

## Committing to a Better Educated Future Through Public Schools

### Recommendation

Secures North Carolina’s future by investing \$730.3 million in public school students and teachers. This budget respects teachers by raising public school starting teacher salaries to the highest in the Southeast, providing an 8.5% average total raise for all teachers, and minimizing pay plateaus for experienced teachers. These recommendations also add teacher assistants to classrooms and support public school teachers with the curricular training, classroom supplies, and instructional support they need to help every student succeed. This budget puts a moratorium on taxpayer-funded private school vouchers to instead invest in K-12 public education.

In addition, this budget recommends placing a \$2.5 billion General Obligation Bond on the November 2024 ballot for public school construction and renovation. This funding will help address the documented \$13 billion in infrastructure needs across public schools without increasing debt service above current levels.

**Table 1: Allocation of Funds to Support Public Education**

	Recurring	Nonrecurring
<b>Compensation and Capacity Investments</b>		
Teacher and Instructional Support Salaries	\$322,709,000	
State Agency Teachers	\$1,107,000	
Master’s Pay	\$10,000,000	
School-Based Administrator Salaries	\$25,443,000	
Professional Development	\$13,760,000	\$21,477,350
Educator Pipeline and Development	\$11,260,000	\$25,000
<b>Sub Total</b>	<b>\$384,279,000</b>	<b>\$21,502,350</b>
<b>Targeted Student Investments</b>		
DSSF and At-Risk Allotments and Funding	\$70,000,000	
Children with Disabilities Funding Cap and Funding	\$56,824,273	
Low-Wealth Schools Funding	\$40,000,000	
Teaching Assistant Formula and Funding	\$30,000,000	
Limited English Proficiency Funding Cap and Funding	\$20,000,000	
<b>Sub Total</b>	<b>\$216,824,273</b>	
<b>Targeted District Supports</b>		
School Health Personnel	\$44,548,449	
District and Regional Support Model	\$19,000,000	
Career Development Coordinators	\$10,000,000	
Community Schools	\$6,000,000	
NC Virtual Public Schools	\$3,000,000	
Classroom Materials	\$1,000,000	\$4,000,000
Reduced-Price Lunch Co-Pays	\$900,000	
<b>Sub Total</b>	<b>\$84,448,449</b>	<b>\$4,000,000</b>

	Recurring	Nonrecurring
Agency Capacity and IT Upgrades		
IT and Cybersecurity	\$17,567,392	
Operational Support	\$1,672,000	
<b>Sub Total</b>	<b>\$19,239,392</b>	
Totals for Recurring and Nonrecurring	\$704,791,114	\$25,502,350
<b>Grand Total</b>		<b>\$730,293,464</b>

## Statement of Need

North Carolina significantly lags behind other states in per student spending and ranks in the bottom on teacher pay. At the same time, the state is attracting businesses that require a well-educated workforce to be able to prosper in the future.

- More than 8 in 10 school-aged children attend public schools in North Carolina.<sup>1</sup> However, the state ranks near the bottom in K-12 funding nationally, spending nearly \$5,000 less per student than the national average.<sup>2</sup>
- Teachers in North Carolina earn over 26% less than similar college graduates who chose different careers.<sup>3</sup> The state ranks 46<sup>th</sup> nationally and 11<sup>th</sup> out of the 12 Southeastern states in beginning teacher pay. Without increases in pay, the state will face increasing difficulty in hiring and retaining teachers and training tomorrow’s workforce.<sup>4</sup>
- North Carolina employs over 1,000 fewer teachers than it did in 2018 despite the student population staying about the same. The teacher attrition rate rose 47% from 7.8% to 11.5% from the 2021-22 to the 2022-23 school year, and annual teacher attrition is higher in North Carolina than the national average.<sup>5</sup>
- Since 2020, the state has increased annual per-pupil funding for private school taxpayer-funded vouchers by 80.7% (\$3,390), while public school students have seen a per-pupil funding increase of just 6.5% (\$463) in that time.<sup>6</sup>
- The 2020-21 Facility Needs Survey prepared by the North Carolina Department of Public Instruction identified total school facility needs of over \$13 billion over a five-year period.<sup>7</sup>

## Recommendation Detail

### Staffing and Capacity Investments

- **Raises for Teachers and Instructional Support Personnel:** Updates the teacher salary schedule and provides \$322.7 million to raise salaries for all teachers and reduce salary plateaus for experienced teachers, instructional support personnel, school psychologists, speech pathologists, and audiologists. Teachers at state agency schools who are paid based on the teacher salary schedule receive the same increases.

<sup>1</sup> [DPI Statistical Profile. US Census Bureau Quick Facts.](#)

<sup>2</sup> [Education Law Center.](#) “Making the Grade 2022”

<sup>3</sup> <https://www.epi.org/publication/teacher-pay-in-2022/>

<sup>4</sup> WestEd. “[Sound Basic Education for All: An Action Plan for North Carolina.](#)”

<sup>5</sup> [NC DPI.](#) 2022-23 State of the Teaching Profession in North Carolina

<sup>6</sup> [DPI Statistical Profile.](#)

<sup>7</sup> <https://www.dpi.nc.gov/documents/schoolplanning/facility-needs-survey-2020-21/download?attachment>

- **Master's Pay:** Respects the teaching profession by investing \$10 million to restore master's pay.
- **Principal and Assistant Principal Pay:** Provides \$25.4 million to improve recruitment and retention for school-based administrators through salary increases.
- **Read to Achieve for Middle Grades Students:** Provides \$34.7 million to expand the Read to Achieve program to middle grades students. Data indicates that the program, grounded in the Science of Reading, has had a positive impact for North Carolina students in early grades. Recurring funds provide professional development to all middle grades core teachers, extending state diagnostic reading assessments and literacy intervention plans to 4<sup>th</sup> and 5<sup>th</sup> graders, and adding nine secondary literacy positions for coordination and regional support.
- **Residencies for High-Need Districts:** Provides \$5 million to establish a matching grant program to support high-quality teacher preparation residency programs in high-need rural and urban districts. Evidence shows that teacher residency programs provide better hands-on training, lead to higher teacher retention rates, and can improve student outcomes.
- **Advanced Teaching Roles Program:** Provides \$1.8 million to expand the Advanced Teaching Roles program, which enables outstanding teachers to reach more students, by providing salary supplements for teacher leaders and supporting coaching and professional development. These investments allow additional districts to apply for one-time startup funds and enable school districts to provide clearer scopes of work, standardized common data reporting, and increased salary supplements for advanced teacher responsibilities.
- **Recruitment Bonuses for Small and Low-Wealth Counties:** Provides \$1.7 million to increase funding for district-level recruitment bonuses to attract certified teachers who commit to teaching in small and low-wealth counties.
- **Teacher Licensure Exam Preparation and Fee Support:** Provides \$1.6 million in recurring funds to sustain and expand supports for pre-service and beginning teachers in becoming fully-licensed. Funds support one teacher licensure and compensation program consultant at DPI, as well as TeachNC licensure exam fee vouchers, fee reimbursement, and licensure exam preparation services.
- **National Board Certification:** Provides \$900,000 to cover the cost of National Board certification fees, with priority to educators in high-need and low-performing schools. Students of board-certified teachers learn the equivalent of an extra one to two months' worth of instruction, and certified teachers earn a 12% annual salary supplement.
- **NC Center for the Advancement of Teaching:** Provides \$500,000 for the NC Center for the Advancement of Teaching (NCCAT) to support the continued professional development of teachers in all regions and districts of the state. NCCAT provides teaching methods, content, mental health, and STEM training for teachers to use in their classrooms.
- **Teacher Recruitment Programs:** Provides \$300,000 to reduce teacher vacancy rates by expanding teacher candidate recruitment programs and funding a study to improve recruitment strategies. The study will include research and recommendations for a statewide system or entity to coordinate teacher recruitment and support.

#### Targeted Student Supports

- **Disadvantaged Student Supplemental Fund:** Combines the At-Risk and Disadvantaged Student Supplemental Fund allotments and increases funding for the combined allotment by \$70 million.

- **Children With Disabilities:** Ensures children with disabilities receive needed services by providing \$56.8 million to remove the 13% funding cap and increasing funding for the Children with Disabilities allotment.
- **Supplemental Funding for Low-Wealth Counties:** Increases funding for 69 eligible low-wealth counties that have limited capacity to generate local revenue to support public schools. The \$40 million increase helps those counties enhance instruction and student achievement by providing additional teachers and instructional support, instructional supplies and materials, and staff development.
- **Teacher Assistants:** Provides \$30 million to fund teacher assistants to support K-3 students more effectively by aligning more closely with nationally recommended student-to-staff ratios.
- **Limited English Proficiency Allotment:** Removes the funding cap and increases funding by \$20 million for the Limited English Proficiency allotment. Schools with more than 10.6% of their average daily membership (ADM) qualifying for English language learning support currently receive no additional funds for classroom teachers, textbooks, staff development, and other supports needed to help these students thrive.

#### Targeted District Supports

- **School Health Personnel:** Supports student mental and physical health by providing \$44.6 million for school counselors, nurses, social workers, and psychologists through the School Health Personnel allotment. Funds also provide school districts flexibility so that they can strategically hire school health personnel to best meet student needs.
- **District and Regional Support:** Provides \$19 million in recurring funding to continue and enhance the THRIVE district and regional support model to provide targeted and comprehensive assistance to low-performing and high poverty schools and districts through professional learning, coaching, systems design, and capacity building.
- **Career Development Coordinators:** Provides \$10 million for a Career and Postsecondary Planning Director in DPI's Career and Technical Education Division to focus on career planning in grades 5-12 and phases in funding to increase the number of school-based Career Development Coordinators for grades 6-12. CDCs facilitate linkages with parents, business/industry, postsecondary institutions, workforce boards, and community organizations to support students' transition to postsecondary education and employment.
- **Community Schools:** Establishes a \$6 million pilot grant program providing funding to high poverty schools that adopt a Community Schools or other evidence-based model to address out of school barriers to learning. This investment includes funding a full-time school-based coordinator to assess local needs and assets and to integrate social, academic, and health supports in coordination with school support personnel.
- **Classroom Materials:** Provides \$5 million to help schools access high-quality instructional materials and supplies through the Classroom Materials Allotment. Schools often rely on parents, teachers, and community drives for needed supplies, which disadvantages low-wealth school districts.
- **North Carolina Virtual Public School:** Revises the funding approach for the NC Virtual Public School (NCVPS) and offsets the costs for local school administrative units and charter schools to participate. This \$3 million investment removes the fundamental cost barrier that prevents

students in low-wealth districts from accessing a wide range of NCVPS classes, from credit recovery to Advanced Placement.

- **Reduced-Price Lunch Co-Pays:** Provides \$900,000 to offset the co-pays for students eligible for reduced-price lunches in schools participating in the National School Lunch Program. Research shows that receiving free lunch improves school attendance and decreases food insecurity and suspensions.

#### Agency Capacity and IT Upgrades

- **IT and Cybersecurity:** Invests \$17.6 million to improve the state's ability to track academic progress and tailor supports, provide cybersecurity for business servers and staff computers, identify security threats, and help schools migrate to cloud-based Enterprise Resource Planning (ERP) systems. Funds include support for four regional IT Security and Compliance Specialist positions to work with public school units (PSUs) to drive adoption of cybersecurity program initiatives, develop tailored cybersecurity improvement plans, and provide general guidance and support.
- **Operational Support:** Provides \$1.7 million to ensure that school systems have the central support that they need to run efficiently. Five full-time equivalent (FTE) positions provide for effective and efficient operation and support of North Carolina's residential schools. These positions coordinate state agency responses to residential schools' business, HR, procurement, IT, and administrative needs. Three FTE positions within DPI's Agency Financial Services support DPI's central financial infrastructure. One FTE within the newly established Office of Equity Affairs directs the recruitment and retention of a diverse educator workforce that is representative of the state's student population. One FTE works with the Department of Commerce and ApprenticeshipNC to develop a 'whole system' model of apprenticeships from high school through higher education.

#### Expected Impact

- Brings starting teacher salaries to the highest in the Southeast at over \$47,500, including state and local supplements. Provides all existing teachers and specialized instructional staff with an average total raise of 8.5%. The recommended FY 2024-25 teacher salary schedule is provided in Table 2 at the end of this summary.
- Respects the teaching profession by restoring 10% master's pay supplements for over 1,000 teachers whose advanced degrees are in the subjects they teach.
- Removes the funding cap and increases funding for the Children with Disabilities allotment, funding all eligible students in the 85 school districts where they account for more than 13% of ADM.
- Extends the Read to Achieve program through grade 8, providing professional development on the Science of Reading to more than 23,000 middle school core teachers and aligning district-wide intervention for struggling readers.
- Helps counties enhance instruction and student achievement by providing additional teachers and instructional support, instructional supplies and materials, and staff development. A more than 12% increase to the low-wealth allotment supports 69 eligible counties with limited capacity to generate local revenue to support public schools.

- Funds teachers and instructional support positions, provides intensive in-school and after school remediation, and provides professional development for teachers serving disadvantaged students by increasing funding for the combined At-Risk/DSSF allotment by 14%.
- Supports student mental and physical health by providing funding for 575 additional School Health Personnel, including school counselors, nurses, social workers, and psychologists.
- More effectively supports K-3 students by funding 700 additional teacher assistants to align more closely with nationally recommended student-to-staff ratios.
- Funds the cost of National Board certification fees for 470 additional teachers annually. Board certified teachers earn a 12% supplement to their annual salary.
- Promotes school cybersecurity by funding endpoint protection licenses for 250,000 K-12 business servers and staff computers and provides funds to help PSUs scan for and identify cybersecurity risks on 1.5 million devices on internal networks.
- Provides bond funding to build over 90 new elementary and middle schools across the state, based on average 2021 construction costs. The distribution summary for the \$2.5 billion in bond funding is provided in Table 3 at the end of this summary.

**Table 2: Annual Statewide Teacher Salary Schedule Comparison**

<b>Years of Exp.</b>	<b>Current FY 2023-24</b>	<b>SL 2023-134 FY 2024-25</b>	<b>Recommended FY 2024-25</b>
<b>0</b>	39,000	41,000	46,000
<b>1</b>	39,840	41,750	46,600
<b>2</b>	40,850	42,500	47,200
<b>3</b>	41,870	43,250	47,800
<b>4</b>	42,890	44,000	48,400
<b>5</b>	43,910	44,750	49,000
<b>6</b>	44,810	45,720	49,600
<b>7</b>	45,720	46,630	50,200
<b>8</b>	46,620	47,530	50,800
<b>9</b>	47,530	48,440	51,400
<b>10</b>	48,430	49,350	52,000
<b>11</b>	49,330	50,250	52,600
<b>12</b>	50,240	51,160	53,200
<b>13</b>	51,140	52,060	53,800
<b>14</b>	52,050	52,970	54,400
<b>15</b>	53,060	53,880	55,000
<b>16</b>	53,060	53,880	55,000
<b>17</b>	53,060	53,880	55,000
<b>18</b>	53,060	53,880	55,750
<b>19</b>	53,060	53,880	55,750
<b>20</b>	53,060	53,880	55,750
<b>21</b>	53,060	53,880	56,500
<b>22</b>	53,060	53,880	56,500
<b>23</b>	53,060	53,880	56,500
<b>24</b>	53,060	53,880	57,250
<b>25</b>	55,100	55,950	57,250
<b>26</b>	55,100	55,950	57,250
<b>27</b>	55,100	55,950	58,000
<b>28</b>	55,100	55,950	58,000
<b>29</b>	55,100	55,950	58,000
<b>30+</b>	55,100	55,950	58,750

**Table 3: Public School Capital Distribution Summary**

<b>Total Amount</b>		<b>\$2,500,000,000</b>	
<b>Base Amount</b>		<b>\$575,000,000 (\$5,000,000 per LEA)</b>	
<b>ADM</b>		<b>\$1,925,000,000</b>	
<b>LEA</b>	<b>Allocation Total</b>	<b>LEA</b>	<b>Allocation Total</b>
1 Alamance-Burlington Schools	\$ 35,951,825	Mooresville Graded School District	\$ 13,210,455
2 Alexander County Schools	\$ 11,169,706	Jackson County Schools	\$ 9,847,826
3 Alleghany County Schools	\$ 6,884,413	Johnston County Schools	\$ 56,459,817
4 Anson County Schools	\$ 9,131,749	Jones County Schools	\$ 6,412,611
5 Ashe County Schools	\$ 8,775,804	Lee County Schools	\$ 17,659,065
6 Avery County Schools	\$ 7,539,071	Lenoir County Public Schools	\$ 16,473,979
7 Beaufort County Schools	\$ 13,137,870	Lincoln County Schools	\$ 20,974,235
8 Bertie County Schools	\$ 7,430,194	Macon County Schools	\$ 11,159,935
9 Bladen County Schools	\$ 10,330,794	Madison County Schools	\$ 7,949,455
10 Brunswick County Schools	\$ 23,024,755	Martin County Schools	\$ 8,524,549
11 Buncombe County Schools	\$ 35,805,260	McDowell County Schools	\$ 12,802,864
12 Asheville City Schools	\$ 10,637,883	Charlotte-Mecklenburg Schools	\$ 202,422,225
13 Burke County Schools	\$ 20,958,880	Mitchell County Schools	\$ 7,419,027
14 Cabarrus County Schools	\$ 53,397,298	Montgomery County Schools	\$ 9,886,910
15 Kannapolis City Schools	\$ 12,525,087	Moore County Schools	\$ 23,054,068
16 Caldwell County Schools	\$ 19,719,356	Nash-Rocky Mount Schools	\$ 24,927,314
17 Camden County Schools	\$ 7,661,907	New Hanover County Schools	\$ 40,015,177
18 Carteret County Public Schools	\$ 16,154,326	Northampton County Schools	\$ 6,694,575
19 Caswell County Schools	\$ 8,056,936	Onslow County Schools	\$ 43,800,752
20 Catawba County Schools	\$ 26,585,597	Orange County Schools	\$ 14,948,302
21 Hickory City Schools	\$ 10,284,730	Chapel Hill-Carrboro City Schools	\$ 20,923,984
22 Newton Conover City Schools	\$ 8,897,244	Pamlico County Schools	\$ 6,673,638
23 Chatham County Schools	\$ 17,506,916	Elizabeth City-Pasquotank Public Schools	\$ 11,557,756
24 Cherokee County Schools	\$ 9,269,939	Pender County Schools	\$ 19,990,153
25 Edenton-Chowan Schools	\$ 7,544,655	Perquimans County Schools	\$ 7,283,629
26 Clay County Schools	\$ 6,736,451	Person County Schools	\$ 11,031,516
27 Cleveland County Schools	\$ 24,546,244	Pitt County Schools	\$ 37,866,947
28 Columbus County Schools	\$ 12,187,289	Polk County Schools	\$ 7,892,224
29 Whiteville City Schools	\$ 7,867,099	Randolph County Schools	\$ 26,238,027
30 Craven County Schools	\$ 22,575,288	Asheboro City Schools	\$ 11,126,435
31 Cumberland County Schools	\$ 73,151,525	Richmond County Schools	\$ 14,096,827
32 Currituck County Schools	\$ 11,224,145	Public Schools of Robeson County	\$ 33,936,202
33 Dare County Schools	\$ 12,039,328	Rockingham County Schools	\$ 20,309,805
34 Davidson County Schools	\$ 29,918,913	Rowan-Salisbury Schools	\$ 30,136,667
35 Lexington City Schools	\$ 9,074,519	Rutherford County Schools	\$ 15,174,432
36 Thomasville City Schools	\$ 8,003,893	Sampson County Schools	\$ 15,844,445
37 Davie County Schools	\$ 13,365,396	Clinton City Schools	\$ 9,056,372
38 Duplin County Schools	\$ 18,405,850	Scotland County Schools	\$ 12,601,860
39 Durham Public Schools	\$ 48,460,137	Stanly County Schools	\$ 17,049,073
40 Edgecombe County Public Schools	\$ 12,367,355	Stokes County Schools	\$ 12,728,883
41 Winston Salem/Forsyth County Schools	\$ 77,385,171	Surry County Schools	\$ 15,008,324
42 Franklin County Schools	\$ 15,826,299	Elkin City Schools	\$ 6,695,971
43 Gaston County Schools	\$ 46,708,331	Mount Airy City Schools	\$ 7,363,193
44 Gates County Schools	\$ 7,046,332	Swain County Schools	\$ 7,520,925
45 Graham County Schools	\$ 6,535,447	Transylvania County Schools	\$ 9,496,069
46 Granville County Schools	\$ 14,265,726	Tyrrell County Schools	\$ 5,678,389
47 Greene County Schools	\$ 8,738,116	Union County Public Schools	\$ 62,604,398
48 Guilford County Schools	\$ 99,344,859	Vance County Schools	\$ 11,937,430
49 Halifax County Schools	\$ 7,897,808	Wake County Schools	\$ 226,371,015
50 Roanoke Rapids City Schools	\$ 8,689,261	Warren County Schools	\$ 7,416,236
51 Weldon City Schools	\$ 5,887,768	Washington County Schools	\$ 6,476,821
52 Harnett County Schools	\$ 32,604,550	Watauga County Schools	\$ 11,475,400
53 Haywood County Schools	\$ 14,070,306	Wayne County Public Schools	\$ 29,226,566
54 Henderson County Schools	\$ 22,918,670	Wilkes County Schools	\$ 16,648,461
55 Hertford County Schools	\$ 8,287,253	Wilson County Schools	\$ 19,219,637
56 Hoke County Schools	\$ 17,103,512	Yadkin County Schools	\$ 11,996,056
57 Hyde County Schools	\$ 5,626,742	Yancey County Schools	\$ 7,781,951
58 Iredell-Statesville Schools	\$ 33,679,363	<b>Total</b>	<b>\$ 2,500,000,000</b>