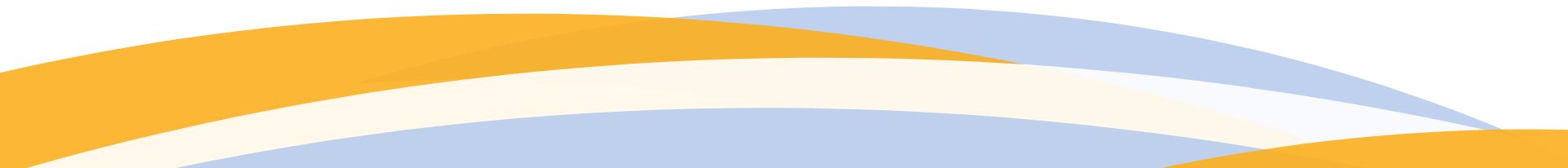


Understanding North Carolina State Funding

Enrollment-Based Allocations to Support Student Success

***All Slide images were created by NotebookLM*

The bottom of the slide is decorated with several overlapping, wavy bands of color in shades of orange, yellow, and light blue.

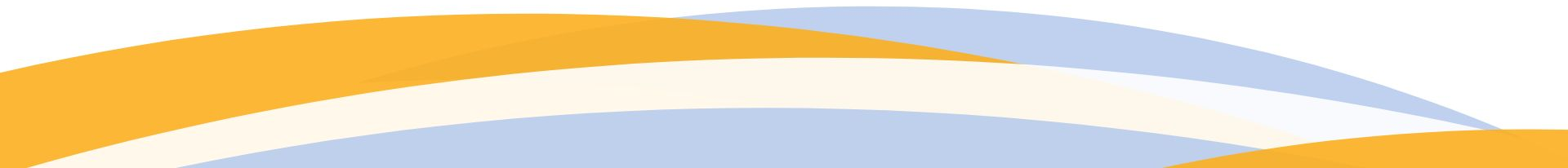
Funding Allotments



[2025-2026 Planning Allotment Comparison](#)

[2026-2027 Planning Allotment Comparison](#)

[Total loss of funding from 2025-2026 and 2026-2027](#)



District-Wide Funding

- State funding for teaching positions is allocated to the district as a whole.
- Allocations are tied directly to total student enrollment across all schools.
- As enrollment changes, so does the number of state-funded positions available.

It is important to remember that we receive funding as a single district system.

Our total staff size is determined by the total number of students we serve across all our buildings.

How North Carolina Funds Our Schools



The Core Rule

North Carolina state funding allocations are based entirely on total district student enrollment, not individual school headcounts.



The Foundation

While local government support provides a vital foundation, state funding remains the primary driver for staffing our classrooms.



The Unified System

Funding is allocated to the district as a whole, requiring leadership to manage resources holistically across all campuses.

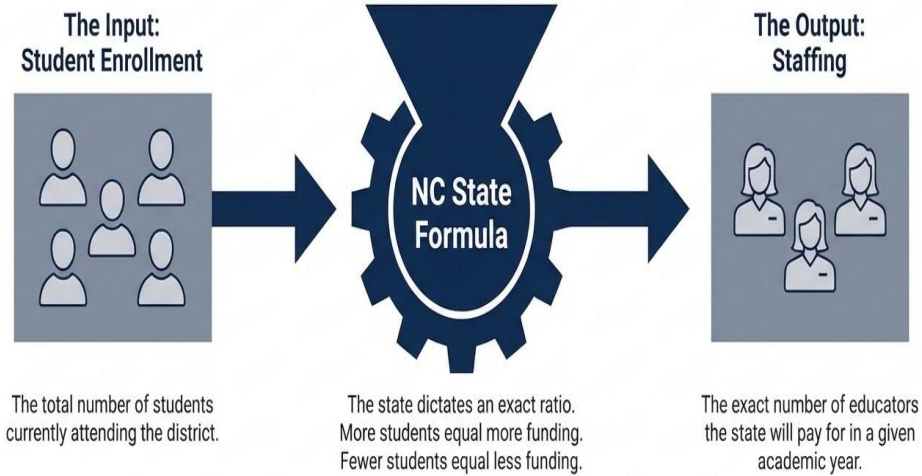


The Impact of Lower Enrollment

- Lower enrollment results in fewer state-funded teaching positions.
- Even small enrollment shifts can have a meaningful impact in small districts.
- This creates a state-mandated budget reality that we must operate within.

Because we are a smaller district, even a minor drop in student numbers can significantly reduce our state allocation, requiring us to make thoughtful decisions to stay within our budget.

The Mechanics of State-Funded Teaching Positions



Key Takeaway: North Carolina districts rely strictly on this state formula to staff our schools. When enrollment changes, state funding changes automatically.

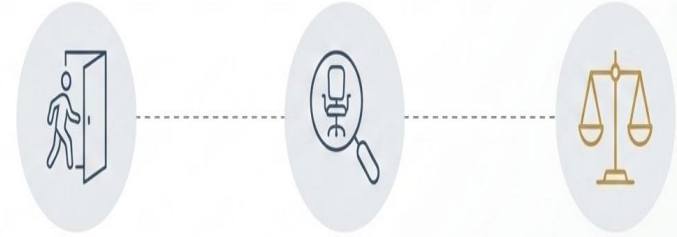
Managing positions through attrition

- The district uses attrition to manage the loss of state-funded positions.
- Attrition involves absorbing position losses by not refilling vacancies when staff members retire or leave.
- This allows the district to remain fiscally responsible without immediate layoffs.

To stay within our mandated constraints, we "absorb" the loss of state-funded positions naturally. By not refilling certain vacancies, we align our staff size with our current state funding levels while protecting existing jobs.

Achieving Balance Through Attrition

We align our staffing with state-mandated budget realities proactively—by not refilling select vacancies as staff naturally depart, protecting current employees.



Phase 1: Natural Transition

Staff member retires or relocates.

Phase 2: Strategic Evaluation

Analyzing district needs.

Phase 3: Rebalancing

Position absorbed to meet state constraints without active layoffs.

This strategic approach requires us to make thoughtful decisions about where positions are placed. By absorbing roles through natural transitions, we successfully preserve excellent, transformative programming across the district without active layoffs.

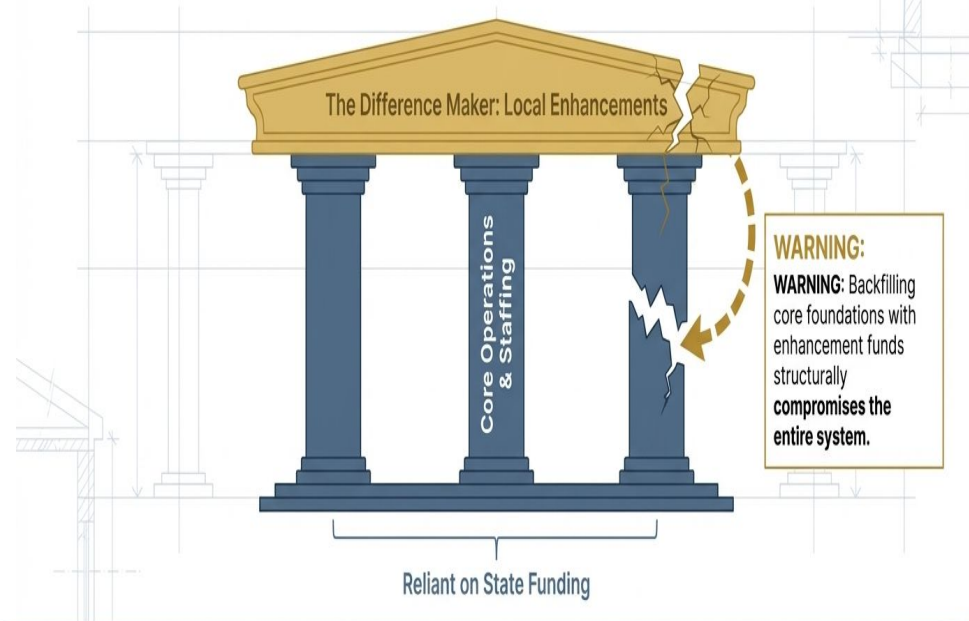
Local Funding

- Local county investment is a generous "difference maker" for student programs.
- The district fundamentally relies on state funding for its primary staffing.
- We have a duty to spend local funds wisely and strategically.
- Sustainable planning requires operating within state-mandated constraints.

While we are grateful for local support that enhances our schools, we cannot rely on it to replace state-funded positions lost to enrollment shifts. To be fiscally responsible, we must manage our core staffing based on the state's budget reality rather than asking local taxpayers to permanently backfill those gaps.

The Role—and Limits—of Local Investment

Local funding is our difference maker for specialized student offerings. We have a duty to spend these funds wisely on enhancements, rather than unsustainably backfilling state-funded core positions.



Every decision we make is anchored in one question: What best serves our students? We must deliver excellent programs in a way that remains fiscally responsible within the structural constraints our district operates under.

Exceptional Children

13% state funding cap vs. ~19% actual enrollment.

Every student above the cap is served entirely on local dollars. Costs include adaptive equipment, AAC devices, 1:1 paraprofessionals, and the SELF program therapist.

Child Nutrition

Federal reimbursement rates have not kept pace with rising food and labor costs. The enterprise fund model has not covered actual expenses — and for many TCS families, school meals are a necessity, not a convenience.

Combined FY2024-25

Local Subsidy

\$919,181

EXAMPLE



Where Local Dollars Go: Exceptional Children & Child Nutrition

These programs exist because students need them. State and federal funding do not cover the full cost — local taxpayer dollars make up the difference, ensuring every student is fed and every student with a disability receives the services they are legally entitled to.