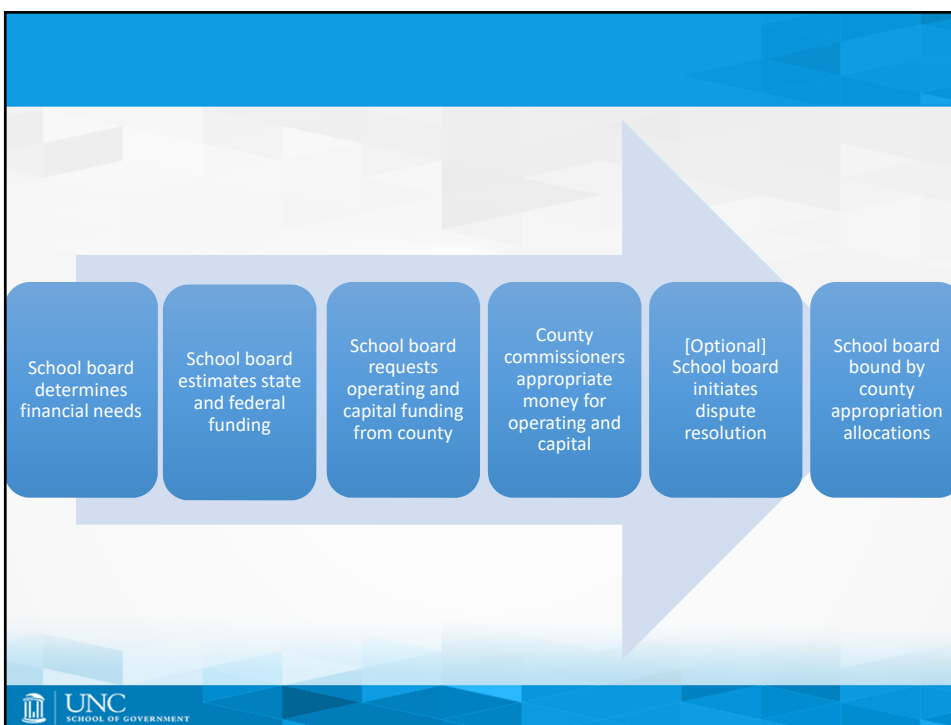
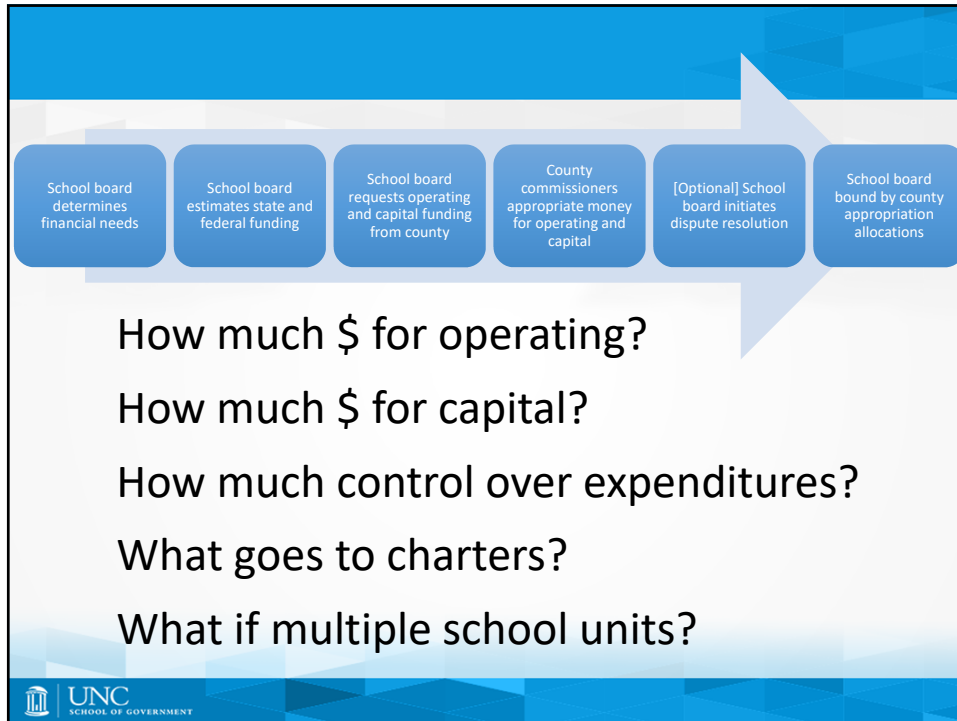


Local Funding for Schools

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March 2018

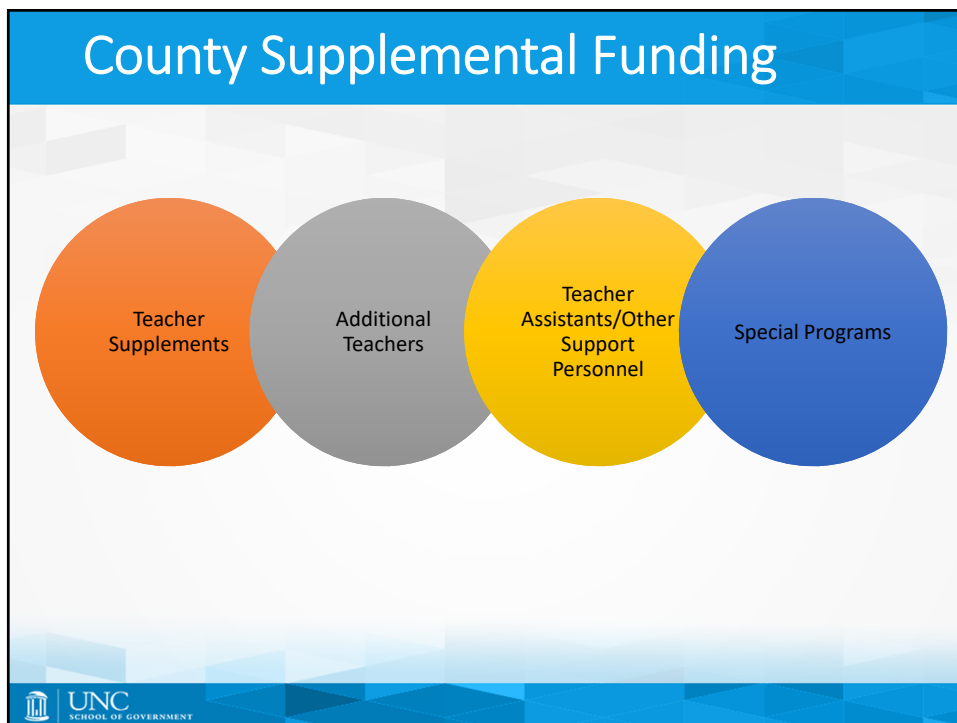
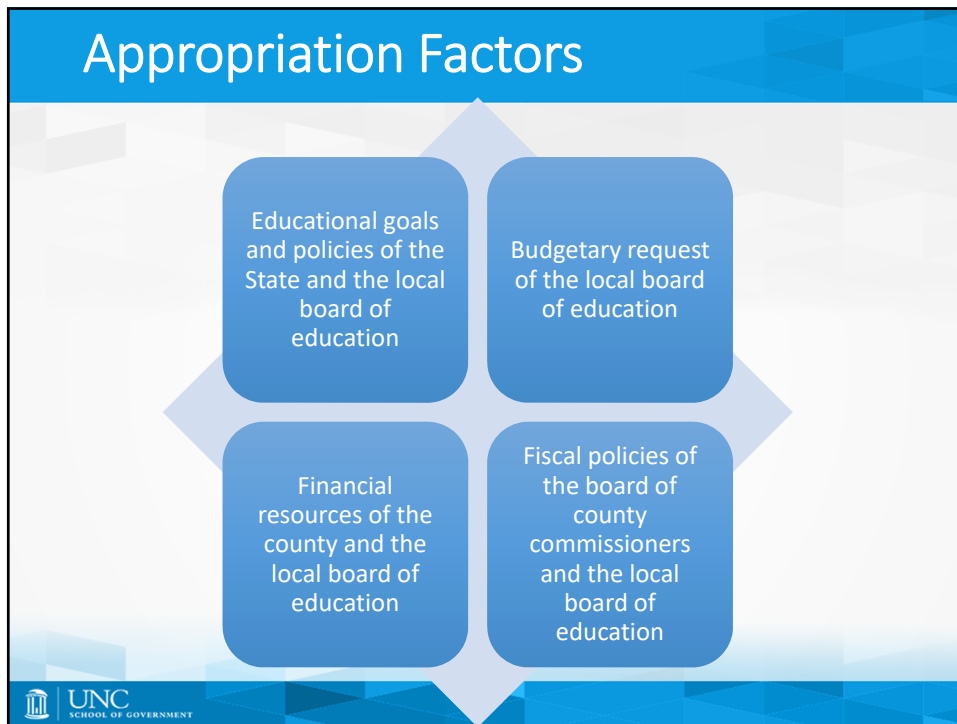


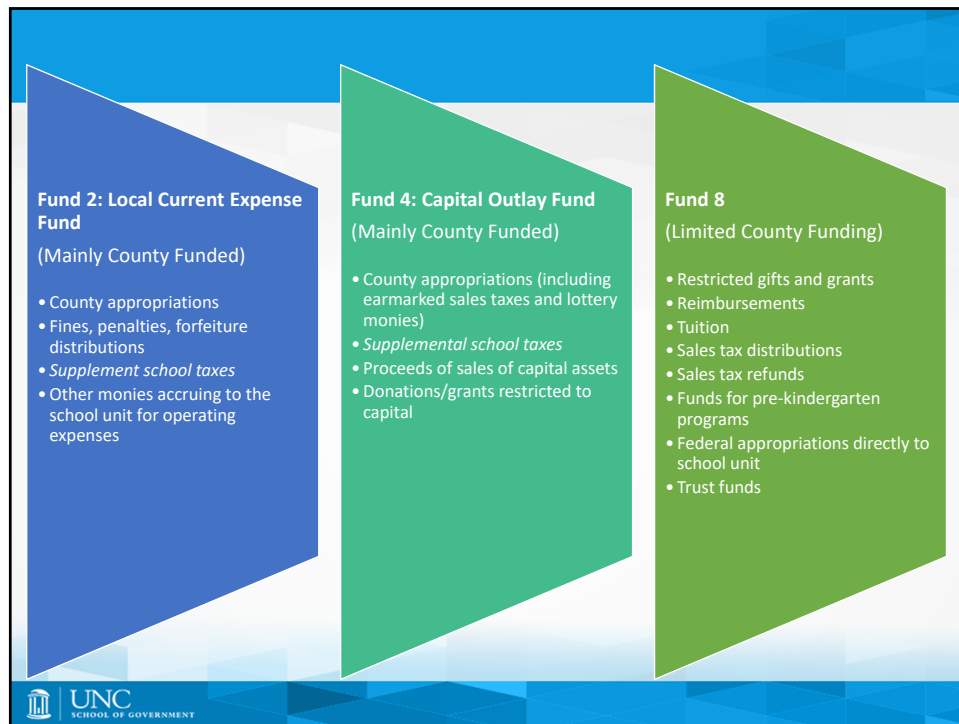


County Funding Responsibility

Direct Delegation of Funding Authority	Indirect Delegation of Funding Authority
<ul style="list-style-type: none"> G.S. 115C-521: school facilities, furniture and apparatus G.S. 115C-249: buildings for bus and vehicle storage G.S. 115C-522(c): library, science, and classroom equipment G.S. 115C-522(c): water supply and sanitary facilities G.S. 115C-524(b): keeping school buildings in good repair G.S. 115C-524: school maintenance and repairs G.S. 115C-522(c): instructional supplies and reference books G.S. 115C-534: school property insurance G.S. 115C-525(b): fire inspections 	<ul style="list-style-type: none"> G.S. 115C-431: sufficient funds for operating expenses and capital expenses each year that, when added to other financial resources available to the school unit for these purposes, allow the school unit to provide all students with an opportunity to receive a sound basic education

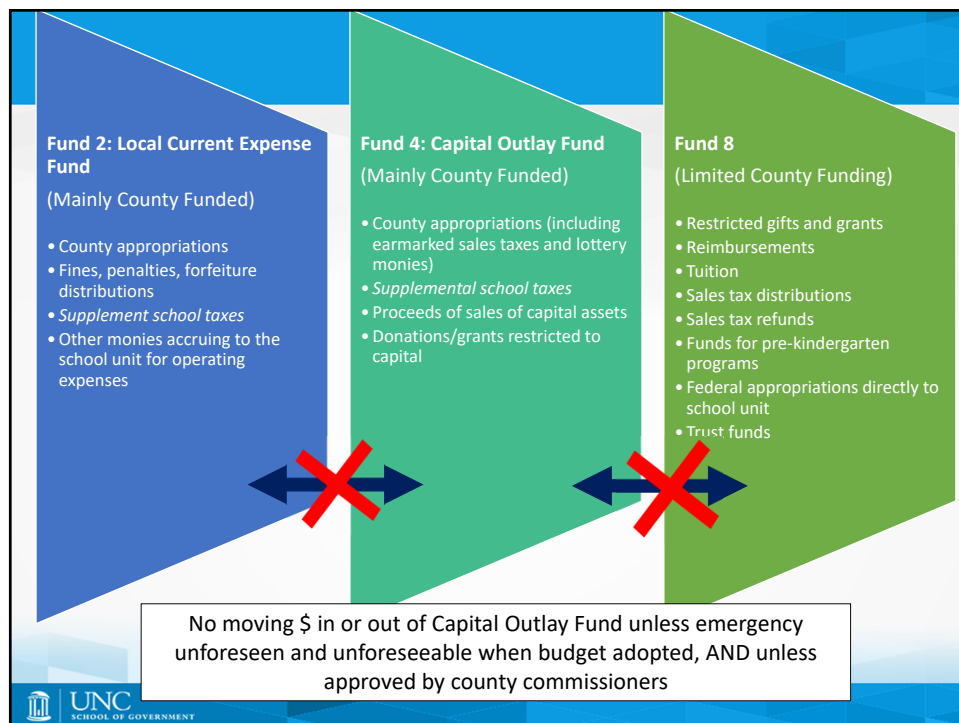
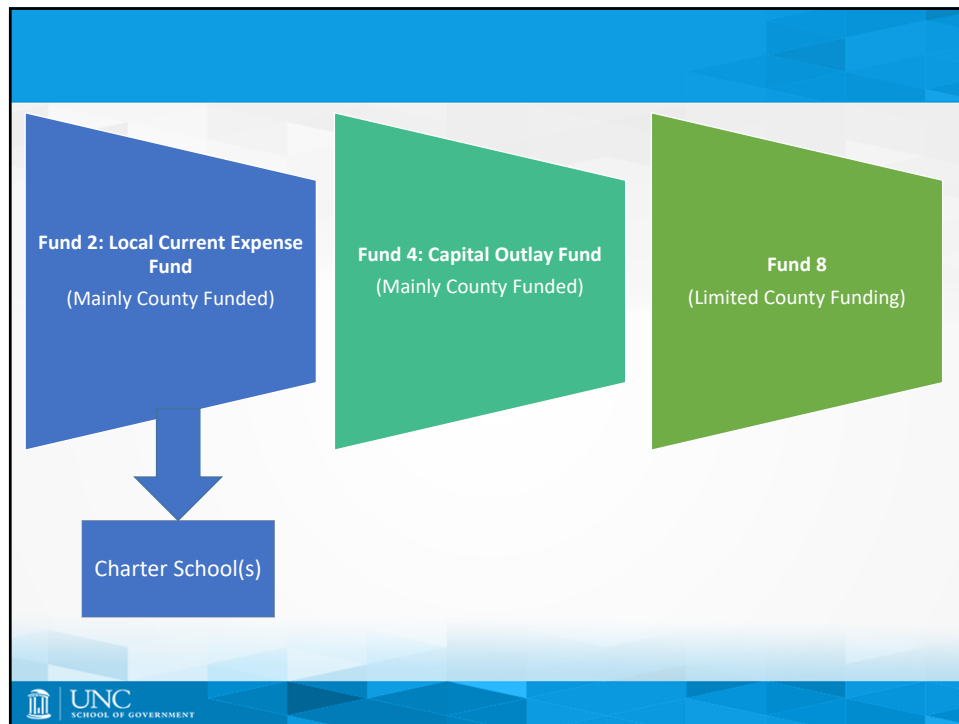
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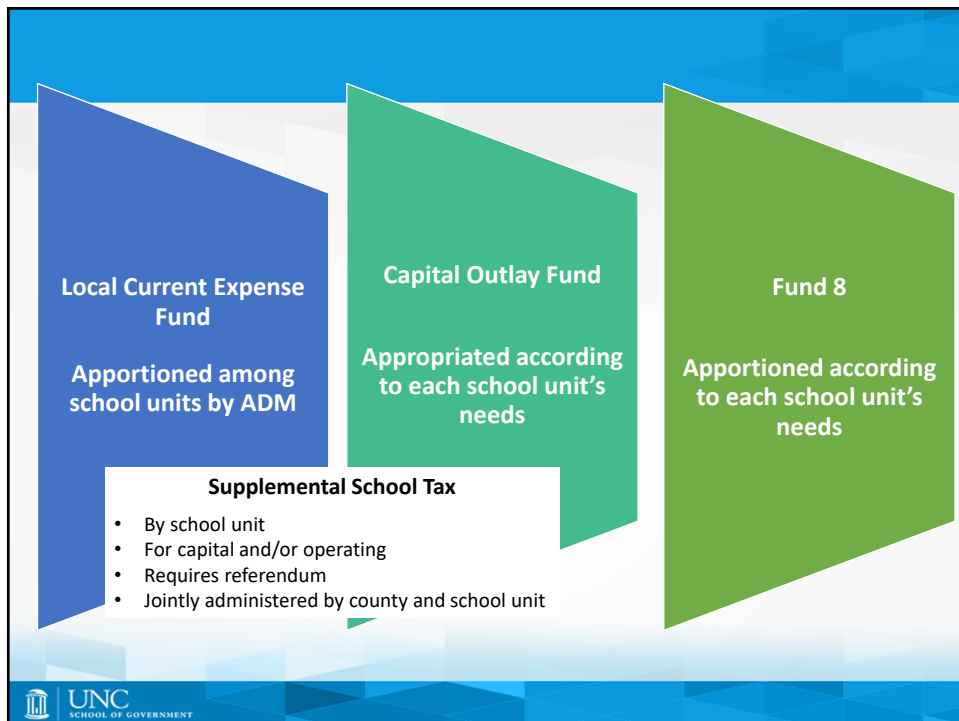
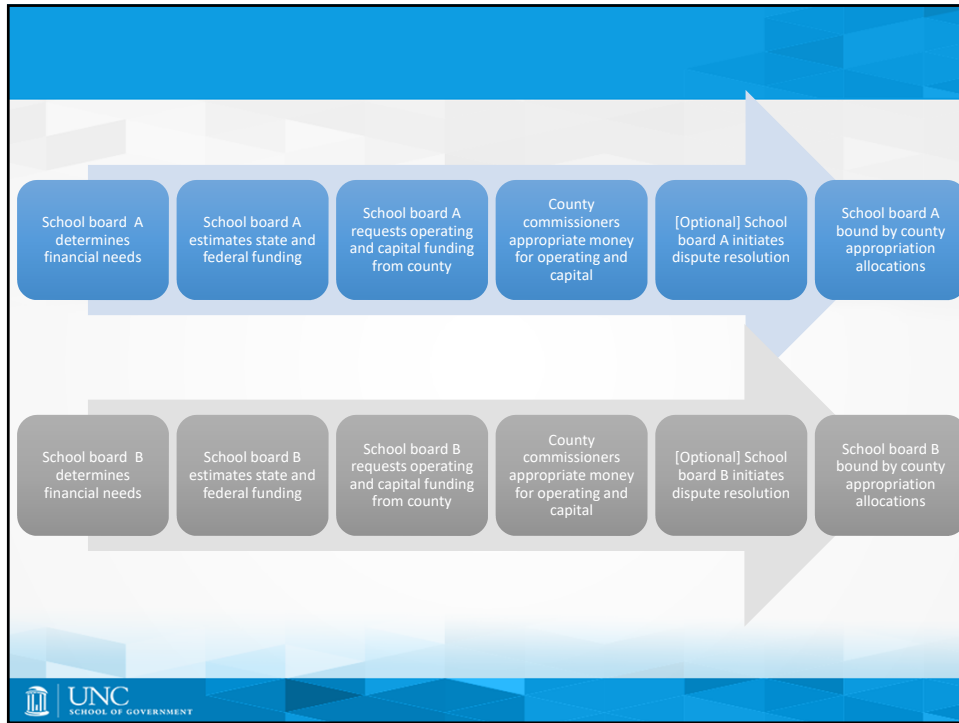




Purpose/Function	Capital Outlay
Instructional Services <ul style="list-style-type: none"> • Regular Instructional Services • Special Population Services • Alternative Programs and Services • School Leadership Services • Co-curricular Services • School-Based Support Services 	Category I <ul style="list-style-type: none"> • Acquisition of real property • Construction, reconstructions, enlargement, renovation, or replacement of buildings and other structures for school purposes
Supporting Services Programs <ul style="list-style-type: none"> • Support and Development Services • Special Populations Support and Development Services • Alternative Programs and Services Support and Development • Technology Support Services • Operational Support Services • Financial and Human Resources Services • Accountability Services • System-Wide Pupil Support Services • Policy, Leadership, and Public Relations Services 	Category II <ul style="list-style-type: none"> • Acquisition or replacement of furnishings and equipment
Ancillary Services <ul style="list-style-type: none"> • Community Services • Nutrition Services • Adult Services 	Category III <ul style="list-style-type: none"> • Acquisition of school buses, activity buses, and other motor vehicles
Non-programmed Charges <ul style="list-style-type: none"> • Payments to Other Government Units • Unbudgeted Funds • Debt Services • Interfund Transfers • Contingency • Educational Foundations • Scholarships 	

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Dispute Resolution Process

Step 1

- Two boards meet to attempt to resolve differences

Step 2

- Mediation (must end no later than August 1, unless both boards agree to extend)

Step 3

- Within 5 days of failed mediation the board of education may file an action in superior court

Step 4

- Court (either Judge or Jury) finds facts as to amount of money necessary to maintain a system of free public schools, and the amount of money needed by the county to make up this total. Judge or jury must consider: educational policies of local board of education; fiscal policies of county; and financial resources of county.



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Step 5

- Court orders the board of county commissioners to appropriate a specific sum to the school board and to levy additional taxes if necessary

Step 6

- Either the county or school district may appeal



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Outlier Examples

- School board taxing authority
- Multi-county school district; statutory requirement for proportional share from each county for both capital and operating; no apportionment within county
- Single county (merged) school district; statutory funding formula

