

# FY 2019-2020 ADOPTED BUDGET

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**PORTSMOUTH CITY SCHOOL BOARD**  
**801 CRAWFORD STREET,**  
**PORTSMOUTH, VA 23704**

**[WWW.PPSK12.US](http://WWW.PPSK12.US)**

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This Meritorious Budget Award is presented to

# PORTSMOUTH SCHOOL BOARD

for excellence in the preparation and issuance of its budget  
for the Fiscal Year 2018–2019.

The budget adheres to the principles and standards  
of ASBO International’s Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.', positioned above a horizontal line.

**Charles E. Peterson, Jr. MBA, PRSBA, SFO**  
President

A handwritten signature in black ink, reading 'John D. Musso', positioned above a horizontal line.

**John D. Musso, CAE, RSBA**  
Executive Director



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## Office of the Chairman

Post Office Box 998 • Portsmouth, Virginia 23705-0998

Telephone (757) 393-8742 • Fax (757) 393-5236

[www.pps.k12.va.us](http://www.pps.k12.va.us)

### A message from the School Board Chairman

On behalf of the Portsmouth City School Board, I present to you the Fiscal Year 2019-20 Adopted Budget.

As a Board, we strive to keep students and staff at the forefront of the budget development efforts. Our tasks are daunting, but worthwhile.

This budget, at \$199.6 million, provides for a 3 percent salary increase, which is included in the General Assembly's Adopted Budget. We would like to extend our heartfelt gratitude and thanks to City Council for providing an additional \$2.6 million in local appropriations to fully fund the salary increase. With the rising costs of healthcare, retirement contributions and other living expenses, we must do what we can to show teachers and staff that they are valued and appreciated. The budget aims to enhance instructional programs, student supports, and school safety by supporting:

#### **Instruction**

- Five elementary school counselors and 1 middle school counselor to comply with the General Assembly's changes to the state's Standards of Quality (SOQ);
- One Cosmetology teacher to expand the Career and Technical Education program due to enrollment trends and upgrades to the Cosmetology lab;
- Three math specialists to help elementary schools with persistently low achievement; and
- One social studies interventionist, to prepare students and staff for upcoming changes to the Standards of Learning, and to develop and monitor assessments.

#### **Student Supports**

- One Limited English Proficiency (LEP) specialist to help with the growing population of students who do not speak English;
- Two attendance officers, since school attendance is now included in the criteria for state accreditation. These positions will assist in evaluating attendance and truancy patterns;
- Three school social workers to identify issues that interfere with learning and to help students to obtain the services needed; and
- Seven home-school liaisons at all secondary schools and Churchland Elementary to match staffing at Title I schools. These positions will establish partnerships between families and schools to improve student achievement.

**School Climate and Safety**

- Thirteen In-School Suspension (ISS) staff, for elementary schools, to help with attendance and consistency in instruction; and
- Five school security officers (for each high school and at two preschool centers), to continue to advance safety initiatives for all students and staff.

The remaining balance, approximately \$776,000, is designed to focus on instruction and other operational initiatives, including:

- Restoration of a budget line for substitute teachers, which was cut last year;
- Funding to support professional development so that staff members are well-trained and familiar with the latest educational strategies to foster student success;
- Additional support for student software and classroom technology; and
- An increase for rising utilities costs for schools and other facilities.


We already have a lot to celebrate. Fourteen schools are fully accredited, we have increased career and technical education courses, which includes adding a new Pharmacy Technician class, and students in our STEM (Science, Technology, Engineering and Math) educational program continue to gain innovative and real-world learning opportunities.

Despite the economic challenges facing state and local leaders, our students and staff are worthy of our efforts and investments.

We all must work together to ensure our students will be provided with the skills necessary to be competitive in this 21<sup>st</sup> century.

I am honored to serve on the Board and to service the children of this city.

Sincerely,

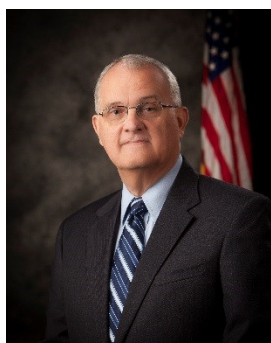
  
Claude C. Parent  
School Board Chairman

# Executive Summary



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## PORTSMOUTH CITY SCHOOL BOARD



Mr. Claude C. Parent  
*School Board Chairman*  
Member of the School Board since 2010  
Current Term expires December 31, 2022  
Minister of Church Administration, Retired Educator

Rev. Cardell C. Patillo  
School Board Vice Chairman  
Member of the School Board since since 2015  
Current Term expires December 31, 2022  
Executive Director



Ms. Angelia N. Allen  
Member since 2016  
Current Term expires  
December 31, 2020  
Healthcare Professional



Ms. Lakeesha S. "Klu" Atkinson  
Member since 2016  
Current Term expires  
December 31, 2020  
Insurance Consultant



Mr. De'Andre A. Barnes  
Member since 2019  
Current Term expires  
December 31, 2022  
Executive Director



Mrs. Sarah D. Hinds  
Member since 2014  
Current Term expires  
December 31, 2020  
Career Educator



Mr. Ted J. Lamb  
Member since 2013  
Current Term expires  
December 31, 2020  
Career Educator



Mrs. Tamara L. Shewmake  
Member since 2019  
Current Term expires  
December 31, 2022  
Chief Administrator



Mrs. Costella B. Williams  
Member since 2008  
Current Term expires  
December 31, 2020  
Retired Supervisor and  
Community Volunteer

## Superintendent's Cabinet

Elie Bracy, III, Ed.D.  
*Division Superintendent*

Anita S. Wynn, D.A.  
*Assistant Superintendent  
Curriculum and Instruction*

Theodore L. Faulk, CPA  
*Chief Financial Officer*

Michael T. Cromartie, Ed.D  
*Chief of Schools*

Scott A. Ziegler, Ed.S.  
*Executive Director of Human  
Resources*

Lauren W. Nolasco  
*Director of Communications*

Derrick A. Nottingham  
*Director of Research and Evaluation*

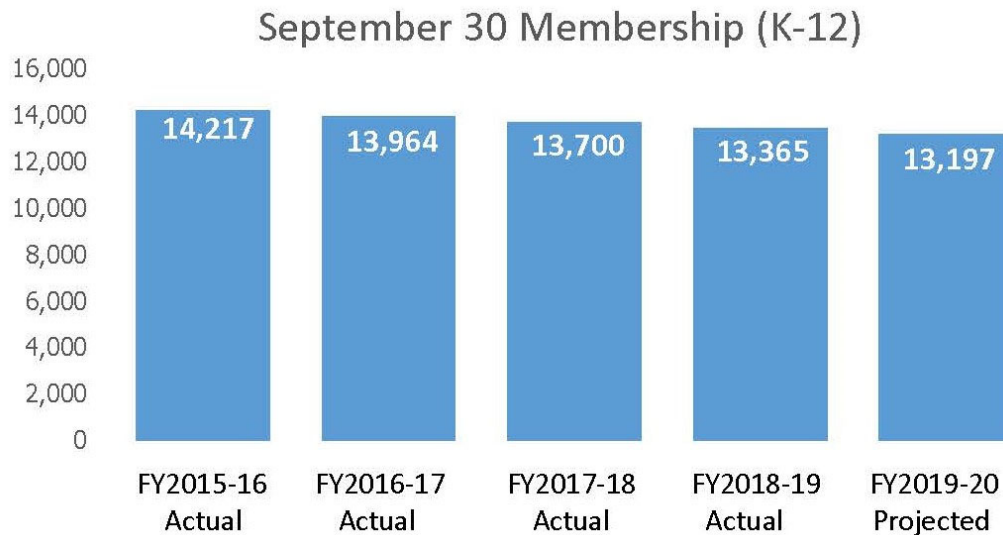
Dean M. Schlaepfer  
*Director of Information Technology*

Lawrence P. Whiting  
*Director of Auxiliary Services*

## DIVISION OVERVIEW

The Portsmouth City School Board (the School Board) is located in historic Portsmouth, Virginia. The School Board is a component unit of the City of Portsmouth (the City). The School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this corporate body are officers of the Commonwealth and govern the operations of the school division during their four-year terms.

The School Board (also referred to as Portsmouth Public Schools or PPS) enrolls on average 13,600 students in kindergarten through grade 12 and 600 students in pre-kindergarten.



There are three high schools, three middle schools, thirteen elementary schools, and three pre-K centers. Students in kindergarten through grade 6 receive instruction at the 13 elementary schools. Grades 7 and 8 receive instruction at the 3 middle schools, and the 3 high schools serve grades 9 through 12. Alternative placement programs for students in grades K-12 take place at the New Directions Center, while grades 9-12 alternative programs, such as the Individual Student Alternative Education Plan (ISAEP), are held at the S.H. Clarke administration building.

In addition to traditional instructional settings for students in grades K-12, the division offers a number of magnet and enrichment programs, a Career and Technical Education program, and has a partnership with Tidewater Community College to offer the First College and Early College programs.

All activity across the division is accounted for within the School Board’s five distinct funds:

**General Fund** - the main operating fund which includes funds from state, local, federal and other sources for the fiscal operation of the school system.

**Grants Fund** - includes funds from federal, state, and local grant funding to be used for specific purposes.

**Cafeteria Fund** - includes funds from federal, state, and charges for services to support food service operations at the division’s schools.

**Textbook Fund** - includes funds from state and local for the purchase of textbooks and related materials.

**Risk Management Fund** - includes charges for services to fund expenditures for the Portsmouth Public Schools' Self Insured Health Plan, and for insurance premiums and workers’ compensation, and for other claims for which the School Board is liable.

## MISSION AND GOALS

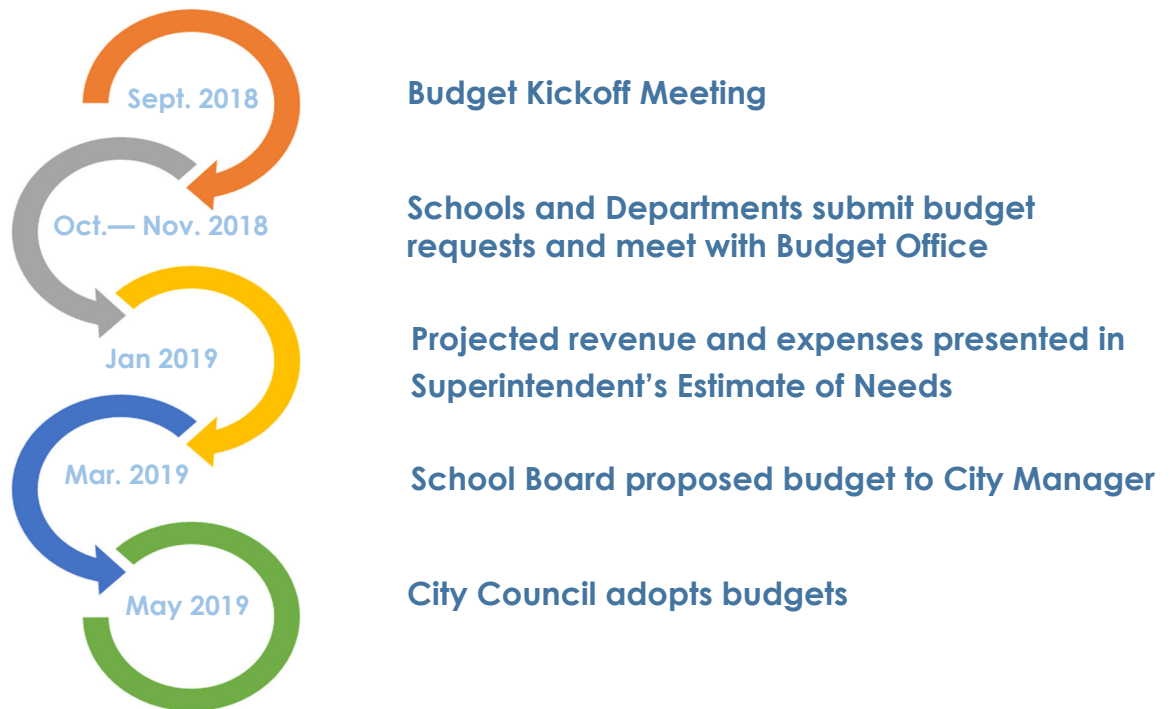
*The mission of the Portsmouth Public School Division is to engage all students in learning that will foster academic excellence and responsible citizenship.*

The Five Year Strategic Plan was adopted in 2017 and provides the framework to drive the decision making of the School Board to fulfill its mission each year. The main goals include the following:

1. **Curriculum, Instruction and Assessment:** *Provide educational opportunities to assure all students achieve high academic growth.* The major objectives are to ensure graduates will be College and Career Ready, that highly effective, research based curriculum, instruction and assessment practices are implemented, and curriculum and related programs meet the needs of all students.
2. **Social-Emotional Development:** *Strengthen practices and policies focused on social-emotional development.* The major objectives are to implement social-emotional learning support and strategies, and implement practices and policies that support each student's ability to be a responsible citizen.
3. **High-Quality Personnel:** *Recruit, retain, and develop highly qualified personnel.* The main objectives include providing a competitive compensation package with other school districts of similar size and revenues, provide professional learning opportunities aligned with the strategic plan and school improvement plans, implement leadership development opportunities, and continued on-going support for new teachers and administrators through the comprehensive induction plan.
4. **Family and Community Engagement:** *Strengthen school, family, and community involvement and perceptions.* The main objectives include partnering with families to strengthen understanding of academic standards, student progress, social-emotional development and implementing practices to increase positive perception of schools among families and community members.
5. **Finance and Operations:** *Ensure fiscal stability through sound financial practices and ensure high-quality school facilities.* The main objectives include continuing to develop and sustain sound financial management practices, process efficiencies to make best use of available resources, provide safe and inviting school facilities, and maintain equipment and infrastructure to support technology integration.

The full text of the Strategic Plan, including measurable objectives and action steps for each goal, is available in a separate publication on the Portsmouth Public Schools website, <http://ppsk12.us/>. Click the "About PPS" tab, double-click "School Board" from the drop-down list, and then choose Strategic Plan from the side menu on the School Board page.

## BUDGET PROCESS AND TIMELINE



Throughout the process, the Office of Budget and Planning (Budget Office) periodically reviews staffing levels, revenue and expenditure projections, and monitors state legislation. The Budget Office conducted an online survey in the fall to solicit community and employee group feedback. The feedback was incorporated with the School Board’s mission and goals to develop the fiscal year 2019-20 budget.

Meetings are held with the Division Superintendent, School Board Finance Committee, and the School Board throughout the process to provide a timely, detailed overview of the budget process. The Budget Office presents categorical breakdowns of the proposed budget, programs included/excluded, projects staffing level changes, must funds items, recommended budget items, and unfunded initiatives.

Information concerning projected revenues and expenditures, related to the Grants fund and the Food Services fund, is obtained from the Finance and Food Services departments, respectively. The projected Grants fund revenue is based on current grants awarded with the anticipation that the school division will receive the same grant funding in the upcoming year and anticipated new grant awards currently being pursued by the division. The Textbook fund budget is based on the projected state revenue and the minimum required local match as directed by the state.

### *September*

The Budget Office meets with the Superintendent’s budget team to discuss the budget process, goals, and budget calendar. This year’s budget team included all members of the Superintendent’s Cabinet and the Budget Analyst.

### *October/November*

In mid-October, the Budget Office releases an online community survey to gather employee and citizen feedback. The survey closes at the end of November.



During October and November, departments and schools submit their non-payroll budgets. Simultaneously, the Budget Office conducts individual budget meetings with schools and departments to understand the goals and initiatives for the upcoming budget year. This meeting, also, is an opportunity for the Budget Office to learn how effective the previous year budget was in allowing the schools and departments to meet their objectives. Changes are incorporated in the budget as needed. The Chief of Schools is included in the budget discussions.

The Budget Office meets with operations leadership and City leaders to identify potential changes to the Capital Improvement Plan. The Capital Improvement Plan budget is controlled and maintained by the City; funds for the School Board's capital projects are not appropriated to the School Board, however, the School Board and the City meet (individually and jointly) throughout the capital improvement budget process.

The Budget Office also gathers information on any changes to healthcare costs, retirement benefits, and other payroll related costs from the Benefits office. An initial projection of payroll is done utilizing an in-house staffing tool to determine the proper staffing ratios based on the state's Standard of Quality (SOQ) requirements, projected average daily membership (ADM), and division goals.

The Budget Office meets with personnel from the Office of Curriculum and Instruction and the Human Resources department to review current staffing levels and open vacancies to determine if any adjustments are needed.

### *December*

An initial projection of budgeted revenues is done based on the most recent available information which includes the Governor's proposed budget for the next fiscal year (released in mid-December). The Budget Office performs a detail review of all non-payroll requests, from schools and departments, and payroll costs, and makes revisions and adjustments to align with the goals outlined in the Strategic Plan. The Budget Office also meets with the Division Grant Writer to help identify additional grant revenue sources that may be available for the division to pursue based on division initiatives.

The Budget Office then compares projected payroll and non-payroll costs for the next fiscal year to the initial revenue projection as of December. Any must fund items, such as Virginia Retirement System rate increases, are also included in the budget first. Any projected costs not covered under the initial revenue projection are accumulated and analyzed with the Superintendent and the Finance Committee and are deemed unfunded needs.

### *January/February*

In January, preliminary budget discussions are held with the School Board to discuss budget survey results and the Governor's proposed budget.

The Budget Office continues to review initial projection of costs for any changes and communicates the changes in a timely manner to the Superintendent.

The Budget Office incorporates the projected revenues, payroll projection, and approved non-payroll requests and unfunded needs into the Superintendent's Estimate of Needs (SEON). The SEON is submitted and presented to the School Board in February. Any changes requested by the School Board are incorporated into the SEON and serves as the basis for the School Board's Proposed Budget.

As required by Virginia State Code, the School Board holds a public hearing on the Proposed Budget, and the School Board and City Council hold a joint council meeting to discuss budgetary concerns.

***March***

The School Board formally adopts the Proposed Budget, and these figures are sent to the City Manager for inclusion into the City Manager’s Proposed Budget to City Council.

***April***

The City hosts public work sessions to address the City budget which includes the School Board budget. Any changes to local funding are communicated to the School Board and any necessary changes are incorporated.

***May***

City Council approves the City’s budget (which includes the School Board budget), and the School Board adopts the final budget by the end of May.

**Summary of Key Dates**

<b>October 18, 2018</b>	<b>PPS Budget Survey Released to Staff and Public</b>
<b>January 10, 2019</b>	<b>Preliminary budget discussion with School Board on Budget Results and Governor’s Proposed Budget</b>
<b>February 7, 2019</b>	<b>Superintendent's FY 2019-20 Statement of Needs/Proposed Budget submitted to School Board</b>
<b>February 21, 2019</b>	<b>School Board Public Hearing on FY 2019-20 Proposed Budget</b>
<b>February 25, 2019</b>	<b>School Board and City Council Joint Meeting</b>
<b>Mid March 2019</b>	<b>General Assembly releases adopted state budget (with final revenue estimates)</b>
<b>March 21, 2019</b>	<b>School Board approves FY 2019-20 Proposed Operating Budget</b>
<b>March 22, 2019</b>	<b>Superintendent submits School Board Proposed Budget to City Manager</b>
<b>March 25, 2019*</b>	<b>City Manager presentation of Proposed Budget to City Council</b>
<b>May 14, 2019*</b>	<b>City Council Adoption of FY 2019-20 School Board Operating Budget</b>
<b>May 23, 2019</b>	<b>School Board Adoption of FY 2019-20 Operating Budget</b>

\*Subject to Change

## FY 2019-20 Estimated Budget - All Funds

Revenue Source	General Fund	Grants Fund	Cafeteria Fund	Textbook Fund	Risk Management Fund	Total 2019-20 BUDGET	2018-2019 BUDGET	DOLLAR CHANGE	PERCENT CHANGE
State Funds	\$ 76,130,684	\$ 4,434,123	\$ 107,780	\$ 986,140	\$ -	\$ 81,658,727	\$ 79,271,102	\$ 2,387,626	3%
State Sales Tax	16,383,782	-	-	-	-	16,383,782	15,809,649	574,133	4%
Local/City Funds	55,396,045	-	-	-	-	55,396,045	52,796,045	2,600,000	5%
Federal Funds	640,000	12,884,621	7,828,268	-	-	21,352,889	20,283,648	1,069,240	5%
Other Funds	2,152,000	241,317	440,000	1,500	250,000	3,084,817	3,749,868	(665,051)	-18%
Charges for Services	-	-	500,000	-	19,819,800	20,319,800	19,971,800	348,000	2%
Local Match / Transfers between Funds	-	1,072,812	15,000	322,085	-	1,409,897	1,408,105	1,792	0%
<b>Subtotal Revenues</b>	<b>\$ 150,702,511</b>	<b>\$ 18,632,873</b>	<b>\$ 8,891,048</b>	<b>\$ 1,309,725</b>	<b>\$ 20,069,800</b>	<b>\$ 199,605,957</b>	<b>\$ 193,290,217</b>	<b>\$ 6,315,740</b>	<b>3.27%</b>

## FY 2019-20 Total Estimated Expenditures by Fund and Expenditure Type

Expenditure Type	General Fund	Grants Fund	Cafeteria Fund	Textbook Fund	Risk Management Fund	Total 2019-20 BUDGET	2018-2019 BUDGET	DOLLAR CHANGE	PERCENT CHANGE
Salaries	\$ 90,500,023	\$ 10,749,701	\$ 2,364,929	\$ -	\$ -	\$ 103,614,652	\$ 99,814,875	\$ 3,799,777	4%
Benefits	35,153,887	3,954,634	1,199,714	-	-	40,308,235	39,768,189	540,046	1%
Purchased Services	6,691,631	912,219	15,000	-	-	7,618,850	6,770,600	848,250	13%
Joint Operations	4,889,107	-	-	-	-	4,889,107	4,691,627	197,480	4%
Other Charges	4,803,465	464,252	190,000	-	-	5,457,717	5,030,787	426,930	8%
Materials/Supplies	4,817,701	2,016,000	4,539,142	-	-	11,372,843	10,703,182	669,661	6%
Equipment	975,000	536,067	132,263	-	-	1,643,330	2,063,334	(420,004)	-20%
Internal Services	-	-	-	-	-	-	1,617,896	(1,617,896)	100%
Fund Transfers Out	2,871,697	-	-	-	-	2,871,697	1,408,105	1,463,592	104%
Donated Commodities	-	-	450,000	-	-	450,000	450,000	-	0%
Textbooks	-	-	-	1,309,725	-	1,309,725	1,334,821	(25,096)	-2%
Administrative Fees	-	-	-	-	3,001,800	3,001,800	3,001,800	-	0%
Workers Comp. Claims	-	-	-	-	420,000	420,000	420,000	0	0%
Healthcare Claims	-	-	-	-	16,648,000	16,648,000	16,215,000	433,000	3%
<b>Total Expenditures</b>	<b>\$ 150,702,511</b>	<b>\$ 18,632,873</b>	<b>\$ 8,891,048</b>	<b>\$ 1,309,725</b>	<b>\$ 20,069,800</b>	<b>\$ 199,605,957</b>	<b>\$ 193,290,217</b>	<b>\$ 6,315,740</b>	<b>3.27%</b>

Highlights from the FY 2019-2020 Budget in line with the Strategic Plan:

**Goal 1: Curriculum, Instruction and Assessment: Provide educational opportunities to assure all students achieve high academic growth**

- Continued funding of all additional instructional programs (i.e. FIRST COLLEGE/DUAL ENROLLMENT, STARBASE, ROBOTICS, PORT TOWNE MAGIC etc.) **(Objective 1 and 3)**
- Hire additional Math Specialists to support elementary **(Objective 2 and 3)**
- Hire ISS personnel at the elementary level **(Objective 2 and 3)**
- Hire an LEP specialist to support growing English language learner population **(Objective 3)**
- Hire an additional Career and Technical Education teacher **(Objective 1 and 3)**
- Hire an additional Social Studies Specialist to support Standards of Learning (SOL) success **(Objective 2)**

**Goal 2: Social– Emotional Development: Strengthen practices and policies focused on social-emotional development**

- Funding to support Positive Behavioral Interventions and Support (PBIS) program **(Objective 1)**
- Additional funding to support athletic and band programs **(Objective 1)**
- Hire additional guidance counselors to bring student-counselor ratio to SOQ standards **(Objective 1 and 2)**

**Goal 3: High-Quality Personnel: Recruit, retain, and develop highly-qualified personnel**

- Paid Winter Break for 10 month non-exempt (hourly) employees **(Objective 1)**
- 3% Compensation increase for employees **(Objective 1)**

**Goal 4: Family & Community Engagement: Strengthen school, family, and community involvement and perceptions**

- Hire additional home-school liaisons at all levels **(Objective 1 and 2)**
- Continued funding of communication resources and program used to reach parents and the community **(Objective 1 and 2)**
- Continuing Funding for parental involvement through Title I grant **(Objective 1 and 2)**
- Hire additional attendance officers to help support attendance **(Objective 2)**
- Hire additional Social Workers **(Objective 1 and 2)**

**Goal 5: Finance and Operations: Ensure fiscal stability through sound financial practices and ensure high-quality school facilities**

- Hire additional school security officers **(Objective 3)**
- Increase funding for facility maintenance **(Objective 3)**

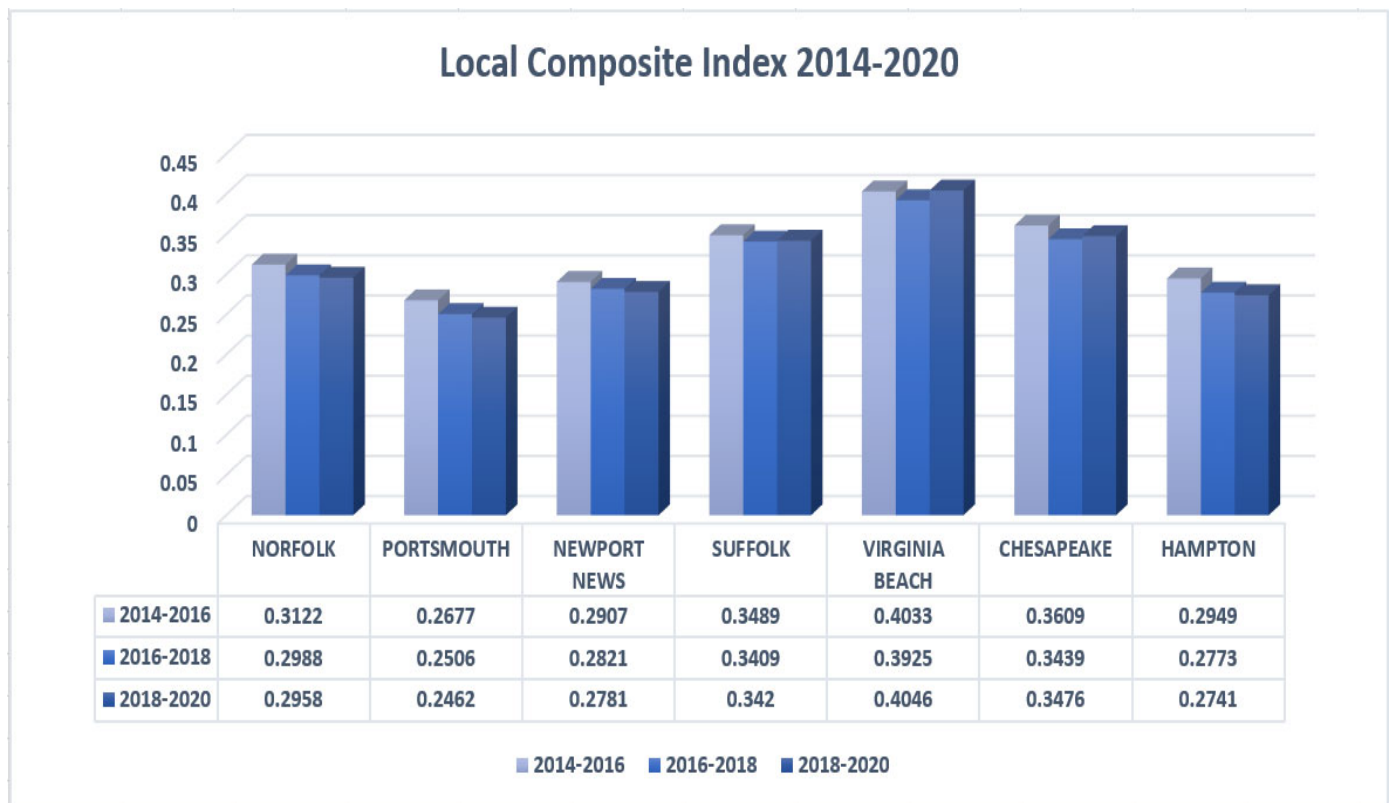
## STATE FUNDING

State funding is the largest funding source for the division and helps support expenses for all School Board funds. FY 2019-20 state funding for all funds is projected to increase by \$2.9 million as compared to FY 2018-19.

State funding is primarily determined by the division’s Average Daily Membership (ADM) and the local composite index (LCI). Virginia distributes 1⅛ percent of sales tax revenue to the state’s school districts based upon the number of school age children in each division.

The LCI determines a locality’s ability to pay for education costs to meet the Commonwealth’s fundamental SOQ goals. Local ability to pay is calculated using three indicators: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable retail sales (weighted 10%).

Each locality’s index is adjusted to maintain an overall local share of 45 percent statewide with the Commonwealth covering the remaining 55 percent. The index is recalculated every two years. The chart below compares the composite index among the surrounding school divisions. For the biannuum 2019-2021, Portsmouth’s LCI of .2462 remains the lowest amongst major Hampton Roads cities and has experienced a decline from the previous fiscal year.

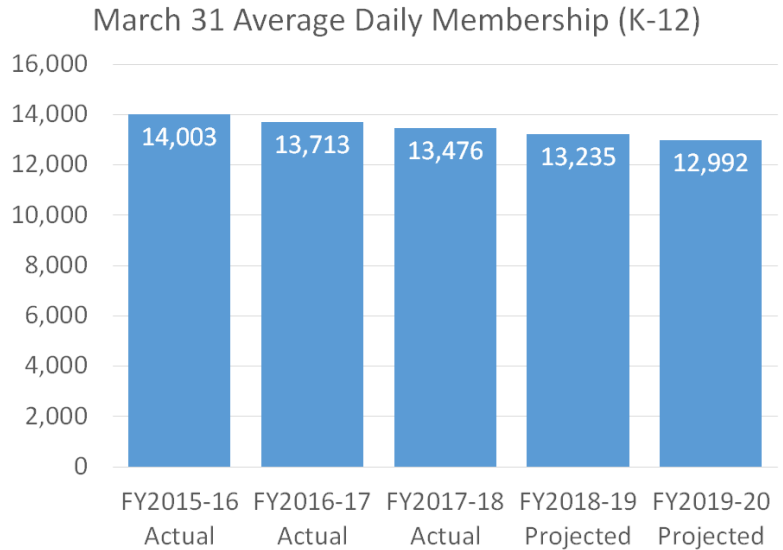


Source: Virginia Department of Education, November 2017



## DIVISION ENROLLMENT/ MEMBERSHIP

As the local composite index for the City decreases, the amount of state revenue received per student increases. The other component that effects state revenue, as previously mentioned, is ADM. ADM is the aggregate number of days of membership of students during a specified period of time divided by the number of days school is in session for the same time period (pre-kindergarten students are excluded).



The state utilizes the March 31st ADM to determine state funding. The division has experienced an overall decline in ADM the last three years. The state and the division both expect enrollment to continue to decline year over year. The FY 2018-19 budget revised ADM is 13,235. In response to projected decreases, the FY 2019-20 budget is based on expected March 31, 2020 ADM of 12,992. Pre-kindergarten membership is expected to be 459.

The overall decrease in ADM is likely due to a variety of factors which include the early (January) completion of course requirements of approximately 150 high school seniors. Once these students finish course requirements, they no longer attend school for the second half of the school year. This directly impacts the March 31st ADM. The division is also located in a large military area which causes the population to be more transient. Defense spending in Hampton Roads has remained fairly stable which could translate to fewer new military families coming into the area.

Another likely factor for declining ADM is the stable population within the City of Portsmouth. The City, as a whole, is not experiencing significant growth which directly impacts the number of potential new students to the division. According to the July 1, 2018 statistics from the U.S. Census Bureau, Portsmouth had a population of 94,632. This is a decrease of 60 as compared to the July 1, 2017 statistics. At the height of the recession (2008), the population was 99,542.

## March 31st Average Daily Membership by Grade Level

Grade	March 31st Average Daily Membership				
	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Projection	2019-20 Projection
K	1,285.64	1,202.66	1,149.26	1,112.00	1,099.00
1	1,189.48	1,250.61	1,167.28	1,098.00	1,079.00
2	1,230.94	1,152.04	1,205.94	1,153.00	1,100.00
3	1,204.44	1,194.78	1,110.80	1,164.00	1,083.00
4	1,072.21	1,114.23	1,133.95	1,066.00	1,040.00
5	1,098.73	1,017.00	1,095.69	1,110.00	1,040.00
6	1,038.52	1,035.76	960.90	972.00	1,034.00
7	1,044.00	956.10	985.91	926.00	990.00
8	1,047.83	1,023.65	919.81	963.00	875.00
9	1,140.86	1,122.14	1,111.81	1,062.00	1,059.00
10	974.93	980.25	981.45	947.00	956.00
11	872.66	870.13	864.02	866.00	838.00
12	902.61	890.48	870.57	878.00	884.00
<b>Subtotal</b>	<b>14,102.85</b>	<b>13,809.83</b>	<b>13,557.39</b>	<b>13,312.00</b>	<b>13,077.00</b>
<b>Less:</b>					
Pupils under 5	0.58	1.07	1.30	-	
Pupils 20 and over	-	1.00	0.43	-	
Pupils in Special Education Regional Program	94.06	85.02	75.12	80.00	80.00
Pupils from whom tuition is received in excess of Local Share from another school division	-	0.74	-	-	
Pupils from whom the state's share of tuition to a private day or private residential program was funded with Comprehensive Services Act (CSA) funds	5.02	8.73	4.48	5.00	5.00
<b>Subtotal</b>	<b>99.66</b>	<b>96.56</b>	<b>81.33</b>	<b>85.00</b>	<b>85.00</b>
<b>Total March 31st ADM</b>	<b>14,003.19</b>	<b>13,713.27</b>	<b>13,476.08</b>	<b>13,235.00</b>	<b>12,992.00</b>
	<b>Pre-Kindergarten Membership</b>				
Grade	2015-16 Actual	2016-17 Actual	2017-18 Projection	2018-19 Projection	2019-20 Projection
Pre-K	710.00	637.00	640.00	558.00	459.00

With anticipated decreases in ADM, the division continually seeks ways to supplement loss revenue to help maintain and improve the education provided to students. The division will continue to pursue new grants and make operational changes throughout the school system. Increases are also expected in sales tax revenue and other funds revenue.

## PERSONNEL ALLOCATION

### Student Teacher Ratios

Virginia’s Standards of Quality (SOQ) require certain average student teacher ratios throughout the state based on the grade level, content taught, and percentage of student population that qualifies for free and reduced lunch. At the elementary school level, as the proportion of free and reduced lunch students increases, the required SOQ student teacher ratio decreases.

At the secondary level, all non-English courses must adhere to an average student teacher ratio of 21:1; this figure includes career and technical education. English courses are allowed an average ratio of 24:1.

The ratios dictate staffing levels and are incorporated in the division’s staffing tool. Please note, preschools are not included in the below list as they are funded by the Virginia Preschool Initiative grant which limits the number of preschool slots allotted to the division.

<b>Elementary</b>	<b>Percentage of Free &amp; Reduced Lunch per State K-3 Initiative</b>	<b>Title I School</b>	<b>K-3 Initiative</b>	<b>4-6</b>
Brighton	85.48%	Y	14	25
Churchland Academy	51.17%	Y	18	25
Churchland	28.73%	N	N/A	25
Churchland Primary & Intermediate	40.60%	Y	19	25
Douglass Park	87.59%	Y	14	25
Hodges Manor	54.49%	Y	18	25
James Hurst	72.17%	Y	15	25
John Tyler	65.86%	Y	16	25
Lakeview	64.69%	Y	17	25
Park View	68.61%	Y	16	25
Simonsdale	44.71%	Y	19	25
Victory	48.18%	Y	18	25
Westhaven	62.59%	Y	17	25

<b>Middle</b>	<b>Title I School</b>	<b>Secondary English</b>	<b>Secondary Non-English (including Career &amp; Technical Education)</b>
Churchland	N	24	21
Cradock	N	24	21
William E. Waters	N	24	21
<b>High School</b>	<b>Title I School</b>	<b>Secondary English</b>	<b>Secondary Non-English (including Career &amp; Technical Education)</b>
Churchland	N	24	21
I.C. Norcom	N	24	21
Woodrow Wilson	N	24	21

Each year, the Budget, Human Resources, and Curriculum and Instruction departments analyze staffing levels based on projected enrollment to ensure the division continues to stay under and within the SOQ, other state mandated required student teacher ratios, and specific needs within the division.

### Pupil to Teaching Position Ratio

Fiscal Year	Elementary Teaching Positions K-7	End-of-Year Average Daily Membership K-7	Pupil/Teacher Ratio K-7	State Average Pupil/Teacher Ratio
FY 2015-16	669.4	9,119.3	13.6	13.1
FY 2016-17	655.0	8,860.0	13.5	13.1
FY 2017-18	642.2	8,764.6	13.7	13.1

Fiscal Year	Secondary Teaching Positions 8-12	End-of-Year Average Daily Membership 8-12	Pupil/Teacher Ratio 8-12	State Average Pupil/Teacher Ratio
FY 2015-16	370.6	4,794.9	12.9	12.5
FY 2016-17	370.0	4,751.0	12.8	12.3
FY 2017-18	364.2	4,620.4	12.7	12.4

\*Information is not available at the time of this publication  
 Source: Superintendent's Annual School Report Table 17

### Full Time Equivalent (FTE) Employees per 1,000 Average Daily Membership

Functional Area	FY 2017 FTEs	FY 2017 FTEs per 1,000 ADM	FY 2018 FTEs	FY 2018 FTEs per 1,000 ADM	FY18 vs FY17 FTE per 1,000 ADM Percent Change
Classroom Instruction	1,313.4	96.5	1,334.0	99.2	2.8%
Instructional Support - Student	52.0	3.8	54.0	4.0	4.4%
Instructional Support - Staff	103.1	7.5	124.0	9.3	22.2%
Instructional Support - School Administration	108.0	7.9	106.0	7.8	-1.1%
Administration	51.5	3.8	50.0	3.7	-2.1%
Attendance & Health Services	43.7	3.2	41.0	3.0	-5.1%
Pupil Transportation	153.1	11.2	149.0	11.1	-1.8%
Operation & Maintenance	182.4	13.3	177.0	13.1	-2.0%
School Food Services and Other	110.5	8.1	102.0	7.6	-6.9%
Technology	35.7	2.6	40	2.9	12.5%

End of the Year (June 30th) Average Daily Membership (K-12)

13,611

13,385

Source: VDOE Annual School Report

## Fiscal Year 2019-20 Positions by Fund

<b>FUND</b>	<b>FY 2018-19 Positions</b>	<b>FY 2019-20 Positions</b>	<b>Position Change</b>	<b>Percent Change</b>
<b>General Fund</b>	1,848	1,890	42	2.3%
<b>Grants Fund</b>	235	235	-	-
<b>Cafeteria Fund</b>	154	154	-	-
<b>Textbook Fund</b>	-	-	-	-
<b>Risk Management Fund</b>	-	-	-	-
<b>Total</b>	<b>2,237</b>	<b>2,279</b>	<b>42</b>	<b>1.9%</b>

The total FY 2019-20 positions are estimated to increase by 42 positions from FY 2018-19. These changes include the following:

- ◆ Additional Home-School Liaisons to schools without them (7).
- ◆ Additional Elementary Math Specialists to support SOL growth (3).
- ◆ Additional staff to implement In School Suspension (ISS) at the elementary level (13).
- ◆ Security at Pre-K and increase of security staff at the high school (5).
- ◆ Additional program specialist for English as a Second Language (ESL) to support growing English Language Learner (ELL) population (1).
- ◆ Additional attendance officers to assist with attendance issues (2).
- ◆ Additional social workers to strengthen resources available to families and students (3).
- ◆ Additional cosmetology teacher to continue to grow program (1).
- ◆ Additional guidance staff at elementary and middle school levels to bring student-counselor ratio to SOQ standards division wide (6)
- ◆ Additional Social Studies Specialist to support SOL growth (1)



## Average Annual Salaries

Based on data submitted by individual school divisions as part of the FY 2016-17 Virginia Department of Education (VDOE) Superintendent’s Annual School Report (ASR), the following is a comparison of average salaries for select positions among school divisions in Hampton Roads.

Classroom - Teacher (K-7)	
Suffolk	\$57,026
Chesapeake	\$56,947
Virginia Beach	\$53,555
Newport News	\$52,789
<b>Portsmouth</b>	<b>\$51,397</b>
Norfolk	\$50,368
Hampton	\$49,890

Classroom - Teacher (8-12)	
Chesapeake	\$58,943
Suffolk	\$55,709
Virginia Beach	\$55,480
<b>Portsmouth</b>	<b>\$54,114</b>
Newport News	\$52,286
Hampton	\$51,163
Norfolk	\$48,506

Classroom - Teacher (Pre-K, ISEAP, Adult Education, other)	
Newport News	\$73,605
<b>Portsmouth</b>	<b>\$67,703</b>
Chesapeake	\$58,499
Virginia Beach	\$55,975
Norfolk	\$47,454
Suffolk	\$45,646
Hampton	\$20,290

Licensed School Nurses (LPNs,RNs,& Nurse Practitioners)	
Virginia Beach	\$49,259
Norfolk	\$45,934
Chesapeake	\$40,176
Hampton	\$38,084
Newport News	\$37,200
Suffolk	\$35,451
<b>Portsmouth</b>	<b>\$35,097</b>

Classroom - Teacher Aides	
Virginia Beach	\$22,014
Newport News	\$21,589
Hampton	\$20,226
<b>Portsmouth</b>	<b>\$20,108</b>
Suffolk	\$18,262
Chesapeake	\$18,198
Norfolk	\$17,222

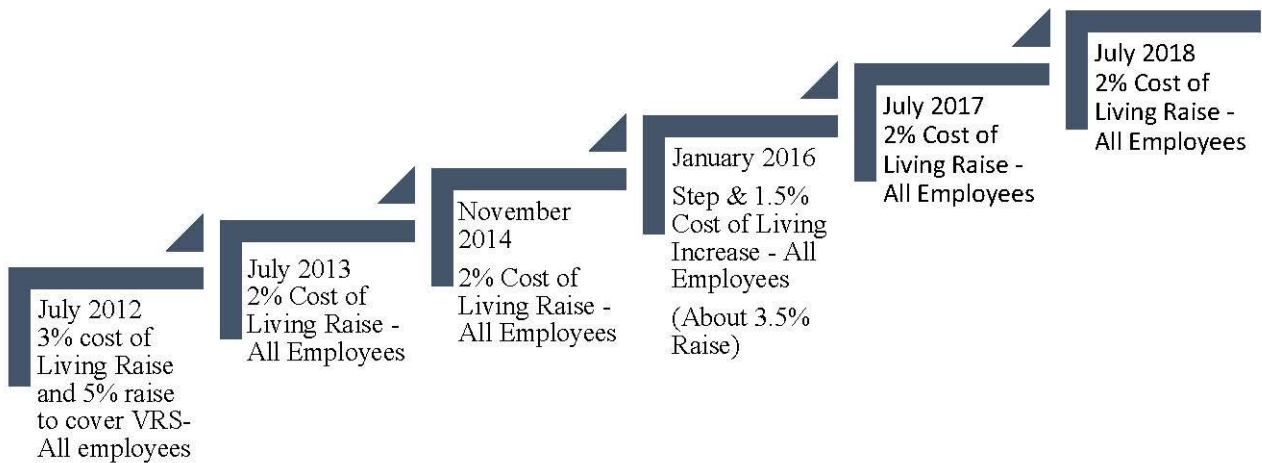
Transportation, Operative (Bus Drivers)	
Newport News	\$24,735
Virginia Beach	\$22,569
<b>Portsmouth</b>	<b>\$22,062</b>
Suffolk	\$19,669
Norfolk	\$16,395
Hampton	\$15,150
Chesapeake	\$14,393

Source: 2017 VDOE Financial ASR Data

## Fiscal Year 2019-2020 Compensation

The FY 2018-19 budget included a 2% pay increase for teachers and all employees. The FY 2019-20 budget includes a 3% raise for teachers and all employees to meet the General Assembly’s adoption of a 5% raise for this biennium. This pay raise will allow the division to continue to stay competitive with surrounding divisions.

Below is a history of pay raises for the last 6 fiscal years:



## NON-PERSONNEL ALLOCATION

Beyond salaries and benefits, money is allocated to non-payroll costs. Within the Grants fund, Cafeteria fund, Textbook fund, and Risk Management fund, non-payroll costs are primarily used for instructional supplies and technology, cafeteria food supplies, textbooks and instructional materials, and insurance premiums and claims, respectively. Within the General fund, the majority of non-payroll is allocated to the following. A slight decrease is projected for General fund non-payroll costs.

- ◆ Electricity for 24 buildings
- ◆ Fuel-School buses and maintenance vehicles
- ◆ Tuition- Regional Special Education Program
- ◆ Tuition- First College/Dual Enrollment
- ◆ Instructional Materials and Supplies
- ◆ Software

- ◆ Grant Local Match
- ◆ Staff Development
- ◆ Contracted Facilities Maintenance
- ◆ Risk Management Charges for Services
- ◆ Equipment Replacement
- ◆ Fleet Maintenance

By Law, the School Board may not issue bonds or enter into debt. The City, as the appropriating body, levies the necessary taxes to finance school operations and borrows money and issues bonds when necessary. For FY 2019-20, the division has no debt obligations.

### Per Pupil Cost

Expenditures per pupil are determined by dividing the total operating budget expenditures by the Average Daily Membership. The state requires certain expenses (i.e. capital outlay) to be excluded from the calculation. Based on the latest per pupil data available, Portsmouth’s total per pupil cost (\$11,912) ranks third (3rd) in Hampton Roads. In comparison to the other surrounding divisions, the division ranks last for local funds per pupil. This directly correlates to the LCI for the City of Portsmouth. The division ranked first in state funds per pupil.

School Division	Local Per Pupil	State Per Pupil	State Retail Sales and Use Tax Per Pupil	Federal Per Pupil	Total Per Pupil
Virginia Beach	\$5,848	\$4,219	\$1,079	\$ 876	\$12,022
Newport News	\$3,954	\$5,669	\$ 987	\$1,337	\$11,947
Portsmouth	\$3,801	\$5,643	\$1,097	\$1,371	\$11,912
Norfolk	\$3,923	\$5,271	\$1,016	\$1,643	\$11,853
Chesapeake	\$4,986	\$4,796	\$1,087	\$ 747	\$11,616
Hampton	\$3,899	\$5,259	\$1,098	\$1,155	\$11,411
Suffolk	\$3,964	\$4,682	\$1,179	\$ 942	\$10,767

Source: Table 15 of the 2018 Superintendent’s Annual Report of Virginia

## BUDGET FORECAST

By FY 2020-21, the school division expects an overall decrease in revenue of \$1.2 million. This is the result of decreased revenue in the General fund as related to a decline in enrollment and an increase in revenue in the Risk Management fund.

	2018-2019 BUDGET	2019-2020 BUDGET	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>General Fund</b>					
Revenues	145,327,289	150,702,511	148,602,999	147,582,999	146,562,999
<b>Grants Fund</b>					
Revenues	17,024,369	17,560,061	17,560,061	17,560,061	17,560,061
Other Finance Sources (Transfers in)	1,065,211	1,072,812	1,072,812	1,072,812	1,072,812
<b>Cafeteria Fund</b>					
Revenues	8,886,727	8,876,048	8,876,048	8,876,048	8,876,048
Other Finance Sources (Transfers in)	15,000	15,000	15,000	15,000	15,000
<b>Textbook Fund</b>					
Revenues	1,006,927	987,640	967,405	948,430	929,455
Other Finance Sources (Transfers in)	327,894	322,085	315,476	309,279	303,470
<b>Risk Management</b>					
Revenues	19,636,800	20,069,800	20,984,700	21,945,345	22,954,022
<b>Total All Funds</b>	<b>193,290,217</b>	<b>199,605,957</b>	<b>198,394,501</b>	<b>198,309,974</b>	<b>198,273,867</b>

### Grants Fund Budget Forecast

By FY 2020-2021, the Grants fund budget is expected to remain relatively constant at \$18.6 million. This is due to information received from grant funding agencies stating that we should not see any major changes in funding levels in the next few years. In addition, the division anticipates having fewer new grants than in prior years. As grant funding changes, the division first looks to reduce non-personnel budgets, if possible. Lastly, if the school division loses 100% of a grant, the educational program is eliminated.

The division has a part-time grant writer who works with the division to actively seek and apply for new grants each school year. These efforts have brought in over \$2.0 million in new grant awards since 2016. The projected revenue for the Grants fund will change if more grants are awarded than originally projected.

## General Fund Budget Forecast

By FY 2020-21, the General fund revenues are projected to decrease from \$150.7 million to \$148.6 million due to less Basic Aid from the state.

### *Basic Aid*

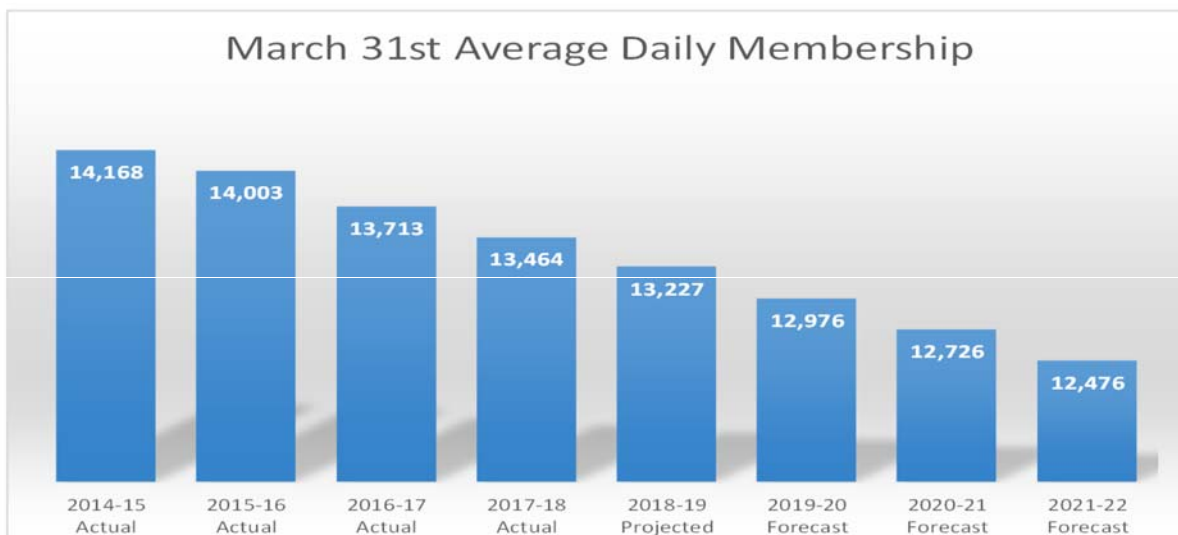
Basic Aid includes funding for the basic instructional positions needed for minimum student to teacher ratios required by the Standards of Quality (SOQ) along with support costs funded through SOQ. SOQ are minimum state mandated objectives that each school division must adhere to. For example, SOQ requires a part time Elementary Assistant Principal for every 600 students and a full time Elementary Assistant Principal for every 900 students. A Secondary Assistant Principal is required for every 600 students. If the division staffed the schools at this minimum requirement, 10 elementary schools would be without an Assistant Principal and 2 secondary schools would be without a full time Assistant Principal.

Looking at another example, SOQ allows classrooms to have up to 35 students in grades four through six. Teaching 35 students in one class creates challenges to instruction and student learning. As such, the division reduced the maximum class size to 28 for grades four through six.

### *ADM Impact on Basic Aid*

The primary reason for decreased Basic Aid funding is the projected decrease in ADM from 12,976 to 12,726 between FY 2019-20 to FY 2020-21. Basic Aid in FY 2020-21 is projected to fund 10 fewer teacher positions based on the minimum student to teacher ratios. Additionally, less Basic Aid funding for support costs and healthcare costs is projected. In anticipation of decreased students and funding, the division will plan to reduce teacher positions through attrition for FY 2020-21.

The impact of changes in ADM on funding beyond FY 2020-21 are not known, but it will require the division to analyze staffing during staffing meetings.



## General Fund Budget Forecast, cont.

City funding for the division is primarily derived from property tax. The current real estate tax rate is \$1.30 per \$100 assessed value. The City of Portsmouth has the highest property tax rate in Hampton Roads, thus, the real estate tax rate changes in the near future appear unlikely. Other taxes which generate revenue include personal property tax and local taxes such as admission tax. Below are some of the 2019-20 tax rates for the City of Portsmouth:

Tax Type	Unit	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual
Real Estate	per \$100	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30
Personal Property - Vehicles	per \$100	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Personal Property - Machinery	per \$100	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Personal Property - Boats	per \$100	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Admissions Tax	of sale price	10%	10%	10%	10%	10%
Restaurant Food	of sale price	6.50%	6.50%	6.50%	6.50%	6.50%
Lodging Tax	of sale price	8.00%	8.00%	8.00%	8.00%	8.00%
Hotel Transient Rental Tax	per night	0.00%	0.00%	0.00%	0.00%	\$3.00
Sales Tax	of sale price	6.00%	6.00%	6.00%	6.00%	6.00%
Cigarette Tax	per pack	\$0.90	\$0.90	\$0.90	\$0.90	\$0.95

Source: City of Portsmouth FY 2019-20 Budget

Though real estate tax and other tax rates are projected to be stable, property values are projected to increase for FY 2019-2020. Projections for subsequent years are not available.

As of	Total Taxable Assessed Value (in thousands - 000s)
June 30, 2018	\$ 7,307,269
June 30, 2017	\$ 7,269,208
June 30, 2016	\$ 7,172,539
June 30, 2015	\$ 7,169,660
June 30, 2014	\$ 7,158,905

Source: City of Portsmouth FY 2019-20 Budget

## **Beyond FY 2020-21**

Since the state budget is completed every two years, information is not available to reasonably project future state revenues. The next biennium budget will be for fiscal years 2020-2022 and will have an impact on all funds. As such, the overall division budget currently projects slight decreases beyond FY 2020-21.

Anticipated declines in ADM are expected based on historical trends and future projections of the City and the state population performed by Weldon Cooper. Without increased or new revenue, school operations and educational programs will have to be analyzed and restructured based on fiscal constraints. Additionally, the ability to add new programs may be hindered.

## **Capital Improvement Plan**

The division has developed a new Capital Improvement Plan (CIP) based on a third-party study completed in FY 2017-18. The condition of many of the division's buildings are in need of repair, renovation, and in some cases, replacement. The CIP fund for the division is maintained and funded by the City. For the FY 2018-19 budget, the City included funding to build a new middle school to increase the number of middle schools from 3 to 4. At that time, the project was estimated to be completed within 3 to 4 years. However, in the FY 2019-20 CIP, the City delayed the first year of funding the construction cost of the new middle school building to FY 2023-24. The City stated that this delay in funding was done to study all facets of plan design, school capacity analysis, Average Daily Membership data and other critical decision areas.

In addition, the continued repair and maintenance of the remaining school buildings are projected to increase the operating and CIP budget. These projects include HVAC replacements, roof replacements and other major operating system repairs. Some repairs may need to be delayed based upon fiscal constraints.

With the anticipated construction of a new middle school, the division will continue to explore the reconfiguration of each middle school from a grade 7 and 8 model to the traditional grade 6 thru 8 model. This reconfiguration, along with a zoning analysis, is expected to relieve overcrowding at specific elementary schools.

# Organizational Section





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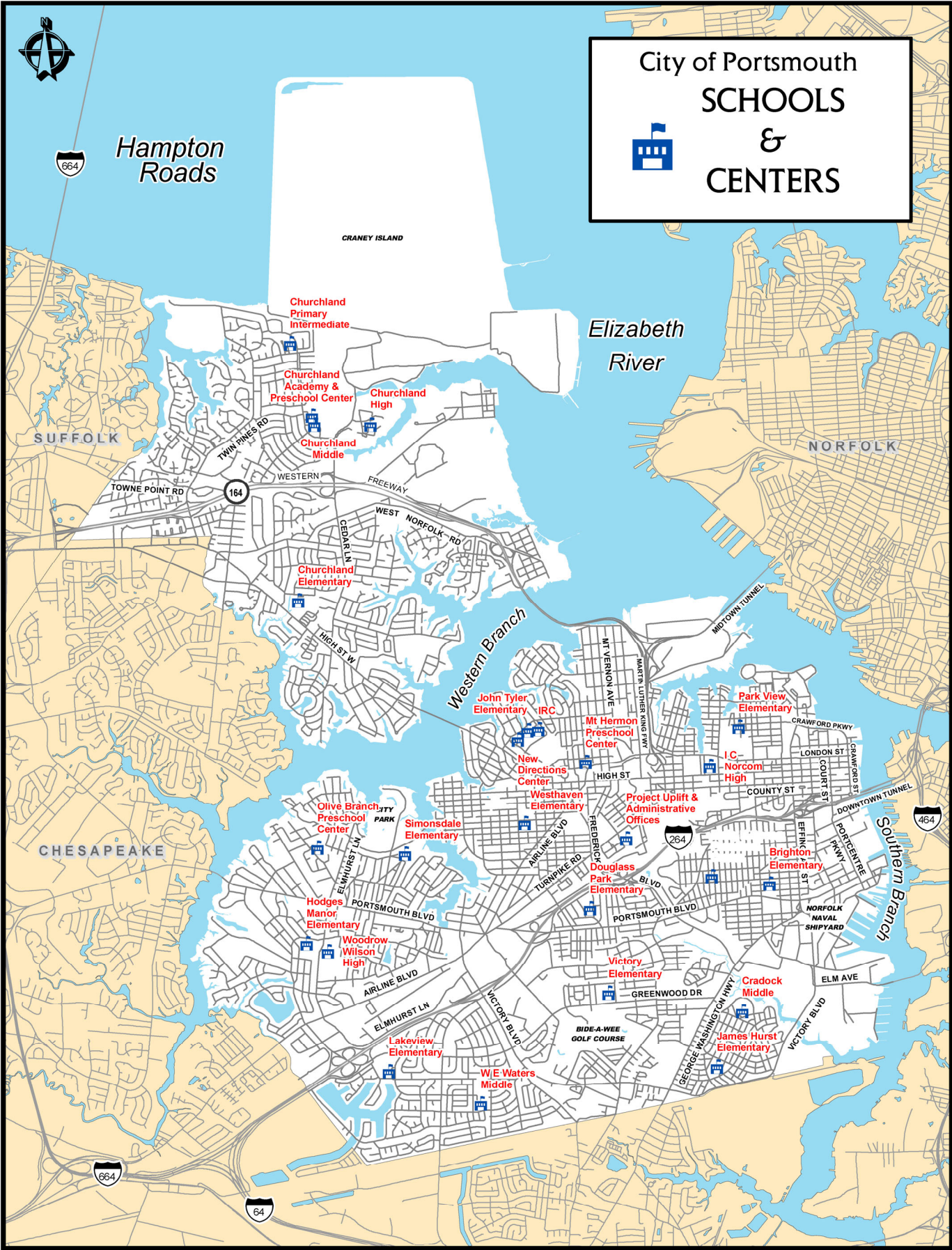
## ABOUT THE DIVISION

### Legal Autonomy/Fiscal Dependence

The title of the corporate body is the City of Portsmouth, Virginia School Board. Better known as Portsmouth Public Schools, the division serves students who live within the borders of the City of Portsmouth, Virginia.

The division's School Board derives its authority from the Constitution of Virginia, the Code of Virginia, and the regulations of the State Board of Education. The nine elected members of this corporate body are officers of the Commonwealth and govern the operations of the school division during four-year terms. For the full text of the portion of the Code of Virginia that discusses the authority and duties of the School Board, visit the [Virginia General Assembly's Legislative Information System](#) and choose [§ 22.1-79](#), Powers and Duties. Other portions of the Virginia Code that refer to the School Board's budget responsibilities are included in the Appendix.

The school division is fiscally dependent, deriving most of its funding from the Commonwealth of Virginia and the City of Portsmouth. According to the Code of Virginia [§22.1-110](#), school boards may not borrow any money without express authority of law. The main exception is that a School Board may borrow to purchase new school buses to replace obsolete or worn out ones, but such loans must be repaid within 10 years. The City Council appropriates funding for the School Board's Operating Budget, levies the necessary taxes to finance the operations, and borrows money and issues bonds when necessary.





## Education

Portsmouth Public Schools offers education from pre-K through 12th grade and has an enrollment of over 14,000 students. For preschool students, ages 2 through 4, who have special disabilities or developmental needs, education is provided at three preschool centers. Four-year old preschool students acquire skills to ensure success in kindergarten and throughout their educational careers. Kindergarten through sixth grade students receive traditional instruction at the 13 elementary schools. Regular instruction continues through the three middle schools (grades 7-8) and three high schools (grades 9-12). Alternative placement, through the New Directions Center for students in grades K-12, is also available.

In addition to traditional instruction for students in grades K-12, high school students have the option of applying for acceptance into magnet programs that are home-based at each high school. The division also operates a Science, Technology, Engineering, and Mathematics (STEM) pathways program for all elementary students, and it offers an adult education program which includes night courses at one of the high schools. The night courses are designed to prepare adult students for the GED



test, to learn new hobbies, and to gain knowledge simply for personal enrichment. Adults who want to learn English as a second language can also receive instruction through the adult education program.

Portsmouth Public Schools began the AC=13 Program (Academics Plus Career After High School=13th Year) in 2006 to prepare students for the time immediately following high school graduation. The program erased the boundaries of traditional academic courses and career or technical courses, and blurred the lines between high school and community college. The Career and Technical Education Program offers courses in Practical Nursing, Cybersecurity, Early Childhood Education Exploration, Culinary Arts, Horticulture, Marine Electrical, Diesel Equipment Technology, Television Production and Automotive Repair. Upon completion of these courses, students not only possess workplace readiness skills, but they also receive certification that enables them to earn a living while still determining their educational journeys.

Portsmouth Public Schools also partnered with Tidewater Community College to offer First College to second-semester seniors who completed coursework for their high school diplomas and who plan to attend a college or university after graduation. Early College, which began in 2017, is also available for ninth grade students. These students take classes at the local campus of Tidewater Community College and earn post-secondary credits. This program began in the spring of 2006 with 19 students and has grown each year to over 200 students.

## **PRESCHOOL CENTERS**

CHURCHLAND PRESCHOOL CENTER  
MOUNT HERMON PRESCHOOL CENTER  
OLIVE BRANCH PRESCHOOL CENTER

## **ELEMENTARY SCHOOLS**

BRIGHTON ELEMENTARY  
CHURCHLAND ACADEMY ELEMENTARY  
CHURCHLAND ELEMENTARY  
CHURCHLAND PRIMARY & INTERMEDIATE ELEMENTARY  
DOUGLASS PARK ELEMENTARY  
HODGES MANOR ELEMENTARY  
JAMES HURST ELEMENTARY  
JOHN TYLER ELEMENTARY  
LAKEVIEW ELEMENTARY  
PARK VIEW ELEMENTARY  
SIMONSDALE ELEMENTARY  
VICTORY ELEMENTARY  
WESTHAVEN ELEMENTARY

## **MIDDLE SCHOOLS**

CHURCHLAND MIDDLE  
CRADOCK MIDDLE  
WM. E. WATERS MIDDLE

## **HIGH SCHOOLS**

CHURCHLAND HIGH  
I.C. NORCOM HIGH  
WOODROW WILSON HIGH

## **ALTERNATIVE SCHOOL**

NEW DIRECTIONS CENTER

## STUDENT BODY

Source: VDOE 2018-2019 Fall Student Record Collection Report

<b>Total Enrollment (9/30/2018):</b>	14,010
<b>Special Needs Students:</b>	1,906
<b>English Learner Students:</b>	132
<b>Home Instruction Students:</b>	368
<b>Early College Scholars Program:</b>	81

### Ethnicity:

American Indian:	57
Asian:	129
Black/African American:	10,179
Hawaiian:	55
Hispanic:	463
White/Caucasian:	2,649
Two or More:	478
<b>Total:</b>	<b>14,010</b>

### Gender:

Male	7,048
Female	6,962
<b>Total:</b>	<b>14,010</b>

### Military Connected Students:

Active Duty	802
National Guard	13
Reserve	90

### Students served in Regional Programs:

Governor's School for the Arts	21
Southeastern Cooperative Educational Program (SECEP)	76



## GOVERNANCE STRUCTURE

### School Board

Portsmouth Public Schools is governed by a nine member School Board chaired by Mr. Claude C. Parent and Vice-chaired by Rev. Cardell C. Patillo. School Board members serve four year terms where they direct and manage the division. The other School Board members are Ms. Angelia N. Allen, Ms. Lakeesha S. Atkinson, Mr. De’Andre A. Barnes, Mrs. Sarah D. Hinds, Mr. Ted J. Lamb, Mrs. Tamara L. Shewmake, and Mrs. Costella B. Williams. Members of the School Board serve alongside school business and City leaders on various committees.

### School Board Committee Assignments

<b>Budget and Finance</b>	Mr. Claude C. Parent Rev. Cardell C. Patillo
<b>City Council Liaison</b>	Mr. Claude C. Parent Rev. Cardell C. Patillo
<b>Curriculum and Instruction</b>	Mrs. Costella B. Williams Mrs. Sarah D. Hinds
<b>Human Resources</b>	Mrs. Costella B. Williams Mrs. Tamara L. Shewmake
<b>Minority Contractors Business Policy</b>	Mrs. Costella B. Williams Ms. Lakeesha S. Atkinson
<b>Legislative and Policy</b>	Mrs. Costella B. Williams Ms. Angelia N. Allen
<b>Technology and Operations</b>	Mr. Ted J. Lamb Rev. Cardell C. Patillo
<b>Corporate Sponsorships</b>	Ms. Lakeesha S. Atkinson Mr. De’Andre A. Barnes

## Special Committees

### Career and Technical Education Advisory

Mrs. Sarah D. Hinds  
Mrs. Tamara L. Shewmake

### Ad Hoc Student Disciplinary

Mr. Claude C. Parent  
Ms. Lakeesha S. Atkinson

### Wellness

Mr. Ted J. Lamb  
Mr. De’Andre A. Barnes

These various committees allow the School Board to help school officials align day to day initiatives with those of the School Board. The City Council Liaison committee serves as a bridge between Portsmouth City Council, the division's appropriating body, and the School Board. By working closely together, the Board makes sure that the interests of their constituents are met, as well as providing tangible leadership to school leaders.

### **Division Superintendent**

One of the duties of the School Board is to appoint the Division Superintendent who is the executive and administrative head of the public school division. The Superintendent manages the school division as prescribed in the regulations of the Commonwealth's Board of Education and in accordance with policies and procedures approved by the School Board.

Specific responsibilities related to budget preparation and administration are detailed in School Board Policies DA (Management of Funds), and DB (Annual Budget) which are included in the Appendix. These policies require that the Superintendent use appropriate fiscal planning and management methods, modeled after accepted business practices, directed toward the educational goals of the division.

### **School Board Attorney and Board Clerk**

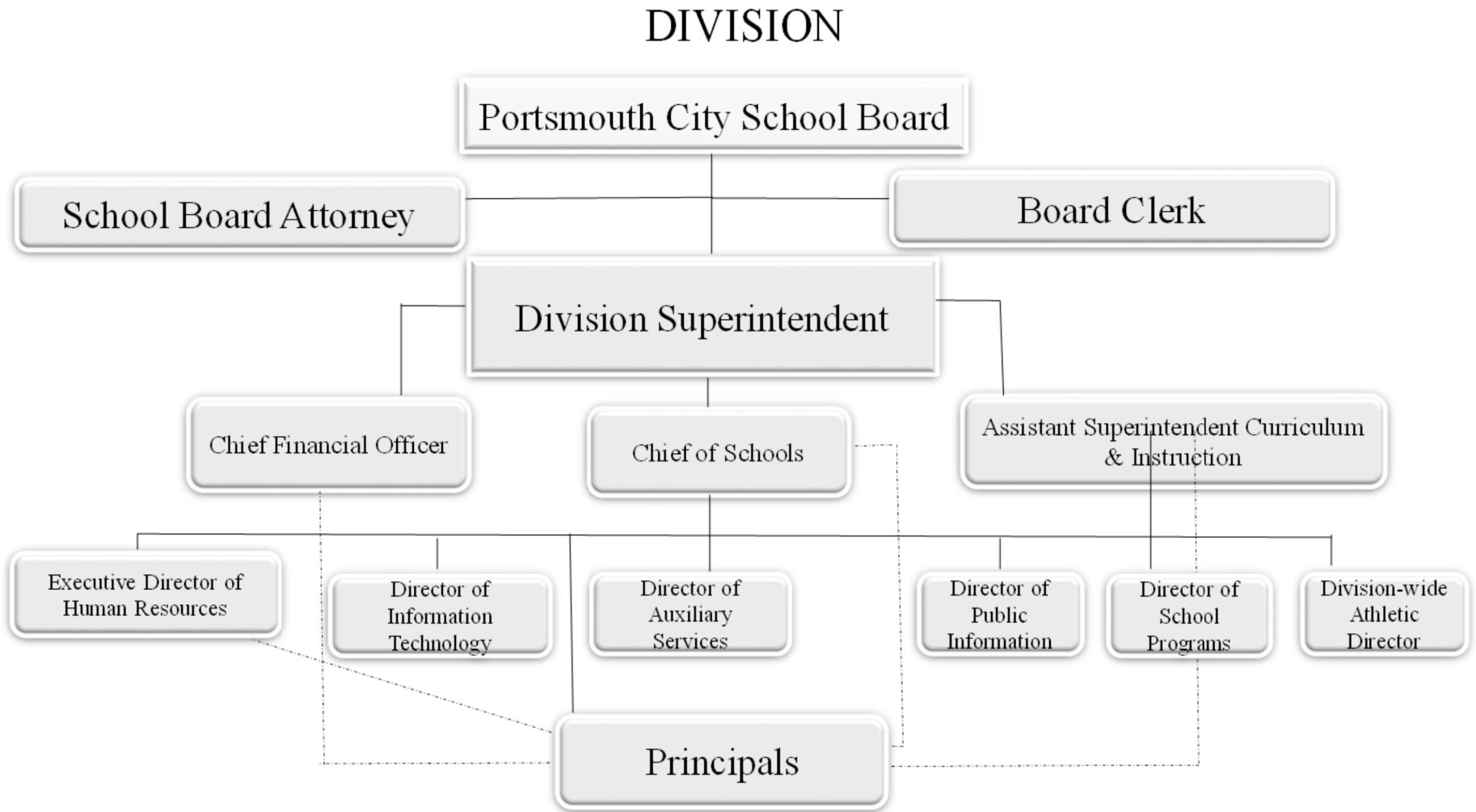
Other vital positions that report directly to the School Board include the School Board Attorney and the Board Clerk. The School Board Attorney protects the interests of the division while the Board Clerk assists with the administrative needs of the School Board and acts as a gatekeeper between the Board and the citizens of Portsmouth.

### **Division Administration**

The School Board empowers the Division Superintendent to appoint members of the cabinet to oversee the day-to-day operations of the division. The Superintendent's Cabinet consists of the Assistant Superintendent of Curriculum and Instruction, Chief Financial Officer, Chief of Schools, Executive Director of Human Resources, Director of Communications, Director of Information Technology, Director of Research and Evaluation, and Director of Auxiliary Services. Beyond the Superintendent's Cabinet, other members of administration include the Division-Wide Athletic Director, Senior Supervisors, Coordinators, Principals, and Assistant Principals.



# FY 2019-20 Organizational Chart



## DIVISION STRATEGIC PLAN

During calendar year 2016, the division created a Strategic Planning team to reflect on strengths, challenges, and opportunities for the future. Feedback was also solicited from the community to foster collaboration between the division and the citizens. From this process, the following mission, goals, objectives, and action steps were adopted and utilized to develop the FY 2019-20 budget.

Most of the cost associated with achieving the Strategic Plan are accommodated within the budget by the day to day operation of the various departments. Many of the action steps within each objective and goal can be accomplished through continued focus of improvement in processes/practices while others require significant funding, for example increasing career and technical course offerings, offering competitive compensation annually, and expansion of technology. With declining enrollment and the low locality composite index, funding may pose a challenge on the timeline of completing the goals, however, the division is committed to make the best use of resources to meet these goals where possible.

*The mission of the Portsmouth Public School Division is to engage all students in learning that will foster academic excellence and responsible citizenship.*



### Curriculum, Instruction & Assessment

**Provide educational opportunities to assure all students achieve high academic growth.**

**Objective 1:** Graduates will be College and Career Ready.

**Action Steps:**

- a. Increase the number of students who exceed state expectations on the VA Standards of Learning assessments and decrease the number of students who do not meet state standards.
- b. Monitor and address achievement levels and gaps to assure all schools are recognized as fully accredited.
- c. Increase the percentage of students graduating from high school to be equal to or greater than the state average in all gap groups.
- d. Continue to promote and expand access to technical and career awareness programs.
- e. Increase the variety of technical and career offerings available to students.
- f. Increase student opportunities connected to higher education institutions in the region.
- g. Increase the number of students earning college credit by graduation.

## Goal 1, Continued

**Objective 2:** Instructional personnel will implement highly effective, research-based curriculum, instruction and assessment practices.

### Action Steps:

- a. Adopt and implement division-wide instructional practices that support rigor and student engagement across the curriculum.
- b. Continue to identify and implement instructional and assessment practices that increase student mastery of the four core content areas: English/Language Arts/Reading, Mathematics, Science and Social Studies.
- c. Integrate literacy across the curriculum practices and policies.
- d. Continue to develop and implement instructional accountability practices for school-based leaders and teachers that will benefit student learning.
- e. Implement a balanced assessment system that includes a focus on research-based formative and summative assessment strategies, including the use of performance tasks.
- f. Identify and implement inquiry-based teaching and learning practices that will increase student critical thinking and problem-solving abilities.
- g. Continue to leverage technology integration as a teaching, learning and assessment tool across the curriculum.
- h. Continue to expand teacher and administrative use of technology tools for data-based instructional decision-making.

**Objective 3:** The curriculum and related programs will meet the needs of all students.

### Action Steps:

- a. Continue to implement policies and practices that assure the district-level K-12 curriculum remains aligned to standards, adheres to curriculum development best practices, and is accessible to all teachers and administrators.
- b. Implement division-wide practices that assure teacher unit and lesson plans are aligned to the district curriculum, identified standards, and identified research-based instruction and assessment practices.
- c. Increase instructional programs and related student services that will meet the needs of the diverse student population.
- d. Increase the opportunity for advanced content pathways and courses offered in elementary, middle and high schools.
- e. Continue to leverage technology and identify other research-based solutions to integrate personalized learning practices across the curriculum.



## Social-Emotional Development

**Strengthen practices and policies focused on social-emotional development.**

**Objective 1:** Implement social-emotional learning support and strategies.

**Action Steps:**

- a. Integrate social-emotional learning into curriculum and instruction.
- b. Adopt and effectively implement a research-based positive behavior program at each school.
- c. Evaluate and strengthen programs and practices designed to support the social-emotional development of high need students.

**Objective 2:** implement practices and policies that support each students' ability to be responsible, contributing citizens.

**Action Steps:**

- a. Identify and implement practices that will increase student's ability to work cooperatively with others, resolve conflicts, and respect other cultures and beliefs.
- b. Identify and implement practices that will increase the percentage of students demonstrating accountability for following rules and laws.
- c. Identify and implement practices that will increase student ability to filter and use information.
- d. Identify and implement practices that will increase student ability to use technology wisely.



## High-Quality Personnel

**Recruit, retain, and develop highly-qualified personnel.**

**Objective 1:** Provide a compensation package that is competitive with other school districts in the state of similar size and resources.

**Action Steps:**

- a. Continue to annually assess the district’s capacity to offer salary schedule adjustments for all positions.
- b. Continue to annually assess the total compensation package offered to employees.

**Objective 2:** Strengthen the teacher recruitment pipeline.

**Action Steps:**

- a. Continue to strengthen outreach and connections with regional university teacher education programs to engage with talented future teachers early in their university experience.
- b. Continue to explore and implement partnerships with alternative certification programs and pathways.

**Objective 3:** Provide effective, research-based, and differentiated professional learning opportunities tied directly to the district strategic plan and aligned school improvement plans.

**Action Steps:**

- a. Collaborate across all school division departments to develop a five-year professional learning plan aligned to the strategic plan categories and focus areas.
- b. Work with schools to support them in developing differentiated professional learning plans that include implementation follow-up support, job-embedded strategies and best practices for effective professional learning communities.
- c. Assure that district and school professional learning plans include research-based evaluation practices to determine if the professional learning is making a difference in employee performance and student achievement.

### **Goal 3, continued**

**Objective 4:** Implement ongoing research-based leadership development opportunities for educational and support personnel to ensure a healthy pipeline of high quality leaders.

#### **Action Steps:**

- a. Identify and implement leadership development opportunities for principals, assistant principals and aspiring principals that will build their capacity as instructional leaders, visionaries, community engagement practitioners, learners and collaborators.
- b. Develop and implement a teacher leadership program for teachers who want to remain in the classroom, lead the learning of their colleagues, and significantly impact education in the division; the program should include research-based teacher leadership practices, incentives and recognitions.
- c. Implement ongoing leadership development opportunities for operations and support personnel identified as high-flyers aligned with best practices in business leadership development and the future needs of the school division.

**Objective 5:** Continue to provide ongoing support for new teachers and administrators through a comprehensive induction plan.

#### **Action Steps:**

- a. Collaborate with new teachers and administrators regularly using face-to-face communities of practice, ongoing coaching and various virtual strategies to provide support.
- b. Continue to develop and implement an effective mentoring program for new teachers and administrators aligned with mentoring best practices.



## Family & Community Engagement

**Strengthen school, family, and community involvement and perceptions.**

**Objective 1:** Partner with families to strengthen understanding of academic standards, student progress, social-emotional development support and the importance of teachers and families working together.

### Action Steps:

- a. Continue to strengthen the resources and information provided to families to support their child's education.
- b. Introduce families to resources that assist with student and family social-emotional needs.
- c. Continue to use the Internet, social media, and other tools to enhance parent and community partnerships and communication.

**Objective 2:** Identify and implement practices to increase positive perception of schools among families and community members.

### Action Steps:

- a. Develop, implement and monitor consistent effective customer service practices across all schools in the division.
- b. Strengthen and monitor consistent positive school culture and climate practices across all schools in the division.
- c. Expand ongoing collaboration opportunities with businesses, military, faith-based, recreational, civic and city organizations to benefit students and families.





## Finance & Operations

**Ensure fiscal stability through sound financial practices and ensure high-quality school facilities.**

**Objective 1:** Continue to develop and sustain sound financial management practices, stability, and efficiency based on best practices.

**Action Step:**

- a. Develop, monitor and evaluate an annual financial and debt plan aligned to the District Strategic Plan.

**Objective 2:** Continue to develop and sustain process efficiencies that make the best use of available resources.

**Action Step:**

- a. Monitor, evaluate and update processes as needed to assure optimum resource availability to support student and staff success factors.

**Objective 3:** School facilities will be safe and inviting places for students, families, staff, and the community.

**Action Step:**

- a. Monitor and increase safety, cleanliness, and overall appearance factors of facilities.

**Objective 4:** Maintain equipment and infrastructure to support technology integration.

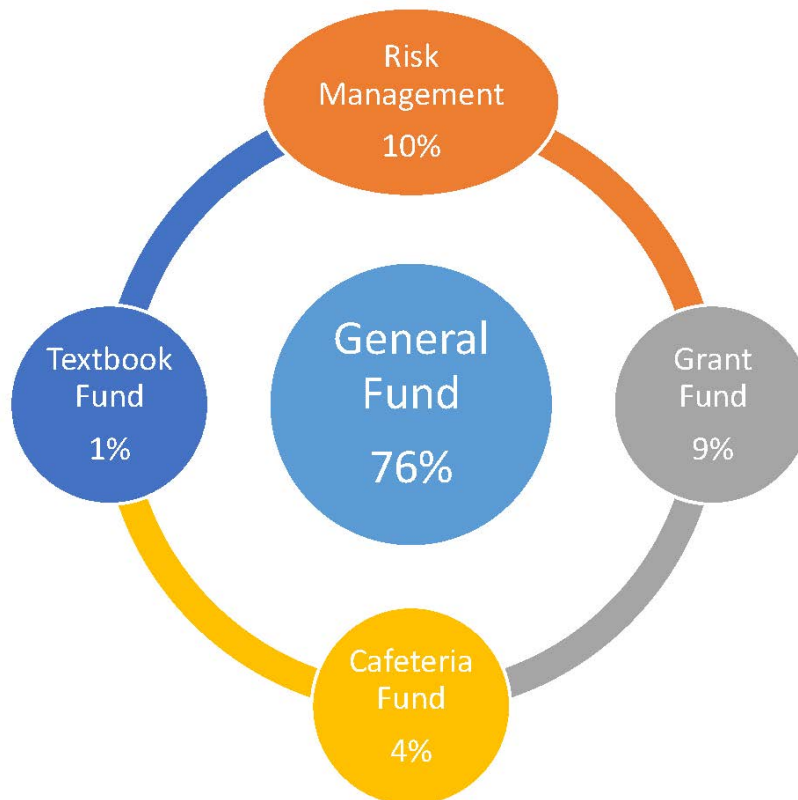
**Action Step:**

- a. Continue to update virtual servers, switches, bandwidth, wireless capacity, and storage to meet demand as needed.



## FUND OVERVIEW

The funds of the School Board consist of the General fund, Grants fund, Cafeteria fund, Textbook fund, and Risk Management fund. The former Construction fund was transferred to the City of Portsmouth in September 2014. All school division construction and building improvement needs, in excess of \$50,000 and with a useful life of 10 years or more, are now part of the City's Capital Improvement Program (CIP).



**GENERAL FUND** - The General fund is the *main operating fund* for the division. It includes funds from state, local, federal and other sources for the fiscal operation of the school system.

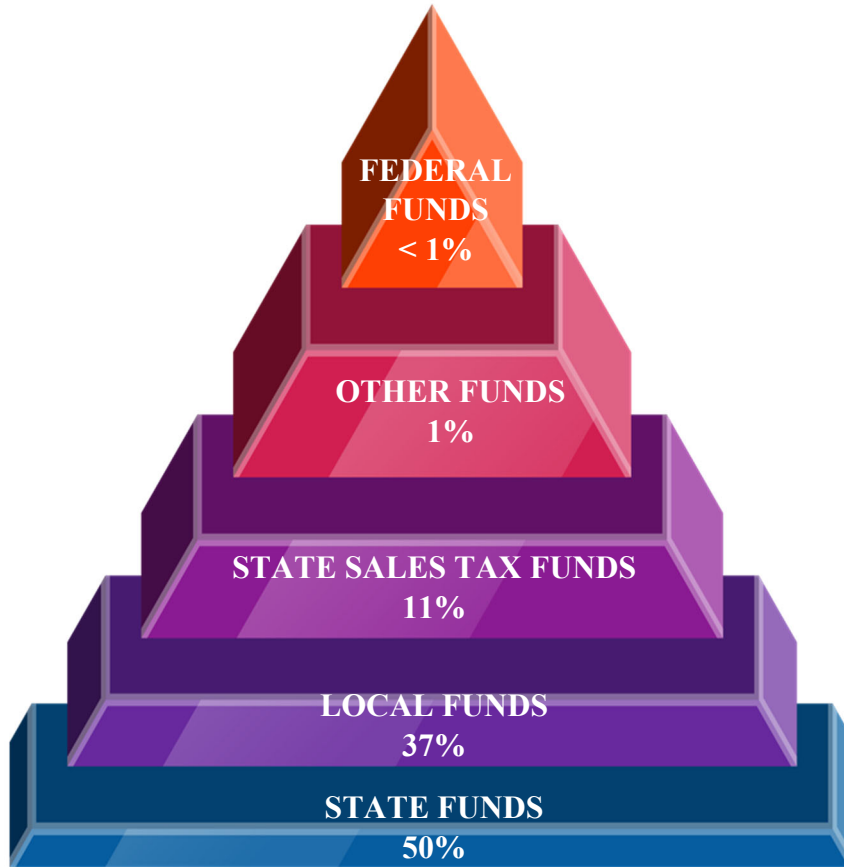
**GRANTS FUND** - The Grants fund is a special revenue fund which consists of federal, state, and local grant funding to be used for specific purposes that support and allow divisions to primarily expand expenditures to support instructional programs.

**CAFETERIA FUND** - The Cafeteria fund is a special revenue fund that supports food services operations at the division's schools.

**TEXTBOOK FUND** - The Textbook fund is a special revenue fund which is used exclusively for textbook expenditures.

**RISK MANAGEMENT FUND** - The Risk Management fund is an internal service fund that accounts for all expenditures associated with the Portsmouth Public Schools' Self Insured Health Plan and insurance premiums, and workers' compensation claims for which the School Board is liable, and for the payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

## GENERAL FUND REVENUE SOURCES



\*\*Percentages are based on the Fiscal Year 2019-20 adopted budget.

The main operating fund has five major types of revenues: Federal, Local, State, State Sales Tax and Other Revenue Funds.

**STATE FUNDS** include funding for basic aid to support the Standards of Quality (SOQ), categorical aid, and incentive program revenue to support specific programs and initiatives.

**STATE SALES TAX** in the amount of one and one-eighth cent is distributed by the state for public education based on the school-aged population that resides within the locality.

**LOCAL FUNDS** include the appropriation approved by City Council. The locality is required to match a portion of the funding from the State.

**FEDERAL FUNDS** include federal impact aid and Junior Reserve Officer Training Corps (JROTC) funds.

**OTHER REVENUE FUNDS** include Medicaid reimbursements, non-resident tuition, fees and rents from the use of school buildings, proceeds from the sale of surplus property, rebates, refunds, and grant indirect cost reimbursements.

## OTHER FUNDS REVENUE SOURCES

### GRANTS FUND:

**Federal Grants**

**State Grants**

**Other Grants**

**Local Match—From General Fund**

**GRANTS** include Federal, State, and Other grant funds awarded to the division. The majority of the grant revenue is earned on a reimbursement basis. The division incurs expenses and requests reimbursement from the applicable grantor.

For specific grants, the General fund is required to provide the grant a minimum amount of local funds (also referred to as local match) to support the purpose and use of the grant in the division.

### CAFETERIA FUND:

**Federal**

**State**

**Other**

**Charges for Services**

**Transfers in**

**FEDERAL** funds make up the majority of revenue and come from the United States Department of Agriculture (USDA). A portion of funding comes from the state for the division's breakfast and lunch program. Funds are also received from students who pay for lunch. Additional funding is also earned through catering events/meetings.

### RISK MANAGEMENT FUND:

**Charges for Services:**

**General Fund**

**Grants Fund**

**Cafeteria Fund**

**Employee (Healthcare premium – portion)**

**Retirees (Healthcare premium 100%)**

**CHARGES FOR SERVICES** include a fee based charge to the other funds and employees as part of the internal service funds to support workers' compensation and healthcare expenses. Employees pay a portion of the healthcare fee only. Retirees pay 100% of the healthcare fee.

### TEXTBOOK FUND:

**State Funds**

**Local Match—From General Fund**

**STATE** funds are provided to divisions as part of the Standards of Quality for textbooks. The State requires the General fund to provide a minimum amount of local funds (also referred to as local match) for textbook purchases.

## EXPENDITURE CATEGORIES

Estimated expenditures consist of cost estimates for the operation of regular day school, other education programs, and support services. The expenditure categories are as follows:

**INSTRUCTION** includes the activities that deal directly with the interaction between teachers and students. These activities include classroom instruction, guidance services, school social workers, homebound services, improvement of instruction, media services, and expenditures of the office of the principal.

**ADMINISTRATION, ATTENDANCE AND HEALTH** includes activities associated with establishing and administering policy for Administration, Attendance and Health. Administration includes those activities concerned with establishing and administering policy for the school division, such as School Board services, executive administration services, budget and planning, public information, human resources, financial services, and purchasing services. Attendance and Health Services includes activities whose primary purpose is the promotion and improvement of children's attendance at school, including activities associated with providing students with appropriate medical, dental, and nursing services as well as psychological and therapy services.

**PUPIL TRANSPORTATION** includes activities associated with transporting students to and from school as provided by state and federal law. This includes trips between home and school, and trips to and from school activities. Subcategories within pupil transportation include management, vehicle operation and maintenance services, and school bus purchases and leases.

**OPERATIONS AND MAINTENANCE** include keeping facilities and vehicles in good operating condition. This would include safety and security services, equipment services, vehicle services, and warehouse operations as well as management services. Costs associated with building services, mainly keeping the physical facilities clean and ready for daily use, are also included in this area.

**TECHNOLOGY** includes the delivery of technology to the classroom in support of student instruction. In addition, technology supports other functional categories through the acquisition and maintenance of hardware and software as well as recommending policy and procedures that relate to technology activities in the division.

**DEBT AND FUND TRANSFERS** include payments for both principal and interest that service the debt of the school division and transfers between funds, such as from the General fund to the Grants fund, to satisfy local match requirements for grant programs.



## EXPENDITURE TYPES

Within each expenditure classification are expenditure types. Expenditure types either comprise payroll or non-payroll costs. Payroll costs include salaries and benefits, such as employer Virginia Retirement System (VRS) contributions, health care costs, and FICA.

Non-payroll costs include capital outlay, materials and supplies, purchased services, other charges, and fund transfers. Equipment and materials and supplies cover tangible goods while purchased services cover intangible offerings provided by vendors. Examples of these services include occupational and speech therapy, consulting, and maintenance. Other charges capture costs, such as dues and memberships, energy and utility costs, and postage. Joint Operations cover tuition for SECEP and the DUAL ENROLLMENT/FIRST COLLEGE program. A brief description of each expenditure type is as follows:

**SALARIES** include payroll costs for full-time and part-time employees, as well as overtime expenses, supplements and other allowances.

**BENEFITS** include fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment.

**PURCHASED SERVICES** include contractual services required by the division, i.e., printing, maintenance agreements, advertising expenses, and other contracted services.

**JOINT OPERATIONS** include tuition costs paid by the division for special needs students and high school students.

**OTHER CHARGES** include payments of utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges.

**INTERNAL SERVICES** include charges from the internal service fund for insurance premiums and workers' compensation claims for which the School Board is liable.

**MATERIALS AND SUPPLIES** include expenditures for commodities which are consumed, such as instructional materials, custodial supplies, building supplies, etc.

**EQUIPMENT** includes expenditures for new equipment and replacement equipment, such as computer equipment, furniture, educational and audiovisual equipment, motor vehicles, communications equipment and medical equipment. This category excludes any capital outlays associated with facilities acquired or constructed that exceed \$50,000. Such capital outlays are included in the City's CIP Budget.

**DEBT/FUND TRANSFERS** account for the transferring of monies to and from one fund (e.g., School General fund) to another fund (e.g., Textbook fund or Grants fund). There is no outstanding debt for the division.

## FUND BALANCE CLASSIFICATIONS

Fund balance is categorized within one of five classifications based on the extent to which the School Board is bound to observe constraints imposed upon the use of resources in the governmental funds.

- The *non-spendable fund balance* category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It includes the long-term amount of inter-fund loans.
- The *restricted fund balance* is reported as restricted when constraints are placed on the use of resources either externally by creditors, grantors, contributors, laws and regulations, or through enabling legislation.
- The *committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the School Board - the highest level of authority.
- The *assigned fund balance* classification is intended to be used by the School Board for specific purposes that do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General fund, assigned amounts represent intended uses established by the School Board or the delegate – an authority delegated by appropriate action such as a resolution.
- The *unassigned fund balance* is the residual classification for the General fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

A fund balance of the School Board may be committed for a specific source of formal action, e.g., the approval of a contract would commit that fund balance for that specific purpose. When it is appropriate for a fund balance to be assigned, the School Board has delegated the authority to the Superintendent, or his designee, to assign the fund balance. In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

## POLICIES, REGULATIONS, & PROCESS

Each year, Virginia State Code requires the Division Superintendent to prepare an itemized budget to be presented to the School Board for adoption. This budget document serves as the financial outline of the division's education program and acts as the primary means of managing expenditures during the fiscal year (July 1 through June 30).

To manage the budget development process, the Superintendent prepares a calendar that identifies the necessary milestones to complete the next budget cycle. The budget calendar includes a number of public and private meetings between school leadership, the School Board, and the community. Towards the end of the budget calendar, the School Board hosts at least one advertised public hearing on the budget per State Code. To meet the advertisement requirement, the division purchases an ad at least ten days prior in the local newspaper, the *Virginian Pilot*. The division then incorporates the community feedback from the public hearing into the School Board's budget, representing a reasonable compromise between academic expectations and economic realities.

Once adopted, the Superintendent administers the budget in accordance with School Board policies and applicable local, state, and federal regulations and laws. Beginning FY 2013-14, Portsmouth City Council appropriated the division funds by category. The next fiscal year, Portsmouth City Council began appropriated funds on a quarterly basis. Beginning FY 2016-17, the Grants fund no longer requires categorical or quarterly appropriation and the Risk Management fund no longer requires categorical appropriation.

### **Movement of Funds**

The School Board authorizes the Superintendent to move funds between the accounts within each category as necessary, but the School Board must seek approval from City Council to move funds between categories. The School Board may submit a request to the City Council to allow a redistribution of the appropriated funds between the categories to meet projected expenditures, while still meeting the goals of the approved budget.

While the Superintendent has final approval for all expenditures, the various departments and schools manage the funds allotted to them. Authorized budget adjustments are required to move funds. An automated workflow process is in place for the appropriate personnel to approve budget amendments and expenditures in the category for which they are responsible. Approvers are expected to ensure the Virginia Public Procurement Act (VPPA) and School Board Policies and Regulations are followed.

### **Budget Monitoring**

Once the budget is formally adopted, the division maintains budgetary control through the MUNIS Enterprise Resource Planning (ERP) financial system using encumbrance accounting. The budget is consistently monitored and reviewed by the Budget Office.

The Purchasing department makes sure that money is spent in accordance with the VPPA. Additionally, large purchases must go through a formal requisition process which is facilitated in MUNIS.

On a day to day basis, the Budget Office relies on MUNIS electronic workflow to confirm that no account lines are overspent as well as monitoring budget transfer requests. Budget transfer requests, within categories, require the Chief Financial Officer's approval prior to being granted. The Budget Office also monitors for slow spending by departments and will contact departments/schools as deemed necessary.

Additionally, the Budget Office monitors revenue projections against actual revenue received. This step is vital especially with the trending decrease in ADM. The Budget Office may enact a temporary spending freeze in which all spending is temporarily centralized to help control spending in the event of significant changes in revenue projections versus actual.

### **Reporting**

The Budget Office prepares a cash basis monthly report to the School Board that tracks revenue and expenses for all funds on a year-to-date basis. The report compares revenue and expenditures to the same time period for the previous year to provide context for the division's spending patterns. Each report is approved by the School Board and subsequently sent to City Council.

Additionally, management maintains an internal control structure designed to provide reasonable assurance that material errors or fraud are detected in a timely manner by employees in the normal course of performing their duties. The division is also audited annually by an external audit firm in conjunction with the production of its Comprehensive Annual Financial Report (CAFR). The modified accrual basis of accounting is used for financial reporting.

#### *Modified Accrual Basis of Accounting*

The modified accrual basis of accounting is a generally accepted accounting principal (GAAP) method under which revenues are recognized in the period they become available and measureable and expenditures are recognized in the period the associated liability was incurred. A revenue example would be the school division receiving revenue in July for state sales tax incurred in June. The sales tax would be recorded as June revenue under the modified accrual basis of accounting. An expenditure example would be the pay out of the last week of June payroll at the beginning of July. Since the expenditures are related to employee work at the end of June, the division must report the expenditures in June.

The modified accrual basis of accounting is different than the cash basis of accounting. The cash basis of accounting is a method of recording transactions for revenue and expenditures only when the corresponding cash is received or payments are made. Utilizing the same revenue and expenditure examples above, the sales tax received in July and the June payroll paid in July would both be reported as part of July financial results under the cash basis of accounting.

### **Re-appropriation**

At the end of the fiscal year, the School Board is required to request, from City Council, re-appropriation of all unspent appropriated funds and is, also, required to request re-appropriation of lawfully encumbered funds at the end of the fiscal year. Funds not approved by City Council for re-appropriation are transferred back to the City. Additionally, in accordance with School Board Policy DA, any encumbrances not liquidated after 120 days have to be approved by the School Board to remain open.



## BUDGET DEVELOPMENT PROCESS

Throughout the process, the Budget Office periodically reviews staffing levels, revenue and expenditure projections, and monitors state legislation. The Budget Office conducted an online survey in the fall to solicit feedback. The feedback was incorporated with the School Board's mission and goals to develop the FY 2019-20 budget.

### **Non-payroll**

In the Fall, schools and departments submit non-payroll budget requests for the upcoming year electronically through the division's ERP financial system, MUNIS. Simultaneously, the Budget Office meets with departments and schools to discuss funding needs for the upcoming year. The Assistant Superintendent of Curriculum and Instruction and/or the Chief of Schools are involved with the discussions with the instructional administration. This step allows the Budget Office to gain greater insight into the proposed activities and changes from the current and preceding years for each school and department, and to assess how the request align with the Strategic Plan and public feedback from the budget survey.

Beginning with FY 2017-18, the Budget Office did not use a funding formula for non-payroll requests, but took the approach of providing the funding requested by each school while making adjustments where necessary based on any schools that were outliers compared to other schools serving the same grade level and similar student population. High schools receive funds to offer a freshman orientation for rising 9<sup>th</sup> graders. Based on positive feedback from schools, this approach was used for FY 2019-20.

On a per school basis, the Budget Office provides a lump sum per year for athletic and band programs. As the division continues to strive towards full accreditation at all schools, the FY 2019-20 budget includes funding for Standards of Learning (SOL) tutoring.

Non-payroll expenditures for the Cafeteria fund are estimated by the Food Services Coordinator. The Budget Office meets with the Coordinator to discuss anticipated changes in expenditures.

Non-payroll expenditures for the Risk Management fund are primarily based on historical expenses, third party projections for healthcare claims and administrative expenses, current and projected healthcare enrollment and current open workers compensation claims.

Grants and Textbook fund non-payroll expenditures are estimated based on expected grant and state funding amounts, respectively.

## **Payroll**

During November/early December, the Budget Office gathers information on any changes to healthcare costs, retirement benefits, and other payroll related costs.

An initial projection of payroll is done based on current filled and vacant positions in place at that point in time and all necessary adjustments for benefits are incorporated into the payroll projection.

After the initial projection, an in-house staffing tool is utilized to determine the proper staffing ratios based on various factors such as state Standards of Quality requirements, projected average daily member (ADM), square footage etc.

The Budget Office meets with Curriculum and Instruction, Human Resources and the Superintendent to review current staffing levels, open vacancies, and new positions proposed during the department and school budget meetings to determine adjustments needed.

## **Capital Improvement Plan**

The capital projects budget is based on a five-year Capital Improvement Plan. The Budget Office meets with the Operations and the Superintendent to discuss the projects that need to be requested and submitted for funding from the City. During these meetings, Operations provides a status of previous funded projects and identifies which projects need to be requested for funding. The capital projects selected are presented to the School Board and to City leadership. Currently, the division has developed a new five-year Capital Improvement Plan based on the final results of a recent third party facility study completed January 2018.

## **Revenues**

An initial projection of budgeted revenues is done based on the most recent available information which includes the Governor's proposed budget for the next fiscal year (released in mid-December). The Budget Office also meets with the Division Grant Writer to help identify additional grant revenue sources that may be available for the division to pursue based on the requests from the division.

Information concerning projected revenues and expenditures, related to the Grants fund and the Food Services fund, are obtained from the Finance and Food Services departments, respectively. The projected Grants fund revenue is based on current grants awarded with the anticipation that the school division will receive the same grant funding in the upcoming year and anticipated new grant awards currently pursued by the division. The Textbook fund budget is based on the projected state revenue and the minimum required local match as directed by the state.

The Budget Office then compares the projected payroll and non-payroll costs for the next fiscal year to the initial revenue projection as of December. Any must fund items, such as Virginia Retirement System rate increases, are included in the budget first. Any projected costs not covered under the initial revenue projection are accumulated and analyzed with the Superintendent and are deemed unfunded needs.

## **Communication**

The Budget Office incorporates the projected revenues, payroll projection, and approved non-payroll requests and unfunded needs into the Superintendent's Estimate of Needs (SEON). The SEON is submitted and presented to the School Board in February. Any changes requested by the School Board are incorporated into the SEON and serves as the basis for the School Board's Proposed Budget.

As required by Virginia State Code, the School Board holds a public hearing on the Proposed Budget. The School Board and City Council also hold a joint meeting to discuss budgetary concerns.

The Budget Office continues to review initial projection of costs for any changes and communicates the changes in a timely manner to the Superintendent and School Board. Additionally, the Budget Office stays abreast of changes in the initial revenue projections with the release of the Senate, House, and eventually the final State budget.

The Division Superintendent meets with the City Manager on a regular basis to discuss division matters (including budget discussions).

The Budget Office provides updates to the public primarily through social media, division website, and public meetings.

## **Budget Adoption**

By the end of March, the School Board formally adopts the Proposed Budget and these figures are sent to the City Manager for inclusion into the City Manager's Proposed Budget to City Council.

The City hosts public work sessions to address the City budget which includes the School Board budget. Any changes to local funding are communicated to the School Board and any necessary changes are incorporated.

City Council approves the City's budget (which includes the School Board budget) and the School Board adopts the final budget by the end of May.



## 2019-20 Budget Development Calendar

### September

Thursday, September 6, 2018	5:30 p.m.	School Board Public Work Session
Thursday, September 20, 2018	7:00 p.m.	School Board Meeting (Council Chambers)
Thursday, September 27, 2018	10:00 a.m.	PPS Budget Team Kick-Off Meeting

### October

\*Individual school and departmental budget meetings throughout the month\*

Wednesday, October 9, 2018	4:00 p.m.	School Board Finance Committee Meeting
Thursday, October 11, 2018	5:30 p.m.	School Board Public Work Session School & Department Budget instructions distributed; School & Departments begin submitting their budgets
Thursday, October 18, 2018	7:00 p.m.	School Board Meeting (Council Chambers) FY 2019-20 Budget Survey Released to Staff and Public

### November

\*Individual school and departmental budget meetings throughout the month\*

Thursday, November 9, 2018	7:00 p.m.	School Board Meeting (City Council Chambers) Input from Employee Groups presented to School Board
Tuesday, November 13, 2018	10:00 a.m.	Senior Staff and Budget Office meet to discuss FY 19-20 Operating, Staffing and CIP Budgets
Wednesday, November 21, 2018		Final input due in MUNIS from schools and departments
Thursday, November 30, 2018		Budget Survey Closes

### December

Monday, December 3, 2018		Preparation begins for Superintendent's Estimate of Needs
Thursday, December 6, 2018	5:30 p.m.	School Board Public Work Session
Tuesday, December 11, 2018	4:00 p.m.	School Board Finance Committee Meeting
Thursday, December 13, 2018	7:00 p.m.	School Board Meeting (Council Chambers)
Tuesday, December 18, 2018		Governor submits his Executive Budget Document - Preliminary State Revenue Estimates



## 2019-20 Budget Development Calendar

### January

Tuesday, January 16, 2019	4:00 p.m.	School Board Finance Committee Meeting
Thursday, January 10, 2019	5:30 p.m.	School Board Annual Organizational Meeting FY 2019-20 Budget Update
Thursday, January 24, 2019	7:00 p.m.	School Board Meeting (Council Chambers)

### February

Thursday, February 7, 2019	5:30 p.m.	School Board Public Work Session Superintendent Presentation of FY 2019-20 Statement of Needs to School Board
Thursday, February 21, 2019	7:00 p.m.	School Board Meeting (Simonsdale Elementary School) School Board holds Public Hearing on FY 2019-20 Proposed Budget
Wednesday, February 27, 2019		General Assembly Release Adopted State Budget - Revised State Revenue Estimates

### March

Tuesday, March 5, 2019	4:00 p.m.	School Board Finance Committee Meeting
Thursday, March 7, 2019	5:30 p.m.	School Board Public Work Session
Monday, March 11, 2019	5:30 p.m.	Joint City Council Meeting with School Board
Thursday, March 21, 2019	7:00 p.m.	School Board Meeting (Council Chambers) School Board approves FY 2019-20 Proposed Operating Budget
Friday, March 22, 2019		Division Superintendent Submission of School Board Proposed Budget to City Manager
Monday, March 25, 2019	5:00 p.m.	City Manager Presentation of Proposed Budget

### April

Thursday, April 4, 2019	5:30 p.m.	School Board Public Work Session
Tuesday, April 9 & 23, 2019	7:00 p.m.	City Council Meeting-Public Hearing on FY 2019-20 Proposed Budget and Tax Rates
Thursday, April 11, 2019	7:00 p.m.	School Board Meeting (Council Chambers)



### 2019-20 Budget Development Calendar

#### May

Thursday, May 9, 2019	5:30 p.m.	School Board Public Work Session
Tuesday, May 14, 2019	10:00 a.m.	Final draft of School Board Operating Budget due
	4:00 p.m.	School Board Finance Committee Meeting
		School Board reviews priorities and discusses options for any adjustments to the City Council adopted FY 2019-20 Operating
	7:00 p.m.	Regular City Council Meeting - Adoption of Operating Budget, School Budget, CIP and Tax Rates
Thursday, May 23, 2019	7:00 p.m.	School Board Meeting (Council Chambers) School Board adopts the final FY 2019-20 Operating Budget

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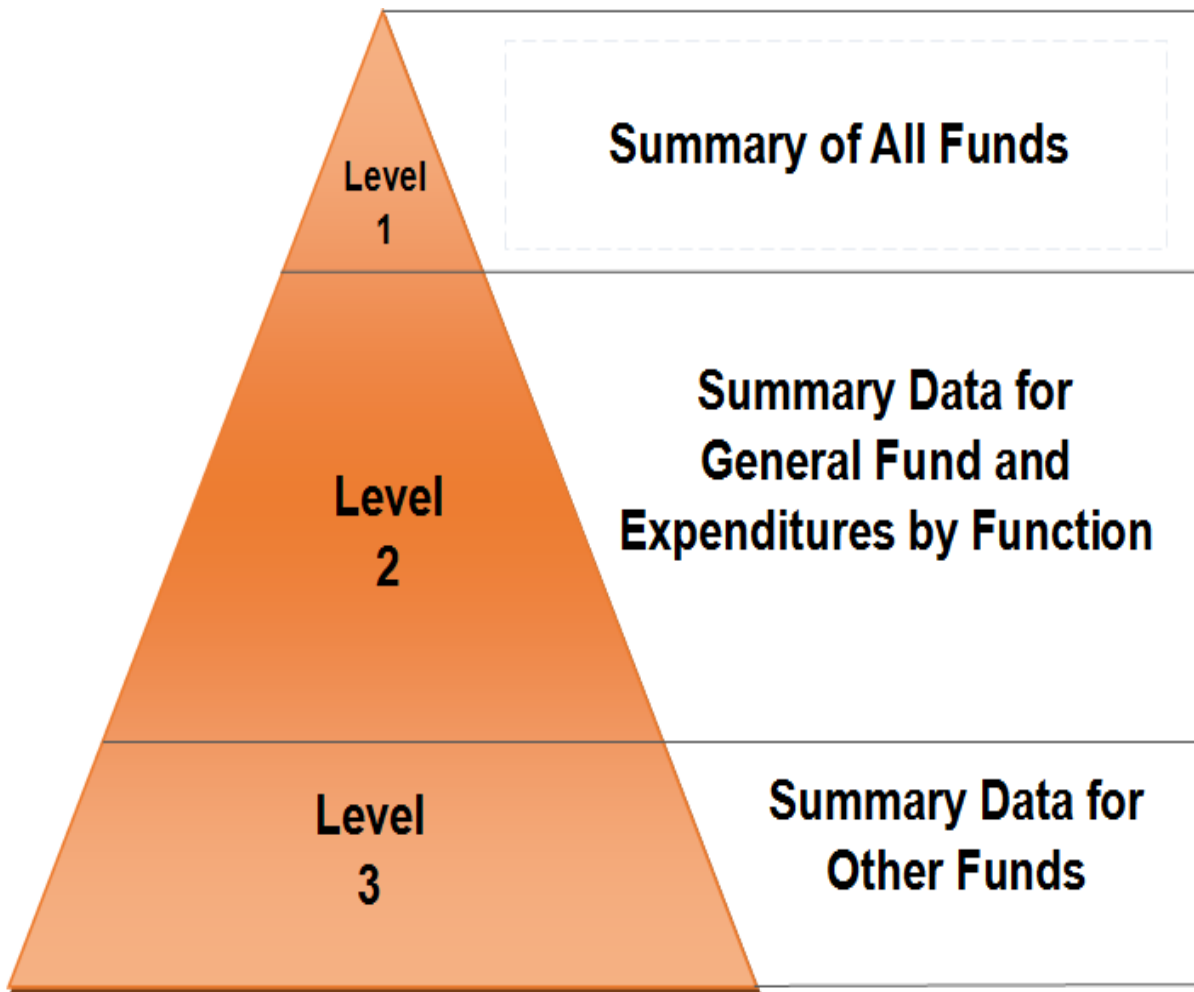
# Financial Section



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### FINANCIAL PYRAMID APPROACH

The Financial section is outlined in a pyramid approach starting with high level detail of the FY 2019-20 budget for all funds and gradually progressing to detailed information by fund, revenue, and expenditures. For the General fund, additional detail is provided by function and object code.



## All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2018-19 Original Adopted Budget and the FY 2019-20 Proposed Budget, respectively.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>General Fund</b>									
Revenues	137,400,506	141,647,962	142,223,575	145,327,289	150,702,511	5,375,222	148,602,999	147,582,999	146,562,999
Expenditures	138,221,642	142,898,050	142,556,902	143,919,184	149,292,614	5,373,430	147,199,711	146,185,908	145,171,717
Other Financing Sources (Transfers in)	301,433	-	636,000	-	-	-	-	-	-
Other Financing Uses (Transfers out)	(1,658,473)	(1,826,129)	(2,191,833)	(1,408,105)	(1,409,897)	(1,792)	(1,403,288)	(1,397,091)	(1,391,282)
Net activity	(2,178,176)	(3,076,217)	(1,889,160)	-	(0)	(0)	(0)	(0)	(0)
Beginning Fund Balance	7,932,853	5,754,677	2,678,460	-	-	-	-	-	-
Ending Fund Balance	5,754,677	2,678,460	789,300	-	(0)	(0)	(0)	(0)	(0)
<b>Grants Fund</b>									
Revenues	14,675,716	16,403,354	18,636,628	17,024,369	17,560,061	535,692	17,560,061	17,560,061	17,560,061
Expenditures	15,991,007	16,918,821	19,968,613	18,089,580	18,632,873	543,293	18,632,873	18,632,873	18,632,873
Other Financing Sources (Transfers in)	1,276,708	1,180,687	1,159,626	1,065,211	1,072,812	7,601	1,072,812	1,072,812	1,072,812
Other Financing Uses (Transfers out)	-	-	-	-	-	-	-	-	-
Net activity	(38,583)	665,220	(172,359)	-	-	(0)	-	-	-
Beginning Fund Balance	284,946	246,363	911,583	-	-	-	-	-	-
Ending Fund Balance	246,363	911,583	739,224	-	-	(0)	-	-	-
<b>Cafeteria Fund</b>									
Revenues	7,907,863	8,151,922	8,505,883	8,886,727	8,876,048	(10,679)	8,876,048	8,876,048	8,876,048
Expenditures	8,193,183	8,200,378	8,314,520	8,901,727	8,891,048	(10,679)	8,891,048	8,891,048	8,891,048
Other Financing Sources (Transfers in)	20,934	268,178	25,468	15,000	15,000	-	15,000	15,000	15,000
Other Financing Uses (Transfers out)	-	-	-	-	-	-	-	-	-
Net activity	(264,386)	219,722	216,831	-	-	-	-	-	-
Beginning Fund Balance	897,378	632,992	852,714	-	-	-	-	-	-
Ending Fund Balance	632,992	852,714	1,069,545	-	-	-	-	-	-

## All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2018-19 Original Adopted Budget and the FY 2019-20 Proposed Budget, respectively.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Textbook Fund</b>									
Revenues	991,094	1,130,731	1,110,560	1,006,927	987,640	(19,287)	967,405	948,430	929,455
Expenditures	897,901	390,590	400,204	1,334,821	1,309,725	(25,096)	1,282,881	1,257,709	1,232,925
Other Financing Sources (Transfers in)	360,831	377,264	370,739	327,894	322,085	(5,809)	315,476	309,279	303,470
Other Financing Uses (Transfers out)	-	-	-	-	-	-	-	-	-
Net activity	454,024	1,117,405	1,081,095	-	-	-	-	-	-
Beginning Fund Balance	988,698	1,442,722	2,560,127	-	-	-	-	-	-
Ending Fund Balance	1,442,722	2,560,127	3,641,222	-	-	-	-	-	-
<b>Risk Management Fund</b>									
Revenues	17,167,412	19,505,527	19,710,984	19,636,800	20,069,800	433,000	20,984,700	21,945,345	22,954,022
Expenditures	19,645,221	18,891,166	19,385,194	19,636,800	20,069,800	433,000	20,984,700	21,945,345	22,954,022
Transfer to City of Portsmouth	-	(252,628)	(5,189,613)	-	-	-	-	-	-
Other Financing Sources/(uses)	-	-	(636,000)	-	-	-	-	-	-
Net activity	(2,477,809)	361,733	(5,499,823)	-	-	-	-	-	-
Beginning Net Position	7,434,672	4,956,863	5,318,596	-	-	-	-	-	-
Restatement Net Position***	-	-	-	-	-	-	-	-	-
Ending Net Position	4,956,863	5,318,596	(181,227)	-	-	-	-	-	-
<b>Reprographics Fund**</b>									
Revenues	-	-	-	-	-	-	-	-	-
Expenditures	19,763	-	-	-	-	-	-	-	-
Nonoperating revenues/(expenses)	1,199	-	-	-	-	-	-	-	-
Transfer out	(301,433)	-	-	-	-	-	-	-	-
Net activity	(319,997)	-	-	-	-	-	-	-	-
Beginning Fund Balance	319,997	-	-	-	-	-	-	-	-
Ending Fund Balance	-	-	-	-	-	-	-	-	-

## All Revenues and Expenditures - Level 1

The following summary data for all funds (Level 1) includes actual amounts as reported in the Comprehensive Annual Financial Report which is presented using the modified accrual basis of accounting. Budget and proposed amounts are based on the FY 2018-19 Original Adopted Budget and the FY 2019-20 Proposed Budget, respectively.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Total All Funds</b>									
Revenues	178,142,591	186,839,496	190,187,630	191,882,112	198,196,060	6,313,948	196,991,213	196,912,883	196,882,585
Expenditures	182,968,717	187,299,005	190,625,433	191,882,112	198,196,060	6,313,948	196,991,213	196,912,883	196,882,585
Nonoperating revenues/(expenses)	1,199	-	-	-	-	-	-	-	-
Other Financing Sources (Transfers in)	1,959,906	1,826,129	2,191,833	1,408,105	1,409,897	1,792	1,403,288	1,397,091	1,391,282
Other Financing Uses (Transfers out)	(1,959,906)	(1,826,129)	(2,191,833)	(1,408,105)	(1,409,897)	(1,792)	(1,403,288)	(1,397,091)	(1,391,282)
Transfer to City of Portsmouth	-	(252,628)	(5,189,613)	-	-	-	-	-	-
Net activity	(4,824,927)	(712,137)	(6,263,416)	-	(0)	(0)	(0)	(0)	(0)
Beginning Fund Balance	17,858,544	13,033,617	12,321,480	-	-	-	-	-	-
Restatement Fund Balance***	-	-	-	-	-	-	-	-	-
Ending Fund Balance	13,033,617	12,321,480	6,058,064	-	(0)	(0)	(0)	(0)	(0)

\*\*\* Reprographic Fund closed in FY 2016. Remaining fund balance was transferred to the General Fund

## HISTORICAL FUND BALANCE CHANGES

### General Fund:

The General fund balance experienced a decrease in fund balance between FY 2016-17 and FY 2017-18. As part of the FY 2017-18 fiscal year, \$1.6 million of fund balance was transferred back to the City of Portsmouth for Education capital improvement projects.

Nonspendable fund balance represents inventory that continues to be used for division operations. Assigned fund balance is used to fund subsequent year expenditures ordered and encumbered in the previous fiscal year. Unassigned fund balance is used to cover subsequent year projected revenue gaps for additional expenditures.

		FY 2015-16	FY 2016-17	FY 2017-18
<b><i>General Fund</i></b>				
Nonspendable	\$	267,125	218,658	210,990
Restricted		-	-	-
Committed		-	-	-
Assigned		453,425	1,827,694	578,310
Unassigned		5,034,127	632,108	-
Ending Fund Balance	\$	5,754,677	2,678,460	789,300

### Grants Fund:

The Grants fund balance experienced a slight increase in restricted fund balance between FY 2016-17 and FY 2017-18. This increase was offset by a decrease in unassigned fund balance in FY 2017-18. Restricted fund balance is used to continue to fund grant program expenditures through the remaining award periods for the specific grants.

		FY 2015-16	FY 2016-17	FY 2017-18
<b><i>Grants Fund</i></b>				
Nonspendable	\$	-	-	-
Restricted		246,363	911,583	978,263
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	-	(239,039)
Ending Fund Balance	\$	246,363	911,583	739,224



**Cafeteria Fund:**

The Cafeteria fund balance experienced an increase in fund balance between FY 2016-17 and FY 2017-18. This increase due continuing to reduce expenses through operational changes, and receiving greater federal funding via the breakfast and lunch program.

Nonspendable fund balance represents inventory that continues to be used for food service operations. Restricted fund balance are used to fund food service expenditures in subsequent years and projected revenue gaps in the subsequent year.

		FY 2015-16	FY 2016-17	FY 2017-18
<b><i>Cafeteria Fund</i></b>				
Nonspendable	\$	4,926	11,719	31,879
Restricted		628,066	840,995	1,037,666
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	-	-
Ending Fund Balance	\$	632,992	852,714	1,069,545

**Textbook Fund:**

The Textbook fund balance experienced an increase in fund balance between FY 2016-17 and FY 2017-18. This increase is due to the textbook adoption process and timing of textbook delivery for adoptions completed during the 2017-18 school year.

Restricted fund balance are used to fund textbook expenditures in subsequent years based on the VDOE adoption schedule, textbook replacement needs, and other non-core subjects (i.e. World Languages) textbooks. A portion of textbook funds are used to fund other instructional materials that are aligned with the SOL.

		FY 2015-16	FY 2016-17	FY 2017-18
<b><i>Textbook Fund</i></b>				
Nonspendable	\$	-	-	-
Restricted		1,442,722	2,560,127	3,641,222
Committed		-	-	-
Assigned		-	-	-
Unassigned		-	-	-
Ending Fund Balance	\$	1,442,722	2,560,127	3,641,222

**Risk Management Fund:**

The Risk Management fund is not categorized using the fund balance categories above. The Risk Management fund reports net position on an annual basis. The FY 2017-18 net position decreased from FY 2016-17 due to a 5.3 million dollar transfer to the City to establish a risk management reserve fund with the City.

		2015-2016	2016-2017	2017-2018
Net Position	\$	4,956,863	5,318,596	(181,227)

## FY 2019-20 GENERAL FUND BUDGET

The General fund is the main operating fund for the division and funds the majority of the division's expenditures. The FY 2019-20 budget is \$150,702,511 and the ADM is 12,992. This budget is based on the General Assembly's approved budget.

### General Fund

REVENUES	FY 2018 - 19 ADOPTED BUDGET	FY 2019 - 20 PROJECTED BUDGET	Dollar Change	Percent Change
CITY FUNDS	\$ 52,796,045	\$ 55,396,045	\$ 2,600,000	4.92%
FEDERAL FUNDS	828,000	640,000	(188,000)	-22.71%
OTHER REVENUE FUNDS	2,084,499	2,152,000	67,501	3.24%
SALES TAX	15,809,649	16,383,782	574,133	3.63%
STATE FUNDS	73,809,096	76,130,684	2,321,588	3.15%
<b>TOTAL REVENUE</b>	<b>\$ 145,327,289</b>	<b>\$ 150,702,511</b>	<b>\$ 5,375,222</b>	<b>3.70%</b>

EXPENDITURES	FY 2018 - 19 ADOPTED BUDGET	FY 2019 - 20 PROJECTED BUDGET	Dollar Change	Percent Change
INSTRUCTION	\$ 105,816,739	\$ 109,552,051	\$ 3,735,312	3.53%
ADMINISTRATION ATTENDANCE & HEALTH	9,215,968	9,115,188	(100,780)	-1.09%
PUPIL TRANSPORTATION	6,700,486	6,774,262	73,776	1.10%
OPERATIONS AND MAINTENANCE	15,351,579	15,329,571	(22,008)	-0.14%
DEBT/FUND TRANSFERS	1,408,105	2,871,697	1,463,592	103.94%
INFORMATION TECHNOLOGY	6,834,412	7,059,742	225,330	3.30%
<b>TOTAL EXPENDITURES</b>	<b>\$ 145,327,289</b>	<b>\$ 150,702,511</b>	<b>\$ 5,375,222</b>	<b>3.70%</b>

#### General Fund Budget Highlights:

Increased revenue of approx. \$5.4 million

Provide a 3% compensation increase for all employees (approx. \$2.6 million)

Add 11 additional Instructional positions (approx. \$775,000)

Add 13 additional Student Supports positions (approx. \$625,000)

Add 18 additional School Climate and Safety positions (approx. \$565,000)

Increase budgets for substitute teachers, professional development, student software/classroom technology and rising utilities costs (approx. \$810,000)

## General Fund Revenues - Level 2

The following table is a breakout of General Fund revenues by classification.

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
<b>State Revenues</b>									
SALES TAX RECEIPTS	\$ 15,046,394	\$ 15,161,431	\$ 15,395,174	\$ 15,809,649	\$ 16,383,782	\$ 574,133	\$ 15,862,868	\$ 15,862,868	\$ 15,862,868
BASIC AID	42,599,805	43,893,691	43,268,746	43,747,848	42,485,514	(1,262,334)	44,181,556	43,161,556	42,141,556
COMPENSATION SUPPLEMENT	751,516		442,249	-	2,716,042	2,716,042	-	-	-
VOCATIONAL ED SOQ	727,974	750,203	743,096	757,756	744,330	(13,426)	744,330	744,330	744,330
GIFTED EDUCATION SOQ	481,898	493,284	488,611	498,524	489,691	(8,833)	489,691	489,691	489,691
SPECIAL EDUCATION SOQ	5,013,794	4,727,304	4,682,524	4,845,651	4,769,591	(76,060)	4,769,591	4,769,591	4,769,591
PREV/INTERV/REMED SOQ	2,696,580	2,805,552	2,778,976	2,741,881	2,693,301	(48,580)	2,693,301	2,693,301	2,693,301
REMEDIAL SUMMER SCHOOL	190,619	167,826	168,952	162,027	126,837	(35,190)	126,837	126,837	126,837
ESL	40,002	69,304	72,685	119,682	95,847	(23,835)	95,847	95,847	95,847
VRS RETIREMENT	5,454,680	5,796,085	6,392,663	6,221,576	6,121,139	(100,437)	6,121,139	6,121,139	6,121,139
SOCIAL SECURITY	2,758,099	2,815,829	2,789,156	2,821,644	2,771,652	(49,992)	2,771,652	2,771,652	2,771,652
GROUP LIFE INS INSTR	174,304	195,258	193,409	189,439	186,083	(3,356)	186,083	186,083	186,083
AT RISK	2,723,937	2,988,234	2,964,916	2,777,390	3,345,094	567,704	3,345,094	3,345,094	3,345,094
K-3 PRIM CLASS REDUCT	3,640,788	3,557,185	3,604,336	3,494,099	3,383,323	(110,776)	3,383,323	3,383,323	3,383,323
REGULAR FOSTER CHILDREN	62,837	42,066	89,383	145,976	102,535	(43,441)	102,535	102,535	102,535
HOMEBOUND	102,120	111,373	113,601	113,147	156,600	43,453	156,600	156,600	156,600
REGIONAL TUITION PROG	2,418,259	2,346,224	2,616,964	2,441,344	2,344,463	(96,881)	2,344,463	2,344,463	2,344,463
CTE - EQUIP	-	-	-	-	-	-	-	-	-
CTE - OCCUPATION PREP	-	-	-	-	-	-	-	-	-
SP ED FOSTER CHILDREN	65,882	41,615	-	-	-	-	-	-	-
VIRTUAL ADVANCED PLACEMENT	2,378	-	-	-	-	-	-	-	-
PROJECT GRADUATION	33,302	-	-	-	-	-	-	-	-
INDUSTRY CERTIFICATION COSTS	-	-	-	-	-	-	-	-	-
WORKPLACE READINESS ASSESSMENT	-	-	-	-	-	-	-	-	-
ADD ASST RETIREMENT INFLATION	-	-	-	-	-	-	-	-	-
SUPPLEMENTAL LOTTERY PER PUPIL	-	540,146	2,790,377	2,731,112	3,598,642	867,530	3,040,044	3,040,044	3,040,044
<b>Total State Revenues</b>	<b>84,985,167</b>	<b>86,502,610</b>	<b>89,595,818</b>	<b>89,618,745</b>	<b>92,514,466</b>	<b>2,895,721</b>	<b>90,414,954</b>	<b>89,394,954</b>	<b>88,374,954</b>
<b>Local Revenues</b>									
CITY OF PORTSMOUTH	51,200,000	52,400,000	52,400,000	52,796,045	55,396,045	2,600,000	55,396,045	55,396,045	55,396,045
<b>Total Local Revenues</b>	<b>51,200,000</b>	<b>52,400,000</b>	<b>52,400,000</b>	<b>52,796,045</b>	<b>55,396,045</b>	<b>2,600,000</b>	<b>55,396,045</b>	<b>55,396,045</b>	<b>55,396,045</b>

## General Fund Revenues - Level 2

The following table is a breakout of General Fund revenues by classification.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Federal Revenues</b>						-			
IMPACT AID	376,654	575,409	400,000	575,000	400,000	(175,000)	400,000	400,000	400,000
JROTC	246,380	252,648	200,000	253,000	240,000	(13,000)	240,000	240,000	240,000
<b>Total Federal Revenues</b>	<b>623,034</b>	<b>828,057</b>	<b>600,000</b>	<b>828,000</b>	<b>640,000</b>	<b>(188,000)</b>	<b>640,000</b>	<b>640,000</b>	<b>640,000</b>
<b>Other Revenue</b>						-			
MISCELLANEOUS	589,679	1,911,930	1,707,495	2,010,000	2,092,000	82,000	2,092,000	2,092,000	2,092,000
INTEREST	2,626	5,365		74,499	60,000	(14,499)	60,000	60,000	60,000
<b>Total Other Revenues</b>	<b>592,305</b>	<b>1,917,295</b>	<b>1,707,495</b>	<b>2,084,499</b>	<b>2,152,000</b>	<b>67,501</b>	<b>2,152,000</b>	<b>2,152,000</b>	<b>2,152,000</b>
<b>Transfers In from Other Funds</b>	<b>301,433</b>	-	-	-	-	-	-	-	-
<b>Charges for Services***</b>									
HEALTH SELF INSURANCE PLAN	-	-	-	-	-	-	-	-	-
<b>Total Charges for Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subtotal General Fund Revenue</b>	<b>\$ 137,701,938</b>	<b>\$ 141,647,962</b>	<b>\$ 144,303,313</b>	<b>\$ 145,327,289</b>	<b>\$ 150,702,511</b>	<b>\$ 5,375,222</b>	<b>\$ 148,602,999</b>	<b>\$ 147,582,999</b>	<b>\$ 146,562,999</b>

\*\*\*Charges for Services were accounted for in Risk Management Fund starting July 1, 2015

State Funding impacted by changes in Average Daily Membership

Budget Forecasts:

State budget projections for FY 2021, FY 2022, and FY 2023 cannot be reasonably projected since they are a separate biennium budget which the state will begin working on in FY 2020. The state updates the various factors that impact funding such as the SOQ formula, average salaries, ADM, per pupil amounts for Special Education, and fringe benefit rates. As such, state amounts are projected to stay flat due to limited information available concerning future state budgets.

For FY 2020-21 through FY 2022-2023, the budget is projected to decrease primarily due to declining average daily membership. The division will analyze staffing based on reduced students and will likely have to reduce the number of teachers through attrition to balance the budget. As always, the state budget is not finalized; thus this projection is subject to change.

## General Fund Expenditures by Category and Type - Level 2

The following table is a breakout of General Expenditures by Category and Expenditure Type.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Instruction</b>									
Salaries	\$ 67,183,653	\$ 68,131,653	\$ 67,980,429	\$ 69,722,809	\$ 72,833,139	\$ 3,110,330	\$ 72,833,139	\$ 72,833,139	\$ 72,833,139
Benefits	24,581,525	26,321,053	27,484,374	27,491,158	27,885,398	394,240	27,885,398	27,885,398	27,885,398
Purchased Services	1,028,141	1,163,090	1,149,997	1,092,805	1,246,840	154,035	1,000,000	1,000,000	1,000,000
Joint Operations	4,469,180	4,887,817	4,676,272	4,691,627	4,889,107	197,480	4,889,107	4,600,000	4,400,000
Other Charges	446,258	331,983	351,904	272,990	412,975	139,985	270,000	270,000	200,000
Internal Services	178,612	283,722	46,560	491,682	-	(491,682)	-	-	-
Materials/Supplies	1,793,747	1,425,894	2,731,628	2,026,718	2,254,592	227,874	1,500,000	1,400,000	1,400,000
Equipment	59,522	1,124,649	743,429	26,950	30,000	3,050	30,000	30,000	-
Transfer to City of Portsmouth	-	3,032,024	842,825	-	-	-	-	-	-
<b>Total Instruction</b>	<b>\$ 99,740,638</b>	<b>\$ 106,701,885</b>	<b>\$ 106,007,418</b>	<b>\$ 105,816,739</b>	<b>\$ 109,552,051</b>	<b>\$ 3,735,312</b>	<b>\$ 108,407,644</b>	<b>\$ 108,018,537</b>	<b>\$ 107,718,537</b>
<b>Administration, Attendance, Health</b>									
Salaries	\$ 4,147,937	\$ 4,265,618	\$ 4,417,846	\$ 5,060,772	\$ 5,311,945	\$ 251,173	\$ 5,311,945	\$ 5,311,945	\$ 5,311,945
Benefits	1,754,332	1,544,383	1,662,961	1,874,152	1,903,708	29,556	1,903,708	1,903,708	1,903,708
Purchased Services	925,557	1,306,335	1,440,101	1,172,580	1,551,405	378,825	1,000,000	900,000	900,000
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	266,837	365,504	238,223	197,305	251,960	54,655	251,960	200,000	200,000
Internal Services	338,269	889,041	5,424	843,209	-	(843,209)	-	-	-
Materials/Supplies	40,559	52,774	113,977	57,950	96,170	38,220	50,000	40,000	40,000
Equipment	25,598	80,641	6,207	10,000	-	(10,000)	-	-	-
Transfer to City of Portsmouth	-	-	288,850	-	-	-	-	-	-
<b>Total Administration, Attendance, Health</b>	<b>\$ 7,499,088</b>	<b>\$ 8,504,297</b>	<b>\$ 8,173,589</b>	<b>\$ 9,215,968</b>	<b>\$ 9,115,188</b>	<b>\$ (100,780)</b>	<b>\$ 8,517,613</b>	<b>\$ 8,355,653</b>	<b>\$ 8,355,653</b>
<b>Pupil Transportation</b>									
Salaries	\$ 3,416,837	\$ 3,550,594	\$ 3,492,715	\$ 3,663,232	\$ 3,667,348	\$ 4,116	\$ 3,667,348	\$ 3,667,348	\$ 3,667,348
Benefits	1,570,707	1,716,470	1,704,128	1,815,464	1,746,284	(69,180)	1,746,284	1,746,284	1,746,284
Purchased Services	663,471	743,288	851,586	642,586	813,386	170,800	650,000	650,000	650,000
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	181,250	1,527	16,155	1,700	2,700	1,000	2,700	2,700	2,700
Internal Services	52,528	50,729	-	105,330	-	(105,330)	-	-	-
Materials/Supplies	405,971	385,228	462,129	472,174	544,544	72,370	400,000	385,000	385,000
Equipment	124,559	1,327	1,320	-	-	-	-	-	-
Transfer to City of Portsmouth	-	-	296,983	-	-	-	-	-	-
<b>Total Pupil Transportation</b>	<b>\$ 6,415,322</b>	<b>\$ 6,449,163</b>	<b>\$ 6,825,017</b>	<b>\$ 6,700,486</b>	<b>\$ 6,774,262</b>	<b>\$ 73,776</b>	<b>\$ 6,466,332</b>	<b>\$ 6,451,332</b>	<b>\$ 6,451,332</b>

## General Fund Expenditures by Category and Type - Level 2

The following table is a breakout of General Expenditures by Category and Expenditure Type.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Operations and Maintenance</b>									
Salaries	\$ 5,277,367	\$ 5,648,490	\$ 5,374,084	\$ 6,070,780	\$ 6,091,601	\$ 20,821	\$ 6,091,601	\$ 6,091,601	\$ 6,091,601
Benefits	2,114,102	2,370,931	2,365,108	2,536,384	2,592,295	55,911	2,592,295	2,592,295	2,592,295
Purchased Services	2,759,793	2,032,266	2,602,774	2,009,310	2,098,900	89,590	2,049,300	2,000,000	2,000,000
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	3,959,530	3,502,962	3,707,729	3,626,490	3,781,780	155,290	3,781,780	3,500,000	3,500,000
Internal Services	61,344	44,906	-	117,275	-	(117,275)	-	-	-
Materials/Supplies	619,671	959,061	809,519	640,440	739,995	99,555	739,995	617,142	600,000
Equipment	1,256,257	910,866	115,820	350,900	25,000	(325,900)	25,000	25,000	-
Transfer to City of Portsmouth	-	-	206,006	-	-	-	-	-	-
<b>Total Operations and Maintenance</b>	<b>\$ 16,048,063</b>	<b>\$ 15,469,482</b>	<b>\$ 15,181,041</b>	<b>\$ 15,351,579</b>	<b>\$ 15,329,571</b>	<b>\$ (22,008)</b>	<b>\$ 15,279,971</b>	<b>\$ 14,826,038</b>	<b>\$ 14,783,896</b>
<b>Technology</b>									
Salaries	\$ 1,510,003	\$ 1,481,470	\$ 1,635,880	\$ 2,620,411	\$ 2,595,990	\$ (24,421)	\$ 2,595,990	\$ 2,595,990	\$ 2,595,990
Benefits	544,917	604,773	675,058	1,034,051	1,026,202	(7,849)	1,026,202	1,026,202	1,026,202
Purchased Services	954,238	754,075	838,487	926,100	981,100	55,000	981,100	981,100	750,000
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	323,707	285,231	463,517	278,050	354,050	76,000	354,050	354,050	280,000
Internal Services	247	-	-	400	-	(400)	-	-	-
Materials/Supplies	923,478	868,751	1,291,061	1,172,400	1,182,400	10,000	1,182,400	1,182,400	900,000
Equipment	4,184,330	720,693	1,181,873	803,000	920,000	117,000	920,000	920,000	829,692
Transfer to City of Portsmouth	-	26,814	18,972	-	-	-	-	-	-
<b>Total Technology</b>	<b>\$ 8,440,919</b>	<b>\$ 4,741,807</b>	<b>\$ 6,104,847</b>	<b>\$ 6,834,412</b>	<b>\$ 7,059,742</b>	<b>\$ 225,330</b>	<b>\$ 7,059,742</b>	<b>\$ 7,059,742</b>	<b>\$ 6,381,884</b>
<b>Debt/Fund Transfers</b>	<b>1,736,085</b>	<b>2,857,546</b>	<b>2,936,033</b>	<b>1,408,105</b>	<b>2,871,697</b>	<b>1,463,592</b>	<b>2,871,697</b>	<b>2,871,697</b>	<b>2,871,697</b>
<b>Health Self Insurance Plan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Subtotal General Fund Expenditures</b>	<b>\$ 139,880,115</b>	<b>\$ 144,724,180</b>	<b>\$ 145,227,945</b>	<b>\$ 145,327,289</b>	<b>\$ 150,702,511</b>	<b>\$ 5,375,222</b>	<b>\$ 148,602,999</b>	<b>\$ 147,582,999</b>	<b>\$ 146,562,999</b>

## General Fund Expenditures by Function and Object Code

To provide a more detailed look at the General fund, the next pages provide a breakdown of the main operating fund by Function and Object Code.

Each appropriated category is made up of different functions which describe the activity or purpose of the budgeted expenditures. Function codes are used in line with the VDOE prescribed account code structure that is to be followed by all school divisions. Examples of function codes include: 61100 Classroom Instruction, 62160 Fiscal Services, and 64100 Management and Direction.

Function	Description
61XXX	Instruction
62XXX	Administration, Attendance, and Health
63XXX	Pupil Transportation
64XXX	Operations and Maintenance
67XXX	Debt/Fund Transfers
68XXX	Information Technology

Each Function is made up of different object codes. Object codes provide the lowest level of detail of the type of expenditures budgeted within the school system and are in line with the VDOE prescribed account code structure. Examples of object codes includes: 511120 Instructional Salaries and Wages, 522210 VRS Benefits Hybrid Plan Employees Only, and 566030 Instructional Materials.

Object	Description
51XXXX	Personal Services (Salaries and Wages)
52XXXX	Employee Benefits
53XXXX	Purchased Services
54XXXX	Internal Services
55XXXX	Other Charges
56XXXX	Materials and Supplies
57XXXX	Payment to Joint Operations
58XXXX	Capital Outlay
59XXXX	Other Uses of Funds



## General Fund Expenditures by Function and Object Code

	FY 2017-2018 ACTUALS	FY 2018-2019 BUDGET	FY 2019-2020 BUDGET	\$ Change	% Change
<b>Instruction</b>					
<b>61100 CLASSROOM INSTRUCTION</b>					
511120 INSTRUCTIONAL	100,912	104,983	108,057	3,074	3%
511120 TEACHER	48,859,093	51,917,854	52,898,671	980,817	2%
511120 TEACHER NON REMEDIAL SUMMER	23,350	-	79,600	79,600	100%
511120 TEACHER REMEDIAL SUMMER SCH	39,925	-	160,000	160,000	100%
511120 TEACHER SUMMER NON REMEDIAL	246,119	247,000	-	(247,000)	-100%
511120 TEACHER SUMMER STARBASE	20,925	-	38,000	38,000	100%
511122 LIBRARIAN	6,831	7,200	-	(7,200)	-100%
511122 LIBRARIAN NON REMEDIAL SUMMER	1,300	-	2,850	2,850	100%
511126 PRINCIPAL	8,320	7,500	-	(7,500)	-100%
511130 OTHER PROFESSIONAL	208,038	153,817	122,707	(31,110)	-20%
511142 SECURITY GUARD	10,125	10,600	-	(10,600)	-100%
511150 CLERICAL SUMMER	10,743	10,800	-	(10,800)	-100%
511150 CLERICAL SUMMER SCHOOL	1,638	-	8,350	8,350	100%
511151 CLRM INST E REG ED PARA	34,230	35,384	36,445	1,061	3%
511151 INSTR ASST NON REMEDIAL SUMMER	848	-	4,550	4,550	100%
511151 INSTR ASST REMEDIAL SUMMER SCH	3,244	-	9,800	9,800	100%
511151 INSTR ASST SUMMER NON REMEDIAL	17,639	17,700	-	(17,700)	-100%
511151 PARA	2,954,447	3,301,867	3,636,738	334,871	10%
511151 PARAPROFESSIONAL	34,920	38,271	39,194	923	2%
511521 SUB TCHR	520	-	1,458	1,458	100%
511521 SUB TEACHER	782,184	196,868	712,429	515,561	262%
511551 SUB PARA	23,326	-	-	-	0%
511551 SUB PARAPROFESSIONAL	13,845	-	-	-	0%
511620 SUPPLEMENTS	612,635	900,071	959,200	59,129	7%
522100 FICA	4,023,799	3,691,024	3,824,408	133,384	4%
522210 VRS	6,260,530	6,473,806	5,789,796	(684,010)	-11%
522220 VRS HYBRID PLAN	2,120,027	2,531,992	3,043,813	511,821	20%
522300 HEALTH INSURANCE	8,245,179	8,388,960	8,432,531	43,571	1%
522400 LIFE INSURANCE	675,427	724,559	739,509	14,950	2%
522510 VLDP VA LOCAL DISABILTY PROG	40,355	48,267	79,431	31,164	65%
522600 UNEMPLOYMENT COMPENSATION	14,119	-	-	-	0%
522750 VRS HEALTH INSURANCE CREDIT	9,639	10,514	14,008	3,494	33%
522750 VRS HIC	622,311	669,891	663,077	(6,814)	-1%
533120 CONSULTANTS	19,760	19,760	19,760	-	0%
533160 MISC SERVICES	-	-	10,035	10,035	100%
533170 PROFESSIONAL SERVICES	5,279	11,300	3,300	(8,000)	-71%
533300 REPAIR EQUIPMENT	29,406	32,500	32,500	-	0%
533500 OUTSIDE PRINTING	4,000	4,000	4,000	-	0%
533810 TUITION - PUBLIC DE/AP	550,345	482,000	509,000	27,000	6%
544020 PPS CARRIER	38,584	29,500	3,000	(26,500)	-90%
544020 PPS CARRIER-SOL REMEDIATION	7,720	66,296	26,000	(40,296)	-61%
555201 POSTAGE	74	750	300	(450)	-60%
555511 TRAVEL - LOCAL	2,098	5,145	1,145	(4,000)	-78%
555531 FIELD TRIPS	23,100	16,250	18,000	1,750	11%
555541 STAFF DEVELOPMENT	106,426	52,000	91,500	39,500	76%
555801 DUES / MEMBERSHIPS	239	1,200	700	(500)	-42%
566001 OFFICE SUPPLIES	1,462	15,300	2,000	(13,300)	-87%
566002 FOOD SUPPLIES	1,231	5,000	1,000	(4,000)	-80%
566030 INSTRUCTIONAL SUPPLIES	795,861	561,730	644,710	82,980	15%
566031 PBIS SUPPLIES	20,501	29,200	39,000	9,800	34%
566032 SCHOOL FURNITURE	74,188	-	-	-	0%
577100 TUITION - SECEP	4,062,006	4,077,627	4,265,107	187,480	5%
577200 TUITION	614,267	614,000	624,000	10,000	2%
588100 REPLACE - EQUIPMENT	3,000	3,000	3,000	-	0%
588200 NEW EQUIP	2,000	-	-	-	0%
588200 NEW EQUIPMENT	20,504	23,950	21,000	(2,950)	-12%
588220 NEW - INFRASTRUCTURE ADDIT.	370,644	-	-	-	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
599999 TRANSFER TO CITY	842,825	-	-	-	0%
<b>61210 GUIDANCE SERVICES</b>					
511120 TEACHER	1,844,527	1,901,396	2,211,883	310,487	16%
511150 CLERICAL	170,170	177,077	168,383	(8,694)	-5%
522100 FICA	149,758	136,945	161,157	24,212	18%
522210 VRS	292,046	297,233	274,586	(22,647)	-8%
522220 VRS HYBRID PLAN	36,632	38,566	98,665	60,099	156%
522300 HEALTH INSURANCE	293,548	291,031	303,511	12,480	4%
522400 LIFE INSURANCE	26,382	26,970	31,203	4,233	16%
522510 VLDP VA LOCAL DISABILTY PROG	696	735	2,292	1,557	212%
522750 VRS HIC	24,772	25,327	28,319	2,992	12%
555541 STAFF DEVELOPMENT	165	200	200	-	0%

## General Fund Expenditures by Function and Object Code

	FY 2017-2018 ACTUALS	FY 2018-2019 BUDGET	FY 2019-2020 BUDGET	\$ Change	% Change
555801 DUES / MEMBERSHIPS	-	200	200	-	0%
566001 OFFICE SUPPLIES	1,692	1,650	1,650	-	0%
566002 FOOD SUPPLIES	345	450	450	-	0%
566003 BOOKS / SUBSCRIPTIONS	628	675	675	-	0%
566030 INSTRUCTIONAL SUPPLIES	5,475	-	5,900	5,900	100%
<b>61220 SOCIAL WORKER SERVICES</b>					
511130 OTHER PROFESSIONAL	506,642	546,250	711,422	165,172	30%
522100 FICA	37,933	39,948	52,000	12,052	30%
522210 VRS	82,828	89,152	79,441	(9,711)	-11%
522220 VRS HYBRID PLAN	774	-	32,115	32,115	100%
522300 HEALTH INSURANCE	50,892	45,551	66,377	20,826	46%
522400 LIFE INSURANCE	6,711	7,160	9,326	2,166	30%
522510 VLDP VA LOCAL DISABILITY PROG	15	-	695	695	100%
522750 VRS HEALTH INSURANCE CREDIT	-	-	2,028	2,028	100%
522750 VRS HIC	6,301	6,722	6,383	(339)	-5%
555511 TRAVEL - LOCAL	1,264	1,500	1,500	-	0%
<b>61230 HOMEBOUND INSTRUCTION</b>					
511120 TEACHER	83,144	106,300	82,000	(24,300)	-23%
522100 FICA	6,259	8,132	6,273	(1,859)	-23%
<b>61310 IMPROVEMENT OF INSTRUCTION</b>					
511110 DIR / SUPV / MNGR / COORD	1,323,975	1,286,171	1,410,828	124,657	10%
511113 ASST SUPT	274,674	-	-	-	0%
511120 TEACHER	587,139	603,394	929,268	325,874	54%
511130 OTHER PROFESSIONAL	239,812	71,570	73,718	2,148	3%
511141 TECHNOLOGY SUPPORT	766,981	-	-	-	0%
511150 CLERICAL	542,929	593,485	740,723	147,238	25%
511150 INST SUP M REG ED CLERICAL	71,018	69,536	98,936	29,400	42%
511620 SUPPLEMENTS	52,362	-	35,000	35,000	100%
511660 BONUSES	-	-	-	-	0%
522100 FICA	285,315	192,120	242,090	49,970	26%
522210 VRS	579,618	395,659	399,810	4,151	1%
522220 VRS HYBRID PLAN	21,575	23,966	103,833	79,867	333%
522300 HEALTH INSURANCE	464,497	314,702	331,951	17,249	5%
522400 LIFE INSURANCE	48,208	33,711	42,097	8,386	25%
522510 VLDP VA LOCAL DISABILITY PROG	410	457	2,236	1,779	389%
522750 VRS HEALTH INSURANCE CREDIT	2,880	2,572	2,069	(503)	-20%
522750 VRS HIC	42,349	33,279	36,059	2,780	8%
533120 CONSULTANTS	71,365	93,445	97,445	4,000	4%
533160 MISC SERVICES	-	3,500	23,500	20,000	571%
533170 PROFESSIONAL SERVICES	92,936	130,000	130,000	-	0%
533300 REPAIR EQUIPMENT	-	3,000	4,000	1,000	33%
533350 CONT OPS	30,587	29,000	75,000	46,000	159%
533410 PUBLIC CARRIER	210,179	150,000	200,000	50,000	33%
533500 OUTSIDE PRINTING	54,462	59,000	49,000	(10,000)	-17%
533804 CITY SERVICES	76,283	74,300	83,300	9,000	12%
540000 RISK MGMT WC INTERNAL SERVICES	-	395,586	-	(395,586)	-100%
544020 PPS CARRIER	256	300	300	-	0%
555201 POSTAGE	43,837	53,690	53,690	-	0%
555511 TRAVEL - LOCAL	8,744	16,795	14,095	(2,700)	-16%
555521 TRAVEL - OUT OF TOWN	22,135	7,000	27,000	20,000	286%
555541 STAFF DEVELOPMENT	78,466	45,265	84,565	39,300	87%
555801 DUES / MEMBERSHIPS	39,188	43,030	44,680	1,650	4%
555802 MISCELLANEOUS	392	-	-	-	0%
566001 OFFICE SUPPLIES	19,311	27,320	30,460	3,140	11%
566002 FOOD SUPPLIES	9,349	8,300	14,300	6,000	72%
566003 BOOKS / SUBSCRIPTIONS	190,927	210,120	208,620	(1,500)	-1%
566006 ATHLETIC SUPPLIES	177,788	122,000	154,000	32,000	26%
566009 MARCHING BAND SUPPLIES	124,478	36,000	36,000	-	0%
566015 TECHNOLOGY-PARTS & MAINTENANCE	54,041	60,000	80,000	20,000	33%
566030 INSTRUCTIONAL SUPPLIES	338,296	187,357	196,765	9,408	5%
566032 SCHOOL FURNITURE	-	-	1,900	1,900	100%
566040 SOFTWARE	655,837	557,650	606,650	49,000	9%
588100 REPLACE - EQUIPMENT	7,333	-	5,000	5,000	100%
588200 NEW EQUIPMENT	299,969	-	1,000	1,000	100%
<b>61320 MEDIA SERVICES</b>					
511122 LIBRARIAN	1,211,933	1,266,398	1,257,615	(8,783)	-1%
511130 OTHER PROFESSIONAL	70,014	-	64,840	64,840	100%
511141 TECHNOLOGY SUPPORT	42,866	-	41,669	41,669	100%
511150 CLERICAL	158,544	160,636	151,141	(9,495)	-6%
511522 SUB LIBRARY MEDIA SPECIALIST	2,058	-	-	-	0%
522100 FICA	110,075	93,848	100,798	6,950	7%
522210 VRS	197,725	183,682	186,751	3,069	2%
522220 VRS HYBRID PLAN	38,680	49,227	50,053	826	2%

## General Fund Expenditures by Function and Object Code

	<u>FY 2017-2018 ACTUALS</u>	<u>FY 2018-2019 BUDGET</u>	<u>FY 2019-2020 BUDGET</u>	<u>\$ Change</u>	<u>% Change</u>
522300 HEALTH INSURANCE	272,875	234,978	251,820	16,842	7%
522400 LIFE INSURANCE	19,052	18,709	19,798	1,089	6%
522510 VLDP VA LOCAL DISABILTY PROG	735	940	1,312	372	40%
522750 VRS HIC	17,817	17,566	18,135	569	3%
555541 STAFF DEVELOPMENT	7,326	3,600	11,000	7,400	206%
555801 DUES / MEMBERSHIPS	-	-	1,300	1,300	100%
566003 BOOKS / SUBSCRIPTIONS	74,258	42,500	46,500	4,000	9%
566030 INSTRUCTIONAL SUPPLIES	65,202	9,500	19,000	9,500	100%
566040 SOFTWARE	-	25,000	25,000	-	0%
588100 REPLACE - EQUIPMENT	-	-	-	-	0%
588200 NEW EQUIPMENT	-	-	-	-	0%
<b>61410 OFFICE OF THE PRINCIPAL</b>					
511126 PRINCIPAL	2,252,339	2,194,513	2,223,448	28,935	1%
511127 ASST PRIN	2,245,260	2,234,364	2,228,668	(5,696)	0%
511150 CLERICAL	1,518,451	1,561,804	1,585,548	23,744	2%
511550 SUB CLERICAL	438	-	-	-	0%
522100 FICA	447,980	441,984	442,944	960	0%
522210 VRS	877,940	884,704	855,410	(29,294)	-3%
522220 VRS HYBRID PLAN	60,338	72,142	81,175	9,033	13%
522300 HEALTH INSURANCE	822,111	794,037	823,972	29,935	4%
522400 LIFE INSURANCE	75,359	76,850	78,292	1,442	2%
522510 VLDP VA LOCAL DISABILTY PROG	1,147	1,375	2,129	754	55%
522750 VRS HEALTH INSURANCE CREDIT	906	900	904	4	0%
522750 VRS HIC	69,851	71,265	70,816	(449)	-1%
533500 OUTSIDE PRINTING	5,395	1,000	6,000	5,000	500%
555511 TRAVEL - LOCAL	1,809	4,500	4,500	-	0%
555541 STAFF DEVELOPMENT	4,070	1,000	4,100	3,100	310%
555801 DUES / MEMBERSHIPS	12,573	20,865	25,200	4,335	21%
566001 OFFICE SUPPLIES	107,758	110,100	115,550	5,450	5%
566002 FOOD SUPPLIES	8,442	12,866	18,500	5,634	44%
566030 INSTRUCTIONAL SUPPLIES	4,558	4,000	5,962	1,962	49%
588100 REPLACE - EQUIPMENT	39,980	-	-	-	0%
<i>Total Instruction</i>	<b>106,007,419</b>	<b>105,816,739</b>	<b>109,552,051</b>	<b>3,735,312</b>	<b>4%</b>
<b>62110 BOARD SERVICES</b>					
511111 BOARD MEMBER	51,024	50,600	50,600	-	0%
522100 FICA	3,830	3,790	3,785	(5)	0%
522300 HEALTH INSURANCE	10,292	10,233	10,583	350	3%
533120 CONSULTANTS	64,500	-	-	-	0%
533170 PROFESSIONAL SERVICES	2,858	-	-	-	0%
533600 ADVERTISING	234	1,500	1,650	150	10%
533804 CITY SERVICES	3,775	-	-	-	0%
544020 PPS CARRIER	3,272	-	-	-	0%
555511 TRAVEL - LOCAL	-	-	100	100	100%
555521 TRAVEL - OUT OF TOWN	12,372	11,000	12,100	1,100	10%
555801 DUES / MEMBERSHIPS	28,923	25,000	27,500	2,500	10%
555802 MISCELLANEOUS	900	6,600	7,260	660	10%
566001 OFFICE SUPPLIES	1,234	1,000	1,100	100	10%
566002 FOOD SUPPLIES	10,214	8,200	9,020	820	10%
<b>62120 EXECUTIVE ADMIN SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	-	279,968	292,371	12,403	4%
511112 SUPERINTENDENT	253,519	253,520	257,492	3,972	2%
511150 CLERICAL	163,415	177,381	204,605	27,224	15%
522100 FICA	24,805	44,835	46,531	1,696	4%
522210 VRS	23,387	69,546	70,180	634	1%
522220 VRS HYBRID PLAN	35,922	35,923	35,075	(848)	-2%
522300 HEALTH INSURANCE	43,244	63,505	65,524	2,019	3%
522400 LIFE INSURANCE	4,760	8,470	8,796	326	4%
522510 VLDP VA LOCAL DISABILTY PROG	682	683	918	235	34%
522750 VRS HIC	4,470	7,951	8,059	108	1%
533120 CONSULTANTS	18,979	-	6,000	6,000	100%
533160 MISC SERVICES	1,814	-	4,000	4,000	100%
533500 OUTSIDE PRINTING	537	4,000	23,000	19,000	475%
544020 PPS CARRIER	2,152	-	-	-	0%
555511 TRAVEL - LOCAL	435	200	1,200	1,000	500%
555541 STAFF DEVELOPMENT	14,156	6,000	23,500	17,500	292%
555801 DUES / MEM	380	-	500	500	100%
555801 DUES / MEMBERSHIPS	3,837	12,000	13,500	1,500	13%
555802 GRADUATION	28,795	30,000	30,000	-	0%
555806 STATE OF EDUCATION	-	5,000	5,000	-	0%
566001 OFFICE SUPPLIES	2,994	1,200	4,200	3,000	250%
566002 FOOD SUPPLIES	1,367	4,000	5,000	1,000	25%
566003 BOOKS / SUBSCRIPTIONS	203	300	800	500	167%

General Fund Expenditures by Function and Object Code

	FY 2017-2018 ACTUALS	FY 2018-2019 BUDGET	FY 2019-2020 BUDGET	\$ Change	% Change
599990 BUDGET REDUCTION	-	-	-	-	0%
<b>62125 OFFICE OF BUDGET AND PLANNING</b>					
511113 ASST SUPT	128,610	131,183	140,019	8,836	7%
511130 OTHER PROFESSIONAL	62,992	64,202	66,053	1,851	3%
511150 CLERICAL	16,833	-	-	-	0%
522100 FICA	15,733	14,544	14,869	325	2%
522210 VRS	3,219	-	21,955	21,955	100%
522220 VRS HYBRID PLAN	31,269	31,890	10,359	(21,531)	-68%
522300 HEALTH INSURANCE	23,013	17,774	10,583	(7,191)	-40%
522400 LIFE INSURANCE	2,768	2,561	2,701	140	5%
522510 VLDP VA LOCAL DISABILITY PROG	594	607	271	(336)	-55%
522750 VRS HIC	2,599	2,404	2,474	70	3%
533500 OUTSIDE PRINTING	6,302	6,000	6,300	300	5%
533804 CITY SERVICES	44,902	41,450	45,000	3,550	9%
555541 STAFF DEVELOPMENT	6,218	3,000	3,000	-	0%
555801 DUES / MEMBERSHIPS	5,330	6,000	5,000	(1,000)	-17%
566002 FOOD SUPPLIES	87	-	-	-	0%
566003 BOOKS / SUBSCRIPTIONS	10,000	-	-	-	0%
<b>62130 PUBLIC INFORMATION SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	80,888	197,912	90,338	(107,574)	-54%
522100 FICA	5,900	14,749	6,549	(8,200)	-56%
522220 VRS HYBRID PLAN	13,207	30,626	14,166	(16,460)	-54%
522300 HEALTH INSURANCE	9,766	28,742	9,935	(18,807)	-65%
522400 LIFE INSURANCE	1,060	2,304	1,184	(1,120)	-49%
522510 VLDP VA LOCAL DISABILITY PROG	251	240	371	131	55%
522750 VRS HIC	995	2,163	1,085	(1,078)	-50%
533120 CONSULTANTS	44,603	20,000	35,000	15,000	75%
533170 PROFESSIONAL SERVICES	750	-	3,000	3,000	100%
533500 OUTSIDE PRINTING	4,341	3,000	3,000	-	0%
533600 ADVERTISING	6,667	5,000	12,500	7,500	150%
555511 TRAVEL LOC	461	2,000	2,000	-	0%
555521 TRAVEL - OUT OF TOWN	-	2,000	2,000	-	0%
555541 STAFF DEVELOPMENT	1,734	1,000	11,000	10,000	1000%
555801 DUES / MEM	720	800	800	-	0%
555802 PR PROGRAMS	23,908	1,500	3,000	1,500	100%
566001 OFFICE SUPPLIES	14,646	7,000	7,000	-	0%
566002 FOOD SUPPLIES	1,224	500	1,100	600	120%
566003 BOOKS/SUB	11,413	6,000	6,000	-	0%
566015 MATERIALS - NON CAP EQUIPMENT	-	-	5,000	5,000	100%
<b>62140 HUMAN RESOURCES</b>					
511110 DIR / SUPV / MNGR / COORD	361,609	370,742	393,776	23,034	6%
511150 CLERICAL	306,404	284,345	324,159	39,814	14%
522100 FICA	49,280	47,963	52,218	4,255	9%
522210 VRS	79,237	74,869	76,283	1,414	2%
522220 VRS HYBRID PLAN	28,001	31,722	35,569	3,847	12%
522300 HEALTH INSURANCE	82,005	77,493	85,128	7,635	10%
522400 LIFE INSURANCE	8,608	8,561	9,350	789	9%
522510 VLDP VA LOCAL DISABILITY PROG	532	603	933	330	55%
522750 VRS HIC	8,082	8,037	8,566	529	7%
533120 CONSULTANTS	4,623	10,000	10,000	-	0%
533140 OUTSIDE - LEGAL	122,071	125,000	125,000	-	0%
533160 MISC SERVICES	15,229	-	-	-	0%
533170 PROFESSIONAL SERVICES	129,391	94,100	101,600	7,500	8%
533500 OUTSIDE PRINTING	767	1,600	1,600	-	0%
533600 ADVERTISING	100	-	-	-	0%
555511 TRAVEL - LOCAL	479	1,000	2,000	1,000	100%
555521 TRAVEL - OUT OF TOWN	-	1,750	-	(1,750)	-100%
555541 STAFF DEVELOPMENT	13,190	3,000	11,750	8,750	292%
555801 DUES / MEMBERSHIPS	2,657	1,500	1,500	-	0%
555802 ADA COMPLIANCE SUPPLIES	-	-	-	-	0%
555802 RETIREMENT & TEACHER OF YEAR	13,041	13,000	13,000	-	0%
555805 RECRUITING	40,698	38,055	45,000	6,945	18%
566001 OFFICE SUPPLIES	7,666	4,300	4,300	-	0%
566002 FOOD SUPPLIES	1,182	500	500	-	0%
566003 BOOKS / SUBSCRIPTIONS	693	250	250	-	0%
<b>62150 PLANNING SERVICES</b>					
533140 OUTSIDE - LEGAL	18,591	30,000	60,000	30,000	100%
<b>62160 FINANCIAL SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	359,316	364,977	375,926	10,949	3%
511150 CLERICAL	478,676	474,372	505,198	30,826	6%
522100 FICA	61,881	61,430	64,444	3,014	5%
522210 VRS	124,492	129,990	110,824	(19,166)	-15%
522220 VRS HYBRID PLAN	3,437	6,997	26,677	19,680	281%

## General Fund Expenditures by Function and Object Code

	FY 2017-2018 ACTUALS	FY 2018-2019 BUDGET	FY 2019-2020 BUDGET	\$ Change	% Change
522300 HEALTH INSURANCE	101,096	99,589	99,891	302	0%
522400 LIFE INSURANCE	13,093	11,002	11,495	493	4%
522510 VLDP VA LOCAL DISABILITY PROG	76	133	701	568	427%
522750 VRS HIC	9,962	10,330	10,530	200	2%
533120 CONSULTANTS	84,542	3,000	3,300	300	10%
533130 AUDITS	101,430	101,430	103,455	2,025	2%
555511 TRAVEL - LOCAL	43	500	250	(250)	-50%
555541 STAFF DEVELOPMENT	4,375	2,000	4,500	2,500	125%
555811 BANK CHARGES	-	3,500	3,500	-	0%
566001 OFFICE SUPPLIES	7,117	8,000	7,000	(1,000)	-13%
566002 FOOD SUPPLIES	87	-	-	-	0%
566003 BOOKS / SUBSCRIPTIONS	199	200	200	-	0%
588100 REPLACE - EQUIPMENT	455	-	-	-	0%
599999 TRANSFER TO CITY	288,850	-	-	-	0%
<b>62170 PURCHASING SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	150,345	158,519	163,258	4,739	3%
511150 CLERICAL	149,958	166,604	171,601	4,997	3%
522100 FICA	22,491	24,037	24,885	848	4%
522210 VRS	45,019	53,061	52,509	(552)	-1%
522300 HEALTH INSURANCE	35,524	40,449	41,684	1,235	3%
522400 LIFE INSURANCE	3,614	4,262	4,390	128	3%
522750 VRS HIC	3,393	4,003	4,022	19	0%
533160 MISC SERVICES	2,807	3,000	1,500	(1,500)	-50%
533500 OUTSIDE PRINTING	3,873	2,000	2,000	-	0%
533600 ADVERTISING	310	500	500	-	0%
555511 TRAVEL - LOCAL	83	500	500	-	0%
555541 STAFF DEVELOPMENT	9,485	2,500	7,500	5,000	200%
555801 DUES / MEMBERSHIPS	1,111	5,900	1,500	(4,400)	-75%
555802 MWBE CONFERENCE	1,000	-	3,500	3,500	100%
566001 OFFICE SUPPLIES	7,325	2,000	3,000	1,000	50%
<b>62210 ATTENDANCE SERVICES</b>					
511130 OTHER PROFESSIONAL	-	170,494	272,282	101,788	60%
522100 FICA	-	11,769	19,245	7,476	64%
522210 VRS	-	27,827	42,262	14,435	52%
522300 HEALTH INSURANCE	-	27,052	32,181	5,129	19%
522400 LIFE INSURANCE	-	2,235	3,523	1,288	58%
522750 VRS HEALTH INSURANCE CREDIT	-	2,098	3,445	1,347	64%
<b>62220 HEALTH SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	67,121	68,364	70,265	1,901	3%
511131 NURSE	765,208	828,404	866,840	38,436	5%
511131 NURSE SUMMER	-	-	8,450	8,450	100%
511131 NURSE SUMMER SCHOOL	4,660	4,700	-	(4,700)	-100%
511150 CLERICAL	31,203	19,375	35,834	16,459	85%
511531 NURSE	8,176	-	-	-	0%
522100 FICA	63,896	57,779	66,656	8,877	15%
522210 VRS	76,498	84,220	50,440	(33,780)	-40%
522220 VRS HYBRID PLAN	62,953	57,537	95,561	38,024	66%
522300 HEALTH INSURANCE	128,726	126,545	129,420	2,875	2%
522400 LIFE INSURANCE	11,193	11,761	12,763	1,002	9%
522510 VLDP VA LOCAL DISABILITY PROG	1,196	1,097	2,468	1,371	125%
522750 VRS HIC	10,510	11,043	11,660	617	6%
533110 HEALTH SERVICES	179,198	173,000	173,000	-	0%
540000 RISK MGMT WC INTERNAL SERVICES	-	843,209	-	(843,209)	-100%
555511 TRAVEL - LOCAL	637	2,000	2,000	-	0%
555541 STAFF DEVELOPMENT	23,256	10,000	8,000	(2,000)	-20%
566001 OFFICE SUPPLIES	5,230	1,000	27,700	26,700	2670%
566002 FOOD SUPPLIES	-	-	1,000	1,000	100%
566004 MEDICAL SUPPLIES	27,752	12,500	12,000	(500)	-4%
566011 UNIFORMS	3,344	1,000	1,000	-	0%
588100 REPLACE - EQUIPMENT	5,752	10,000	-	(10,000)	-100%
<b>62230 PSYCHOLOGICAL SERVICES</b>					
511120 TEACHER	263,445	268,496	276,221	7,725	3%
511132 PSYCHOLOGIST - DISTRICT	714,444	726,614	746,657	20,043	3%
522100 FICA	72,621	70,442	71,828	1,386	2%
522210 VRS	159,427	162,407	160,394	(2,013)	-1%
522300 HEALTH INSURANCE	109,539	106,980	110,124	3,144	3%
522400 LIFE INSURANCE	12,797	13,043	13,405	362	3%
522750 VRS HEALTH INSURANCE CREDIT	3,239	3,304	3,316	12	0%
522750 VRS HIC	8,776	8,942	8,965	23	0%
533180 OT/PT PROFESSIONAL SERVICES	327,267	318,000	330,000	12,000	4%
533190 SPEECH PROFESSIONAL SERVICES	249,640	230,000	500,000	270,000	117%
<b>Total Administration, Attendance, and Health</b>	<b>8,173,589</b>	<b>9,215,968</b>	<b>9,115,188</b>	<b>(100,780)</b>	<b>-1%</b>



General Fund Expenditures by Function and Object Code

	FY 2017-2018 ACTUALS	FY 2018-2019 BUDGET	FY 2019-2020 BUDGET	\$ Change	% Change
<b>63100 TRANSP - MGMT AND DIRECTION</b>					
511110 DIR / SUPV / MNGR / COORD	150,255	132,568	144,065	11,497	9%
511130 OTHER PROFESSIONAL	47,639	50,122	38,894	(11,228)	-22%
511150 CLERICAL	135,899	145,867	146,595	728	0%
522100 FICA	24,713	24,166	23,031	(1,135)	-5%
522210 VRS	41,361	43,663	17,606	(26,057)	-60%
522220 VRS HYBRID PLAN	10,552	8,181	30,949	22,768	278%
522300 HEALTH INSURANCE	60,040	67,061	57,467	(9,594)	-14%
522400 LIFE INSURANCE	4,169	4,165	4,059	(106)	-3%
522510 VLDP VA LOCAL DISABILTY PROG	202	156	811	655	420%
522750 VRS HIC	3,909	3,911	3,718	(193)	-5%
533160 MISC SERVICES	151,295	-	160,000	160,000	100%
533500 OUTSIDE PRINTING	479	1,500	1,500	-	0%
555541 STAFF DEVELOPMENT	16,020	1,400	2,400	1,000	71%
555801 DUES / MEMBERSHIPS	135	300	300	-	0%
566001 OFFICE SUPPLIES	-	12,630	5,000	(7,630)	-60%
566013 VEHICLE SUPPLIES	-	1,330	1,330	-	0%
566040 SOFTWARE	-	38,214	38,214	-	0%
588100 REPLACE - EQUIPMENT	1,320	-	-	-	0%
599990 BUDGET REDUCTION	-	-	-	-	0%
<b>63200 TRANSP - VEHICLE OPERATION</b>					
511170 BUS DRIVER	2,564,893	2,800,766	2,731,558	(69,208)	-2%
522100 FICA	185,169	200,470	195,417	(5,053)	-3%
522210 VRS	172,515	187,001	143,792	(43,209)	-23%
522220 VRS HYBRID PLAN	44,437	61,194	85,693	24,499	40%
522300 HEALTH INSURANCE	784,303	829,261	795,778	(33,483)	-4%
522400 LIFE INSURANCE	24,795	27,854	28,019	165	1%
522510 VLDP VA LOCAL DISABILTY PROG	2,332	3,160	5,769	2,609	83%
533300 REPAIR EQUIPMENT	11,549	9,200	20,000	10,800	117%
540000 RISK MGMT WC INTERNAL SERVICES	-	105,330	-	(105,330)	-100%
566008 FUEL - GAS	462,129	420,000	500,000	80,000	19%
599999 TRANSFER TO CITY	296,983	-	-	-	0%
<b>63300 TRANSP - MONITORING SVS</b>					
511171 BUS MONITOR	588,076	533,909	551,236	17,327	3%
511571 SUB BUS MONITOR	5,953	-	55,000	55,000	100%
511660 BONUSES	-	-	-	-	0%
522100 FICA	42,581	37,181	42,234	5,053	14%
522210 VRS	28,042	31,524	27,072	(4,452)	-14%
522220 VRS HYBRID PLAN	28,475	30,920	32,222	1,302	4%
522300 HEALTH INSURANCE	238,738	246,980	243,243	(3,737)	-2%
522400 LIFE INSURANCE	6,334	7,021	7,237	216	3%
522510 VLDP VA LOCAL DISABILTY PROG	1,462	1,595	2,167	572	36%
<b>63400 TRANSP - VEHICLE MAINTENANCE</b>					
533347 CONTRACTED MAINT VEHICLES	688,264	631,886	631,886	-	0%
<i>Total Transportation</i>	<b>6,825,017</b>	<b>6,700,486</b>	<b>6,774,262</b>	<b>73,776</b>	<b>1%</b>
<b>64100 OPERATIONS - MGMT &amp; DIRECTION</b>					
511110 DIR / SUPV / MNGR / COORD	-	85,897	92,868	6,971	8%
511150 CLERICAL	27,689	35,421	37,513	2,092	6%
522100 FICA	2,039	9,135	9,687	552	6%
522210 VRS	4,423	20,589	20,283	(306)	-1%
522300 HEALTH INSURANCE	6,414	18,119	18,292	173	1%
522400 LIFE INSURANCE	355	1,590	1,695	105	7%
522750 VRS HIC	333	1,760	1,553	(207)	-12%
599990 BUDGET REDUCTION	-	-	-	-	0%
599999 TRANSFER TO CITY	206,006	-	-	-	0%
<b>64200 OPERATIONS - BLDG MAINTENANCE</b>					
511110 DIR / SUPV / MNGR / COORD	131,415	142,738	147,020	4,282	3%
511160 TRADES	1,035,707	1,121,096	1,044,929	(76,167)	-7%
522100 FICA	87,098	88,821	88,004	(817)	-1%
522210 VRS	115,360	119,928	89,634	(30,294)	-25%
522220 VRS HYBRID PLAN	25,199	26,810	48,684	21,874	82%
522300 HEALTH INSURANCE	178,503	180,084	184,932	4,848	3%
522400 LIFE INSURANCE	14,805	15,405	15,623	218	1%
522510 VLDP VA LOCAL DISABILTY PROG	1,293	1,378	2,885	1,507	109%
522750 VRS HIC	2,357	2,490	2,477	(13)	-1%
533300 REPAIR EQUIPMENT	-	10,000	1,000	(9,000)	-90%
533340 CONTRACTED - EQUIPMENT	853,717	975,000	900,000	(75,000)	-8%
533341 CONTRACTED - BUILDING	1,458,661	634,000	850,000	216,000	34%
533342 CONTRACTED - ELECTRICIAN	43,397	100,000	55,000	(45,000)	-45%
533343 CONTRACTED - PLUMBING	6,726	20,000	10,000	(10,000)	-50%
533344 CONTRACTED - ENVIRONMENT	48,500	30,000	20,000	(10,000)	-33%
533346 CONTRACTED - ELECTRONICS	4,178	10,000	6,000	(4,000)	-40%

General Fund Expenditures by Function and Object Code

	<u>FY 2017-2018 ACTUALS</u>	<u>FY 2018-2019 BUDGET</u>	<u>FY 2019-2020 BUDGET</u>	<u>\$ Change</u>	<u>% Change</u>
540000 RISK MGMT WC INTERNAL SERVICES	-	117,275	-	(117,275)	-100%
555101 ELECTRIC	2,650,227	2,600,000	2,700,000	100,000	4%
555102 FUEL	332,010	330,000	330,000	-	0%
555103 WATER	374,113	350,000	375,000	25,000	7%
555105 STORM WTR	222,781	222,780	222,780	-	0%
555307 LIAB INS	-	-	-	-	0%
555400 LEASE/RENT	149	2,000	20,000	18,000	900%
555541 STAFF DEVELOPMENT	5,829	2,000	5,000	3,000	150%
566001 OFFICE SUPPLIES	3,000	3,000	3,000	-	0%
566002 FOOD SUPPLIES	1,305	1,000	2,000	1,000	100%
566007 BLDG SUPPL	350,194	250,000	250,000	-	0%
566010 ELEC SUPPL	-	12,000	2,000	(10,000)	-83%
566011 UNIFORMS	38,578	21,445	40,000	18,555	87%
588100 REPLACE - EQUIPMENT	115,820	250,000	-	(250,000)	-100%
<b>64210 OPERATIONS - BLDG SERVICES</b>					
511110 DIR / SUPV / MNGR / COORD	131,604	125,545	129,310	3,765	3%
511150 CLERICAL	40,561	40,229	45,888	5,659	14%
511190 CUSTODIAN	2,905,507	2,943,050	2,986,487	43,437	1%
511590 SUB CUSTODIAN	136,213	188,700	188,700	-	0%
511660 BONUSES	-	-	-	-	0%
522100 FICA	237,691	243,186	246,351	3,165	1%
522210 VRS	252,845	247,914	185,253	(62,661)	-25%
522220 VRS HYBRID PLAN	108,233	115,830	153,803	37,973	33%
522300 HEALTH INSURANCE	910,660	897,741	874,798	(22,943)	-3%
522400 LIFE INSURANCE	38,634	39,955	40,338	383	1%
522510 VLDP VA LOCAL DISABILITY PROG	5,602	5,960	10,318	4,358	73%
522600 UNEMPLOYMENT COMPENSATION	-	-	-	-	0%
522750 VRS HIC	2,082	2,040	2,051	11	1%
533300 REPAIR EQUIPMENT	29,000	30,000	30,000	-	0%
533350 CONT OPS	9,424	51,360	25,000	(26,360)	-51%
555104 WASTE REMOVAL	111,412	98,610	115,000	16,390	17%
566005 CUSTODIAN SUPPLIES	334,209	261,700	350,000	88,300	34%
566008 FUEL - GAS	-	500	-	(500)	-100%
566011 UNIFORMS	23,165	23,165	23,165	-	0%
588100 REPLACE - EQUIPMENT	-	75,000	-	(75,000)	-100%
588200 NEW EQUIPMENT	-	25,000	25,000	-	0%
<b>64500 OPERATIONS - VEH SERVICES</b>					
533347 CONTRACTED MAINT VEHICLES	149,172	147,950	200,000	52,050	35%
566008 FUEL - GAS	55,052	52,000	55,000	3,000	6%
<b>64600 OPERATIONS - SECURITY SERVICES</b>					
511142 SECURITY GUARD	472,228	949,522	985,181	35,659	4%
511142 SECURITY GUARD SUMMER	3,325	0	13,350	13,350	100%
511142 SECURITY GUARD SUMMER SCHOOL	12,380	12,400	-	(12,400)	-100%
511660 BONUSES	0	0	-	-	0%
522100 FICA	34,878	70,327	72,087	1,760	3%
522210 VRS	51,773	62,451	63,269	818	1%
522220 VRS HYBRID PLAN	16,610	82,576	84,008	1,432	2%
522300 HEALTH INSURANCE	126,674	136,427	229,954	93,527	69%
522400 LIFE INSURANCE	5,574	11,855	12,320	465	4%
522510 VLDP VA LOCAL DISABILITY PROG	316	1,620	2,068	448	28%
522750 VRS HEALTH INSURANCE CREDIT	0	5,629	4,462	(1,167)	-21%
522750 VRS HIC	5,154	5,504	6,709	1,205	22%
533300 REPAIR EQUIPMENT	-	500	1,400	900	180%
533346 CONTRACTED - ELECTRONICS	-	500	500	-	0%
555541 STAFF DEVELOPMENT	-	1,100	2,000	900	82%
566011 UNIFORMS	-	3,000	3,000	-	0%
588100 REPLACE - EQUIPMENT	-	900	-	(900)	-100%
<b>64610 OPERATIONS - CROSSING GUARDS</b>					
511143 CROSSING GUARD	239,190	190,674	177,783	(12,891)	-7%
522100 FICA	18,178	15,268	13,482	(1,786)	-12%
566002 FOOD SUPPLIES	-	-	500	500	100%
566011 UNIFORMS	939	6,480	6,480	-	0%
<b>64700 OPERATIONS - WAREHOUSE</b>					
511150 CLERICAL	7,214	0	-	-	0%
511199 SUPPORT SERVICE - MISC	231,051	235,508	242,572	7,064	3%
522100 FICA	17,610	17,330	17,774	444	3%
522210 VRS	15,794	14,843	14,060	(783)	-5%
522220 VRS HYBRID PLAN	14,961	15,501	15,102	(399)	-3%
522300 HEALTH INSURANCE	59,283	54,007	55,794	1,787	3%
522400 LIFE INSURANCE	3,098	3,089	3,182	93	3%
522510 VLDP VA LOCAL DISABILITY PROG	454	476	613	137	29%
522750 VRS HIC	825	746	750	4	1%
555104 WASTE REMOVAL	11,209	20,000	12,000	(8,000)	-40%

General Fund Expenditures by Function and Object Code

	<b>FY 2017-2018 ACTUALS</b>	<b>FY 2018-2019 BUDGET</b>	<b>FY 2019-2020 BUDGET</b>	<b>\$ Change</b>	<b>% Change</b>
566001 OFFICE SUPPLIES	421	3,500	2,200	(1,300)	-37%
566011 UNIFORMS	2,656	2,650	2,650	-	0%
<i>Total Operations</i>	<b>15,181,041</b>	<b>15,351,579</b>	<b>15,329,571</b>	<b>(22,008)</b>	<b>0%</b>
<b>67200 INTRA-AGENCY FUND TRANSFERS</b>					
599901 TEXTBOOK	370,739	327,894	322,085	(5,809)	-2%
599902 RISK MGMT CURRENT CLAIMS	1,380,200	-	1,461,800	1,461,800	100%
599906 TRANSFER TO CAFE FUND	25,468	15,000	15,000	-	0%
599914 VA PRESHCOOL	847,278	708,748	714,875	6,127	1%
599916 EARLY READING	179,199	172,819	179,403	6,584	4%
599917 LOCAL MATCH - EARLY READ SPEC	-	32,244	33,731	1,487	5%
599918 ALGEBRA READINESS	89,262	84,947	83,350	(1,597)	-2%
599921 LOCAL MATCH - SCHOOL SECURITY	-	23,326	19,170	(4,156)	-18%
599922 LOCAL MATCH - MATH/READ SPEC	33,887	33,127	34,658	1,531	5%
599923 LOCAL MATCH - SAFE ROUTE TO SC	10,000	10,000	7,625	(2,375)	-24%
599990 BUDGET REDUCTION	-	-	-	-	0%
<i>Total Debt and Fund Transfers</i>	<b>2,936,033</b>	<b>1,408,105</b>	<b>2,871,697</b>	<b>1,463,592</b>	<b>104%</b>
<b>68100 TECH - CLASSROOM INSTRUCTION</b>					
533345 COPIER - LEASE	441,492	431,000	486,000	55,000	13%
533700 TECHCONSUL	108,892	112,000	112,000	-	0%
555511 TRAVEL - LOCAL	1,160	3,500	3,500	-	0%
555802 MISCELLANEOUS	203	0	-	-	0%
566040 SOFTWARE	515,231	495,700	490,700	(5,000)	-1%
588110 REPL HDWR	683,051	400,000	400,000	-	0%
588210 NEW HARDWARE	257,819	270,000	270,000	-	0%
588220 NEW - INFRASTRUCTURE ADDIT.	241,003	133,000	250,000	117,000	88%
599990 BUDGET REDUCTION	0	0	-	-	0%
599999 TRANSFER TO CITY	18,972	0	-	-	0%
<b>68200 TECH - INSTRUCTIONAL SUPPORT</b>					
511110 DIR / SUPV / MNGR / COORD	170,345	259,630	178,965	(80,665)	-31%
511141 TECHNOLOGY SUPPORT	1,309,147	2,201,548	2,252,679	51,131	2%
511150 CLERICAL	47,572	48,240	50,023	1,783	4%
522100 FICA	112,262	178,369	174,475	(3,894)	-2%
522210 VRS	177,816	314,595	287,480	(27,115)	-9%
522220 VRS HYBRID PLAN	65,570	88,092	91,362	3,270	4%
522300 HEALTH INSURANCE	239,664	347,617	368,472	20,855	6%
522400 LIFE INSURANCE	19,624	32,343	31,668	(675)	-2%
522510 VLDP VA LOCAL DISABILITY PROG	1,256	1,677	2,394	717	43%
522750 VRS HIC	18,386	30,368	29,009	(1,359)	-4%
533170 PROFESSIONAL SERVICES	-	-	-	-	0%
533700 TECHCONSUL	287,878	277,100	277,100	-	0%
540000 RISK MGMT WC INTERNAL SERVICES	-	400	-	(400)	-100%
555204 TELECOMMUNICATIONS	431,689	249,400	325,400	76,000	30%
566040 SOFTWARE	673,676	611,200	611,200	-	0%
<b>68300 TECH - ADMINISTRATION</b>					
511110 DIR / SUPV / MNGR / COORD	108,816	110,993	114,323	3,330	3%
511660 BONUS	0	0	-	-	0%
522100 FICA	7,589	7,716	7,937	221	3%
522210 VRS	17,759	18,114	17,926	(188)	-1%
522300 HEALTH INSURANCE	12,367	12,340	12,609	269	2%
522400 LIFE INSURANCE	1,426	1,454	1,498	44	3%
522750 VRS HIC	1,338	1,366	1,372	6	0%
533170 PROFESSIONAL SERVICES	225	0	-	-	0%
533804 CITY SERVICES	0	106,000	106,000	-	0%
555201 POSTAGE	234	500	500	-	0%
555541 STAFF DEVELOPMENT	26,751	21,200	21,200	-	0%
555801 DUES / MEMBERSHIPS	3,480	3,450	3,450	-	0%
566015 TECHNOLOGY-PARTS & MAINTENANCE	49,565	60,000	75,000	15,000	25%
<b>68600 TECH - OPERATIONS AND MAINT</b>					
566001 OFFICE SUPPLIES	52,589	5,500	5,500	-	0%
<i>Total Technology</i>	<b>6,104,847</b>	<b>6,834,412</b>	<b>7,059,742</b>	<b>225,330</b>	<b>3%</b>
<i>Grand Total</i>	<b>145,227,946</b>	<b>145,327,289</b>	<b>150,702,511</b>	<b>5,375,222</b>	<b>4%</b>



## FY 2019-20 GRANTS FUND BUDGET

The Grants fund provides assistance for particular federal, state, and local programs. Grantors encourage recipient divisions to expand expenditures to support certain instructional programs. Grant funds are intended to supplement, not supplant, divisional efforts and require additional reporting and, in some cases, require local matching of funds to help the grant program reach its intended goal.

The Grants fund budget is based on anticipated re-award of current grant awards and an estimate for new grant awards. Both new and current grants are awarded throughout each fiscal year and often have a grant period which is different than the division’s fiscal year. The grant period is the required timeline in which the specific grant funds have to be encumbered and subsequently spent. There are different grant periods for the over 20 grants currently awarded to the division. It is for this purpose that the Grants fund is a multi-year fund that carries funds forward through the life (grant period) of each grant.

Each grant also outlines the type of costs that are allowable. Most of the grant funds go towards the instruction category, but the division receives grants that support each of the major categories. Though funds are coded to the other categories (i.e. school security equipment grant is coded to Operations and Maintenance), the grant funds support instruction (i.e. school security equipment grant puts equipment into specific schools as outlined by the grant).

The individual budget for each grant is developed separately as part of the grant application process and/or the date of the award. For FY 2018-19, a 3% raise is projected to be written into each grant that funds personnel costs.

Below are the top 5 largest grants received by the division. These grants make up 72% or \$13.3 million of the grants budget:

<b>Improving Basic Programs</b>	The Title I grant is the largest grant in the division. This grant is awarded to improve academic achievement for schools with high poverty as primarily measured by the percentage of students receiving free and reduced lunch. Funding under this grant is received for 12 schools in the division.
<b>IDEA Section 611</b>	The IDEA Section 611 grant is used to support the education and additional resources for students with disabilities.
<b>Virginia Preschool Initiative (VPI)</b>	The VPI grant is used to fund resources (including teachers) for 459 preschool slots (determined by the state) for the division’s preschool program.
<b>VPSA Technology Grant</b>	This grant is used to fund resources necessary to implement and maintain improvement in instructional, remedial, and testing capabilities of the Standards of Learning tests via the internet as well as increasing internet connectivity at schools.
<b>Improving Teacher Quality - Title II A</b>	The Title II grant provides funding to improve teacher quality through providing additional resources (i.e. staff development, coaches, etc.) to help retain quality teachers.

### Grant Fund Revenues - Level 3

The following table is a breakout of Grant Fund revenues by classification.

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
<b>Federal Revenues</b>									
Adult Literacy Services (AFLEA)	\$ 36,267	\$ 244,664	\$ 152,726	\$ 141,548	\$ 222,397	\$ 80,849	222,397	222,397	222,397
Educational Opportunity Center (EOC) - Trio	-	151,519	235,468	-	-	-	-	-	-
Educational Opportunity Center (EOC) - Upward Bound	-	-	-	263,938	315,155	51,217	315,155	315,155	315,155
IDEA - Part B Section 619 - Special Education Preschool	193,393	190,490	180,110	180,112	182,980	2,868	182,980	182,980	182,980
IDEA Part B Section 611 - Special Education	3,348,287	3,077,559	3,501,224	3,492,269	3,589,142	96,873	3,589,142	3,589,142	3,589,142
NCLB - Title I Part A - Improving Basic Programs	4,523,680	5,746,706	5,876,415	5,827,879	6,257,739	429,860	6,257,739	6,257,739	6,257,739
NCLB - Title I Part D - Prevention and Intervention Programs	-	66,619	89,554	37,725	29,530	(8,195)	29,530	29,530	29,530
NCLB - Title II Part A - Improving Teacher Quality	839,367	1,077,862	798,786	731,841	783,239	51,398	783,239	783,239	783,239
NCLB - Title III - Limited English Proficient	3,201	2,726	5,896	8,205	15,190	6,985	15,190	15,190	15,190
NCLB - Title IV	-	-	-	155,617	444,309	288,692	444,309	444,309	444,309
Perkins Career and Technical Education Act of 2006	458,916	471,014	322,533	351,103	402,206	51,104	402,206	402,206	402,206
Safe Route to Schools	72,144	13,086	40,000	40,000	30,500	(9,500)	30,500	30,500	30,500
SAIL Grant - Math and Science Partnership	26,947	2,225	24,383	-	-	-	-	-	-
Title IV - 21st Century Community Learning Centers	-	340,682	522,141	522,141	587,233	65,092	587,233	587,233	587,233
Title X Part C McKinney Vento Homeless Assistance Act	17,295	32,316	22,000	25,000	25,000	-	25,000	25,000	25,000
<b>Total Federal Revenues</b>	<b>\$ 9,519,497</b>	<b>\$ 11,417,467</b>	<b>\$ 11,771,236</b>	<b>\$ 11,777,378</b>	<b>\$ 12,884,621</b>	<b>\$ 1,107,242</b>	<b>\$ 12,884,621</b>	<b>\$ 12,884,621</b>	<b>\$ 12,884,621</b>
<b>State Revenues</b>									
Adult Education Regional Lead Agency	\$ 121,714	\$ 122,624	\$ 128,750	\$ 189,958	\$ 189,958	\$ -	\$ 189,958	\$ 189,958	\$ 189,958
Career Switcher	21,000	2,151	6,180	2,200	2,000	(200)	2,000	2,000	2,000
Early Reading Initiative	403,956	513,858	513,858	529,127	549,284	20,157	549,284	549,284	549,284
Early Reading Specialists	-	-	-	98,722	103,274	4,552	103,274	103,274	103,274
General Adult Education	12,674	16,401	18,044	15,966	15,966	(0)	15,966	15,966	15,966
ISAEP - Individual Student Alternative Education Plan	42,783	42,059	39,293	39,293	39,293	-	39,293	39,293	39,293
Math/Reading Specialist	94,130	99,306	101,335	101,426	106,114	4,688	106,114	106,114	106,114
Mentor Teacher	11,975	11,937	13,269	10,341	14,651	4,310	14,651	14,651	14,651
Middle School Teacher	-	30,000	30,000	25,000	25,000	-	25,000	25,000	25,000
National Board Certification	7,500	7,500	7,500	5,000	7,500	2,500	7,500	7,500	7,500
Project Graduation Academic Year and Summer	-	54,344	23,265	20,492	21,675	1,183	21,675	21,675	21,675
Race to GED	45,222	48,429	48,840	48,520	48,520	(0)	48,520	48,520	48,520
School Board Professional Development	-	1,500	-	-	1,500	1,500	1,500	1,500	1,500
School Security Equipment	98,648	93,303	93,303	93,303	76,679	(16,624)	76,679	76,679	76,679

### Grant Fund Revenues - Level 3

The following table is a breakout of Grant Fund revenues by classification.

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
SOL Algebra Readiness	276,069	284,211	279,830	260,086	255,196	(4,890)	255,196	255,196	255,196
Special Education in Jails	72,314	109,588	93,475	90,185	91,749	1,564	91,749	91,749	91,749
State Career and Technical Education	33,335	44,059	44,060	54,000	38,696	(15,304)	38,696	38,696	38,696
State Career and Technical Equipment	-	-	-	-	14,340	14,340	14,340	14,340	14,340
Special Education - Inclusive Partnership	-	-	-	-	2,500	2,500	2,500	2,500	2,500
STEM Team Competition	-	5,000	-	-	-	-	-	-	-
STEM	-	-	-	-	5,000	5,000	5,000	5,000	5,000
STEM Certifications	-	-	-	-	5,549	5,549	5,549	5,549	5,549
STEM-Teacher recruitment	11,000	29,066	32,000	7,000	45,000	38,000	45,000	45,000	45,000
VA Tiers System of Support (VTSS)-PBIS	-	25,000	25,000	25,000	31,919	6,919	31,919	31,919	31,919
Virginia Cybersecurity	62,500	-	62,500	5,000	10,000	5,000	10,000	10,000	10,000
Virginia Preschool Initiative	2,649,100	2,533,721	2,533,721	2,170,002	2,188,759	18,757	2,188,759	2,188,759	2,188,759
VPSA Educational Technology Notes	894,195	507,425	834,000	544,000	544,000	-	544,000	544,000	544,000
<b>Total State Revenues</b>	<b>\$ 4,858,115</b>	<b>\$ 4,581,481</b>	<b>\$ 4,928,223</b>	<b>\$ 4,334,622</b>	<b>\$ 4,434,123</b>	<b>\$ 99,501</b>	<b>\$ 4,434,123</b>	<b>\$ 4,434,123</b>	<b>\$ 4,434,123</b>
<b>Other Revenue</b>									
Adult Education -- Program Support	-	-	-	-	-	-	-	-	-
Hampton Roads Regional Jail	227,459	182,635	188,008	192,765	184,816	(7,949)	184,816	184,816	184,816
Regional Adult Ed Lead Agency Fee	43,256	70,797	57,674	54,402	56,501	2,099	56,501	56,501	56,501
Southeast VA Community Foundation - MINDS IN MOTION	-	-	7,500	7,500	-	(7,500)	-	-	-
Other Revenue (Miscellaneous)	27,389	141,114	-	-	-	-	-	-	-
Additional budget for unknown grants	-	-	734,958	657,702	-	(657,702)	-	-	-
<b>Total Other Revenues</b>	<b>298,104</b>	<b>404,406</b>	<b>988,140</b>	<b>912,369</b>	<b>241,317</b>	<b>(671,052)</b>	<b>241,317</b>	<b>241,317</b>	<b>241,317</b>
<b>Transfers In from Other Funds</b>									
SOL Algebra Readiness Local Match	\$ 100,971	\$ 95,040	\$ 93,575	\$ 84,947	\$ 83,350	\$ (1,597)	\$ 83,350	\$ 83,350	\$ 83,350
Safe Route to School Local Match	-	10,000	10,000	10,000	7,625	(2,375)	7,625	7,625	7,625
Early Reading Initiative Local Match	147,746	171,835	171,835	172,819	179,403	6,584	179,403	179,403	179,403
Early Reading Specialists Local Match	-	-	-	32,244	33,731	1,487	33,731	33,731	33,731
Math/Reading Specialist Local Match	34,428	33,208	33,887	33,127	34,658	1,531	34,658	34,658	34,658
School Security Equipment Local Match	24,662	23,326	23,326	23,326	19,170	(4,156)	19,170	19,170	19,170
Virginia Preschool Initiative Local Match	968,901	847,278	847,278	708,748	714,875	6,127	714,875	714,875	714,875
<b>Total Transfers In from Other Funds</b>	<b>\$ 1,276,708</b>	<b>\$ 1,180,687</b>	<b>\$ 1,179,901</b>	<b>\$ 1,065,211</b>	<b>\$ 1,072,812</b>	<b>\$ 7,601</b>	<b>\$ 1,072,812</b>	<b>\$ 1,072,812</b>	<b>\$ 1,072,812</b>
<b>Total Grant Revenues</b>	<b>\$ 15,952,424</b>	<b>\$ 17,584,041</b>	<b>\$ 18,867,500</b>	<b>\$ 18,089,580</b>	<b>\$ 18,632,873</b>	<b>\$ 543,293</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>

**Budget Forecasts:**

For FY 2019-20, the budget is projected to increase by about \$543,000 primarily due to more federal grant funding for programs such as the Title I, Part A, Special Education, Special Education Preschool, Title II-A, Title IV-A and Adult Literacy Services. As grant funding changes, the division first looks to reduce non-personnel budgets if possible. For grants such as VPI, reductions to staff are made due to fewer preschool students being served. If the division loses 100% of a grant, the education program is eliminated.

Budget forecasts for FY 2021, FY 2022 and FY 2023 are based on continued funding of currently awarded grants plus any changes projected for FY 2019-20. The division has a part-time grant writer who works with the division to actively seek and apply for new grants each year. The projected revenue for the Grants fund will change if more grants are awarded.

## Grant Fund Expenditures - Level 3

The following table is breakout of Grant Fund expenditures by Type and a breakout of Grant Fund expenditures by Category.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Grant Expenditures by Type</b>									
Salaries	\$ 9,528,658	\$ 9,681,545	\$ 11,242,691	\$ 10,351,494	\$ 10,749,701	\$ 398,206	\$ 10,749,700	\$ 10,749,700	\$ 10,749,700
Benefits	3,370,356	3,562,993	3,976,622	3,809,547	3,954,634	145,087	3,954,634	3,954,634	3,954,634
Purchased Services	839,892	853,181	990,973	912,219	912,219	-	912,219	912,219	912,219
Joint Operations	-	-	-	-	-	-	-	-	-
Other Charges	168,383	434,206	198,672	464,252	464,252	-	464,252	464,252	464,252
Materials/Supplies	1,070,886	1,885,524	1,263,519	2,016,000	2,016,000	-	2,016,000	2,016,000	2,016,000
Equipment	1,012,832	501,373	1,195,022	536,067	536,067	-	536,067	536,067	536,067
<b>Total Expenditures</b>	<b>\$ 15,991,007</b>	<b>\$ 16,918,821</b>	<b>\$ 18,867,500</b>	<b>\$ 18,089,580</b>	<b>\$ 18,632,873</b>	<b>\$ 543,293</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>
<b>Grant Expenditures by Category</b>									
Instruction	\$ 13,702,874	\$ 14,984,751	\$ 16,148,814	\$ 16,021,675	\$ 16,502,862	\$ 481,186	\$ 16,502,861	\$ 16,502,861	\$ 16,502,861
Administration, Attendance, Health	734,213	631,429	872,368	675,123	695,399	20,276	695,399	695,399	695,399
Pupil Transportation	214,218	323,972	254,527	346,390	356,794	10,403	356,794	356,794	356,794
Operations and Maintenance	123,310	127,123	146,513	135,920	140,002	4,082	140,002	140,002	140,002
Technology	1,216,392	851,546	1,445,278	910,472	937,816	27,345	937,816	937,816	937,816
Transfers out	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 15,991,007</b>	<b>\$ 16,918,821</b>	<b>\$ 18,867,500</b>	<b>\$ 18,089,580</b>	<b>\$ 18,632,873</b>	<b>\$ 543,293</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>	<b>\$ 18,632,873</b>

## FY 2019-20 RISK MANAGEMENT FUND BUDGET

The Risk Management fund is an internal service fund that accounts for all activity and reserves associated with the health self insurance plan, insurance premiums and workers' compensation claims and payment of claims and legal fees, if necessary, on public liability claims arising from the operations of the School Board.

The School Board is "fully insured" for auto liability and for general liability through the Virginia Association of Counties Group Self Insurance Risk Pool (VACoRP) and "fully insured" for student accidents through Tower Financial. For workers' compensation, the School Board carries an excess policy, with a self-insured retention of \$500,000. Workers' compensation claims are primarily handled by VACoRP, a third-party claims administrator.

The School Board is "self insured" for the health insurance plan. A self insurance model offers state tax savings, avoidance of pass-through taxes under the Affordable Care Act, and a savings to the employer of the insurance carrier's profit margin.

Under the self-insured plan, a third party administrator charges a fee for the administration of claims but payment of the claims are made from the division's Risk Management fund. Medical claim expenses paid, on behalf of each individual employee covered during a single policy year, are covered by excess loss insurance with a specific stop loss limit of \$300,000. The self-insured health plan also has aggregate stop loss coverage at 120% of expected medical claims during a single policy year.

The Risk Management fund is supported by division contributions through charges for services to the governmental and special revenue funds. This fund is not self supporting, and, as such, for the Risk Management fund to pay for healthcare claims, workers' compensations claims, etc., it has to charge a fee to the General fund, Grants fund, Cafeteria fund, employees (healthcare only), and retirees (healthcare only) to earn revenue.

For FY 2019-20, an increase of \$433,000 is anticipated due to increasing healthcare claims, insurance market factors, and a small increase in participation. The division avoided an increase of \$1,200,000 by increasing out-of-pocket maximums, patient deductibles, and participant co-payments. Since plan year 2018, the division has offered a Consumer Savings Qualified High Deductible Health Plan (HDHP) option for employees. A HDHP is a consumer driven health plan in which employees pay lower rates per pay period, have higher deductibles, and allow employees to contribute money (tax free and up to IRS limits) to a Health Savings Account (HSA). The division provides HDHP plan participants a one-time contribution of \$1,000 to their HSA account.

### Risk Management Fund Revenues - Level 3

The following table is a breakout of Risk Management Fund revenues by classification

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Insurance Recovery</b>	\$ 88,163	\$ 348,034	\$ 454,808	\$ 250,000	\$ 250,000	\$ -	\$ 250,000	\$ 250,000	\$ 250,000
<b>Charges for Services</b>									
Risk and Workers Compensation Program	542,837	1,268,399	1,380,200	1,521,800	1,521,800	-	1,521,800	1,521,800	1,521,800
Health Self Insurance Plan	16,536,412	17,889,096	17,875,976	17,865,000	18,298,000	433,000	19,212,900	20,173,545	21,182,222
<b>Total Charges for Services</b>	<b>17,079,249</b>	<b>19,157,495</b>	<b>19,256,176</b>	<b>19,386,800</b>	<b>19,819,800</b>	<b>433,000</b>	<b>20,734,700</b>	<b>21,695,345</b>	<b>22,704,022</b>
<b>Total Revenues</b>	<b>\$ 17,167,412</b>	<b>\$ 19,505,529</b>	<b>\$ 19,710,984</b>	<b>\$ 19,636,800</b>	<b>\$ 20,069,800</b>	<b>\$ 433,000</b>	<b>\$ 20,984,700</b>	<b>\$ 21,945,345</b>	<b>\$ 22,954,022</b>

**Budget Forecasts:**

As the majority of the Risk Management fund comprises the division's health self-insured plan, information is not readily available to forecast what future expenses will be. The division works with a third party benefits consultant each year in the summer to look at the subsequent plan year projected expenditures and discusses strategies and ways to control and/or decrease healthcare costs. The division maintains an adequate reserve and has stop loss insurance to protect the division against large and unexpected changes in claims.

As per Ordinance No 2018-99 adopted by the City Council on October 9, 2018, the City requested the return of all unspent funds in the School Board Risk Management and Insurance Fund as of June 30, 2018. PPS returned \$5,189,613 to the City in October 2018 and the City maintains that amount as a reserve for the School Board Risk Management and Insurance Fund. Disbursement of any funds from the reserve will be governed by an agreement between the City and PPS.

## Risk Management Fund Expenditures - Level 3

The following table is breakout of Risk Management Fund expenses by Type

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
<b><i>Risk Management</i></b>									
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-	-	-	-
Administrative Fees	231,289	3,140,633	3,516,850	3,001,800	3,001,800	-	3,084,300	3,170,925	3,261,881
Workers Compensation Claims	50,128	183,667	429,350	420,000	420,000	-	420,000	420,000	420,000
Healthcare Claims	19,363,804	15,566,867	15,753,800	16,215,000	16,648,000	433,000	17,480,400	18,354,420	19,272,141
Transfers to City of Portsmouth	-	252,628	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 19,645,221</b>	<b>\$ 19,143,794</b>	<b>\$ 19,700,000</b>	<b>\$ 19,636,800</b>	<b>\$ 20,069,800</b>	<b>\$ 433,000</b>	<b>\$ 20,984,700</b>	<b>\$ 21,945,345</b>	<b>\$ 22,954,022</b>

Note: Actual worker compensation claims and healthcare claims actuals are reported based on modified accrual basis of accounting and include adjustments for actuarial determined incurred but not received (IBNR) liabilities.

## FY 2019-20 TEXTBOOK FUND BUDGET

The Textbook fund is a special revenue fund specifically for the purchase of textbooks for students. A portion of the Textbook funds can be used to purchase Standards of Learning instructional materials, electronic textbooks and other electronic media resources integral to the curriculum and classroom instruction, and technical equipment required to read and access the electronic textbooks and electronic curriculum materials.

Revenues are received exclusively from the state and the state requires a minimum local match. Any unspent funds within the Textbook fund, are authorized by the State General Assembly to be carried forward each fiscal year through re-appropriation by the locality.

Estimated revenues and expenditures for FY 2019-20 are expected to decrease due to declining ADM.





### Textbook Fund Revenue - Level 3

The following table is a breakout of Textbook Fund revenues by classification.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>State Revenues</b>									
TEXTBOOKS	\$ 986,559	\$ 1,128,181	\$ 1,117,495	\$ 1,003,927	\$ 986,140	\$ (17,787)	\$ 965,905	\$ 946,930	\$ 927,955
<b>Total State Revenues</b>	<b>986,559</b>	<b>1,128,181</b>	<b>1,117,495</b>	<b>1,003,927</b>	<b>986,140</b>	<b>(17,787)</b>	<b>965,905</b>	<b>946,930</b>	<b>927,955</b>
<b>Local Revenues</b>									
CITY OF PORTSMOUTH	-	-	-	-	-	-	-	-	-
<b>Total Local Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Revenue</b>									
MISCELLANEOUS	4,535	2,550	5,000	3,000	1,500	(1,500)	1,500	1,500	1,500
<b>Total Other Revenues</b>	<b>4,535</b>	<b>2,550</b>	<b>5,000</b>	<b>3,000</b>	<b>1,500</b>	<b>(1,500)</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Transfers In/Out from Other Funds</b>									
LOCAL MATCH	360,831	377,264	373,691	327,894	322,085	(5,809)	315,476	309,279	303,470
<b>Total Transfers In from Other Funds</b>	<b>360,831</b>	<b>377,264</b>	<b>373,691</b>	<b>327,894</b>	<b>322,085</b>	<b>(5,809)</b>	<b>315,476</b>	<b>309,279</b>	<b>303,470</b>
<b>Total Textbook Revenues</b>	<b>\$ 1,351,925</b>	<b>\$ 1,507,995</b>	<b>\$ 1,496,186</b>	<b>\$ 1,334,821</b>	<b>\$ 1,309,725</b>	<b>\$ (25,096)</b>	<b>\$ 1,282,881</b>	<b>\$ 1,257,709</b>	<b>\$ 1,232,925</b>

**Budget Forecasts:**

As textbook funding is based on the state budget, decreases in ADM will result in decreased funds for textbooks over the next 3 years. New textbook purchases are not done every year but are based on the state review process schedule. Textbook funding in future years along with remaining state funds from previous years should be adequate to cover new textbook purchases.

### Textbook Fund Expenditures - Level 3

The following table is breakout of Textbook Fund expenditures by Type

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
<b>Instruction</b>									
Salaries	\$ 33,217	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	17,102	-	-	-	-	-	-	-	-
Textbooks	847,582	390,590	1,496,186	1,334,821	1,309,725	(25,096)	1,282,881	1,257,709	1,232,925
<b>Total Expenditures</b>	<b>\$ 897,901</b>	<b>\$ 390,590</b>	<b>\$ 1,496,186</b>	<b>\$ 1,334,821</b>	<b>\$ 1,309,725</b>	<b>\$ (25,096)</b>	<b>\$ 1,282,881</b>	<b>\$ 1,257,709</b>	<b>\$ 1,232,925</b>

## **FY 2019-20 CAFETERIA FUND BUDGET**

The Cafeteria fund is a special revenue fund that supports the food services operations within the schools. The Cafeteria fund is a multi-year fund that carries a fund balance from year to year.

The Cafeteria fund's largest revenue source is the federal government through reimbursement for participating in USDA sponsored programs. The USDA programs are intended to increase the quality and nutritious value of the food the division serves. The Cafeteria fund also receives state funds, accepts food donations, and earns catering revenue for various events.

The division has a high percentage of free and reduced lunch students, therefore, many schools in the division qualify for the Community Eligibility Program (CEP), which allows a division to designate schools as a free and reduced lunch site so all students who attend the school can receive free breakfast and lunch. Under the program, the division is reimbursed for costs incurred at 13 schools.

For the remaining schools, students are charged a fee for lunch. This revenue is recorded as charges for services within the Cafeteria fund. For FY 2019-20, the school lunch price will increase by \$0.10 (see the school lunch price calculation on the next page).

For FY 2019-20, an overall increase is expected due to increase sales from new menu items, such as pizza, which is offered at least 3 days during the school week and a 3% raise is projected for food service personnel.

## SCHOOL LUNCH PRICE CALCULATION – 2019-2020 SCHOOL YEAR

In 2010, the Healthy, Hunger-Free Kids Act went into effect. The purpose of the legislation was to ensure that students receiving free lunches received the full advantage of the funding for their meals. At the same time, higher nutrition standards were also put in place. Since all students were to receive the same nutritious meals, paying students would be expected to pay the equivalent price for their meals. Historically, in some divisions, lunches for paying students were subsidized by the reimbursements for the free and reduced price lunches while nutrition content suffered for all. The Healthy, Hunger-Free Kids Act prohibited this subsidy. A formula for determining the equitable price for paying students was incorporated into the Act. For FY 2019-2020, the calculation is as follows:

Step 1: What are critical price points?

- A. Federal reimbursement for free students = \$3.39
- B. Federal reimbursement for paying student = \$0.39

Step 2: What must the paying student actually pay for a lunch per the federal government?

**A-B** or  $\$3.39 - \$0.39 = \$3.00$

Based on the calculation at Step 2, the free student lunch has to be valued at \$3.00 in order to meet the federal government's desired balanced meal nutrition standards.

Step 3: Compare \$3.00 to actual division lunch price (\$1.65 for FY 2018-19).

- A. If the division lunch price is more than \$3.00 then the division meets the federal government standard
- B. If the division lunch price is less than \$3.00, then the division is required to consider a price increase

The division's current rounded price, \$1.75, is based on the allowance for rounding down from the "Unrounded Price Requirement" from FY 2018-19. The "Unrounded Price Requirement" from FY 2018-19 was \$1.75. The unrounded lunch price is required to be used to calculate a possible price increase for FY 2019-2020.

Step 4: Calculate the required price increase.

- A.  $2\% + \text{Consumer Price Index (CPI) inflation rate} = 2\% + 2.68\% = 4.68\%$
- B. If the 4.68% increase multiplied by the unrounded lunch price is less than \$0.05 (5 Cents) then no increase is required for the year.
  - a.  $\$1.75 \times 4.68\% = \$0.08$
- C. Since \$0.08 is greater than \$0.05, then the increase must be added to the current unrounded lunch price.
  - a. then  $\$1.75 + \$0.08 = \$1.83$  (Divisions are allowed to round down to the nearest \$0.05)

Divisions may not increase the amount charged to paying students by more than 10 cents in one year. As such, based on the calculations above, the division is required by law to increase lunch prices by \$0.10 in school year 2019-2020.

The new division lunch price will be \$1.75 (Current price is \$1.65 + \$0.10 increase) in school year 2019-2020.

## Cafeteria Fund Revenues - Level 3

The following table is a breakout of Cafeteria Fund revenues by classification.

	2015-2016 ACTUALS	2016-2017 ACTUALS	2017-2018 ACTUALS	2018-2019 BUDGET	2019-2020 BUDGET	Increase (Decrease)	2020-2021 FORECAST	2021-2022 FORECAST	2022-2023 FORECAST
<b>Federal Revenues</b>									
NATIONAL SCHOOL LUNCH PROGRAM	\$ 6,256,691	\$ 6,341,767	\$ 6,820,824	\$ 7,038,270	\$ 7,228,268	\$ 189,998	\$ 7,228,268	\$ 7,228,268	\$ 7,228,268
FRESH FRUIT AND VEGETABLE PROGRAM	127,755	185,336	150,000	190,000	150,000	(40,000)	150,000	150,000	150,000
DONATED COMMODITIES	414,936	441,514	415,000	450,000	450,000	-	450,000	450,000	450,000
<b>Total Federal Revenues</b>	<b>6,799,382</b>	<b>6,968,617</b>	<b>7,385,824</b>	<b>7,678,270</b>	<b>7,828,268</b>	<b>149,998</b>	<b>7,828,268</b>	<b>7,828,268</b>	<b>7,828,268</b>
<b>State Revenues</b>									
SCHOOL NUTRITION - STATE	80,051	114,419	95,966	123,457	107,780	(15,677)	107,780	107,780	107,780
<b>Total State Revenues</b>	<b>80,051</b>	<b>114,419</b>	<b>95,966</b>	<b>123,457</b>	<b>107,780</b>	<b>(15,677)</b>	<b>107,780</b>	<b>107,780</b>	<b>107,780</b>
<b>Charges for Services</b>									
PAID SCHOOL BREAKFAST/LUNCH	454,957	479,228	560,000	585,000	500,000	(85,000)	500,000	500,000	500,000
<b>Total Charges for Services</b>	<b>454,957</b>	<b>479,228</b>	<b>560,000</b>	<b>585,000</b>	<b>500,000</b>	<b>(85,000)</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Other Revenue</b>									
MISCELLANEOUS	573,473	589,658	562,000	500,000	440,000	(60,000)	440,000	440,000	440,000
<b>Total Other Revenues</b>	<b>573,473</b>	<b>589,658</b>	<b>562,000</b>	<b>500,000</b>	<b>440,000</b>	<b>(60,000)</b>	<b>440,000</b>	<b>440,000</b>	<b>440,000</b>
<b>Transfers In from Other Funds</b>									
BONUS AND UNPAID LUNCH- GENERAL FUND	20,934	268,178	15,000	15,000	15,000	-	15,000	15,000	15,000
<b>Total Transfers In from Other Funds</b>	<b>20,934</b>	<b>268,178</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Total Cafeteria Revenues</b>	<b>\$ 7,928,797</b>	<b>\$ 8,420,100</b>	<b>\$ 8,618,790</b>	<b>\$ 8,901,727</b>	<b>\$ 8,891,048</b>	<b>\$ (10,679)</b>	<b>\$ 8,891,048</b>	<b>\$ 8,891,048</b>	<b>\$ 8,891,048</b>

Budget Forecasts:

For FY 2019-20, the budget is projected to decrease slightly by about \$11,000 primarily due to increased federal funding for the National School Lunch Program. This increase was offset by decreases in State revenue, charges for services and other revenues. Future budgets are expected to maintain stable through FY 2022.

### Cafeteria Fund Expenditures - Level 3

The following table is breakout of Cafeteria Fund expenditures by Type

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Increase	2020-2021	2021-2022	2022-2023
	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET	(Decrease)	FORECAST	FORECAST	FORECAST
<b>Food Services</b>									
Salaries	\$ 2,616,033	\$ 2,639,431	\$ 2,327,967	\$ 2,325,377	\$ 2,364,929	\$ 39,552	\$ 2,364,929	\$ 2,364,929	\$ 2,364,929
Benefits	1,216,407	1,270,257	1,343,712	1,207,433	1,199,714	(7,719)	1,199,714	1,199,714	1,199,714
Purchased Services	6,363	7,296	15,000	15,000	15,000	-	15,000	15,000	15,000
Materials/Supplies	3,766,818	3,641,184	4,190,000	4,317,500	4,539,142	221,642	4,539,142	4,539,142	4,539,142
Other Charges	30,964	23,364	164,500	190,000	190,000	-	190,000	190,000	190,000
Internal Services	-	-	-	60,000	-	(60,000)	-	-	-
Equipment	139,266	176,823	162,611	336,417	132,263	(204,154)	132,263	132,263	132,263
Donated Commodities	417,333	442,022	415,000	450,000	450,000	-	450,000	450,000	450,000
<b>Total Expenditures</b>	<b>\$ 8,193,183</b>	<b>\$ 8,200,378</b>	<b>\$ 8,618,790</b>	<b>\$ 8,901,727</b>	<b>\$ 8,891,048</b>	<b>\$ (10,679)</b>	<b>\$ 8,891,048</b>	<b>\$ 8,891,048</b>	<b>\$ 8,891,048</b>

## Debt Obligations

By law, the School Board may not issue bonds or enter into debt. There are no debt obligations for the division.

## Other Post-Employment Health Care Benefits

The School Board provides medical insurance benefits to eligible retirees and their spouses in accordance with the division's personnel policies and procedures. An Other Post-Employment Benefit (OPEB) trust was established for the purpose of accumulating and investing assets to fund the medical insurance benefits obligations. As of June 30, 2018, health plan membership consisted of 2,019 active service participants and 39 retirees and beneficiaries receiving benefits. The annual OPEB cost is based on the annual required contribution (ARC) which represents a level of funding that would cover normal costs each year over a thirty-year period.

The employer contribution amount was not actually paid into the OPEB trust. This amount, as determined by a third party actuary, represents an implicit subsidy. Annual costs for retirees are typically higher than those for the average covered life (due to being older than the covered group). Therefore, some of the expense for active coverage is subsidizing the cost of coverage for retirees. It is required that this subsidized retiree cost be reflected in OPEB accounting. The implicit subsidy or implied contribution towards retiree coverage made by the active/younger population was included as a contribution for FY 2016-17.

Effective June 30, 2017, state and local governments with OPEB plans administered through a trust were required to report the net OPEB liability for the plan. The net OPEB Liability as of June 30, 2018 is as follows:

Total OPEB Liability	\$ 16,980,673
Plan fiduciary net position	(12,541,363)
Net OPEB Liability	<u>\$ 4,439,310</u>
Plan fiduciary net position as a percentage of the total OPEB liability	73.85%

## Capital Improvement Projects

Capital projects in excess of \$50,000 and a useful life of at least ten (10) years are submitted to City Council for approval and inclusion in the City Capital Improvement Fund - Education. Currently, the following projects have been approved by the City and are currently in progress:

City of Portsmouth Fiscal Year 2020 Proposed Budget								
Capital Improvements Education								
Project Title	Appropriated	FY 2020	Un-Appropriated Subsequent Years				5 Year	CIP
	To Date	Proposed	FY 2021	FY 2022	FY 2023	FY 2024	Total	Total
Brighton ES Roof Replacement	973,000	-	-	-	-	-	-	973,000
Churchland Academy Parking Lot	527,500	-	-	-	-	-	-	527,500
Churchland High HVAC	5,162,009	-	-	-	-	-	-	5,162,009
Churchland HS Stage/Sound/Lighting Renovation	345,000	-	-	-	-	-	-	345,000
HMES and CAES Roof Coating	-	1,250,000	-	-	-	-	1,250,000	1,250,000
Hodges Manor ES Roof Top Unit Replacement	380,000	-	-	-	-	-	-	380,000
IRC Data Center HVAC and UPS Project	300,000	-	-	-	-	-	-	300,000
James Hurst, Churchland Primary and Intermediate	1,653,636	-	-	-	-	-	-	1,653,636
MT Hermon Preschool Roof Replacement	932,000	-	-	-	-	-	-	932,000
Mt. Hermon Bus Loop Upgrades	350,000	-	-	-	-	-	-	350,000
New Middle School	3,000,000	-	-	-	-	17,500,000	17,500,000	20,500,000
School Bus Fleet Replacement	5,956,082	-	-	-	-	-	-	5,956,082
Woodrow Wilson High School Roof	3,398,516	-	-	-	-	-	-	3,398,516
Woodrow Wilson HS HVAC Cooling Tower Replacement	550,000	550,000	550,000	-	-	-	1,100,000	1,650,000
<b>Total Project Cost</b>	<b>23,527,743</b>	<b>1,800,000</b>	<b>550,000</b>	<b>-</b>	<b>-</b>	<b>17,500,000</b>	<b>19,850,000</b>	<b>43,377,743</b>
<b>Debt Funding</b>								
Education Bonds-QZAB	973,000	-	-	-	-	-	-	973,000
Future Bond Issuance	13,765,000	-	-	-	-	17,500,000	17,500,000	31,265,000
General Obligation Bonds	550,000	1,800,000	550,000	-	-	-	2,350,000	2,900,000
<b>Debt Funding Funding</b>	<b>15,288,000</b>	<b>1,800,000</b>	<b>550,000</b>	<b>-</b>	<b>-</b>	<b>17,500,000</b>	<b>19,850,000</b>	<b>35,138,000</b>
<b>Transfers</b>								
Transfer from General Fund	8,239,743	-	-	-	-	-	-	8,239,743
<b>Total Funding</b>	<b>23,527,743</b>	<b>1,800,000</b>	<b>550,000</b>	<b>-</b>	<b>-</b>	<b>17,500,000</b>	<b>19,850,000</b>	<b>43,377,743</b>

Source: City of Portsmouth FY 2019-20 Proposed Operating Budget and Capital Improvement Program

After the presentation of the City of Portsmouth's Proposed FY 2019-20 Operating Budget and Capital Improvement Program, the City proposed funding the following capital projects: Hodges Manor Elementary School and Churchland Academy Elementary roof coating (\$1,250,000), and Woodrow Wilson High School's HVAC and Cooling system (\$550,000) for a total of \$1,800,000. It also includes continued funding of previously approved projects. Funding for each capital project will be primarily funded through future bond issuances.

In the FY 2019-20 CIP, the City delayed the first year of funding the construction cost of the new middle school building to FY 2023-2024. The City stated that this delay in funding was done to study all facets of plan design, school capacity analysis, average daily membership data and other critical decision areas.

In addition, the continued repair and maintenance of the remaining school buildings are projected to increase the operating and CIP budget. These projects include HVAC replacements, roof replacements and other major operating system repairs. Some repairs may need to be delayed based upon fiscal constraints.

With the anticipated construction of a new middle school, the division will continue to explore the reconfiguration of each middle school from a grade 7 and 8 model to the traditional grade 6 thru 8 model. This reconfiguration along with a zoning analysis is expected to relieve overcrowding at specific elementary schools.



# Informational Section



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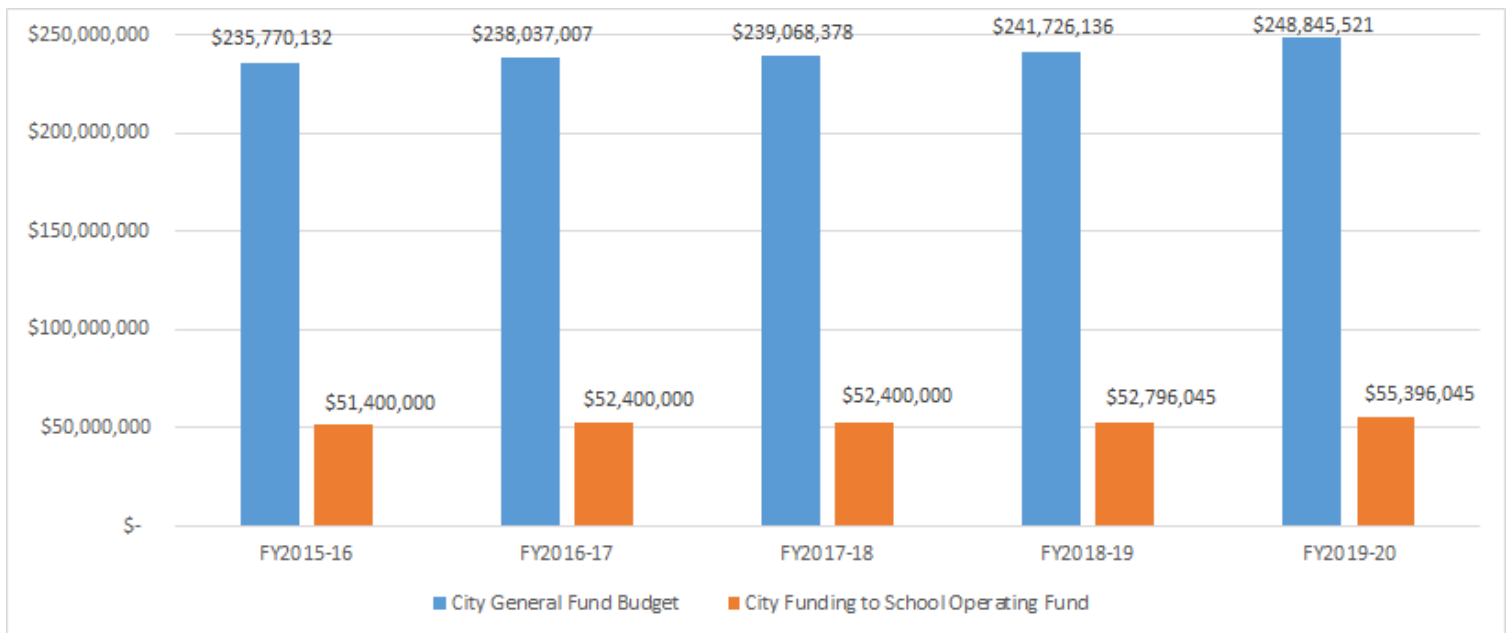
## Taxation

Per State Code, the City of Portsmouth acts as the school division’s appropriating body. Funds awarded to the division must be formally approved to be spent by the schools in the form of ordinances. All funds that the division receives, including state and grants funds, are included in the City’s budgeted allocation to the schools, but the actual City contribution to the schools is 36% of the total operating budget for the schools. The following is a historical look at the City’s contribution to the division’s operating fund:

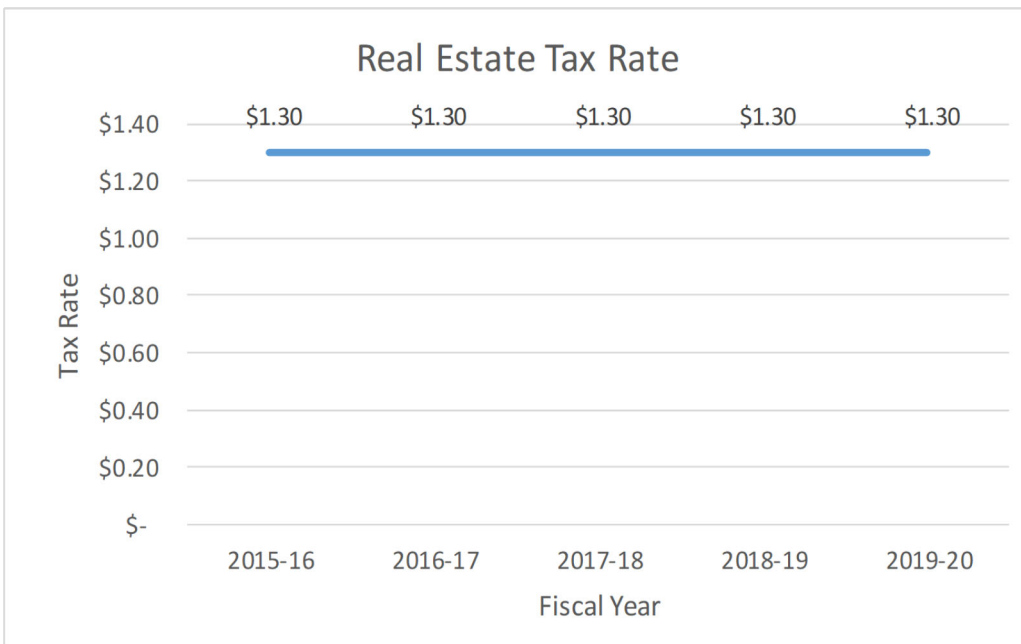
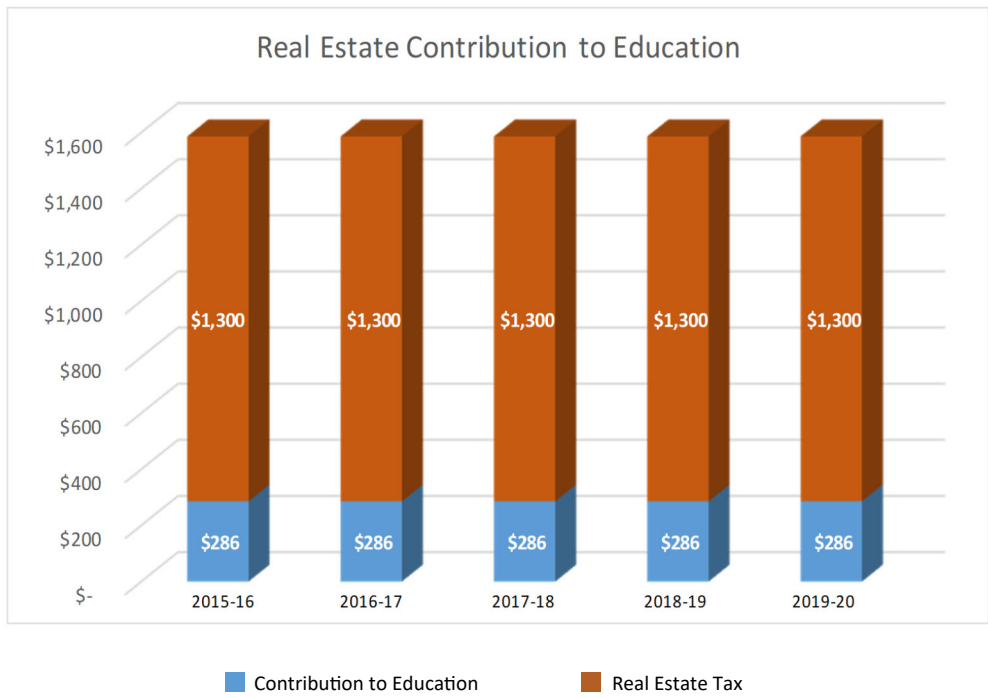
Fiscal Year	City General Fund Budget*	City Contribution * to School’s Operating Fund	% of Total General Fund Budget
2015-16	\$235,770,132	\$51,400,000	22%
2016-17	\$238,037,007	\$52,400,000	22%
2017-18	\$239,068,378	\$52,400,000	22%
2018-19	\$241,726,136	\$52,796,045	22%
2019-20	\$248,845,521	\$55,396,045	22%

\* Source: City of Portsmouth, VA Adopted Budgets

### City General Fund Budget vs. City Funding to School Operating Fund



The Commonwealth of Virginia does not give school divisions the authority to levy taxes on citizens, making all public school divisions fiscally dependent upon the local appropriating bodies. The municipality collects revenue in a variety of ways including usage fees, fines, and property taxes. In turn, a portion of these revenues are shared with the school division. The allocation to the schools operating fund in the City budget is generated primarily through property tax; therefore, with the current tax rate at \$1.30 per \$100 of assessed value, the owner of a property assessed at \$100,000 would owe a property tax bill of \$1,300 with approximately \$286 of that bill funding education.



The following table is historical look at Assessed Property Values in the City of Portsmouth.

	<b>2014-15 ACTUAL</b>	<b>2015-16 ACTUAL</b>	<b>2016-17 ACTUAL</b>	<b>2017-18 ACTUAL</b>
Residential Property	5,024,940	5,040,388	5,094,814	5,124,105
Commercial Property	1,745,055	1,733,055	1,775,072	1,782,294
Industrial Property	399,665	399,095	399,322	400,870
<b>Total Taxable Assessed Value</b>	<b>7,169,660</b>	<b>7,172,538</b>	<b>7,269,208</b>	<b>7,307,269</b>

Numbers in 000s

Source: Portsmouth, Virginia 2018 Comprehensive Annual Financial Report, Table B-1

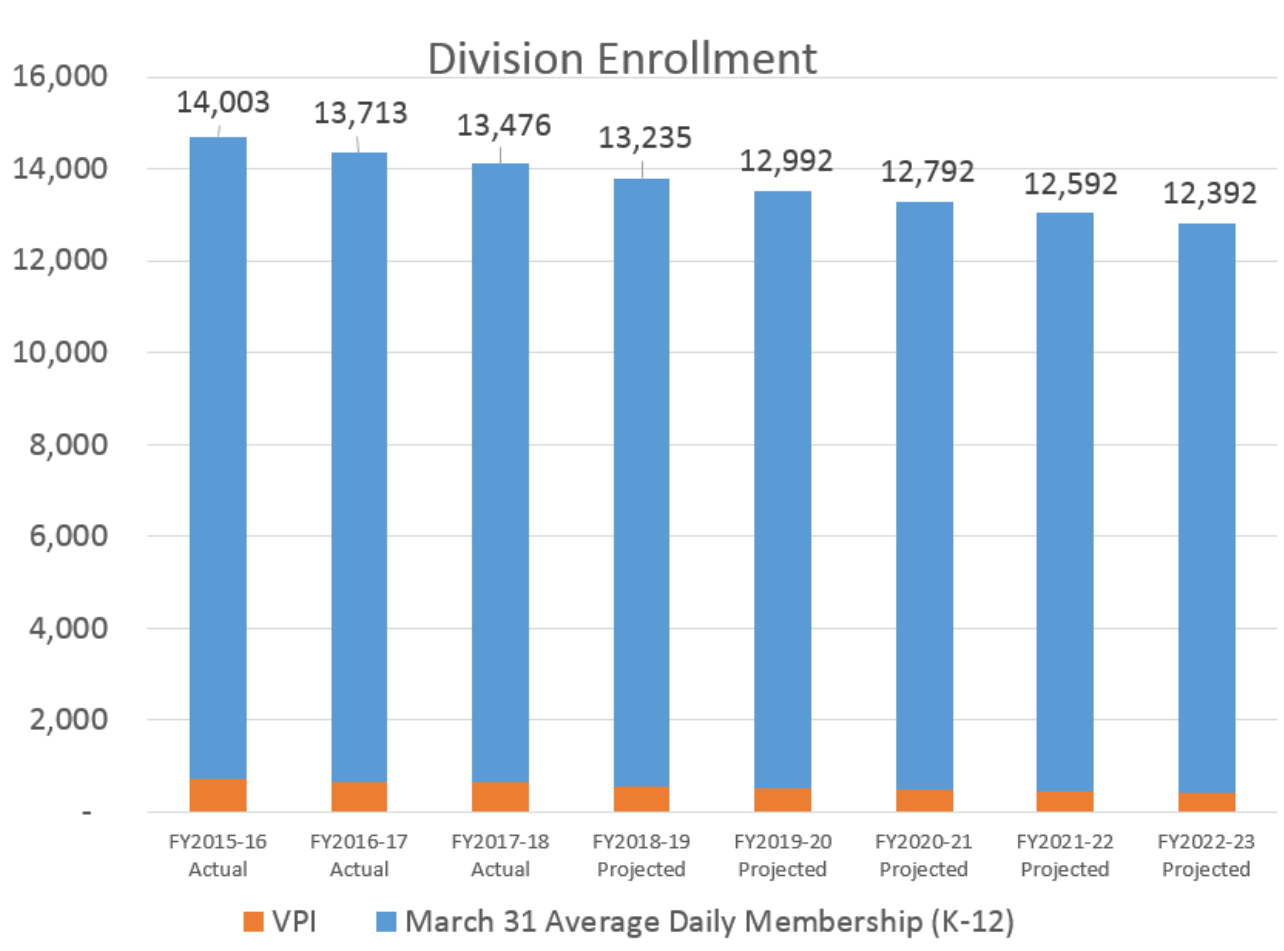
City funding for education is also derived from personal property tax and various other local taxes such as admission and amusement tax, bank franchise tax, business and professional licenses tax, licensing fees, lodging tax, cigarette tax, recordation tax, restaurant food tax, short term rental tax, and franchise tax.

The City also assesses a \$5.00 per \$100 vehicle property tax, a \$3.00 per \$100 machinery tax, as well as a \$0.50 per \$100 per assessed value of boats. The City estimates the value of personal property and typically collects on these taxes in June. The following is a summary of some of the tax rates assessed by the City:

<b>Tax Type</b>	<b>Unit</b>	<b>2015-16 Actual</b>	<b>2016-17 Actual</b>	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Actual</b>
Real Estate	per \$100	\$1.30	\$1.30	\$1.30	\$1.30	\$1.30
Personal Property - Vehicles	per \$100	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Personal Property - Machinery	per \$100	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
Personal Property - Boats	per \$100	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Admissions Tax	of sale price	10%	10%	10%	10%	10%
Restaurant Food	of sale price	6.50%	6.50%	6.50%	6.50%	6.50%
Lodging Tax	of sale price	8.00%	8.00%	8.00%	8.00%	8.00%
Hotel Transient Rental Tax	per night	0.00%	0.00%	0.00%	0.00%	\$3.00
Sales Tax	of sale price	6.00%	6.00%	6.00%	6.00%	6.00%
Cigarette Tax	per pack	\$0.90	\$0.90	\$0.90	\$0.90	\$0.95

## Division Enrollment Forecast

Enrollment trends and projections are based on Forecast 5 Analytics Cohort Survival model and Pre-K slots from the Virginia Preschool Initiative. The Cohort Survival model is considered very reliable and is utilized by several Departments of Education in student projections and U.S. Census Bureau reports. This model uses an “aging” approach that moves a group of students and adjusts amounts based on past history. The model also relies on historical enrollment, live birth data, housing changes, etc. The division also reviews the state projection of ADM along with the historical average change in March 31st ADM to project enrollment.



Enrollment figures above are based on actual and projected March 31st membership and VPI pre-k slots

## PERSONNEL RESOURCE ALLOCATIONS BY FUND

	FY 2015-16	FY 2016-17	FY 2017-18	Budgeted	Projected	Change
				FY 2018-19	FY 2019-20	
				as of		
				2/1/2019		
<b>CAFETERIA FUND</b>						
ASSOCIATE 200 DAY - 8 HOUR	1	1	1	1	1	0
ASSOCIATE 260 DAY - 8 HOUR	3	3	3	3	3	0
COORDINATOR	1	1	1	1	1	0
FOOD SERVICES 4.5 HRS	3	3	3	3	3	0
FOOD SERVICES 5.5 HRS	45	33	33	33	33	0
FOOD SERVICES 6.0 HRS	49	46	44	44	44	0
FOOD SERVICES MANAGER	23	23	22	22	22	0
PART TIME WITH POSITION	37	45	45	45	45	0
SUPERVISOR	3	2	2	2	2	0
<b>TOTAL FOR FUND</b>	<b>165</b>	<b>157</b>	<b>154</b>	<b>154</b>	<b>154</b>	<b>0</b>

	FY 2015-16	FY 2016-17	FY 2017-18 as of	Budgeted	Projected	Change
			12/12/2017	FY 2018-19	FY 2019-20	
<b>GENERAL FUND</b>						
ASSISTANT SUPERINTENDENT	2	2	3	3	3	0
ASSOCIATE 200 DAY - 8 HOUR	27	27	13	13	13	0
ASSOCIATE 213 DAY - 7 HOUR	0	0	13	13	13	0
ASSOCIATE 260 DAY - 8 HOUR	92	91	86	86	86	0
ATTENDANCE OFFICERS	3	4	4	4	6	2
BUS DRIVER	115	111	111	111	111	0
BUS MONITOR	39	39	39	39	39	0
BUS LOT LEADER	3	3	3	3	3	0
COORDINATOR	9	9	9	9	9	0
CROSSING GUARD 10 MTH	29	26	23	21	21	0
CUSTODIAN	64	64	62	62	62	0
CUSTODIAN, HEAD	20	20	20	20	20	0
CUSTODIAN, LEAD	23	23	23	23	23	0
DEAN OF STUDENTS	4	4	0	0	0	0
DELIVERY PERSONNEL	2	2	2	2	2	0
DIRECTOR	5	5	4	6	6	0
ELEMENTARY SCHOOL PRINCIPAL	16	16	15	15	15	0
ELEM SCHOOL ASST PRINCIPAL	13	13	13	14	14	0
EXECUTIVE ADMINISTRATOR	1	1	0	0	0	0
GRADUATION COACH	2	2	2	2	3	1
GUIDANCE COUNSELOR	23	23	23	23	29	6
GUIDANCE COUNSELOR 10+1	6	6	6	6	6	0
GUIDANCE COUNSELOR 10+2	3	3	3	3	3	0
HIGH SCHOOL ASST PRINCIPAL	9	9	9	9	9	0
HIGH SCHOOL PRINCIPAL	3	3	3	3	3	0
HOME SCHOOL LIAISON	0	0	0	0	7	7
IN-SCHOOL SUSPENSION I	4	4	4	4	17	13
IN-SCHOOL SUSPENSION II	3	3	3	3	3	0
INSTRUCTIONAL ASSISTANT	15	15	15	21	21	0
INSTRUCTIONAL ASSISTANT SPED	142	138	138	138	138	0

	FY 2015-16	FY 2016-17	FY 2017-18 as of 12/12/2017	Budgeted FY 2018-19	Projected FY 2019-20	Change
INTERPRETER	6	6	5	5	5	0
LIBRARY MEDIA SPECIALIST	22	22	22	22	22	0
MAINTENANCE PERSONNEL	22	22	21	21	21	0
MANAGER	4	4	3	3	3	0
MIDDLE SCHOOL PRINCIPAL	4	4	4	4	4	0
MIDDLE SCHOOL ASST PRINCIPAL	6	6	6	6	6	0
NURSE	26	24	19	12	12	0
NURSE LPN	0	0	3	10	10	0
OCCUPATIONAL/PHYSICAL TH 10+1	1	1	1	1	1	0
OCCUPATIONAL/PHYSICAL TH 10+2	1	1	1	1	1	0
OCCUPATIONAL/PHYSICAL THERPST	1	1	1	1	1	0
OFFICERS	1	1	1	0	0	0
PART TIME WITH POSITION	5	5	4	2	2	0
PROGRAM SPECIALIST	13	14	9	9	14	5
PSYCHOLOGIST	6	6	6	6	6	0
PSYCHOLOGIST 10+2	0	0	4	4	4	0
PURCHASING PERSONNEL - NON EXE	1	1	1	1	1	0
PURCHASING PERSONNEL- EXEMPT	1	2	2	2	2	0
RESEARCH SPECIALIST	1	1	2	2	2	0
ROTC INSTRUCTORS	7	7	7	7	7	0
SCHOOL BOARD	9	9	9	9	9	0
SECURITY OFFICERS	16	16	16	29	34	5
SENIOR SUPERVISOR	8	8	8	8	8	0
SOCIAL WORKER	1	1	1	1	4	3
SOCIAL WORKER 10+1	3	3	3	3	3	0
SOCIAL WORKER 10+2	4	4	4	4	4	0
SPEECH / HEARING / SIGHT THERP	17	17	16	15	15	0
SPEECH/HEARING/SIGHT TH 10+2	1	1	1	1	1	0
STUDENT RESOURCE LIAISON	3	1	1	1	1	0
SUPERINTENDENT	1	1	1	1	1	0
SUPERVISOR	11	11	11	11	11	0
TEACHER	769	771	820	824	824	0
TEACHER SPECIAL ED	142	137	126	127	127	0
TEACHER 10+2	7	6	6	7	7	0
TEACHER 10+1	2	1	5	5	5	0
TEACHER SPECIALIST	1	1	1	1	1	0
TECHNOLOGY PERSONNEL - NON EXE	6	6	11	11	11	0
TECHNOLOGY PERSONNEL EXEMPT	14	14	12	12	12	0
WAREHOUSE PERSONNEL	3	3	3	3	3	0
<b>TOTAL FOR FUND</b>	<b>1823</b>	<b>1805</b>	<b>1826</b>	<b>1848</b>	<b>1890</b>	<b>42</b>



<b>GRANT FUND</b>	<b>FY 2017-18 as of</b>					<b>Change</b>
	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>12/12/2017</b>	<b>Budgeted FY 2018-19</b>	<b>Projected FY 2019-20</b>	
ASSOCIATE 200 DAY - 8 HOUR	1	1	1	1	1	0
ASSOCIATE 260 DAY - 8 HOUR	6	6	6	6	6	0
COORDINATOR	3	5	6	6	6	0
DIRECTOR	0	1	1	1	1	0
ELEMENTARY SCHOOL PRINCIPAL	1	1	1	1	1	0
HOME SCHOOL LIAISON	1	0	12	12	12	0
HOME SCHOOL LIAISON 12 MTH	1	2	2	2	2	0
INSTRUCTIONAL ASSISTANT	45	41	84	88	88	0
INSTRUCTIONAL ASSISTANT SPED	8	9	9	9	9	0
OTHER PROFESSIONAL STAFF	1	1	1	1	1	0
PART TIME WITH POSITION	3	6	6	7	7	0
PROGRAM SPECIALIST	5	5	14	16	16	0
PSYCHOLOGIST 10+2	4	4	0	0	0	0
SENIOR SUPERVISOR	5	5	5	5	5	0
SPEECH / HEARING / SIGHT THERP	1	1	1	1	1	0
TEACHER	73	70	41	38	38	0
TEACHER SPECIAL ED	14	14	22	22	22	0
TEACHER 10+1	2	2	8	7	7	0
TEACHER 10+2	2	2	2	2	2	0
TEACHER SPECIALIST	10	10	10	10	10	0
<b>TOTAL FOR FUND</b>	<b>186</b>	<b>186</b>	<b>232</b>	<b>235</b>	<b>235</b>	<b>0</b>

<b>TOTAL FOR ALL FUNDS</b>	<b>FY 2017-18 as of</b>					<b>Change</b>
	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>12/12/2017</b>	<b>Budgeted FY 2018-19</b>	<b>Projected FY 2019-20</b>	
	<b>2175</b>	<b>2148</b>	<b>2212</b>	<b>2237</b>	<b>2279</b>	<b>42</b>

## Standards of Learning (SOL) Testing

The Commonwealth of Virginia uses Standards of Learning tests to ensure school divisions give students an adequate and challenging education. Starting in 1998, the division tests its students in order to reach state education requirements, earn accreditation, and maintain state funding.

Based on the historical look at the detailed SOL pass rates, the accreditation rate has slipped since the division achieved full accreditation for all schools in 2010. Since that time, the state implemented new, more rigorous SOL tests, in the areas of Social Studies, Mathematics, English (Reading/Writing), and Science, to better prepare students to compete in today’s global economy, and to meet the higher expectations of national and international benchmarks for college and career readiness. VDOE reported a decline in the scores in these areas statewide so Portsmouth’s similar decline was no surprise. Teaching methods were adjusted to better prepare students for the new testing formats.

In 2015, VDOE revised the accreditation standards with the goal of better informing the public of the progress of schools to reach accreditation. The most significant change was the introduction of partially accredited ratings. This new designation identifies schools that are close to full accreditation or making acceptable progress.

Recently, the division has seen the number of accredited schools continue to rise. In FY 2016-17, the school division increased the number of fully accredited schools from 8 to 12 schools. Partially accredited schools decreased from 4 to 1 schools. In 2017-18, the division saw further growth under the new accreditation standards, moving to having zero (0) schools with accreditation denied status, 5 schools accredited with conditions, and 14 schools fully accredited.

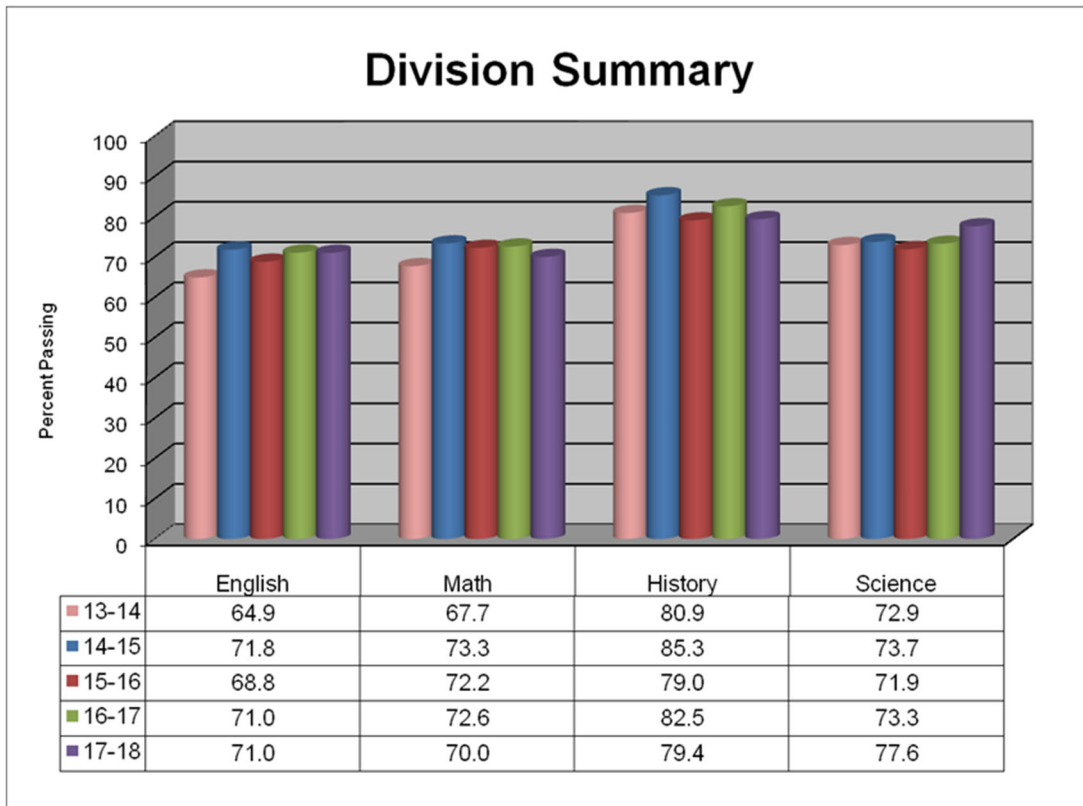
Accredited	Partially Accredited	Accreditation Denied
3 High Schools	2 Elementary Schools	
11 Elementary Schools	3 Middle Schools	

School accreditation standards will change again in 2018-19. The commonwealth’s department of education plans to incorporate growth of student performance for elementary and middle schools and absenteeism at all school levels. Furthermore, the state will rate school performance on a scale of one to three, with one being the highest level of performance. The below table details the performance level rating system.

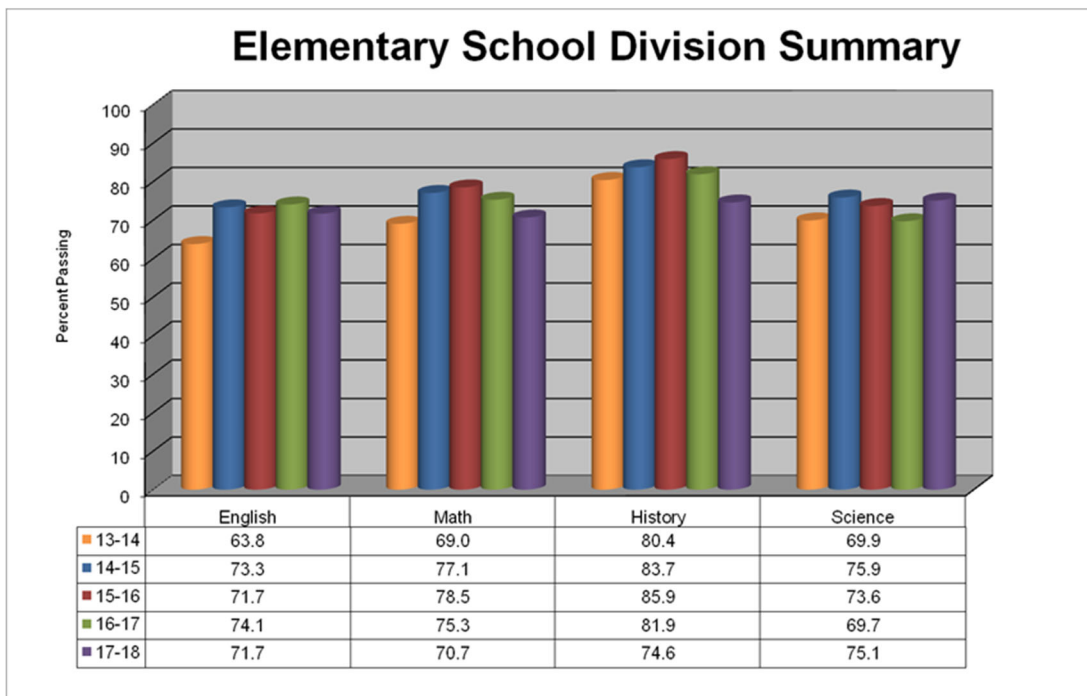
Level One: At or Above Standard <ul style="list-style-type: none"> <li>• Performance at or above state standard for indicator</li> <li>• Sufficient improvement toward state standard for indicator from Level Two</li> </ul>
Level Two: Near Standard or Improving <ul style="list-style-type: none"> <li>• Below state standard for indicator but approaching Level One performance</li> <li>• Sufficient improvement on indicator from Level Three</li> </ul>
Level Three: Below Standard <ul style="list-style-type: none"> <li>• Performance on indicator below state standard</li> <li>• Performance on indicator at Level Two for more than four consecutive years</li> </ul>

Detailed SOL pass rates are illustrated on the next pages. The division is proud of the achievements of the students and instructional staff, and it expects continued growth and this trend of increasing the number of fully accredited schools to continue.

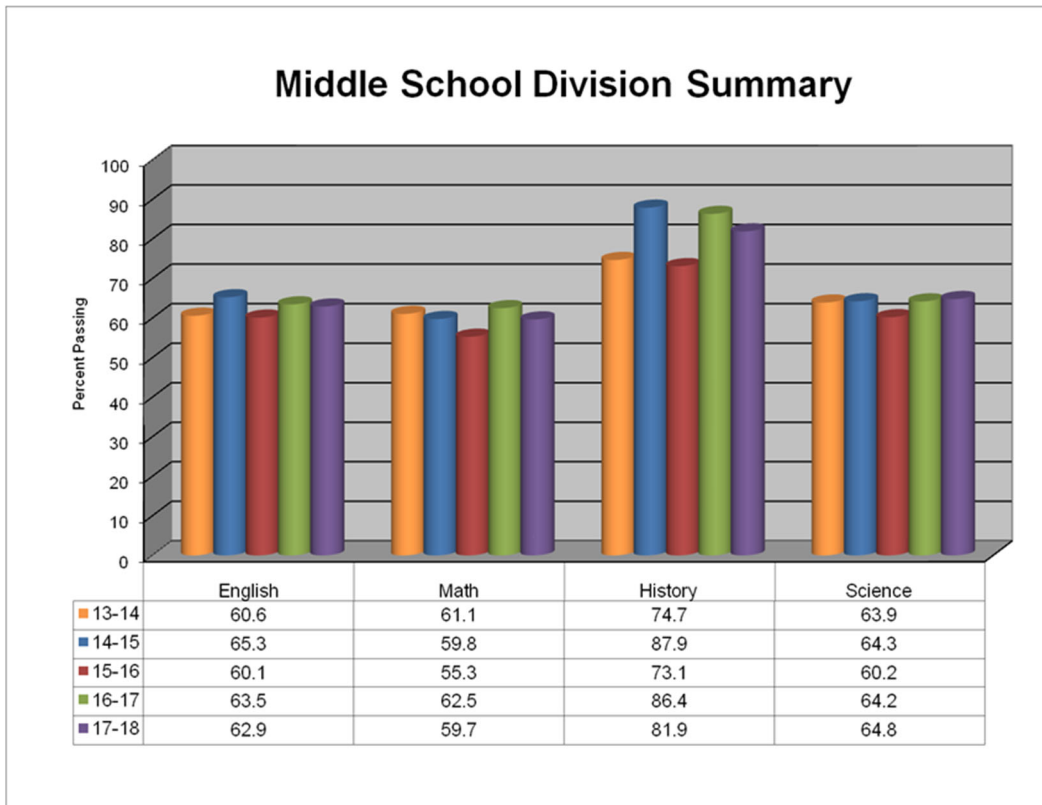
## Division Summary Portsmouth Public Schools Standards of Learning Assessments



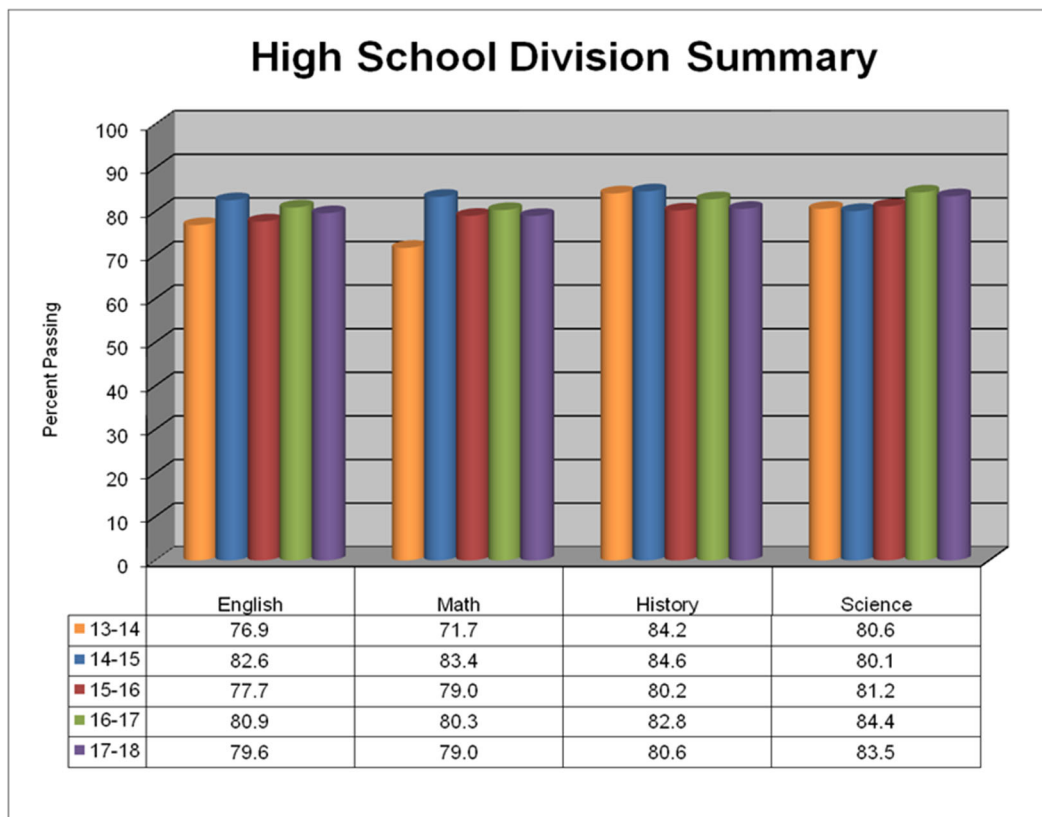
## Portsmouth Public Schools Standards of Learning Assessments



## Portsmouth Public Schools Standards of Learning Assessments



## Portsmouth Public Schools Standards of Learning Assessments



## Graduation Rates

The division’s most important products are graduates. The first objective under the Strategic Plan Goal 1 is that graduates will be college and career ready. Beginning with the 2012-13 school year, state accreditation standards required a school division to achieve a graduation index of 85%, with the index rising each of the following years. This complex index measures the on-time graduation rate of a cohort of students who entered high school four years before. The division continues to explore ways to reduce the dropout rate in order to meet the on-time graduation requirement.

	Class of 2016			Class of 2017			Class of 2018		
	First-time 9th Grade Cohort 2012-13			First-time 9th Grade Cohort 2013-14			First-time 9th Grade Cohort 2014-15		
HIGH SCHOOL	Dropouts	Dropout Rate	Virginia On-time Graduation Rate	Dropouts	Dropout Rate	Virginia On-time Graduation Rate	Dropouts	Dropout Rate	Virginia On-time Graduation Rate
CHURCHLAND	13	3.6%	93.9%	19	5.1%	92.4%	19	5.9%	89.8%
I. C. NORCOM	23	7.8%	91.5%	43	15%	83.3%	34	11.0%	84.1%
WOODROW WILSON	35	10.0%	87.1%	30	8.5%	87.9%	21	6.2%	84.0%

## Free and Reduced Lunch

Portsmouth educates children in an urban setting with a high percentage of students receiving free and reduced lunch. Portsmouth has the second largest percentage of students receiving free or reduced lunch in the Hampton Roads region.

### VDOE National School Lunch Program (NSLP) Regional Comparison

#### School Year 2017-18

	SNP Membership	FREE Eligibility	FREE %	RED Eligibility	RED %	TOTAL F/R Eligibility	TOTAL F/R %
<b>Public School Divisions</b>							
Chesapeake City *	39,840	13,155	33.02	2,161	5.42	15,316	38.44
Hampton City *	19,713	11,326	57.45	904	4.59	12,230	62.04
Newport News City *	28,575	21,250	74.37	377	1.32	21,627	75.69
Norfolk City *	30,625	21,769	71.08	1,141	3.73	22,910	74.81
Portsmouth City *	14,171	10,403	73.41	322	2.27	10,725	75.68
Suffolk City *	14,339	6,384	44.52	740	5.16	7,124	49.68
Virginia Beach City *	68,532	22,005	32.11	5,328	7.77	27,333	39.88

\* One or more schools in this division operate under the USDA Community Eligibility Provision (CEP). The free eligible for those schools is calculated based on USDA guidance.

The number of students who qualify for free and reduced lunch in Portsmouth has grown from 64% in 2014-15 to 76% in 2018-19. Effective July 2014, alternative means of identifying eligible households that qualify for free or reduced price meals became available. If at least 40% of the identified free lunch students at a particular school qualify during the prior school year, that school qualifies to use the alternate means of identification, the Community Eligibility Provision (CEP) program. Should the division nominate them for the program, these schools would receive full free funding and all students in these schools would receive lunch and breakfast at no charge. The division has thirteen (13) total schools in the CEP program. If PPS was to implement the program in all schools, other non-federal funds would be required to fund the program. Implementation of this program saves money for the parents at the participating schools and participation in the School Nutrition Program increases. Food Services continually evaluates the identified student population of all schools each year to determine the possibility of adding new schools to the program.

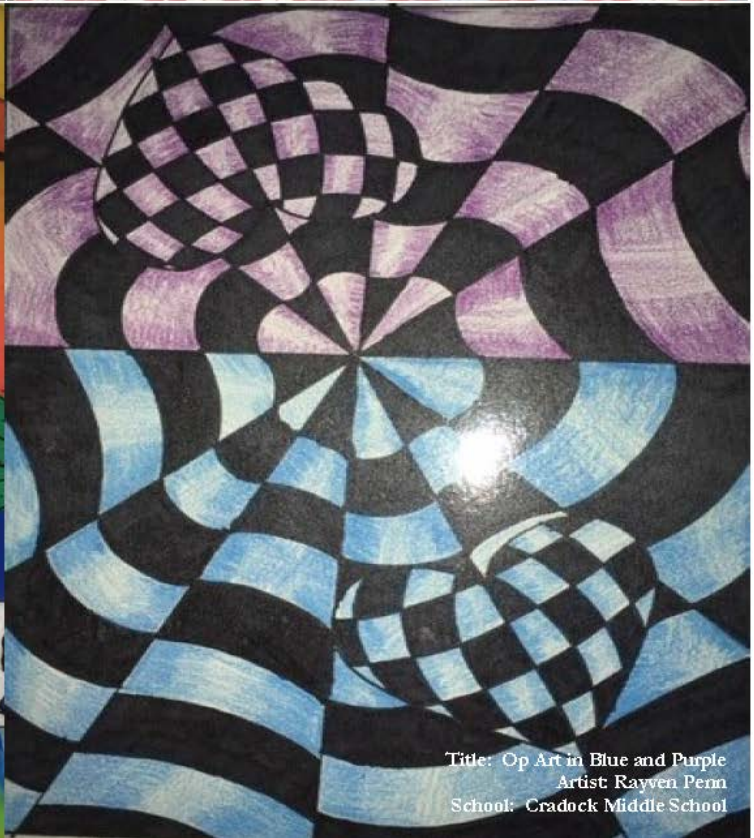
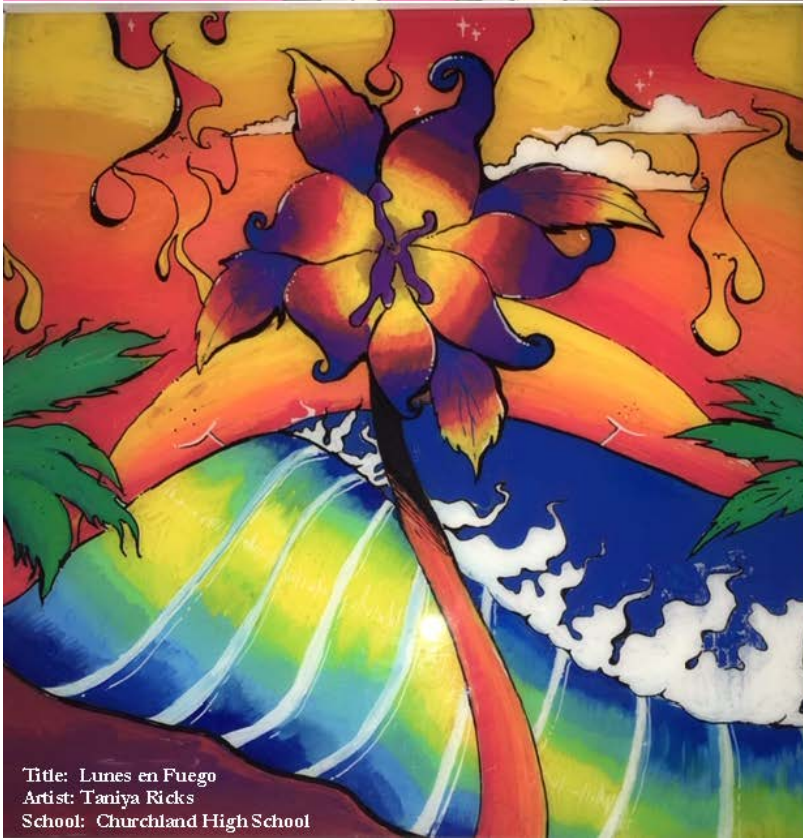
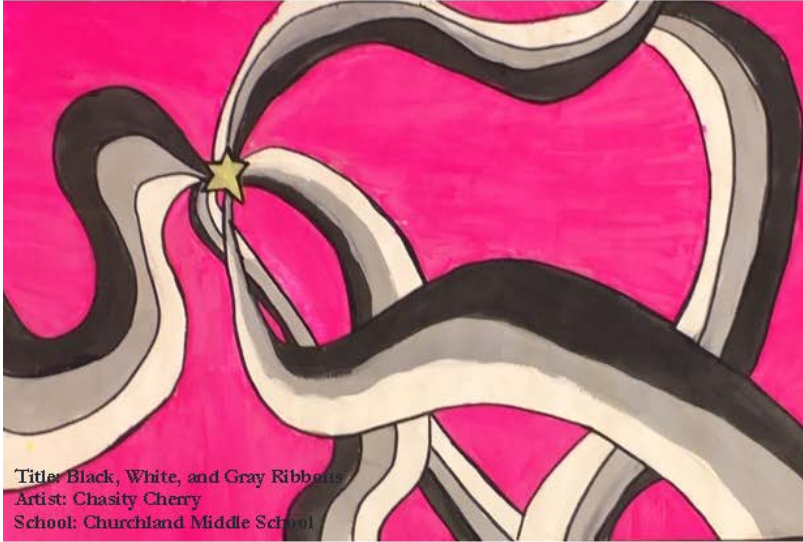
### VDOE National School Lunch Program (NSLP) Portsmouth Free and Reduced Meals 2014-2019

School Year	NSLP Membership	Total Free/Reduced Lunch Eligible	Total Free/Reduced %
2014-15	15,146	9,736	64.28%
2015-16	14,959	10,490	70.13%
2016-17	14,607	10,055	68.84%
2017-18	14,427	11,053	76.61%
2018-19	14,171	10,725	75.68%

Source: VDOE NSLP Free & Reduced Price Eligibility Report and Fall Membership Reports  
Data is reported in principals' report to Food Services, October 31 of each school year



# Appendix



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## Code of Virginia, 1950 (excerpts)

**§ 22.1-88. Of What School Funds to Consist.**

The funds available to the school board of a school division for the establishment, support and maintenance of the public schools in the school division shall consist of state funds appropriated for public school purposes and apportioned to the school board, federal funds appropriated for educational purposes and apportioned to the school board, local funds appropriated to the school board by a local governing body or such funds as shall be raised by local levy as authorized by law, donations or the income arising there from, and any other funds that may be set apart for public school purposes.

**§ 22.1-89. Management of Funds.**

Each school board shall manage and control the funds made available to the school board for public schools and may incur costs and expenses. If funds are appropriated to the school board by major classification as provided in § 22.1-94, no funds shall be expended by the school board except in accordance with such classifications without the consent of the governing body appropriating the funds.

**§ 22.1-91. Limitation on Expenditures; Penalty.**

No school board shall expend or contract to expend, in any fiscal year, any sum of money in excess of the funds available for school purposes for that fiscal year without the consent of the governing body or bodies appropriating funds to the school board. Any member of a school board or any division superintendent or other school officer violating, causing to be violated or voting to violate any provision of this section shall be guilty of malfeasance in office.

**§ 22.1-92. Estimate of Moneys Needed for Public Schools; Notice of Costs to be distributed.**

A. It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § 15.2-2503, the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division. The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

Upon preparing the estimate of the amount of money deemed to be needed during the next fiscal year for the support of the public schools of the school division, each division superintendent shall also prepare and distribute, within a reasonable time as prescribed by the Board of Education, notification of the estimated average per pupil cost for public education in the school division for the coming school year in accordance with the budget estimates provided to the local governing body or bodies. Such notification shall also include actual per pupil state and local education expenditures for the previous school year. The notice may also include federal funds expended for public education in the school division.

The notice shall be made available in a form provided by the Department of Education and shall be published on the school division's website or in hard copy upon request. To promote uniformity and allow for comparisons, the Department of Education shall develop a form for this notice and distribute such form to the school divisions for publication.

B. Before any school board gives final approval to its budget for submission to the governing body, the school board shall hold at least one public hearing to receive the views of citizens within the school division. A school board shall cause public notice to be given at least 10 days prior to any hearing by publication in a newspaper having a general circulation within the school division. The passage of the budget by the local government shall be conclusive evidence of compliance with the requirements of this section.

**§ 22.1-93. Approval of Annual Budget for School Purposes.**

Notwithstanding any other provision of law, including but not limited to Chapter 25 (§ 15.2-2500 et seq.) of Title 15.2, the governing body of a county shall prepare and approve an annual budget for educational purposes by May first or within thirty days of the receipt by the county of the estimates of state funds, whichever shall later occur, and the governing body of a municipality shall prepare and approve an annual budget for educational purposes by May fifteen or within thirty days of the receipt by the municipality of the estimates of state funds, whichever shall later occur. Upon approval, each local school division shall publish the approved annual budget in line item form, including the estimated required local match, on the division's website, and the document shall also be made available in hard copy as needed to citizens for inspection.

The Superintendent of Public Instruction shall, no later than the fifteenth day following final adjournment of the Virginia General Assembly in each session, submit estimates to be used for budgetary purposes relative to the Basic School Aid Formula to each school division and to the local governing body of each county, city and town that operates a separate school division. Such estimates shall be for each year of the next biennium or for the then next fiscal year.

**§ 22.1-94. Appropriations by County, City or Town Governing Body for Public Schools.**

A governing body may make appropriations to a school board from the funds derived from local levies and from any other funds available, for operation, capital outlay and debt service in the public schools. Such appropriations shall be not less than the cost apportioned to the governing body for maintaining an educational program meeting the standards of quality for the several school divisions prescribed as provided by law. The amount appropriated by the governing body for public schools shall relate to its total only or to such major classifications prescribed by the Board of Education pursuant to § 22.1-115. The appropriations may be made on the same periodic basis as the governing body makes appropriations to other departments and agencies.

**§ 22.1-100. Unexpended School and Educational Funds.**

All sums of money derived from the Commonwealth which are unexpended in any year in any school division shall revert to the fund of the Commonwealth from which derived unless the Board of Education directs otherwise. All sums derived from local funds unexpended in any year shall remain a part of the funds of the governing body appropriating the funds for use the next year, but no local funds shall be subject to re-division outside of the locality in which they were raised.

Code of the City of Portsmouth, Virginia

**Sec. 12-4. Lapse of Appropriations.**

Appropriations, to the extent they shall not have been expended or lawfully encumbered, shall lapse at the end of the period for which they were made. Grant appropriations made as a result of the operating budget shall lapse upon termination of the grant period, which shall include any extensions granted subsequent to the date of appropriation.

*(Code 1973, § 11-5; Code 1988, § 12-4; Ord. No. 1998-19, § 1, 4-28-1998)*

File: DA

## MANAGEMENT OF FUNDS

The Division Superintendent or the Division Superintendent's designee is responsible for administering the division budget in accordance with Board policies and applicable state and federal regulations and laws. The Division Superintendent or the Division Superintendent's designee uses appropriate fiscal planning and management methods, modeled after the best accepted business practices and directed toward the educational goals of the division.

1. If the appropriating body appropriates funds to the School Board by total expenditures, funds may be transferred by the School Board from one category to another. If funds are appropriated to the School Board by major classifications, no funds are expended by the School Board except in accordance with such classifications without the consent of the body appropriating the funds.
2. The Division Superintendent may be authorized by the School Board to make line-item transfers within a category.
3. The school division will maintain an encumbrance accounting system as a method of accomplishing budgetary control. After the end of the fiscal year, encumbrances in the form of purchase orders, contracts, and other commitments for the expenditure of funds will be requested for reappropriation by City Council, reported as fund balances and carried forward to the next fiscal year. Any encumbered amounts not approved by City Council shall be cancelled and funding therefore shall be transferred to the City. Any encumbered amounts approved by City Council, not liquidated after 120 days subsequent to year end, require School Board approval to remain open.

The School Board manages and controls the funds made available to it for the public schools and incurs costs and expenses.

Adopted: December 19, 1996 - VSBA

Revised: April 19, 2001 - CEPI (R)

Revised: May 22, 2008

Revised: February 6, 2014

Revised: May 22, 2014

Revised: November 9, 2017

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Legal Ref.: *The Code of Virginia*, 1950, as amended, §§ 22.1-78, 22.1-89, 22.1-94.

Cross Refs.:	DB	Annual Budget
	DG	Custody and Disbursement of School Funds
	DI	Financial Accounting and Reporting
	DJ	Small Purchasing
	DJA	Purchasing Authority

File: DA

DJF	Purchasing Procedures
DK	Payment Procedures
DL	Payroll Procedures

File: DB

## ANNUAL BUDGET

The annual school budget is the financial outline of the division's education program. It presents a proposed plan of expenditures and the expected means of financing those expenditures. After adoption, it provides the primary means of managing expenditures.

The fiscal year begins on the first day of July and ends on the thirtieth day of the following June.

The superintendent prepares, with the approval of the School Board, and submits to the appropriating body, an estimate of the amount of money needed during the next fiscal year for the support of the public schools of the school division. The estimate sets up the amount of money needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.

The superintendent or superintendent's designee prepares a budget calendar identifying all deadlines for the annual budgetary process. The calendar includes at least one work session for reviewing the budget and at least one public hearing on the budget. Notice of the time and place for the public hearing is published at least ten days in advance, in a newspaper having general circulation within the school division.

Upon approval of the school division's budget by the appropriating body, the school division publishes the approved budget in line item form, including the estimated required local match, on its website and the document is also made available in hard copy as needed to citizens for inspection.

Adopted: December 19, 1996

Revised: April 9, 2001

Revised: April 17, 2003

Revised: May 22, 2008

Revised: February 26, 2009

Revised: July 2, 2009

Revised: September 22, 2011

Revised: September 24, 2015

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Legal Refs.: *The Code of Virginia*, 1950, as amended, §§ 15.2-2500, 15.2-2503, 15.2-2504, 15.2-2506, 22.1-91, 22.1-92, 22.1-93, 22.1-94.

## Select Categories of State School Funds

Adult Education	Funds provided to improve educational opportunities for adults to complete secondary school, obtain a GED, or to benefit from job training and retraining programs
At-Risk	Funds to support the additional costs of educating at-risk students
Basic Aid (SOQ)	Funding for basic instructional positions calculated from minimum student to teacher ratios required by SOQ
CTE – Adult	Funds provided for adult persons who have academic or economic disadvantages
ESL	Funds to support necessary education services to children not having English as their primary language.
Gifted Education (SOQ)	State share of support costs for the gifted education program
Group Life Insurance	State share of cost of employer contributions to the VRS for Group Life benefits
Homebound	Provides for continuation of educational services for special education students who are temporarily homebound for medical reasons
ISAEP	Funding for students in substantial need for an alternative program and at risk of dropping-out of school
K-3 Primary Class Reduction	Funding as an incentive for reducing class sizes below the required SOQ standard in kindergarten through grade 3
Mentor Teacher Program	Support programs for new teachers
Prevention/Intervention/Remediation (SOQ)	Funds for additional professional instructional personnel to provide remedial services to at-risk children
Regional Tuition Program	Reimbursement for tuition paid to regional programs where students with certain disabilities can be served more appropriately and less expensively than the division's setting
Regular Foster Children	Reimbursement to the locality for educating students in foster care that are not residents of the division
Remedial Summer School	Funds to provide additional educational opportunities for at-risk students.
Sales Tax	Funds distributed to localities in support of public education based on the locality's pro-rata share of school age population Social Security State share of Social Security costs for funded SOQ positions
Special Education in Jails	Reimbursement for the instructional costs of providing special education and related services to children with disabilities in regional or local jails
Special Education (SOQ)	State reimbursement for additional cost for special education programs
Teacher Retirement	Supports the state share of the cost of employer contributions to VRS for SOQ personnel
Vocational Education (SOQ)	Funds to support career and technical education courses for students in grades 6-12.

## Glossary

AC=13	Academics and Career after High School = 13th Year
ADM	Average Daily Membership is the aggregate number of days of membership of all students enrolled during a specified period of time divided by the number of school days is in session for the same period of time.
Appropriation	A legal authorization to incur obligations and to make expenditures for specific purposes
Attrition	A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs
Authorized Positions	Employee positions, which are authorized in the adopted budget, to be filled during the year
Balanced Budget	A budget in which revenues are equal to expenditures. The accounts balance, that is, neither a budget deficit nor a budget surplus exists.
Budget	A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period
Budget Process	A schedule of activities, responsibilities, and deadlines related to budget development and adoption
CAFR	Comprehensive Annual Financial Report
Capital Budget	Accounts for all financial resources used for the acquisition or construction of major capital facilities.
CIP	The Capital Improvements Program is a plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.
Cash Accounting	An accounting method where receipts are recorded during the period they are received, and expenses are recorded in the period in which they are actually paid.
Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule
Encumbrances	Obligations in the form of purchase orders, contracts, or other commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved.
Enrollment	The total number of students officially registered in the school system
Expenditure	An outlay or the creation of a liability for an asset or an expense item
Expense	Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges
Fiscal Year	A twelve-month calendar period used for accounting and budgetary purposes. The fiscal year for Portsmouth Public Schools is July 1 through June 30.
Fiscally dependent	A fiscally dependent school division is dependent on general government for financial support and do not have taxing authority. Portsmouth is a fiscally dependent school division.
Fund	A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity

Fund Balance	The excess of the assets of a fund over its liabilities, reserves, and carryover
General Fund	The general fund of the School Board is used to account for all financial resources except for those accounted for in another fund and is the main operating fund for the school system.
Grants	A contribution by a government or other organization to support a particular function.
Internal Service Fund	A fund used to report an activity that provides services or goods to other funds, departments, or agencies on a cost reimbursement basis
ISAEF	Individual Student Alternative Education Plan
LCI	Local Composite Index - Factor used by the state of Virginia to distribute state education dollars (the lower the index, the higher state aid). The main variables used to calculate this index are property values, ADM, population, retail sales, and adjusted gross income. It is adjusted at the beginning of each biennium.
Modified Accrual	Revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.
No Child Left Behind	Federal legislation that enacts the theories of standards-based education reform. First enacted in 2002. Often abbreviated, NCLB
OPEB	Other Post-Employment Benefits
Revenue	Sources of income financing the operations of government
Self-Insurance	Insurance of one-self or an entity by maintaining a fund to cover possible losses/expenses rather than by purchasing an insurance policy
SEON	Superintendent Estimate of Needs
SOL	Standards of Learning tests are the instruments for measuring student mastery of the Standards of Quality.
SOQ	Standards of Quality are state-mandated objectives for student achievement.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people.
VPI	Virginia Preschool Initiative
VRS	Virginia Retirement System