

2020-2021

ALLOTMENT POLICY MANUAL



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

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General Information

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DEFINITION OF TERMS

- 1) **ABCs Flexibility** – In [SL 1995-450](#), the General Assembly approved a law to give the State Board of Education the authority to implement the ABCs. The ABCs assign more responsibility at the school building level and allow schools flexibility to use funds as they are most needed at the school. Budget flexibility is codified in G.S. 115C-105.25
- 2) **Add-on** - Categorical dollars allocated over and above the base allotment.
- 3) **Allotted ADM** - The higher of the first two months total projected ADM for the current year or the higher of the first two months total prior year ADM.
- 4) **Apportionment of Local Funds** - The certification of the distribution of local current expense funds by the State Board of Education when there is more than one LEA in a county.
- 5) **Average Daily Membership (ADM)** - The sum of the number of days in membership for all students in an individual public school unit, divided by the number of school days in the term.
- 6) **CFDA #** - A number that is assigned to each federal program for which a grant is awarded. [The Catalog of Federal Domestic Assistance](#) contains information for all federal grant programs such as grant authorization, who is eligible to apply, etc.
- 7) **Carryover** – Funds appropriated but unspent in the first fiscal year that are brought forward for expenditure in the succeeding fiscal year. Most allotments that carry over must be approved annually by the State Budget Office.
- 8) **Categorical Allotments** – Local school systems may use this funding to purchase all services necessary to address the needs of a specific population or service. The local school system must operate within the allotted funds. These funds may be used to hire personnel such as teachers, teacher assistants, and instructional support personnel or to provide a service such as transportation, staff development, or to purchase supplies and materials.
Examples: At Risk Student Services, Transportation, and Children with Disabilities.
- 9) **Charter Schools** – A public school operated by a nonprofit board or certain municipalities as a semi-autonomous school of choice within a school district operating under a "charter" with the State Board of Education. The final approval of all charters is granted by the State Board of Education. Charter schools are designed to give significant autonomy to individual schools and in turn hold these schools accountable for results. See G.S. 115C-218
- 10) **Child with a Disability** -- A child evaluated as having autism, deaf-blindness, deafness, developmental delay, hearing impairment, intellectual disability, multiple disabilities, orthopedic impairment, other health impairment, serious emotional disability, specific learning disability, speech or language impairment, traumatic brain injury or visual impairment who, by reason of the disability, needs special education and related services.
- 11) **Dollar Allotments** – Local school systems can hire employees or purchase goods for a specific purpose, but the local system must operate within the allotted dollar amount.
Examples: Textbooks, Central Office Administration, Teacher Assistants.
- 12) **Dollars per ADM** - LEA's Initial Allotments divided by the allotted ADM for that LEA. Other public school units receive an amount equal to the state funded dollars per ADM for the LEA in which the school is located or (for new charters) in which the student was previously enrolled.

- 13) **Dollars per Child Count** - Funds generated for school-aged children with special needs divided by the LEA's April 1 total child count (not capped). Other public school units receive an amount equal to the LEA's state funded dollars per child count for the LEA in which the child was identified.
- 14) **ECATS** -- Every Child Accountability Tracking System. ECATS is comprised of three integrated modules accessed from a single user interface based upon role security: Special Education, Service Documentation and Multi-Tiered System of Support modules. ECATS also contains a combined set of data or Operational Data Store (ODS) from the three modules. ECATS will have direct data interface with the Student Information System PowerSchool and other NCDPI enterprise systems.
- 15) **ESEA** - Elementary and Secondary Education Act of 1965. This act was amended by the No Child Left Behind Act of 2001 and the Every Student Succeeds Act of 2015.
- 16) **Full-time Equivalent** (FTE) - Sum of part-time positions employed when added together equate to a full-time position used within a classification.
Example: Two one-half time positions equate to one full-time equivalent position.
- 17) **Grade Level Proficiency** – Performance standards, called achievement levels, are one way that scores on the North Carolina End-of-Course Tests are reported. Students that score at or above Level III are considered to be grade level proficient and at or above Level IV are considered to be on track for career and college readiness. Listed below are the five achievement levels:
- a) Level I: Students performing at this level have a limited command of grade-level knowledge and skills in the tested content areas.
 - b) Level II: Students performing at this level have a partial command of grade-level knowledge and skills in the tested content areas.
 - c) Level III: Students performing at this level have a sufficient command of grade-level knowledge and skills in the tested content areas to move on to the next grade but who may need additional support to be on track for career and college readiness.
 - d) Level IV: Students performing at this level have a solid command of grade-level knowledge and skills in the tested content areas to move on to the next grade and are on track for career and college readiness.
 - e) Level V: Students performing at this level have a superior command of grade-level knowledge and skills in the tested content areas to move on to the next grade and are on track for career and college readiness.
- 18) **Headcount/Child Count** - This term refers to the process of actually counting the number of pupils who are defined as Children with Special Needs or Limited English Proficient.
- a) For federal purposes, children with special needs include only a child with a disability.
 - b) The federal government requires child counts of children with special needs who have been properly identified, are receiving special education and related services on the child count day and have an individual education plan (IEP) or an individualized family service plan (IFSP). The December 1 IDEA Title VI-B Handicapped child count includes those children ages 3 to 21 who are being served by LEAs, charter schools, or state-operated programs. State law requires an adjusted child count on April 1 of children ages 5 to 20 who are being served by LEAs or charter schools and ages 3 to Pre-K-5 for Preschool handicapped funds. The April child count includes additions or deletions to the

December 1 child counts and is used for state funding purposes.

- 19) **IDEA** - Individuals with Disabilities Education Act replaced the EHA - Education of Handicapped Act for Title VI-B. Includes Title VI-B and Title VI-B Preschool Handicapped.
- 20) **Initial Allotments** – The allocation of state and federal funds to LEAs occurring after adjournment of the General Assembly.
- 21) **Innovative School District (ISD)** – A statewide school unit that oversees schools selected by the State Board of Education. G.S. 115C-75.10
- 22) **Laboratory School** – “Lab” School - A school created under the UNC Board of Governors pursuant to G.S.116-239.5
- 23) **Months of Employment** - A unit of employment corresponding to a calendar month. The state allots a certain number of months of employment which can be assigned to a position, or a portion of a position, at the discretion of the LEA. Months of employment pertain to all position allotments which include Career Technical Education and School Building Administration (Assistant Principals).

Example: If an LEA is allotted 100 months of employment, that LEA can hire 10 Career Technical Education teachers for 10 months; or 8 teachers for 12 months and 1 teacher for 4 months; or any other combination which equals 100 months. Each allotment category must be reviewed for any special restrictions.
- 24) **PR/Award** – A unique, identifying number assigned to each application. This is commonly known as the “grant number” or “document number”.
- 25) **Planning Allotments** – The tentative allocation of state and federal funds to LEAs to provide information for budgeting purposes. These allotments occur during February, preceding the fiscal year for which the initial allotment will be made.
- 26) **Positions** - Positions equate to the full-time equivalent individuals that can be assigned for the employment period represented by the allotment category. For example, a position in the classroom teacher allotment represents an employment period of 10 months. The number of full-time equivalent individuals that can be employed is limited to the number of months associated with the positions allotted by the state.
- 27) **Position Allotments** – The State allots positions to a local school system for a specific purpose. The local school system pays whatever is required to hire certified teachers and other educators based on the [State Salary Schedule](#), without being limited to a specific dollar amount. Each local school system will have a different average salary based on the certified personnel's experience and education. For more information see the State Salary Schedule Manual.

Example: Teachers, School Building Administration (Principals) and Instructional Support Personnel.
- 28) **Power School** - A web-based student information system. Power School provides the full range of features needed by administrators at the district and school level for student accounting. The system is developed by Pearson Education, Inc.
- 29) **Public School Unit (PSU)**– For purposes of this Allotment Policy Manual, the term PSU includes local education agency, charter school, lab school, regional school and innovative school district, only. Per SL 2020-56, PSU also includes NC residential schools.

- 30) **Regional School** - A school created pursuant to [GS 115C, Article 16, Part 10](#) which includes all of grades nine through twelve and may include grades seven and eight.
- 31) **Renewal School System** A local board of education that has been approved to operate exempt from many statutes and receives State funds in an unrestricted block grant. SL 2018-23 Part VI
- 32) **Restart School - Reformed** school that has been identified as one of the continually low-performing schools in North Carolina. These school can operate using one of the following models with State Board Approval: (1) Transformation Model, (2) Restart Model, (3) Turnaround model, or (4) School closure model. G.S, 115C-105.37B
- 33) **School** - An organizational subdivision of a school system consisting of a group of pupils composed of one or more grade groups, organized as one unit with an assigned principal, or person acting in the capacity of principal, to give instruction of the type defined in the NC Standard Course of Study, and housed in a school plant of one or more buildings. (See definition of *charter school*.)
- 34) **Student Accounting** - The data collection regarding student enrollment, membership, attendance, and withdrawal from membership in the public schools. Power School is the official student information system by which this data is reported to the Department of Public Instruction.
- 35) **Tydings Amendment** - Federal law provides that certain federal funds not obligated during the first year of allotment shall remain available for obligation and expenditure for one additional year. Federal grant periods vary; therefore, each grant must be reviewed to determine if the Tydings Amendment will apply. Since the federal fiscal year begins October 1st and the state fiscal year begins July 1st, many grant periods can be active up to 27 months when provisions of the Tydings Amendment are applicable.
- 36) **UERS** – Uniform Education Reporting System. UERS is the comprehensive system by which LEAs and Charter schools report data electronically to the Department of Public Instruction. Some components of UERS include SIMS (Student Information Management System) and expenditure reporting in compliance with the [Uniform Chart of Accounts](#). G.S. 115-12(18)
- 37) **Year-Round Education** - A school with a single or multi-track instructional calendar that was adopted prior to March 1, 2020, and provides instructional days throughout the entire school calendar year, beginning July 1 and ending June 30, by utilizing at least one of the following plans:
- A plan dividing students into four groups and requiring each group to be in school for assigned and staggered quarters each school calendar year.
 - A plan providing students be scheduled to attend 45 an average of between 44 and 46 instructional days followed by an average of between 15 and 20 days of vacation, repeated throughout the school calendar year.
 - A plan dividing the school calendar year into five nine-week sessions of classes and requiring each student to attend four assigned and staggered sessions out of the five nine-week sessions to complete the student's instructional year."

TEACHER BONUSES

PROGRAM REPORT CODE: 045
UNIFORM CHART OF ACCOUNTS CODE: XXXX-045-180
STATUTORY REFERENCE: [SL 2020-45 Section 2](#)

Guaranteed allotment for local education agencies

A bonus payment of \$350 to certified teachers and instructional support employed as of October 1, 2020. The bonus is to be paid by October 31 and is not subject to retirement.

Note: charter schools, lab schools, regional schools and ISD shall receive a per pupil share in the base allocation (PRC036), and are required to provide the bonus from this allocation. These PSUs shall not expend to PRC045.

HIGHLY QUALIFIED NC TEACHING GRADUATE

PROGRAM REPORT CODE: 028
UNIFORM CHART OF ACCOUNTS CODE: XXXX-028-181
STATUTORY REFERENCE: [SL 2017-57, Section 8.2](#)
[SL 2017-212, Section 2.3](#)
[SL 2018-5, Section 8.8](#)
[S.L 2019-247 Section 2.2](#)

Guaranteed allotment.

A supplement paid to new teachers who are highly qualified. Amount of the supplement is dependent on the school and teaching assignment. Full policy in the [NC Public School Personnel State Salary Manual](#).

PRINCIPAL RECRUITMENT SUPPLEMENT

PROGRAM REPORT CODE: 028
UNIFORM CHART OF ACCOUNTS CODE: 5410-028-180
STATUTORY REFERENCE: S.L 2019-247 Section 2.5

Guaranteed allotment.

A supplement paid to eligible principals who supervise a low performing school selected by DPI. Full policy in the [NC Public School Personnel State Salary Manual](#).

EMPLOYER BENEFIT COSTS

PROGRAM REPORT CODE:	Various
UNIFORM CHART OF ACCOUNTS CODE:	XXX-XXX-2X1
STATUTORY REFERENCE:	SL 2020-45 Section 3.15(e) SL 2020-41(3.15(c))

Benefit Rates:

Hospitalization	\$6,326 per year per full-time equivalent position.
Social Security	7.65% for the entire year.
Retirement	21.68%

Effective July 13, 1989, a person must be a permanent employee as defined in the North Carolina Public School and must be employed for thirty or more hours per week in order for an LEA to submit the employee for enrollment in the State Retirement System and the State Health Insurance System. Charter schools may elect to participate in the State Retirement System and the State Health Insurance System. Charter school decisions to enroll in the State Retirement System and State Health Insurance system are final.

Effective July 1, 1995, all employer salary-related contributions for full-time permanent employees, including hospitalization benefits, shall be prorated based on the actual percentage employed in each expenditure code.

APPORTIONMENT OF LOCAL FUNDS

In accordance with [GS 115C-430](#), if there is more than one LEA in a county, all appropriations by the county to the local current expense funds of the LEAs, except appropriations funded by supplemental taxes levied less than county wide, must be apportioned according to the membership of each LEA. Membership for each LEA will be based on the allotted ADM. Students residing outside the county will be deducted from membership before the apportionment of local funds is calculated.

Membership for city LEAs located in more than one county will be divided on a percentage basis according to the number of students residing in each county at the end of the second school month of the prior year.

If a Charter school is established within an LEA whose borders extend into more than one county, a breakdown of student membership for each of those counties will be obtained from the Charter School. This information will be used to calculate the revised ADM figures for the per capita distribution of local funds for the school system. As of the 2004-05 school year, Kannapolis City Schools and Nash County Schools have borders that extend into more than one county.

To comply with the School Budget and Fiscal Control Act, the membership for the subject LEAs will be determined and certified to the LEA and the board of county commissioners by the **Division of School Business**.

TEXTBOOKS FOR THE VISUALLY IMPAIRED

LEAs may order Braille, large print and copies of State adopted textbooks for children with disabilities whose Individualized Education Programs (IEPs) state that such modified textbooks are necessary to meet their unique learning needs.

Orders for modified State adopted textbooks must be submitted to the State Textbook Warehouse. These orders will be filled on a first-come first-served basis until the available state funds have been depleted. Once the fund for modified State adopted textbooks has been depleted, LEAs can use their textbook credit balance account to purchase modified textbooks.

Textbook Services shall have the authority to recall the modified State adopted textbooks for redistribution when no longer needed by children with special needs in any LEA.

Local boards of education may [[GS 115C-98\(b2\)](#)]:

1. Select, procure, and use textbooks that have not been adopted by the State Board of Education for use throughout the local school administrative unit for selected grade levels and courses; and
2. Approve school improvement plans developed under [GS 115C-105.27](#) that include provisions for using textbooks that have not been adopted by the State Board of Education for selected grade levels and courses.

All textbook contracts made under this subsection shall include a clause granting to the local board of education the license to produce Braille, large print, and audiocassette tape copies of the textbooks for use in the local school administrative unit.

An LEA serving students with visual impairment whose IEP states a format other than embossed braille or large print is needed to access the curriculum, such as refreshable braille, audio, digital and/or web-based textbook file, can contact the North Carolina NIMAC coordinator (<http://aem.cast.org/supporting/aem-state-contacts-sea-information.html#north-carolina>) for download options.

MERGED LEAS

If two or more LEAs are consolidated into one LEA, the following allotments shall not be less than those same allotments to the separate LEAs for the first and second full fiscal years of the consolidation and shall be used for the continuation of the positions and programs, except as specifically authorized by the State Board of Education.

1. Central Office Administration
2. Career Technical Education Months of Employment
3. Children with Special Needs - Preschool Handicapped

4. Limited English Proficiency

Additionally, individual LEAs with June 30 allotment balances that are subject to carryover provisions will be consolidated by respective category for all LEAs within the merger and re-allotted in total to the consolidated LEA.

For additional information related to minimum local funding of merged LEAs, see [GS 115C-68.1](#), as enacted by the 1991 General Assembly.

ALLOTMENT ADJUSTMENTS FOR ADM GROWTH

PURPOSE:

The contingency reserve was established to support the average daily membership (ADM) based allotments. The reserve is to be used in cases where first month Average Daily Membership exceeds the original anticipated ADM used for allotments. Increases will be made in the Classroom Teacher, Instructional Support, Non-instructional Support, Teacher Assistant, Classroom Materials and Supplies, Textbook, and Career Technical Educational Program Support categories as applicable.

OBJECTIVE:

In administering this allotment, the intent is to first ensure that adequate school-based resources are provided to meet the average daily membership as of the first month of school, per LEA request. The reserve will be allotted to LEAs on a case-by-case basis according to need. Secondly, (within available state funding) the reserve will be utilized to relieve class size overage problems as they may occur during the school year after the allotment adjustment for ADM growth. In the case of class size overage adjustments after the first month, allotments will only be made for regular teachers as authorized by [GS 115C-301](#).

ADMINISTRATION:

These adjustments are to ensure that adequate school-based resources are provided (within appropriated funding/formulas) to meet the requirements after the first month of school per LEA request.

The allotment adjustments are based on first month average daily membership reports as submitted by the LEAs to the **Division of School Business**.

After the first month of school, an LEA can request additional resources due to extraordinary student population growth that results in significant class size overage problems. Each request will be reviewed based on the criteria outlined below:

- The LEA's current month Average Daily Membership (ADM) will be compared to the LEA's Allotted ADM.
- Overall growth must be at least 2% or 100 students and the growth must have created significant class size overage problems that cannot be resolved by the LEA.
- Less growth will be considered if the growth and class size problem occur within a specific grade or grade spans K, 1-3, 4-8, 9-12, or within classes for children with

disabilities.

- Individual school class sizes and the type of class structures (blocked, combined, etc.) will be examined. If reorganization or class restructuring can absorb the growth, additional allocations will not be made.
- The LEA must show a need for funding not already included in the regular ADM teacher allotment or children with disabilities programs.
- With receipt of an LEA's request, the Department of Public Instruction will verify that sufficient State resources are available to meet the LEA's request and will notify the LEA:
 - If additional funding will be allotted to cover the LEA's ADM growth, or
 - If the LEA's request for additional funding for ADM growth has been denied.

Additional funds will be allotted, within available funds, on a case-by-case basis. The State Board of Education, in accordance with [GS 115C-416](#), may specifically authorize use of the reserve (within available state funding) on a case-by-case basis where additional resources are required to meet legislative mandates.

ALLOTMENT ADJUSTMENTS FOR ADM DECREASES

PURPOSE:

In accordance with [SL 2007-323, Section 7.15\(b\)](#), decreases to allotments must be made if the original anticipated ADM used for allotments exceeds the higher of the first or second month Average Daily Membership (ADM) by at least 2% or 100 ADM.

The funds from this adjustment will be added to the ADM Contingency Reserve to be used in cases where first month Average Daily Membership exceeds the original anticipated ADM. Decreases are made in the Classroom Teacher, Instructional Support, Non-instructional Support, Teacher Assistant, Classroom Materials and Supplies, Textbook, and Career Technical Educational Program Support Categories as applicable.

Notwithstanding Section 7.15(b) of S.L. 2007-323 for the 2020-21 fiscal years, the State Board of Education shall not reduce allotments for LEAs due to a discrepancy between actual and anticipated average daily membership. LEAs shall be funded for initial allotments based on the 2020-21 allotted average daily membership less transfers for new and growing charter schools, innovative schools, regional schools and lab schools, as reported by July 1, 2020.

Funds for children with disabilities will be transferred to and from the LEA, if the child leaves or returns to the LEA from a charter school, regional school, lab school or innovative school.

SUBSTITUTE PAY

PROGRAM REPORT CODE: XXX
UNIFORM CHART OF ACCOUNTS CODE: XX00-XXX-16X
STATUTORY REFERENCE:

With the ratification of the School Flexibility and Accountability Bill ([SL 1995-450](#)) in July of 1995, Substitute Pay for classroom teachers and instructional support personnel is allotted with Non-Instructional Support Personnel (PRC 003). Substitute Pay from other State allotments such as Career Technical Education, Staff Development, and Children with Disabilities, as well as federal programs, may still be paid from their respective categorical allotments.

Substitutes who hold teacher certificates shall receive a minimum of 65% of the daily pay rate of an entry-level teacher with an "A" certificate (\$103) per day. Substitutes who are non-certified shall receive a minimum of 50% of the daily pay rate of an entry-level teacher with an "A" certificate (\$80) per day. The pay for non-certified substitutes shall not exceed the pay of certified substitutes. Deductions in salaries for teachers on leave who require a deduction in salary for substitute pay shall be at a standard rate of \$50.00 per day.

In accordance with [GS 115C-12\(8\)](#), the \$50 deducted from a teacher's pay will be reallocated to Non-instructional Support Personnel (PRC 003) on a monthly basis. The additional allocation is based on absence codes included on teacher payroll records.

For additional information regarding the payment of substitute pay please reference the [NC Public School Personnel State Salary Manual](#) at or the [Employee Benefits Manual](#).

ANNUAL LEAVE

PROGRAM REPORT CODE: 009
UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-188
STATUTORY REFERENCE: [GS 115C-316](#)

No allotment is made for annual leave. Eligible expenditures will be covered as reported through UERS (Uniform Education Reporting System) for LEAs.

For additional information regarding the payment of annual leave please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

LONGEVITY

PROGRAM REPORT CODE: 009
UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-184
STATUTORY REFERENCE: [GS 115C-316](#)

No allotment is made for longevity. Beginning July 1, 2014, longevity is included in the salary schedule for School Based Administrators, Teachers and Instructional Support Personnel. Eligible expenditures will be covered as reported through UERS for LEAs.

Longevity Schedule	
Years of Total State Service	Longevity Pay Rate
10 but less than 15 years	1.50 percent
15 but less than 20 years	2.25 percent
20 but less than 25 years	3.25 percent
25 or more years	4.50 percent

For additional information regarding the payment of longevity please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

SHORT-TERM DISABILITY

PROGRAM REPORT CODE: 009
UNIFORM CHART OF ACCOUNTS CODE: XXXX-009-1XX
STATUTORY REFERENCE:

No allotment is made for short-term disability. Eligible expenditures will be covered as reported through UERS for LEAs.

Short-term disability payments are payable after the conclusion of a 60-day waiting period for a period not exceeding 365 calendar days provided the employee meets the following requirements:

1. The employee has at least one year of contributing membership service in the Retirement System earned within the 36 calendar months preceding employee's disability.

2. Employee has been classified as being mentally or physically disabled for the further performance of his/her usual occupation.
3. Employee's disability was incurred at the time of active employment.
4. Employee's disability has been continuous.

For additional information regarding the payment of short-term disability please reference the [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

INJURIES DUE TO EPISODES OF VIOLENCE

PROGRAM REPORT CODE:	Varies
UNIFORM CHART OF ACCOUNTS CODE:	Varies
STATUTORY REFERENCE:	GS 115C-338

An employee who while engaged in the course of his employment or in any activities incidental thereto, suffers any injury or disability resulting from or arising out of any episode of violence by one or more persons shall be entitled to receive his full salary during the shortest of these periods: one year, the continuation of his disability, or the time during which he is unable to engage in his employment because of injury. This allocation will be made if the employee is not receiving salary from worker's compensation.

The Local School Board must declare the incident as an Act of Violence. In accordance with [GS 115C-338](#), an LEA must notify the School Allotments Section in writing of how many months the employee was absent in the initial fiscal year due to the incidence of violence. The LEA must notify School Allotments Section in the 2nd fiscal year if needed. Allotments will **not** be made for prior fiscal years.

LEAs should include the following information when submitting claims for episodes of violence:

- A written description of the act.
- A copy of the physician's statement and the Board's designation of Act of Violence.
- The specific dates the additional allotment will cover.
- The name and phone number of the Sedgwick case worker.

For additional information regarding injuries due to episodes of violence please reference [NC Public School Personnel State Salary Manual](#) or the [Employee Benefits Manual](#).

ABCS TRANSFER OF FUNDS

PROGRAM REPORT CODE:	Varies
UNIFORM CHART OF ACCOUNTS CODE:	Varies
STATUTORY REFERENCE:	<u>GS 115C-105.25</u>

The ABCs of public education enables LEAs to have flexibility in their funding. Transfers of funding and/or position allotments are to be submitted to the School Allotments Section of the **Division of School Business**. No financial State Board of Education waivers are required.

Guaranteed certified positions will be transferred as follows:

- 1) Classroom Teachers
 - a) The salary transferred shall be based on the first step on the "A" Teacher Salary Schedule plus benefits. Classroom teachers can be transferred for any purpose authorized by the policies of the State Board of Education.
- 2) Instructional Support
 - a) The salary transferred shall be based on the first step on the "A" Teacher Salary Schedule plus benefits. Instructional Support can be transferred for any purpose authorized by the policies of the State Board of Education.
- 3) Career Technical Education Months of Employment (CTE)
 - a) The salary transferred within CTE is based on the Statewide Average Salary.
 - b) The salary transferred outside of CTE is based on the first step on the "A" Teacher Salary Schedule plus benefits.

For transfers from School Building Administration:

- 1) Principal positions
 - a) The salary transferred shall be based on the first step of the Base Column of the Principal Salary Schedule.
- 2) Assistant Principals Months
 - a) The salary transferred shall be based on the first step of the "A" Teacher Salary Schedule at the salary level of an Assistant Principal.

For the purpose of paying for a different certified position from that being transferred into PRC 010 (Certified Positions converted to dollars), the dollar amounts converted equal salaries stated including benefits. The salary of the position to be paid from PRC 010 will be a dollar allotment and not a guaranteed salary. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable.

No transfer will be allowed to or from the following categories:

- Behavioral Support
- Children with Disabilities Special Funds
- Federal Funds
- LEA Financed Purchase of School Buses
- School Technology
- Excellent Schools Act
- Driver Education

Transfers will be allowed to or from the following categories:

- At Risk Student Services / Alternative Schools
- Classroom Materials / Supplies and Equipment
- Disadvantaged Student Supplemental Funding
- Cooperative Innovative High Schools
- Low Wealth Supplemental Funding
- Non-Instructional Support
- Small County Supplemental Funding
- Transportation – (may impact efficiency rating)

Limited transfers will be allowed for the following categories:

- Academically & Intellectually Gifted: No funds shall be transferred out of this category.
- Central Office Administration: Transfers from central office administration are allowable. Transfers into this category are not allowed.
- Children with Disabilities - Funds can be transferred into this category. Funds may not be transferred out of this category.
- Limited English Proficiency – Funds may be transferred to this category. Funds may not be transferred out of this category.
- Position/MOE Allotments - Funds may be transferred out of these categories except where prohibited elsewhere in the policy. Funds cannot be transferred into these categories.
- Textbooks and Digital Resources- Carryover provision applies. Funds allotted for Textbooks and Digital Resources may only be used for purchase of textbooks and digital resources. Funds may only be transferred from PRC 130 to PRC 131 for purchase of textbook and digital resources not in the Textbook Warehouse.
- Teacher Assistant - Funds may transfer into this category. No transfers out.

The final date for transfers is the last workday of May each year. Transfers received after this date cannot be approved.

Reporting

To ensure that parents, educators, and the general public are informed on how State funds have been used to address local educational priorities, each LEA shall publish the following information on its web site by October 15.

- 1) A description of each program report code and a summary of the prior year's expenditure of State funds by program report code.
- 2) A description of each object code within a program report code and a summary of the prior year's expenditure of State funds for each object code.
- 3) Starting with fiscal year 2014-15, LEAs shall provide the following *for all transfers which increased or decreased the allotment amount by more than 5%*
 - a) The amount of the transfer
 - b) The allotment category into which the funds were transferred
 - c) The purpose code for the funds following the transfer
 - d) A description of any teacher positions fully or partially funded as a result of the transfer, including all subject areas taught by the teacher in that position
 - e) The educational priorities that necessitated the transfer
- 4) A chart that clearly reflects how the LEA spent State funds
- 5) The LEA shall maintain the information on their website for at least 3 years.
- 6) DPI shall collect the information and report the aggregate information to Joint Legislative Education Oversight Committee by December 1 annually. This includes all expenditure data, description on each object code and program report code.

Note: LEAs are to make every effort to minimize the budget adjustments that impact classroom instruction and classroom activities.

SPECIAL SMALL SCHOOLS

STATUTORY REFERENCE:

[SL 2008-107, Section 7.20](#)

Additional classroom teachers may be allotted within available funds based on the following provisions and upon request by the superintendent to the **Division of School Business**:

- 1) Qualifying Programs Schools
 - a) Regional Programs: Special allotments may be made for assignment to regional programs serving public school students with disabilities. These programs must serve students from more than one LEA.
 - b) Hospitals, Special Programs, and Institutions: Special allotments may be made for assignment to hospitals which offer an educational component to students under their treatment.
 - c) Small Schools: Special allotments may be made for assignment to small schools of less than 110 ADM, when consolidation is not feasible due to geographic isolation.

- 2) Qualifying Conditions:
 - a) Consideration will be given to small, geographically isolated schools over other qualifying programs and schools.
 - b) The LEA must show a need for funding not already included in the regular ADM teacher allotment or children with disabilities programs.
 - c) The special small school allotment must not take the place of local efforts or result in a duplication of positions or funds allotted under the regular ADM teacher allotment or children with disabilities programs.
 - d) All regular positions earned on ADM at those sites must be used to directly serve the program for which the allotment is requested.
 - e) Proper assignment of regular ADM and children with disabilities funds must be documented before a special small school allotment can be approved.
- 3) Continuation of Allotments: Special allotments are made on a year-by-year basis; however, special allotments will be continued for institutions and hospitals unless the following occurs:
 - a) The program has been discontinued.
 - b) A reduction in the number of students has occurred in the program which makes the allotment unnecessary.
 - c) State funding is not appropriated for this purpose.
- 4) Allotment Appeals Process: The approval/denial of a request for a special small school allotment will be made initially by the School Allotments Section, Division of School Business. LEAs wishing to appeal a denial of their request may do so in writing to the Office of the Associate Superintendent of Public Instruction. A final appeal for consideration may be made to the State Board of Education.
- 5) Employment of Allotted Personnel: Special small school allotments go to the requesting LEA, not to the institution or hospital where the teacher is assigned. Therefore, teachers allotted through a special small school allotment are employees of and should be supervised by the receiving LEA.
- 6) Assigned Duties of Allotted Personnel: Teachers employed through the special small school allotment may not be assigned duties unrelated to the purpose for which their position was allotted or duties which enhance the profitability of the institution or hospital to which they are assigned.

NORTH CAROLINA VIRTUAL PUBLIC SCHOOLS (NCVPS)

STATUTORY REFERENCE:

[SL 2011-145, Section 7.22](#)

Beginning with the 2011-12 school year, NCVPS will be funded by an allotment formula that recognizes the effects of e-learning courses projected enrollments with other ADM based allotments. The funds transferred through the allotment formula will fund the NCVPS program at no cost to students enrolled in North Carolina public schools, Department of Defense schools, and schools operated by Bureau of Indian Affairs.

NCVPS Allotment Formula:

- 1) Project the NCVPS student enrollment for each LEA by semester and year-long course type for each LEA and charter school.
- 2) Establish a per course teacher payment structure for the instructional costs of NCVPS. Based on:
 - a) Total compensation analysis taking into account salaries, benefits and work effort to ensure comparisons between occupations.
 - b) The effects any change in NCVPS teacher payments may have on the attraction and retention of NCVPS teachers.
- 3) Develop a per student fee structure for in-State students that is based on the per course teacher pay structure. The fee structure for in-State students shall ensure that the projected cost for the LEA units and charter schools equal the projected instructional cost for NCVPS courses.
- 4) Multiply the per student course fee by the projected enrollment by course type to calculate the total projected instructional cost.
- 5) The dollar amount transferred is 75% of the projected instructional cost.
- 6) No later than February 28 of each year calculate the actual instructional cost based on actual enrollment as of that date. [[SL 2013-360, Section 8.9\(b\)](#)]
- 7) Subtract the actual amount transferred from the actual instructional cost. The remaining dollar amount up to a maximum of 100% of the projected cost is transferred.
- 8) Reduce each LEA's allotment on the basis of ADM grades 6-12 to provide the sum for State-level operations and administration of NCVPS.
- 9) Beginning FY 2012-2013 and annually afterward this reduces each LEA or charter school's allotment on the basis of ADM in grades 6-12 an amount that is the difference between \$2,000,000 and the balance in the NCVPS enrollment reserves.
- 10) [SL 2012-142, Section 7.12](#) provides the ability to use different funding sources to pay for NCVPS courses. The only funds that may be used for the instructional costs of NCVPS are the following:
 - a) Funds provided through the North Carolina Virtual Public Schools Allotment Formula.
 - b) Funds provided through the NCVPS enrollment reserve as set forth in this section.
 - c) Local funds.
 - d) Federal funds.
 - e) Special State Reserve Funds for Children and Youth with Disabilities.
 - f) ADM Contingency Reserve.

2020-2021

ALLOTMENT POLICY MANUAL

State Formulas



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

ADDRESS QUESTIONS RELATED TO STATE POLICIES TO THE FOLLOWING:

Academic & Intellectually Gifted:	Division of Advanced Learning & Gifted Education
Accountability Services:	Division of Accountability Services
Allotments:	Division of School Business, School Allotments
Behavioral Support:	Division of Exceptional Children
Certification - Finance Officer:	Division of School Business
Charter Schools:	Office of Charter Schools
Child & Family Support Team	NC DHHS
School Nutrition Section:	School Nutrition and District Operations
Children with Disabilities (CWD):	Division of Exceptional Children
Digital Learning:	Digital Teaching and Learning
Driver's Training:	Safe & Healthy Schools Support
Expenditures/ Salary:	Division of School Business School Reporting Section Expenditures: Salary:
Read to Achieve Diagnostics	K-3 Literacy
Faculty Exchange Teachers:	
Licensure Section:	Professional Educator's Licensure
Organization of Schools:	Division of School Business School Reporting Section
Plant Operation:	School Nutrition and District Operations
School Safety:	Center for Safer Schools
School Connectivity & E-Rate:	DPI Technology Services

Summer Reading Camps:	K-3 Literacy
Textbooks:	School Nutrition and District Operations
Transportation:	School Nutrition and District Operations

The complete State agency directory can be found at www.dpi.nc.gov/about-dpi/education-directory.

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ACADEMICALLY OR INTELLECTUALLY GIFTED (PRC 034)

PROGRAM REPORT CODE: 034
UNIFORM CHART OF ACCOUNTS CODE: XXXX-034-XXX
STATUTORY REFERENCE: [GS 115C Article 9B](#)
[SL 2018-5, Section 7.2](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Funds allocated for academically or intellectually gifted students may be used only:

- for academically or intellectually gifted students,
- to implement the plan developed under [GS 115C-150.7](#),
- for children with special needs, or
- in accordance with an accepted school improvement plan, for any purpose so long as that school demonstrates it is providing appropriate services to academically or intellectually gifted students assigned to that school in accordance with the local plan developed under [GS 115C-150.7](#).

ELIGIBILITY: Each LEA is entitled to funding.

FORMULA: Each LEA receives dollars per child for four percent (4%) of their allotted ADM regardless of the number of children identified as academically or intellectually gifted in the LEA.

SPECIAL PROVISIONS:

Funds may be transferred to other categories by submitting ABC transfer forms if all academically or intellectually gifted students are appropriately served. Funds may be transferred into this category.

Effective July 1, 2018, no funds shall be transferred out of this category. ([SL 2017-57, Section 7.2\(b\)](#))

ADVANCED TEACHING ROLES (PRC 022)

PROGRAM REPORT CODE: 022
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-022-XXX
 STATUTORY REFERENCE: [SL 2018-5, Section 7.9](#)

TYPE: Dollars
 TERM: July 1, 2016 – June 30, 2020
 PURPOSE: To develop and support highly effective teachers. Also, to increase the access to effective and highly effective teachers for students in low-achieving and high-poverty schools relative to their higher-achieving and lower-poverty peers.
 ELIGIBILITY: The State Board of Education shall establish a three-year pilot program to develop advanced teaching roles and organizational models that link teacher performance and professional growth to salary increases in selected local school administrative units for classroom teachers.
 FORMULA: A team of NCDPI and external reviewers used the scoring criteria listed in the RFP to rate each proposal.

SPECIAL PROVISIONS:

- 1) Allow highly effective classroom teachers to teach an increased number of students by assuming accountability for additional students, by becoming a lead classroom teacher accountable for the student performance of all of the students taught by teachers on that lead classroom teacher's team, or by leading a larger effort in the school to implement new instructional models to improve school-wide performance.
- 2) Enable local school administrative units to provide salary supplements to classroom teachers in advanced teaching roles. Selection of an advanced teaching role classroom teacher and award of related salary supplements shall be made on the basis of demonstrated effectiveness and additional responsibilities.
- 3) Enable local school administrative units to create innovative compensation models that focus on classroom teacher professional growth and student outcomes.
- 4) Utilize local plans to establish organizational changes related to compensation in order to sustain evidenced-based teaching practices that have the capacity to be replicated throughout the State.
- 5) Pursuant to SL 2020-78, the State Board of Education shall authorize LEAs participating in the program to use any available State funds to provide salary supplements to classroom teachers in an advanced teaching role as long as the LEA complies with policies of the State

Board of Education, federal law, and any State programs with specific restrictions on the use of funds, including bonus and grant programs. This budget flexibility is subject to the flexibility limitations identified in G.S. 115C-105.25(b) and in the SBE policy on the “ABC Transfer of Funds”.

ASSISTANT PRINCIPAL INTERNS – PRINCIPAL FELLOWS (PRC 066)

PROGRAM REPORT CODE: 066
UNIFORM CHART OF ACCOUNTS CODE: XXXX-066-XXX
STATUTORY REFERENCE: [SL 2018-5, Section 8.4\(c\)](#)
[SL 2020-49 Part VII](#)

TYPE: Dollars
TERM: Varies July 1 - June 30
PURPOSE: Provides funding for stipends to full-time students working on a master's degree in school administration programs who are serving in an approved intern program.
ELIGIBILITY: Full-time Master of Student Administration (MSA) students serving in a ten month or less internship in the Principal Fellows Program.
FORMULA: Stipends are allotted for the duration of the internship. The stipend for a Principal Fellow will be equivalent to 40% of the higher of the beginning salary of a certified assistant principal, or what the individual would have earned on the teacher salary schedule plus social security as specified in the North Carolina Public School Personnel [State Salary Schedule](#). Please note that these individuals are not recognized as full-time employees of the school system and **are not eligible for hospitalization or retirement contributions.**

SPECIAL PROVISIONS:

None

ASSISTANT PRINCIPAL INTERNS – MSA STUDENTS (PRC 067)

PROGRAM REPORT CODE: 067
UNIFORM CHART OF ACCOUNTS CODE: XXXX-067-XXX
STATUTORY REFERENCE: [SL 2018-5, Section 8.4\(c\)](#)
[SL 2020-49 Part VII](#)

TYPE: Dollars
TERM: Varies July 1 - June 30
PURPOSE: Provides funding for stipends to full-time students working on a master's degree in school administration programs who are serving in an approved intern program.
ELIGIBILITY: Full-time Master of Student Administration (MSA) students serving in a ten month or less internship in an Institutes of Higher Education offering the program.
FORMULA: Stipends are allotted for the duration of the internship. The stipend for an MSA Student will be the higher of the beginning salary of a certified assistant principal, or what the individual would have earned on the teacher salary schedule plus social security as specified in the North Carolina Public School Personnel [State Salary Schedule](#). Please note that these individuals are not recognized as full-time employees of the school system and **are not eligible for hospitalization or retirement contributions.**

SPECIAL PROVISIONS:

None

AT-RISK STUDENT SERVICES/ALTERNATIVE SCHOOLS (PRC 069)

PROGRAM REPORT CODE: 069

UNIFORM CHART OF ACCOUNTS CODE: XXXX-069-XXX

STATUTORY REFERENCE: [GS 115C, Article 8C](#)
[GS 115C-375.5](#)
 See below

TYPE: Dollars

TERM: July 1 - August 31 of subsequent fiscal year

PURPOSE: Provides funding to identify students likely to drop out and to provide special alternative instructional programs for these at-risk students. Also provides funding for summer school instruction and transportation, remediation, alcohol and drug prevention, early intervention, safe schools, and preschool screening. These funds may not be used to supplant dropout prevention programs funded from other state or federal sources.

It is the intent of the General Assembly that each LEA has a School Safety Officer at each high school.

ELIGIBILITY: Each LEA is entitled to funding. To remain eligible for funds appropriated for the At-Risk/Alternative Schools allotment, local school administrative units must submit a report to the State Board of Education by October 31, of each year, detailing the expenditure of the funds and the impact of these funds on student achievement. ([SL 2010-31, Section 7.22\(d\)](#))

FORMULA: Each LEA is allotted dollars for a School Safety Officer (SSO) based on the number of high schools, which are not virtual, in the LEA that receive a principal allotment. For the purpose of this allotment, a high school is defined as any school which contains Grades 9 and 10 or grade 12. Funds are then allotted for students in treatment programs in accordance with [SL 1987-863](#). Fifty-percent of the remaining funds are distributed based on the number of poverty children per the Title I Low Income poverty data. The remaining funds are distributed based on allotted ADM. Each LEA receives a minimum of the dollar equivalent of two teachers and two instructional support personnel (including benefits). No funds will be allotted on a competitive grant basis.

SPECIAL PROVISIONS:

- 1) Effective July 1, 2000, each LEA shall establish at least one alternative learning program/school.
- 2) Per [SL 1997-239](#), LEAs shall use the teachers allocated for students assigned to alternative learning programs
 - a) pursuant to the regular teacher allotment and
 - b) only to serve the needs of these students
- 3) The priority uses of the funds appropriated in this category shall be to:
 - a) provide instructional positions or instructional support positions and/or professional development;
 - b) provide intensive in-school and/or after-school remediation; and
 - c) purchase diagnostic software and progress monitoring tools. ([SL 2005-276, Section 7.61 \(a\)](#))
- 4) Funds can be transferred without restrictions.
- 5) Unexpended funds as of June 30 will be reallocated under PRC 069 and will remain available for expenditure through August 31st. Balances from carryover funds remaining after August 31st will be reduced from the allotment. Reallocation of funds is contingent upon State Budget Office approval.
- 6) Per [GS 115C- 375.5](#):
 - a) Pregnant and parenting students shall receive the same educational instruction or its equivalent as other students. A local school administrative unit may provide programs to meet the special scheduling and curriculum needs of pregnant and parenting students. However, student participation in these programs shall be voluntary, and the instruction and curriculum must be comparable to that provided other students.
 - a) Local boards of education shall adopt a policy to ensure that pregnant and parenting students are not discriminated against or excluded from school or any program, class, or extracurricular activity because they are pregnant or parenting students and to provide assistance and support to encourage pregnant and parenting students to remain enrolled in school and graduate. The policy shall include, at a minimum, all of the following:
 - i) Local school administrative units shall, as needed, use supplemental funds from the At-Risk Student Services allotment to support programs for pregnant and parenting students.
 - ii) Notwithstanding Part 1 of Article 26 of this Chapter, pregnant and parenting students shall be given excused absences from school for pregnancy and related conditions for the length of time the student's physician finds medically necessary. This includes absences due to the illness or medical appointment during school hours of a child of whom the student is the custodial parent.
 - iii) Homework and make-up work shall be made available to pregnant and parenting students to ensure that they have the opportunity to keep current with assignments and avoid losing course credit because of their absence from school and, to the extent necessary, a homebound teacher shall be assigned. (2006-69, s. 4(a); 2009-330, s. 3.)

BEHAVIORAL SUPPORT (PRC 029)

PROGRAM REPORT CODE: 029
UNIFORM CHART OF ACCOUNTS CODE: XXX0-029-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funding for Assaulting and Violent Children programs which provide appropriate educational programs to students up to age 22 who suffer from emotional, mental, or neurological disabilities accompanied by violent or assaulting behavior.
ELIGIBILITY: All public school units are entitled to funding based on need.
FORMULA: Allotments are based on need and are designated as add-on funds. The allocations are provided to eligible public school units which demonstrate core, supplemental and intensive supports. They are to be used to make the "critical difference" in the successful development and implementation of specially designed instruction or intensive intervention. Grant request are made in the CCIP system and reviewed by NCDPI Behavior Consultants. The requests should be for those class members who are projected to remain enrolled the following year and who require special services.

SPECIAL PROVISIONS:

- 1) A Department of Public Instruction consultant will review utilization of the initial allotment with appropriate LEA staff and request revisions as needed.
- 2) Allotted funds that are not used as designated shall revert to the State and be re-allotted for other eligible students.
- 3) Funds cannot be transferred in or out of this category.
- 4) These funds may not be used to supplant or replace other funding sources (e.g., state aid exceptional children funds).

BUSINESS SYSTEM MODERNIZATION – LEA ALLOTMENT (PRC 153)

PROGRAM REPORT CODE: 153
UNIFORM CHART OF ACCOUNTS CODE: 1-XXXX-153-XXX
STATUTORY REFERENCE: [SL 2016-94, Section 8.15](#)
[SL 2017-57, Section 7.16](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Funds are appropriated to implement the State Board of Education School Business System Modernization Plan and support the modernization of local education agency (LEA) business systems, particularly those that support financial, payroll, human resources, and related human capital functions.
ELIGIBILITY: Each LEA that selects an NCDPI-approved Modern Business Systems vendor to provide services is eligible to receive funding after it enters into a Memorandum of Understanding with NCDPI for the planning and funding of the project. Presently, NCDPI-approved Moderns Business Systems vendors are CherryRoad Technologies Inc. and Tyler Technologies, Inc.
FORMULA: An LEA that selects an NCDPI-approved modern business system vendor may request funding for those expenses and services (e.g., for one-time implementation costs and Year One subscription costs) contemplated in the State's contract with that vendor. Certain contract rates from the CherryRoad NC ERP Contract and the Tyler NC ERP Contract are attached as Appendices.

SPECIAL PROVISION:

- 1) To be eligible to receive funds, an LEA must select an NCDPI-approved Modern Business Systems vendor.
- 2) Based upon the vendor it selects, an LEA may use funds for allowable expenditures up to the amounts indicated in the CherryRoad NC ERP Contract or the Tyler NC ERP Contract. These funds shall be used for the initial transition to the modern system and limited to the rates specified in the Master Service Agreements. Allowable expenditures are limited to the following:
 - a) One Time Implementation Fees - Implementation fees for an individual LEA for services associated with making an individual implementation map to the LEA's individual or unique human resources and/or finance needs.

- b) Year One Subscription Fees – These fees are for Software as a Service (SaaS) subscription fees incurred during first year following implementation.
- c) Additional Service Fees – Additional service fees include:
 - i) Fee for services associated with making an implementation map for the core needs of the North Carolina K-12 human resources and financial functional business needs (i.e., the “Golden Template”) in order to facilitate state-wide implementation of modern business systems provided by the approved vendors;
 - ii) Services fees associated with satellite (i.e., third-party) systems provider solutions needed to integrate or work with the NCDPI’s modern ERP system or SBSM Operation Data Store (ODS) solutions environment (i.e. APIs, SIF, etc.);
 - iii) Necessary and approved consulting services not otherwise contemplated by previously identified provisions may constitute Additional Service Fees.
- 3) NCDPI shall establish a memorandum of understanding with each LEA for the planning and funding for the project to align with the selected vendor’s statement of work. Such memoranda are subject to approval by State Board of Education, per CNTR-002: Contract Procedure.

CENTRAL OFFICE ADMINISTRATION (PRC 002)

PROGRAM REPORT CODE: 002
UNIFORM CHART OF ACCOUNTS CODE: XXXX-002-XXX
STATUTORY REFERENCE: [SL 2002-126](#), [Committee Report](#)

TYPE: Dollar
TERM: July 1 - June 30
PURPOSE: Provides funding for salary and benefits for central office administration. This category is used to pay for personnel including:

- Superintendent
- Directors/Supervisors/Coordinators
- Associate and Assistant Superintendents
- Finance Officers
- Child Nutrition Supervisors/Managers
- Community Schools Coordinators/Directors
- Athletic Trainers
- Health Education Coordinators
- Maintenance Supervisors
- Transportation Directors

Funds cannot be expended for any of the above personnel outside of this allotment category.

ELIGIBILITY: Each LEA is entitled to funding.

FORMULA: Per the [Committee Report of SL 2002-126](#) moving forward:

- 1) Freeze local school administration units (LEAs) allotments at the FY 2001-02 allotment level.
- 2) Adjust allotments by the net effect of other legislative changes (such as, legislative increases or benefit changes) and the reduction for charter school reserve. See chart below:

Fiscal Year (Base)	Percent Increase/(Decrease)	Allotment Year
2004-05	3.25	2005-06
2005-06	6.33	2006-07
2006-07	5.28	2007-08
2007-08	3.10	2008-09
2008-09	(11.34)	2009-10
2009-10	.04	2010-11
2010-11	(14.41)	2011-12
2011-12	2.60	2012-13
2012-13	.79	2013-14
2013-14	(1.36)	2014-15
2014-15	(.34)	2015-16
2015-16	(1.15)	2016-17

The new formula for FY 2002-2003 developed by the State Board in accordance with [SL 2001-424, Section 28.14\(g\)](#) was not implemented per the [Committee Report of SL 2002-126](#).

HISTORICAL REF: The following is the Formula that was in effect from Fiscal Year 1996 through Fiscal Year 2001.

Base Allotment Each LEA receives a base allotment which is graduated based on allotted ADM. To determine the base, select the ADM range from the charts below and add the base and the supplemental base together.

Cities

ADM Ranges	Base	ADM Over Range	\$ Per ADM Over Range
0 - 4,999	\$360,000	0	12.00
5,000 - 9,999	420,000	4,999	36.01
10,000 - 14,999	600,000	9,999	18.00
Each addt'l 5,000	add 90,000	add 5,000	18.00

Counties

ADM Ranges	Base	ADM Over Range	\$ Per ADM Over Range
0 - 4,999	\$420,000	0	12.00
5,000 - 9,999	480,000	4,999	36.01
10,000 - 14,999	660,000	9,999	18.00
Each addt'l 5,000	add 90,000	add 5,000	18.00

Add-On Per ADM

After the base is allotted, the remaining funds are allocated to LEAs with ADM greater than 1,500 based on dollars per ADM.

SPECIAL PROVISIONS:

- 1) For FY 2000-01, all LEAs are held harmless to their FY 1999-00 allotment, unless they are an LEA which is losing its hold harmless provision due to merger. The formula will be phased-in as merged LEAs are no longer required to be held harmless and as funds are added to the budget.
- 2) Funds cannot be transferred into this category. Funds can be transferred out of this category by submitting an ABC Transfer Form in the Allotment System.
- 3) Only expenditures for administrative personnel and matching benefits are allowed.
- 4) Refer to the General Information Section – Merged LEAs.
- 5) Federal law requires a match for Child Nutrition Supervisors. A State expenditure in excess of \$7 million is necessary for North Carolina to be eligible for Section 4 federal funds. Beginning with the FY 2010-11, each LEA shall expend at least \$45,000 from their Central Office Administration (PRC 002) allocation or any other State funded PRC which allows coding to purpose code 7200 for child nutrition expenses. The following purpose object combinations are in PRC 002 for meeting this mandate:
 - a) Child Nutrition Director and/or Supervisor 7200 - 113,
 - b) Manager 7200 - 176, and
 - c) The matching benefit codes 7200 - 211, 7200 - 221, 7200 - 231, or
 - d) Utilize the Inter-fund Transfers to Child Nutrition code 8400 – 715; funds transferred for this purpose may be used to pay the cost of reduced-price breakfast meals (\$.30 per meal) for eligible students should be the state allocation for reduced-price breakfast meals be insufficient to do so.
- 6) In accordance with [GS 115C-271](#), a local board may terminate a Superintendent's contract before the contract term of employment has expired if all of the following conditions are met:
 - a) No state funds are used for this purpose.
 - b) Local funds appropriated for teachers, textbooks, or classroom materials, supplies and equipment are not transferred or used for this purpose.
 - c) The local board makes public the funds that are to be transferred or used for this purpose.
 - d) The local Board notifies the State Board of the funds that are to be transferred or used for this purpose.
 - e) No funds acquired through donation or fund-raising are used for this purpose, except funds raised specifically for this purpose or for funds donated by private for-profit corporations.
- 7) The budget reduction per LEA is applied for FY 2009-2010 is based on SB 897 Conference Report on the Continuation, Capital, and Expansion Budget which reduces the dollar allotment to LEAs for central office staff salaries and benefits.
- 8) Once the Department of Public Instruction (NCDPI) is notified by the Director of the Retirement System Division (RSD) of the State Treasurer's Office of delinquent contributions owed by a participating employer (local education agency), the NCDPI will reduce the Central Office Administration allotment to the employer in the amount of the delinquency. This action is in compliance with the legislative authority ([GS 128-30\(g\)\(3\)](#)) and the Retirement System's Board of Trustees' policies. The State Board of Education will receive a communication of any reductions.

CHARTER SCHOOLS (PRC 036)

PROGRAM REPORT CODE: 036

UNIFORM CHART OF ACCOUNTS CODE: XXXX-036-XXX

STATUTORY REFERENCE: [GS 115C, Article 14A](#)
[SL 2001-424, Section 28.20](#)
[SL 2020-97 Section 3.1\(1\)](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: Provides state funding to charter schools based on the students attending the school.

ELIGIBILITY: All charter schools approved by the State Board of Education.

FORMULA:

Funding for an existing charter school is based on the dollars per ADM of the LEA in which the school is located. Funding for new charter schools is based on the dollars per ADM of the LEA in which the student is, or would be, currently enrolled. The total number of public-school students attending a new charter school will reduce an LEA's initial allotment.

An LEA's initial allotment is also reduced for existing charter schools growing over their planning ADM. LEAs are held harmless and will not have their allotment reduced for the following categories: Central Office Administration and School Building Administration.

A charter school will have 34% of its Initial Allotment available to "draw down" after the General Assembly adjourns.

After the 1st month ADM is submitted, allotments will be recalculated and an additional 34% of the allotment will be made available to the charter school. Note: charters in good financial standing may receive the full annual allocation. Charter schools in financial disciplinary noncompliance may receive their funding in monthly installments.

Unless noted in the exceptions below, charter schools with a two year history of accurate projections shall be funded at the higher of

1. 2020-21 actual month 1 ADM and
2. 2021 Phase II final ADM projection as reported in the CSADM system by the charter school, not to exceed the allotted 2020-21 ADM

All other charter schools shall be funded at the higher of

1. 2020-21 actual month 1 ADM and

2. the prior year funded month 1 ADM

Exceptions

- a) Virtual charter schools shall be funded based on current year month 1 membership last day and adjusted for month 5
- b) Schools serving students at risk of dropping out, as approved by the SBE, shall be funded on Month 5 ADM
- c) For schools that were not open in 2019 or 2020, the school shall be funded based on 2020-21 actual month 1 ADM, not to exceed the legal maximum.

No charter school shall be funded for an average daily membership greater than is permissible by law.

A charter school is deemed to have a history of accurate projections if the projection provided by the charter school in the CSADM system Phase II final Projection was within 2% or 20 ADM of funded ADM in either 2019 or 2020, and the difference between the projection and funded ADM in both 2019 and 2020 did not exceed 10% of the projection.

For schools that were not open in 2019, the 2020 year will be the only year used for this assessment

The final 32% of the allotment will be distributed prior to the end of February.

After 1st month ADM adjustments, a charter school can request additional funding if it has significant growth (20% or more) in months two through four. Requested ADM must be verified and be within the charter school's maximum. The state contingency reserve will be used to fund the prorated increases within funds available. Please refer to the Charter School Financial Guide for instructions for this process.

In addition to the state funding based on dollars per ADM, a charter school may receive Children with Disabilities and Limited English Proficiency funding if they qualify. These special funds plus the dollars per ADM funding are distributed under PRC 036.

SPECIAL PROVISIONS:

- 1) During the first 60 school days, if a child with disabilities was included in the prior fiscal year April 1 child count and leaves or returns to an LEA from a charter school, the prorated share of funds allocated for that child will be adjusted. In order to initiate the transfer of funds, the LEA or charter school receiving the students must complete the appropriate transfer request forms by the 10th of the month following the month the child transferred. Children with Disabilities' transfer requests are sent to the School Allotments Section. Please refer to www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units#forms for the Children with Disabilities Child Count Transfer System. Notification must include the student's name (first, middle

- last), PowerSchool number, birth date, the LEA or charter school from which the child came, the date the student transferred, and the beginning date of the current school year.
- 2) A charter in its third year of operation or longer that is in good financial and governance standing, shall receive the balance of its total allocation in the second installment.
 - 3) Funding for 1st Month ADM increases will be reduced from the LEA in which the charter school resides if the LEA is declining in ADM after second month. If the LEA is increasing in ADM after the second month, the funding will come from the Contingency Reserve.
 - 4) Charter schools will receive an allocation of fines and forfeitures based on dollars per allotted ADM in PRC 036. Unspent funds will revert June 30.
 - 5) Funding allotted to purchase diagnostic devices in accordance with the Excellent Public Schools Act ([SL 2012-142 Part VII-A](#)) must be used to purchase diagnostic devices.
 - 6) Charter School Staff may participate in the Digital Learning Staff development of the LEA in which they are located.
 - 7) Charter Schools, if awarded, will receive funding for Resource Officers for Middle Schools in PRC 036.
 - 8) For charter schools, which have been approved by the State Board of Education to serve students who are at risk of or have dropped out of high school, either in the prior year or during the current year, shall be funded based on 5th month ADM. These schools have specialized programs to encourage these students to re-enroll in school and assist them until they have graduated.
 - 9) Charter Schools must have a valid Certificate of Occupancy on file with the Office of Charters before any funding can be released for the fiscal year.
 - 10) Virtual Charter School Pilots -Virtual Charters are funded based on a dollars per ADM excluding Low Wealth and Small County. The school is funded based on month 1 and month 5 Membership Last Day.

Revised September 28, 2020

CHILD AND FAMILY SUPPORT TEAMS (CFST) – NURSES (PRC 042)

PROGRAM REPORT CODE: 042
UNIFORM CHART OF ACCOUNTS CODE: XXXX-042-XXX
STATUTORY REFERENCE: [SL 2009-451, Section 10.24](#)

TYPE: Positions

TERM: 10 months: July 1 – June 30

PURPOSE: Provide funding for salary and fringe benefits for nationally certified school nurses to establish the School Based Child and Family Support Team Initiative at designated schools. The purpose of the Initiative is to identify and coordinate appropriate community services and supports for children at risk of school failure or out-of-home placement in order to address the physical, social, legal, emotional, and developmental factors that affect academic performance.

It is the intent of the General Assembly that the positions must be solely used for nationally certified school nurses to work full time as Child and Family Support Team Leaders, to carry out the legislatively mandated objectives of the Child and Family Support Team Initiative. The nurses shall not be used as administrators, coordinators, supervisors, directors, teachers, counselors, social workers, proctors, or for non-instructional support personnel (clerical assistants, custodians, staff available to provide duty free periods for teachers, or as substitutes).

ELIGIBILITY: Based on selection to participate in the CFST Initiative.

FORMULA: The positions are multiplied by the statewide average salary plus benefits.

SPECIAL PROVISIONS:

- 1) If the LEA is unable to hire a certified nurse, a transfer can be requested to **temporarily** move the position from PRC 042 to PRC 043 to hire a non-certified nurse. **A non-certified nurse may only be hired until he/she obtains national certification or another nationally certified nurse is hired.** The conversion rate is the Statewide average salary plus benefits of the instructional support position. A written request for the transfer must be submitted to the School Allotments Section stating the number of positions to be transferred.
- 2) The LEAs receiving Child and Family Support Team funding must implement an annual implementation plan jointly developed by the LEA and its Child and Family Support Team Local Advisory Committee. At a minimum the plans must include their agreement that:

- a) Funds are only used to support the CFST Initiative and will not supplant any other funding.
- b) CFST nurses will be assigned only to responsibilities consistent with the legislative intent of the CFST Initiative.
- c) The LEA will work with the state-identified external evaluator and participate in all state and contracted evaluation activities.
- d) The LEA will follow all reporting requirements.
- e) The LEA will facilitate and attend all Local Advisory Committee meetings as required.
- f) All CFST lead nurses will attend all mandatory trainings as indicated by the state CFST Program Coordinator.
- g) The LEA will participate in all other required activities as determined.
- h) Local partners have been involved collaboratively in the planning process.
- i) Non-supplant Requirement: A local education agency receiving funds shall use the funds to supplement, not supplant, local and state current expense funds. The State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local and state current expense funds.

CHILD AND FAMILY SUPPORT TEAMS (CFST) – SOCIAL WORKER AND OTHER (PRC 043)

PROGRAM REPORT CODE: 04
UNIFORM CHART OF ACCOUNTS CODE: XXXX-04-XXX
STATUTORY REFERENCE: [SL 2009-451, Section 10.24](#)

TYPE: Dollars
TERM: 10 months: July 1 – June 30
PURPOSE: 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. This funding must be used to support the salary of the school social worker associated with the program and funding for other expenses for the social worker and school nurse.

It is the intent of the General Assembly that these funds must be solely used for legislatively mandated objectives of the Child and Family Support Team Initiative
ELIGIBILITY: Based on selection to participate in the CFST Initiative.
FORMULA: Dollars per site.

SPECIAL PROVISIONS:

If the LEA is unable to hire a certified nurse, a transfer can be requested to **temporarily** move the position from PRC 042 to PRC 043 to hire a non-certified nurse. **A non-certified nurse may only be hired until he/she obtains national certification or another nationally certified nurse is hired.** The conversion rate is the Statewide average salary plus benefits of the instructional support position. A written request for the transfer must be submitted to the School Allotments Section stating the number of positions to be transferred.

The LEAs receiving Child and Family Support Team funding must implement an annual implementation plan jointly developed by the LEA and its Child and Family Support Team Local Advisory Committee. At a minimum the plans must include their agreement that:

- a. Funds are only used to support the CFST Initiative and will not supplant any other funding.
- b. CFST social workers will be assigned only to responsibilities consistent with the legislative intent of the CFST Initiative.
- c. The LEA will work with the state-identified external evaluator and participate in all state and contracted evaluation activities.

- d. The LEA will follow all reporting requirements.
- e. The LEA will facilitate and attend all Local Advisory Committee meetings as required.
- f. All CFST social workers will attend all mandatory trainings as indicated by the state CFST Program Coordinator.
- g. The LEA will participate in all other required activities as determined.
- h. Local partners have been involved collaboratively in the planning process.
- i. Non-supplant Requirement: A local education agency receiving funds shall use the funds to supplement, not supplant, local and state current expense funds. The State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local and state current expense funds.

CHILDREN WITH DISABILITIES (PRC 032)

PROGRAM REPORT CODE: 032
UNIFORM CHART OF ACCOUNTS CODE: XXXX-032-XXX
STATUTORY REFERENCE: [SL 2018-5, Section 7.1](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provide funding for the special educational needs and related services of Children with Disabilities. These funds are to be used for:

- Children with Disabilities
- Preschool Handicapped State Funding
- Group Homes, Foster Homes, or Similar Facilities

Funds for Community Residential Centers and Developmental Day Centers are allotted in PRC 063, Children with Disabilities Special Funds.

ELIGIBILITY: All LEAs and Charter Schools are entitled to funding based on the formulas listed below

FORMULA: Children with Disabilities and Preschool Disabled State funded allotments are calculated separately and then combined into one allotment. Matching benefits are included. The individual formulas are listed below.

CHILDREN WITH DISABILITIES:

Child count is based on Children with Disabilities child count, ages 5 through 21.

Multiply the lesser of the April 1 child count or an overall 12.75% cap of the Allotted ADM by the dollar per child count funding factor.

PRESCHOOL HANDICAPPED:

Each LEA receives a base amount equal to the average salary of a classroom teacher plus benefits. All remaining are distributed based on the April 1 child count of children ages 3, 4, and pre-K5.

GROUP HOMES, FOSTER HOMES, OR SIMILAR FACILITIES:

The Exceptional Children Division reimburses Local Boards of Education the per-child allocations for average daily membership (ADM), state aid (April 1st) and IDEA 611 (December 1st) of children with disabilities assigned to group homes, foster homes, or similar facilities.

Applications may be found at <https://ccip.schools.nc.gov>.

SPECIAL PROVISION:

- 1) No Funds shall be transferred out of this category.
- 2) Funds can be used to transport preschool handicapped students only. Transportation for school age children must be paid from transportation funds (PRC 056).
- 3) Refer to Policies Governing Services for Children with Disabilities produced by the Exceptional Children Division and to the School Attendance and Student Accounting Manual produced by the Division of School Business.
- 4) LEAs are encouraged to use teacher positions generated by that portion of their total ADM that is made up of children with disabilities to fund children with disabilities teachers.
- 5) Funds for Children with Disabilities will be reduced based on on-site audits and the determination that students are found to be in non-compliance with State/Federal regulations.
- 6) If two or more LEAs are consolidated into one LEA, the Preschool Handicapped allotment shall not be less than the same allotment to the separate LEAs for the first and second full fiscal years of the consolidation and shall be used for the continuation of the positions, except as specifically authorized by the State Board of Education.
- 7) During the first 60 school days, if a child with disabilities who was included in the prior fiscal year April 1 child count leaves or returns to an LEA or Charter from or to a charter school, the pro-rata share of funds allocated for that child will be adjusted. In order to initiate the transfer of funds, the LEA or charter school receiving the students must enter and submit required information for all students in the NC DPI Child Count Transfer System by the 10th of the month following the month the student transferred. Child Count Transfer System web link is www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units#forms.

CHILDREN WITH DISABILITIES - SPECIAL FUNDS (PRC 063)

PROGRAM REPORT CODE: 063
UNIFORM CHART OF ACCOUNTS CODE: XXXX-063-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provide funding for the special educational needs and related services of Children with Disabilities. These funds are to be used for:

- Community Residential Centers (3 through 21)
- Developmental Day Centers (3 through 21)
- Special State Reserve (3 through 21)

ELIGIBILITY: All LEAs and charter schools may submit applications.
FORMULA: Formulas for individual purposes are below:

DEVELOPMENTAL DAY CARE:

Requests for funding are made on individual applications submitted by the LEA and approved by the Department of Public Instruction, Exceptional Children Division for children receiving their special education and related services in an approved developmental day center. Allotments for identified children are based on an established monthly rate for a maximum of ten months.

COMMUNITY RESIDENTIAL CENTER:

Requests for funding are made on individual applications submitted by the LEA and approved by the Department of Public Instruction, Exceptional Children's Division for children receiving their special education and related services in a community residential center. Allotments for identified children are based on an established monthly rate for a maximum of ten months and an adjusted monthly rate for up to two months of Extended School Year (ESY) services.

SPECIAL STATE RESERVE:

A reserve has been established to be used when all available state, federal, and local resources have been exhausted. The funds are to be used for emergency situations, such as high cost children or severely disabled children. Requests are made on individual applications submitted in the LEA and approved by the Department of Public Instruction Exceptional Children Division. All allocations will be made within funds available. All withdrawals must be reported within 60 days.

SPECIAL PROVISION:

- 1) Funds cannot be transferred into or out of this category.
- 2) Refer to NC **Policies Governing Services for Children with Disabilities** produced by the Exceptional Children Division and to [School Attendance and Student Accounting Manual](#) produced by the Division of School Business.
- 3) Developmental Day Centers and Community Residential funds should be expended according to the LEA's approved plan to serve children ages 3 through 21.

CLASSROOM MATERIALS/INSTRUCTIONAL SUPPLIES/EQUIPMENT (PRC 061)

PROGRAM REPORT CODE: 061
UNIFORM CHART OF ACCOUNTS CODE: XXXX-061-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funds for Instructional Materials and Supplies, Instructional Equipment, and Testing Support.
ELIGIBILITY: Each LEA is entitled to funding.
FORMULA: Funds for Instructional Materials, Supplies, and Equipment are distributed based on allotted ADM.

Funds for each student to take the Preliminary Scholastic Aptitude Test (PSAT) are allotted based on ADM in grades 8 and 9.

SPECIAL PROVISION:

- 1) Funds can be transferred without restrictions by submitting an ABC Transfer Form in the Allotment System. (Approved access required).
- 2) In accordance with GS 115C-174.18, every student in grades 8 - 10 who has completed or is in the last month of Algebra I shall be given an opportunity to take a version of the PSAT one time at State expense. These expenses shall be paid from PRC 061.

CLASSROOM TEACHERS (PRC 001)

PROGRAM REPORT CODE: 001

UNIFORM CHART OF ACCOUNTS CODE: XXXX-001-XXX

STATUTORY REFERENCE: [GS 115C-301](#)
[GS 115C-105.25\(b\)](#)
[SL 1993-769, Section 19.24](#)
[SL 2003-284, Section 7.10](#)

TYPE: Positions

TERM: 10 months: July 1 - June 30

PURPOSE: Provides guaranteed funding for salaries for classroom teachers, including Program Enhancement Teachers. To qualify as a classroom teacher and to be charged against this allotment, an individual must spend a major portion of the school day providing classroom instruction and shall not be assigned to administrative duties in either the central or school offices. If an LEA decides to employ a Math/Science/Computer teacher, this individual does not have to spend a portion of the school day providing classroom instruction.

ELIGIBILITY: Each LEA is entitled to positions.

FORMULA: The following positions are calculated separately and then consolidated into PRC 001. The total positions are then multiplied by the LEA's average monthly salary (based on prior year 6th pay period plus legislated salary increases) plus benefits. The individual formulas are listed below.

After the first month of school, an LEA can request additional resources due to extraordinary student population growth. Allotments will be adjusted within available funds. (See General Information Section, Allotment Adjustment for ADM growth.)

For city LEAs with less than 3,000 ADM, fractions are rounded up to the nearest whole position.

CLASSROOM TEACHERS:

Teachers are allotted based on one per the following number of students (based on allotted ADM) and rounded to the nearest one-half position.

<u>Grades</u>	<u>Number of Students</u>
K	18
1	16
2-3	17
4-6	24
7-8	23
9	26.5
10-12	29

PROGRAM ENHANCEMENT TEACHERS

Grades	Student: Teacher Position Ratio
K-5	191:1

NOTE: Preschool student ADM is not used in the teacher allotment formula. For allotment purposes, Children with Disabilities served in separate settings are included in their appropriate grades as determined by school administrators.

CLASS SIZE REQUIREMENTS:

Kindergarten to 3rd Grade

<u>Fiscal Year</u>	<u>All Classes Within LEA Maximum Average</u>	<u>Individual Class Maximum</u>
2020-21	18	21
2021-22 and Beyond		
K	18	21
1	16	19
2	17	20
3	17	20

4th to 12th Grade – No class size maximums.

Kindergarten to 12th Grade Program Enhancement and dual language- No class size maximums.

MATH / SCIENCE / COMPUTER TEACHERS:

Each county is entitled to one position. Positions will be divided between county and city LEAs based on previously approved plans. The percent split will remain in effect until the plan is revised and DPI is notified. Plans do not have to be submitted to DPI.

SPECIAL PROVISION:

- 1) Refer to the School Attendance and Student Accounting Manual produced by the Division of School Business.
- 2) Additional classroom teachers may be allotted within available funds based on the provisions outlined in Section 01 and upon request by the superintendent to the Division of School Business. (See General Information Section, Small Schools)
- 3) It is recommended that the teachers generated by self-contained/separate classrooms serving children with disabilities be used for children with disabilities. This includes self-contained/separate classes for autism, deaf-blind, behaviorally-emotionally disabled, developmental delayed, educable mentally disabled, hearing impaired, learning disabled, multi-handicapped, orthopedically impaired, other health impaired, speech-language impaired, severe profound, trainable mentally disabled, traumatic brain injured and visually impaired.
- 4) Per [SL 1997-239](#), LEAs shall use the teachers allocated for students assigned to alternative learning programs
 - a) pursuant to the regular teacher allotment and
 - b) only to serve the needs of these students
- 5) The State regulations permit LEAs to identify a state allotted teaching position (no additional positions are provided and no Career Technical education funds can be used) and use that position to pay a Junior ROTC instructor, provided the local school does employ another teacher using local funds to replace the use of the State allotted position. For each Junior ROTC position paid from State funds, a locally paid position must be provided.
- 6) Teachers on Loan Additional positions may be allotted to LEAs which have teachers from their LEA selected to serve with the Department of Public Instruction. The teachers selected will work at designated LEAs throughout the State in support of major State Board of Education initiatives such as school assistance, teacher inductions, technology assessment/training, and student improvement. These additional teacher positions are allotted to the LEAs from which the teachers are employed since the reassigned teachers will remain on the LEA's payroll. The allotment will be in PRC 096 Special Position Allotment or in PRC 095 Special Dollar Allotment. For additional information, please contact Educator Effectiveness at 919-807-3355.
- 7) Teacher of the Year - An additional position (12 months) is allotted to the LEA from which the Teacher of the Year is selected. This allotment will also be allotted in PRC 096, Special Position Allotment.
- 8) All newly certified teachers (local & state) who have never taught before, or taught less than 6 months, are eligible for up to three extra days of employment for orientation and classroom

preparation. This includes lateral entry teachers that are newly certified and have never taught before. If the teacher does not have zero years on his or her license due to non-teaching experience being credited, then the School Financial Reporting Section must approve the new teacher orientation funding. The teacher is to be paid appropriately for the teacher's certification level and years of service. Eligible Teachers must be paid from pay code object 125 for the additional days of employment. The state will pay up to 3 days of training per eligible teacher based on the teacher's daily rate of pay. The School Allotments Section will allot funds beginning in March based on the number of eligible teachers paid, not to exceed 3 days per teacher. Once the number of participants and additional days of service are identified, your regular classroom teacher position allotment will be increased. The three additional new teacher orientation days must be completed by April 30th. Any new teachers hired after this date should go through orientation with the new teachers for the next fiscal year.

- 9) If an LEA plans to convert a position to contract for an International Faculty Exchange (IFE) member, that unit may request the conversion of positions to dollar equivalents. This applies only to IFE programs.
 - a) To request the conversion, the LEA must submit the form entitled "Program Expansion Teacher Positions Request for Conversion to a Dollar Allotment" to Global Education in the Division of K-12 Standards, Curriculum and Instruction. If approved, funds must be used in accordance with the plan submitted and approved.
 - b) Positions converted used to cover costs associated with bringing an International Faculty Exchange (IFE) to the LEA through the International Exchange Program will be converted at a rate of \$68,757 (includes benefits).
 - c) These positions must be used for teachers only.
- 10) Funds can be transferred out of this category by submitting an ABC Transfer Form in the Allotment System. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable. The conversion rate will be the first step on the "A" Salary Schedule, plus benefits. K-5 Program enhancement positions shall not be transferred out of this category.
- 11) Teachers for geographically isolated K-12 schools: An additional teacher allotment will be made for small schools when consolidation is not feasible due to the geographic isolation of the school and the school meets at least one of the following criteria:
 - i) The school is located in an LEA in which ADM is less than 1.5 per square mile.
 - ii) The school is located in an LEA for a county containing more than 150,000 acres of national forest owned by the federal government and managed by the US Forest Service pursuant to GS 104-5.
 - a) Qualifying schools will receive one classroom teacher per grade. Teachers will be allotted to the remainder of the LEA under the regular teacher allotment formula.
 - b) An LEA receiving special allotments for a small, geographically isolated school shall continue to receive one-half of that special allotment funding for the fiscal year after the school is closed. These funds shall be used to assist in the transition of students from the closed school to other schools in the LEA.

12) The position being funded by Burroughs Welcome Grant will be funded an extra 2 months from this category.

13) Program enhancement refers to any of the following:

- a) Arts disciplines, including dance, music, theater and visual arts
- b) Physical education and health programs
- c) World languages
- d) other supplemental classes as defined by the State Board of Education

14) Dual language immersion classes are classes in which

- a) at least one-third of the students' dominant language is English and
- b) instruction involves both English and a target foreign language with a minimum of fifty percent (50%) of core content taught in the target foreign language in order to promote dual language proficiency for all students.

CODING AND MOBILE APPLICATION GRANT (PRC 065)

PROGRAM REPORT CODE: 065
UNIFORM CHART OF ACCOUNTS CODE: XXXX-065-XXX
STATUTORY REFERENCE: [SL 2017-57, Section 7.23](#)

TYPE: Dollars
TERM: July 1, 2017 - June 30, 2019
PURPOSE: The purpose of the program is to provide opportunities for North Carolina students to learn computer science, coding and mobile app development to help them gain the skills needed to:
1) create and contribute, not just use and consume, in the digital economy; and
2) actively engage as informed citizens in our complex, technology-driven world.
ELIGIBILITY: Eligible Recipients are local school administrative units and charter schools. Past recipients may reapply. NCDPI may consider partial grant awards to local school administrative units and charter schools. Application must be approved prior to the LEA or Charter School receiving the allotment.
FORMULA: Each LEA or Charter School is entitled to funding based on applications approved by the Division of Career and Technical Education. Each LEA or Charter School is entitled to funding up to \$80,000.

SPECIAL PROVISION:

- 1) Grant funds shall be available for up to 12 months. All projects must end June 30, with no liquidation period allowed beyond that date.
- 2) Each eligible LEA or Charter School receiving funds must limit administrative cost to five percent (5%).

COOPERATIVE INNOVATIVE HIGH SCHOOLS (CIHS) (PRC 055)

PROGRAM REPORT CODE: 055

UNIFORM CHART OF ACCOUNTS CODE: XXXX-055-XXX

STATUTORY REFERENCE: [GS 115C, Article 16, Part 9](#)
[SL 2005-276, Section 7.32\(c\)](#)
[SL 2017-57, Section 7.22](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: The purpose of the program is to create rigorous and relevant high school options that provide students with the opportunity and assistance to earn an associate degree or two year of college credit by the conclusion of the year after their senior year in high school.

These funds shall be used to establish new high schools in which a local school administrative unit, two and four-year colleges and universities, and local employers work together to ensure that high school and postsecondary college curricula operate seamlessly and meet the needs of participating employers.

ELIGIBILITY: Cooperative Innovative High School and planning sites that have been approved by the State Board of Education and the General Assembly.

FORMULA: Funds shall be allocated based on the Tier Area the school is located, as defined by the NC Department of Commerce per [GS 143B-437.08](#)

- CIHS located in Tier I Areas - \$275,000
- CIHS located in Tier II Areas - \$200,000
- CIHS located in Tier III Areas - \$180,000
- Virtual CIHS - \$200,000
- Northeast Regional School of Biotechnology and Agriscience (NERSBA) - \$310,000 (see PRC 038)

SPECIAL PROVISION:

- 1) During the first year of operation the Cooperative Innovative High School established under [GS 115C, Article 16, Part 9](#) and approved for funding, shall be allotted regardless of the number of State paid teachers assigned to the school or the number of students enrolled in the school. The budget flexibility authorized by [GS 115C-105.25](#) does not apply to these positions.

- 2) The State Board of Education shall conduct an annual evaluation of this program. The evaluation shall include:
 - i) An accounting of how funds and personnel resources were utilized and their impact on student achievement, retention, and employability;
 - ii) Recommended statutory and policy changes; Recommendations improvement of the program.
- a) The State Board of Education shall report the results of this evaluation to the Office of State Budget and Management, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division, by January 15 of each year.
- 3) The LEA shall utilize this funding to hire two positions:
 - i) Program Coordinator (School Administrator-level position).
 - ii) Community Coordinator to provide counseling and to coordinate the workforce development activities of students (Student Services-level position).
- a) Additionally, the higher education partner will receive funds from the grant to support a position to serve as a liaison for the program. The funding for this position is included in the allotment to the LEA. The LEA is responsible for negotiating with the higher education partner for the amount of funding necessary to support an instructor-level position.
- b) Any remaining dollars will be available to the partnership to support start-up costs (\$10,000 first year only), professional development, related travel, materials, supplies, textbooks and other costs related to the student workforce experience.
- 4) This funding is not intended for capital expenses, faculty stipends or bonuses.
- 5) Funding is not to supplant any existing local, state or federal funds already used to operate the program.
- 6) Funds may be transferred with exception of the first-year principal, by submitting ABC Transfer Form in the School Allotment System.
- 7) State funds appropriated for cooperative innovative high schools shall not be adjusted to reflect legislative salary increments, retirement rate adjustments and health adjustment for school personnel, unless specifically provided for by the General Assembly.

DIGITAL LEARNING INITIATIVE (DLI) GRANT (PRC 030)

PROGRAM REPORT CODE: 030

UNIFORM CHART OF ACCOUNTS CODE: XXXX-030-XXX

STATUTORY REFERENCE: [SL 2016-94, Section 8.23](#)
[SL 2017-57, Section 7.23K](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: State competitive grant to support the development and dissemination of local innovative digital learning models. The goal is to have effective digital learning practices spread across all North Carolina K-12 public schools, as part of the Digital Learning Plan.

ELIGIBILITY: All LEAs and charter schools are eligible to apply for a grant. Those approved by the State Board of Education are awarded funding.

FORMULA: A competitive grant and funds are based on funds available and State Board approval.

SPECIAL PROVISION:

- 1) Per the SBE approved request for proposal grant funds may be used for:
 - a) For Planning Grants
 - (1) Contracted services (up to 40%)
 - (2) Hardware or software purchases related to the success of the grant program. For example, the purchase of devices and equipment, especially emerging technologies that align with strategic planning (up to 25%)
 - (3) Professional development expenses, including related travel costs (up to 25%).
 - (4) Reimbursement for stipends and teacher substitutes.
 - (5) State subsistence rates and allowances.
 - (6) Transportation costs.
 - (7) Printing and duplicating (up to 5%).
 - b) For Implementation Grants
 - (1) Contracted services (up to 25%)
 - (2) Hardware or software purchases related to the success of the grant program. For example, the purchase of devices and equipment, especially emerging technologies that align with strategic planning. (up to 40%)
 - (3) Professional development expenses, including related travel costs (up to 25%)
 - (4) Reimbursement for stipends and teacher substitutes
 - (5) State subsistence rates and allowances

- (6) Transportation costs
- (7) Printing and duplicating (up to 10%)
- c) For Innovation Academy Grants
 - (1) Employment of grant coordinator (up to 50%)
 - (2) Contracted services (up to 25%)
 - (3) Hardware or software purchases related to the success of the grant program. For example, the purchase of devices and equipment to support the modeling and demonstration of best practices. (up to 25%)
 - (4) Professional development expenses, including related travel costs (up to 40%)
 - (5) Reimbursement for stipends and teacher substitutes
 - (6) State subsistence rates and allowances
 - (7) Transportation costs
 - (8) Printing and duplicating (up to 10%)
- 2) Funds received through this grant shall not supplant current funding streams.

DIGITAL LEARNING INITIATIVE (DLI): DIGITAL LITERACY SOLUTION (PRC 078)

PROGRAM REPORT CODE: 078
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-078-XXX
 STATUTORY REFERENCE: [SL 2017-57, Section 7.23K](#)
 SL2020-49 Part II

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: Support the implementation and adoption of a K-8 digital literacy solution (curriculum and platform) in order to assist educators with the delivery of instruction as well as improve these critical digital literacy skills among students.
 ELIGIBILITY: LEAs, charter schools, and ISD schools, within economically distressed counties, that have executed local convenience contracts based on the K-8 digital literacy solution statewide Cooperative Purchasing Agreement. Economically distressed counties are those that are designated as Tier I by NC Commerce in the year of the allocation.
 FORMULA: Eligible public school units, which have opted into the program, shall be allotted funds based on the number of licenses requested at a unit cost equal to the statewide contract unit cost.
 In the event that the total allocation exceeds the fiscal year appropriation, all allocations shall be reduced on a pro rata basis.

SPECIAL PROVISION:

- 1) Funds shall only be used for software licenses from the vendor selected via the competitive procurement process.
- 2) Use of funds is subject to audit to ensure that purchased licenses are utilized by the public school unit. Unutilized purchased licenses are subject to a refund to the State.
- 3) Allocations that are not expended for licenses by November 30 of the fiscal year shall revert to DPI and utilized for implementation of the State's Digital Learning Plan.
- 4) Funds for charter schools shall be allotted in PRC 036 and for ISD in PRC 044.
- 5) Funds for the Renewal School System, if eligible, shall be allotted in PRC 037. Funds are not eligible for carryover .

DISADVANTAGED STUDENTS SUPPLEMENTAL FUNDING (PRC 024)

PROGRAM REPORT CODE: 024
UNIFORM CHART OF ACCOUNTS CODE: XXXX-024-XXX
STATUTORY REFERENCE: [SL 2017-57, Section 7.5](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To address the capacity needs of local school administrative units to meet the needs of disadvantaged students.
ELIGIBILITY: All LEAs with an approved plan are eligible for funding.
FORMULA: Distribute resources based on a prescribed delivery option reduction of class size.

Step 1: Use the average statewide (K-12) teacher-to-student classroom teacher allotment for the Fundable Disadvantaged Population which is 1:21.

Step 2: The targeted allotment ratios for the Fundable Disadvantaged Population are:

- If low wealth % (per low wealth supplemental funding formula) is > 90%, one teacher per 19.9 students
- If low wealth % is > = 80% but < = 90%, one teacher per 19.4 students.
- If low wealth % is < 80%, one teacher per 19.1 students.
- If an LEA received DSSF funds in FY 2005-06, one teacher per 16 students. These 16 LEAs will not receive less funding than they received in FY 2006-07.

Step 3: Convert the teaching positions to dollars by using the state average teacher salary (including benefits).

SPECIAL PROVISION:

- 1) Funds received for Disadvantaged Student Supplemental funding shall be used, consistent with the policies and procedures adopted by the State Board of Education only to:
 - a) Provide instructional positions or instructional support positions and/or professional development;
 - b) Provide intensive in-school and/or after school remediation;

- c) Purchase diagnostic software and progress-monitoring tools; and
 - d) Provide funds for teacher bonuses and supplements. The State Board of Education has established that a maximum of 35% of the funds may be used for this purpose.
- 2) **Non-supplant Requirement:** A local education agency receiving funds shall use the funds to supplement, not supplant, local current expense funds. The State Board of Education shall not allocate funds under this section to a county found to have used these funds to supplant local, per-student current expense funds. The SBE shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:
- a) The current expense appropriation per student of the county for the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and
 - b) The county cannot show:
 - i) that it has remedied the deficiency in funding or
 - ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.
- 3) **Pooling of Additional State Funding:** LEAs receiving funding should use, at a minimum, increases in their categorical allotments (such as low wealth supplemental funding, small county supplemental funding, at-risk, and improving student accountability funding) to pool resources to supplement the Disadvantaged Student Supplemental Funding to address teacher retention and student performance improvements.
- 4) If a local school administrative unit's wealth increases to a level that adversely affects the unit's DSSF allotment ratio, the DSSF allotment for that unit shall be maintained at the prior year level for one additional fiscal year.
- 5) Funds can be transferred without restrictions by submitting an ABC Transfer Form in the Allotment System.

DOLLARS FOR CERTIFIED PERSONNEL (PRC 010)

PROGRAM REPORT CODE: 010
UNIFORM CHART OF ACCOUNTS CODE: XXXX-010-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides a separate account into which LEAs may transfer funds to pay for certified personnel. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable
ELIGIBILITY: Each LEA is entitled to transfer funds to this account.
FORMULA: None

SPECIAL PROVISION:

Some transfers require approval in a School Improvement Plan

DRIVER TRAINING (PRC 012)

PROGRAM REPORT CODE: 012

UNIFORM CHART OF ACCOUNTS CODE: 5XX0-012-XXX

STATUTORY REFERENCE: [GS 115C, Article 14](#)
[GS 115C-105.25\(b\)\(11a\)](#)
[GS 20-88.03\(b\)](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: Provides funding for making available public education to all students on driver safety and training. Each LEA must serve all students enrolled in a public or private high school (including charter schools) or receiving instruction through a home school within the LEA boundaries that have not previously enrolled in the program.

ELIGIBILITY: Each LEA is entitled to funding based on ninth grade ADM including private and federal schools.

FORMULA: All available funds are distributed to LEAs based on dollars per total ninth grade allotted ADM; this includes private, federal and charter schools.

SPECIAL PROVISION:

- 1) No funds shall be transferred into or out of driver training.
- 2) All transactions are handled by the Department of Administration, Division of Auxiliary Services, and State Surplus Property.
 - a. Car Models Prior to 1992: Funds from the sale of all car models prior to 1992 (models through 1991) are refunded to the Department of Public Instruction.
 - b. Car Models beginning with 1992: Funds received from State Surplus Property for the sale of all car models after 1991 remain with the selling LEA. All proceeds should be used to support the LEA's driver education program.
- 3) No more than 10% of driver education funds may be used for computer expenditures.
- 4) Local Education Agencies (LEAs) can assess fees of up to sixty-five (65) to program participants to offset the costs of providing the training and instruction. If a local board of education charges a fee for participation in a driver education course, the local board shall provide a process for reduction or waiver of that fee for students unable to pay the fee due to economic hardship.
- 5) No State funds shall be used for driver education programs that do not comply with the State Board of Education Policy.

- 6) If an LEA does not comply with any reporting requirements imposed on the LEA for purposes of implementing the strategic plan established by the State Board of Education, DPI may withhold up to 5% of the State funds allocated for driver's education until the LEA reports the required information.
- 7) Of the funds appropriated, DPI may use up to 2% of those funds for the direct costs for the statewide administration of the program, including necessary positions.

INNOVATIVE SCHOOL DISTRICT (ISD) (PRC 044)

PROGRAM REPORT CODE: 044
UNIFORM CHART OF ACCOUNTS CODE: XXXX-044-XXX
STATUTORY REFERENCE: [GS 115C, Article 7A](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: The ISD is established by statute under the State Board of Education and the Superintendent of Public Instruction to manage and operate schools that have been selected as innovative schools.

The State Board of Education is authorized to select, upon the recommendation of the ISD Superintendent, no more than five qualifying elementary schools to transfer to the ISD as innovative schools. The five qualifying schools selected for inclusion in the ISD should represent geographic diversity, including urban and rural schools. The State Board of Education shall select no more than one qualifying school per local school administrative unit, unless the local board of education consents. The State Board of Education may contract with an Innovative School (IS) operator for each the innovative school.

ELIGIBILITY: The ISD is eligible for the funds under this PRC.

FORMULA: The IS operator shall select one of the allocation methods as the method to be used for the innovative school, as outlined in [GS 115C-75.10](#).

SPECIAL PROVISION:

- 1) The State Board shall allow for annual adjustments to the amount allocated to the ISD based on the enrollment changes in the innovative schools in school years subsequent to the initial year of operation.
- 2) The ISD may seek, manage, and expend federal money and grants, State funding, and other funding with the same authority as a local school administrative unit, including decisions related to allocation of State funds among innovative schools. The ISD shall be considered a local school administrative unit for all federal funding purposes.
- 3) The ISD shall be allotted 34% of its Initial Allotment available to "draw down" after the General Assembly adjourns, based on the projected total ADM of the innovative schools provided by the ISD. Final allotments shall be recalculated based on the higher of current

year Month 1 ADM and prior year month 1 ADM and 100% of the allotment shall be made available to the ISD.

- 4) After first month ADM adjustments, the ISD may request additional funding if it has significant growth (20% or more) in months two through four. Requested ADM must be verified. The state contingency reserve will be used to fund any prorated increases within funds available.
- 5) In addition to the state funding based on dollars per ADM, the ISD may receive Children with Disabilities and Limited English Proficiency funding if the ISD qualifies. These special funds plus the dollars per ADM funding are distributed under PRC 044.
An additional amount for each child attending the innovative school who is a child with disabilities. In the event a child with disabilities leaves the innovative school and enrolls in a public school during the first 60 school days in the school year, the innovative school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located. In the event a child with disabilities enrolls in the innovative school during the first 60 school days in the school year, the State Board shall allocate to the innovative school the pro rata amount of additional funds for children with disabilities.

Revised September 28, 2020

INTERNATIONAL FACULTY EXCHANGE TEACHERS (IFE) (PRC 020)

PROGRAM REPORT CODE: 020
UNIFORM CHART OF ACCOUNTS CODE: XXXX-020-XXX
STATUTORY REFERENCE: [GS 115C-105.25\(b\)](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides a separate account into which LEAs may transfer teacher positions to cover a contract for a visiting international faculty member.
ELIGIBILITY: Each LEA is entitled to request a conversion of positions to dollar equivalents.
FORMULA: None.

SPECIAL PROVISION:

If an LEA plans to convert a position to contract for an International Faculty Exchange (IFE) member, that unit may request the conversion of positions to dollar equivalents. This applies only to IFE programs.

- To request the conversion, the LEA must submit the form entitled "Program Expansion Teacher Positions Request for Conversion to a Dollar Allotment" to Global Education in the Division of K-12 Standards, Curriculum and Instruction. If approved, funds must be used in accordance with the plan submitted and approved.
- Positions converted used to cover costs associated with bringing an International Faculty Exchange (IFE) to the LEA through the International Exchange Program will be converted at a rate of the statewide average salary plus benefits of a classroom teacher .
- These positions shall be used for teachers only.

INSTRUCTIONAL SUPPORT PERSONNEL – CERTIFIED (PRC 007)

PROGRAM REPORT CODE: 007
UNIFORM CHART OF ACCOUNTS CODE: XXXX-007-1XX
STATUTORY REFERENCE: [GS 115C-105.25\(b\)](#)
[SL 1993-769, Section 19.24](#)

TYPE: Positions
TERM: 10 months: July 1 – June 30
PURPOSE: Provides funding for salaries for certified instructional support personnel to implement locally designed initiatives that provide services to students who are at risk of school failure as well as the students' families. It is the intent of the General Assembly that the positions must be used first for counselors, then for social workers and other instructional support personnel that have a direct instructional relationship to students or teachers to help reduce violence in the public schools. They shall not be used as administrators, coordinators, supervisors, or directors.
ELIGIBILITY: Each LEA is entitled to positions. The number of positions allotted is based on the formula listed below
FORMULA: These positions are allotted on the basis of one position per calculated allotted ADM. For city LEAs with an ADM of less than 3,000, all fractions will be rounded up to the next whole position. The positions are then multiplied by the LEA's average salary plus benefits.

After the first month of school, an LEA can request additional resources due to extraordinary student population growth. Allotments will be adjusted within available funds.

All partial positions 0.25 and over are rounded up to the nearest whole position.

SPECIAL PROVISION:

- 1) Local boards of education may transfer any portion of a position allotment to dollar allotments only for contracted services, which are directly related to school nursing and school psychology. Transfers for this purpose should be requested in writing to the Division of School Business. Converting certified position allotments to dollars for the purpose of

hiring the same type position is not allowable. The following limitations apply to the conversion:

a) School Nurse:

- i) One nurse for every 3,000 ADM or at least one per county.

b) School Psychologist:

- i) One for every 2,000 ADM or at least one per county.
- ii) Certification that the local board was unable to employ certified school psychologists.
- iii) Contracted services are limited to initial evaluations, revaluations for exceptional children, assessments, consultations, and counseling.

c) Both Nurse and Psychologist:

- i) Prior approval from the Division of School Business.
 - ii) Position (whole or half) will be converted at the statewide average salary level of an Instructional Support-Certified position, including benefits.
 - iii) The dollar amount utilized for contracted services may not exceed the amount allocated to the local school system. The dollar allotment (salary, plus benefits) will be transferred to Instructional Support Personnel – Non-certified.
- 2) Each LEA is responsible for the identification of Instructional Support Personnel – Certified as teachers, librarians, school counselors, school psychologists, school nurses, and school social workers.
 - 3) Upon written notification to the Division of School Business, certified support personnel positions may be transferred to dollars for non-certified personnel. All transfer requests must be received within the fiscal year that payment to the individual is made. There will be no prior year adjustments approved. If this option is selected, the resulting positions and dollars will be transferred to a separate allotment category entitled "Instructional Support Personnel – Non-certified" which is a dollar allotment.
 - 4) The positions can be used for teachers to reduce class size in all grades without a State Board of Education (SBE) Waiver or a transfer of funds. Funds can be transferred for any purpose except where limited by the ABC Transfer Policy by submitting an ABC Transfer Form in the Allotment System. The conversion rate will be the A00 step on the Salary Schedule, plus benefits.
 - 5) Any school which is eligible for a principal and contains grades K-12, with a total student population not sufficient to generate one instructional support position (ADM less than 150) will be allotted one instructional position, within funds available for Instructional Support. This does not include schools identified as alternative or special schools. The LEA must allocate additional positions provided under this provision to the school that generated the additional positions.

LEA FINANCED PURCHASE OF SCHOOL BUSES (PRC 120)

PROGRAM REPORT CODE: 120
UNIFORM CHART OF ACCOUNTS CODE: 6XXX-120-551
STATUTORY REFERENCE: [SL 2009-451, Section 7.5](#)
[GS 115C-528](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funding for the state school bus replacement program.
ELIGIBILITY: Each LEA is entitled to funding.
FORMULA:

- 1) Funds are allotted to replace vehicles based on age and mileage of the vehicles.
- 2) The initial allotment shall consist of one third of the total allotment. The remaining allotment shall be made in intervals of one third of the total allotment in subsequent years not to exceed three years.
- 3) DPI will issue checks in the amount of the allotted funds on the LEA's behalf for the installment payment.

SPECIAL PROVISION:

- 1) LEAs must purchase the buses only from vendors selected by the State Board of Education and on terms approved by the State Board of Education.
- 2) LEAs must use the funds only to make payments on a financing contract entered into pursuant to [GS 115C-528](#) (see Formula #3 above). Funds cannot be transferred in or out of this PRC.

LIMITED ENGLISH PROFICIENCY (PRC 054)

PROGRAM REPORT CODE: 054
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-054-XXX
 STATUTORY REFERENCE: [GS 115C-105.25\(b\)\(10a\)](#)
[SL 2007-323, Section 7.9](#)

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: To provide additional funding to LEAs/charter schools with students who have limited proficiency in English.
 ELIGIBILITY: Eligible LEAs/charter schools must have at least 20 students with limited English proficiency (based on a 3-year weighted average headcount), or at least 2 1/2% of the ADM of the LEA/charter school. Funding is provided for up to 10.6% of ADM.
 FORMULA: Calculate 3-Year Average Headcount

- Most current years available weighted twice (50%)
- Two previous years weighted once (25%)

Base Allocation
 Each eligible LEA/charter school receives the minimum of 1 teacher assistant position.

- 1) 50% of the funds (after calculating the base) will be distributed based on the concentration of limited English proficient students within the LEA.
- 2) 50% of the funds (after calculating the base) will be distributed based on the weighted 3-year average headcount.

SPECIAL PROVISION:

- 1) The funds shall be used to supplement local current expense funds and shall not supplant local current expense funds.
- 2) Funds allotted for Limited English Proficiency must be expended only for classroom teachers, teacher assistants, tutors, textbooks, classroom materials / instructional supplies / equipment, transportation costs, and staff development needed to serve limited English proficient students.
- 3) No Funds shall be transferred out of this category.

LOW WEALTH COUNTIES SUPPLEMENTAL FUNDING (PRC 031)

PROGRAM REPORT CODE: 031
UNIFORM CHART OF ACCOUNTS CODE: XXX0-031-XXX
STATUTORY REFERENCE: [SL 2017-57, Section 7.3](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: To provide supplemental funds in counties that do not have the ability to generate revenue to support public schools (per a legislated formula) at the state average level. The funding is to allow those counties to enhance the instructional program and student achievement.

ELIGIBILITY: Eligible LEAs are those located in counties in which the calculated county wealth (per the legislated formula) is less than 100% of the state average wealth.

FORMULA: All data used for this formula will be the most recent data as of May 15 of the preceding fiscal year of the allotment. The formula for this allotment is as follows:

- 1) Compare a county's ability to generate revenue (using three criteria) with the average ability to generate revenue of the other 99 counties in the state.
 - a) Purpose: The overall wealth of a county is considered critical in determining if a county can generate the necessary revenue to support the LEA(s) located within the county. The formula attempts to project the county's ability to generate revenue as compared to other counties in North Carolina.
 - b) Criteria:
 - i) Anticipated Total County Revenue - This anticipated revenue is generated from the property value in the county plus the revenue a county actually receives from sources such as sales taxes and fines and forfeitures. The property value has been adjusted by a formula to take into consideration the year the property was last valued. This calculation is projected to be almost 95% of all the revenue available to a county for current expense.
 - ii) Tax Base per Square Mile (Density) - This part of the formula compares the value of a county's property per square mile with the state average property value per square mile. This calculation attempts to recognize the "swamp land" (low to no value property) across the state and to compare the quantity of this property with all other counties.

- iii) Per Capita Income – A three-year average of a county's per capita income is compared to the same average for the total state. The per capita income is a basic indicator of a county's residents' ability to pay taxes.
- 2) Determine if a county is eligible to receive funding.
 - a) Purpose: The factors outlined in Step 1 are weighted to determine how a county compares to all other counties in the State.
 - b) Criteria:
 - i) 40% Anticipated Total County Revenue as a percentage of the State Average Anticipated State Revenue [see Step 1(b)(i)].
 - ii) 10% Tax Base per Square Mile as a percentage of the State Average Tax Base per Square Mile [see Step 1(b)(ii)].
 - iii) Combine the formula weights revenue/property as 50% of the calculation.
 - iv) 50% A County's average per capita income as a percentage of the State average per capita income [see Step 1(b)(iii)].
 - c) When the three percentages are totaled, the sum indicates the county's wealth as a percentage of the state's average wealth. If the total is less than 100%, a county is eligible to receive funding.
- 3) Determine if a county is meeting a minimum effort to generate revenue or fund public schools as compared to a state average effort.
 - a) Purpose: Minimum effort is established to determine if a county is committing a comparable effort compared to other counties within the State. To receive total funding, a county must either tax their local property at the State average or contribute more local dollars to public schools than the State average local contribution.
 - b) Criteria: A county is fundable at 100% of the calculated funding if at least one of the following conditions is met:
 - i) The county's actual tax rate is adjusted by a formula to take into consideration the year the property was last valued. The revised tax rate is classified as the Effective Tax Rate. If the county's Effective Tax Rate is higher than the state Average Effective Tax Rate, the county is fundable at 100% of the funding as calculated in the formula.
 - ii) If the county's appropriation per student is higher than what the county could provide given the county's ability to generate wealth and an average effort to fund public schools, then a county is eligible for 100% funding. To determine what a county could provide, the State average contribution is multiplied by the county's wealth percentage (total percentage in Step 2 above).
 - iii) A county will be funded at a percentage of the calculated funding in the formula if the county is eligible for funding and does not meet the two criteria outlined above. A county's funding will be based on the percentage a county is contributing to public schools as compared to what the county could contribute based on the county's wealth and an average state effort.
- 4) Calculation of what a County (LEA) will be funded.
 - a) Purpose: Once a county is determined to be Low Wealth, the next step is to calculate the amount of supplemental funds the county will receive.

- b) Criteria:
 - i) The difference between the county's Appropriation per student and State Average Local Appropriation (including supplemental taxes) per student is multiplied by the county's ADM for a total allotment per formula.
 - ii) If the county does not meet the minimum effort as described in Step 3, their allotment is prorated based on the effort they are maintaining.
 - iii) The total for all counties is prorated to the appropriated funds.

SPECIAL PROVISION:

- 1) Funds allotted for a Low Wealth Supplement must be expended only for:
 - a) Instructional positions
 - b) Substitutes
 - c) Instructional support positions
 - d) Teacher assistant positions
 - e) Clerical positions
 - f) Overtime pay
 - g) Instructional equipment
 - h) Instructional supplies and materials
 - i) Staff development
 - j) Fringe benefits
 - k) Textbooks and digital resources
 - l) Supplements for instructional personnel and instructional support personnel as defined in the Uniform Chart of Accounts.
- 2) These funds are to supplement, not supplant, local funds. Funds will not be allocated to any LEA found to have used these funds to supplant local per student current expense funds.
- 3) A county is considered to have used these funds to supplant if the current expense appropriation per student of the county for the current year is less than 95% of the average of the local current expense appropriations per student for the three prior fiscal years.
- 4) The State Board of Education will consider requests from LEAs to waive the non-supplant requirement as outlined in the legislated low wealth and small county supplemental funding formula only under the following conditions:
 - a) The county can show:
 - i) that it has remedied the deficiency in funding, or
 - ii) that extraordinary circumstances caused the county to supplant local expense funds with funds allocated under this section.
 - b) Examples include:
 - i) Closing/merging schools within an LEA.
 - ii) Loss of federal Impact Aid funds.
 - iii) Significant change in the demand for county resources due to state/federal unfunded mandates, natural disaster, or other emergency.
- 5) Per [SL 2017-197, Section 2.19](#), for the 2017-2019 fiscal biennium, a county containing a base of the Armed Forces of the United States that has an average daily membership of more than 17,000 students shall receive whichever is the higher amount in each fiscal year as

follows: either the same amount of supplemental funding the county received as a low-wealth county in the 2012-2013 fiscal year, or the amount of supplemental funding the county is eligible to receive as a low-wealth county pursuant to the formula. This provision also exempts the county from the non-supplant requirement.

- 6) Funds may be transferred with no restrictions by submitting ABC Transfer Form in the Allotment System.

EARLY GRADE READING PROFICIENCY (PRC 085)

PROGRAM REPORT CODE: 085
UNIFORM CHART OF ACCOUNTS CODE: XXX0-085-XXX
STATUTORY REFERENCE: [GS 115C, Article 8, Part 1A](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Kindergarten, first, second, and third grade students shall be assessed with valid, reliable, formative, and diagnostic reading assessments made available to local school administrative units by the State Board of Education. Assessments shall yield data that can be used with the Education Value-Added Assessment System (EVAAS). Difficulty with reading development identified through administration of formative and diagnostic assessments shall be addressed with instructional supports and services. Formative and diagnostic assessments and resultant instructional supports and services shall address oral language, phonological and phonemic awareness, phonics, vocabulary, fluency, and comprehension using developmentally appropriate practices. These assessments may be administered by computer or other electronic device.
ELIGIBILITY: All LEAs, charter schools, Lab schools and ISD, which serve grades K-3 students are entitled to funding.
FORMULA: Excellent Public Schools Act funds certified in Fund Code 1800, except for those allotted through PRC 016 or used to provide the kindergarten entry assessment as required by 115C-83.5, shall be allotted based on ADM in K-3 classrooms.

SPECIAL PROVISION:

- 1) Funds may only be used for the purpose stated and may not be transferred out of the allotment category.
- 2) Available assessments are those approved by the State Board of Education to comply with meet the Read to Achieve mandate only for the 2020-21 school year.
- 3) Funds shall not be allotted until the State Board of Education approves a list

containing eligible vendors meeting specific criteria (i.e. Lexile Study, Formative diagnostic for grades K – 3, EVAAS compatibility).

- 4) The following units shall receive the allocation in the PRC indicated:
 - a) Charter Schools is in PRC 036 – State Charter School
 - b) Lab Schools in PRC 038 – “Z” Schools
 - c) ISD in PRC 044 – Innovative School District
 - d) Renewal School District in PRC 037 - Restart Schools/Renewal School District

NONINSTRUCTIONAL SUPPORT PERSONNEL (PRC 003)

PROGRAM REPORT CODE: 003
UNIFORM CHART OF ACCOUNTS CODE: XXXX-003-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: Varies, July 1 - June 30
PURPOSE: Provides funding for non-instructional support personnel and associated benefits. These funds may be used at the central office or at individual schools. The funds may be used for:

- Clerical Assistants
- Custodians
- Duty Free Period
- Liability Insurance
- Substitutes
- Textbook Commission Clerical Assistant

ELIGIBILITY: Each LEA is entitled to funding. The dollars allotted are based on the formula listed below.

FORMULA: Funds are allotted on the basis of dollars per allotted ADM. \$6,000 for clerical assistants is allotted to each LEA with a member in the textbook commission.

SPECIAL PROVISION:

- 1) The LEA shall determine the assignment, the length of employment, and the pay level in accordance with the North Carolina Public School Personnel State Salary Schedule. Substitutes must be paid in accordance with General Information Section of the Allotment Policy Manual.
- 2) There is no limit on the number of individuals that can be employed as long as all employees are placed on the North Carolina Public School Personnel [State Salary Schedule](#) and the LEA does not exceed the total dollars.
- 3) By the end of the third payroll period, the average salary paid at the LEA must be at least 98% of the State-allotted amount for clerical assistants and custodians.
- 4) Funds may be transferred with no restrictions by submitting ABC Transfer Form.
- 5) Employment of Textbook Commission Clerical Assistants is at the discretion of the Textbook Commission member; however, the employment of clerical assistants must follow the guidelines that govern the employment of other personnel within the LEA. Members are

- strongly advised **not** to hire members of their immediate family. The LEA that employs the clerical assistant codes their salary as an expense.
- 6) An increase in each LEA's allotment will be made on a monthly basis based upon the LEAs extended sick leave, personal leave, and other leave requiring deductions from the teacher's pay (\$50).
 - 7) A reserve of \$250,000 has been established for LEAs who are in need of economic relief due to prolonged teacher absences resulting in an unpredictably large increase in substitute expenses. LEA requests for funds will be granted based on the criteria in this policy as long as funds are available.
 - a) The LEA must send a written request to the Public Schools of North Carolina, School Allotments Section, stating:
 - i) Why the additional funds are needed. (Provide details of the qualifying condition with supporting documentation.)
 - ii) The amount needed. (Provide details of how this amount was determined.)
 - iii) Why other sources of funds are not available.
 - b) The LEA must have not transferred any funds out of non-instructional support during the fiscal year for which additional funds are requested.
 - c) Request must be made by April 1 to allow time for processing and ensure expenditures are paid prior to June 30.
 - 8) Public school units shall be reimbursed for the substitute cost of teachers who attend the Holocaust workshop provided by the NC Council on the Holocaust. The list of attendees is provided by the Council.
 - 9) If the Governor, State Board Chairman, or State Superintendent of Public Instruction schedules an event (meeting) to invite teachers, funds will be allotted to cover the cost of substitutes while the teachers are out of the classroom.
 - 10) Small Restructured High Schools – Schools restructuring into smaller learning communities with agreements with the New Schools Project, will receive funding equivalent to one additional clerical position. ([SL 2009-451 Committee Report Page F 4, Item #29](#))
 - 11) The Excellent Public Schools Act provided additional funding for the addition of 5 days within the existing school calendar. [[SL 2012-142, Section 7A.6\(a\)](#)]

PRINCIPAL AND TEACHER PERFORMANCE BONUSES (PRC 048)

PRINCIPAL PERFORMANCE BONUS

PROGRAM REPORT CODE: 048
UNIFORM CHART OF ACCOUNTS CODE: XXXX-048-XXX
STATUTORY REFERENCE: [SL 2018-5, Section 8.3](#)
[SL 2020-45 Section 5](#)

TYPE: Dollars
TERM: July 1, 2018 - June 30, 2019
PURPOSE: A bonus program that provides principals with performance-based bonuses.
ELIGIBILITY: Each LEA is entitled to funding, based on the Education Value-Added Assessment System (EVAAS) student growth index score for the school.
FORMULA: Funds shall be provided for principals who received a one-time bonus in 2019-20 fiscal year based on the school being in the top 50% of school growth, pursuant to Section 2.4 of SL 2019-247 and is employed as a principal in a public school as of October 1, 2020.

SPECIAL PROVISION:

- 1) Bonuses are payable no later than October 31.
- 2) Principals employed in a charter school, Lab school, or regional school are eligible to receive the bonus if they qualify.
- 3) A principal is not eligible to receive a bonus if he/she is no longer employed as a principal due to resignation, dismissal, reduction in force, death or retirement.
- 4) A principal is not eligible to receive a bonus if his/her last workday is prior October 1, of the year it is paid.
- 5) The compensation bonuses are not considered compensation for purposes of the Teachers' and State Employees' Retirement System.
- 6) It is the intent of the General Assembly that funds provided to LEAs pursuant to this section will supplement principal compensation and not supplant local funds.
- 7) Unused funds shall not be used for any purpose other than stipulated in the legislation. Excess funds allotted shall revert to the state.

RESTART SCHOOLS AND RENEWAL SCHOOL SYSTEMS (PRC 037)**RESTART SCHOOLS**

PROGRAM REPORT CODE: 037
UNIFORM CHART OF ACCOUNTS CODE: XXXX-037-XXX
STATUTORY REFERENCE: [GS 115C-105.37B](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: To approve a local board of education's request to reform any school in its LEA which the State Board of Education has identified as one of the continually low-performing schools in North Carolina.
ELIGIBILITY: LEAs which have applied for and been approved by the State Board of Education to convert continually low-performing schools to the legislated restart model.
FORMULA: The restart model provides the same exemptions as a charter school and therefore, the following will apply to an LEA that has a State Board of Education approved Restart school.

DPI will fund the LEA based on the legislated funding formulas and the allotted average daily membership (ADM) of the LEA.

SPECIAL PROVISION:

- 1) The LEA is required to transfer an amount equal to the State average per pupil allocation for the LEA for the ADM of the school into a restricted PRC. The average per pupil allocation will exclude transportation, exceptional children (EC), and limited English proficiency (LEP) funds.
- 2) The ADM will be the school's ADM per the Month 1 Principals Monthly Report.
- 3) The average per pupil allocation will include the guaranteed expenditures (PRC 009), however the LEA shall be allowed to expend for the Restart school in PRC 009.
- 4) The LEA is required to ensure that adequate services for exceptional children and limited English proficient students are provided. EC and LEP allotments shall not be transferred into this PRC. Program expenditures for students in Restart schools shall be accounted in PRC 032 and 054, respectively.
- 5) LEA transportation allotment may be used to transport students.
- 6) Other funds shall be provided consistent with charter schools. e.g., Summer camps, etc.
- 7) Restrictions on transfers:

- a) Transfer restrictions outlined in the Allotment Policy Manual apply, unless exception noted in this document.
- b) State position allotments will be converted at the LEA average salary for that position plus benefits.
- c) Career Technical Education funds may be transferred if the school serves students in grades 8-12, up to a calculated cap.
- d) Teacher assistant funding may be transferred into the restricted Restart PRC with no limit.
- e) Transfers from PRC 056 transportation are not allowable.
- f) LEAs are restricted to the required transfer and may not transfer funds in excess of the requirement. Funds in the restricted PRC shall only be used for the Restart school(s).
- g) LEAs may use funds from other state allocations for the school(s).
- h) Funds transferred into the Restart PRC shall not be transferred out.
- i) The LEA shall make all transfer into the Restart PRC by November 30th. If the LEA has failed to transfer the appropriate amount, the School Allotments Section shall transfer any remaining balance from PRC 003 Non instructional support. If there are insufficient funds in PRC 003, to fulfill the requirement, the remaining balance shall be transferred from PRC 024 Disadvantaged Student Supplemental Funding.

RESTART SCHOOLS AND RENEWAL SCHOOL SYSTEMS (PRC 037)**RENEWAL SCHOOL SYSTEM**

PROGRAM REPORT CODE: 037
UNIFORM CHART OF ACCOUNTS CODE: XXXX-037-XXX
STATUTORY REFERENCE: [SL 2018-32, Part VI](#)

TYPE: Dollars

TERM: July 1 – June 30

PURPOSE: A local board of an LEA which meets the legislated criteria may submit a plan to the State Board of Education to permit the LEA to decide all matters related to the operation of the schools under its control including the use of State funds, curriculum, and operating procedures unless prohibited in law. Upon the approval of the State Board of Education, the LEA shall be designated as a Renewal School District (RSS).

ELIGIBILITY: The LEA that has
1) the greatest percentage of restart model schools,
2) received low wealth supplemental funding and
3) more than 10,000 in ADM.

FORMULA: The State Board of Education shall allocate to an RSS the following:

- 1) A base amount equal to the average per pupil initial allocation for the LEA for the allotted ADM, consistent with the calculation for state funds for charter schools. The allocation for children with disabilities, children with limited English proficiency, and driver training shall be provided in addition to the base amount.
- 2) An additional amount for each child attending the RSS who is a child with disabilities. During the first 60 school days, if a child with disabilities who was included in the prior fiscal year April 1 child count leaves or returns to a RSS from or to a charter school, the pro-rata share of funds allocated for that child will be adjusted.
- 3) An additional amount for children with limited English proficiency and driver training attending the RSS, based on the formulas adopted by the State Board.
- 4) Other funding due to the RSS per law or State Board policy, that is not restricted in law.

SPECIAL PROVISION:

- 1) The RSS shall be allotted 100% of its Initial Allotment after the General Assembly adjourns, based on the allotted ADM.
- 2) The RSS per pupil initial allocation shall be adjusted for increases or decreases in ADM, consistent with the State Board policy for LEA Allotment adjustments. In the event of an

adjustment for ADM differences between allotted and actual, all initial allotment categories shall be adjusted on a per pupil basis.

- 3) A RSS shall be eligible to receive or apply for funds available to LEAs, if applicable.
- 4) Use of State funds shall be unrestricted unless there is a restriction imposed by federal law, the conditions of federal grants or as provided through any rules that the State Board adopts to ensure compliance with federal regulations.
- 5) State position allotments will be converted at the State average salary for that position plus benefits.

SCHOOL BUILDING ADMINISTRATION (PRC 005)

PROGRAM REPORT CODE: 005

UNIFORM CHART OF ACCOUNTS CODE: XXXX-005-XXX

STATUTORY REFERENCE: [GS 115C, Article 19](#)
[SL 1993-769, Section 19.24](#)
[SL 2011-145, Section 7.14\(a\)](#)

TYPE: Months of Employment (MOEs)

TERM: 10, 11, or 12 months, July 1 - June 30

PURPOSE: Provides funding for salaries including benefits for principals and assistant principals

ELIGIBILITY: Each LEA is entitled to months of employment. The months of employment allotted are based on the formulas listed below.

FORMULA: Principal and Assistant Principal Allotments are consolidated to allow more flexibility at the local level. The allotments are calculated separately and then combined into one allotment.

PRINCIPALS:

Each school with 100 or more pupils in final ADM and/or seven or more full-time equivalent state allotted/paid teachers and instructional support personnel, unrounded, (based on prior year 6th pay period) is entitled to twelve months of employment for a principal, within funds available. In accordance with [SL 2011-145, Section 7.14\(a\)](#), a school that opens after July 1, 2011 with less than 100 students in final average daily membership is not entitled to 12 months of employment for a principal. Year-round schools, multi-track organizational patterns, and other sub-urbanization patterns developed within the existing framework of an established campus are not automatically entitled to additional months of employment. The total months are then multiplied by the LEA's average monthly salary (based on prior year 6th pay period salary adjusted for legislated increases and benefits).

If a school opens on or after November 1, a principal allotment will be prorated based on the date of the school opening, within available funds. New school openings will be verified based on current year 2nd month ADM. If the schools are not open, or if they do not qualify for a principal, their principal allotment will be reduced. If this ineligible school was allotted 4 additional principal months in the previous fiscal year for school planning, the 4 months will also be reduced from the current year's allotment.

ADM is based on the final ADM for the prior year as reported on the Principal Monthly Reports (PMR).

FTE information obtained from the 5th and 6th pay periods will be as reported. 202 adjustments shall not be considered.

ASSISTANT PRINCIPALS:

One month of employment per 98.53 allotted ADM rounded to the nearest whole month. The total months are then multiplied by the LEA's average monthly salary (based on prior year 6th pay period plus LI) plus benefits.

Fractions of months of employment are rounded up to the nearest month for small city LEAs with ADM less than 3,000 students.

SPECIAL PROVISION:

1) PRINCIPALS:

- a) If a school does not meet the conditions specified above, then a teaching position may be used as principal of that school. Teachers employed as principals of schools with less than seven but more than two teachers should be paid for ten months on the appropriate pay level for building principals as specified in the North Carolina Public School Personnel State Salary Schedule.
- b) In the event the closing or reorganization of schools in an LEA causes a reduction in the principal allotment, the allotment shall be held harmless the first and second fiscal years following the reduction of the principal allotment, provided that the reduction in the principal allotment continues in the second year.
- c) A teacher may be reassigned to fill in for a principal after the principal has been on sick leave for at least ten (10) days. The reassignment shall be allowed until the principal returns to work or exhausts sick leave.
- d) Funds may be transferred for any purpose, except where prohibited elsewhere in the ABC transfer policy, by submitting an ABC Transfer Form. The salary transferred will be based on the first step of the principal Base salary schedule. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable.
- e) The State Board of Education must approve waivers for placement of Principals on the salary schedule for Low-Performing schools.
- f) An LEA may submit in writing to the School Allotments Section a request for up to four additional principal months of employment for new schools (which will qualify for a principal allotment). This request needs to include the following information: school opening date, number of months requested, estimated ADM, estimated state allotted/paid teacher and instructional support FTEs, and the effective date that the principal begins the performance of administrative duties for the new school. This policy only applies to additional regular education schools opening within the district. It does not apply to alternative schools or schools that are replacing existing schools within the LEA. The allotment could be prorated based on the date that the request is received. The allotment of additional principal months will depend on the availability of funds.
- g) Small Restructured High Schools – Schools restructuring into smaller learning communities shall receive a principal position per new site.

- h) Approved STEM (Science, Technology, Engineering and Math) schools shall receive a principal per site.
- 2) ASSISTANT PRINCIPALS:
- a) These positions shall be used only for non-teaching activities.
 - b) LEAs may employ assistant principals for 10, 11, or 12 months. LEAs cannot exceed allotted months of employment.
 - c) Assistant principal months may be allotted within funds available to an LEA if the sub-organizational structure of a school within that LEA creates a distinct separate operating entity within an existing school such as an exceptional children wing of a school with integrated/shared programs. The allotments must be requested and appropriated on an annual basis. The LEA must show a need for funding not already included in the regular ADM assistant principal allotment or exceptional children programs. The identification of separate grade spans within a school does not qualify for additional funding under this provision.
 - d) Funds may be transferred for any purpose, except where prohibited elsewhere in the transfer policy, by submitting an approved ABC Transfer Form. Funds related to Assistant Principal Months of employment shall be transferred based on the first step of the Assistant Principal Salary Schedule. Funds may be transferred out. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable.
 - e) Small Restructured High Schools –Schools within an existing school as approved will be reduced for Assistant Principal Months of Employment. ([SL 2005-276, Section 7.52](#))

SCHOOL CONNECTIVITY (PRC 073)

PROGRAM REPORT CODE: 073
UNIFORM CHART OF ACCOUNTS CODE: XXX0-073-XXX
STATUTORY REFERENCE: [SL 2006-66, Committee Report](#)
[SL 2007-323, Section 7.28](#)
[SL 2015-241, Committee Report](#)
[SL 2017-57, Section 7.23A](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Funds are appropriated in this act to support the enhancement of the technology infrastructure for public schools.
ELIGIBILITY: Each NCREN connected LEA or Charter having multiple locations separated by a public-right-of-way is entitled to wide area network funding. Each charter school not connected to NCREN is entitled to funding to offset the costs of Internet Connectivity
FORMULA: Each LEA or charter receives a percentage of the estimated wide area network or Internet costs after projected E-Rate discounts as determined and verified by DPI. Because the number of schools, locations, pricing, available funding and E-rate discounts may change each year, amounts and percentages may vary.

SPECIAL PROVISION:

- 1) These funds shall be used for broadband access, equipment, and support services that create, improve and sustain equity of access for instruction opportunities for public school students and educators.
- 2) The funds appropriated shall be used to implement a plan approved by the State Board of Education to enhance the technology infrastructure for public schools that supports teaching and learning in the classrooms.
- 3) Funds currently used for the services covered by these new funds shall not be supplanted by this additional funding and shall be used to support instructional technologies and local infrastructure in schools in support of the acquisition and delivery of instructional technology resources to the classroom.
- 4) Any refunds received for services paid with these technology funds shall return to the originating technology fund.
- 5) School Connectivity funding for Charter Schools is allotted in PRC 036.

SCHOOL RESOURCE OFFICER (PRC 039)

PROGRAM REPORT CODE: 039
UNIFORM CHART OF ACCOUNTS CODE: XXXX-039-XXX
STATUTORY REFERENCE: [SL 2018-5, Section 7.27\(e\)](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: This account provides funding to local administrative units, regional schools, and charter schools for school resource officers in elementary and middle.
ELIGIBILITY: All LEAs, charter schools, and regional schools are eligible for grant funding. Applications will be judged on need-based considerations which include small-county, low wealth, and school crime rate factors.
FORMULA: LEAs must submit Applications for funding. Allocations must be approved by the State Board of Education.

SPECIAL PROVISION:

- 1) State School Resource Officer funding for Middle Schools must be matched on the basis of two dollars (\$2.00) in state funds for every one dollar (\$1.00) in local funds.
- 2) School Resource Officer Funds for Charter Schools will be allotted in PRC 036. Funds for Regional Schools will be allotted in PRC 038.
- 3) Public school units may use these funds to employ school resource officers in elementary and middle schools, to train them, or both. Training shall be provided, in partnership with the public school unit, by a community college, a local law enforcement agency, or the North Carolina Justice Academy. Any training shall include instruction on research into the social and cognitive development of elementary school and middle school children.
- 4) Funds cannot be transferred in or out of this category.

SCHOOL TECHNOLOGY FUND (PRC 015)

PROGRAM REPORT CODE: 015
UNIFORM CHART OF ACCOUNTS CODE: XXXX-015-XXX
STATUTORY REFERENCE: [GS 115C, Article 8, Part 3A](#)

TYPE: Dollars
TERM: July 1: carries over until spent
PURPOSE: Provides funding to LEAs for the development and implementation of a local school technology plan
ELIGIBILITY: Each LEA is entitled to funding.
FORMULA: Funds for School Technology are distributed based on allotted ADM in grades K-12.

SPECIAL PROVISION:

- 1) Two or more LEAs may jointly expend funds to develop their individual local school technology plans for staff development or to implement their individual local school technology plans.
- 2) Funds must be expended in accordance with the LEA's School Technology Plan.
- 3) Monthly allotment adjustments will be made to each LEA based on interest received on their account from the Department of State Treasurer. These monthly adjustments are based on each LEA's average daily balance for the month in their School Technology Fund.
- 4) Any legislated One-time annual adjustment for fines and penalties will be made to each LEA and Charter School with an approved technology plan. Funds are allotted based on allotted ADM.
- 5) Per [GS 115C-546.2](#), monthly allotment adjustments will be made to each LEA based on transfers from the School Building Fund once received from the Division of Safe and Healthy Schools Support, School Planning Section.
- 6) Funds cannot be transferred in or out of this category.

SMALL COUNTY SUPPLEMENTAL FUNDING (PRC 019)

PROGRAM REPORT CODE: 019
 UNIFORM CHART OF ACCOUNTS CODE: XXX0-019-XXX
 STATUTORY REFERENCE: [SL 2018-5, Section 7.4](#)

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: To provide additional funds to small school systems.
 ELIGIBILITY: Each Eligible county school administrative unit shall receive a dollar allotment according to the following schedule over the next five-year period.

FORMULA:	<u>Allotted ADM</u>	<u>Small County Allotment</u>
	0 – 600	\$1,710,000
	601 – 1,300	\$1,820,000
	1,301 – 1,700	\$1,548,700
	1,701 – 2,000	\$1,600,000
	2,001 – 2,300	\$1,560,000
	2,301 – 2,600	\$1,470,000
	2,601 – 2,800	\$1,498,000
	2,801 – 3,300	\$1,548,000

SPECIAL PROVISION:

- 1) This is a Phase-Out Provision. If a local school administrative unit becomes ineligible for funding, funding for that unit shall be phased out over a five-year period. Funding for such local administrative units shall be reduced in equal increments in each of the five years after the local administrative unit becomes ineligible. Funding shall be eliminated in the fifth fiscal year after the local administrative unit becomes ineligible. Allotments for eligible local school administrative units shall not be reduced by more than (20%) of the amount received in the current fiscal year.
- 2) A local school administrative unit shall not become ineligible for funding if either the higher of the first two months total projected average daily membership for the current year or the higher of the first two months total prior year average daily membership would otherwise have made the unit eligible for funds under the schedule in subsection (a) of this section.
- 3) Uses of Funds:

- a) Funds allotted for small school systems may be used for any type expenditure eligible from State fund allotments (excluding central office administration); however, based on N.C. GS 115C-408(b), these funds are not available for capital construction projects.
 - b) An amount not to exceed ten thousand dollars (\$10,000) may be used to pay towards the plant operation contract cost charged by the Department of Public Instruction for services.
 - c) Local Boards of Education are encouraged to use at least 20% of the small county funds they receive to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of grade tests in grades 3-8. Local boards of education shall report to the State Board of Education on an annual basis on funds used for this purpose, and the State Board shall report this information to the Joint Legislative Education Oversight Committee. (SB 200, Section 7.12 (f))
 - d) Each LEA will need to develop its own chart of accounts using PRC 019 with any valid purpose and object code in the Chart of Accounts.
- 4) These funds are to supplement, not supplant, local funds. Funds will not be allocated to any LEA found to have used these funds to supplant local per student current expense funds. A county is considered to have used these funds to supplant if the current expense appropriation per student of the county for the current year is less than 95% of the average of the local current expense appropriations per student for the three prior fiscal years.
- 5) The State Board of Education will consider requests from LEAs to waive the non-supplant requirement as outlined in the legislated low wealth and small county supplemental funding formula only under the following conditions:
- a) The county can show:
 - i) that it has remedied the deficiency in funding, or
 - ii) that extraordinary circumstances caused the county to supplant local expense funds with funds allocated under this section.
 - b) Examples include:
 - i) Closing/merging schools within an LEA.
 - ii) Loss of federal Impact Aid funds.
 - iii) Significant change in the demand for county resources due to state/federal unfunded mandates, natural disaster, or other emergency.
- 6) Transfer of funds is not required.

SUMMER READING CAMPS (PRC 016)

PROGRAM REPORT CODE: 016
UNIFORM CHART OF ACCOUNTS CODE: XXX0-016-XXX
STATUTORY REFERENCE: [GS 115C, Article 8, Part 1A](#)
[SL 2014-100, Section 8.7](#)

TYPE: Dollars
TERM: July 1 – October 31
PURPOSE: To provide additional educational programs outside of the instructional calendar to any 3rd grade student who does not demonstrate reading proficiency and any first or second grade student who demonstrates reading comprehension below grade level as identified through administration of formative and diagnostic assessments in accordance with [GS 115C-83.6](#).

ELIGIBILITY: Each LEA or charter school

FORMULA: Each LEA and charter school shall receive:

- A minimum of \$10,725.
- A dollar amount per allotted 1st -3rd grade student multiplied by the percentage of 1st - 3rd graders who do not demonstrate proficiency in reading.
- The maximum funding is capped at \$825 per not-proficient ADM.

SPECIAL PROVISION:

- 1) Summer Camps shall:
 - a) Offer at least 72 hours of reading instruction to yield positive reading outcomes for participants;
 - b) Be provided over no less than three weeks for students in schools using calendars other than year-round calendars.
 - c) Be taught by compensated licensed teachers selected based on demonstrated student outcomes in reading proficiency or in improvement of difficulties with reading development; and
 - d) Allow volunteer mentors to read with students at times other than during 72 hours of reading instruction.
- 2) Parents or guardians of first and second grade students demonstrating reading comprehension below grade level as identified through assessments administered pursuant to [GS 115C-83.6](#), shall be encouraged to enroll their student in a reading camp provided by the local school administrative unit. Parents or guardians of the students demonstrating reading proficiency

shall make the final decision regarding the student's summer camp attendance.

- 3) Funding will carryover until Oct 31 of the subsequent fiscal year for expenditure liquidation.
- 4) LEAs and Charter Schools are encouraged to use other state and federal funding targeted at students at risk, in addition to the summer camp allotment. Such as, At Risk (PRC 069) and Disadvantaged Student Supplemental Funding (PRC 024).
- 5) No funds shall be transferred in or out of this category.

TEACHER ASSISTANTS (PRC 027)

PROGRAM REPORT CODE: 027
UNIFORM CHART OF ACCOUNTS CODE: 5XXX-027-XXX
STATUTORY REFERENCE: [GS 115C-105.25\(b\)\(3a\)](#)

TYPE: Dollars
TERM: Varies, July 1 - June 30
PURPOSE: Provides funding for salaries and benefits for regular and self-contained teacher assistants.
ELIGIBILITY: Each LEA is entitled to funding based on ADM.
FORMULA: Funds are allotted based on allotted ADM in grades K-3. Benefits are included.

SPECIAL PROVISION:

- 1) The LEA shall determine the length of employment and the pay level for teacher assistants in accordance with the North Carolina Public School Personnel [State Salary Schedule](#).
- 2) No limit exists on the number of individuals that can be employed as long as all employees are placed at a minimum pay level of 56 in accordance with the North Carolina Public School Personnel State Salary Schedule, and the LEA does not exceed the total dollar allotment.
- 3) No ABC transfers out of this category. ABC transfers are allowable into this category by submitting ABC Transfer Form.
- 4) Teacher assistants may serve students in grades K-12. However, they must be instructional TAs as defined by object code 142 in the Uniform Chart of Accounts.
- 5) By the end of the third payroll period, the average salary paid at the LEA must be at least 98% of the State-allotted amount for teacher assistants.
- 6) LEAs which are legislated under the “Turning TAs in to Teachers Pilot” shall select up to 5 teacher assistants to receive \$4,600 for each assistant, representing annual tuition. These funds are restricted to TA tuition reimbursement and shall revert if not expended for the program. ([SL 2018-5, Section 7.21](#))

TEXTBOOKS AND DIGITAL RESOURCES (PRC 130/131)

PROGRAM REPORT CODE: 130/131
UNIFORM CHART OF ACCOUNTS CODE: N/A
STATUTORY REFERENCE: [GS 115C, Article 8, Part 3](#)
[SL 2015-241, Section 8.18](#)

TYPE: Dollars
TERM: July 1 - June 30, plus limited carryover
PURPOSE: Provides funding for state-adopted textbooks and digital resources. LEAs should use their state textbook funds to provide, from the state-adopted list, textbooks for handicapped students.
ELIGIBILITY: Each LEA is entitled to funding.
FORMULA: Funds for Textbooks are distributed based on allotted ADM in grades K-12.

SPECIAL PROVISION:

- 1) Requests for reimbursement of local fund expenditures for textbooks for handicapped students should be submitted to the Division of Financial Services, Textbooks Section.
- 2) Textbook Warehouse funds in PRC 130 are eligible to carry over, calculated as follows:
 - a) Prior Year June 30 textbook balance
 - b) Plus: Current year allotment
 - c) Less: Current year textbook expenses
 - d) Equals: Funds eligible to carry over
- 3) The textbook and digital resources allotment shall only be used for textbooks and digital resources. (SL 2017-57). Funds may be transferred into PRC 131 for purchases outside of the State Textbook Warehouse. Any unexpended transferred funds in PRC 131 as of June 30 are not eligible for carryover. In order for these funds to be eligible for carryover, the LEA must transfer the unexpended balance back to PRC 130 on or before the last ABC transfer date.
- 4) Textbooks are defined under [GS 115C-85](#) as “systematically organized material comprehensive enough to cover the primary objectives outlined in the standard course of study for a grade or course.” Formats for textbooks may be print or non-print, including hardbound books, softbound books, activity-oriented programs, classroom kits, and technology-based programs that require the use of electronic equipment in order to be used in the learning process.
- 5) Local boards of education may:

- a) Select, procure, and use textbooks that have not been adopted by the State Board of Education for use throughout the local school administrative unit for selected grade levels and courses; in addition to
 - b) An approved school improvement plans developed under GS 115C-105.22 that include provisions for using textbooks that have not been adopted by the State Board of education for selected grade levels and courses.
- 6) "Local Education Agencies (LEAs) shall use their State textbook funds to provide to the same extent as is provided to non-disabled students, textbooks for students with disabilities. LEAs also shall, at a minimum, provide teachers of children with disabilities with the same teachers' editions provided to teachers of non-disabled students." ([SL 2006-69, Section 7](#))
- 7) All textbook contracts made under this subsection shall include a clause granting to the local board of education the license to produce Braille, large print, and audiocassette tape copies of the textbooks for use in the local school administrative unit.

TRANSPORTATION OF PUPILS (PRC 056)

PROGRAM REPORT CODE: 056
UNIFORM CHART OF ACCOUNTS CODE: 6XXX-056-XXX
STATUTORY REFERENCE: Related to COVID
[SL2020-80 Section 2.2](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides funding for all transportation related expenses for "yellow bus" use for eligible school age (K-12) students for travel to and from school and between schools. Examples of these expenses are contract transportation, transportation personnel (other than Director, Supervisor, and Coordinator), bus drivers' salaries, benefits, fuel, and other costs as defined in the Uniform Chart of Accounts. This includes expenses for contract transportation when a local school district finds it impracticable to furnish transportation by yellow bus for eligible school age (K-12) students for travel to and from school and between schools.
ELIGIBILITY: Each LEA is entitled to funding.
FORMULA:

- 1) Allotted based on a "budget rating" funding formula using the following factors: pupils transported; total eligible operating expenditures (local and state funds); number of buses operated.
- 2) The initial allotment shall consist of a portion of the projected planning allotment.
- 3) The final allotment will be allotted within available funds by December 1. This adjustment is derived from establishing a final budget rating calculated annually from the three key factors outlined in #1 above plus any other legislative adjustments.

SPECIAL PROVISION:

- 1) Funds can be transferred into and out of this category by submitting an ABC Transfer Form. There is no change in carryover provisions as outlined in policy. Transfers will impact efficiency ratings.
- 2) These funds may not supplant other state, federal and local programs use of the "yellow bus" that serve the instructional purpose of the school, such as Pre-K, Smart Start, Head Start, Remediation Programs, Summer School, NC State Fair, Special Olympics, NC Symphony and other instructional field trips. When allotted state transportation funds are used to

provide transportation services for these programs, the responsible program must reimburse this fund.

- 3) Allotted funds cannot be used for the maintenance of local vehicles and machinery such as - activity buses, staff vehicles, school maintenance trucks and vehicles, etc. When state funds are used to pay for this kind of activity, those state funds must be reimbursed from local (or other non-state) sources.
- 4) State Board of Education Policy states, "In order to be eligible to receive any mid-year transportation allotment resulting from increased fuel prices, an LEA must have a reduced idling policy in place at the beginning of the school year. The local policy must, at a minimum, prohibit all unnecessary school bus idling on school grounds and prohibit the warming up of buses longer than 5 minutes. As always, any increase in allotments will be subject to the availability of funds."
- 5) The Excellent Public Schools Act provided additional funding for the addition of 5 days within the existing school calendar. [[SL 2012-142, Section 7A.6\(a\)](#)]
- 6) SL 2020-80 Section 2.2 authorizes DPI to withhold up to \$12,000,000 from the transportation allotment and allocate the funds, as necessary, for transportation expenses related to emergency school nutrition services provided between July 1, 2020 and the 1st instructional day of the 2020-21 school year. Eligible PSUs include all units participating in the National School Lunch Program, School Breakfast Program or Summer Food Service Program.

- These funds shall be allocated based on an application basis showing a documented need by the PSU.
- In the event that the request for supplemental funds exceeds the maximum allowable per legislation, all requests shall be reduced on a pro rata basis

Any funds provided are restricted to the use of transportation related to emergency meals and may not be used for any other purpose. Unused funds shall be used to support transportation of pupils.

- 7) For the 2020-21 and 2021-22 school years, due to incomplete data to support full, accurate, funding formula calculations, LEAs will be allotted funding formula transportation funds, before adjustments for ADM, benefits, fuel, and others as legislated, in an amount no lower than the 2019-20 funding formula allotment.
- 8) Notwithstanding the purpose and other special provisions of PRC 056, PRC 056 funds may also be used to support yellow school bus operations for purposes which support students' nutrition or instruction in any state of disaster or local state of emergency declared under 166A of the General Statutes.

WAIVERS FOR UNAVAILABLE CATEGORIES (PRC 006)

PROGRAM REPORT CODE: 006
UNIFORM CHART OF ACCOUNTS CODE: XXXX-006-XXX
STATUTORY REFERENCE:

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: Provides a separate account into which LEAs may transfer funds to cover the purchases of items (not personnel) not found in the Chart of Accounts for other categories.
ELIGIBILITY: Each LEA is entitled to transfer funds to this account.
FORMULA: N/A

SPECIAL PROVISION:

If included in a school's Improvement Plan, funds may be transferred to this category by submitting an ABC Transfer Form to the School Allotments Section.

“Z” SCHOOLS (PRC 038)**REGIONAL SCHOOLS**

PROGRAM REPORT CODE: 038
 UNIFORM CHART OF ACCOUNTS CODE: XXXX-038-XXX
 STATUTORY REFERENCE: [GS 115C, Article 16, Part 10](#)

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: Local boards of education are authorized to jointly establish a regional school to serve enrolled students in two or more local school administrative units that will expand student opportunities for educational success through high quality instructional programming. Regional schools may include partnerships with other education partners, including institutions of higher education and private businesses or organizations, and shall foster, encourage, and promote the development of knowledge and skills in career clusters of critical importance to the region.

Except as otherwise provided in this Part, a regional school is exempt from statutes and rules applicable to a local board of education or local school administrative unit.

ELIGIBILITY: The eligibility for this allotment is as follows:

Any two or more local boards of education may create a regional school as provided in this Part. In order to create a regional school, each local board of education shall adopt a resolution stating its intent to create the regional school, which shall include the following:

- 1) Name of the regional school.
- 2) Names of all other local boards of education known to that local board of education adopting resolutions to create the regional school.
- 3) Identification of one of the named local school administrative units to serve as the finance agent for the regional school.
- 4) Identification of one of the named local school administrative units to provide, to the extent practicable, school food services to the regional school, if needed.

The local board of education shall develop a plan to provide transportation to the students domiciled in the district.

Recognition of Regional School – Each local board of education that adopts a resolution as provided in this section shall file a copy of the resolution with the State Board of Education. Upon receipt of resolutions from all local boards of education identified in each resolution for a

named regional school, the State Board of Education shall approve the creation of the regional school.

FORMULA: The formula for this allotment is as follows:

- 1) The State Board of Education shall allocate to a regional school:
 - a) An amount equal to the average per pupil allocation for average daily membership from the participating unit allotments for each child attending the regional school, except for the allocation for children with disabilities and for the allocation for children with limited English proficiency.
 - b) An additional amount for each child attending the regional school who is a child with disabilities. In the event a child with disabilities enrolls in the regional school during the first 60 school days in the school year, the State Board shall allocate to the regional school the pro rata amount of additional funds for children with disabilities. In the event a child with disabilities leaves the regional school and enrolls in a public school during the first 60 school days in the school year, the regional school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located.
 - c) An additional amount for children with limited English proficiency attending the regional school, based on a formula adopted by the State Board.
- 2) The State Board shall allow for annual adjustments to the amount allocated to the regional school based on its enrollment growth in school years subsequent to the initial year of operation.
- 3) For each child who enrolls in the regional school, the participating unit in which the child resides shall transfer to the regional school an amount equal to the per pupil amount of all money appropriated to the local current expense fund for the participating unit for the fiscal year. The amount transferred under this subsection that consists of revenue derived from supplemental taxes shall be transferred only if the child enrolled in the regional school resides in that tax district.

SPECIAL PROVISION:

- 1) The local school administrative unit identified as the finance agent by resolution pursuant to [GS 115C-238.71](#) shall be the finance agent for the Board and shall have all the rights, duties, and obligations for receipt, accounting, and dispersing funds for the board of directors, including all the rights, duties, and obligations specified in Article 31 of this Chapter, which powers shall be exercised by the identified local school administrative unit for and on behalf of the board of directors. The board of directors shall provide reasonable compensation to the local school administrative unit for this service.
- 2) No later than 10 days after the money is appropriated to the local current expense fund, each local board of education of a participating unit shall transfer to the board of directors the amount required under [GS 115C-238.71\(b\)](#) for each child enrolled in the school who resides in that participating unit. Once it has received funds from the local board of education, the board of directors shall be under no obligation to return the funds.

- 3) Transportation. – Participating units shall develop a plan to provide transportation to the students domiciled in the district.
- 4) Food Service. – The local school administrative unit identified by resolution shall provide, to the extent practicable, school food services to the regional school. For purposes of federal funding through the National School Lunch Program or other federally supported food service programs, the local school administrative unit identified by resolution shall be permitted to include eligible students enrolled in the regional school. Other participating units shall not include students enrolled in the regional school for purposes of federally supported food service programs.
- 5) The State Board shall allocate to a regional school, 12 months of employment for a principal position, if the school has final total average daily membership of 100 or more students. [[GS 115C-238.70\(a\)](#)]

“Z” SCHOOLS

LABORATORY SCHOOLS (LAB SCHOOLS)

PROGRAM REPORT CODE: 038
UNIFORM CHART OF ACCOUNTS CODE: XXXX-038-XXX
STATUTORY REFERENCE: [GS 116, Article 29A](#)

TYPE: Dollars

TERM: July 1 - June 30

PURPOSE: The Board of Governors’ Subcommittee on Laboratory Schools shall approve constituent institutions to establish lab schools to serve public school students. The Board of Governors shall select constituent institutions with quality high-quality educator preparation programs as demonstrated by the annual performance measures reported by the constituent institutions in accordance with [GS 115C-269.35](#).

The mission of a lab school shall be to improve student performance in LEAs with low-performing schools by providing an enhanced education program for students residing in those units and to provide exposure and training for teachers and principals to successfully address challenges existing in high-needs school settings. A lab school shall provide an opportunity for research, demonstration, student support, and expansion of the teaching experience and evaluation regarding management, teaching, and learning.

ELIGIBILITY: Eligibility for this allotment is as follows:

Schools as approved by the Board of Governors’ Subcommittee on Lab Schools.

Recognition of a Lab School. – The Subcommittee shall file a copy of each resolution to approve a lab school with the Department of Public Instruction. Upon receipt of a resolution from the Subcommittee and upon the recommendation of the Superintendent of Public Instruction, the State Board of Education shall approve the creation of the lab school.

The Board of Governors and the Department of Public Instruction shall be notified in the event of the dissolution or assumption of a lab school, including the identity of the entity assuming operation of the school.

The chancellor shall be the administrative head of a lab school approved by the Subcommittee.

Reporting – The chancellor shall comply with the reporting requirements established by the State Board of Education in the Uniform Education Reporting System.

Any child is eligible to attend the lab school who:

- 1) is residing in a local school administrative unit in which a lab school is located, and either:
 - a) is enrolled in a low-performing school, as defined by [GS 115C-105.37](#) at the time of the student's application, or
 - b) did not meet expected growth in the prior school year based on specific criteria.
 - c) is the sibling of a child who is eligible under (a) or (b)
 - d) is the child of a lab school employee

If the maximum enrollment is not met, the lab school may enroll children who do not meet one of the criteria above, not to exceed 20% of total capacity.

FORMULA: The State Board of Education shall allocate to a lab school the following:

- (1) An amount equal to the average per pupil allocation for average daily membership from the LEA allotments in which the school is located for each child attending the lab school, except for the allocation for children with disabilities, and for the allocation for children with limited English proficiency. See special provision 7 for allocation transportation.
- (2) An additional amount for each child attending the lab school who is a child with disabilities. In the event a child with disabilities enrolls in the lab school during the first 60 school days in the school year, the State Board shall allocate to the lab school the pro rata amount of additional funds for children with disabilities. In the event a child with disabilities leaves the lab school and enrolls in a public school during the first 60 school days in the school year, the lab school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located.
- (3) An additional amount for children with limited English proficiency attending the lab school, based on a formula adopted by the State Board.

SPECIAL PROVISION:

- 1) The State Board shall allow for annual adjustments to the amount allocated to the lab school based on its enrollment growth in school years subsequent to the initial year of operation.
- 2) If a student attends a lab school, the LEA in which the child resides shall transfer to the lab school an amount equal to the per pupil share of the local current expense fund of the LEA for the fiscal year. The per pupil share of the local current expense fund shall be transferred to the lab school within 30 days of the receipt of monies into the local current expense fund.

A Lab School shall be allotted 34% of its Initial Allotment available to "draw down" after the General Assembly adjourns, based on the projected ADM provided by the school. Lab schools with a two year history of accurate projections shall be funded at the higher of

1. 2020-21 actual month 1 ADM and

2. 2021 Phase II final ADM projection as reported in the CSADM system by the Lab school, not to exceed the allotted 2020-21 ADM

All other Lab schools shall be funded at the higher of

1. the actual month 1 ADM and
2. the prior year funded month 1 ADM

A Lab school is deemed to have a history of accurate projections if the projection provided by the charter school in the CSADM system Phase II final Projection was within 2% or 20 ADM of funded ADM in either 2019 or 2020, and the difference between the projection and funded ADM in both 2019 and 2020 did not exceed 10% of the projection.

For schools that were not open in 2019, the 2020 year will be the only year used for this assessment

- 3) 100% of the allotment shall be made available to the school.
- 4) A lab school can request additional funding after 1st month ADM adjustments if it has significant growth (20% or more) in months two through four. Requested ADM must be verified. The state contingency reserve will be used to fund the prorated increases within funds available.
- 5) In addition to the state funding based on dollars per ADM, a lab school may receive Children with Disabilities and Limited English Proficiency funding if they qualify. These special funds plus the dollars per ADM funding are distributed under PRC 038.
- 6) Upon request, the LEA in which the lab school is located shall provide student support services, food services through the National School Lunch Program, transportation services, In addition, upon request the LEA shall lease adequate facilities and maintenance, including use of or access to any existing buildings, parking areas, playgrounds, driveways required for ingress and egress, furniture, classroom space, a cafeteria or multipurpose room, moveable equipment, appliances, playground materials, including a library collection, instructional materials, and classroom and other technology equipment.

This requirement shall not apply to or alter existing leases, contracts, or agreements in effect on July 1, 2020 without the consent of all parties to the lease, contract, or agreement.

If a lease, contract, or agreement in effect on July 1, 2020 includes transportation services, the LEA providing those services shall provide a copy of the lease, contract, or agreement to DPI' Division of School Business by August 31st, and the per pupil share of the transportation allotment shall not be included in the base allocations for Lab school until the existing lease, contract, or agreement expires or is mutually modified by all parties.

2020-2021

ALLOTMENT POLICY MANUAL

CTE Formulas



**PUBLIC SCHOOLS OF NORTH CAROLINA
STATE BOARD OF EDUCATION
DEPARTMENT OF PUBLIC INSTRUCTION
FINANCIAL AND BUSINESS SERVICES
DIVISION OF SCHOOL BUSINESS**



www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments--funding-public-school-units

ADDRESS QUESTIONS RELATED TO STATE POLICIES TO THE FOLLOWING:

Allotments:	Division of School Business, School Allotments Section
Expenditures/ Salary:	Division of School Business School Reporting Section Expenditures: Salary:
Program/Budgeting:	Division of Career and Technical Education

The complete State agency directory can be found at www.dpi.nc.gov/about-dpi/education-directory.

CTE Formulas

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CAREER TECHNICAL EDUCATION – STATE: MONTHS OF EMPLOYMENT (PRC 013)

PROGRAM REPORT CODE: 013
UNIFORM CHART OF ACCOUNTS CODE: 1-XXX-013-XXX
STATUTORY REFERENCE: [GS 115C, Article 10](#)
[SL 1993-769, Section 19.24](#)

TYPE: Months of Employment (MOEs)
TERM: 10, 11, or 12 months, July 1 - June 30
PURPOSE: To develop more fully the academic, career and technical skills of secondary students who elect to enroll in Career Technical Education programs.
ELIGIBILITY: Each LEA is entitled to Months of Employment.
FORMULA: Each LEA will receive a base of 50 months. Remaining months will be allotted based on allotted ADM in grades 8-12.

Months of employment are rounded to the nearest whole month. For city LEAs with less than 3,000 ADM, all fractions of a month are rounded up to the nearest whole month.

SPECIAL PROVISION:

- 1) Refer to Merged LEAs Section 01, Subsection E.
- 2) Months can be transferred to Career Technical Education Program Support (PRC 014). Submit an ABC Transfer Form to transfer funds. The dollar amount transferred will equal the average salary including benefits for Career Technical Education MOEs. Converting certified position allotments to dollars for the purpose of hiring the same type position is not allowable.
- 3) Transfers out of Career and Technical Education (MOEs) to other PRCs are capped at the amount of MOE increase in the State Initial Allotment from the prior fiscal year. All transfers from PRC 013 to non-CTE areas (budgets other than PRC 014) shall be based on the first step of the “A” salary schedule.

CAREER TECHNICAL EDUCATION - STATE: PROGRAM SUPPORT FUNDS (PRC 014)

PROGRAM REPORT CODE: 014
 UNIFORM CHART OF ACCOUNTS CODE: 1-XXX0-014-XXX
 STATUTORY REFERENCE: [GS 115C, Article 10](#)

TYPE: Dollars
 TERM: July 1 - June 30
 PURPOSE: Provides funding to assist LEAs in expanding, improving, modernizing, and developing quality Career Technical education programs.
 ELIGIBILITY: Each LEA is entitled to funding based on ADM in grades 8-12
 FORMULA: Each LEA is eligible for a base amount of \$10,000. Remaining funds are allotted based on allotted ADM in grades 8-12.

SPECIAL PROVISION:

- 1) Funds may be transferred out of Career and Technical Education (PRC 013) Months of Employment (MOEs) into (PRC 014) Program Support without limitation. Transfers out of Career Technical Education PRC 014 Program Support for other categories are allowable up to the increase from FY 17-18 Initial Allotment to FY 18-19 Initial Allotment.
- 2) Submit an ABC Transfer Form to transfer funds.
- 3) Of the funds provided to the Department of Public Instruction, the sum of ninety thousand, five hundred dollars (\$90,500) shall be transferred to the Agricultural Education and FFA Program housed in the Department of Agricultural and Extension Education at North Carolina State University.
- 4) [SL 2013-360, Section 8.28](#) establishes funds for CTE credentials. A portion of the funds are used to pay for statewide Certiport licenses, and the funds will be distributed to LEAs based on their FY 2017-2018 enrollment in courses that lead to a credential and the cost of each credential pro-rated to remain within budget.

CTE GRADE EXPANSION PROGRAM (PRC 064)

PROGRAM REPORT CODE: 064
UNIFORM CHART OF ACCOUNTS CODE: 1-XXXX-064-XXX
STATUTORY REFERENCE: [GS 115C, Article 6C](#)
[GS 115C, Article 10](#)

TYPE: Dollars
TERM: July 1 - June 30
PURPOSE: A program which provides funding to encourage student learning and improvement. to expand career and technical education (CTE) programs by prioritizing the inclusion of students in sixth and seventh grade through grant awards provided to selected local school administrative units for up to seven years and consistent with [GS 115C-64.17](#) Grant funds shall be used only for employing additional licensed personnel in career and technical education areas, career development coordination areas, and support service areas necessary for expanding the CTE program to sixth and seventh grade students.
ELIGIBILITY: Each LEA is entitled to funding based on applications approved by the Education and Workforce Innovation Commission, DPI, and State Board of Education. Division of Career and Technical Education. Application must be approved prior to the LEA receiving the allotment.
FORMULA: Of the total funds available for the program, allocation to LEAs will be based an established grant amount for each initiative that will be determined by EWIC.

SPECIAL PROVISION:

Of the funds available for the Program in each fiscal year, the Commission shall first allocate funds to applicants who received grant funds for the prior fiscal year for up to seven years. After funds are allocated to prior fiscal year grant recipients, any remaining funds may be used by the Commission to select new grant recipients.

**CAREER TECHNICAL EDUCATION - STATE: EDUCATION AND WORKFORCE
INNOVATION PROGRAM (PRC 079)**

PROGRAM REPORT CODE: 079
UNIFORM CHART OF ACCOUNTS CODE: 1-XXX0-079-XXX

TYPE: Dollars
TERM: Up to 60 months
PURPOSE: To foster innovation in education that will lead to more students graduating career and college ready.
ELIGIBILITY: Each LEA, individual school, or regional partnership of two or more local school administrative units is entitled to funding based on applications approved by the Education and Workforce Innovation Commission.
Application must be approved prior to the LEA/individual school/regional partnership of two or more local school administrative unit receiving the allotment.
FORMULA: Of the total funds available for the Education and Workforce Innovation Program, all grant amount for each initiative approved by the Education and Workforce Innovation Commission.

SPECIAL PROVISION:

- 1) Grant funds will be available for up to 60 months. All projects must end June 30.
- 2) Additional special provisions will be provided to LEA based on each initiative.

CAREER TECHNICAL EDUCATION - FEDERAL: PROGRAM IMPROVEMENT
(PRC 017)

PROGRAM REPORT CODE: 017
UNIFORM CHART OF ACCOUNTS CODE: 3-XXX0-017-XXX
CFDA #: 84.048A

TYPE: Dollars
TERM: Up to 12 months
PURPOSE: Provides funding to assist in developing the academic, career and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.
ELIGIBILITY: Each LEA/charter school is entitled to funding based on applications approved by the Division of Career and Technical Education.
Application must be approved prior to the LEA/charter school receiving the allotment.
FORMULA: Of the total funds available for State Aid, allocation to LEAs/charter schools will be based on the following:
1) Thirty percent (30%) will be allotted based on individuals ages 5-17 who resided in the school district served by the LEA.
2) Seventy percent (70%) will be allotted based on individuals ages 5-17 who reside in the school district served by the LEA from families with incomes below the poverty line.

SPECIAL PROVISION:

- 1) Any LEA or charter school earning less than \$15,000 based on the formula must enter a consortium with other LEAs or be granted a waiver by the State Board of Education from the minimum grant requirement to be eligible for a grant. Once a waiver has been approved, it will remain in effect throughout the duration covered by the state plan.
- 2) The allocation for LEAs and charter schools will be reduced according to the formula listed above for new charter schools. A charter school must submit an application by the application deadline date and serve grades 7-12 in order to receive funding.
- 3) Grant funds will be available for up to 12 months. All projects must end June 30, with no liquidation period allowed beyond that date.
- 4) Each eligible LEA/charter school receiving funds must limit administrative cost to five percent (5%).
- 5) Reallocation of current year funds: Funding for the current year that is not allocated will be distributed to eligible LEAs/charter schools based on the current formula by February.

- 6) Reallocation of reverted funds: Funding reverted will be redistributed to eligible LEAs/charter schools in the following fiscal year in combination with that fiscal year's initial allotment based on the formula or program needs.

CAREER TECHNICAL EDUCATION - FEDERAL: CAPACITY BUILDING GRANTS
(PRC 058)

PROGRAM REPORT CODE: 058
UNIFORM CHART OF ACCOUNTS CODE: XXX0-058-XXX
CFDA #: 84.048A

TYPE: Dollars
TERM: Up to 15 months
PURPOSE: To facilitate the expansion and implementation of specific CTE initiatives in the local education agencies.
ELIGIBILITY: Each LEA/charter school is entitled to funding based on applications approved by the Division of Career and Technical Education. Application must be approved prior to the LEA/charter school receiving the allotment.
FORMULA: Of the total funds available for State Aid, allocation to LEAs/charter schools will be based on an established grant amount for each initiative that will be determined by CTE Division.

SPECIAL PROVISION:

- 1) Grant funds will be available for up to 15 months. All projects must end September 30, with a liquidation period allowed beyond that date.
- 2) Additional special provisions will be provided to LEA based on each initiative.