



P.O. Box 2513 • Winston-Salem, NC 27102-2513

May 22, 2025

North Carolina State Board of Education
North Carolina Department of Public Instruction
Attn: Eric C. Davis, Chairman
Attn: Maurice “Mo” Green, Superintendent
6301 Mail Service Center
Raleigh, NC 27699-6301

Via Electronic Mail
Eric.Davis@dpi.nc.gov
Mo.Green@dpi.nc.gov

Re: Response to Letter from May 19, 2025

Dear Chair Davis and Superintendent Green,

The Winston-Salem/Forsyth County Board of Education is writing in response to the May 19, 2025, letter from the State Board of Education. In your letter, you requested additional information and actions to be taken by the Board. The information included below is submitted in response to the State Board’s request.

1. The Board has been asked to provide a best estimate of the deficit for the 2024-2025 fiscal year in state, federal and local funds, as well as the amount of its anticipated year-end fund balance. As mentioned in our letter from May 15, 2025, the district is currently working with HIL Consultants to ascertain the total deficit for the 2024-2025 school year. Please note that the numbers provided in this letter are estimates, as this process is ongoing and the total amount may change between now and June 30, 2025. However, at this time, the Board estimates that it will have a total budget deficit of \$42,000,000.00 and it will deplete all unrestricted funds in its fund balance. Approximately \$18,000,000.00 of the deficit will be owed to the State, primarily due to overages in PRC 003. With regard to the overages in ESSER funds, the wiring of the funds to the State is in process and the State should receive it by May 23, 2025. The Board does not anticipate that it will have any additional deficits in other federal funds. The remaining \$24,000,000.00 of the deficit is estimated in the district’s local current expense fund. We are currently analyzing our internal financial records and this amount will decrease as we identify additional savings between now and June 30, 2025.

Board of Education

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Sabrina Coone • Leah Crowley • Susan Miller • Richard Watts • Steve Wood

Tricia McManus, *Superintendent*

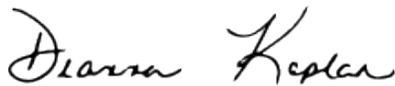


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2. The Board has been asked to describe its plan to repay any deficits or shortfalls in state and federal funding. As referenced above, the Board does not anticipate any shortfalls in federal funding. With regard to our State deficit, we are having discussions with our County about options to repay the State. We do not have details at this time, as it would require action by our County Commission and that has not occurred. We will provide you with more detailed information in a future correspondence.
3. As requested, the Board will submit weekly reports to the State Board and State Superintendent between now and June 30, 2025, describing the specific steps it is taking to reduce the 2024-2025 deficit, to align our 2025-2026 budget with funds, and to provide funds to repay the deficit from the 2024-2025 fiscal year, as well as its plans for minimizing the negative impact on student achievement.

The Board fully intends to comply with all laws and regulations related to the budgeting, management and expenditure of public funds. The Board would welcome any additional support that may be provided by the Department of Public Instruction and State Board of Education in this matter.

Sincerely,
Winston-Salem/Forsyth County Board of Education


Deanna Kaplan, Chairman



Tricia McManus, Superintendent

cc: WS/FCS Board of Education
Freida Lashmit, Interim Chief Finance Officer
Chris Weikart, Chief Human Resource Officer
Dionne Jenkins, General Counsel

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