

**GUILFORD COUNTY BOARD OF EDUCATION
BUDGET WORK SESSION
GREENSBORO, NORTH CAROLINA**

Wednesday, December 17, 2008

The Guilford County Board of Education met in a budget work session to discuss budget reductions on Wednesday, December 17, 2008 at 712 North Eugene Street, Greensboro, North Carolina. The following board members were present: Sandra Alexander, Jeff Belton, Kris Cooke (arrived 11:45 a.m.), Paul Daniels, Alan Duncan, Carlvena Foster, Darlene Garrett (arrived 11:47 a.m.), Deena Hayes, Garth Hébert (arrived 11:49 a.m.), Amos Quick, and Nancy Routh. Also present were Superintendent Maurice Green and Attorney Jill Wilson (arrived 12:25 p.m.).

Call to Order

Chairman Duncan called the meeting to order at 11:34 a.m.

Pledge of Allegiance and Moment of Silence

Board member Paul Daniels led the Pledge of Allegiance and a moment of silence.

Approval of the Agenda

Chairman Duncan asked board members to review the meeting agenda and called for a motion to approve or amend it.

Motion was made by Jeff Belton, seconded by Deena Hayes, to approve the agenda as presented. The motion passed upon unanimous voice vote.

Presentation of Budget Reductions

Superintendent Maurice Green and chief financial officer, Sharon Ozment led the board in discussion regarding the budget reductions for the remainder of the 2008-09 school year.

Guilford County Schools (GCS) must cut approximately \$3.8 million as part of a required rollback or “reversion” in state funding. The board was presented with the proposed reductions. The reduction amount is based on two adjustments: the statewide reversion caused by the state revenue shortfall and the reduction of funds based on the Average Daily Membership (ADM) of students versus the projected enrollment. School districts must submit their plans for handling the reversions to the North Carolina Department of Public Instruction by December 19, 2008. The state will adjust allotments for the ADM shortfall in the near future.

About 54 percent of the proposed reductions – or slightly more than \$2 million – are coming from central administration. The remaining 46 percent – or \$1.7 million – is from funding that normally would go to the schools.

Superintendent Green stated that while central administration will absorb a higher percentage of the cuts with this proposal, the fact that most of the district’s resources already go to schools means that principals and teachers will feel the impact.

Currently, nearly 79 percent of GCS resources are tied to the schools, primarily to fund teachers, social workers, guidance counselors, principals, custodians and other school-based

personnel. Another 21 percent of GCS resources go to services that support schools, including central administration.

In anticipation of the state reversion, GCS froze hiring for non-instructional staff on December 3, 2008. The district also did not distribute about 25 percent of the funds typically given to schools to purchase classroom supplies and materials.

Starting January 1, 2009, the district plans to have employees accrue compensatory time instead of paying overtime and will curtail non-student-related travel, particularly out-of-state. GCS will delay expenditures and cut funds for staff training, testing, graphic production and other contracted services.

GCS receives about 60 percent of its \$591 million budget from the state - local funding accounts for roughly 33 percent. The federal government provides the remaining 6.7 percent.

GCS 2008-09 Operating Budget

60.27% State Funds	\$356,253,627
32.99 % Local Funds	\$194,975,340
6.74% Federal Funds	\$ 39,862,382
Total	\$591,091,349

The Budget Adjustment Approach

- Keep current staff employed
- Minimize impact on the classroom (difficult given that 78.84% of our resources are in schools and 21.16% are used to provide administrative/support services)
- Share burden of budget cuts throughout the district
- Maintain flexibility and continue to deliver quality services
- Maintain focus on and commitment to being: child-centered, united, excellence

Summary of Budget Cuts

- Schools = \$1,741,905 or 45.92% of \$3.8M cuts
- Charter school adjustment
- Weighted Student Formula (WSF) dollars
- Visiting International Faculty (VIF) supplies/materials dollars
- Career & Technical Education (CTE) lapsed salary dollars

Administrative = \$2,051,351 or 54.08% of \$3.8M cuts

- Charter school adjustment
- Medicaid Administrative Claim (MAC) escrow dollars
- Central Office budget reductions

Board members were given the opportunity to ask questions and make requests related to the budget reductions.

The board will decide on the reductions at its December 18, 2008 regularly scheduled board meeting.

Adjournment

With no further business, at 1:07 p.m., *motion was made by Amos Quick, seconded by Deena Hayes, to adjourn the meeting. The motion passed upon unanimous voice vote.*