

County Board & Public Schools

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To Do List



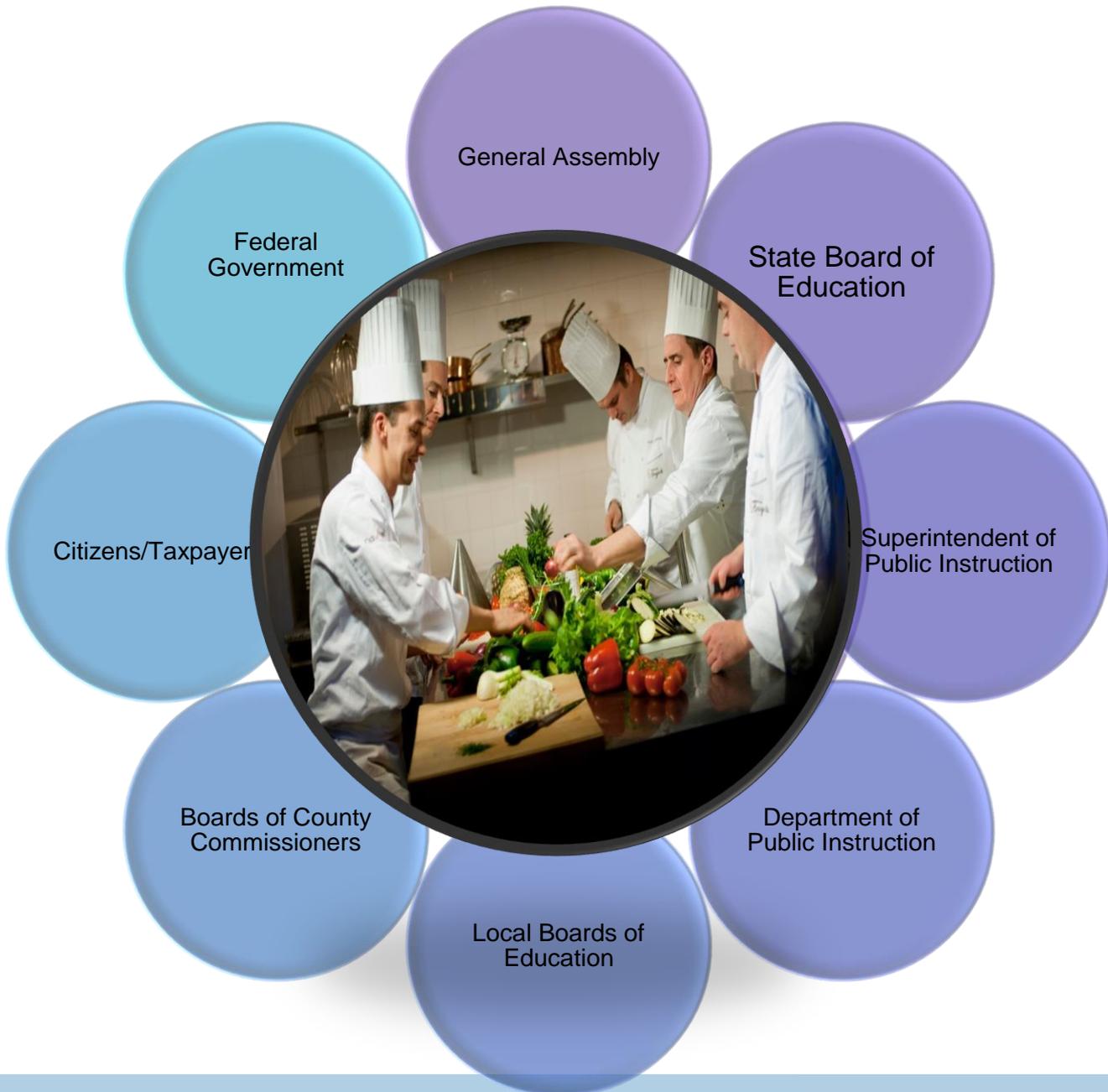
1. Define legal responsibilities

2. Learn the lingo

3. Understand financial options
/implications / limitations

4. Recognize reality

5. Build trust



Superintendent of Public Schools

- Serves as State Bd. of Ed's chief admin officer
- Executes board policies
- Manages DPI

Department of Public Instruction (DPI)

- Provides leadership and assistance to local school boards
- Collects and compiles statistical and financial data
- Approves distribution of lottery funds for school construction projects

Local Board of Education

- Governs local school admin unit
- Hires, fires school employees
- Sets education policy within state guidelines
- Preserves school unit's assets and manages school budget
- Informs county commissioners of school unit's needs

State Board of Education

- Supervises & administers school system
- Sets policies, rules, standards, and certifies teachers
- Adopts standard course of study
- Adopts and supplies textbooks
- Sets accountability standards

Public Schools

General Assembly

- Sets educational policy standards
- Delegates authority/responsibilities to State Bd., local school bds. and county bds.
- Appropriates \$\$\$

NC Constitution

- Establishes educational mandate
- Assigns certain roles

County Commissioners

- Appropriates \$
- Approves certain school board contracts
- Sets school board members' salaries
- Conducts special school referendums
- Approves expenditures for school sites
- Constructs school facilities
- Mandates school mergers



POP



POP

North Carolinians “have a right to the privilege of education, and it is the duty of the State to guard and maintain that right.”

Article I, Sect. 15

The General Assembly must provide “for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.”

Article IX, Sect. 2(1)

These provisions guarantee “every child of this state an opportunity to receive a sound basic education in our public schools.”

Leandro v. State, 346 NC 336 (1997)



The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate.

The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.”

Article IX, Sect. 2(2)



State may only assign responsibility to counties to fund necessary expenses to meet constitutional standard.

Beaufort County Bd. of Educ. v. Beaufort County Bd. Of Comm'rs, 363 N.C. 500 (2009).

Constitutional Education Standard

Each child has
opportunity to
receive a sound
basic education



Constitutional Education Standard



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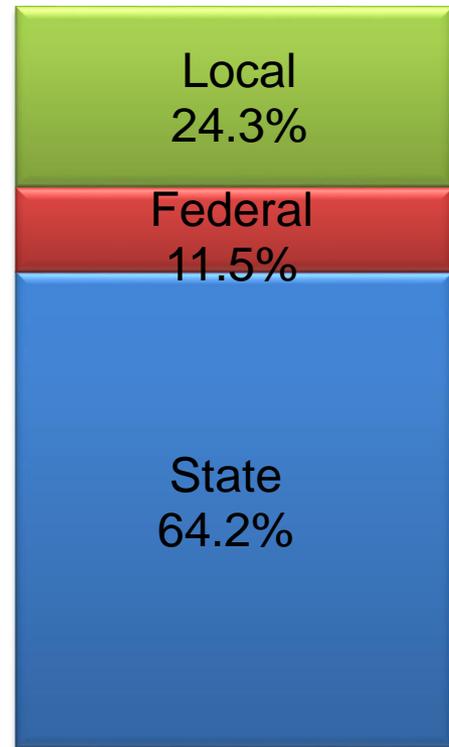
Constitutional Education Standard



- Every classroom staffed with competent, certified, well-trained teacher
- Every school led by well-trained, competent principal with the leadership skills and ability to hire and retain competent, certified, and well-trained teachers; and
- Every school is provided, in the most cost-effective manner, the resources necessary to support effective instruction within that school so that all children, including at-risk children, have an equal opportunity to obtain a sound basic education.

NC is Unique

\$12,581,274,228



National Average is
46.4 percent

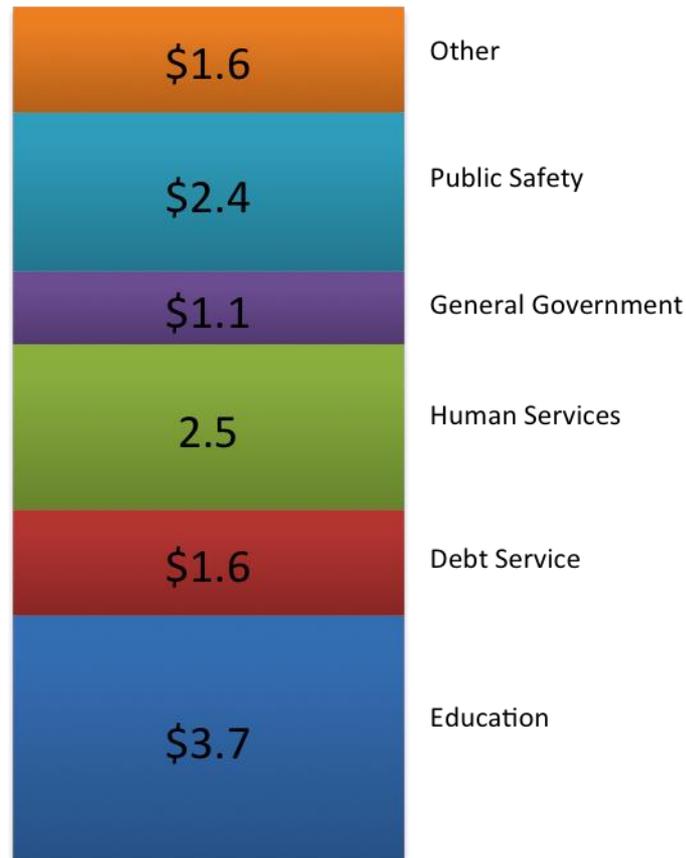
NC Public School Funding, 2014-15

NC Department of Public Instruction, *Highlights of the NC
Public School Budget*, February 2016

2014-15 County Expenditures

\$12.8 billion total

in billions



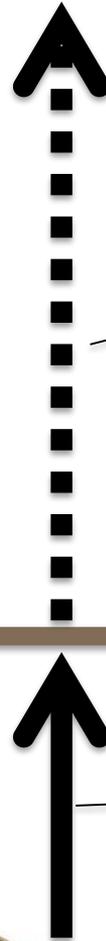


Optional County
Appropriations

Mandated County
Appropriations
*(within county
resources)*

State Appropriations,
Federal Grants, Available
Fund Balance, Other Local
Monies



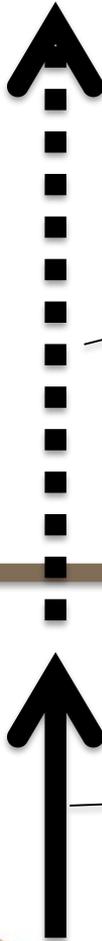


Optional County
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Federal Grants, Available
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Optional County Appropriations

Mandated County Appropriations
(within county resources)

State Appropriations,
Federal Grants, Available
Fund Balance, Other Local
Monies



Fund 2: Local Current Expense Fund

(Mainly County Funded)

- County appropriations
- Fines, penalties, forfeiture distributions
- *Supplement school taxes*
- Other monies accruing to the school unit for operating expenses

Fund 4: Capital Outlay Fund

(Mainly County Funded)

- County appropriations (including earmarked sales taxes and lottery monies)
- *Supplemental school taxes*
- Proceeds of sales of capital assets
- Donations/grants restricted to capital

Fund 8

(Limited County Funding)

- Restricted gifts and grants
- Reimbursements
- Tuition
- Sales tax distributions
- Sales tax refunds
- Funds for pre-kindergarten programs
- Federal appropriations directly to school unit
- Trust funds



Fund 2: Local Current Expense Fund

(Mainly County Funded)

- County appropriations
- Fines, penalties, forfeitures distributions
- *Supplement school taxes*
- Other monies accruing to the school unit for operating expenses

Purpose / Function Codes

- By major expenditure category/subcategory
- County can budget at this level of specificity
- School unit has some flexibility to move county \$ around

Object Codes

- “Line item” level

PRC Codes

- By program or function



Fund 4: Capital Outlay Fund

(Mainly County Funded)

- County appropriations (including earmarked sales taxes and lottery monies)
- *Supplemental school taxes*
- Proceeds of sales of capital assets
- Donations/grants restricted to capital

Category I

- Specific projects
- School unit may not move \$ to other projects

Category II

- Furniture/Equipment
- School unit may move \$ within category

Category III

- Motor vehicles
- School unit may move \$ within category

Budgeting Process

Step 1

- Ongoing Discussions Between Boards (Statutorily Required!)

Step 2

- Public School Superintendent Presents Superintendent's Budget to Local School Board (by May 1)

Step 3

- Local School Board May Hold Hearing on Superintendent's Budget
- Local School Board Makes Changes and Adopts Proposed Budget

Step 4

- Local School Board Submits Entire Proposed Budget to County (by May 15)
- Board of County Commissioners May Request Further Information from Local School Board

Step 5

- County Board of Commissioners Makes Appropriations to Local School Administrative Unit
- May appropriate operating funds by purpose and function code

Step 6

- *OPTIONAL: Dispute Resolution Process*

Step 7

- The local board of education adopts a budget resolution

What Do You Do Now?

- ✓ Learn the lingo
- ✓ Understand financial options / implications / limitations
- ✓ Recognize reality

