



Joint Meeting #1: Budget Process Improvements

FY 2014-15 Operating and Capital Budget Development

UNION COUNTY

NORTH CAROLINA

Goals for Today

- Key Process Principles
- Revised Process Discussion
- Appropriation Options
- Recommendations
 - Sample Budget Requests
- Next Steps



Key Process Principles

- Foster an Environment of Cooperation
- Foster an Environment of Transparency
- Foster an Environment of Communication
- Foster a Public Dialogue Concerning UCPS' Funding
- Foster a Dialogue with the Public Concerning UCPS' Funding

We believe last year's process can be improved upon!



Goals of Revised Process

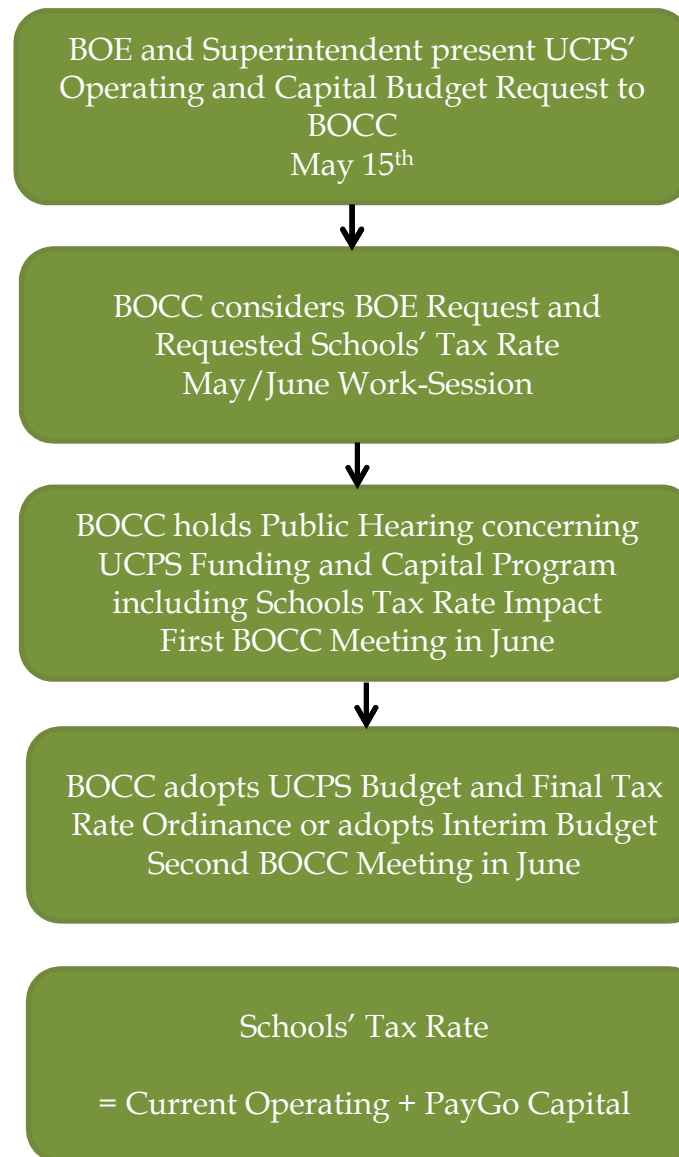
- Ensuring Transparency and Communication
- Ensuring Fiscal Sustainability
- Ensuring a Public Dialogue Concerning UCPS' Funding
- Ensuring County Services are Considered
- Ensuring the Residents are Heard
- Ensuring Adherence to General Statutes
- Ensuring Regular Communications between the BOE and the BOCC



Benchmarks to Hit

- Superintendent must submit a budget and budget message to the BOE by May 1 [§115C-427(b)].
- BOE must submit its entire budget to the BOCC by May 15th [§115C-429(a)].
- County Manager must present full budget to BOCC by June 1 [§159-11(b)].
- No Earlier than 10 days following presentation and no later than July 1, the BOCC must adopt a budget [§159-13(a)].
- Before adopting the budget ordinance, the board shall hold a public hearing on the budget [§159-12(b)].
 - The budget ordinance will levy the tax rate as well.





Appropriation Options Under the Statutes

- County appropriation may be to the purpose or function level [§115C-429(b)].
- Board of County Commissioners may in its budget ordinance, specify a limit of 10% transfer between purpose or function, but not more than 25% without approval of the BOCC [§115C-433].
- Board of County Commissioners may budget Category I capital expenditures by project.
- Board of County Commissioners may budget Category II & III capital expenditures by type.
- Board of County Commissioners may approve transfers between capital outlay and current expense funds for “emergencies unforeseen or unforeseeable” [§115C-433(d)].
- Board of County Commissioners may request any information bearing on “the financial operation of local school administrative unit” [§115C-429(c)].



Recommendation

- Revise the Funding Formula Policy, to replace the formula with the recommended process.
- Develop a document outlining process, information, and format request for UCPS budget submission.
 - Including Calendar
- Develop a process for UCPS budget transfer requests and reporting.
 - Procedures for Amendment
 - Procedures for Emergency Transfers
 - Reporting Processes



Board of Education Submission Guidelines

- Report with ALL funds revenues and expenditures combined shown by function code with actual from FY 2009 through FY 2013, Current FY 2014 Budget, FY 2014 Year-to-Date Actual, and FY 2015 Request, Amount of Change from FY 2014 Current Budget to FY 2015 Request, and Percentage Change from FY 2014 Current Budget to FY 2015 Request.
- Report with ALL fund revenues and expenditures by fund shown by function code with actual from FY 2009 through FY 2013, Current FY 2014 Budget, FY 2014 Year-to-Date Actual, and FY 2015 Request, Amount of Change from FY 2014 Current Budget to FY 2015 Request, and Percentage Change from FY 2014 Current Budget to FY 2015 Request.
- Explanation of significant revenue and expenditure changes in each of the funds.



Board of Education Submission Guidelines

- Estimated fund balance for all funds.
- Number of positions requested, including source of funding and function code.
- Category I capital request by school with detail.
 - For planning purposes request should reflect FY 2015 through FY 2020.
- Category II capital request with detail.
- Category III capital request with detail, including age and millage of vehicles/buses requested for replacement.
- Student enrollment actual from FY 2009 through FY 2014 and projected FY 2015 through FY 2020.



Current Budget Submission

THE UNIFORM BUDGET
Summary of Revenues and Expenditures

COUNTY APPROPRIATION		
Actual 2012 - 2013	Proposed 2013 - 2014	% Increase (Decrease)
\$81,504,155	\$86,180,152	5.74%
\$81,504,155	\$86,180,152	5.74%
\$81,504,155	\$86,180,152	5.74%

REVENUES

State Sources
Federal Sources
Local Sources
Total Operating Revenues
Fund Balance: Appropriated
Committed for 1:1
Committed for Insurance / Workers' Comp
TOTAL REVENUES

EXPENDITURES

5000 INSTRUCTIONAL PROGRAMS
5100 Regular Instructional Services
5200 Special Populations Services
5300 Alternative Programs and Services
5400 School Leadership Services
5500 Co-Curricular Services
5600 School Based Support Services
SUBTOTAL INSTRUCTIONAL PROGRAMS (5000)

6000 SUPPORTING SERVICES
6100 Support & Development Services
6200 Special Population Support & Dev Services
6300 Alternative Programs and Services Support
6400 Technology Support Services
6500 Operational Support Services
6600 Financial and H.R. Support Services
6700 Accountability Services
6800 System-wide Pupil Support Services
6900 Policy, Leadership and Public Relations
SUBTOTAL SUPPORTING SERVICES (6000)

7000 COMMUNITY SERVICES
7100 Community Services
7200 Nutrition Services
SUBTOTAL COMMUNITY SERVICES (7000)

8000 NON-PROGRAMMED CHARGES
8100 Payments to Charter Schools
8100 Other Non-program charges
8200 Unbudgeted Fed. Grant Funds
8600 Educational Foundations
8700 Scholarships
SUBTOTAL NON-PROGRAMMED CHGS (8000)

TOTAL OPERATING EXPENDITURES

UNION COUNTY PUBLIC SCHOOLS
UNIFORM BUDGET RESOLUTION
2013-2014

DRAFT

LOCAL CURRENT EXPENSE FUND	STATE PUBLIC SCHOOL FUND	FEDERAL GRANT FUND	CHILD NUTRITION FUND	AFTER SCHOOL CARE FUND	SPECIAL PROGRAMS FUND	CAPITAL OUTLAY FUND	TOTAL
							2013-2014 UNIFORM
	\$198,016,970				\$857,000		\$198,873,970
		\$17,163,914	\$8,603,402		509,514		26,276,830
\$86,180,152			8,210,334	\$4,500,000	2,166,079	\$8,357,859	109,414,424
\$86,180,152	\$198,016,970	\$17,163,914	\$16,813,736	\$4,500,000	\$3,532,593	\$8,357,859	\$334,565,223
\$86,180,152	\$198,016,970	\$17,163,914	\$16,813,736	\$4,500,000	\$3,532,593	\$8,357,859	\$334,565,223

\$23,564,044	\$129,018,422	\$1,607,045				\$610,954	\$154,800,475
4,877,933	19,218,509	7,888,517			\$1,246,476		33,231,434
1,255,158	4,713,197	5,682,322			1,327,279		12,977,956
8,884,737	7,363,873	42,186			162,024		16,452,819
908,184					31,704		939,888
6,083,181	12,440,241	1,208,035			361,409		20,092,865
\$45,573,236	\$172,754,241	\$16,428,105	\$0	\$0	\$3,128,892	\$610,954	\$238,495,438

	\$211,455	\$31,341			\$25,798		\$268,594
		144,283					144,283
\$3,434,386	598,629				\$1,195,989		5,218,994
30,427,870	23,610,219	87,297			50,474		54,175,860
3,224,659	6,435						3,231,094
		124,500					124,500
	730,050						730,050
\$37,086,915	\$25,156,779	\$387,421	\$0	\$0	\$76,272	\$1,185,989	\$63,693,375

				\$3,860,000	\$242,963		\$4,102,963
	\$105,951		\$15,756,136				15,862,087
\$0	\$105,951	\$0	\$15,756,136	\$3,860,000	\$242,963	\$0	\$19,965,050

\$3,520,000							\$3,520,000
		\$348,388	\$1,057,600	\$640,000			2,045,988
					\$84,466		84,466
\$3,520,000	\$0	\$348,388	\$1,057,600	\$640,000	\$84,466	\$0	\$5,650,454

\$86,180,152	\$198,016,970	\$17,163,914	\$16,813,736	\$4,500,000	\$3,532,593	\$1,786,953	\$328,004,317
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\$22,361,410	\$23,564,044	5.38%
4,607,400	4,877,933	5.87%
1,175,158	1,255,158	6.81%
8,518,537	8,884,737	4.30%
862,184	908,184	5.34%
5,709,251	6,083,181	6.55%
\$43,233,939	\$45,573,236	5.41%

3,218,502	3,424,386	6.71%
28,782,053	30,427,870	5.72%
3,069,659	3,224,659	5.05%
\$35,070,215	\$37,086,915	5.75%

\$0	\$0	
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\$3,200,000	\$3,520,000	10.00%
\$3,200,000	\$3,520,000	10.00%

\$81,504,155	\$86,180,152	5.74%
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Sample All Funds Report

FY 2014-15 Union County Public Schools Operating Budget and Capital Request

All Funds Summary

Function Code	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Revised FY 2014	Year-to-Date FY 2014	Proposed FY 2015	Increase/ (Decrease)	% Increase/ (Decrease)
Sources										
State Sources:										
3100 State Public School Fund Revenues	195,624,875	177,498,132	185,551,712	190,285,703	195,651,739	195,531,215	88,334,738	-		
3200 Other State Allocations for Current Operations	2,598,775	3,510,436	2,801,765	911,606	1,495,621	928,172	382,765	-		
3400 State Allocations Restricted to Capital	1,179,313	728,251	1,135,915	445,618	2,191,890	1,873,414	-	-		
Federal Sources:										
3600 Restricted Federal Grants - DPI	12,370,385	20,197,488	24,759,405	29,266,516	15,810,393	17,457,739	6,784,564	-		
3700 Restricted Federal Grants - Direct to LEA	854,200	1,005,399	2,352,647	997,336	1,419,178	-	330,652	-		
Uses										
5000 Instructional Programs										
5100 Regular Instructional Services	154,850,700	145,560,901	150,706,179	157,645,974	155,216,314	154,882,887	64,921,116	-		
5200 Special Populations Services	32,784,441	32,035,236	30,014,659	30,086,269	32,802,655	31,995,307	14,903,123	-		
5300 Alternative Programs and Services	13,308,238	11,054,367	11,853,940	9,778,116	12,412,201	13,602,359	4,976,963	-		
5400 School Leadership Services	15,998,383	15,142,549	15,188,839	14,995,775	16,008,765	16,322,032	7,698,916	-		
5500 Co-Curricular Services	1,068,588	1,290,888	1,207,165	1,239,839	1,369,510	1,235,228	757,962	-		
5800 School Based Support Services	19,625,514	19,447,063	20,312,527	20,599,802	19,615,870	20,262,505	9,095,094	-		
Total 5000 Instructional Programs	237,635,864	224,531,004	229,283,309	234,345,775	237,425,315	238,300,318	102,353,174	-	-	-
6000 Supporting Services										
6100 Support and Development Services	1,728,204	1,760,238	1,543,473	1,586,311	1,648,535	476,325	899,393	-		
6200 Special Population Support and Development Services	597,125	665,030	419,766	409,759	506,288	477,704	213,537	-		
6300 Alternative Programs and Services Support	231,647	104,970	106,854	137,067	154,570	154,901	90,878	-		
6400 Technology Support Services	3,989,609	3,107,611	3,487,290	5,506,777	7,977,526	5,537,042	2,396,299	-		
9000 Capital Outlay	76,061,352	19,507,560	7,238,325	4,779,799	2,055,670	6,956,894	(162,747)	-		
9900 Other Capital Outlay	-	-	-	-	-	-	-	-		
Total 9000 Capital Outlay Expenditures	76,061,352	19,507,560	7,238,325	4,779,799	2,055,670	6,956,894	(162,747)	-	-	-
Total Uses	406,955,351	330,744,523	324,875,120	331,809,301	336,059,964	339,424,015	144,244,373	-	-	-
Sources Over/(Under) Uses	(1,270,205)	1,839,800	8,910,931	1,769,489	(8,466,074)	-	5,239,311	-	-	-



Sample Fund Report

FY 2014-15 Union County Public Schools Operating Budget and Capital Request

Local Current Expense Fund

Fund 2

	Actual FY 2009	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Revised FY 2014	Year-to-Date FY 2014	Proposed FY 2015	Increase/ (Decrease)	% Increase/ (Decrease)
Sources										
State Sources:										
3100 State Public School Fund Revenues	358,892	-	-	-	-	-	-	-	-	-
3200 Other State Allocations for Current Operations	632,625	-	-	-	-	-	-	-	-	-
3400 State Allocations Restricted to Capital	-	-	-	-	-	-	-	-	-	-
Federal Sources:										
3600 Restricted Federal Grants - DPI	-	-	-	-	-	-	-	-	-	-
3700 Restricted Federal Grants - Direct to LEA	854,200	-	-	-	-	-	-	-	-	-
3800 Other Restricted Federal Sources	318,615	-	-	-	-	-	-	-	-	-
Local Sources:										
4100 Union County Appropriation	77,296,271	79,504,155	79,504,155	79,304,155	81,504,155	82,260,408	41,891,655	-	-	-
4200 Tuition and Fees	125,130	-	-	-	-	-	-	-	-	-
4300 Revenues Related to Providing Meals	-	-	-	-	-	-	-	-	-	-
Uses										
5000 Instructional Programs										
5100 Regular Instructional Services	23,132,334	20,717,764	22,580,602	24,002,178	24,019,139	23,564,043	9,095,198	-	-	-
5200 Special Populations Services	6,566,825	7,025,588	4,459,708	5,219,250	4,811,939	4,877,933	1,736,570	-	-	-
5300 Alternative Programs and Services	5,425,956	1,142,655	1,181,116	1,084,467	1,541,869	1,255,158	593,394	-	-	-
5400 School Leadership Services	7,003,283	8,313,566	6,855,995	3,821,924	8,506,158	8,884,737	4,033,078	-	-	-
5500 Co-Curricular Services	1,043,494	1,216,517	1,189,246	1,207,868	1,184,648	908,184	568,546	-	-	-
5800 School Based Support Services	6,866,881	8,342,984	5,524,688	6,380,864	6,073,894	6,083,181	2,812,261	-	-	-
Total 5000 Instructional Programs	50,038,773	46,759,074	41,791,355	41,716,551	46,137,647	45,573,236	18,839,047	-	-	-
9000 Capital Outlay Expenditures										
9000 Capital Outlay	-	-	-	2,348,026	-	-	-	-	-	-
9900 Other Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total 9000 Capital Outlay Expenditures	-	-	-	2,348,026	-	-	-	-	-	-
Total Uses	89,670,107	82,584,438	76,632,264	80,382,279	86,517,455	85,891,043	37,769,049	-	-	-
Sources Over/(Under) Uses	(2,119,887)	(2,048,039)	3,953,927	(161,792)	(4,534,260)	2	4,461,928	-	-	-



Next Steps

- Revise the Funding Formula Policy, replacing the formula with the recommended process.
- Approve a resolution outlining process, information, and format request for UCPS budget submission.
 - Including Calendar
- Approve a process for UCPS budget transfer request and reporting.
 - Procedures for Amendment
 - Procedures for Emergency Transfers
 - Reporting Processes

