



Memo To: Dr. Aaron Spence, Superintendent
From: Michael C. Griffin, Chief Finance Officer
Date: February 5, 2014
Re: Amended Budget Resolution for 2013 – 2014

Please see attached the amended budget resolution for 2013 – 2014.

- State Fund - \$64,710,332; increase of \$388,653, as follows:
 - o Technology funding increase of \$106,146;
 - o Transportation funding increase of \$104,580;
 - o Digital Learning funds (new allotment) of \$48,136;
 - o M-Class Reading Assessment funding of \$34,400;
 - o Non-contributory employee benefits increase of \$64,000;
 - o Smaller increases in CTE, EC, other small allotments totaling \$31,391.

- Local Current Fund – \$29,776,000; no change in total budget; however,
 - o Funds shifted from instructional to support services due to additional shifting of specific programs from the Local Current Fund 2 to the Local Operations Fund 8. This shift includes a large share of ROTC instructor costs, as the federal share of these costs (\$128,000) is included as a revenue source in Fund 8. In addition, we generate federal Medicaid revenues (\$148,000), and have shifted Exceptional Children costs to fund 8 to correspond to the EC Medicaid revenues in Fund 8. We have shifted back a large share of Central office costs from Fund 8 back to Fund 2. This shifting will continue throughout this year, and should be complete by June 30th.
 - o Additional funds (\$187,000) shifted from instructional to support services, to adjust for salary code changes for specific personnel. We originally coded a number of EC personnel to direct instruction; we shifted those costs to support.

- Federal Fund* - \$11,859,276; increase of \$797,948, as follows:
 - o EC funding increase of \$371,897;
 - o Community Learning Center School Improvement Grant – full grant in budget including \$381,331 in funds that will carry-over to future years. Original budget for this SIG Grant was \$381,331; this increase brings the grant balance to the full grant award of \$762,662.
 - o Smaller increases in CTE, Homeless Grant, and Title II totaling \$44,720.

*The Federal Fund includes approximately \$2.2 million in Race to the Top (RttT) grants for the Sandhills Leadership Academy. This program is managed by the Sandhills Regional Education Consortium, and supports all school systems in our region. Moore County Schools is the fiscal agent; therefore, we include this RttT grant in our budget ordinance.

- Local Capital Fund – \$854,115; increase of \$140,115 to cover State funding of debt service on replacement buses.
- Child Nutrition Fund – \$5,333,000; no change.
- Local Operations Fund – \$1,970,043; increase of \$86,000 for excess revenues from the 2012/13 Mebane STEM grant carried forward to the 2013/14 year. In addition, see the discussion on Fund 2 regarding the shifting of specific costs between Fund 2 and Fund 8.
- Digital Learning Fund – budget of \$750,000; funds spent to date = \$200,371.

Our undesignated fund balance is approximately 5.4%, compared to Local and State funding. We do not include Federal funding in this calculation, as the Federal budgets allow carryover.

The Finance Office recommends approval of the budget resolution as presented. Please let me know if you need additional information, as detailed documentation is available. Thank you.

MOORE COUNTY BOARD OF EDUCATION BUDGET RESOLUTION FOR 2013 - 2014 FISCAL YEAR

BE IT RESOLVED by the Board of Education of the Moore County School Administrative Unit;

Section 1 The following revenues are estimated to be available to the respective fund. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the respective fund for the fiscal year so stated.

State Public School Fund – Fund 1

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
State Revenues	64,266,679	64,321,679	64,710,332		
<u>Expenditures</u>					
Instructional Svces	56,032,005	56,087,005	56,360,245		
Support Services	8,234,674	8,234,674	8,350,087		

Local Current Fund – Fund 2

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
County Funding	25,165,140	25,165,140	25,165,140		
Fines/Forfeitures					
Interest	<u>610,860</u>	<u>610,860</u>	<u>610,860</u>		
Total	25,776,000	25,776,000	25,776,000		
<u>Expenditures</u>					
Instructional Svces	17,689,000	17,670,000	17,207,000		
Support Services	11,407,000	11,426,000	11,889,000		
Charter Schools	680,000	680,000	680,000		
<u>Fund Balance</u>					
Appropriated	4,000,000	4,000,000	4,000,000		

Per N.C. General Statute 115C-426(c), the appropriation or use of fund balance shall not be construed as a local current expense appropriation.

Federal Program Fund – Fund 3

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Federal Revenues	7,414,999	11,061,328	11,859,276		
<u>Expenditures</u>					
Instructional Svces	6,488,989	9,151,575	9,434,228		
Support Services	24,067	303,545	303,545		
Non-program Costs	901,943	1,606,208	2,121,503		

Local Capital Fund – Fund 4

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Capital Outlay	714,000	714,000	854,115		

Child Nutrition Fund – Fund 5

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Child Nutrition	5,333,000	5,333,000	5,333,000		

Local Operations Fund – Fund 8

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
Grants/Fees	1,809,000	1,884,043	1,970,043		
<u>Expenditures</u>					
Instructional Svces	1,239,000	1,314,043	1,676,043		
Support Services	570,000	570,000	294,000		

Section 2 The Sandhills Regional Education Consortium (SREC) will be accounted for as an agency fund – Fund 6, in the accounting records of the Moore County Board of Education.

Section 3 Revenues of \$750,000 are budgeted for the Child Care Fund – Fund 7, to cover expenses for school-day and after-school daycare programs at respective schools. Any net revenues will be earned and held by the individual schools.

Section 4 Revenues and expenditures for public school construction/projects through the School Special Revenue fund, including State Facility Funds, State Lottery Funds and Local School Bond Funds, will be accounted for in the accounting records of the County of Moore. In addition, the County maintains a Digital Learning Fund on behalf of Moore County Schools; the budget for this fund is \$750,000 for 2013-14.

Section 5 Any additional fund balance in excess of the designated appropriation in the Local Current Fund, Local Capital Fund and Local Operations Fund will become contingency funds, once the Annual Financial (Audit) Report has been presented to the Board of Education.

Continued on next page

Section 6 The Superintendent and Finance Officer are hereby authorized to transfer appropriations within a purpose code within a fund as contained herein under the following conditions:

- a. They may transfer amounts within a purpose code within a fund with proper justification.
- b. They may not transfer amounts from contingency without Board of Education approval.
- c. They may not transfer any amounts between Local Current appropriation and Local Capital appropriation without the approval of the Board of Education and the County Commissioners.

Section 7 Copies of the Budget Resolution shall be furnished to the Superintendent and the Finance Officer for direction in carrying out their duties.

Approval of budget resolution

Approved by the Moore County Board of Education on February 10, 2014

_____	_____	_____	_____
Chairman	Date	Superintendent	Date

Signed copy distributed to Finance Officer and maintained in Finance Office

Moore County Schools
Unaudited Financial Report as of February 05, 2014

By Fund

Fund	Fund Desc	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Remaining	Percent Spent
1	State Public School Fund	\$64,710,332.00	\$37,250,557.50	\$1,447,900.01	\$1,986,628.70	\$24,025,245.79	62.87%
2	Local Current Fund	\$29,776,000.00	\$14,216,950.69	\$788,407.12	\$108,737.68	\$14,661,904.51	50.76%
3	Federal Program Fund	\$11,859,276.41	\$4,112,159.43	\$132,014.94	\$118,327.86	\$7,496,774.18	36.79%
4	Capital Outlay Fund	\$854,115.00	\$494,292.63	\$150,588.57	\$0.00	\$209,233.80	75.50%
5	Child Nutrition Fund*	\$5,333,000.00	\$3,159,557.40	\$790,090.73	\$0.00	\$1,383,351.87	74.06%
8	Local Operations Fund	\$1,970,043.00	\$989,454.96	\$40,538.06	\$4,863.36	\$935,186.62	52.53%
Grand Total		\$114,502,766.41	\$60,222,972.61	\$3,349,539.43	\$2,218,557.60	\$48,711,696.77	57.46%

By Purpose

1-Purpose	Purp Desc	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Remaining	Percent Spent
5XXX	Instructional Services	\$84,677,515.92	\$45,553,884.63	\$662,684.40	\$2,218,557.60	\$36,242,389.29	57.20%
6XXX	System-Wide Support Services	\$20,913,746.87	\$10,782,171.90	\$1,746,175.73	\$0.00	\$8,385,399.24	59.90%
7XXX	Ancillary Services*	\$5,064,000.00	\$2,930,715.04	\$790,090.73	\$0.00	\$1,343,194.23	73.48%
8XXX	Non-Programmed Charges**	\$3,133,503.62	\$602,023.41	\$0.00	\$0.00	\$2,531,480.21	19.21%
9XXX	Capital Outlay	\$714,000.00	\$354,177.63	\$150,588.57	\$0.00	\$209,233.80	70.70%
Grand Total		\$114,502,766.41	\$60,222,972.61	\$3,349,539.43	\$2,218,557.60	\$48,711,696.77	57.46%

*Child Nutrition Encumbrances include full year purchase orders (food, etc.) that will be closed in June.

**Charter Schools, Indirect Costs, Unbudgeted Federal, Debt Service

By Object

1 digit Obj	1 digit Obj Desc	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Remaining	Percent Spent
1XX	Salaries	\$69,560,092.74	\$37,476,052.03	\$0.00	\$1,814,444.61	\$30,269,596.10	56.48%
2XX	Employer Provided Benefits	\$22,375,980.54	\$13,525,405.87	\$0.00	\$404,112.99	\$8,446,461.68	62.25%
3XX	Purchased Services	\$11,134,303.95	\$3,761,655.18	\$205,760.22	\$0.00	\$7,166,888.55	35.63%
4XX	Supplies and Materials	\$9,595,074.18	\$4,327,132.36	\$2,990,695.73	\$0.00	\$2,277,246.09	76.27%
5XX	Capital Outlay	\$1,157,315.00	\$759,546.12	\$153,083.48	\$0.00	\$244,685.40	78.86%
7XX	Transfers	\$680,000.00	\$373,181.05	\$0.00	\$0.00	\$306,818.95	54.88%
Grand Total		\$114,502,766.41	\$60,222,972.61	\$3,349,539.43	\$2,218,557.60	\$48,711,696.77	57.46%

Moore County Schools

2013-2014

Amended Budget Resolution

February 2014



State Fund

- Original budget of \$64.3 million
- November budget of \$64.3 million
- February budget of \$64.7 million
 - Technology increase of \$106K
 - Transportation increase of \$105K
 - Digital Learning/Reading Assessment funding increase of \$82K
 - Other smaller increases of \$95K

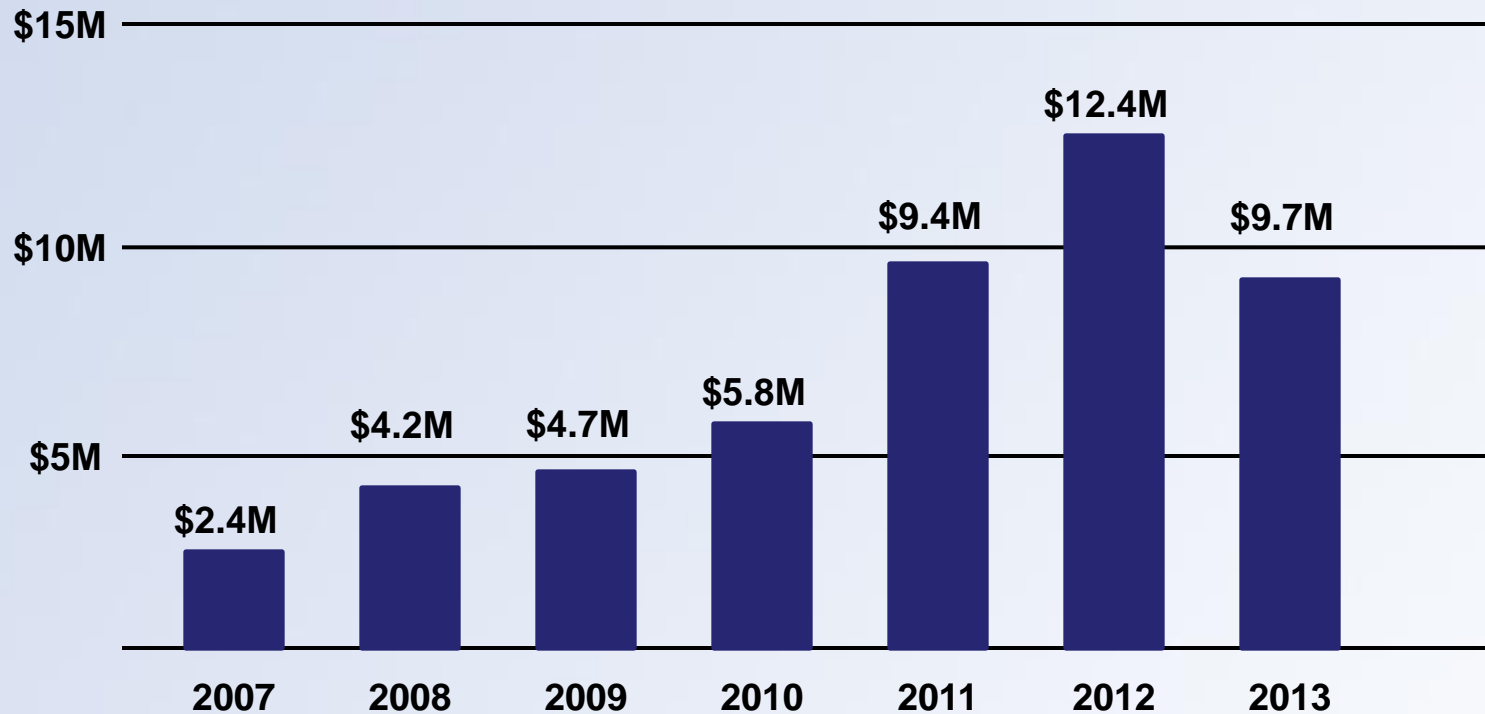


Local Current Fund

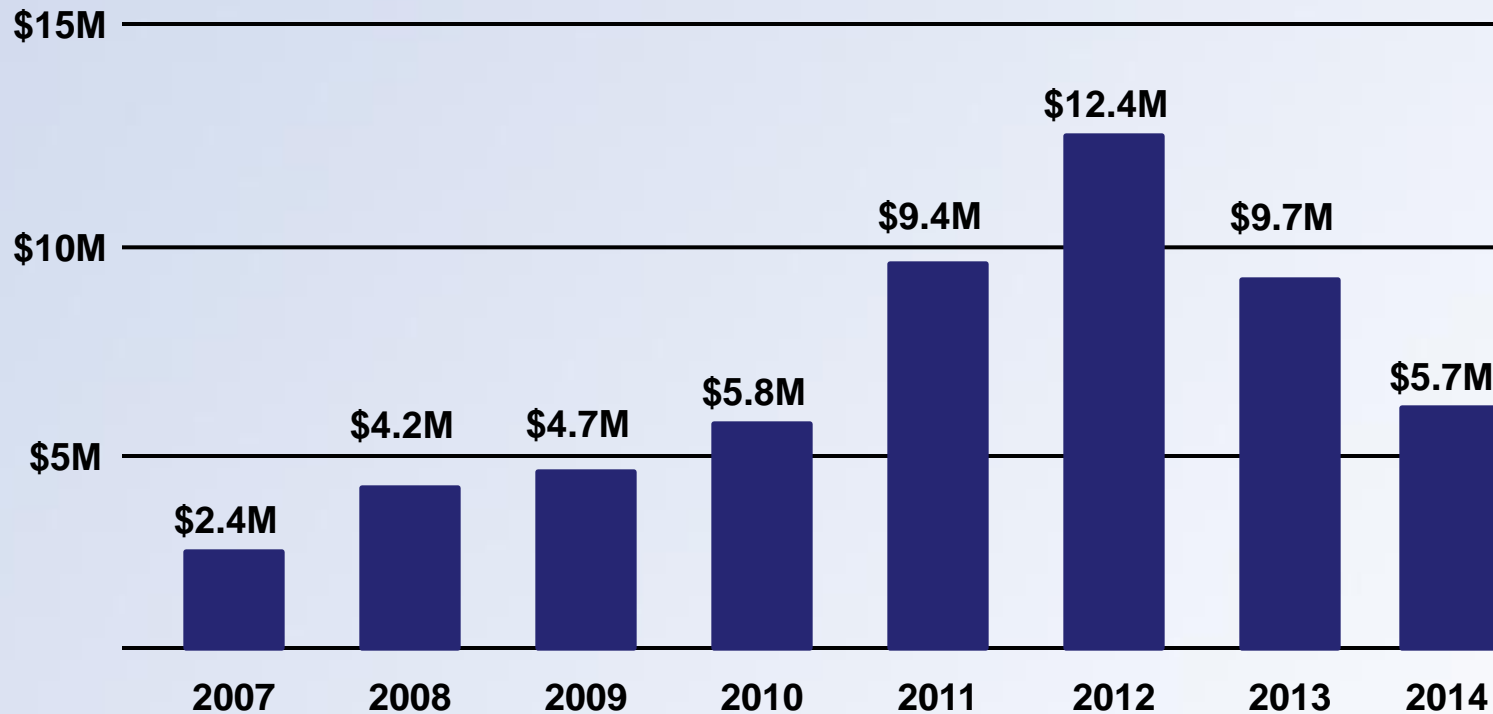
- Original budget of \$29.8 million
 - Increase of \$750,000 in County funding for Digital Learning (separate County fund)
 - Reduction of \$375,000 in County funding
 - Reduction of \$150,000 in fines/forfeitures
- November budget – no change
- February budget – no change
- Fund balance appropriated = \$4 million



Moore County Schools Fund Balance



Moore County Schools Fund Balance



Federal Fund

- Original budget of \$7.4 million
- November budget of \$11.1 million
- February budget of \$11.9 million
 - Exceptional Children increase of \$372K
 - CLC@Pinckney Grant now reflects full allocation; increase in budget of \$381K
 - Other smaller increases of \$45K
- SREC Leadership Academy = \$2.2M



Capital and Nutrition Funds

- Capital – Original budget of \$714,000
 - Maintenance projects
- February budget of \$854,000
 - Increased of \$140K for State funding on replacement bus debt service
- Child Nutrition - \$5.3 million
 - Federal meal regulations impacting participation, specifically in our high schools
 - No change



Local Operations Fund

- Original budget of \$1,809,000
- November budget of \$1,884,043
- February budget of \$1,970,043
 - Increase of \$86k for excess Mebane STEM revenues (unspent funding from 2012/13)
- Pre-K; ROTC/Impact Aid/AYPYN/DODEA
- Medicaid fees/Medicaid outreach
- Mebane Foundation - STEM



Digital Learning Fund

- Total budget of \$750,000
- Moore County manages fund on our behalf
- Phase II devices – initial rollout/pilots
 - \$200,000 plus repurposed devices
 - Partnership with County - savings to date = \$13,500 = 45 Student Chromebooks
- Phase II devices – 3,400 Chromebooks



Financial Report

- State expenditures = 63%
- Local current fund = 51%
- Federal fund = 37%
- Capital fund = 76%
- Child nutrition fund (Dec) = 51%
- Local operations fund = 53%
- Digital learning fund = 27%



2013-14 Budget Resolution

- State fund = \$64,710,332
- Local current fund = \$29,776,000
- Federal fund = \$11,859,276
- Capital fund = \$ 854,115
- Child nutrition fund = \$ 5,333,000
- Local operations fund = \$ 1,970,043
- Digital learning fund = \$ 750,000





MOORE COUNTY SCHOOLS

Growing to Greatness

