 at a minimum of $370,778. This reduction in ADM will eliminate 5 classroom teaching positions, 1 month of employment for Assistant Principals, 4.85 months of employment of Career Technical Education, 1 teacher assistant, and approximately 1 non-instructional support position.

From the above known reductions for 2012-2013, a targeted spending reduction for the next fiscal year was set at $2,200,000.00.

As a part of our budgeting process, all departments and schools were required to submit detailed line item budgets. In preparing their requests, they were asked to review their expenditure history and to project needed items. All were asked to submit suggested budget reductions. The budget for 2011-2012 was their baseline budget.

Central Services departments were requested to reduce their budget by 6% for a total of $79,000.

To prepare for the discussion of potential budget reductions, the current 2011-2012 budget was outlined in detail and reviewed with the Edgecombe County Board of Education, Cabinet, and District Leadership Team.

Potential budget reductions of $4.9 million were developed by the cabinet after discussion of the current budget. This list was reviewed with the District Leadership Team (DLT). Each grade span of the DLT discussed these potential reductions in more detail. They discussed items to add to the list for consideration and determined which items they could not live without. This information was summarized and discussed by the cabinet and a final list of proposed budget reductions was developed. These final

reductions summarized below were used in the preparation of this proposed budget for fiscal year 2012-2013 (see Exhibit A).

- Elimination of all guidance assistants
- Reduction of teacher assistants
- Reduction of school clerical positions
- Reduction of custodian positions
- Elimination of attendance counselors
- Elimination of Instructional Coach positions funded by DSSF
- Changes in policies for utility savings by removal of all personal refrigerators, toaster ovens, and coffee pots
- Reduction in signing bonuses
- Close Early Learning Center and relocate PreK classes from the Early Learning Center to Bulluck
- Close Roberson Center for Educational Achievement
- Reduction in focused Intervention allotments by 25%
- Elimination of the STARS program
- Elimination of extra funding for new teacher supplies
- Reduction of PSAT testing funding as a result of voluntary participation

In preparation of this budget document, we considered all funding streams available to support the expenditures and any legislative requirements. It is anticipated that the employer's retirement contribution percentage will increase from 13.12% to 14.31%. The employer's share of health insurance premium will increase from $4,931 to $5,192. It is not anticipated that there will be any state raises for salaries in 2012-2013.

The State Public School Fund Proposed Budget is based upon preliminary state budget allotments as calculated. No planning allotments have been provided by the NC Department of Public Instruction (DPI) at this time. Preliminary state allotments cannot be calculated for some programs. For these, the allotment for the current year was used. If these state allotments should decrease, it will impact our budget.

The state projected revenues were prepared contingent upon our "learn and earn", and disadvantaged supplemental funding remaining the same as in fiscal year 2011-2012. A reduction in these funding streams or other funding streams or other changes mandated by the General Assembly would result in a significant impact on our budget, programs, and services.

We will keep our regular classroom teacher positions, months of employment for career technical education, and teacher assistant positions within these specific state allotments.

The Local Current Expense Budget is based upon no increase in the county appropriation, estimation of fines and forfeitures and interest earned. For this proposed budget, we are appropriating $158,026 of the local fund balance.

The Federal Fund Proposed Budget is based upon estimated allotments as no planning allotments have been received.

The Other Restricted Proposed Budget is based upon estimated grants and other sources of revenues.

Edgecombe County Public Schools had absorbed state cuts from 2002 through 2006 while incurring rising costs. This caused the fund balance to decline to a low of $275,706 in 2006. For the next fiscal years, we implemented many budget reductions, including a reduction in force, to bring our expenditures in line with our revenues. These reductions are listed below:

- Elimination of positions
- Reduction of expenditures
- Freezing extended employment
- Eliminating the procedure of contracting for temporary services
- Reduction of the allotments to schools for clerical, custodian, and media assistant positions
- Eliminated recruitment incentive paid to staff
- Limited travel/workshop expenditures
- Eliminated extra duty pay

For fiscal year 2012-2013, we will continue with the above reductions. At the close of the last five fiscal years, we were able to restore dollars to our local fund balance. On June 30, 2011, our local fund balance was $3,081,811. Of this, we appropriated $434,502 in this fiscal year 2011-2012.

The Capital Outlay Proposed Budget reflects our capital improvements, major repairs and renovations, and funds vehicle and equipment additions or replacements. Our request for the capital recurring fund is $500,000. We are requesting to utilize the lottery receipts for the bond debt of $316,241. The total capital outlay budget is $1,578,018 and includes the county appropriation for capital outlay in the amount of $500,000, the use of lottery receipts in the estimated amount of $816,241 to pay the debt on the bond and other projects, and the appropriation of capital outlay fund balance in the amount of $261,777.

The Enterprise Proposed Budget consists of the child nutrition program and the fee for service programs. Those budgets are prepared based upon estimated receipts of fees and sales as well as USDA grants.

This document includes supplemental information, statistics, and charts that provide useful information about our budget request and our school system. In addition, through this document, the Board of Education is fulfilling one of its major responsibilities of informing county leaders and the general public of the needs of our school system.

Exhibit A
Proposed Reductions
2012-2013

Proposed Budget Reductions		# of Positions			
Guidance Assistants - all positions		3.0			$ 111,441.00
Teacher Assistants - from all funding sources		12.0			313,729
New Teacher supplies					10,000
Utility savings by elimination of all personal refrigerators, toaster ovens, coffee pots					33,460
Clerical/Custodian positions		3.25			69,781
PSAT Testing - only offer to high school juniors on a voluntary basis					17,000
STARS Program					7,500
Attendance counselors - all positions					
Salary/benefits		2.0		$ 77,174	
Travel				8,000	
Mobile Phone				192	
Total Attendance Counselors					85,366
Alternative School					
Teachers		7.0		$ 329,740	
Teacher Assistant		1.0		29,773	
Custodian		1.0		42,726	
School Administration		1.0		71,294	
Counselor		1.0		45,921	
Dollar Allotments				10,765	
Local Supplements				21,462	
Clerical		1.0		40,535	
Transportation cost				71,200	
Security				27,000	
Utilities				27,500	
Maintenance				25,000	
Total Alternative School					742,916
DSSF					
Signing bonus reduction - Signing bonus will be targeted to special areas of EC, Math, and Science only.				120,000	
Instructional Coaches		6.0		422,116	
Focused Intervention- 25% reduction				106,977	
Total DSSF					649,093
Early Learning Center - relocate students to Bulluck					
Custodian		0.5		$ 18,000	
Utilities/Maintenance				48,000	
Transportation				2,600	
Total Early Learning Center					68,600
Local Department budget reductions		-			79,000
TOTAL POTENTIAL BUDGET REDUCTIONS		**38.75**			**$ 2,187,886**