

2013-15 NC Biennial Budget

- Read our fact sheet, [The Impact of the 2013-15 State Budget](#) or our [quick facts](#) for additional information and links to other budget resources.
- Access a presentation from the General Assembly's Fiscal Research Division to [understand how public schools are funded](#).

The passage of the [2013-15 state budget](#) dealt a powerful and immediate blow to North Carolina's public schools. While North Carolina's student population has grown by 43,739 students since 2008-09, funding has remained flat.

Budget Year	2008-09	2014-15
Teacher Pay	25th in U.S.	46th in U.S.
Teacher Career Status*	Yes	No (except for those who have already earned it)
Salary Supplement for Master's Degree	Yes	No
NC Teaching Fellows Program	Yes	No
Class Size Capped (grades 4-12)	Yes	No
Per Pupil Expenditure**	\$5,896	\$5,766 (\$130 less)
Total Education Budget**	\$8.706 B	\$8.766 B (\$60 million more)
Student Population***	1,476,566	1,520,305

*In the 2013 legislative session, the General Assembly voted to end teacher career status. A June 2015 ruling from the NC Appeals Court that ending teacher career status for educators who have already earned that status was unconstitutional. Career status protects teachers from being fired arbitrarily (without due process). Teachers who have yet to earn career status are effectively temporary employees and are given only one-year contracts. Beginning in 2016, teachers without career status can be offered one, three or four-year contracts.

According to the [NC Department of Public Instruction](#), “Total funding for public schools increased \$60,214,282 since FY 2008-09; but, **if you back out the funding added for benefit cost increases and salary adjustments, the funding available for classroom activities (textbooks, transportation, teacher assistants, teachers, etc.) has been reduced by over \$1 billion.”

***These figures represent ADM, or [average daily membership](#). In addition, the budget:

- Allocates \$275M in recurring funds for an **average 5.5% teacher pay raise**. In some cases, longevity pay, which rewarded teachers with 10+ years of service with a bonus was eliminated, and used to fund pay increases.
- **Caps annual teacher salaries at \$50,000**. A certified teacher with a bachelor’s degree would earn \$50,000 at 25 years of service. The U.S. average public school teacher salary for 2012—13 was \$56,103.
- **Eliminated 5,184.5 teachers and 272 support personnel** (guidance counselors, psychologists, social workers, etc.) in 2013-14. Additional cuts are anticipated in 2014-15.
- **Cuts 3,300 teacher assistant positions in 2014-15, in addition to the 3,850 positions cut last year.**

Another significant change in K-12 education funding was passed in the 2014 legislative session. Historically, school districts were provided with “**planning allotments**” at the beginning of the school year that accounted for a district’s in average daily membership (ADM). A new budget provision eliminates these up-front dollars used to fund additional staff and other resources needed to accommodate student population growth. School districts that do not have a fund balance (“rainy day” account) will be forced to make cuts to their current operating budget to cover costs. Moreover, school districts will not know until the following fiscal year whether their enrollment growth will actually be funded. [Read more.](#)

Per-pupil funding

10 States With Biggest Cuts to K-12 Education Funding Since 2008

Percent change in general funding per student, inflation adjusted, FY08 to FY15



Note: Hawaii, Indiana, and Iowa are excluded because the necessary data to make a valid comparison are not available.

Sources: CBPP budget analysis and National Center for Education Statistics enrollment estimates.

[Center on Budget and Policy Priorities | cbpp.org](http://cbpp.org)

The Center on Budget and Policy Priorities October 2014 report, “Most States Funding Schools Less Than Before the Recession” shows that **North Carolina ranks 7 among 14 states** in which 2014-15 per-pupil funding is more than 10 percent lower than in 2008 when the recession hit. Adjusted for inflation, North Carolina is spending **\$855 less per student this year than in 2008**.

“States are providing less per-pupil funding for kindergarten through 12th grade than they did seven years ago — often far less. The reduced levels reflect primarily the lingering effects of the 2007-09 recession. At a time when states and the nation need workers with the skills to master new technologies and adapt to the complexities of a global economy, this decline in state educational investment is cause for concern.”

[Read the entire report.](#)