



Memo

To: Dr. Aaron Spence, Superintendent
From: Michael C. Griffin, Chief Finance Officer
Date: November 15, 2012
Re: Budget Resolution for 2012 - 2013

Please see attached the proposed amended budget resolution for 2012 – 2013.

- State Fund - \$782,891 increase, which includes:
 - o \$592,050 in Exceptional Children (EC) funding;
 - o \$135,820 in Technology funding;
 - o Both of these allotments are normally received in the fall; however, over \$250,000 in additional EC funding is due to the efforts of our IDI-Student Support team generating additional resources to support our Pre-K program. These resources not only help sustain existing Pre-K programs (in the face of funding reductions), but also allow us to expand the program.
 - o \$55,021 - The remainder of the increase is the sum of smaller reductions in a number of other categories, due primarily to student enrollment.

- Local Current Fund - no change in overall funding

- Federal Fund* - \$398,852 increase, which includes:
 - o \$255,165 in Rural School funding; we are currently identifying potential technology projects for specific schools.
 - o \$60,845 in 21st Century Learning Center funds, the 1st of 3 installments to support our after-school program at Aberdeen Elementary;
 - o \$46,822 in funding to support Homeless students;
 - o \$36,020 in funding towards other federal allotments, primarily EC.

*The Federal Fund includes approximately \$4.1 million in Race to the Top grants for the Sandhills Leadership Academy. This program is managed by the Sandhills Regional Education Consortium, and supports all school systems in our region. Moore County Schools is the fiscal agent; therefore, we include this Race to the Top grant in our budget ordinance.

- Local Capital Fund - \$770,197 increase for state funding of bus replacements, as well as the associated financing payments on those buses

- Child Nutrition Fund - no change in overall budget
- Local Operations Fund - \$290,000 increase for the new Army Youth After School Program

This budget also designates \$4,000,000 in fund balance to the current budget, and an additional \$4,000,000 to the 2013/14 budget. These designations provide a sound foundation for the next 2 years, and leave our undesignated fund balance at 3.8%, compared to Local and State funding. We do not include Federal funding in this calculation, as the Federal budgets allow carryover.

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

**MOORE COUNTY BOARD OF EDUCATION
BUDGET RESOLUTION
2012 - 2013 FISCAL YEAR**

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

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

State Public School Fund – Fund 1

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
State Revenues	64,214,671	64,997,562			
<u>Expenditures</u>					
Instructional Svces	57,457,777	57,929,444			
Support Services	6,756,894	7,068,118			

Local Current Fund – Fund 2

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
County Funding	25,540,140	25,540,140			
Fines/Forfeitures	<u>720,860</u>	<u>720,860</u>			
Total	26,261,000	26,261,000			
<u>Expenditures</u>					
Instructional Svces	16,162,000	16,149,000			
Support Services	9,429,000	9,442,000			
Charter Schools	670,000	670,000			

For the Local Current Fund, the revenues included in Fund 2 include only current expense appropriations from Moore County, and fines/forfeitures as defined by state statute. All other local operating revenues, fund balance appropriated, and corresponding expenditures are included in the budget for the Local Operations Fund – Fund 8.

Federal Program Fund – Fund 3

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Federal Revenues	12,054,124	12,452,976			
<u>Expenditures</u>					
Instructional Svces	9,333,735	9,723,236			
Support Services	121,436	130,308			
Non-program Costs	2,598,953	2,599,432			

Local Capital Fund – Fund 4

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Capital Outlay	878,000	1,648,197			

Child Nutrition Fund – Fund 5

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
Child Nutrition	5,100,000	5,100,000			

Local Operations Fund – Fund 8

	<u>Original</u>	<u>November</u>	<u>February</u>	<u>May</u>	<u>June</u>
<u>Revenues</u>					
Interest/Grants/Fees	1,834,000	2,124,000			
<u>Expenditures</u>					
Instructional Svces	3,325,000	3,582,189			
Support Services	2,509,000	2,541,811			
Fund Balance					
Appropriated	4,000,000	4,000,000			

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

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

Section 4 Revenues and expenditures for public school construction/projects through the School Special Revenue fund, including State Facility Funds, State Lottery Funds and Local School Bond Funds, will be accounted for in the accounting records of the County of Moore.

Section 5 This budget ordinance designates an additional \$4,000,000 in local fund balance towards the local operating budget for 2013 - 2014.

Any additional fund balance in excess of the designated appropriation in the Local Current Fund, Local Capital Fund and Local Operations Fund will be appropriated to contingency, once the Annual Financial (Audit) Report has been presented to the Board of Education. In addition, all assigned and unassigned Fund Balance in the Local Current Fund at June 30th of the preceding year shall be transferred to the Local Operations Fund after the Audit has been presented.

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

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

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

Approval of budget resolution

Approved by the Moore County Board of Education on November 19, 2012

_____	_____	_____	_____
Chairman	Date	Superintendent	Date

Signed copy distributed to Finance Officer and maintained in Finance Office

Moore County Schools
Unaudited Financial Report as of November 19, 2012

By Fund

Fund	Fund Description	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Including Escrow	Percent Spent
1	State Public School Fund	\$64,997,562.00	\$25,680,228.71	\$1,606,622.16	\$1,501,890.69	\$36,208,820.44	44.29%
2	Local Current Fund	\$26,261,000.00	\$9,901,490.68	\$869,442.71	\$102,112.22	\$15,387,954.39	41.40%
3	Federal Program Fund	\$12,452,976.00	\$2,860,389.19	\$87,349.86	\$110,930.22	\$9,394,306.73	24.56%
4	Capital Outlay Fund	\$1,648,197.00	\$961,841.37	\$87,963.71	\$0.00	\$598,391.92	63.69%
5	Child Nutrition Fund*	\$5,100,000.00	\$1,645,229.78	\$1,182,101.36	\$0.00	\$2,272,668.86	55.44%
8	Local Operations Fund	\$6,124,000.00	\$1,434,389.01	\$188,179.25	\$4,616.54	\$4,496,815.20	26.57%
Grand Total		\$116,583,735.00	\$42,483,568.74	\$4,021,659.05	\$1,719,549.67	\$68,358,957.54	

By Purpose

1-Purpose	Purp Desc	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Including Escrow	Percent Spent
5XXX	Instructional Services	\$87,383,868.80	\$32,622,132.22	\$706,395.36	\$1,704,315.92	\$52,351,025.30	40.09%
6XXX	System-Wide Support Services	\$19,236,714.00	\$7,195,724.16	\$2,045,198.62	\$15,233.75	\$9,980,557.47	48.12%
7XXX	Nutrition Services*	\$4,863,720.00	\$1,587,638.02	\$1,182,101.36	\$0.00	\$2,093,980.62	56.95%
8XXX	Non-Programmed Charges**	\$3,571,432.20	\$236,429.97	\$0.00	\$0.00	\$3,335,002.23	6.62%
9XXX	Capital Outlay	\$1,528,000.00	\$841,644.37	\$87,963.71	\$0.00	\$598,391.92	60.84%
Grand Total		\$116,583,735.00	\$42,483,568.74	\$4,021,659.05	\$1,719,549.67	\$68,358,957.54	

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

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

By Object

1 digit Obj	1 digit Obj Desc	Current Budget	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Escrow	Balance Remaining	Percent Spent
1XX	Salaries	\$70,248,373.00	\$26,124,878.46	\$0.00	\$1,411,312.01	\$42,712,182.53	39.20%
2XX	Employer Provided Benefits	\$22,375,803.80	\$9,508,020.24	\$0.00	\$308,237.66	\$12,559,545.90	43.87%
3XX	Purchased Services	\$11,824,310.20	\$2,461,202.72	\$338,711.58	\$0.00	\$9,024,395.90	23.68%
4XX	Supplies and Materials	\$9,567,011.00	\$3,049,609.11	\$3,591,148.10	\$0.00	\$2,926,253.79	69.41%
5XX	Capital Outlay	\$1,898,237.00	\$1,164,356.88	\$91,799.37	\$0.00	\$642,080.75	66.17%
7XX	Transfers	\$670,000.00	\$175,501.33	\$0.00	\$0.00	\$494,498.67	26.19%
Grand Total		\$116,583,735.00	\$42,483,568.74	\$4,021,659.05	\$1,719,549.67	\$68,358,957.54	

Moore County Schools

2012-2013

Amended Budget Resolution

November 2012



State Fund

- Original budget of \$64.2 million
- Amended budget of just under \$65.0 million
- Increase of approximately \$783,000
- \$592,000 for Exceptional Children, all Pre-K
 - \$250,000+ due to efforts of IDI/Student Support
- \$136,000 for Technology
- \$55,000 for other allotment increases



Local Current Fund

- Original budget of \$26.3 million
- No change



Federal Fund

- Original budget of \$12.1 million
- Amended budget of \$12.5 million
- Increase of approximately \$400,000
- \$255,000 – Rural Schools funding, to be used for Technology initiatives
- \$145,000 – 21st Century Learning Center, Support for Homeless Students, EC



Capital and Nutrition Funds

- Capital Outlay - \$878,000 increased to \$1,648,197
- \$770,197 in state funding for bus replacements
- Child Nutrition - \$5.1 million – no change



Local Operations Fund

- Original budget of \$5,834,000
- Amended budget of \$6,124,000
- \$290,000 in grants for Army Youth After School programs



Financial Report

- State expenditures = 44%
- Local current expenditures = 41%
- Local operations expenditures = 27%
- Federal expenditures = 25%
- Capital fund expenditures = 64%
- Child nutrition expenditures = 27%





MOORE COUNTY SCHOOLS

Growing to Greatness

