

General

Question	Location	Program	Function	Object Code	Description	Question																											
1 Overall						In fiscal year 2023, all major categories spent more than appropriated. a. When did the school know that these categories were overbudget? b. Where was money found to pay for the overspending?																											
Question 1 response						<i>The instruction category was not overspent. We didn't know until November 2023 when we were ready to close out FY23. There was a lot of movement among categories and funds as we worked to align expenditures with appropriate accounts. Our FY23 expenditure summary report shows that we were overspent in Fund 1 by \$418,303.41. However, I found that the categorical appropriations that were in RDA were not correct and therefore the report is not accurate. When I began in November 2022 the budget was in RDA. The total appropriation for Fund 1 was \$20,911,890 but RDA shows \$19,844,103.38. Our total expenditures in Fund 1 were \$20,262,406.79, leaving a balance of \$649,483.21.</i>																											
						<p style="text-align: center;">FY2023 - Northumberland County Public Schools</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Category</th> <th>Appropriation in RDA</th> <th>Actual Appropriation</th> </tr> </thead> <tbody> <tr> <td>Instruction</td> <td>\$14,121,453.00</td> <td>\$15,196,989.00</td> </tr> <tr> <td>Administration</td> <td>\$1,220,136.60</td> <td>\$1,222,415.00</td> </tr> <tr> <td>Transportation</td> <td>\$1,367,147.00</td> <td>\$1,369,756.00</td> </tr> <tr> <td>Operations & Maintenance</td> <td>\$2,061,687.00</td> <td>\$2,063,264.00</td> </tr> <tr> <td>Facilities</td> <td>\$65,213.78</td> <td>\$50,500.00</td> </tr> <tr> <td>Debt</td> <td>\$7,859.00</td> <td>\$7,859.00</td> </tr> <tr> <td>Technology</td> <td>\$1,000,607.00</td> <td>\$1,001,107.00</td> </tr> <tr> <td>Total</td> <td>\$19,844,103.38</td> <td>\$20,911,890.00</td> </tr> </tbody> </table>	Category	Appropriation in RDA	Actual Appropriation	Instruction	\$14,121,453.00	\$15,196,989.00	Administration	\$1,220,136.60	\$1,222,415.00	Transportation	\$1,367,147.00	\$1,369,756.00	Operations & Maintenance	\$2,061,687.00	\$2,063,264.00	Facilities	\$65,213.78	\$50,500.00	Debt	\$7,859.00	\$7,859.00	Technology	\$1,000,607.00	\$1,001,107.00	Total	\$19,844,103.38	\$20,911,890.00
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question 1 FollowUp						Thank you and please share where funds were obtained to address the overspending. The admin, transportation, operations, and technology categories were all overspent in 2023 according to school reports that do include the correct appropriation amounts (not those listed above from RDA). The Admin expenses (per the December 5 expense report to the School Board) were \$1,357,424.08 on a \$1,222,415 budget so overspent by \$135,009.08. Transportation overspent by \$74,660.92 (\$1,369,756 - \$1,444,416.92), operations by \$134,857.79 (\$2,063,264 - \$2,198,117.79), and technology by \$22,863.60 (\$1,001,107-\$1,023,970.60). This is a total deficit spend of \$719,083.23. Where were the funds found to cover these expenses and when was the Board of Supervisors notified?																											
question 1 FollowUp response						The total appropriation for Fund 1 was \$20,911,890. Our total expenditures in Fund 1 were \$20,262,406.79, leaving a balance of \$649,483.21. The total appropriation was not overspent.																											
2 Overall						The expense reports identify many areas where spending happens but there are no appropriations. What is the school financial policy regarding spending money out of accounts for which there are no appropriations?																											
question 2 response						<i>A journal entry should be made to move the funds to the line item.</i>																											

question 2 followup			Will such entries be done for all areas of the budget where expenses exceeded revenues and/or there were no appropriations yet expenses occurred? Or are the journal entries only planned for those areas for which there were questions? From where will the money come to cover expenses if five of the six major categories were overspent? How will these corrections impact any budget estimates for the 2024/2025 budget request?
question 2 FollowUp response			For FY24, journal entries will be made for all areas of the budget that need them. The total appropriation for the FY23 was not overspent. The funds came from the total budget.
3 Overall			What is the dollar amount in fixed expenses for the next 10 years? For example, what are the financial obligations for software, contracts, benefits, retirement, etc for the next 5 to 10 years so we know how much is required for planning for the next 5 years?
question 3 response			<i>Historically, NCPS has not engaged in 5 to 10 year budget planning.</i>
question 3 followup			Does the school currently have any contracts in place that extend beyond June 2024? If so, which contracts are they, when do they end, and what is the cost per year of such contracts?
question 3 FollowUp response			We have a contract with Centric for our copy machines. We are currently in negotiations for a contract which ends in 2027.
4 Overall			What are supplemental salaries? How are they used? How are they planned for and budgeted? This type of salary payment significantly exceeded the appropriation in 2022/2023 and is already overbudget for 2024 with six months still to go in the school year so how will this expense be managed?
question 4 response			<i>Supplemental pay includes afters school activities, tutoring, coaching, metal detection, etc. Principals make recommendations for supplemental positions and pay; the School board reviews these recommendations for approval. We are reviewing each employee to ensure their pay is being expensed to the corresponding account code. We will process journal entries to correct errors and move funds/expenses to the correct lines.</i>
question 4 followup			Will moving these expenses to the correct line items result in any changes to other cost lines/categories? Please share the corrected 2024 information with the next set of responses so we can include this analysis in the 2025 budget.
question 4 FollowUp response			This is a work in progress.
5 District Wide	64000	Operations & Maintenance - 3000 Purchased services	Can you share any information on how reducing contractor services for custodial activities by \$460,000 since 2022 resulted in a 6.4% increase in the 2025 budget request? What analysis was used to determine shifting from contract services to employee services would save money and how did we not get any savings from this change?

question 5 response		Currently ,we have the "purchase services-custodial" account line reflecting an unused balance of \$264,630.10. This account ws used to fund our Servicemaster contract that we no longer have. The custodial salaries line shows a current balance of \$180,298.12. The custodial supplies account shows a remaining balance of \$15,796.18. These current balances are reflected in the latest voucher expenditure report and show that we will have funds leftover if we keep to our current spending practices. The purchase-services custodial line always went over in previous FYs while under service master's services due to added overtime invoices, cleaning supplies, snow removal invoices, classroom total 360 room disinfecting invoices (\$55,000 annually), substitute invoices, etc. Expenditures such as these are no longer a factor due to the migration back to an in-house custodial staff. Currently our electrical servcies are running overbudget. We plan to use the excess funds from "purchase services-custodial" to cover this. A journal entry will be made to move the money into the correct account line.
6 Overall		Where can we find the annual revenues each year for students coming from outside Northumberland County?
question 6 response		NCPS does not charge a fee for out of county students. There is an application and there are specific academic, behavioral, and attendance requirements. We currently have 74 out of county students. State funding is based on our ADM (average daily membership), so as long as these students have good attendance, which is one of our requirements, we receive some funding from the state for these students. The number of additional students per grade level does not increase the number of employees needed.
7 Overall		What percentage of children transferring into NoCo from other counties require extra social and/or medical support services? How are those support services billed and paid for - by NoCo or the county that is sending the children?
question 7 response		It is not legal to deny a nonresident student who requires specialized education/medical services. However, the current nonresident requirements emphasize effor toward consistent attendance, effort toward positive behavior, and effort toward academics. Any student who is not in good standing is put on probation. If the probationary period does not show improvement, then the student and family are required to re-enroll in the public school division where they have residency. Currently, about 6.7% of our nonresident students require extra support.
question 7 followup		Thank you and are the costs for care billed and reimbursed by Northumberland school system as the system in which the student is enrolled?
question 7 followup response		Yes.
8 Overall	VSRS & VSRS 2210 hybrid	The budget includes requested funds for VSRS but not VSRS hybrid. Expenditures are made in each category so why are there no funds requested or appropriated for the hybrid category?
question 8 response		Most employees were being expensed to VSRS. We will make the necessary corrections for FY24 and will complete the journal entries.
question 8 followup		Will the same correction be made to the FY25 chart of accounts budget request?
question 8 followup response		Typically we would not submit another budget request. Once the Board of Supervisors approves the budget, adjustments will be made in our finance software to align with the expenses.
9 Overall		What organization(s) does the School Board donate to, and how much do they donate?

question 9 response	The school system does not make financial donations.
10 Overall	In fiscal year 2023, the school documented over \$1.4 million dollars in post-year expenditures. (a) what are post-year expenditures? (b) are they paid for out of the current year appropriations or the prior year appropriations? (c) how are these factord into the current year budget?
question 10 response	(a) Post-year expenditures are payments that are made after June 30th but accrued back to the previous fiscal year. Examples would include expenditures that occurred between July 1st and June 30th but invoices were not received until after June 30th. Additionally, teachers and paraprofessionals are paid August through July. Their July pay is entered in post year since it occurs after June 30th. (b) prior year. (c) they aren't because they are accrued back.
question 10 followup	Are post-year expenses included or excluded in "year to date" expenses"? For example, Function 62110, code 5504 identifies 0 appropriations for 2024, \$156.98 in outstanding encumbrances, \$1,182.08 in post-year expenses and \$1,307.06 in expenses to date leaving an available balance of (1,464.94) Adding the encumbrances and post-year would be total expenses of \$1,339.06, not \$1,307.06. The available balance is a combination of the expenses to date and encumbrances. The post-year expenses are not factored in. This is a small example but there are other areas in 2023 with much larger amounts. The primary question is how are the post-year expenses captured in the final year end spending? Are they added to the expenditures-to-date to reach a total expended figure? If not, when are they factored into the total year end spending?
question 10 followup response	Post year expenses are not incurred until after June 30 of that fiscal year. Year end reports are based on July through June plus post year expenditures.
11 Overall	If a budget area is already overspent for this fiscal year, will spending in that area stop? Does the monthly reconciliation identify these areas to help with managing funds throughout the year?
question 11 response	It depends on where we are with the category. No, the monthly reconciliation is just confirming that the revenues and expenditures that the school has documented each month matched the county records. The monthly expenditure summary report helps manage funds throughout the year.
question 11 followup	If the monthly expenditure summary report helps manage funds throughout the year, how did all but the instruction categories get overspent in 2023? (see earlier question on amounts overspent in each) How will you ensure such overspending does not occur again in 2024?
question 11 followup response	There were multiple factors: Some FY23 invoices were not paid until September - October 2023. As we made corrections to apply expenses to appropriate account lines, categorical expenditures changed as well. Some invoices were incorrectly expensed to ESSER funds and had to be joirnaled back to the general fund. The Finance Team has made great progress in all areas of our school finances. We are constantly monitoring expenses.
12 overall	The salaries in th Administrative category increased at a rate of 30% since 2022 while the salaries in instruction and the other categories (except maintenance) increased at less than 20%. The increase has occurred even with several vacancies. Can you share more information on this change?

question 12 response		<i>There are very few employees in this category so each change makes a more significant impact than in categories where there are many more employees. New employees were hired at higher salaries than those before them. These positions had about 2-3 week vacancies. What does this mean? The current finance director holds a Master's degree and an Educational Specialist degree; the current Finance Specialist II holds a Master's degree and an educational specialist degree; prior finance employees did not have a Bachelors/Masters/Educational Specialist. In addition, some members of the newly hired finance team participate in the family plan for health insurance.</i>
question 12 followup		Please expand on how participation in the family plan for insurance impacts an employee's salary. Are employees participating in the family plan paid more in salary?
question 12 followup response		They are not paid more in salary but their monthly health insurance contribution is the highest of all other plans.
13 overall		What are SOQ positions?
question 13 response		
14 Overall		Were all teachers provided the 2% increase in December 2023 or January 2024? Was the increase provided to just the SOQ positions? How was the percentage increase calculated, was it on the entire salary? Will there need to be any supplemental appropriations for FY24 and has this been accounted for in FY25 budget?
question 14 response		<i>January 2024-June 2024. No, the School Board voted to give the 2% raise (January - June 2024) to all contracted employees. The 2% increase was calculated over 6 months, or half of their salary. (We gave 1% of their salary over 6 months, which is the same amount as 2% for six months). The request for FY25 is to continue with the 2% received in January and add a 1.25% step increase. No, we will not need a supplemental appropriation for this. We were able to find efficiencies within the current budget categories. The continuation of this 2% and the 1.25% step increase is included in the FY25 budget proposal.</i>
15 Instruction	blue cross	NMS Instructional support student - secondary blue cross went up from 26.6k in FY23 to 128.3k in FY 24 and is back to 31.8k proposed for FY25. This is apparently a typo, but how was this extra 100k utilized in the current year's budget?
question 15 response		<i>The additional funds were not expended.</i>
question 15 followup		Will these funds be returned to County taxpayers as they were not needed?
question 15 followup response		The school system returns funds to the county. You would need to ask the Board of Supervisors about returning funds to the taxpayers.
16 cafeteria	laborer/worker salaries	why are the laborer/worker salaries in the cafeteria section increasing anywhere from 15-33% at each school?
question 16 response		We have hired new employees with different levels of experience. Adjustments have also been made to the salary scale to ensure minimum wage requirements were being met.

question 16 followup		During the Feb 29 budget presentation, the Finance Director clarified that cafeteria costs are fully covered by grants and no County tax dollars are required. Please confirm that any increases in salary and insurance for cafeteria employees are covered by other than county resources. Please clarify what is meant by "adjustments have been made to the salary scale to ensure minimum wage requirements are being met". Does this mean the school hired these employees at below the state required minimum wage?
question 16 followup response		Yes, all cafeteria/school nutrition expenses are covered through federal and state funds. No, the school did not hire staff below minimum wage. As the minimum wage increases, so must those salaries and hourly rates.
17 overall	revenues and expenditures	The budget presented on February 29, 2024 (that was approved by the school board on January 8, 2024) does not balance. Depending on the inclusion or exclusion of federal expenditures, the budget is either in deficit or revenues exceed expenditures. Will the school board be voting on a new budget that balances?
question 17 response		Yes, they did
new question - 18 revenues	revenues	State and federal revenues included in the 2025 budget request are higher than pre-covid levels (2019) and even higher than in 2017 when the LCI was the same (.76). When do you anticipate the school expenses returning to pre-covid levels? The estimated revenues are higher than pre-covid (2019) yet the expenses are still growing, when will they adjust?
Response		I am unable to speculate.
new question - 19 overall	journal entries	Responses to the first set of questions include actions that will be taken to correct anomalies in the 2024 (and perhaps 2023) expenses. Journal entries are planned to move expenses and appropriations. Will such entries be done for all areas of the budget where expenses exceeded revenues and/or there were no appropriations yet expenses occurred? Or are the journal entries only planned for those areas for which there were questions? From where will the money come to cover expenses if five of the six major categories were overspent (per question 1)? Will these corrections impact any budget estimates for the 2024/2025 budget request?
question 19 response		Journal entries will be made for FY24 and beyond in all areas of the budget. The total appropriation was not overspent.
new question - 20 overall	revenues	The revised budget approved at the March 11, 2024 School Board meeting increases estimated expenditures by \$2,000 and decreases revenue by over \$1.2M. What is the explanation for this significant difference?
question 20 response		While transferring the numbers from our budget document to the spreadsheet requested by the Board of Supervisors, I mistakenly entered \$1,026,174 in the Technology category instead of \$1,028,174, causing a difference of \$2,000. The second error occurred because I added the federal expenditures of \$1,210,411 twice. The revenue recapitulation that was approved on February 29, 2024 had total school operations at \$23,361,431. The corrected number is \$22,153,020, which was a difference of \$1,210,411. The impact resulted in a decreased request for county revenue by the same amount, reducing it to \$16,013,912.
new question - 21 overall	past year modifications	The revised 2024/2025 budget approved at the March 11, 2024 School Board meeting and provided to the County includes changes to the 2023/2024 and 2022/2023 budget requests. Please provide an explanation.
question 21 response		The original document had the requested amounts listed. I changed them to the actual amounts appropriated.

new question - 22 overall	general	Are the budget figures for prior years based on actual expenditures or are they a repeat of the requests from those particular years?
question 22 response		I don't know, I was not here at the time.
new question - 23 overall	reimbursement	The most recent audit report identifies that, at the time of the analysis, the school still needed to collect \$2.7 million in grant funds (page 29). Are those reimbursements that will be returned to County taxpayers? In total, what is the amount of reimbursement to the County for the year ending 2023 and so far in 2024?
question 23 response		The school system returns funds to the county. You would need to ask the Board of Supervisors about returning funds to the taxpayers. (See Chart)
new question - 24 audit	funds m anagement	The most recent audit report identifies that expenditures in all major categories exceeded original appropriations in 2023 (page 140). The audit report identifies two major categories that exceeded appropriations even after supplemental funds were applied. Where did the supplemental funds from all categories come? Where did the school find the resources to cover the overspending? How much of the supplemental funds were reimbursements?
question 24 response		Supplemental funds come from the state and federal governments.
new question - 25 audit	leases	The audit report identifies the school issued a new lease which generated revenue (page 128). This revenue does not appear on the overall summary of the report nor does it appear in the lease summary for the County (p 97). What did the school lease to generate this revenue? Will the lease generate revenue each year in the future?
question 25 response		I am not aware of a lease that generates revenue.

Admin

Program	Function	Object Code	Description	Question
1	62110	3120	School Board - legal services	What is the difference between these two categories of legal services? No funds were appropriated to this line item in 2023 yet spending occurred.
				<i>Question 1 response</i> <i>I am not aware of two categories for legal services. I see that \$25,000 was appropriated for legal services in FY23 and FY24.</i>
2		3210	School Board - legal services	Funds were appropriated to this line item in 2023 and in 2024. No expenditures were made in 2023 and so far none in 2024. Can you explain?
				<i>Question 2 response</i> <i>I do not see where we have object code 3210 in any function 62000.</i>
3	62120	6120	Administrative services - supplemental salaries	Funding has been requested an appropriated in this category for a few years yet it has not been spent? Why is this requested again in 2025?
				<i>Question 3 response</i> <i>(1620) These expenses went under line 62120-2810. We will be moving them back to the correct line with a journal entry.</i>
				the \$12,360 appropriated to line 1620 should be moved to line 2810 per this response. However, the response for the question on 2810 states that some of those funds should be moved here. Please clarify how much is appropriated to line 6120 for 2024 and what the amount for this line in the 2025 chart of accounts should be if not \$12,360.
				Question 3 followup
				Question 3 followup response \$12,360 should be in 1620 and \$13,200 should be in line 2800
4	62120	2810	Administrative services - ER 403(b)	No funding was appropriated in this category in 2023 and over \$41,000 was spent. No funding was requested in 2024 and \$500 has been spent. Where are the funds being spent in this category coming from? Will there be more expenditures in 2024 and in 2025?
				<i>Question 4 response</i> Part of the \$41,000 should have been expensed to line item 1620 line. We will be making the necessary corrections to move expenses to the correct line.
				Question 4 followup Please clarify what the expenses in this line were in 2023, how much is appropriated to this line in 2024, and how much is requested in 2025. If part of this line should be expensed in 1620 but all of line 1620 should be in 2810, how much goes where?
				Question 4 followup response This line is a contracted annual leave and sick leave benefit for the superintendent. \$12,360 should be in 1620 and \$13,200 should be in line 2800

5	62120	Administrative services - 3500 printing and binding.	In 2023, this item was overspent by almost 600%. The funding is overspent again in 2024. How is this item budgeted and why are costs so much greater than budgeted?
Question 5 response			<i>Printing costs have increased tremendously. We will be creating journal entries to account for this.</i>
question 5 followup			As this overall category was overspent by just over \$134,000 so from where will the funds be transferred to cover this categorical overspending and when will the Board of Supervisors be notified? How will funding be managed in 2025 to avoid overspending?
Question 5 followup response			Although the category was overspent the overall school budget was not. Last year we had a major turn over in finance personnel. New hires held advanced degrees and participated in more expensive health insurance plans. The FY25 budget request reflects these changes.
6	62120	Administrative services - 5100 telecommunications	This category was overspent in 2023 and is overspent so far in 2024. How is this category of spending managed to avoid such issues?
Question 6 response			<i>We are in communication with Verizon and At&T to determine if we can find efficiencies in this area.</i>
7	62120	Administrative Services- 5201 postage	This category was overspent in 2023 and is overspent so far in 2024. How is this category of spending managed to avoid such issues?
Question 7 response			<i>Postage fees have continued to increase. As much as possible, we are looking at electronic options.</i>
8	62120	Administrative Services - 5804 miscellaneous	What is included in this category and to what do you attribute the overspending so far this year?
Question 8 response			<i>This line is for miscellaneous expenses, such as plants for school board appreciation gifts. Once a journal entry has been completed, it will no longer be overspent.</i>
Question 8 followup			As this overall category was overspent by just over \$134,000 so from where will the funds be transferred to cover the overspending? For FY2024, where will spending be decreased in this category to cover the overspending for School Board appreciation gifts?
Question 8 followup response			We are constantly monitoring our expenses.

Transportation

Program	Function	Object Code	Description	Question
1	1	63200	2800 other benefits - bus drivers	What is included in this category? What are "other benefits"
				<i>Question 1 response</i> <i>This is the employer paid 403(B) to Virginia retirement specialists, inc (VRSI).</i>
2	63200	5303	insurance	In 2023, this area was budgeted at \$21,000 and spent at \$84,000. So far this year, \$11,000 of the \$21,000 has been spent. What created the large overspending last year and are we confident it won't happen again?
				<i>Question 2 response</i> <i>Some of our liability insurance and disability insurance invoices were incorrectly expensed to this account. We are confident this will not happen again.</i>
				Question 2 followup Will journal entries be completed to shift the expenses to the appropriate category, similar to other such situations?
				Question 2 followup response Yes
3	63400	8102	Cap Outlay Replacement	In 2023, nothing was appropriated and \$81,000 was spent and nothing is requested in 2025. Are the school bus replacements all finished?
				<i>question3 response</i> No they are not. We request school bus replacements through the CIP, not the general budget. The \$81,000 was for two bus engine replacements. We did not have funds in 8102, and did have \$40,000 in 8202, Capital Outlay Additions. Unfortunately, we had three bus engines fail, and they needed replacing in order to transport our students to school.
				question 3 followup Similar to other situations like this in these questions, will a journal entry be done to accurately record the shift of monies from one area to another?
				Question 3 followup response For FY24 and forward, yes
4	63200	1100	personal - salaries	Can the school confirm that the amounts requested for school bus drivers cover all insurance, raises, and other benefits?
				<i>question 4 response</i> <i>We can confirm that the budgeted amount includes current staff, the 2% increase, the 1.5% step, and a 12% increase to the employer share of health insurance based on the current plan choices of transportation employees. If a driver who currently has an individual plan has a qualifying event and changes their plan as a result, (with child, family etc.) the employer share will increase. Just as if an employee with less experience leaves and an employee with more experience is hired, the employer share will increase.</i>

question 4 followup	Why is the health insurance in this area increasing at 12% and in all other areas only 7.2%? Is this the only area of insurance where rates are based on employee experience?
Question 4 followup response	The health insurance increase is the same 7.2% for all county employees, it is not based on employee experience. We had originally estimated the increase for 12%.

Operations & Maintenance

Location	Program	Function	Object Code	Description	Question
1 District		64200	2300	Blue Cross	The request 2025 is more than double the current amount and far exceeds the rate of increase for other Blue Cross line items. The salary, FICA etc amounts do not increase at the same rate. To what do you attribute this large change?
					<i>Last year the majority of the custodians were employees of Service Master and not NCPS; therefore they did not have insurance through the school division. Moving forward, they are Northumberland Co Public Schools' employees and will have access to insurance through us.</i>
					If employees have been added, why are there no corresponding increases in retirement, FICA, salaries, and other areas, why only insurance?
					The budgeted amount for Service Master was reallocated when we did not renew the contract.
2 District		64400	1160	Director of Maintenance	This line item expended at more than double the budget amount in 2023 and is already overspent this fiscal year. What is the cause and are you confident 2025 will be different?
					Three employees in this category were expensed to this line. Only one should have been, causing this line to be over by \$103,551. The other two should have been expensed to 64400-1170 which had an appropriation of \$103,551 and an expenditure of \$0. Yes it will be different. We are reviewing each line and will make corrections via journal entries as required.
					Will these adjustments have an impact on the 2024/2025 budget request?
					No

Technology

Location	Program	Function	Object Code	Description	Question
1 District Wide	all	68100	all	Technology	In what area can we find the planned expenses for any technology refresh to replace aging equipment?
					<p>Technology Questions</p> <p>In what area can we find the planned expenses for any technology refresh to replace aging equipment? Northumberland County Public Schools, along with most school systems, are eligible for an E-rate funding discount. The Schools and Libraries (E-Rate) Program provides discounts to assist eligible schools and libraries to obtain affordable internet access and telecommunications services. Under E-rate funding there are two categories. Category 1 which includes internet access and Category 2 which includes equipment used for the network infrastructure. E-Rate discounts are calculated based on the percentage of students who are eligible for Free & Reduced Lunch or the level of poverty and location of the school. NCPS qualifies for 90 percent of funding under Category 1 and 85 percent of funding under category 2 to be discounted under this program. Which means that NCPS was only responsible for the cost of 10 percent of the category 1 expenses and 15 percent of category 2 expenses used for the network upgrade. Only Category 2 funding was used for the network upgrade as all equipment for the network infrastructure were eligible under this category. NCPS has only had one network upgrade since the middle/high schools were built in 2009 meaning that all network equipment was outdated and at end of life when the new Director of Educational Technology transitioned to the position in 2020. The Network upgrade occurred during the summer of 2023 and the 15 percent cost that NCPS was responsible for was covered under ESSER III funding. There were no expenses that came out of the technology budget line for this project.</p>
					<p>Question 1 response</p>
					<p>Question 1 follow-up</p> <p>Thank you for this very thorough and detailed explanation. This is very useful information.</p>
2 District Wide	all	681000	all	Technology	The technology budget was overspent last year and is on track to exceed expenditures again this year. Software appears to be the area of greatest overspending. What options has the school explored with respect to discounts or other solutions to help keep costs down in this area?
					<p>area? The Educational technology department does an audit each year of instructional and administration technology to determine if or what may need to be removed from our current process. All instructional software that is currently being utilized by students and teachers are resources that are used on a daily basis and are paid for according to the number of students. The expenditure report is inaccurately showing that the technology budget is on track to exceed expenditures due to an error found in RDA. There is money that has been encumbered that has already been spent from the technology budget causing the available balance to be increasingly lower than it actually is. The technology accounts are on track to stay within the budget constraints set forth for the 2023-2024 school year.</p>
					<p>Question 2 response</p>
					<p>Question 2 follow-up</p> <p>Will journal entries be completed to accurately reflect the status of the account and attribute the other expenses to their appropriate location?</p>

Question 2
follow-up
response

Yes, for FY24.