

FY 2017/18 School Board Approved Operating Budget



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Virginia Beach City Public Schools >> Virginia Beach, Virginia 23456 >> www.vbschools.com

VIRGINIA BEACH CITY PUBLIC SCHOOLS
SCHOOL BOARD APPROVED OPERATING BUDGET
FY 2017/18

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Superintendent

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Chief of Staff

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Farrell E. Hanzaker

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Chief Information Officer

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Donald E. Robertson, Jr., Ph.D.

Chief Strategy and Innovation Officer

Rashard J. Wright

Chief Schools Officer

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Guide to Understanding the Budget

BUDGET ORGANIZATION

Virginia Beach City Public Schools (VBCPS) plans and develops a budget on an annual basis. The Code of Virginia requires each superintendent to prepare a budget reflective of the needs of the school division. It is the responsibility of the School Board to balance the needs of the school division against the available resources. There are many unpredictable factors affecting the projection of revenue and expenditures. With this in mind, VBCPS develops and utilizes budget assumptions that are current and based on data and information available at the time the budget is formulated.

The Fiscal Year (FY) 2017/18 School Board Approved Budget is presented as a communications document that provides information required for making policy and budgetary decisions. The budget details projected revenues and expenditures and outlines proposed changes compared to budgets for prior fiscal years. In this document, total revenue and expenditures are presented first by fund. Then, within the School Operating budget, revenue and expenditures are presented in detail. The budget presents a complete financial and organizational picture of the division including comprehensive summaries and comparisons expanded to report up to eight years of data in some instances. This document is a record of past decisions, a spending plan for the future, and serves as a resource for students, employees and citizens interested in learning about the operation of VBCPS. The School Board Approved Budget document is divided into five sections: Introductory, Organizational, Financial, Informational and Appendix.

INTRODUCTORY

The Introductory section presents a comprehensive summary of information from each of the other sections of the Approved budget document. It can be presented separately from the budget document and still portrays a complete picture of VBCPS' budget. This section provides details of the changes made at each stage in the budget process and communicates the highlights of the FY 2017/18 Approved budget.

ORGANIZATIONAL

The Organizational section provides an overview of the division's organizational and management structure and details about the VBCPS strategic framework, *Compass to 2020: Charting the Course*. This section also explains the budgetary goals and challenges unique to school divisions and shares the factors that place considerable pressure on VBCPS' budget. Information about the budget development process along with policies and procedures governing VBCPS' administrative and financial operations are outlined in this section.

FINANCIAL

The Financial section provides a summary of revenues and expenditures for all School Board funds. Fund statements are presented and budget highlights are summarized in narrative format. Additional details are explained for the General fund, more specifically the School Operating budget, including key steps and strategies for balancing and reconciling the budget. VBCPS' financial classification structures are outlined and fund descriptions are provided. Reports in this section compare the current budget to the prior budget year and historical actual revenues and expenditures.

INFORMATIONAL

The Informational section offers a profile of VBCPS and the surrounding community and explains the fiscal connection between the school division and the city of Virginia Beach. This section also presents a five year forecast with a focus on revenue and expenditure assumptions for the School Operating fund and the Capital Improvement Program (CIP). Student demographics and enrollment trends are outlined and student achievements are highlighted. The Informational section explains VBCPS' operating costs of student membership and budgeted per pupil financial support. Staffing and personnel resource allocation information is also presented in this section. An acronym index and glossary are provided as reference materials in this section.

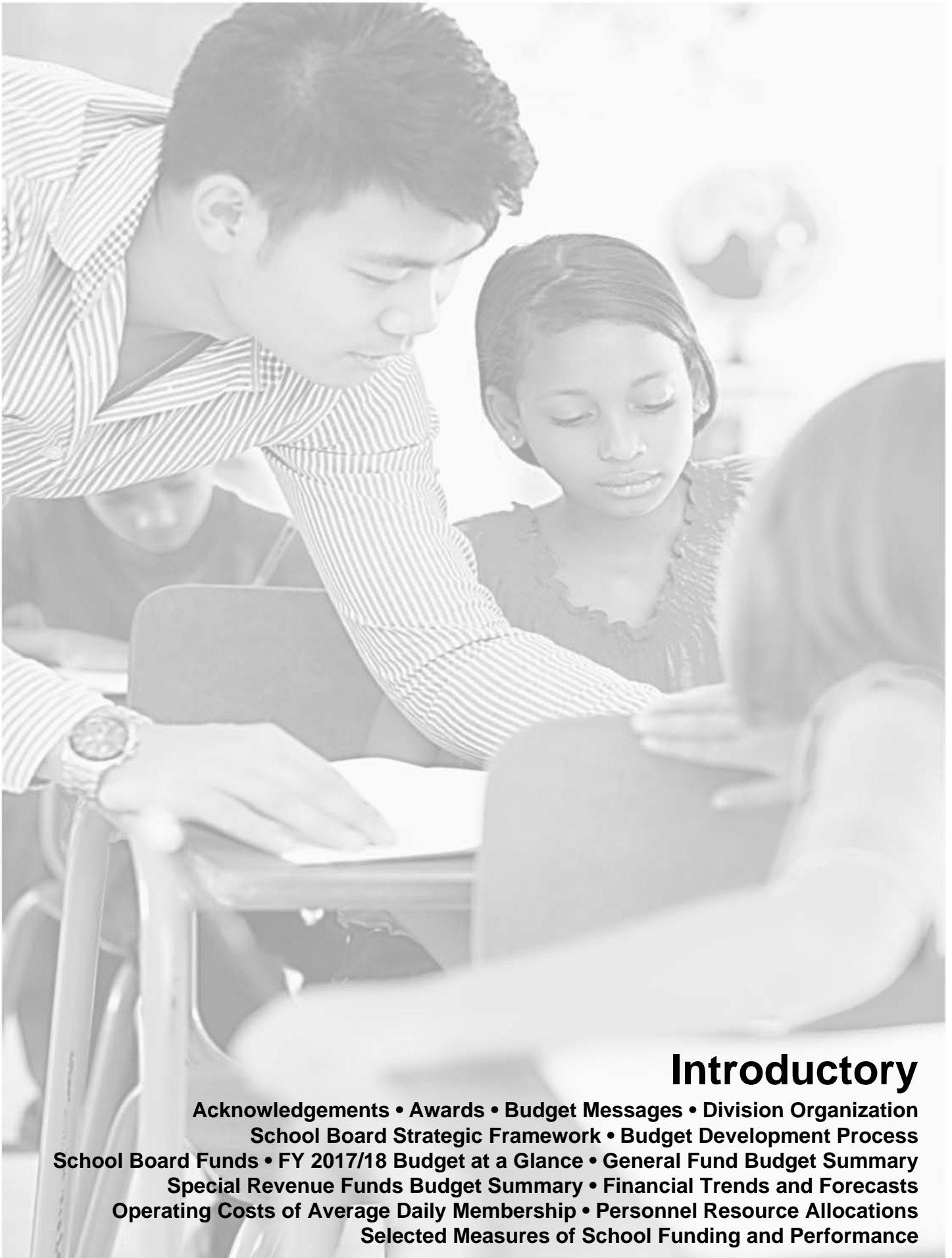
APPENDIX

Supplemental information including details from the strategic framework; additional student achievement data; compensation scales; staffing standards and guidelines; and other relevant budget resources are presented in the Appendix.

STAFF AND CITIZENS IN THE BUDGET PROCESS

The budget process includes strategies to inform staff, parents and the community and provide opportunities for all participants to offer input and engage with VBCPS. This is accomplished through strategically held public hearings, meetings and forums with various stakeholder groups. The budget development process enables a broad spectrum of individuals and organizations to bring their ideas to the School Board and provide input on how money will be spent.

Throughout the budget development season, those interested in the status of the VBCPS budget may visit our website [**“Budget Breakdown: The Lowdown on Your School Dollars,”**](#) to view the latest updates and access important reference materials.



Introductory

**Acknowledgements • Awards • Budget Messages • Division Organization
School Board Strategic Framework • Budget Development Process
School Board Funds • FY 2017/18 Budget at a Glance • General Fund Budget Summary
Special Revenue Funds Budget Summary • Financial Trends and Forecasts
Operating Costs of Average Daily Membership • Personnel Resource Allocations
Selected Measures of School Funding and Performance**

Acknowledgements

The Office of Budget Development would like to acknowledge and thank the superintendent, senior staff, employees and members of the community that provided input for the preparation of the FY 2017/18 School Board Approved Budget.

Administration

Aaron C. Spence, Ed.D., Superintendent

Marc A. Bergin, Ed.D., Chief of Staff

Amy E. Cashwell, Ed.D., Chief Academic Officer

Veleka S. Gatling, Ph.D., Executive Director of
Differentiated Academic Programs
Alveta J. Green, Ed.D., Executive Director of Student
Support Services
Lesley L. Hughes, Ed.D., Executive Director of Elementary
Teaching and Learning
James M. Pohl, Ph.D., Executive Director of Secondary
Teaching and Learning
Cristina N. Alsop, Director of Title I Programs
Adrian J. Day, Director of Student Support Services
William Johnsen, Director of Instructional Technology
Sara L. Lockett, Ed.D., Director of Technical and Career
Education
LaQuiche R. Parrott, Ed.D., Director of Opportunity and
Achievement
Tania T. Sotomayor, Director of Compliance and Special
Education Services

**Eileen M. Cox, Chief Media and Communications
Officer**

Lauren Nolasco, Director of Communications
Amber Rach, Ph.D., Director of Community Engagement

Farrell E. Hanzaker, Chief Financial Officer

J. Kevin Beardsley, Director of Purchasing Services
Linda C. Matkins, Director of Consolidated Benefits
Crystal M. Pate, Director of Business Services

Dale R. Holt, Chief Operations Officer

Tony L. Arnold, Executive Director of Facilities Services
Larry E. Ames, Director of Custodial Services
Brian S. Baxter, Director of Distribution Services
David L. Pace, Director of Transportation
Richard M. Ponti, Director of Safety and Loss Control
John E. Smith, Ed.D., Director of Food Services
Eric Woodhouse, Director of School Plant Services

Ramesh K. Kapoor, Chief Information Officer

Neha D. Patel, Director of Technology

John A. Mirra, Chief Human Resources Officer

Bernard P. Platt, Director of Employment Services
Edith "Edie" L. Rogan, Director of Employee Relations

**Donald E. Robertson, Jr., Ph.D., Chief Strategy and
Innovation Officer**

Lisa A. Banicky, Ph.D., Director of Innovation and Strategic
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Thomas E. Ferrell, Jr., Ed.D., Director of Administrator
Learning and Leadership
Janene K. Gorham, Director of Teacher Learning and
Leadership
Heidi L. Janicki, Ph.D., Director of Research and Evaluation
Tracy A. LaGatta, Director of Student Assessment

Rashard J. Wright, Chief Schools Officer

Daniel F. Keever, Senior Executive Director of High
Schools
Shirann C. Lewis, Senior Executive Director of Elementary
Schools
Cheryl R. Woodhouse, Senior Executive Director of Middle
Schools
Michael B. McGee, Director of Student Leadership
Kathleen A. Starr, Director of Elementary Schools
Sean R. Walker, Director of Elementary Schools

School Board

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Daniel D. "Dan" Edwards, District 2 – Kempsville (Vice Chair)
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Victoria C. Manning, At-Large
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Carolyn D. Weems, District 4 – Bayside

Internal Auditor

Terrie L. Pyeatt, Director of Internal Audit

Legal Counsel

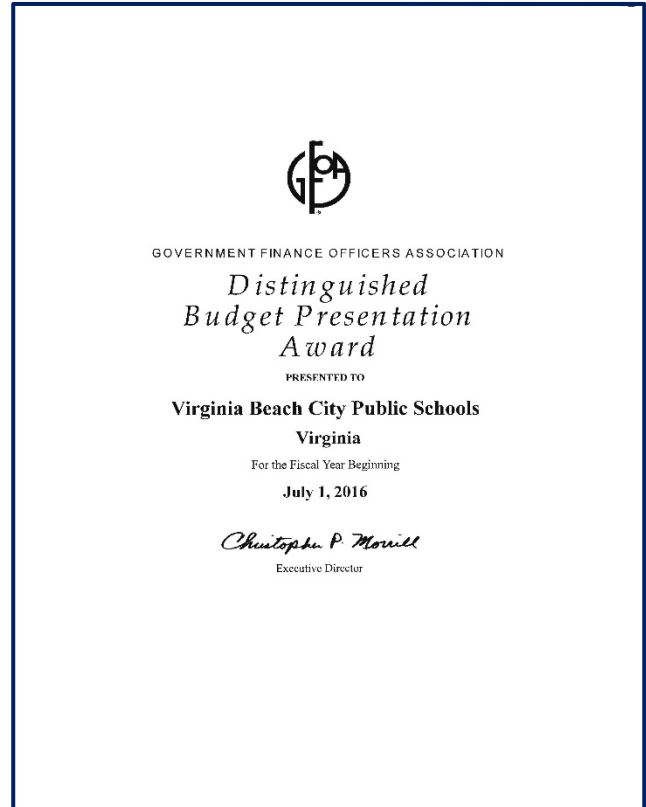
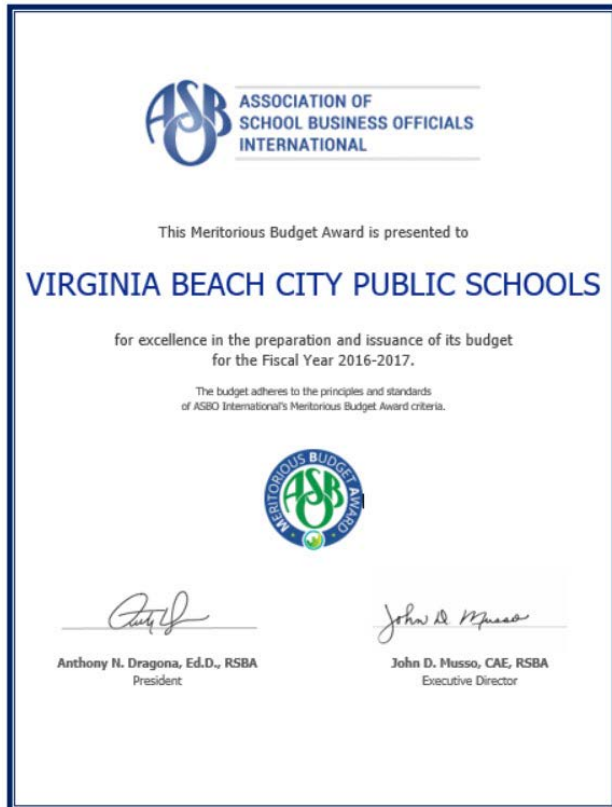
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Carter Mobley, Budget Analyst
Irene Nocon, Budget Analyst
Frances Thomas, Budget Analyst
Charity Zellmer, Budget Analyst

Awards

The Association of School Business Officials International presented the Meritorious Budget Award to VBCPS for the FY 2016/17 budget. The award program recognizes school divisions for achieving excellence in the preparation and issuance of budget presentations. Additionally, the Government Finance Officers Association of the United States and Canada presented the Distinguished Budget Presentation Award to VBCPS for the FY 2016/17 budget document.





VIRGINIA BEACH CITY PUBLIC SCHOOLS

CHARTING THE COURSE

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District 1 – Centerville

Carolyn T. Rye
District 5 - Lynnhaven

Carolyn D. Weems
District 4 - Bayside

Aaron C. Spence, Ed.D.
Superintendent

March 7, 2017

The Honorable William D. Sessoms, Mayor
Members of City Council
City of Virginia Beach
Building 1
Municipal Center
Virginia Beach, VA 23456

Dear Mayor Sessoms, Vice Mayor Jones and Members of City Council,

On behalf of the School Board of the City of Virginia Beach, I present for your consideration the school division's fiscal year 2017-2018 budget document. This plan reflects our commitment to the rigorous, innovative learning opportunities for children that are outlined in our strategic framework, *Compass to 2020*, as well as our dedication to providing appropriate compensation for our highly-skilled teachers and staff and the resources they need to do their jobs.

Included in this \$748.1 million plan are 40 additional instructional positions to help strategically reduce class sizes at the secondary level, a 2 percent raise for all employees, equity adjustments for the division's Unified Pay Scale and funding to address additional compensation issues for bus drivers and bus assistants. I am pleased to say that for the first time in five years our employees will receive a raise which is not offset by increased health care costs or mandatory contributions to the Virginia Retirement System (VRS). On top of that, we are able to tackle significant challenges in this budget, including a \$6.6 million VRS employer contribution increase, growing special education funding requirements and the need to make up funding lost when the State pulled back money previously pledged for teacher raises.

However, our ability to balance this budget and address the needs identified above comes at the expense of other priorities and is predicated on our continued reliance on school reserve funds. More than \$8.8 million from reserve funds is used to balance this budget, yet the division is still not able, for example, to fully fund our bus replacement plan or meet all of our technology needs. We cannot reduce class size to the extent desired, nor can we expand important early childhood education programs such as full-day kindergarten and pre-school.

Put Students First • Seek Growth • Be Open to Change • Do Great Work Together • Value Differences

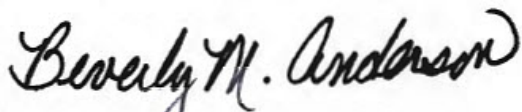
To that end, the School Board has included a separate resolution with our budget plan, requesting \$14 million to phase in full day kindergarten at every elementary school in the city. In addition, a portion of the funds would be used for the required local match to expand our preschool program through the Virginia Preschool Initiative (VPI). Currently every preschool seat is filled and we have a waitlist of hundreds more children who are eligible to participate in the program. \$14 million represents the cost of fully implementing and expanding these programs on an annual basis. Any money not spent during the phase-in years would be used for capital improvement projects, much-needed bus replacements and technology needs, or to fund other unmet, one-time needs as identified in the resolution presented to Council and included in this budget document.

Please know that this School Board understands the importance of the revenue-sharing formula, and we work diligently to develop an annual balanced budget working within that formula. However, unprecedented cuts to education funding at the state and federal level over the last decade have whittled down our ability to provide the resources needed to deliver a world-class educational experience for every child, every day, and especially for our youngest students. We know you understand and embrace the value of high-quality early education programs. The City's strategic plan reflects your desire and the desire of our citizens to offer all children the opportunity to attend full-day kindergarten. Therefore, it is our hope that you will provide the necessary funding to make that a reality in our community's schools.

As for the revised six-year CIP, you will note that we are able to increase funds slightly by once again accessing available debt capacity and using performance contracting to address energy improvements across our schools. Even still, the funding is not enough to return us to the robust modernization schedule that was in place before the recession. As it stands now, some of our buildings will be upward of 140 years old before their scheduled replacements or renovations are complete, which means we will continue in some cases to have to provide a 21st century education in a 20th century facility. Certainly, this is not the ideal situation; however, we are fortunate that the CIP resolution we have presented to you does represent the opportunity to address real needs. For example, we will be able to construct new and renovated learning spaces in several of our communities, including the replacement of Thoroughgood Elementary School and the renovation of John B. Dey Elementary School.

We are pleased to present Council with this budget for consideration, and hope you will weigh with all due seriousness our request for additional funding. We are proud of the partnership between City Council and the School Board as we work together to chart a course where all students have the resources and pathways to succeed in our community, for a lifetime. Because, in the end, it is all about the future – what our children need and what they deserve.

Sincerely,



Beverly M. Anderson
School Board Chair



VIRGINIA BEACH CITY PUBLIC SCHOOLS CHARTING THE COURSE

February 7, 2017

Chairwoman Anderson, Vice-Chair Edwards and School Board Members,

The development of the annual budget plan is a complicated, weighty and sometimes challenging process. Each year, we find ourselves grappling with ways to provide not only what our students and staff need, but also the resources and compensation they deserve and the high quality learning opportunities that our community has come to expect from Virginia Beach City Public Schools (VBCPS). This year is no different. While we do anticipate additional state and local revenues, we still face significant challenges such as an unexpected \$6.6 million increase in VRS employer contributions, shortfalls in special education funding and the need to close the gap left when the State pulled back money pledged for teacher raises. Fortunately, this Estimate of Needs addresses those challenges and funds two of the budget priorities discussed with the Board, which include compensation and class size reduction.

Before I go into the details of the budget proposal, it is important to acknowledge that we are on firm financial ground today thanks to decisions the School Board has made in the past. Over the last decade, the division has used cost-savings measures such as reducing non-personnel budgets, cutting positions, initiating an energy-savings program and even closing an under-enrolled school to help offset budget shortfalls. Nevertheless, as a result of the Great Recession, more painful strategies were also sometimes necessary. There were years that our exceptional staff didn't receive the pay adjustments needed to keep up with the cost of living and other years when we were forced to raise class sizes in the face of significant revenue reductions. I'm happy to say that neither of those strategies are needed this year. In fact, there is good news on both the compensation and class size fronts.

With regard to compensation, this \$742.1 million budget proposal includes a 2% raise for all employees as well as funds for ongoing equity adjustments for the Unified Pay Scale. For the first time in five years, this is a true raise for staff. In previous years, the salary increase was offset by the phase-in of the VRS employee contribution and rising health care costs. This year's raise comes with "no strings attached," as I am also recommending that health care costs remain level with no increase in cost to staff.

Like you, I remain committed to reducing class size to pre-2011 levels, but we must do so strategically. My senior leadership team and I took a hard look at the numbers to determine whether a particular grade level or content area was being most negatively impacted by larger class sizes. Using that data, I have allocated 40 positions to help reduce class sizes at the secondary level in 2017-2018.

As you know, approximately 85% of the division's operating budget is made up of personnel costs. A large part of the remaining funds is dedicated to keeping our buildings open and the lights on. Only a very small portion, 2% of the remaining 15%, is available for maintaining or expanding programs. Therefore, this budget proposal does not fund another of the priorities discussed with the School Board, full-day kindergarten and/or an expanded preschool program across the division. That does not signal a lack of support by school administration for this worthwhile initiative. To the contrary, we all know the research that shows that students enrolled in full-day kindergarten outperform their half-day peers academically. Recently, we presented you with a plan to phase in full-day kindergarten and preschool programs over the course of time, and I am committed to working with you and our City leaders to identify other potential funding sources to make this plan a reality. Failure to do so, I fear, places our schools and our youngest students in a vulnerable position relative to those in other divisions.

In order to present a balanced budget, we have streamlined our baseline budget and strategically reallocated resources in order to leverage our revenues. While the expansion of early learning programs is certainly the

February 7, 2017

highest priority item missing in the budget proposal, it is important to note that other sacrifices are being made as well. For example, we are only able to maintain current funding for our bus replacement program, nothing beyond. That means that we are not meeting our goal to replace 50 buses each year. In fact, we are only covering half of our needs. Additionally, we continue to be reliant on one-time monies to fund some of the next operating budget. In the 2016-17 budget, we are using \$5 million in reversion funds and are moving no closer to removing this structural flaw in the proposal for 2017-18.

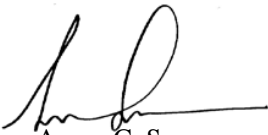
The outlook is slightly better for the Capital Improvement Program (CIP) thanks to last year's leveling of our debt service, which allows us to better manage available funds and the continued use of performance contracting to address energy improvements across the division. Detailed information about the CIP can be found in the budget document.

I noted at the beginning of this message that the budget development process is complex. Ironically, the reason why is quite simple: We are dealing with more than numbers on a page or a check-and-balance system. We are dealing with people – the young people who rely upon us to provide a high quality teacher in every classroom and rigorous courses that challenge them to reach their full potential; and, our caring and compassionate staff who are dedicated to doing all they can every day to support and enhance the lives of our students. The expectations that they have and that the entire community has for this division are great. And these expectations should be great, considering how high we've set the bar. For example:

- For the fifth consecutive year, VBCPS students outperformed the nation on all three components of the SAT and led all other school divisions in Hampton Roads in scores for reading, math and writing.
- More VBCPS students than ever before enrolled in AP courses and saw an increase in AP exam scores.
- 94% of our schools earned full State accreditation.
- The Class of 2016 achieved both the division's highest On-Time Graduation rate and lowest dropout rate since 2008. In addition, the Class of 2016 was offered a record \$76 million in scholarships.
- Last year, VBCPS students earned more than 11,300 industry credentials in areas ranging from plumbing and heating and practical nursing to computer repair and CISCO Networking.
- All Virginia Beach City Public Schools (VBCPS) high schools have made The Washington Post's "America's Most Challenging High Schools" list.
- Princess Anne Middle School and Woodstock Elementary School were named National PTA Schools of Excellence.
- Old Donation School, Kingston Elementary, Strawbridge Elementary and Thoroughgood Elementary all received 2016 Board of Education Excellence Awards.
- Dey Elementary, Glenwood Elementary, Great Neck Middle, North Landing Elementary, Ocean Lakes High, Pembroke Elementary, Princess Anne Elementary, Princess Anne Middle, Red Mill Elementary and Three Oaks Elementary all received 2016 Board of Education Distinguished Achievement Awards.

These are just a few of the accomplishments VBCPS has celebrated over the last year. This level of success is only possible through the hard work of our extraordinary students and our incomparable staff. Knowing this, every decision during the budget development process was made with them in mind. Our children, our employees and our community deserve the very best we can offer. This Estimate of Needs reflects my personal commitment and our collective commitment as a school division to provide that.

Sincerely,



Aaron C. Spence
Superintendent

Division Organization

SCHOOL BOARD MEMBERS

The School Board of the City of Virginia Beach is charged by the Commonwealth of Virginia and the regulations of the Virginia Board of Education (VBOE) with providing and operating the public schools of Virginia Beach. It is the function of the School Board to set general school policy and, within the framework of VBOE regulations, to establish guidelines and rules that will ensure the proper administration of the school program.

In accordance with the Constitution of Virginia, Article 8, Section 7, the School Board of the City of Virginia Beach has overall responsibility for ensuring that the activities of the public schools are conducted according to law with the utmost efficiency. The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division. The School Board consists of 11 citizens elected in accordance with the Charter of the City of Virginia Beach to serve four-year overlapping terms. Four members of the School Board serve “At-Large” with no district residency requirement. The remaining seven members are required to live in the districts they represent. Each School Board member is charged with representing the entire division.



Beverly M. Anderson
School Board Chair
At-Large



Daniel D. "Dan" Edwards
Vice Chair
District 2 – Kempsville



Sharon R. Felton
District 6 – Beach



Dorothy M. "Dottie" Holtz
At-Large



Victoria C. Manning
At-Large



Joel A. McDonald
District 3 – Rose Hall



Ashley K. McLeod
At-Large



Kimberly A. Melnyk
District 7 – Princess Anne



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District 5 – Lynnhaven



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District 4 – Bayside

ADMINISTRATION

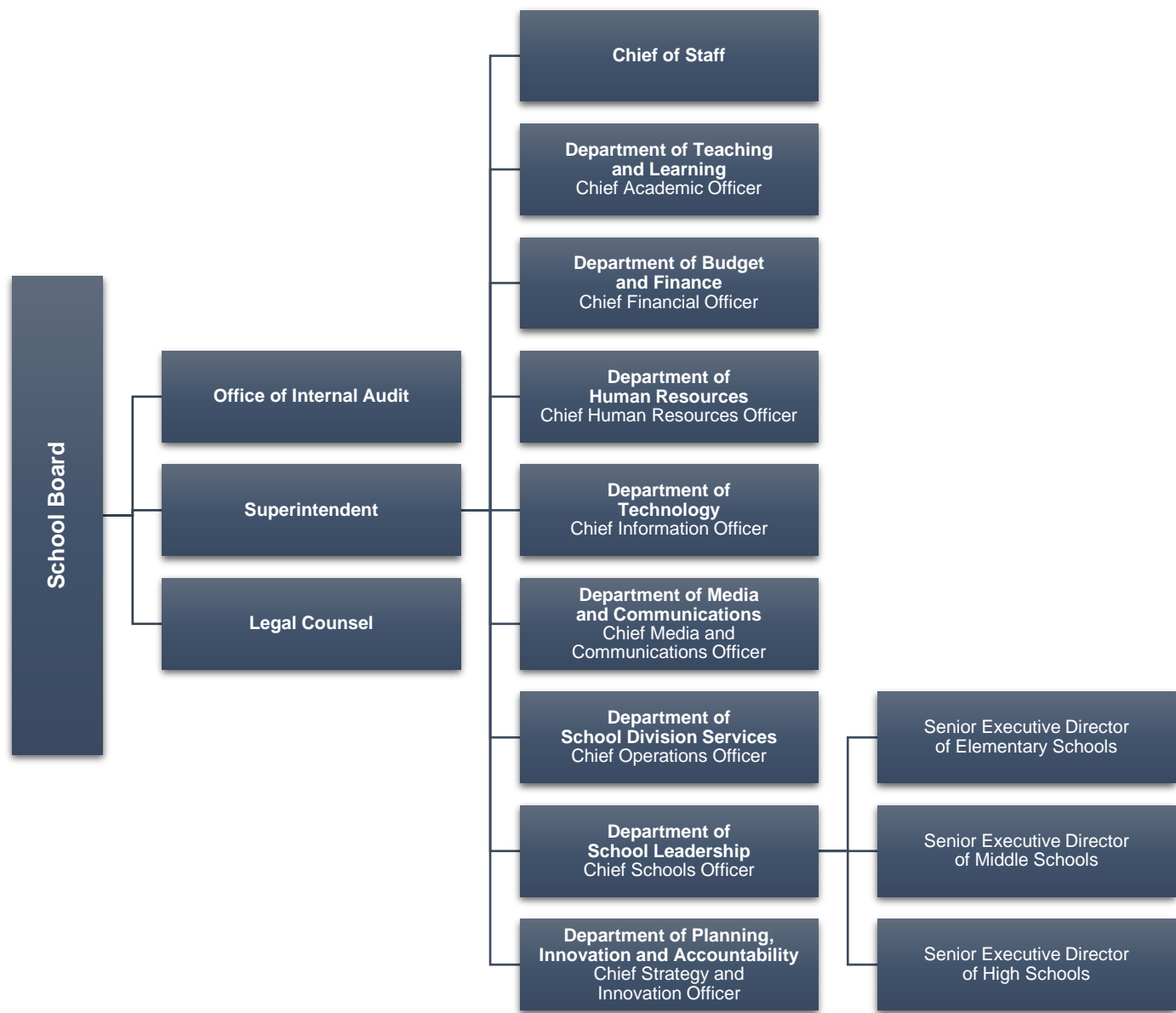
The School Board, vested with legislative powers, appoints the superintendent who serves as the executive and administrative head of the school division. The superintendent is charged with implementing School Board policies and managing all administrative duties related to the school division. The superintendent and administrative staff are responsible for the efficient operation of all individual schools and operational areas.

The organizational structure of VBCPS is focused on meeting the needs of approximately 67,000 kindergarten through 12th grade students while managing 86 schools/centers and seven support facilities. The administrative structure of VBCPS is divided into eight departments to manage the day-to-day operations of the division: Budget and Finance; Human Resources; Media and Communications; Planning, Innovation and Accountability; School Division Services; School Leadership; Teaching and Learning; and Technology. Each department is led by a chief administrative officer.

These departments provide services including curriculum development, payment for personnel, recruitment, hiring, professional development, diversity awareness, computer services, building maintenance and a host of other operational and developmental functions.

Aaron C. Spence, Ed.D.	Superintendent
Marc A. Bergin, Ed.D.	Chief of Staff
Amy E. Cashwell, Ed.D.	Chief Academic Officer
Eileen M. Cox	Chief Media and Communications Officer
Farrell E. Hanzaker	Chief Financial Officer
Dale R. Holt	Chief Operations Officer
Ramesh K. Kapoor	Chief Information Officer
John A. Mirra	Chief Human Resources Officer
Donald E. Robertson, Jr., Ph.D.	Chief Strategy and Innovation Officer
Rashard J. Wright	Chief Schools Officer

ORGANIZATIONAL CHART



School Board Strategic Framework

The strategic framework, *Compass to 2020*, charts the course for teaching and learning across the school division with the focus of ensuring that every student is challenged and supported to reach his or her full potential.

MISSION

The Virginia Beach City Public Schools, in partnership with the entire community, will empower every student to become a life-long learner who is a responsible, productive and engaged citizen within the global community.

VISION

Every student is achieving at his or her maximum potential in an engaging, inspiring and challenging learning environment.

CORE VALUES

VBCPS is committed to creating a culture of growth and excellence for our students, staff and community. We strive to make this culture evident to all by actively reflecting on and engaging in behaviors that demonstrate our core values.

We Put Students First:

Student-Centered Decision Making - Choosing actions that, above all else, benefit and support student learning, growth and safety. We ask ourselves: *How am I putting student interests and needs first when making decisions?*

We Seek Growth:

Continuous Learning - Pursuing formal and informal learning opportunities to foster personal growth and improvement for all. We ask ourselves: *In what ways am I making my learning a priority?*

We Are Open to Change:

Innovation - Encouraging new ideas or improved ways of teaching, learning and working together to achieve our mission. We ask ourselves: *How am I implementing new or improved ideas to benefit my work and the work of the school division?*

We Do Great Work Together:

Collaboration - Working together and building partnerships that will benefit our students, division and community. We ask ourselves: *How and where am I working with others to improve my work and the work of the school division?*

We Value Differences:

Respect - Fostering a trusting, open, ethical, honest and inclusive environment where diversity of thought and individual contributions are prized. We ask ourselves: *What am I doing to invite, recognize and esteem the perspectives of those around me?*

CORE VALUES

VIRGINIA BEACH CITY PUBLIC SCHOOLS

STUDENT-CENTERED DECISION MAKING

Choosing actions that, above all else, benefit and support student learning, growth, and safety.

**Put
Students
First**

CONTINUOUS LEARNING

Pursuing formal and informal learning opportunities to foster personal growth and improvement for all.

**Seek
Growth**

INNOVATION

Encouraging new ideas or improved ways of teaching, learning, and working to achieve our mission.

**Be
Open to
Change**

COLLABORATION

Working together and building partnerships that will benefit our students, division, and community.

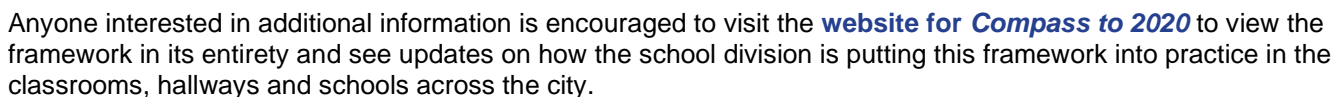
**Do Great
Work
Together**

RESPECT

Fostering a trusting, open, ethical, honest and inclusive environment where diversity of thought and individual contributions are prized.

**Value
Differences**

Compass to 2020: Charting the Course sets the vision and guides the work of VBCPS. The five-year strategic framework includes four goals and multiple strategies to guide this important work.



Budget Development Process

BUDGET PLANNING

Tenets of the School Board's strategic framework, *Compass to 2020: Charting the Course*, drive the division's operational and financial plans. The School Board budget reflects multiple stages of planning to allocate resources for carrying out the goals defined through the strategic framework. Each planning phase includes input from senior staff, school division employees, city government staff and the community.

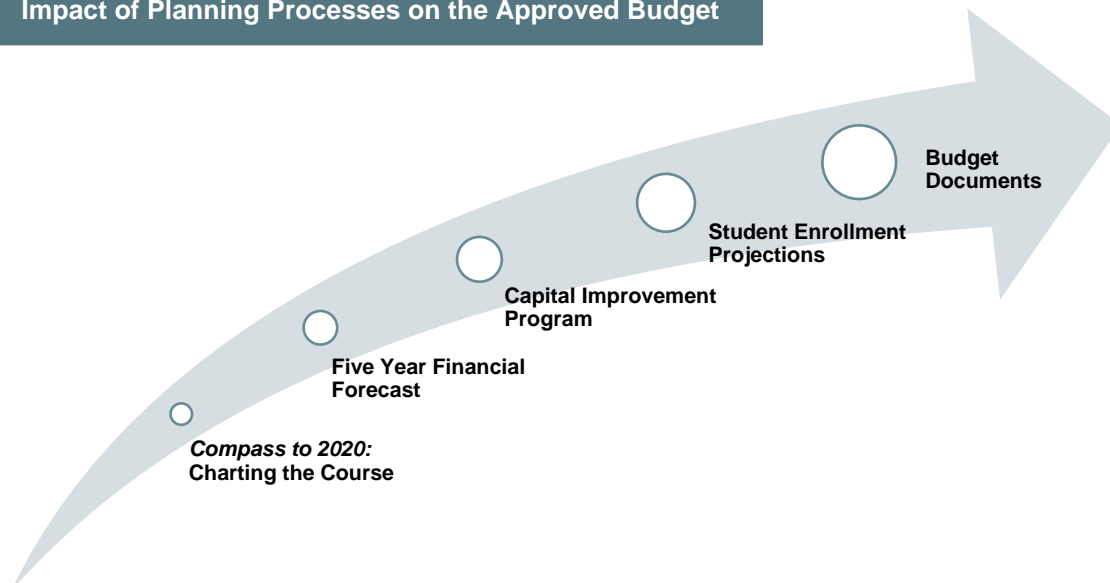
Each year, staff members from the city and VBCPS collaborate to make projections about economic indicators and budget trends that are likely to occur over the next five years. In preparation for the forecast report and to frame the upcoming budget process, city and school division staff meet with local and regional economists each year. This year, the consensus of the group is that the slow growth in the economy will linger over the next several years. The regional economic growth rate continues to fall well below the 2.6 percent average over the past 30 years. The area has yet to recover all of the jobs lost in the latest extended recession, federal defense spending has decelerated, and the housing market has shown only slight improvements in recent years. The forecast focuses on the city General fund and the division's School Operating fund. Overall revenues are projected to grow modestly for VBCPS in the forecast period, from 4.0 percent in FY 2017/18 to 2.3 percent in FY 2021/22.

VBCPS develops a series of student enrollment projections and analyses annually to aid in identifying future student needs and developing recommendations for how to best address these needs. In support of the short and long-range budget planning processes, student membership projections for each school are used to determine staffing and funding allocations.

The CIP assesses requirements for new facilities, renovation of existing facilities, infrastructure management, technology upgrades and other facility related needs. The list of projects resulting from this assessment and guidance outlined in the division's Comprehensive Long Range Facility Master Plan provide a clear statement of school facility requirements. Actual completion dates for CIP projects depend on cash flow and debt service limitations.

Thorough planning processes are used to generate three drafts of the budget document at multiple stages of budget development. The Superintendent's Estimate of Needs (SEON) is developed and presented to the School Board in February. The School Board then conducts several workshops prior to submitting a Proposed School Board Operating Budget to the City Council in March. Both of these documents detail projected revenues and expenditures and outline proposed changes as compared to the prior year's budget. The City Council must approve the appropriation for the division no later than May 15. Ultimately, the School Board Approved Budget document is drafted using final revenue data from the city and General Assembly.

Impact of Planning Processes on the Approved Budget



BUDGET DEVELOPMENT OVERVIEW

SCHOOL OPERATING BUDGET

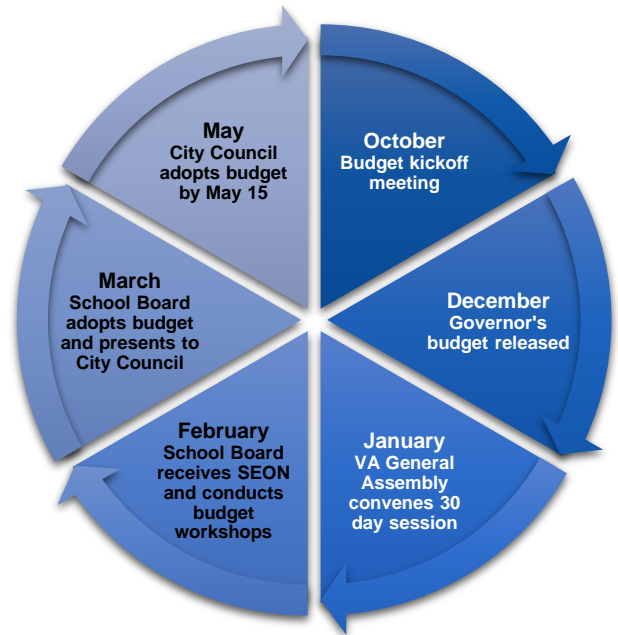
The graphic below highlights major events that impact the budget process; however, the narrative more fully explains activities that contribute to the development and approval of the annual School Operating budget.

Groundwork for the annual process begins in September when staff from the Office of Budget Development prepare and publish a budget calendar that outlines key dates associated with the development, presentation, approval and appropriation of funds for school use. The chief financial officer (CFO) works with budget staff to draft a baseline budget using estimated revenues and expenditures and assuming the division will maintain current staffing levels, programs and policies. Adjustments are made to the baseline budget to account for the latest economic projections, revenue estimates and information about likely increases for expenditure types such as fringe benefits and purchased services (to execute contractual agreements).

During the annual budget kickoff meeting in October, the CFO provides budget managers with an economic update and revenue outlook for the upcoming fiscal year along with general directions for preparing their budgets. Budget development strategies are communicated and current budget challenges and priorities are discussed. In October and November, departmental budget requests are compiled and analyzed and recommendations are formulated by the Office of Budget Development for executive review.

The Five Year Forecast, a collaborative undertaking between VBCPS and city staff, is drafted and published each November and establishes underlying assumptions about expected costs, revenues, position turnover, inflation and enrollment that drive budget development. The forecast report is presented to the City Council and the School Board in a joint meeting. A public hearing is held during a School Board meeting in November or December to solicit public input on the School Operating budget.

The Governor's budget with projected state payments for each school division is introduced in December. In addition to estimated revenue information for the Standards of Quality (SOQ), incentive, categorical and lottery funded accounts, the Governor's budget release includes an electronic file that provides school divisions the opportunity to adjust average daily membership (ADM) to test the effect on state funding projections and local match requirements. The House of Delegates and the Senate have the opportunity to amend the Governor's budget proposals during the General Assembly session that convenes in January. The General Assembly adopts a final budget before the end of the session, which generally occurs in March.



Also in January, VBCPS departmental requests are summarized and presented to the superintendent and senior staff to begin deliberations on unmet needs and budget priorities. If initial revenue estimates are unfavorable and a budget shortfall is predicted, these discussions will focus on cost saving strategies and potential cuts that may be required to balance the budget. The superintendent holds budget forums for VBCPS staff during this stage of the process to obtain input on budget priorities and field questions and concerns about the budget.

The SEON is presented to the School Board each year in February and is considered the starting point for the following year's fiscal budget. The SEON is developed using the projected state payments outlined in the Governor's introduced budget and estimated local revenue figures provided by city staff. Following the presentation of the SEON, the School Board conducts several budget workshops with the administration to facilitate discussion prior to developing and presenting the Proposed Operating Budget to the City Council in March. During this same period, an additional public hearing is held to offer the community an opportunity to be involved in the budget development process.

CAPITAL IMPROVEMENT PROGRAM BUDGET

Guided by a Comprehensive Long Range Facilities Master Plan developed in October 2007, the CIP reflects the capital maintenance and construction needs of the school division. Capital expenditures included as a project in the CIP typically cost at least \$100,000 and have a useful life of at least 20 years. In conjunction with the City Council, the School Board determines actual funding for the capital projects on an annual basis. The CIP budget addresses the current year's needs as well as planned capital projects over the succeeding five-year period. Projects may include acquisition, construction, renovation, betterment or improvement of land, school buildings and facilities; roof replacements; HVAC replacements; and equipment or vehicles.

The CIP budget development process closely follows the calendar and timeline of the School Operating budget, beginning with a preliminary meeting with city staff in September. After discussing plans and projects with staff from the city, CIP request forms are distributed to schools and offices and are returned to administration in late October. A public hearing is held during a School Board meeting in November or December to solicit public input on plans for the CIP budget. Following the schedule for the School Operating budget, the CIP budget is presented to the School Board in February with the SEON. During budget workshops conducted in February and March, the School Board meets with the superintendent and senior staff to review and discuss the proposed six-year plan for the CIP budget. Another public hearing is held in March to support community involvement in the CIP budget development process.

BUDGET ADOPTION

In accordance with State Code, the School Board is required to present a balanced budget to the City Council on, or before, April 1. To meet that requirement, VBCPS' budget is delivered by formal presentation to the City Council each April. In the interest of time, a formal budget resolution is generally adopted by the School Board in March. After the School Operating and CIP budgets have been adopted and forwarded to the city for review, updated information related to revenue projections, debt service obligations, or employee compensation and benefits is analyzed and assessed, as it becomes available, to determine any impact the revised figures may have on the budgets.

Following deliberations about budget priorities and development, staff from the city and VBCPS coordinate efforts to make final adjustments to projected revenues and complete a budget reconciliation process. The City Council must approve the appropriation for the School Operating and CIP budgets no later than May 15. Once the City Council adopts a final budget ordinance in May, VBCPS has firm budget figures for the share of local revenue the division will receive from the city. Since over half of VBCPS' funding comes directly from the city, understanding details about local revenue is critical for finalizing the budget development process. Once total amounts are known, the School Board Approved Operating Budget is drafted to present all revenue and expenditure details for the next fiscal year, which begins July 1.

BUDGET AMENDMENTS

Managing the annual budget for VBCPS is an ongoing cyclical process that encompasses the development, monitoring and review of activities for the current and future fiscal years. Once the budget is adopted by the City Council, it becomes the legal basis for the programs of each department during the fiscal year. Toward the end of the fiscal year, the CFO and his budget staff conduct a comprehensive budget review to address variances in estimated revenues, estimated expenditures and other changes to the schools' financial condition.

Fiscal accountability is based on the established signature authority. Financial and programmatic monitoring of departmental activities ensures conformity with the adopted budget and occurs throughout the year. Budget amendments may be made to meet the changing needs of a school, a department and/or the division.

All local funding is appropriated by the City Council to the school division. The School Board may ask for an increase in the appropriation from the City Council, in accordance with the City/School Revenue Sharing Policy, which is included for reference in the appendix to this document. Amendments to the School Operating budget are made in accordance with School Board Policy 3-10, which governs the transfer of funds. The policy essentially states that, "neither the School Board, the superintendent nor school staff shall expend nor 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 City Council."

BUDGET CALENDAR FOR FY 2017/18 OPERATING BUDGET AND FY 2017/18 - FY 2022/23 CAPITAL IMPROVEMENT PROGRAM

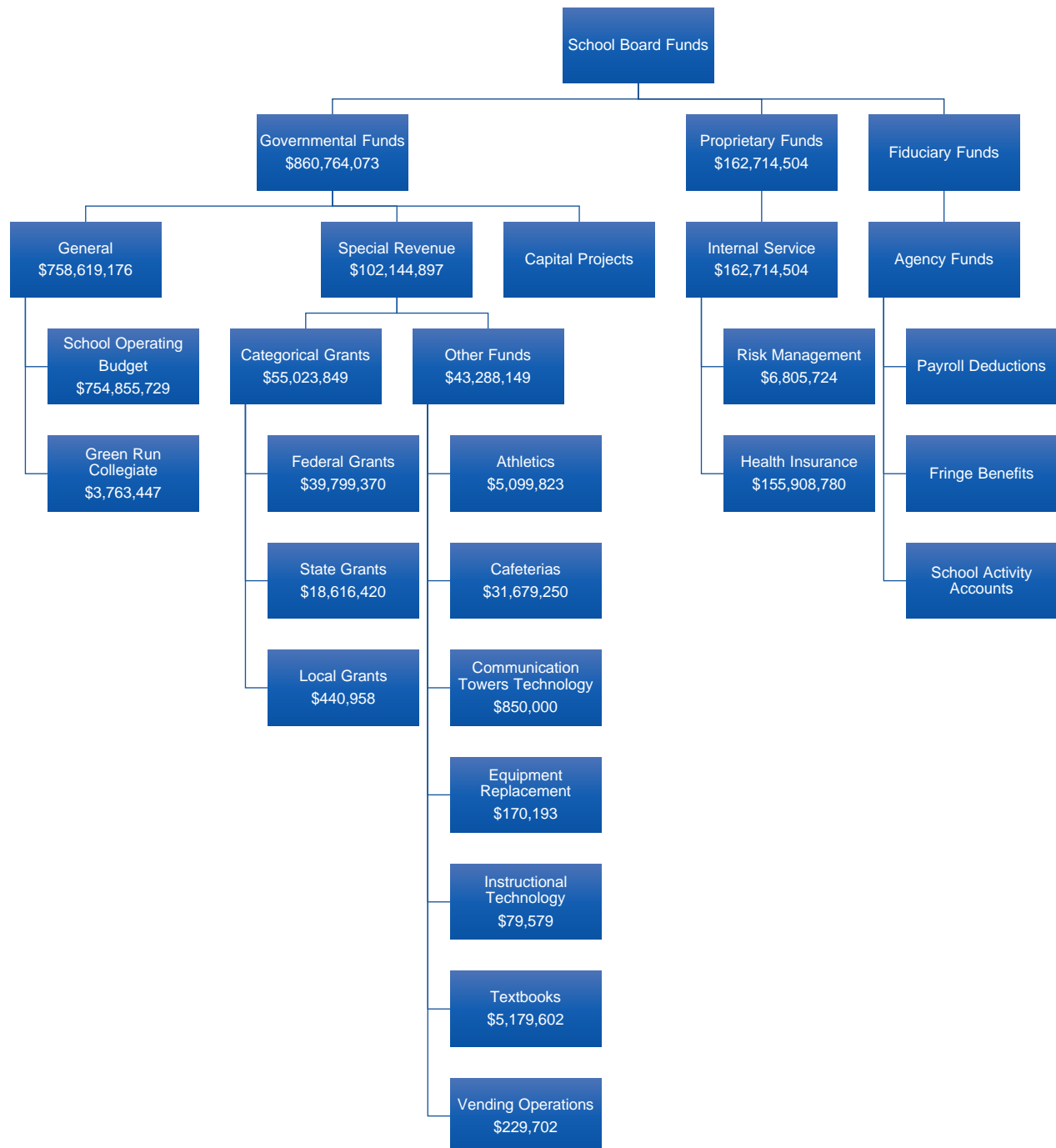
The following calendar of events further outlines activities that contribute to the budget development and approval process.

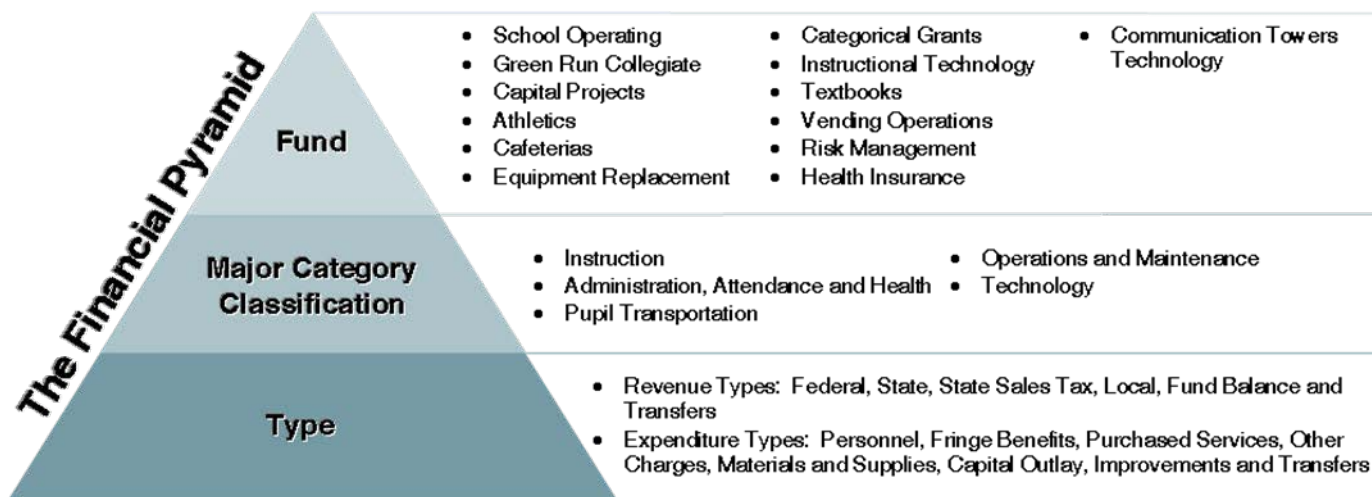
2016	
September	The Budget Calendar is developed
Sep. 20	The Budget Calendar is presented to the School Board for information
Oct. 4	The Budget Calendar is presented to the School Board for action
Oct. 11	A budget kickoff meeting is conducted to provide senior staff and budget managers with an economic update, revenue outlook and general directions for budget development
Oct. 11 - Dec. 6	Budget requests are submitted by senior staff and budget managers to the Office of Budget Development
Nov. 15	A Five Year Forecast is presented to the School Board and the City Council
Dec. 6	A public hearing is held to solicit stakeholder input and offer the community an opportunity to be involved in the budget development process
Dec. 9	Recommended part-time hourly rates for FY 2017/18 are submitted by the Department of Human Resources to the Office of Budget Development
Dec. 12	A draft of the Capital Improvement Program is prepared for the superintendent's review
December (3 rd week)	State revenue estimates are released by the Virginia Department of Education
2017	
Jan. 3 - 20	Budget requests are reviewed, refined and summarized by the Office of Budget Development
Jan. 9	The recommended Capital Improvement Program budget is presented to the superintendent and senior staff
Jan. 17	The recommended School Operating budget is presented to the superintendent and senior staff
Jan. 17	Budget Forum #1 is held for employees from 4:30 - 5:30 p.m. (Salem High School)
Jan. 19	Budget Forum #2 is held for employees from 4:30 - 5:30 p.m. (First Colonial High School)
Jan. 26	Budget Forum #3 is held for employees from 4:30 - 5:30 p.m. (Tallwood High School)
Jan. 30	Budget Forum #4 is held for employees from 1:30 - 2:30 p.m. (Advanced Technology Center)
Feb. 7	The Superintendent's Estimate of Needs for FY 2017/18 is presented to the School Board
Feb. 7	The Superintendent's Proposed FY 2017/18 - FY 2022/23 Capital Improvement Program budget is presented to the School Board
Feb. 14	School Board Budget Workshop #1 is held from 5:00 - 8:00 p.m.
Feb. 21	School Board Budget Workshop #2 is held from 2:00 - 5:00 p.m.
Feb. 21	A public hearing is held to solicit stakeholder input and offer the community an opportunity to be involved in the budget development process
Feb. 28	School Board Budget Workshop #3 is held from 5:00 - 8:00 p.m. (if needed)
Mar. 7	School Board Budget Workshop #4 is held from 2:00 - 5:00 p.m. (if needed)
Mar. 7	The FY 2017/18 School Operating budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are adopted by the School Board
Mar. 14	The FY 2017/18 School Board Proposed Operating Budget is provided to city staff
April	The FY 2017/18 School Board Proposed Operating Budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are presented to the City Council (Sec. 15.1-163)
No Later Than May 15	The FY 2017/18 School Board Proposed Operating Budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are approved by the City Council (Sec. 22.1-93; 22.1-94; 22.1-115)

School Board Funds

BUDGETARY BASIS

Like other state and local governments and public school divisions, the accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The elements used to classify revenues and expenditures can be viewed as a financial pyramid, with funds at the top and account types representing the lowest level of detail. All of the funds of the School Board are classified as Governmental funds, Proprietary funds or Fiduciary funds. Next, funds are categorized by major category classification (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type.





Fund Classification	Fund Type	Description	School Board Fund	Budget Basis	Accounting Basis
Governmental funds – account for operating, special revenue and capital project activities	General fund	The General fund is the general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and Green Run Collegiate (GRC) charter school.	School Operating Green Run Collegiate	Modified Accrual	Modified Accrual
	Capital Projects fund	The Capital Projects fund is used to account for the financial resources for the acquisition or construction of major capital facilities.	Capital Projects	Modified Accrual	Modified Accrual
	Special Revenue funds	The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.	Athletics Cafeterias Categorical Grants Communication Towers Technology Equipment Replacement Instructional Technology Textbooks Vending Operations	Modified Accrual	Modified Accrual
Proprietary funds – account for risk management and health insurance program activities	Internal Service funds	Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.	Risk Management Health Insurance	Accrual	Accrual
Fiduciary funds – account for resources held for others by VBCPS as an agent or trustee	Agency funds	Agency funds are used to account for assets held by the School Board as an agent for individuals, private organizations, other governmental units and/or other funds.	Payroll Deductions Fringe Benefits School Activity Accounts	Accrual	Accrual

FUND DESCRIPTIONS

GENERAL FUND

The General fund is the general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and GRC. Within the fund, revenue and expenditures are budgeted by type. The budget is divided into five major classifications: Instruction; Administration, Attendance and Health; Transportation; Operations and Maintenance; and Technology.

CAPITAL PROJECTS FUND

The CIP budget outlines the basic financing plan for capital needs. The Capital Projects fund tracks financial transactions used for the acquisition, construction or renovation of school buildings and sites, along with other major capital improvements. While the dollars budgeted in this fund address only the current year's needs, the CIP actually has capital projects programmed over a six-year span.

SPECIAL REVENUE FUNDS

The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.

ATHLETICS: The Athletics fund accounts for the costs of holding athletic activities at the division's schools. The primary source of revenue is from admission fees to athletic events.

CAFETERIAS: The Cafeterias fund is used to account for the procurement, preparation and serving of student breakfasts, snacks and lunches. The primary revenue sources are receipts from food sales and reimbursements from the federal school lunch program.

CATEGORICAL GRANTS: The Categorical Grants fund is used to account for federal, state, local, nonprofit and private industry grants that support instructional programs. Grants are typically legally restricted or dedicated to be expended for specified purposes.

COMMUNICATION TOWERS TECHNOLOGY: The Communication Towers Technology fund accounts for payments from leasing of School Board property for commercial wireless communication towers. The funds received from lease payments and the interest earned are used to acquire and replace/repair technology resources including computers, software, wiring, training, facsimile, multi-functional devices and interactive whiteboards.

EQUIPMENT REPLACEMENT: The Equipment Replacement fund provides an equipment replacement cycle for selected capital equipment for schools and support departments.

INSTRUCTIONAL TECHNOLOGY: The Instructional Technology fund provides for the cyclical replacement of classroom and instructional computers.

TEXTBOOKS: The Textbooks fund is used for the acquisition of textbooks (electronic and printed) and related materials for the VBCPS student population.

VENDING OPERATIONS: The Vending Operations fund accounts for receipts relating to the bottled drinks vending operations of the school division (through a long-term exclusive contract with a vending company). Proceeds from this contract are used by schools to support student and staff activities.

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.

HEALTH INSURANCE: The Health Insurance fund provides a means for accounting for health insurance and the administration thereof for city and school employees.

RISK MANAGEMENT: The Risk Management fund provides for the administration of the workers' compensation program, the centralization of self-insurance accounts for liability and the purchase of commercial insurance.

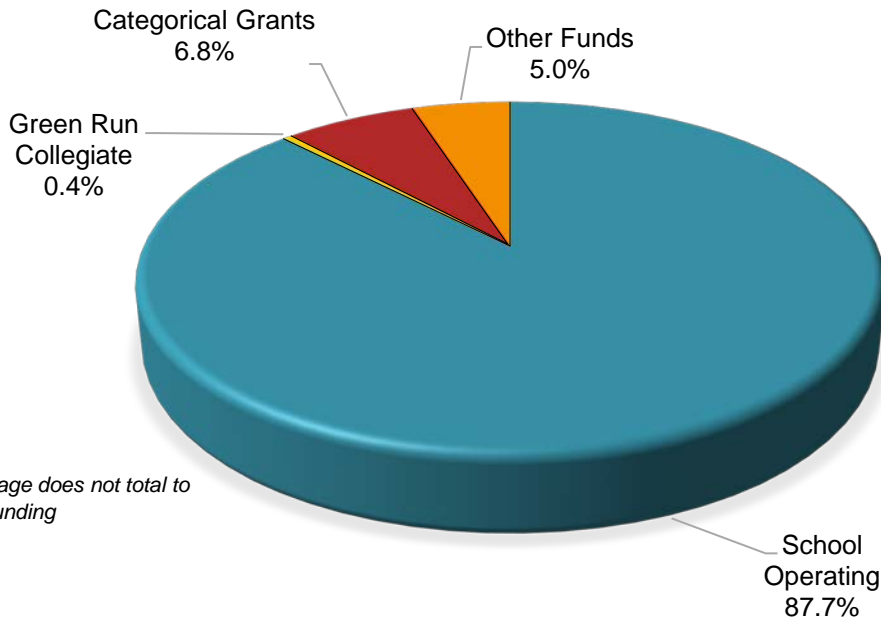
FY 2017/18 Budget at a Glance

FY 2017/18 BUDGET SUMMARY

VBCPS' budgets are developed using a variety of policies and practices which reflect state law, school policies and regulations. Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). For accounting purposes, the fiscal year for VBCPS encompasses the 12 months beginning July 1 and ending the following June 30.

The VBCPS FY 2017/18 overall budget, including General funds, Categorical Grants and Other funds, totals \$860,764,073. This is an increase of \$30,286,916, or 3.6 percent, from the FY 2016/17 budget which totaled \$830,477,157. The following chart shows that the majority of total FY 2017/18 revenues and expenditures for VBCPS can be accounted for in the School Operating budget. The additional tables provide detailed data by major source and type.

Total FY 2017/18 School Board Approved Operating Budget



Note: Percentage does not total to 100 due to rounding

REVENUES BY MAJOR SOURCE

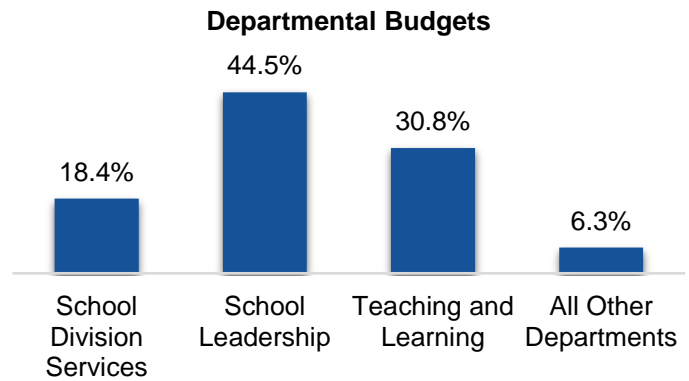
	School Operating Fund 115	Green Run Collegiate Fund 104	Equipment Replacement Fund 107	Instructional Technology Fund 108	Vending Operations Fund 109	Comm. Towers Technology Fund 112	Cafeterias Fund 114	Categorical Grants Fund 116	Textbooks Fund 117	Athletics Fund 119	Total
Local Revenue (RSF)	382,762,670	-	-	-	-	-	-	-	-	-	382,762,670
Local Revenue (Special Revenue Funds)	-	-	-	-	192,550	510,000	11,995,988	440,958	53,611	504,000	13,697,107
State Revenue	273,443,481	-	-	-	-	-	500,000	15,365,288	4,462,985	-	293,771,754
State Sales Tax	73,718,340	-	-	-	-	-	-	-	-	-	73,718,340
Federal Revenue	12,200,000	-	-	-	-	-	18,086,468	39,736,533	-	-	70,023,001
Fund Balance	-	-	170,193	79,579	37,152	340,000	1,096,794	-	663,006	-	2,386,724
Transfer(s) from Other Funds	-	3,763,447	-	-	-	-	-	3,313,969	-	4,595,823	11,673,239
Other Local Revenue	3,518,341	-	-	-	-	-	-	-	-	-	3,518,341
School Reserve (reversion)	8,803,897	-	-	-	-	-	-	-	-	-	8,803,897
Sandbridge TIF	409,000	-	-	-	-	-	-	-	-	-	409,000
Total Revenue	754,855,729	3,763,447	170,193	79,579	229,702	850,000	31,679,250	58,856,748	5,179,602	5,099,823	860,764,073
PERCENT OF TOTAL	87.70%	0.44%	0.02%	0.01%	0.03%	0.10%	3.68%	6.84%	0.60%	0.59%	100.00%

EXPENDITURES BY CATEGORY

	School Operating Fund 115	Green Run Collegiate Fund 104	Equipment Replacement Fund 107	Instructional Technology Fund 108	Vending Operations Fund 109	Comm. Towers Technology Fund 112	Cafeterias Fund 114	Categorical Grants Fund 116	Textbooks Fund 117	Athletics Fund 119	Total
Personnel Services	460,704,795	2,246,851	-	-	-	-	10,122,611	27,714,565	83,431	2,620,770	503,493,023
Fringe Benefits	172,867,053	804,226	-	-	-	-	4,501,594	9,902,434	31,066	200,483	188,306,856
Purchased Services	49,216,858	351,820	-	-	-	-	472,932	4,459,864	670,431	1,252,029	56,423,934
Other Charges	24,473,798	89,200	-	-	216,248	-	74,802	622,723	-	226,250	25,703,021
Materials and Supplies	31,156,150	271,350	-	79,579	13,454	850,000	16,157,311	16,094,162	4,394,674	611,300	69,627,980
Capital Outlay	4,541,259	-	170,193	-	-	-	350,000	63,000	-	188,991	5,313,443
Land, Structures and Improvements	222,577	-	-	-	-	-	-	-	-	-	222,577
Transfer(s) to Other Funds	11,673,239	-	-	-	-	-	-	-	-	-	11,673,239
Total Expenditure	754,855,729	3,763,447	170,193	79,579	229,702	850,000	31,679,250	58,856,748	5,179,602	5,099,823	860,764,073
PERCENT OF TOTAL	87.70%	0.44%	0.02%	0.01%	0.03%	0.10%	3.68%	6.84%	0.60%	0.59%	100.00%

EXPENDITURE BUDGETS BY DEPARTMENT

As mentioned previously, the administrative structure of VBCPS is divided into eight departments to manage the day-to-day operations of the division. Each department is led by a chief administrative officer. Considering all funding sources, three departmental budgets account for almost 94 percent of the total VBCPS budget. As expected, those departments function primarily to provide direct support for student instruction and logistical support for schools and centers. The chart on the right and the table below illustrate the breakdown.



Total Budget by Department and Fund

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Superintendent</i>				
School Operating	2,552,364	2,627,299	2,659,253	31,954
Superintendent Total	2,552,364	2,627,299	2,659,253	31,954
<i>Budget and Finance</i>				
School Operating	7,590,132	8,477,180	8,891,576	414,396
Categorical Grants	7,200,000	7,200,000	7,200,000	-
Other Funds	1,326,590	1,336,003	399,895	(936,108)
Budget and Finance Total	16,116,722	17,013,183	16,491,471	(521,712)
<i>Human Resources</i>				
School Operating	5,434,462	5,414,138	5,546,057	131,919
Human Resources Total	5,434,462	5,414,138	5,546,057	131,919
<i>Media and Communications</i>				
School Operating	1,885,894	2,180,016	2,316,073	136,057
Media and Communications Total	1,885,894	2,180,016	2,316,073	136,057
<i>Planning, Innovation and Accountability</i>				
School Operating	5,155,993	5,056,384	5,479,831	423,447
Categorical Grants	401,901	401,901	379,622	(22,279)
Planning, Innovation and Accountability Total	5,557,894	5,458,285	5,859,453	401,168
<i>School Division Services</i>				
School Operating	120,200,700	123,426,176	126,519,984	3,093,808
Categorical Grants	-	-	121,728	121,728
Other Funds	30,227,350	30,742,626	31,679,250	936,624
School Division Services Total	150,428,050	154,168,802	158,320,962	4,152,160
<i>School Leadership</i>				
School Operating	348,801,500	355,462,064	372,322,920	16,860,856
Green Run Collegiate	2,885,023	3,686,686	3,763,447	76,761
Categorical Grants	1,839,758	2,090,930	1,810,013	(280,917)
Other Funds	4,922,642	4,922,642	5,099,823	177,181
School Leadership Total	358,448,923	366,162,322	382,996,203	16,833,881
<i>Teaching and Learning</i>				
School Operating	197,439,524	209,018,130	217,024,170	8,006,040
Categorical Grants	43,669,501	41,807,078	42,622,745	815,667
Other Funds	9,094,147	9,182,874	5,179,602	(4,003,272)
Teaching and Learning Total	250,203,172	260,008,082	264,826,517	4,818,435
<i>Technology</i>				
School Operating	12,590,395	13,267,412	14,095,865	828,453
Categorical Grants	4,176,794	3,523,940	6,722,640	3,198,700
Other Funds	706,000	653,678	929,579	275,901
Technology Total	17,473,189	17,445,030	21,748,084	4,303,054
Total	808,100,670	830,477,157	860,764,073	30,286,916

BUDGETARY GOALS AND CHALLENGES

There are many factors unique to school divisions that can trigger educational cost increases that outpace inflation. For example, increases in labor costs due to rising student enrollment or changes in staffing standards can drastically impact school budgets because K-12 education is so labor intensive. Understanding these factors provides a greater appreciation of the financial challenges that schools confront today and of the environmental context in which budgeting decisions must be made. The following factors place considerable pressure on school budgets:

- **Programmatic Priorities** – Our community demands high achievement, as well as the availability of programs and opportunities to address each student's individual needs. Meeting the expectations of our community and achieving the goals outlined in *Compass to 2020* requires that VBCPS allocate resources thoughtfully, strategically and efficiently.
- **Technology** – The five-year framework outlined in *Compass to 2020* charts the course for teaching and learning across the division with the focus of ensuring that every child is challenged and supported to reach his or her full potential. The framework's strategies include providing students with personalized learning opportunities that incorporate the use of digital resources to prepare them for employment or post-secondary educational opportunities in a globally-competitive environment. In support of the strategic plan, the division is preparing to phase in the provisioning of Chromebooks for every student and teacher in first through 12th grades with a goal to fully deploy the devices to each school in the division by the 2020 school year, or sooner, as funding permits. As the division prepares students to master not only course content, but globally competitive skills such as creativity, collaboration, critical thinking, communication and citizenship, it is evident that the purposeful use of technology will be integral to the instructional program.
- **Employee Compensation** – In support of Goal 4 of the strategic framework, VBCPS is focused on placing a premium on recruiting, hiring, supporting and retaining high-quality staff in all positions. One of the top strategies aimed at addressing Goal 4 of *Compass to 2020* is to provide a competitive compensation and benefit plan for employees. VBCPS ranks No. 1 in the Hampton Roads region for entry-level teacher salary compensation (up from No. 2 in 2015/16). In recent years, VBCPS has budgeted funds, as available, to take incremental steps toward addressing internal equity and compression issues identified in the Unified Pay Scale.
- **Employee Benefits** – In 2012, the General Assembly took action to require full funding of Virginia Retirement System (VRS) employer contributions under a phased-in schedule until the rates become 100 percent funded in the 2018-2020 biennium. However, the General Assembly's 2016-2018 biennial budget adopted higher VRS employer contribution rates for instructional retirement benefits than those originally planned. For FY 2017/18, the state budget increased the rate from 14.66 percent to 16.32 percent. This increase was due largely in part to the previous underfunding of the VRS plan during the economic downturn. Because retirement is a salary-sensitive benefit, related expenses can also increase with compensation adjustments, position growth and turnover.
- **State and Federal Mandates** – VBCPS must comply with state and federal mandates that significantly impact divisionwide needs and priorities. Mandates are not always funded and can pose a financial burden on localities and school divisions. In 2011, the Virginia General Assembly created the Governor's Task Force for Local Government Mandate Review. The task force was asked "to review state mandates imposed on localities and to recommend temporary suspension or permanent repeal of such mandates, or any other action as appropriate". In August 2015, the Governor's Task Force issued an interim report with recommendations for the General Assembly to consider. The financial impacts of federal mandates outlined in the Every Student Succeeds Act of 2015 (ESSA), the new accountability model that replaced the No Child Left Behind (NCLB) Act of 2001, have not yet been fully assessed.
- **Lagging State Funding** – Public education policy changes at the state level significantly and routinely underfund education. State spending allocated to school divisions is driven by the number of students and local ability to pay. According to a report on state education spending released by the Joint Legislative Audit and Review Commission, after adjusting for inflation and increased enrollment, Virginia now spends 9 percent less on K-12 instruction than it did in 2005. The Virginia Department of Education reported that inflation adjusted state per pupil funding declined from \$4,275 in 2009 to \$3,647 in 2016, or by \$628 per pupil. Costs for educating students have not declined during the same period.
- **Structurally Flawed Operating Budget** – The FY 2017/18 budget marks the eighth consecutive year VBCPS has had to rely on one-time reversion funds to augment the School Operating budget and pay for recurring

expenses. While the use of one-time funding has helped bridge the gap between the revenue available and expenditures, the use of these funds to pay for ongoing costs has created a structural imbalance that requires recurring revenue to resolve. Relying on one-time dollars for ongoing expenses is simply not a sustainable budget strategy.

- Enrollment and Demographics – The cost of enrollment growth and changing student demographics can impact school-based positions generated through staffing formulas and per pupil allocations. A slow decline in student enrollment is projected to continue divisionwide over the upcoming five-year projection window. According to the Weldon Cooper Center for Public Service at the University of Virginia, VBCPS is among the majority of Virginia school divisions with respect to declining enrollment trends.

FY 2017/18 SCHOOL OPERATING BUDGET SUMMARY

The School Operating budget provides for the day-to-day operations and maintenance of the division. Given that more than 87 percent of the total FY 2017/18 budget is appropriated in the School Operating fund, additional details are provided. The approved FY 2017/18 School Operating fund totals \$754,855,729. This is an increase of approximately \$29.9 million, or 4.1 percent, from the FY 2016/17 Approved Budget.

REVENUE HIGHLIGHTS

In the FY 2017/18 budget, local contributions calculated using an approved Revenue Sharing Formula (RSF) continue to be the most substantial source of revenue for VBCPS. The Commonwealth of Virginia provides the next largest source of revenue to VBCPS through state aid and sales tax revenues. The remaining revenues are obtained from federal aid, tuition, fees and other sources.

- VBCPS receives most of its funding, nearly 51 percent, from local contributions. The FY 2017/18 local contribution (generated through the RSF and other local contributions) totals \$382,762,670, an increase of \$17,303,374, or 4.7 percent, over the FY 2016/17 amount of \$365,459,296. This amount includes \$6.75 million in additional funding to support VBCPS' plans to begin a phased-in expansion of pre-kindergarten and full-day kindergarten over the next several years.
- Debt service funds are managed and controlled by the city of Virginia Beach. The funds are deducted from the city's local contribution to the division, reducing the amount appropriated for the School Operating budget. The total Debt Service payment for FY 2017/18 is estimated at \$45,819,477, which represents a decrease of \$871,797, or 1.9 percent, from the FY 2016/17 amount of \$45,819,477.
- State revenue for FY 2017/18, which accounts for 36.2 percent of total operating revenue, increased by \$10,019,656, compared to the FY 2016/17 budget of \$263,423,825. The FY 2017/18 total is \$273,443,481, which equates to a 3.8 percent increase. The second component of state revenue, sales tax, decreased by \$1,023,465, or 1.4 percent compared to the FY 2016/17 Adopted Budget of \$74,741,805. Projected sales tax receipts represent 9.9 percent of VBCPS' revenue.
- In Virginia, school divisions receive the majority of state aid based on their local composite index (LCI). Counties and cities with a lower composite index receive more state funding than those with a higher index. The state calculates the LCI every two years. Calculations for the 2016-2018 biennium budget resulted in a decrease for Virginia Beach's LCI from .4034 to .3925.
- The FY 2017/18 budget includes \$12,200,000 in federal revenue. This amount reflects a decrease of \$276,532 in Impact Aid program payments compared to the FY 2016/17 budget. Impact Aid program payments account for nearly 81.4 percent of the federal revenue funding projected for VBCPS in FY 2017/18.
- In prior years, VBCPS has relied on fund balance or reversion funds to maintain critical services in response to the recession and significant losses of state funding. VBCPS will use \$8.8 million of School Reserve (reversion) revenue and \$409,000 in Sandbridge Tax Increment Financing (TIF) funds to balance the FY 2017/18 School Operating budget. The School Reserve revenue amount represents an increase of \$3.8 million over the previous fiscal year when VBCPS used \$5 million of this one-time funding source to balance the School Operating budget. The Sandbridge TIF revenue reflects the same amount budgeted in FY 2016/17 for this source.

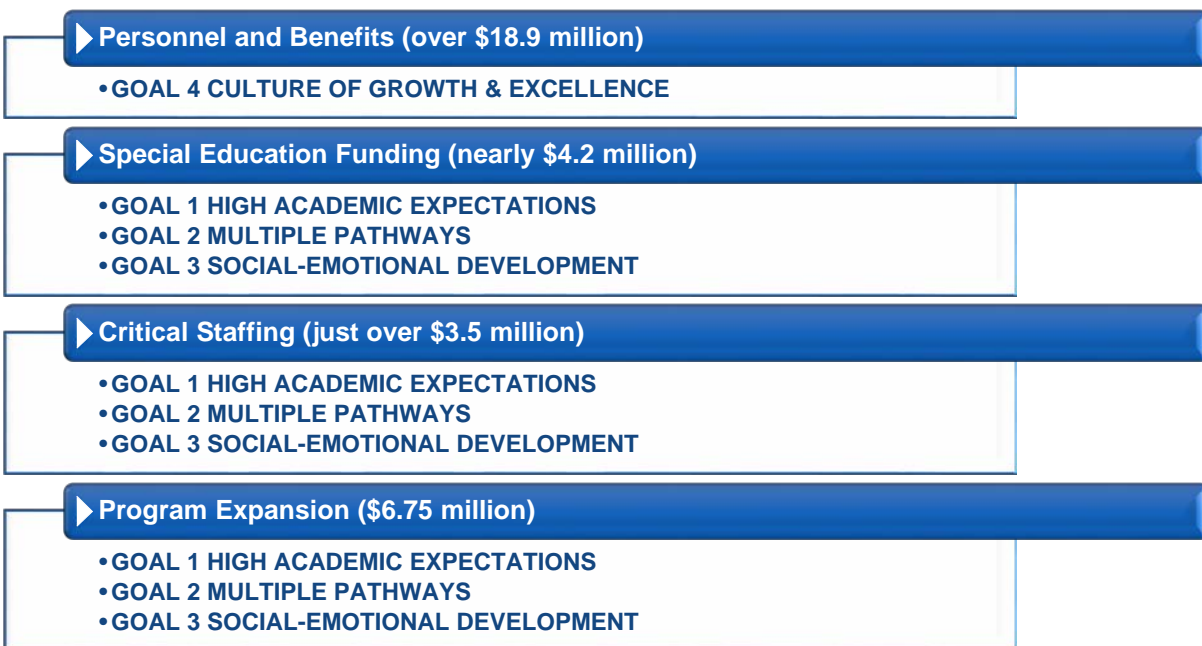
EXPENDITURE HIGHLIGHTS

This budget reflects considerable increases in revenue at the state and local levels. Combined with efforts to reprioritize budget line items and reallocate existing resources, this additional revenue will allow the division to address several of the School Board's funding goals and priorities. Included in this budget are funds to:

- Provide a salary increase of 2.0 percent. Effective FY 2017/18, all eligible employees will be paying the full 5.0 percent required into the VRS. As such, employees will see the full impact of this 2.0 percent increase in their annual salary. The projected cost for the increase is \$10,403,500 (inclusive of benefits).
- Cover nearly \$6.6 million in costs related to VRS employer contribution rate increases. The VRS rate will climb by 1.66 percent, from 14.66 percent in FY 2016/17 to 16.32 percent in FY 2017/18.
- Add 40.0 Full-Time Equivalent (FTE) instructional positions to reduce class sizes at the secondary level and 6.0 FTE instructional technology specialists at the elementary and middle school levels. The addition of these positions will cost approximately \$3.5 million.
- Work toward addressing bus driver compensation issues and continue support for Unified Pay Scale equity adjustments.
- Allocate adequate funding required to support special education programs in the division. Budget adjustments for special education are projected to cost an additional \$4.2 million for FY 2017/18.
- Begin a multi-year phased implementation of full-day kindergarten for all eligible students and to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to Virginia Preschool Initiative (VPI) state funding.

As a result of declining student enrollment, the division will reduce teaching positions by 50.3 FTEs across all grade levels in FY 2017/18 for a cost savings of approximately \$3.5 million. The loss of positions will be addressed entirely by attrition.

Significant FY 2017/18 Expenditure Highlights Linked to Strategic Goals



BALANCING THE FY 2017/18 SCHOOL OPERATING BUDGET

	FY 2016/17 Budget	FY 2017/18 Approved	Change
Revenue			
Federal	12,476,532	12,200,000	(276,532)
State	263,423,825	273,443,481	10,019,656
State Sales Tax	74,741,805	73,718,340	(1,023,465)
Local Contribution (RSF)	365,459,296	382,762,670	17,303,374
Other Local	3,418,341	3,518,341	100,000
School Reserve (reversion)	5,000,000	8,803,897	3,803,897
Sandbridge TIF Reallocation	409,000	409,000	-
	724,928,799	754,855,729	29,926,930
		Amount	Balance
Budget Balancing			29,926,930
Reduction of 50.3 FTEs as a result of declining enrollment		(3,525,274)	33,452,204
2.0% raise (salary and benefits)		10,403,500	23,048,704
Higher VRS employer contributions (rate increase from 14.66% to 16.32%)		6,567,623	16,481,081
Funding necessary to support special education programs		4,170,716	12,310,365
Addition of 40.0 secondary FTE instructional positions to reduce class size		3,022,552	9,287,813
Allocation of additional funds for bus drivers (salary and benefits)		1,165,008	8,122,805
Funding to continue support of Unified Scale equity adjustments		750,000	7,372,805
Addition of 6.0 FTE instructional technology specialists (at the ES and MS level)		522,805	6,850,000
Allocate additional funds to cover expenses related to consolidated benefits for city personnel		100,000	6,750,000
Phase-in of full-day kindergarten and pre-kindergarten expansion		6,750,000	-

APPROVED BUDGET BALANCING STEPS AND STRATEGIES

There are many unpredictable factors affecting the projection of revenue and expenditures. As such, VBCPS develops and utilizes budget assumptions that are based on data and information available at the time the budget is formulated. To balance the FY 2017/18 School Operating budget, the following steps were taken:

Step 1: Sources of revenue have been analyzed for use in developing a balanced budget. The city shared information about local revenue contributions and debt service. The Governor's Amended 2016-2018 Biennial Budget and the General Assembly's preliminary direct aid estimated distributions were used to determine state funding for FY 2017/18. School divisions are provided the option of using the Governor's projection for ADM or entering a local estimate for enrollment projections. For FY 2017/18, the ADM used in the development of the Governor's Amended budget was 66,714.55. Based on information provided by an internal demographer, VBCPS elected to utilize an ADM projection of 66,920 to determine state funding estimates for next fiscal year.

Step 2: Changes were made to the budget to reduce FTEs, primarily as a result of declining student enrollment.

Step 3: An increase of 2.0 percent has been applied to FTE personnel line items to increase base salaries for eligible employees effective July 1, 2017.

Step 4: Compensation parameters were updated to account for rising benefit costs. VRS employer contributions continue to be the primary driver of rising compensation costs. The rate will climb by 1.66 percent, from 14.66 percent in FY 2016/17 to 16.32 percent in FY 2017/18.

Step 5: Adequate funding required to support special education programs in the division has been allocated accordingly.

Step 6: Instructional positions have been added to reduce class sizes at the secondary level and address staffing shortages for instructional technology specialists at the elementary and middle school levels.

Step 7: Funding has been budgeted to work toward addressing bus driver compensation issues and continue support for Unified Scale equity adjustments.

Step 8: The Governor's Amended 2016-2018 Biennial Budget adopted by the 2017 General Assembly included funding for a compensation supplement equal to the state share of a 2.0 percent salary increase effective Feb. 15, 2018 for funded SOQ instructional and support positions. No local match is required under this initiative. The salary increase referenced in Step 3 improves employee salaries in a way that will allow VBCPS to access approximately \$1.7 million of this state funding.

Step 9: One-time reversion funds in the amount of \$8.8 million have been included in the FY 2017/18 budget as a source of revenue.

Step 10: At the conclusion of deliberations during multiple budget workshops, the School Board approved and submitted a balanced budget resolution to the City Council in March requesting a lump sum appropriation of \$748.1 million for the FY 2017/18 School Operating budget. Although the School Board submitted a resolution to the City Council reflecting a balanced FY 2017/18 Proposed Operating Budget based on projected revenues, the School Board also adopted a separate budget resolution on Mar. 7 requesting additional funding totaling \$14,093,300 above and beyond what would be provided by applying the agreed upon RSF. The purpose for the additional funding is: 1) to provide funds to begin a multi-year phased implementation of full-day kindergarten for all eligible students, and 2) to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to VPI state funding.

Step 11: In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funds must be brought forward to the City Council and that the School Board must acknowledge support for an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary. This secondary Budget Resolution - Additional Funds Request adopted by the School Board included the required language with added clarification that any unspent funds related to the request would be utilized solely for identified priority needs such as CIP projects, replacement school buses, replacement equipment and furniture, and technology related items.

Step 12: The additional local funding requested by the School Board would equate to a real estate tax increase of nearly three cents. In the FY 2017/18 Resource Management Plan and Operating Budget adopted by the City Council, a real estate tax increase of 1.25 cents was included to support the first two years of the phased approach VBCPS will take to implement full-day kindergarten and expand the pre-kindergarten program. The tax revenue generated by the rate increase is recognized in the FY 2017/18 School Operating budget as an additional appropriation of \$6.75 million in dedicated revenue from the city.

Step 13: With the additional \$6.75 million in funding from the city, the final FY 2017/18 School Operating budget totals approximately \$754.9 million, reflecting an increase of \$29.9 million, or 4.1 percent, when compared to the FY 2016/17 Approved Budget. For the first time in several years, balancing the School Operating budget did not include a proposed class size increase.

UNMET NEEDS

As part of the budget development process, departmental requests are summarized and presented to the superintendent and senior staff to begin deliberations on unmet needs and budget priorities. Within the first quarter of the fiscal year, the administration considers one-time requests that could not feasibly be funded in the annual budget to determine the appropriate use(s) for any reversion funds. The following lists provide an approximate accounting of the division's ongoing unmet operating and technology needs.

UNMET OPERATING NEEDS

Operating Item Description (not in priority order)	Amount
Full day kindergarten (does not include portable classrooms)	12,900,000
Increase allowances, supplements, long-term substitute rate and sick leave payout for retirees; reclassify teacher assistants; and move selected positions from the Unified Pay Scale to the Instructional Pay Scale	10,895,000
Eliminate the need for one-time funds in balancing budget	8,803,897
Reduce class size by one student grades K-12	8,500,000
Unified Scale equity adjustments	2,100,000
Bus replacement (20 buses at \$90,000 each)	1,800,000
Expand Advanced Placement support program	1,200,000
Increase local match to maximize available state funding for the preschool program	1,081,828
Additional high school math/reading coaches	706,040
White fleet replacement vehicles (needed annually)	300,000
Projector replacement (annually)	300,000
Additional middle school math/reading coaches	260,000
Operating Items Total	48,846,765

UNMET TECHNOLOGY NEEDS

Technology Item Description	Amount
Interactive white board replacement	29,802,000
Fund technology initiative - access for all students	25,095,546
Access layer switching replacement	11,500,000
Telephone system upgrade	5,000,000
Copier/Multifunction Device (MFD) replacement	2,017,800
Cabling upgrades for various locations	2,014,943
UPS battery technology replacement	1,500,000
Hyper-converged Azure Cloud integration	600,000
Network monitoring and troubleshooting system	582,786
Local host server replacements	525,000
Hyper-converged production server/storage replacements (phase II)	500,000
Firewall replacement	400,000
Security threat identification software (Varonis)	250,000
Wide area network Edge/Distro upgrade for administrative sites	205,790
Department of Technology Total	79,993,865

The following items were not built into the FY 2017/18 budget, but will be funded with one-time reversion funds:

- Replacement school buses
- White fleet replacement vehicles
- Upgrades to the wireless network
- Technology initiative

General Fund Budget Summary

The General fund is the general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and Green Run Collegiate (GRC) Charter School.

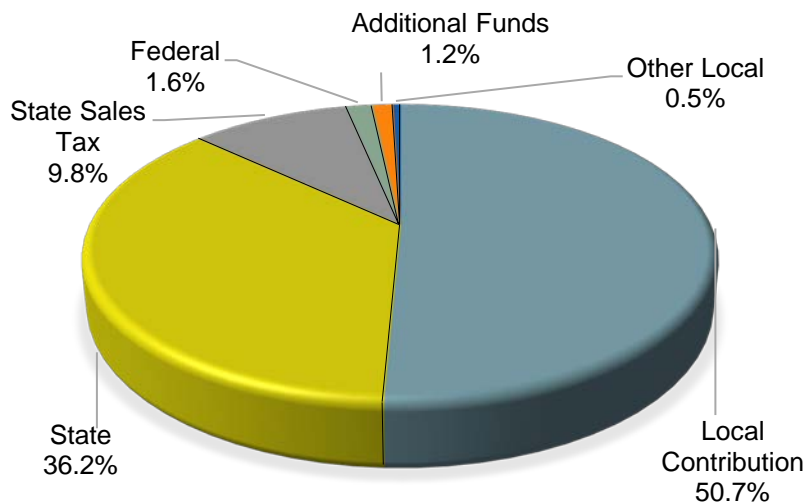
Because more than 87 percent of the total FY 2017/18 budget is appropriated in the School Operating fund, details and brief descriptions of the different revenue and expenditure types, classifications and categories are provided in the charts on the following pages.

SCHOOL OPERATING FUND REVENUE SOURCES

The FY 2017/18 School Operating fund revenue budget totals \$754,855,729, an increase of approximately \$29.9 million, or 4.1 percent, from the FY 2016/17 budget.

Local revenue contributions from the city continue to be the most substantial source of revenue for the School Operating fund, making up nearly 51 percent of the FY 2017/18 budget. As state funding declines, localities are increasingly providing additional funding for school divisions. The budget for local revenue for VBCPS in FY 2017/18 is projected to total approximately \$382.8 million, an increase of nearly \$17.3 million, or approximately 4.7 percent from the previous fiscal year.

Funding from state direct aid and state sales tax combined provide approximately 46 percent of total School Operating fund revenue. The remaining revenues are obtained from federal aid, other local contributions and school reserve (reversion) funds.



Federal.....\$12,200,000

General funds and categorical funds (primarily Impact Aid revenue)

The Impact Aid program is designed to directly compensate local school districts for: 1) local revenue lost due to the presence of federally owned, and therefore tax-exempt, property and 2) costs incurred to educate federally connected students, such as the children of armed services personnel working at a nearby military base. Virginia ranks No. 10 in the nation for Impact Aid payments to support federally connected students. Impact Aid program payments account for a little over 81 percent of the federal revenue funding projected for VBCPS in FY 2017/18.

State\$273,443,481

SOQ payments, incentive funds, lottery proceeds and categorical amounts established by the General Assembly on a biennial basis

State funding for public education is provided to VBCPS through the Direct Aid to Public Education budget in the Appropriation Act. The funds are appropriated by the Virginia General Assembly and administered by the VDOE. Funding is appropriated into four major categories: SOQ Programs, Incentive Programs, Categorical Programs and Lottery Programs. State revenue, which accounts for 36.2 percent of the schools' funding in the FY 2017/18 budget, is projected to increase over \$10 million, or 3.8 percent from FY 2016/17. The most significant changes for this revenue source are the lottery funded programs which increased a little more than \$7 million from the previous year.

State Sales Tax\$73,718,340

State sales tax (1.125 percent) dedicated to public education and distributed to school divisions based on the number of school-age children residing in the locality

State sales tax, the second largest source of state revenues, is a formula-driven allocation that is based upon the number of children between the ages of five and 19 who reside in Virginia Beach. One and one-eighth percent of the state sales tax is allocated directly to public education. The projected state sales tax revenue for VBCPS in FY 2017/18 is \$73.7 million, a decrease of a little over \$1 million, or 1.4 percent, compared to the FY 2016/17 Approved Budget.

Local Contribution.....\$382,762,670

Appropriation from the city of Virginia Beach (calculated using the RSF)

The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division. The city allocates funding to schools via the RSF. The City Council appropriates funding to the school division by major category (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Technology; and Debt Service) in the School Operating fund and by fund for each of the division's remaining funds. The allocation of this funding within these categories and specific funds is solely at the discretion of the School Board. The projected local revenue for FY 2017/18 is \$382,762,670 million, an increase of nearly \$17,303,374, or 4.7 percent, compared to the FY 2016/17 Approved Budget.

Other Local\$3,518,341

Miscellaneous sources of revenue such as rental of facilities, summer school tuition and non-resident tuition

Other local revenue is comprised of miscellaneous revenue sources such as rental of facilities, tuition and sale of salvage materials. The projected other local revenue for FY 2017/18 is \$3.5 million, reflecting an increase of \$100,000 when compared to the FY 2016/17 Approved Budget.

Additional Funds (non-recurring)\$9,212,897

School Reserve (reversion) and Sandbridge TIF

In prior years, VBCPS has relied on fund balance or reversion funds to maintain critical services in response to the recession and significant losses of state funding. For FY 2017/18, VBCPS will use \$8.8 million of School Reserve (reversion) revenue and \$409,000 in Sandbridge TIF funds to balance the School Operating budget. This amount reflects an increase of \$3.8 million, or 76 percent, compared to the additional funds budgeted in FY 2016/17.

REVENUE ENHANCEMENTS

Each year as part of the budget development process, VBCPS reviews areas where there may be opportunities to generate additional local revenue. Opportunities to add or increase user fees for a variety of items or services (e.g. rental of facilities, tuition, parking fees, etc.) are considered. The state places strict limitations on what fees a school division may assess students, somewhat limiting how much revenue can be generated from these types of sources. The General Fees Schedule for FY 2017/18 incorporated a small increase (\$0.35) in the student paid lunch price to comply with the Hunger-Free Kids Act's required adjustments to the weighted average price for paid lunches. Pursuant to provisions in federal legislation, effective July 1, 2011, school divisions are required to increase the price of paid meals until the paid meal price plus the federal reimbursement for a paid meal is equal to the federal reimbursement for a free meal. Rates for non-resident student tuition for employees remain at current levels based on stakeholder input and public feedback. VBCPS' local revenue is also enhanced through funding generated by the sale of vehicles and other salvage equipment, proceeds from vendor and procurement card rebates, and indirect costs recovered primarily for federal grants. The division pursues additional revenue by securing grants and developing business partnerships to help fund specific initiatives.

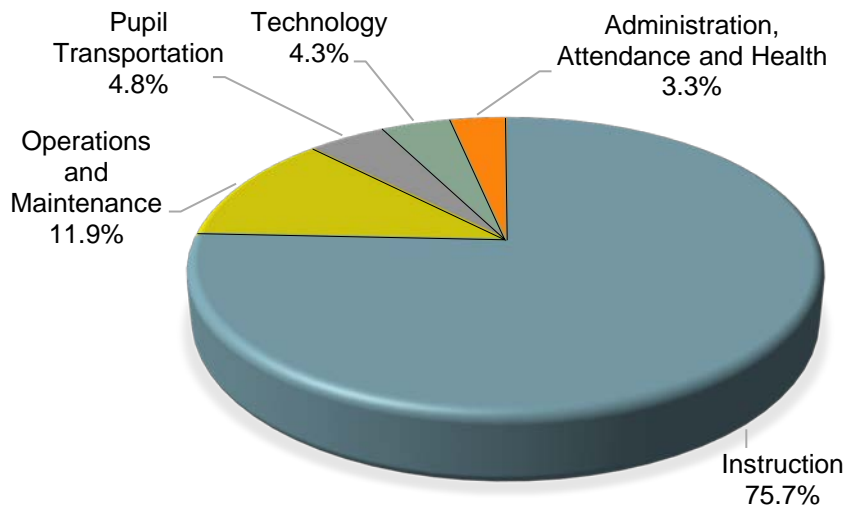
OTHER SUSTAINABLE SOURCES OF LOCAL REVENUE

The primary reason VBCPS engages in community outreach is to inform the public and gather important input about crucial educational issues and budget priorities. However, community outreach also provides VBCPS with important resources. As of June 30, 2017, there were 2,164 Partners in Education working with schools throughout the division. Thousands of individuals serve as volunteers in our schools each year. In fact, during the 2016/17 school year, 21,885 volunteers and partners in education donated 334,138 hours of service, which emphasizes the value of community outreach efforts. The value of the donated volunteer hours is estimated at \$8,066,080 (based on the \$24.14 per hour estimated value of volunteer time published by the National Independent Sector Organization).

SCHOOL OPERATING FUND EXPENDITURES BY MAJOR CATEGORY CLASSIFICATION AND TYPE

As expected, the majority of the School Operating budget is allocated to fund instructional programs. This is illustrated by the fact that proposed expenditures for instruction represent 75.7 percent of the FY 2017/18 budget.

Expenditures for instruction are expected to total nearly \$571.3 million for FY 2017/18, an increase of \$24 million from the previous year's budget for instruction in the School Operating fund. Employee compensation is comprised of salaries and employee benefits. For FY 2017/18, the combined amount budgeted for salaries and benefits totals 83.9 percent of the School Operating fund expenditures.



MAJOR CATEGORY CLASSIFICATION

Instruction	\$571,271,802
<i>Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students</i>	
Administration, Attendance and Health	\$25,267,186
<i>Includes: activities concerned with establishing and administering policy for operating the division and activities whose primary purpose is the promotion and improvement of children's attendance at school</i>	
Pupil Transportation.....	\$35,940,046
<i>Includes: activities concerned with transporting students to and from school as mandated by state and federal law</i>	
Operations and Maintenance	\$90,041,607
<i>Includes: activities concerned with keeping the school plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in effective working condition</i>	
Technology	\$32,335,088
<i>Includes: technology-related expenditures as required by the General Assembly</i>	

TYPE

Personnel Services.....	\$460,704,795
<i>Includes: all compensation for the direct labor of persons in the employment of the school division including salaries and wages paid to employees for full-time, part-time and temporary work; supplements, allowances, overtime and similar compensation; payments for time not worked such as annual, funeral, sick and personal reasons leave; holidays; and other paid absences (e.g., jury duty, military pay)</i>	
Fringe Benefits.....	\$172,867,053
<i>Includes: job-related benefits provided for school employees as part of their total compensation; the employer's portion of the Federal Insurance Contributions Act (FICA); retirement contributions; health and life insurance premiums; unemployment insurance premiums; flexible benefits program; employee assistance program; workers' compensation; and tuition reimbursements</i>	
Purchased Services.....	\$49,216,858
<i>Includes: services acquired from outside sources on a fee basis or fixed-time contract basis (with the exception of payments for rentals, utilities or extensive repairs considered to be additions or improvements to capital assets)</i>	
Other Charges	\$24,473,798
<i>Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges</i>	

Materials and Supplies	\$31,156,150
<i>Includes: articles and commodities acquired that are consumed or materially altered when used and capital outlay items that have a per-unit cost of less than \$5,000</i>	
Capital Outlay	\$4,541,259
<i>Includes: outlays that result in the acquisition of or additions to capital assets with a unit cost of \$5,000 or more (with the exception of outlays for major capital facilities such as buildings and land)</i>	
Land, Structures and Improvement	\$222,577
<i>Includes: expenditures of projects that are less than \$1 million in estimated cost</i>	
Transfers to Other Funds	\$11,673,239
<i>Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse</i>	



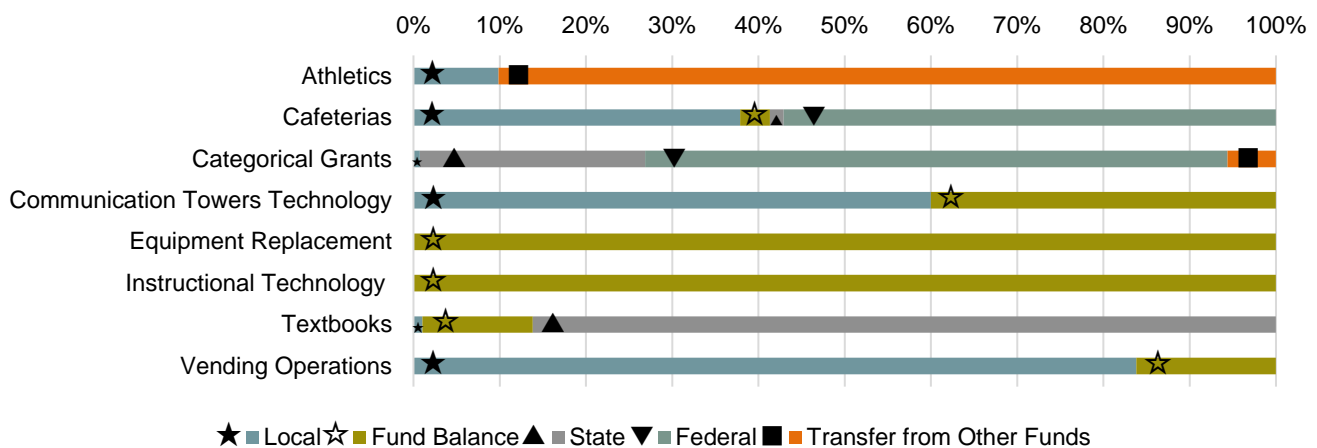
Special Revenue Funds Budget Summary

Although the majority of the total FY 2017/18 School Board Approved Budget is accounted for in the General fund and intended to support day-to-day activities, Special Revenue funds function to supplement the School Operating budget and equate to over \$102 million, or 11.9 percent, of the total budget for VBCPS. These funds are legally restricted and must be spent for specific purposes. The charts below show the breakdown of revenues by major source and expenditures by category for VBCPS budgeted special revenue funds.

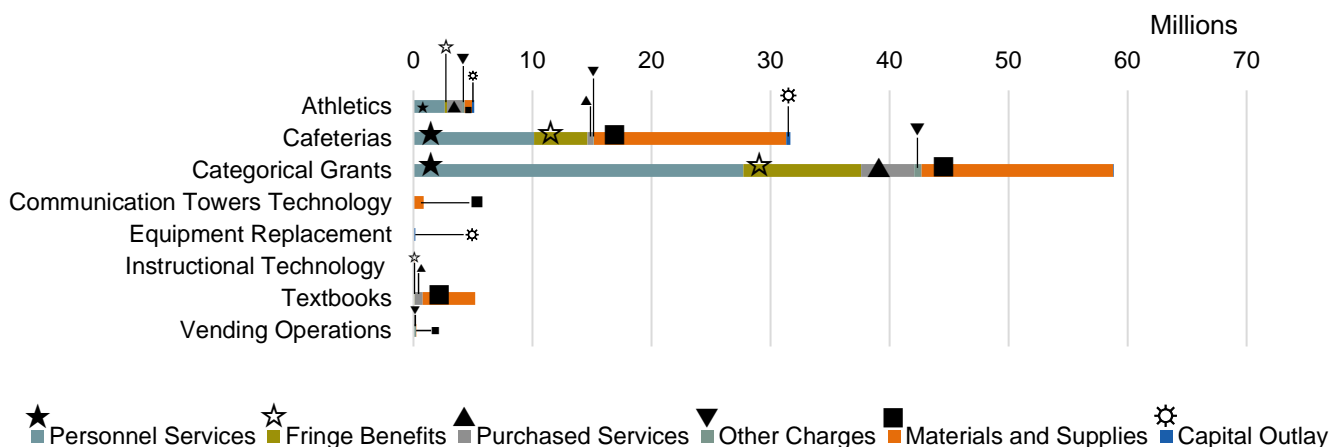
	FY 2016/17 Budget	FY 2017/18 Approved	Variance
Athletics	4,922,642	5,099,823	177,181
Cafeterias	30,742,626	31,679,250	936,624
Categorical Grants	55,023,849	58,856,748	3,832,899
Communication Towers Technology	600,000	850,000	250,000
Equipment Replacement	1,106,301	170,193	(936,108)
Instructional Technology	53,678	79,579	25,901
Textbooks	9,182,874	5,179,602	(4,003,272)
Vending Operations	229,702	229,702	-
Total	101,861,672	102,144,897	283,225

The FY 2017/18 budget for all special revenue funds is expected to increase by \$283,225 from FY 2016/17.

Revenue Sources for Categorical Grants and Other Funds



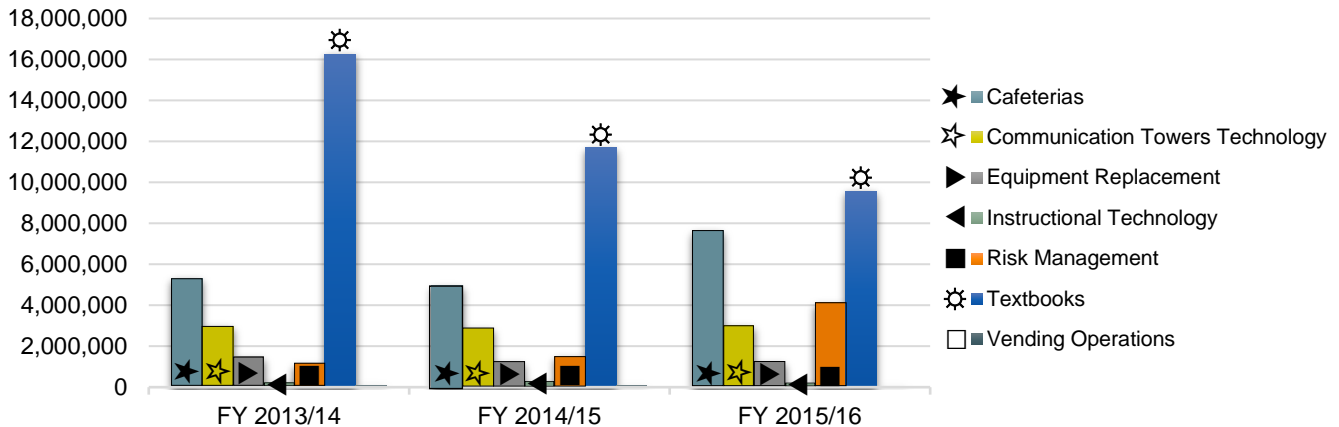
Expenditure Categories for Categorical Grants and Other Funds



FUND BALANCE - SPECIAL REVENUE FUNDS

VBCPS organizes its account code system on a fund basis. A fund is a self-balancing set of accounts that is segregated for a specific purpose or activity. The charts below represent the ending fund balances as of June 30, 2016. The fund balance is increased or decreased based on the fund's net revenue over (or under) expenditures for the fiscal year. The division has developed and implemented a spending plan for the fund balances that is in alignment with the strategic framework and the projected expenditures for each of these funds.

Three-Year Actuals



Actuals and Projections Based on the Spending Plan

	Actual			Projected	
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Athletics	-	-	-	-	-
Cafeterias	5,316,007	4,959,242	7,637,040	6,000,000	6,000,000
Communication Towers Technology	2,962,977	2,865,114	3,002,341	2,700,000	2,700,000
Equipment Replacement	1,475,942	1,247,898	1,241,494	1,200,000	1,200,000
Instructional Technology	232,235	265,678	200,950	150,000	150,000
Risk Management	1,150,849	1,503,534	4,112,685	3,100,000	3,100,000
Textbooks	16,265,486	11,688,657	9,573,944	2,800,000	2,800,000
Vending Operations	88,886	64,891	42,019	30,000	30,000

Financial Trends and Forecasts

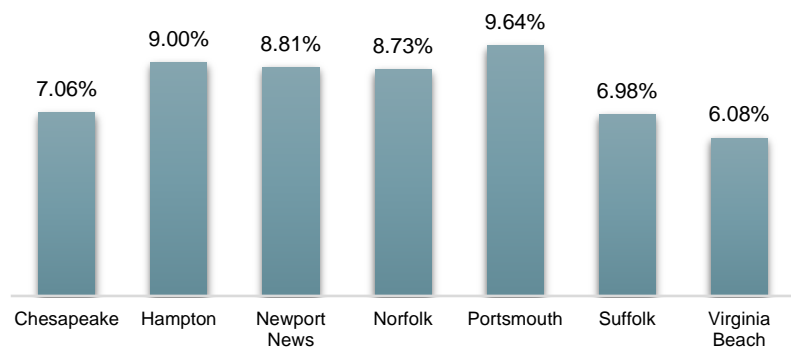
LOCAL SUPPORT FOR VIRGINIA BEACH CITY PUBLIC SCHOOLS

The School Board of the City of Virginia Beach serves the largest city in the Commonwealth of Virginia and oversees a school system ranked as the No. 4 largest in the state, with a school enrollment of approximately 67,000 students and more than 10,000 employees. The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. To provide a stable source of local funding for public schools, the City Council first adopted the City/School Revenue Sharing Policy in 1997 and revised the agreement in November 2015. Within the policy, the discretionary local match allocates local tax revenues to VBCPS using the RSF and a real estate tax dedication. There are 14 non-dedicated local tax revenue streams used to calculate the RSF: real estate taxes; personal property taxes; general sales taxes; utility taxes; Virginia telecommunications taxes; Business Permit and Occupational License (BPOL) taxes; cable franchise taxes; cigarette taxes; hotel room taxes; restaurant meals taxes; automobile license taxes; bank net capital taxes; city taxes on deeds; and city taxes on wills.

TAXPAYER IMPACT

After steadily increasing through 2008, median household income in Virginia Beach has fluctuated for the past five years and is currently at \$67,281. Fortunately, Virginia Beach families benefit from the lowest real estate and personal property tax rates in the region, minimizing the tax burden for Virginia Beach families. This means that Virginia Beach residents get to keep more of their income than most residents in Hampton Roads.

Relative Measure of Tax Burden
Per Capita Expenditures as a Percentage of Per Capita Income



Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

The city's FY 2017/18 Operating budget, the CIP and the School

Operating budget provide the resources needed to continue support for families in need, keep the city's infrastructure maintained, provide a quality education, and fund projects that will have meaning for generations to come. The FY 2017/18 combined operating budgets for the city and schools total over \$1.97 billion, an overall increase of 3.0 percent from the previous fiscal year. This is the fourth year of local real estate assessment growth. The table below illustrates the impact city taxes may have on families.

Typical Family Tax Impact

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Real Estate Tax	2,110.19	2,054.12	2,089.05	2,001.36	2,054.37	2,230.47	2,285.91	2,374.92
Personal Property Tax	160.99	193.05	236.01	238.29	287.03	310.35	319.16	332.27
Electricity Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Gas Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
VA Telecommunications Tax	72.12	73.68	73.92	74.64	75.24	75.24	76.32	76.32
Water Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Restaurant Tax	140.31	143.44	147.95	140.86	149.22	149.22	149.22	140.86
Admissions Tax	17.55	18.15	15.41	15.10	14.19	14.19	14.19	14.19
Vehicle License Decal	50.00	50.00	50.00	50.00	50.00	60.00	60.00	60.00
Storm Water Utility Fee	87.97	115.34	133.59	151.84	158.05	158.05	158.05	167.17
Residential Refuse Fee	-	60.00	120.00	256.32	256.32	256.32	276.00	276.00
Water & Sewer	604.92	635.88	668.76	703.56	740.16	740.16	740.16	740.16
Total Tax Impact	3,352.05	3,451.66	3,642.70	3,739.96	3,892.57	4,101.98	4,186.99	4,298.25
Annual Change	(55.86)	99.61	191.03	97.27	152.60	209.42	85.01	111.25

Notes: Real estate taxes are computed based on a median home value. Personal property tax is computed based on an average vehicle value for two vehicles.

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

PROPERTY TAXES

An annual ad valorem tax is levied by the city on the assessed value of real and tangible personal property. These levies are made each year on July 1 and Jan. 1 for real property and tangible personal property, respectively. Taxes levied on these dates become liens on the subject property on the date of levy. Real property taxes are payable in two installments, on Dec. 5 and June 5. Personal property taxes are payable on June 5, however, pro-rated bills on automobiles are also payable throughout the year on the portion of the year they are owned if not owned a full year. These taxes are considered delinquent when not paid by the due dates and subject to penalties and interest charges by the city treasurer. City property tax revenues are recognized when levied and collected.

During FY 2016/17, the real property tax rate was 99 cents per \$100 of assessed valuation (100 percent of fair market value except for public service corporation properties); an additional 6 cents per \$100 of assessed valuation is charged to those residents of Sandbridge; an additional 45 cents per \$100 of assessed valuation is charged to all real estate within Town Center Special Service District (SSD); an additional 18.4 cents per \$100 of assessed valuation is charged to all real estate within the Old Donation SSD; an additional 36.3 cents per \$100 of assessed valuation is charged to all real estate within the Bayville Creek SSD, not exempt from taxation; an additional 15.9 cents per \$100 of assessed valuation is charged to all real estate within the Shadowlawn SSD; taxes on all real estate that has been classified as an energy efficient building, not exempt from taxation, at a rate of 84 cents on each \$100 of assessed valuation thereof; and taxes on buildings that are individually listed on the Virginia's Landmarks Register, not including the real estate or land on which the building is located, so long as the building is maintained in a condition such that it retains the characteristics for which it was listed on the Virginia Landmarks Register at a rate of 52 cents on each \$100 of assessed valuation thereof. The personal property rate was \$4 per \$100 of assessed valuation (100 percent of fair market value). Other personal property tax rates exist for qualified equipment. There are no limits currently on the property tax rates which may be established by the City Council. In addition, the City Council is the only governmental entity that has the local taxing authority.

Virginia Beach Real Property Tax Rates and Change in Tax Levy

Fiscal Year	Tax Rate on Real Property*	Real Property Tax Levy	Percent Annual Change in Tax Levy
1999/00	1.22	264,436,560	7.32%
2000/01	1.22	280,963,485	6.25%
2001/02	1.22	305,058,532	8.58%
2002/03	1.22	327,953,650	7.51%
2003/04	1.22	341,740,132	4.20%
2004/05	1.196	378,178,905	10.66%
2005/06	1.024	393,544,291	4.06%
2006/07	0.99	461,816,439	17.35%
2007/08	0.89	483,635,234	4.72%
2008/09	0.89	497,742,524	2.92%
2009/10	0.89	485,659,493	-2.43%
2010/11	0.89	456,029,698	-6.18%
2011/12	0.89	443,160,075	-2.82%
2012/13	0.95	457,057,821	3.14%
2013/14	0.93	446,015,531	-2.42%
2014/15	0.93	463,184,807	3.85%
2015/16	0.99	510,528,757	10.22%
2016/17	0.99	528,410,384	3.50%

*Tax rate per \$100 of assessed value.

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

Assessed Value and Total Estimated Value of Taxable Property

Fiscal Year	Real Property					Personal Property				
	Residential Assessed Value	Commercial Assessed Value	Public Service Assessed Value	Total Taxable Assessed Value	Tax Rate	Residential Assessed Value	Commercial Assessed Value	Total Taxable Assessed Value	Direct Tax Rate	Total Estimated Actual Taxable Property Value
2007/08	47,862,927,769	7,283,463,230	647,905,245	55,794,296,244	0.8900	3,260,237,123	892,229,360	4,152,466,483	3.70	59,946,762,727
2008/09	48,889,366,712	7,877,386,575	807,890,384	57,574,643,671	0.8900	2,807,028,410	905,268,622	3,712,297,032	3.70	61,286,940,703
2009/10	47,128,334,239	8,251,639,426	890,229,132	56,270,202,797	0.8900	2,860,711,763	751,063,121	3,611,774,884	3.70	59,881,977,681
2010/11	43,967,169,845	8,008,231,601	927,509,746	52,902,911,192	0.8900	3,105,575,058	972,520,233	4,078,095,291	3.70	56,981,006,483
2011/12	42,582,797,354	7,925,225,472	938,693,399	51,446,716,225	0.8900	3,225,216,284	1,079,909,616	4,305,125,900	3.70	55,751,842,125
2012/13	40,815,993,416	8,036,001,242	929,843,170	49,781,837,828	0.9500	3,306,948,272	942,744,260	4,249,692,532	3.70	54,031,530,360
2013/14	40,590,297,065	8,147,317,125	889,050,800	49,626,664,990	0.9300	3,362,985,338	971,033,585	4,334,018,923	3.70	53,960,683,913
2014/15	42,110,642,755	8,466,636,425	875,496,571	51,452,775,751	0.9300	3,446,918,395	1,122,915,183	4,569,833,578	4.00	56,022,609,329
2015/16	43,302,214,028	8,714,160,476	895,479,945	52,911,854,449	0.9900	3,552,544,174	1,029,515,444	4,582,059,618	4.00	57,493,914,067
2016/17	45,017,777,981	8,822,768,056	945,094,380	54,785,640,417	0.9900	3,612,948,282	1,079,435,074	4,692,383,356	4.00	59,478,023,773

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

The most significant indicator in terms of the municipal budget is the continued growth in real estate assessments for FY 2017/18. After five consecutive years of decline, residential assessments are projected to increase for a fourth consecutive year. Local funding provided to VBCPS for FY 2017/18 includes \$28.4 million of dedicated real estate tax. Real estate revenues are the city's single largest revenue source and comprise 42 percent of local revenue collected. Using the FY 2016/17 assessment of \$54,785,640,417, each penny of the tax rate will generate \$5,479,000 in revenue for a total tax of \$542,366,210 at the current rate of \$0.99.

FIVE YEAR FORECAST

Each year, staff from VBCPS and the city work collaboratively to make projections about revenue and expenditure trends that will be occurring over the next five years. The Five Year Forecast focuses on the main operating funds for the city (General fund) and the division (School Operating fund). The information below presents economic highlights from the Five Year Forecast dated Nov. 15, 2016.

VBCPS Five Year Forecast

	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
REVENUE CATEGORY:					
Local (RSF)	421,188,438	429,047,264	437,002,429	445,206,079	453,367,750
Other Local	3,418,341	3,418,341	3,418,341	3,418,341	3,418,341
State	266,058,063	271,379,225	276,806,809	285,111,013	293,664,344
State Sales Tax	75,489,223	76,999,008	78,538,988	80,895,157	83,322,012
Federal	12,200,000	12,200,000	12,200,000	12,200,000	12,200,000
School Reserve (reversion)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Sandbridge TIF	409,000	409,000	-	-	-
Transfer(s) from other funds	-	-	-	-	-
Revenue Total	783,763,065	798,452,837	812,966,567	831,830,591	850,972,447
EXPENDITURE CATEGORY:					
Personnel Services	462,759,628	472,014,821	481,455,117	491,084,220	500,905,904
Fringe Benefits	177,137,766	182,245,651	187,437,568	191,436,686	195,523,612
Purchased Services	47,449,342	48,398,329	49,366,296	50,353,622	51,360,694
Other Charges	52,038,788	53,079,564	54,141,155	55,223,979	56,328,458
Materials and Supplies	-	-	-	-	-
Capital Outlay	4,382,694	5,282,694	6,182,694	6,632,694	6,644,540
Land, Structures and Improvement	240,301	240,301	240,301	240,301	240,301
Transfer(s) to Other Funds	11,376,936	11,328,741	11,329,854	11,330,990	11,332,148
PAYGO	-	-	-	-	-
Debt Service	44,726,171	44,670,714	47,107,506	46,895,769	47,166,839
Expenditure Total	800,111,627	817,260,816	837,260,492	853,198,260	869,502,496
Expenditures Variance	(16,348,562)	(18,807,979)	(24,293,925)	(21,367,669)	(18,530,049)

REVENUE ASSUMPTIONS

- State Shared Sales Tax and Other State Revenue
 - Expected to increase by 1.0 percent for FY 2017/18, the second year of the state's biennial budget
 - Increasing by 2.0 percent in FY 2018/19 and FY 2019/20, and by 3.0 percent for FY 2020/21 and FY 2021/22
- Local Revenue Sharing Formula
 - Increasing by approximately 2.4 percent for FY 2017/18, primarily as a result of real estate, personal property and consumer-driven revenue growth
 - Expected to increase by approximately 1.9 percent each of the forecast years from FY 2018/19 to FY 2021/22
- Federal Revenue
 - Likely to decline from \$12.5 million in FY 2016/17 to approximately \$12.2 million for FY 2017/18 and then remain flat over the rest of the forecast period
- Other Revenue Sources
 - Approximately \$5 million in one-time School Reserve (reversion) funding will be used to balance the School Operating budget for the forecast period from FY 2017/18 to FY 2021/22
 - Sandbridge TIF funds of approximately \$400,000 will be diverted to the School Operating budget for forecast years FY 2017/18 and FY 2018/19

EXPENDITURE ASSUMPTIONS

- Personnel Services and Fringe Benefits
 - Each year of the forecast period includes a 2.0 percent salary increase
 - The current FY 2016/17 Virginia Retirement System (VRS) rate of 14.66 percent is expected to climb by 1.66 percent to 16.32 percent in FY 2017/18, and then remain flat at that rate from FY 2018/19 through FY 2021/22
 - No increase in the health insurance rate is anticipated for FY 2017/18, but rates are projected to rise by 2.5 percent each year from FY 2018/19 to FY 2021/22
- Non-Personnel
 - All non-personnel budget line items impacted by inflation are expected to increase by approximately 2.0 percent each year of the forecast period
 - Capital outlay expenditures are expected to remain flat from FY 2016/17 to FY 2017/18 and then increase each of the next three years to purchase additional replacement school buses (ten buses each year in FY 2018/19 and FY 2019/20 and five buses in FY 2020/21) before leveling out in FY 2021/22

CAPITAL IMPROVEMENT PROGRAM

In conjunction with the City Council, the School Board determines actual funding for capital projects on an annual basis. VBCPS develops a multi-year CIP that is updated annually to address facility needs. The budget calendar and timeline for the adoption of the CIP closely follows that of the School Operating budget. The CIP budget development process begins in September with a preliminary meeting with city staff. To ensure that the CIP will reflect the division's needs, input is requested from schools, offices and the community in November. The CIP is presented to the School Board for information in February and is adopted in March, prior to being submitted to the City Council for review and approval. The city adopts the CIP in May along with the Operating budget. All CIP modernization and replacement projects programmed by VBCPS are developed in accordance with the school division's Comprehensive Long Range Facility Master Plan, a guiding document that was developed in 2007 in concert with the entire community. This document prioritizes school buildings to be replaced or modernized.

The FY 2017/18 - 2022/23 CIP is the financial plan for capital projects beginning July 1, 2017, through June 30, 2023. The budget encompasses anticipated revenues and expenditures for FY 2017/18 (year one of the six-year plan) and five planning years forward. Scheduling over a six-year period ensures projects are planned appropriately, both from a physical and fiscal perspective. Considering that capital projects usually require several years to complete, funding associated with the CIP does not close-out annually.

The CIP funding totals nearly \$56 million for FY 2017/18 and approximately \$278 million for the entire six-year capital program through 2023.

FY 2017/18 - FY 2022/23 CIP Project Costs

CIP #	Project Category	Total Project Cost	Six Year Appropriations	Appropriations to Date	Year 1 FY 2017/18	Year 2 FY 2018/19	Year 3 FY 2019/20	Year 4 FY 2020/21	Year 5 FY 2021/22	Year 6 FY 2022/23
1-003	Renovations and Replacements - Energy Management/Sustainability	12,375,000	12,375,000	2,875,000	1,000,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000
1-004	Tennis Court Renovations Phase II	1,000,000	1,000,000	600,000	200,000	200,000	-	-	-	-
1-035	John B. Dey Elementary School Modernization	25,989,241	25,989,241	25,989,241	-	-	-	-	-	-
1-043	Thoroughgood Elementary School Replacement	28,270,000	28,270,000	8,888,759	14,000,000	5,381,241	-	-	-	-
1-056	Princess Anne Middle School Replacement	78,873,759	78,873,759	14,650,000	20,491,000	14,834,759	28,898,000	-	-	-
1-095	Comprehensive Long Range Facilities Planning Update	300,000	300,000	300,000	-	-	-	-	-	-
1-099	Renovations and Replacements - Grounds Phase II	18,450,000	18,450,000	9,675,000	1,250,000	1,325,000	1,400,000	1,500,000	1,600,000	1,700,000
1-102	21st Century Learning Environment Improvements	2,100,000	2,100,000	-	2,100,000	-	-	-	-	-
1-103	Renovations and Replacements - HVAC Phase II	84,167,724	82,067,724	39,667,724	5,700,000	6,350,000	6,750,000	7,250,000	7,850,000	8,500,000
1-104	Renovations and Replacements - Reroofing Phase II	60,785,639	60,275,639	31,025,639	4,000,000	4,450,000	4,700,000	5,000,000	5,350,000	5,750,000
1-105	Renovations and Replacements - Various Phase II	25,435,000	25,435,000	13,110,000	1,750,000	1,850,000	1,975,000	2,100,000	2,250,000	2,400,000
1-107	Princess Anne High School Replacement	115,000,000	64,091,000	-	-	-	6,568,000	19,841,000	19,041,000	18,641,000
1-110	Energy Performance Contracts Phase II	30,000,000	30,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	-
1-025	Kempsville High School Entrepreneurial Academy	950,000	950,000	450,000	500,000	-	-	-	-	-
1-233	Old Donation School	63,615,000	63,615,000	63,615,000	-	-	-	-	-	-
Grand Total (all projects)		547,311,363	493,792,363	215,846,363	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
Targets					55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
Difference					-	-	-	-	-	-

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

FY 2017/18 - FY 2022/23 CIP Funding Sources

Funding Source	Year 1 FY 2017/18	Year 2 FY 2018/19	Year 3 FY 2019/20	Year 4 FY 2020/21	Year 5 FY 2021/22	Year 6 FY 2022/23
Charter Bonds	45,300,000	32,300,000	47,300,000	32,300,000	32,300,000	32,300,000
Sandbridge TIF Funding	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000
Public Facility Revenue Bonds	5,000,000	5,000,000	-	-	-	-
PAYGO	-	-	1,000,000	1,500,000	2,000,000	3,000,000
Interest/Sale of Property	2,100,000	-	-	-	-	-
Energy Performance Contracts Funding	-	-	5,000,000	5,000,000	5,000,000	-
State Construction Grants	-	-	-	-	-	-
Lottery Funds	-	-	-	-	-	-
Total	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

DEBT SERVICE

The city of Virginia Beach is responsible for the issuance and redemption of all debt for both the city and schools. Debt service is issued for three major purposes: city capital projects, school capital projects, and utilities (including water, sewer and storm water). To guide future CIP development and address long-term debt management issues, the City Council uses debt indicators and follows these debt policy guidelines:

- Debt will be the last source of funding considered.
- The city will issue bonds for capital improvements with a cost in excess of \$250,000 or which cannot be financed from current revenues.
- When the city finances capital projects by issuing bonds, it will pay back the debt within a period not to exceed the expected useful life of the projects. Generally the city issues debt over a 20-year term.
- Where possible, the city will develop, authorize and issue revenue, special fee or other self-supporting debt instruments instead of general obligation bonds.
- The debt structure of the government will be managed in a manner that results in minimal deviation from the indicators listed in city policy.
- The city will maintain good communications regarding its financial conditions. It will regularly evaluate its adherence to its debt policies. The city will promote effective communications with bond rating agencies and others in the marketplace based on full disclosure.

Historical Comparison of Debt Service for VBCPS

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Budget
Debt Service	42,537,774	44,986,273	44,115,909	45,819,477	44,947,680

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

BOND RATING AND MARKET CONDITIONS

For eight consecutive years, all three major bond rating agencies, Fitch, Moody's and Standard & Poor's, assigned a triple-A rating to Virginia Beach's general obligation bonds. All three rating agencies have praised Virginia Beach's conservative fiscal management. Virginia Beach is the only city in Hampton Roads to receive triple-A bond ratings from all three rating agencies. The key rating drivers are: exceptional financial management, moderate debt and rapid amortization, large diverse tax base, comprehensive financial policies, conservative budgeting, and full funding of retirement costs. The number of municipal defaults as well as increased transparency requirements of GASB have caused the rating agencies to put greater emphasis on pensions, retiree health care, and debt issuance and administration in their rating analyses.

Regional Bond Ratings

	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk
Standard & Poor's	AAA	AAA	AA+	AA	AAA
Moody's	Aaa	Aa1	Aa2	Aa2	Aa1
Fitch	AAA	AAA	AA+	AA	AAA

Source: Each city's Comprehensive Annual Financial Report for 2017

Bond Amortization Schedule

Issue Description	Original Issue/Allocated Amount	Principal Outstanding as of 6/30/17	Interest Outstanding as of 6/30/17	Principal Due FY 2017/18	Interest Due FY 2017/18	Total Due FY 2017/18	Principal Outstanding as of 6/30/18	Interest Outstanding as of 6/30/18
2002 \$7,500,000 State Literary Fund (Taxable) W.T. Cooke ES	7,500,000	1,875,000	168,750	375,000	56,250	431,250	1,500,000	112,500
2008 \$90,000,000 GOPI Bonds	36,976,214	2,310,750	57,769	2,310,750	57,769	2,368,519	-	-
2008B \$6,350,705 VPSA Virginia Beach Middle	6,350,705	4,005,633	1,304,365	302,024	202,351	504,375	3,703,609	1,102,014
2009 \$72,000,000 GOPI Bonds	27,221,760	3,202,560	240,192	1,601,280	160,128	1,761,408	1,601,280	80,064
2009A \$20,755,000 GOPI Refunding	12,262,054	11,429,026	1,404,538	44,310	521,159	565,469	11,384,716	883,379
2009B \$78,875,000 GOPI Refunding	30,524,625	26,234,730	2,791,483	4,125,420	1,068,185	5,193,605	22,109,310	1,723,298
2010 A1 & A2 \$60,000,000 GOPI Bonds	26,771,995	17,401,800	5,996,259	1,338,600	835,286	2,173,886	16,063,200	5,160,972
2010-1 \$4,875,000 VPSA QSCB	4,875,000	2,880,000	844,290	285,000	152,928	437,928	2,595,000	691,362
2011A \$90,000,000 GOPI Bonds	32,930,245	23,051,700	7,015,950	1,646,550	897,370	2,543,920	21,405,150	6,118,580
2012A \$65,000,000 GOPI Bonds	27,092,845	20,319,000	7,396,116	1,354,600	954,993	2,309,593	18,964,400	6,441,123
2012B \$19,630,000 GO Refunding Series	8,949,317	8,949,317	2,314,262	-	447,466	447,466	8,949,317	1,866,797
2013A \$22,885,000 GOPI	22,885,000	19,465,000	5,908,200	1,145,000	698,450	1,843,450	18,320,000	5,209,750
2013B \$33,795,000 GOPI Refunding	11,328,124	5,652,228	1,520,836	-	235,421	235,421	5,652,228	1,285,415
2014A \$85,055,000 GOPI	40,517,022	34,801,020	13,426,000	2,048,520	1,576,360	3,624,880	32,752,500	11,849,640
2015A \$51,295,000 GOPI	7,075,000	6,375,000	2,435,575	350,000	277,925	627,925	6,025,000	2,157,650
2015B \$56,530,000 GOPI Refunding	27,394,438	27,394,438	9,450,633	-	1,334,370	1,334,370	27,394,438	8,116,263
2016A \$61,255,000 GOPI	38,095,000	36,195,000	13,944,600	1,905,000	1,504,950	3,409,950	34,290,000	12,439,650
2016B \$50,430,000 GOPI Refunding	29,168,712	18,565,671	3,293,569	8,789,302	872,838	9,662,140	9,776,369	2,420,731
General Obligation (GO) Bonds and Loans Total		270,107,873	79,513,387	27,621,356	11,854,200	39,475,556	242,486,517	67,659,187
2010A \$17,000,000 Public Facility Revenue Bonds	5,000,000	1,499,910	91,495	499,970	45,497	545,467	1,499,910	91,495
2012-A \$22,580,000 Public Facility Revenue Bonds	431,245	344,996	104,792	21,562	13,692	35,254	344,996	104,792
2013A \$20,960,000 Public Facility Revenue Bonds	3,805,510	2,544,307	416,412	424,587	87,352	511,938	2,544,307	416,412
2014A \$44,975,000 Public Facility Revenue Bonds	3,972,135	3,341,229	1,116,628	231,837	150,689	382,526	3,341,229	1,116,628
2015A \$48,245,000 Public Facility Revenue Bond	15,295,000	13,770,000	4,917,994	765,000	564,188	1,329,188	13,770,000	4,917,994
2016A \$21,225,000 Public Facility Revenue Bond	885,000	885,000	346,650	45,000	37,300	82,300		
Public Facility Revenue Bonds (PFRB) Total		22,385,442	6,993,971	1,987,956	898,717	2,886,673	21,500,442	6,647,321
Total Schools Debt Service		292,493,315	86,507,358	29,609,312	12,752,917	42,362,229	263,986,959	74,306,508

Source: City of Virginia Beach, Department of Finance

PROJECTED DEBT

The total outstanding debt for the city is projected to be \$1.29 billion by June 30, 2018, as summarized in the following table. The schools' portion is \$319 million, or 24.2 percent of the total projected debt. Challenges arise in limiting bond expenditures while meeting increasing demand for school capacity, the demand to renovate school facilities and the demand to fund special program facilities. In the next several years, Virginia Beach residents and their elected leadership will be faced with a major challenge to close this capital gap while minimizing the hardships imposed on students, parents, businesses and taxpayers.

Projected Outstanding Debt as of June 30, 2018

Purpose	Amount	Percent
Schools	319,081,703	24.2%
General Government	711,695,158	55.4%
Utilities	254,576,004	19.8%
Total Projected Debt	1,285,352,865	100.00%

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

Ratios of Outstanding General Bonded Debt by Type

Fiscal Year	General Obligation Bonds	State Literary Fund Loans	Appropriation Backed Debt	Total	Percentage of Estimated Actual Full Value of Property	Overall Net Debt Per Capita
2012/13	686,766,362	4,125,000	361,183,173	1,052,074,535	1.9%	2,162
2013/14	720,118,515	3,500,000	382,190,239	1,105,808,754	2.0%	2,256
2014/15	716,612,342	2,875,000	405,725,325	1,125,212,667	2.0%	2,258
2015/16	721,310,401	2,250,000	373,133,427	1,096,693,828	1.9%	2,195
2016/17	655,854,925	1,875,000	360,528,148	1,018,258,073	1.7%	2,034

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

LEGAL DEBT LIMIT

State statute imposes on cities a legal debt margin for general obligation debt, a limit of 10 percent of the assessed value of real property. Revenue bonds, such as those for utilities, are not subject to the state limit. For FY 2017/18, the city's assessed value of real property is estimated at \$55.3 billion. By the end of the fiscal year, the city's projected debt amount will only be 1.86 percent of the total assessed value.

Legal Debt Margin Information

	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17
Debt Limit	4,978,183,783	4,962,666,499	5,145,277,575	5,291,185,445	5,478,360,985
Less: Total Net Debt Applicable to Limit	685,988,698	712,384,323	697,079,775	697,520,721	641,749,326
Legal Debt Limit	4,292,195,085	4,250,282,176	4,448,197,800	4,593,664,724	4,836,611,659
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.78%	14.35%	13.55%	13.18%	11.71%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

Operating Costs of Average Daily Membership

State K-12 SOQ spending in school divisions is driven by the number of students and local ability to pay. The 2016/17 actual Sept. 30 student membership for K-12 was 67,323. This amount is 688 students, or 1.01 percent, below student membership from the same period in 2015/16.

The FY 2017/18 School Operating budget was developed using a student membership projection of 66,920. This is slightly higher than the ADM of 66,714.55 used in the development of the Governor's 2016-2018 Introduced Budget Amendments.

STUDENT ENROLLMENT

The school division uses a cohort survival model to generate base student membership projections. This model essentially compares the number of students in a particular grade to the number of students in the previous grade during the previous year. Ratios are computed for each grade progression over a multi-year period and are then used to project future enrollments. To project kindergarten enrollment, birth data lagged five years behind its respective kindergarten class is used to calculate a cohort ratio. Student projections are further adjusted based on analysis generated in the school division's Geographic Information System (GIS), a detailed analysis of residential housing trends, Virginia Beach resident birth rates and other available data that may impact student enrollment.

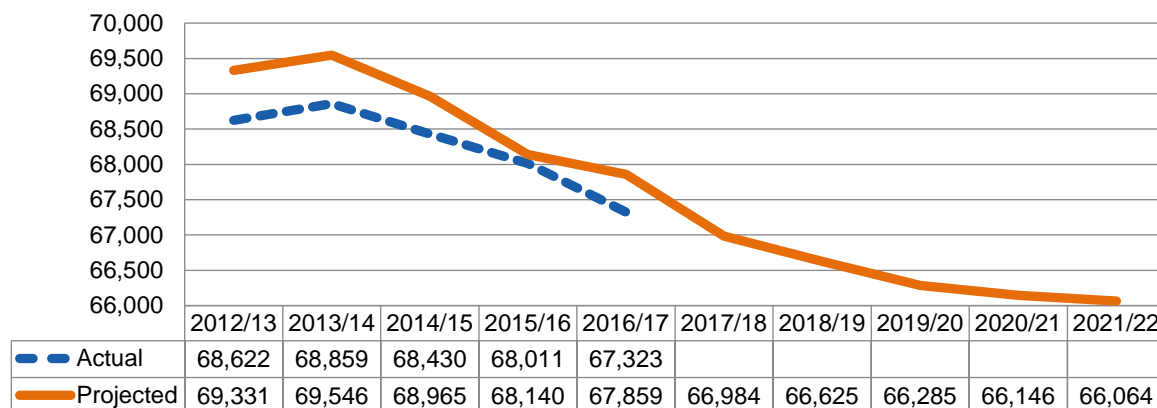
For the past several years, data from the Office of Demographics and Planning have demonstrated how recent economic conditions have had a significant impact on the division's student membership. Factors such as the increasing number of students in shared housing and homeless situations, fluctuations in the numbers of students opting to attend private schools, and volatility in the real estate market have created instability in VBCPS' student enrollment. Between FY 2012/13 and FY 2016/17, VBCPS student enrollment declined by nearly 1.9 percent, from 68,622 to 67,323. According to the Weldon Cooper Center for Public Service Census Brief "Public School Enrollment Trends in Virginia," VBCPS is among the majority of Virginia school divisions with respect to declining enrollment trends. In fact, only 31 percent of Virginia localities experienced increases in student enrollment between 2008 and 2013.

2017/18 Number of Students by Grade*	
Kindergarten	4,546
Grade 1	5,077
Grade 2	5,107
Grade 3	5,190
Grade 4	5,266
Grade 5	5,277
Grade 6	5,304
Grade 7	5,286
Grade 8	5,245
Grade 9	5,556
Grade 10	5,165
Grade 11	4,999
Grade 12	4,966
TOTAL	66,984

*Projected enrollment

The following graph depicts the actual and projected enrollment in the division for fiscal years 2012/13 through 2021/22.

Projected and Actual Student Enrollment



Source: VBCPS Department of School Division Services, Final 2017/18 - 2021/22 September 30th Student Membership Projections

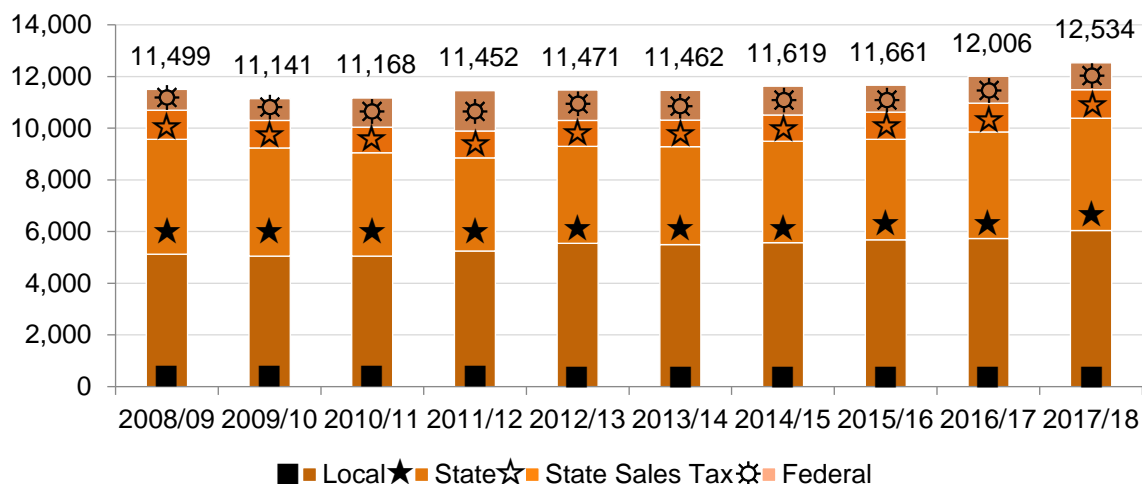
Student Membership

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Elementary										
K	4,810	4,914	4,697	4,541	4,431	4,546	4,461	4,596	4,606	4,690
1	5,587	5,397	5,376	5,302	5,160	5,077	5,127	4,994	5,149	5,168
2	5,336	5,523	5,346	5,325	5,210	5,107	5,026	5,057	4,931	5,095
3	5,298	5,384	5,498	5,282	5,277	5,190	5,081	5,004	5,036	4,916
4	5,196	5,326	5,299	5,433	5,283	5,266	5,176	5,051	4,969	5,011
5	5,163	5,210	5,315	5,332	5,362	5,277	5,253	5,172	5,043	4,965
Total	31,390	31,754	31,531	31,215	30,723	30,463	30,124	29,874	29,734	29,845
Change from previous year	-303	364	-223	-316	-492	-260	-339	-250	-140	111
% change from previous year	-0.96%	1.16%	-0.70%	-1.00%	-1.58%	-0.85%	-1.11%	-0.83%	-0.47%	0.37%
Middle										
6	5,344	5,239	5,168	5,319	5,315	5,304	5,245	5,263	5,177	5,051
7	5,437	5,347	5,225	5,143	5,234	5,286	5,302	5,217	5,232	5,150
8	5,231	5,422	5,343	5,215	5,131	5,245	5,285	5,291	5,207	5,242
Total	16,012	16,008	15,736	15,677	15,680	15,835	15,832	15,771	15,616	15,443
Change from previous year	45	-4	-272	-59	3	155	-3	-61	-155	-173
% change from previous year	0.28%	-0.02%	-1.70%	-0.37%	0.02%	0.99%	-0.02%	-0.39%	-0.98%	-1.11%
High										
9	5,740	5,781	5,818	5,656	5,476	5,556	5,669	5,663	5,670	5,598
10	5,372	5,304	5,396	5,467	5,313	5,165	5,261	5,315	5,308	5,316
11	5,212	5,128	5,023	5,101	5,157	4,999	4,894	5,006	5,056	5,051
12	4,896	4,884	4,926	4,895	4,974	4,966	4,845	4,656	4,762	4,811
Total	21,220	21,097	21,163	21,119	20,920	20,686	20,669	20,640	20,796	20,776
Change from previous year	-371	-123	66	-44	-199	-234	-17	-29	156	-20
% change from previous year	-1.72%	-0.58%	0.31%	-0.21%	-0.94%	-1.12%	-0.08%	-0.14%	0.76%	-0.10%
Division										
Total	68,622	68,859	68,430	68,011	67,323	66,984	66,625	66,285	66,146	66,064
Change from previous year	-629	237	-429	-419	-688	-339	-359	-340	-139	-82
% change from previous year	-0.91%	0.35%	-0.62%	-0.61%	-1.01%	-0.50%	-0.54%	-0.51%	-0.21%	-0.12%

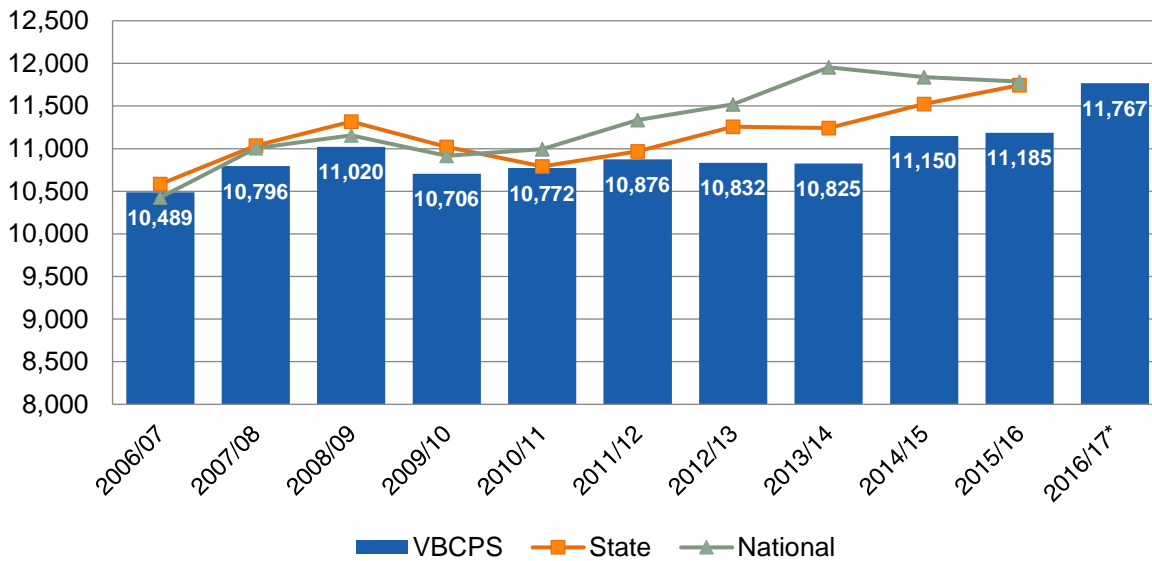
Source: VBCPS Department of School Division Services, Final 2017/18 - 2021/22 September 30th Student Membership Projections

BUDGETED EXPENDITURES PER PUPIL

Budgeted Average Per Pupil Expenditures Comparison



VBCPS Average Per Pupil Expenditures Compared with State and National Data



* Estimated expenditures for FY 2016/17; all other figures represent actual data.

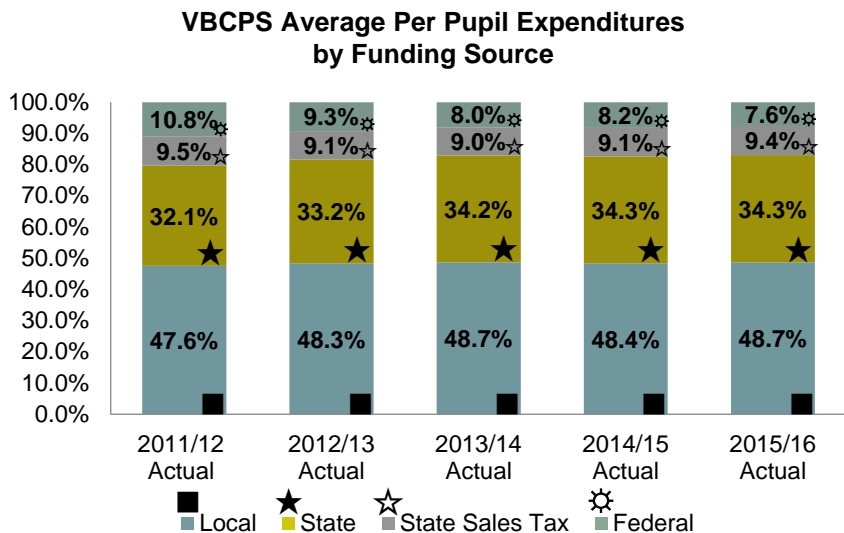
Sources: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017; Joint Legislative Audit and Review Commission Reference Guide, Virginia Compared to the Other States; and Education Week Research Center, Quality Counts report

Actual Average Per Pupil Expenditures Comparison

Average Per Pupil Total Expenditures for Operations	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual
Virginia Beach Cost Per Pupil	10,876	10,832	10,825	11,150	11,185
State Cost Per Pupil	10,969	11,257	11,242	11,523	11,745
ADM for Determining Cost Per Pupil	69,856	69,512	69,441	69,242	68,888

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

According to a report on state education spending released by the Joint Legislative Audit and Review Commission, the Commonwealth of Virginia spent about \$5.66 billion on SOQ programs in FY 2014/15. This equated to about \$4,580, on average, for each of the 1.24 million elementary and secondary school students in Virginia.



Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

SCHOOLS AND CENTERS

With 55 elementary schools, 15 middle schools, 11 high schools, one charter school and a number of secondary/post-secondary specialty centers, VBCPS is the largest school division in the region. In terms of the number of students enrolled, VBCPS is ranked No. 4 in the state of Virginia and No. 40 in the United States. In addition to core instructional programs at each of the 86 schools and centers, VBCPS provides a variety of unique programs at individual schools to meet the needs of students. A listing of schools and centers by grade level follows. This list includes addresses and phone numbers for all schools and centers.

ELEMENTARY SCHOOLS

Location	Address	Phone
Alanton Elementary	1441 Stephens Road	757.648.2000
Arrowhead Elementary	5549 Susquehanna Drive	757.648.2040
Bayside Elementary	5649 Bayside Road	757.648.2080
Birdneck Elementary	957 S. Birdneck Road	757.648.2120
Brookwood Elementary	601 S. Lynnhaven Road	757.648.2160
Centerville Elementary	2201 Centerville Turnpike	757.648.2200
Christopher Farms Elementary	2828 Pleasant Acres Drive	757.648.2240
College Park Elementary	1110 Bennington Road	757.648.2280
Cooke Elementary	1501 Mediterranean Avenue	757.648.2320
Corporate Landing Elementary	1590 Corporate Landing Pkwy	757.648.2360
Creeds Elementary	920 Princess Anne Road	757.648.2400
Dey Elementary	1900 N. Great Neck Road	757.648.2440
Diamond Springs Elementary	5225 Learning Circle	757.648.4240
Fairfield Elementary	5428 Providence Road	757.648.2480
Glenwood Elementary	2213 Round Hill Drive	757.648.2520
Green Run Elementary	1200 Green Garden Circle	757.648.2560
Hermitage Elementary	1701 Pleasure House Road	757.648.2600
Holland Elementary	3340 Holland Road	757.648.2640
Indian Lakes Elementary	1240 Homestead Drive	757.648.2680
Kempsville Elementary	570 Kempsville Road	757.648.2720
Kempsville Meadows Elementary	736 Edwin Drive	757.648.2760
King's Grant Elementary	612 N. Lynnhaven Road	757.648.2800
Kingston Elementary	3532 King's Grant Road	757.648.2840
Landstown Elementary	2212 Recreation Drive	757.648.2880
Linkhorn Park Elementary	977 First Colonial Road	757.648.2920
Luxford Elementary	4808 Haygood Road	757.648.2960
Lynnhaven Elementary	210 Dillon Drive	757.648.3000
Malibu Elementary	3632 Edinburgh Drive	757.648.3040
New Castle Elementary	4136 Dam Neck Road	757.648.3080
Newtown Elementary	5277 Learning Circle	757.648.3120
North Landing Elementary	2929 North Landing Road	757.648.3160
Ocean Lakes Elementary	1616 Upton Drive	757.648.3200
Parkway Elementary	4180 O'Hare Drive	757.648.3280
Pembroke Elementary	4622 Jericho Road	757.648.3320
Pembroke Meadows Elementary	820 Cathedral Drive	757.648.3360
Point O'View Elementary	5400 Parliament Drive	757.648.3440
Princess Anne Elementary	2444 Seaboard Road	757.648.3480
Providence Elementary	4968 Providence Road	757.648.3520
Red Mill Elementary	1860 Sandbridge Road	757.648.3560
Rosemont Elementary	1257 Rosemont Road	757.648.3600
Rosemont Forest Elementary	1716 Grey Friars Chase	757.648.3640
Salem Elementary	3961 Salem Lakes Blvd.	757.648.3680
Seatack Elementary	912 S. Birdneck Road	757.648.3720
Shelton Park Elementary	1700 Shelton Road	757.648.3760
Strawbridge Elementary	2553 Strawbridge Road	757.648.3800
Tallwood Elementary	2025 Kempsville Road	757.648.3840
Thalia Elementary	421 Thalia Road	757.648.3880
Thoroughgood Elementary	1444 Dunstan Lane	757.648.3920

Location	Address	Phone
Three Oaks Elementary	2201 Elson Green Avenue	757.648.3960
Trantwood Elementary	2344 Inlynnview Road	757.648.4000
White Oaks Elementary	960 Windsor Oaks Blvd.	757.648.4040
Williams Elementary	892 Newtown Road	757.648.4080
Windsor Oaks Elementary	3800 Van Buren Drive	757.648.4120
Windsor Woods Elementary	233 Presidential Blvd.	757.648.4160
Woodstock Elementary	6016 Providence Road	757.648.4200

MIDDLE SCHOOLS

Location	Address	Phone
Bayside Middle	965 Newtown Road	757.648.4400
Bayside Sixth Grade Campus	4722 Jericho Road	757.648.4440
Brandon Middle	1700 Pope Street	757.648.4450
Corporate Landing Middle	1597 Corporate Landing Pkwy	757.648.4500
Great Neck Middle	1848 North Great Neck Road	757.648.4550
Independence Middle	1370 Dunstan Lane	757.648.4600
Old Donation School	4633 Honeygrove Road	757.648.3240
Kempsville Middle	860 Churchill Drive	757.648.4700
Landstown Middle	2204 Recreation Drive	757.648.4750
Larkspur Middle	4696 Princess Anne Road	757.648.4800
Lynnhaven Middle	1250 Bayne Drive	757.648.4850
Plaza Middle	3080 S. Lynnhaven Road	757.648.4900
Princess Anne Middle	2323 Holland Road	757.648.4950
Salem Middle	2380 Lynnhaven Parkway	757.648.5000
Virginia Beach Middle	600 25th Street	757.648.5050

HIGH SCHOOLS

Location	Address	Phone
Bayside High	4960 Haygood Road	757.648.5200
Cox High	2425 Shorehaven Drive	757.648.5250
First Colonial High	1272 Mill Dam Road	757.648.5300
Green Run Collegiate	1700 Dahlia Drive	757.648.5393
Green Run High	1700 Dahlia Drive	757.648.5350
Kellam High	2665 West Neck Rd	757.648.5100
Kempsville High	5194 Chief Trail	757.648.5450
Landstown High	2001 Concert Drive	757.648.5500
Ocean Lakes High	885 Schumann Drive	757.648.5550
Princess Anne High	4400 Virginia Beach Blvd.	757.648.5600
Salem High	1993 SunDevil Drive	757.648.5650
Tallwood High	1668 Kempsville Road	757.648.5700

CENTERS

Location	Address	Phone
Adult Learning Center	4160 Virginia Beach Blvd.	757.648.6050
Advanced Technology Center	1800 College Crescent	757.648.5800
Renaissance Academy	5100 Cleveland Street	757.648.6000
Technical & Career Education Center	2925 North Landing Road	757.648.5850
Virginia Beach Juvenile Detention Center	2533 George Mason Drive	757.263.1203

Personnel Resource Allocations

STAFFING ALLOCATION SUMMARY

As one of the largest employers in Hampton Roads, VBCPS staffs over 14,500 full-time, part-time, temporary and substitute positions.

STAFFING HIGHLIGHTS

For FY 2017/18, VBCPS expects to employ a total of 10,192.77 FTE positions, an increase of 37.95 from the FY 2016/17 budget.

GENERAL FUND

Allocations in the School Operating budget are up by a net of 28.35 FTEs from the previous budget year. The FY 2017/18 budget reflects considerable increases in revenue at the state and local levels, supporting a continued trend to reverse the impact of significant budget cuts sustained over the last several years. Combined with efforts to reprioritize and reallocate existing personnel resources, the current School Operating budget includes funds for positive adjustments across three categories offset by a reduction in FTEs in operations and maintenance.

- As a result of declining enrollment projections, 50.3 instructional FTE positions will be reduced across all grade levels for FY 2017/18. The loss of these positions will be addressed through attrition. The reduction saves the division over \$3.5 million.
- In recent years, VBCPS has reluctantly increased class size as a strategy to balance substantial budget shortfalls. As an effort to begin to reverse this trend, the FY 2017/18 budget includes approximately \$3 million to fund 40.0 additional teaching positions to reduce class size at the secondary level.
- Additional revenue from the city to support a multi-year phased implementation of full-day kindergarten for all eligible students will allow the division to add 15.0 FTE teachers and 15.0 FTE teacher assistant positions in FY 2017/18 for the first year of the expansion.
- In addition to changes directly impacting the classroom, other areas in the instructional category will be affected by modifications to staffing and position management for FY 2017/18. A total of 4.0 psychologist FTE positions will be shifted from grant funding to the local operating budget; 2.0 FTE social workers will be added for Student Response Teams in support of the division's strategic plan; and a new position is being budgeted to support the Communities in Schools initiative.
- VBCPS staffs instructional technology specialists (ITS) assigned to schools to serve as technology program managers, instructional technology leaders and instructional technology partners/coaches for teachers across all content areas. The FY 2017/18 budget includes funding for 6.0 additional ITS positions to address staffing shortages at the elementary and middle school levels at a cost to the division of a little more than \$500,000. Along with the instructional and technology category adjustments, a 0.5 FTE clinic assistant position was added in the administration, attendance and health category.
- A net of 17.0 positions were reduced in the operations and maintenance category, primarily as a result of an administrative change to the Staffing Standards and Guidelines for FY 2017/18 that will adjust the square footage used to determine the ratio of custodian allocations per school. A total of 20.0 FTE positions were removed from the budget for custodial services based on the revised standards. The changes in this category also reflect a reorganization that moved 3.0 FTEs from the Risk Management fund to the Safety and Loss Control budget unit within operations and maintenance.
- GRC charter school completed the final year of a phased-in implementation during FY 2016/17 and is serving 9th through 12th grade students. No additional staffing allocations are required for FY 2017/18.

CATEGORICAL GRANTS AND OTHER FUNDS

Budgeted positions in the Categorical Grants and Other funds are increasing by a net of 9.6 FTEs. There are several factors contributing to the changes in special revenue funds.

- In the Cafeterias fund, 5.0 FTE assistant cafeteria manager positions will be added to augment support staff for school food services and operate as floaters throughout the division's 86 schools and centers to support the needs of students. The salary and benefit costs are projected to be approximately \$164,000.
- Although FTE positions will be added to two federal grants, a total of 11.4 FTEs are being removed from several other grants, including 4.0 psychologist positions that will be shifting from grant funding to the local operating budget for FY 2017/18. State funds made available through the VPI grant will be used to add 6.0 FTE teachers and 6.0 FTE teacher assistant positions in FY 2017/18 for the first year of the pre-kindergarten expansion. The School Operating budget will provide additional local match funding to

begin expanding the program, maximize accessibility to state funds and increase the number of at-risk students served in the division's preschool program from 704 to 1,154 students by FY 2021/22.

- As part of a reorganization plan, 3.0 FTE positions were moved from the Risk Management fund to the School Operating budget within the operations and maintenance category.

BUDGETED POSITION COMPARISONS

	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>General Fund</i>						
Fund 115 - School Operating						
Instruction	6,848.10	6,911.40	6,736.60	6,800.00	6,838.85	38.85
Administration, Attendance and Health	278.80	280.80	276.80	279.80	280.30	0.50
Pupil Transportation	667.13	667.13	666.13	675.13	675.13	-
Operations and Maintenance	1,146.50	1,159.50	1,169.50	1,169.50	1,152.50	(17.00)
Technology	188.00	188.00	170.00	176.00	182.00	6.00
School Operating Fund Total	9,128.53	9,206.83	9,019.03	9,100.43	9,128.78	28.35
Fund 104 – Green Run Collegiate	-	24.80	32.90	39.30	39.30	-
General Fund Total	9,128.53	9,231.63	9,051.93	9,139.73	9,168.08	28.35
<i>Categorical Grants and Other Funds</i>						
Fund 114 – Cafeterias	492.89	490.89	490.89	490.89	495.89	5.00
Fund 116 – Categorical Grants	563.50	484.50	478.50	509.20	516.80	7.60
Fund 117 – Textbooks	1.50	1.50	1.50	1.50	1.50	-
Fund 614 – Risk Management	5.00	5.00	5.00	7.00	4.00	(3.00)
Funds 615/617 – Health Insurance	6.50	6.50	6.50	6.50	6.50	-
Other Funds Total	1,069.39	988.39	982.39	1,015.09	1,024.69	9.60
TOTAL BUDGET	10,197.92	10,220.02	10,034.32	10,154.82	10,192.77	37.95

STAFFING PROCESS AND TIMELINE

The allocations of instructional personnel in Virginia Beach are based on guidelines that meet or exceed the SOQ, the accreditation requirements of Virginia and core class size caps as adopted by the School Board. All staffing projections are done on a school-by-school basis. The number of classroom teachers and many other positions provided at each school is based on specific staffing formulas for each program level. For instance, the number of classroom teachers assigned to an elementary school is determined by the number of students based on a pupil-teacher ratio. At the secondary level, class size is influenced by the number of students and class schedules. The complete VBCPS Staffing Standards and Guidelines are included in the Appendix of this document.

Elementary Ratio of Students to Teaching/Instructional Personnel

Fiscal Year	Teaching Positions	End-of-Year Membership K-7	VBCPS Elementary Student/Teacher Ratio	State Average Elementary Student/Teacher Ratio
2012/13	2,814	42,217	15	13.3
2013/14	2,714	42,156	15.5	13.2
2014/15	2,789	41,896	15.0	13.2
2015/16	2,897	41,668	14.4	13.0
2016/17	-	-	-	-

- Not Available (officially published by the Virginia Department of Education)

Note: These tables represent student teacher ratios based on End-of-Year Average Daily Membership to full-time equivalent teaching positions, excluding special education teachers, principals, assistant principals, guidance counselors and librarians.

Source: Superintendent's Annual Report for Virginia, Ratio of Pupil to Classroom Teacher Positions - Regular Day School

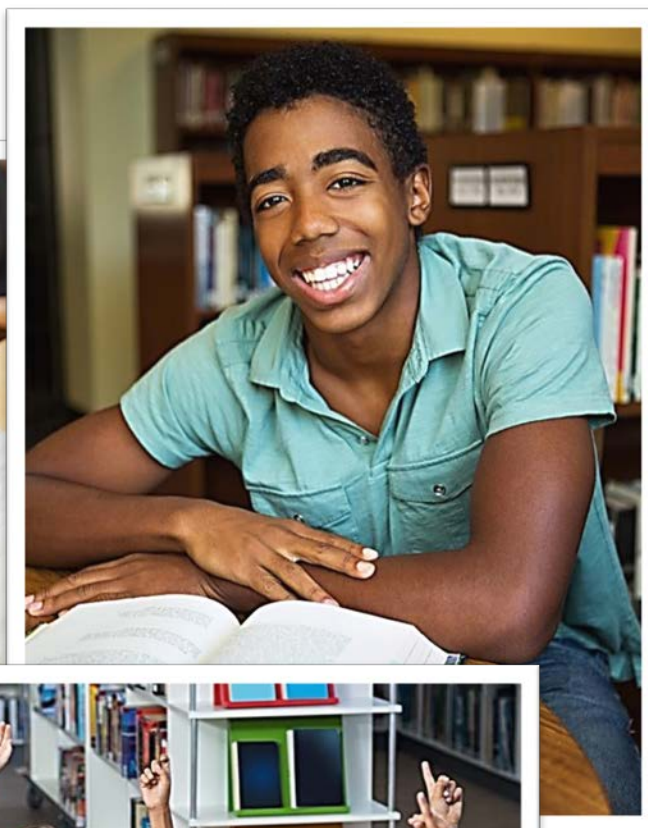
Secondary Ratio of Students to Teaching/Instructional Personnel

Fiscal Year	Teaching Positions	End-of-Year Membership 8-12	VBCPS Secondary Student/Teacher Ratio	State Average Secondary Student/Teacher Ratio
2012/13	1,976	26,082	13.2	12.2
2013/14	1,924	26,088	13.6	12.4
2014/15	1,942	26,141	13.5	12.5
2015/16	2,003	25,926	12.9	12.5
2016/17	-	-	-	-

- Not Available (officially published by the Virginia Department of Education)

Note: These tables represent student teacher ratios based on End-of-Year Average Daily Membership to full-time equivalent teaching positions, excluding special education teachers, principals, assistant principals, guidance counselors and librarians.

Source: Superintendent's Annual Report for Virginia, Ratio of Pupil to Classroom Teacher Positions - Regular Day School



Selected Measures of School Funding and Performance

	2012/13	2013/14	2014/15	2015/16	2016/17
Educational Resources					
Student Enrollment (as of September 30)	68,408	68,748	68,361	67,927	67,214
Elementary School Pupil-Teacher Ratios (excluding resource teachers)	21:1	20:1	19:1	20:1	20:1
Secondary School Average Class Size	24.0	23.0	23.1	23.8	23.3
Number of Portables (overall)	236	232	207	147	130
Number of Temporary Allocated Portables Due to Construction	0	0	0	0	8
Percentage of Students Receiving Special Education Services (September 30: K to 12 Serving Count)	10.20%	10.20%	10.00%	10.00%	10.20%
Percentage of Students Receiving Special Education Services (December 1: Pre-K to 12 Responsible Count)	11.80%	11.30%	11.30%	11.20%	11.50%
Percentage of Gifted Program Student Membership	11.70%	12.00%	12.10%	12.60%	13.10%
Financial					
Per Pupil Expenditure (total)	\$10,832	\$10,825	\$11,149	\$11,185	\$11,767
Per Pupil Expenditure (local)	\$5,237	\$5,277	\$5,392	\$5,450	\$5,651
Percentage of General Fund Expenditures by Category					
Instruction	75.00%	75.10%	75.80%	75.40%	74.70%
Administration, Attendance and Health	3.00%	3.00%	3.10%	3.20%	3.30%
Pupil Transportation	4.60%	4.70%	4.30%	4.40%	5.00%
Operations and Maintenance	12.60%	12.70%	12.40%	12.30%	12.10%
Technology	4.40%	3.90%	4.00%	4.20%	4.40%
Transfers	0.40%	0.60%	0.40%	0.50%	0.50%
Federally Connected Students	29.14%	27.43%	27.13%	27.26%	26.72%
Testing Data and Scores					
ACT Composite Scores	21.9	21.9	22.2	22.8	23
Advanced Placement Scores (Percent of exams with scores 3 or higher)	59.00%	59.00%	58.00%	58.00%	-
SAT Test Takers	3,110	3,110	3,156	2,875	-
Standards of Learning Pass Rate (All Grades)					
Reading	77.98%	79.69%	78.70%	84.68%	86.29%
Writing	78.31%	75.36%	75.40%	80.56%	82.39%
Math	72.45%	77.37%	77.40%	85.07%	84.31%
Science	83.49%	82.06%	82.10%	87.36%	86.74%
History & Social Science	85.27%	85.32%	85.30%	87.50%	88.22%
Demographics					
Attendance Rates	95.60%	95.50%	95.70%	95.30%	95.20%
Graduation Rate	88.00%	88.50%	89.80%	91.30%	91.90%
Promotion Rate	98.20%	98.20%	98.50%	98.60%	98.70%
% High School Graduates Continuing Education	85.90%	86.10%	85.70%	86.40%	-
Dropout Rate	1.00%	1.05%	1.24%	0.98%	0.93%
Cohort Dropout Rate	4.89%	4.81%	5.27%	4.67%	4.58%
Work Force					
Average Salary for Principals	\$89,420	\$95,502	\$98,787	\$101,678	\$101,110
Average Salary for Assistant Principals	\$71,188	\$71,832	\$74,852	\$76,142	\$80,279
Average Salary for Teaching Positions	\$54,839	\$56,018	\$56,096	\$54,342	\$54,541
Percentage of Core Courses Taught by Highly Qualified Teachers	99.60%	99.79%	99.34%	99.68%	99.59%
Percentage of Highly Qualified Teacher Assistants	82.44%	82.69%	83.30%	83.50%	82.63%
Number of Professional Development Courses Offered	3,400	3,167	3,036	2,946	2,763
Average Years of Teaching Experience	14.9	14.9	14.7	14.8	14.4
Percentage of Teachers With Graduate Degrees	53.00%	53.00%	54.00%	54.00%	51.00%
Number of Teachers With National Board Certification	114	135	143	143	141
Number of Teachers With the Division Designation of Career Teacher	1,327	1,276	1,169	1,214	1,249

	2012/13	2013/14	2014/15	2015/16	2016/17
Recognition of Diversity					
Percentage of Minority Staff (overall)	25.23%	25.97%	26.29%	26.57%	27.27%
Percentage of Minority Instructional Staff	14.96%	15.52%	15.75%	16.05%	16.94%
Number of Student Diversity Ambassadors	286	364	290	259	225
Number of Faculty Diversity Advisors	80	118	103	112	35
Percentage of Employees Completing Online Diversity Awareness Training (full- and part-time)	96.00%	98.80%	97.00%	***	***
Use of Technology					
Ratio of Students to Instructional Computers	1.3:1	1.3:1	0.9:1*	0.9:1	1:1
Number of Distance Learning Classes (being sent)	96	106	107	98	95
Number of Online Courses Taken by Students	960	1,092	1,220	1,444	1,552
Standards of Learning Subject Area Tests Administered Online	34	34	29	29	29
Safe Schools					
Number of Persistently Dangerous Schools	0	0	0	0	0
Dollars Spent on Security Infrastructure	\$1,642,535	\$957,955	\$1,047,203	\$904,441	\$1,533,000
Number of School Security Assistants/Night Security	211	206	208	208.5	208.5
Number of School Resource Officers	29	27	28	27	27
Percentage of Students, Teachers, Building Administrators and Parents Indicating That Schools Are a Safe and Orderly Place to Learn	89.00%	-	87.50%	-	83.60%
Percentage of Students Referred for Discipline Infractions	17.70%	17.50%	16.20%	15.10%	14.60%
Number of OSHA Incidents Per 100 VBCPS Employees	2.6	2.4	2.5	2.5	2.5
Workers' Compensation Costs**	\$1,321,595	\$1,501,444	\$1,686,360	\$1,922,316	\$1,921,347
Number of Student Safety Incidents	537	472	379	410	459
Number of Vehicle Crashes Per 100 Vehicles in Service	18.2	14.5	17.3	15.2	18
Community Involvement					
PTA/PTSA Membership	33,838	30,479	31,431	28,249	28,061
PTA/PTSA Membership (Percent of Student Enrollment)	49.50%	44.30%	46.00%	41.60%	41.70%
Number of Volunteers in Education	26,769	22,164	23,284	23,770	21,885
Partners in Education	2,014	2,031	2,014	2,069	2,164
Schoolwide and Teacher Grants Awarded by Virginia Beach Education Foundation	\$75,000	\$100,000	\$100,000	\$110,000	\$125,000
Scholarships Awarded by Virginia Beach Education Foundation	\$17,000	\$17,500	\$19,100	\$21,300	\$29,000
Number of ACCESS Scholarships Granted	231	234	282	251	160
Dollar Value of ACCESS Scholarships	\$495,225	\$213,211	\$314,000	\$313,750	\$200,625

Notes: - Information not available.

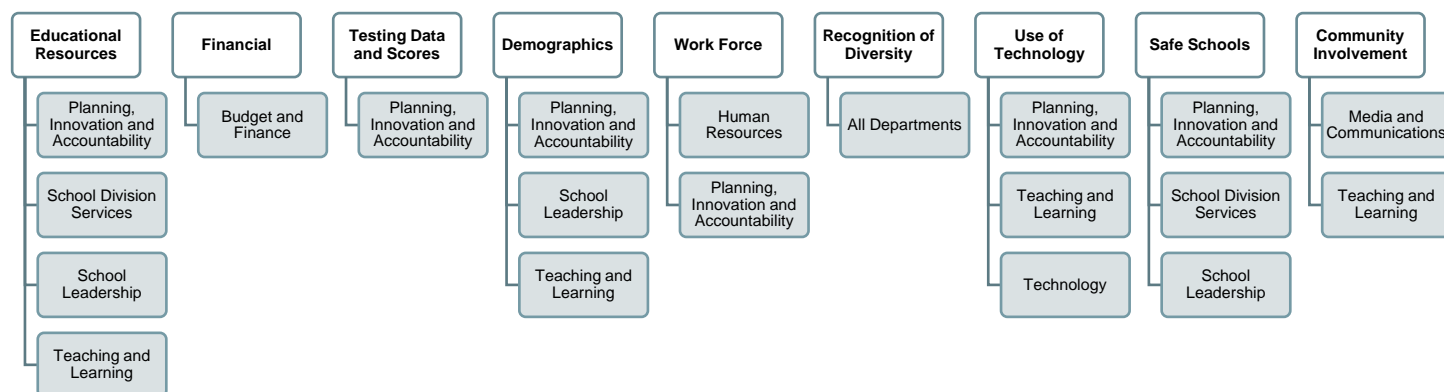
* Denotes a change in methodology in calculating the ratio of students to instructional computers; the calculation now includes tables.

** Workers' compensation costs are updated when claims are closed. Dollar amounts can change over time due to claims closing with a lower or higher cost than estimated.

***Denotes a change in reporting methodology for the diversity training percentages which will be reported every three years starting in 2017-2018.

Source: VBCPS Department of Planning, Innovation and Accountability

Departmental Responsibilities by Performance Measure





Organizational

**Division Organization • Departmental Summaries • Schools and Centers
School Board Strategic Framework • Budget Development Process
School Board Funds • Financial Policies and Practices**

Division Organization

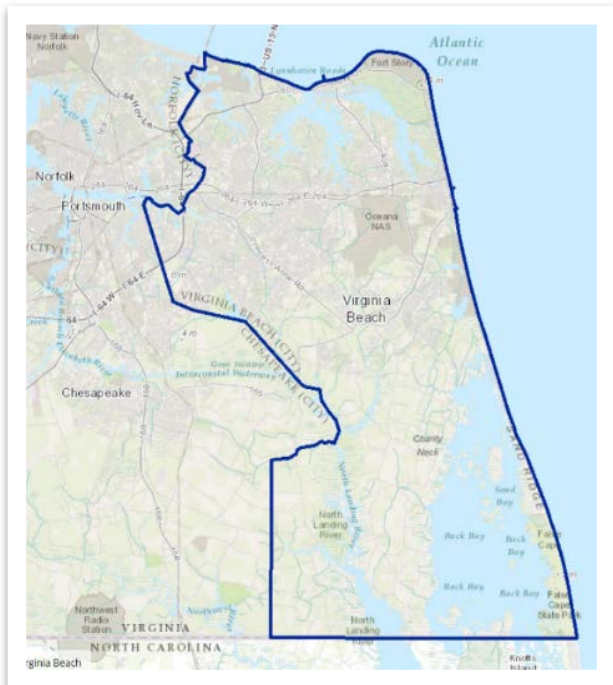
OVERVIEW

Virginia Beach City Public Schools (VBCPS) is ranked as the No. 4 largest school division in Virginia with a school enrollment of nearly 67,000 students and more than 10,000 employees. Situated on the coast of the Atlantic Ocean adjacent to the Chesapeake Bay, Virginia Beach is the largest city in the Commonwealth of Virginia with a population of over 450,000 people.

The School Board of the City of Virginia Beach is charged by the Commonwealth of Virginia and the regulations of the Virginia Board of Education (VBOE) with providing and operating the public schools of Virginia Beach. It is the function of the School Board to set general school policy and, within the framework of VBOE regulations, to establish guidelines and rules that will ensure the proper administration of the school program.

In accordance with the Constitution of Virginia, Article 8, Section 7, the School Board of the City of Virginia Beach has overall responsibility for ensuring that the activities of the public schools are conducted according to law with the utmost efficiency. The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division.

The School Board consists of 11 citizens elected in accordance with the Charter of the City of Virginia Beach to serve four-year overlapping terms. Four members of the School Board serve "At Large" with no district residency requirement. The remaining seven members are required to live in the districts they represent. Each School Board member is charged with representing the entire division.



City of Virginia Beach Boundary

2017/18 Number of Students by Grade*	
Kindergarten	4,546
Grade 1	5,077
Grade 2	5,107
Grade 3	5,190
Grade 4	5,266
Grade 5	5,277
Grade 6	5,304
Grade 7	5,286
Grade 8	5,245
Grade 9	5,556
Grade 10	5,165
Grade 11	4,999
Grade 12	4,966
TOTAL	66,984

*Projected enrollment

The School Board, vested with legislative powers, appoints the superintendent who serves as the executive and administrative head of the school division. The superintendent is charged with implementing School Board policies and managing all administrative duties related to the school division. The superintendent and his administrative staff are responsible for the efficient operation of all individual schools and operational areas.

The organizational structure of VBCPS is focused on meeting the needs of 66,984 kindergarten through 12th grade students while managing 86 schools/centers and seven support facilities. The administrative structure of VBCPS is divided into eight departments to manage the day-to-day operations of the division: Budget and Finance; Human Resources; Media and Communications; Planning, Innovation and Accountability; School Division Services; School Leadership; Teaching and Learning; and Technology. Each department is led by a chief administrative officer.

SCHOOL BOARD MEMBERS

Each year the School Board members appoint a chairman and vice chair from among the 11 elected members. On Nov. 20, 2007, the School Board adopted a resolution to annually compensate School Board members \$12,000 each and the chair \$14,000. Residents are encouraged to attend School Board meetings and public hearings. School Board meetings are also televised on VBTv Cox Channel 47 and the current agenda and meeting minutes can be found on the school division's website.

Beverly M. Anderson, School Board Chair, At-Large



Beverly M. Anderson was elected to serve as an At-Large member of the School Board in November 2012 and re-elected in 2016. She is currently serving her first term as School Board chairperson. Anderson is a retired VBCPS teacher with more than 36-years as an elementary school teacher. Her community involvement is varied. Throughout Anderson's years with VBCPS, she served as: president of the USS Nimitz Officers Wives' Club; vice president of the Pembroke Elementary PTA; secretary, board member and faculty representative for the Virginia Beach Education Association; board member of Atlantic Soccer Club and board member of the Hampton Roads Sand Soccer Council. Over the years she volunteered with PTAs at Trantwood and Alanton elementary schools; Lynnhaven Middle School; and Cox High School. Anderson also volunteers for Relay for Life and the Noble Women of Virginia Beach. She graduated from Concord University with a Bachelor of Science degree in Education. She and her husband William have two sons, who both graduated from VBCPS.

Daniel D. "Dan" Edwards, Vice Chair, District 2-Kempsville



Daniel D. "Dan" Edwards was elected to the School Board in 1998 and re-elected in 2000, 2004, 2008, 2012 and 2016. He is currently serving as School Board vice chairman after serving as chairman from 1999-2016. Edwards is the former owner of a small manufacturing company in Virginia Beach. He had a 25-year career in the U.S. Navy, serving both at sea and working ashore largely in public finance. Edwards serves on the board of directors, as the treasurer and as the scholarship chair the 1,700-member Tidewater Striders Running Club. He also serves as a board member and treasurer for the Virginia Beach Crime Solvers and for the national Crime Stopper USA board, and on the boards of the Tidewater College Access Foundation and the Virginia Beach Education Foundation. He is also a past president of the Virginia Beach Rotary Club and the Kempsville Ruritan Club. He has been an member of the Virginia Beach PTA since 1984. Edwards earned a bachelor's degree in education from Northwestern University and holds a master's degree in business administration from The College of William and Mary. Both his children are graduates of VBCPS.

Sharon R. Felton, District 6-Beach



Sharon R. Felton was elected to the School Board in 2014. She is a life-long resident of the city of Virginia Beach where she attended Seatack Elementary, Virginia Beach Junior High School and First Colonial High School. She serves the community as President of the South Norfolk District Deacon's Wives' Auxiliary; Seatack Community Civic League 1st Vice President; Virginia Beach Parks and Recreation Commission Member; Virginia Beach Black Law Enforcement Pioneers Committee Member (2nd Precinct project); Virginia Beach Historic Preservation Commission Member; Outreach Coordinator for New Hope Church of God In Christ's Crusade Against Drugs and Violence; Norfolk 17 Historical Review Committee Member for Old Dominion University (ODU); and a former RSVP Volunteer for Senior Services of Southeastern Virginia. Felton earned her bachelor's degree in history from ODU and has been employed with ODU's Perry Library for more than 30 years. Her children attended VBCPS and her grandchildren are currently students in the school division.

Dorothy M. "Dottie" Holtz, At-Large



Dorothy M. "Dottie" Holtz was elected to the School Board in November 2010. Holtz retired from VBCPS in 2008 after a 30-year career, serving as a teacher and computer resource specialist at Thoroughgood Elementary. In 2002 Holtz was named Thoroughgood Elementary's teacher of the year. Prior to teaching for VBCPS, Holtz taught for eight years outside the division. Over the years she has been involved with: the Chesapeake Bay Foundation; Lynnhaven River NOW; Tidewater Arts Outreach; the Sierra Club; Virginia Organizing Project; League of Women Voters; Relay for Life and Salvation Army. Holtz is a lifetime member of the VBEA and serves on the 3rd Precinct Police Advisory Committee, Technology Hampton Roads Council and the Virginia Beach Reading Council. She holds a bachelor's degree in education from Fordham University and a master's degree in elementary education from ODU. Holtz's three children graduated from VBCPS.

Victoria C. Manning, At-Large

Victoria Manning was elected to the School Board in November 2016. Manning grew up on a small family farm in the Shenandoah Valley. She moved to Virginia Beach in 1992, paying her way through college and becoming the first in her family to earn a college degree—a Bachelor of Science in psychology from Old Dominion University. She began her professional career as a casualty insurance adjuster, then worked as a church administrator and managed her own business as a distance running coach. A longtime community volunteer, Manning has worked with Girls on the Run, the Boy Scouts and the United Way; created and directed youth fitness camps; and served as leader of Old Donation Center's "Final Mile" running program. In 2015, she formed "Parents and Teachers for Accountability in Grading." She is also passionate about special education, a cause close to her heart as she serves in a guardianship role for her uncle who has Down Syndrome. Her husband is a Naval Officer and she is proud to represent and support military families in our schools. She and her husband enjoy supporting their two sons in soccer, baseball, volleyball and wrestling. They are strong supporters of the local military community and are also active leaders in their church. She is an avid distance runner, having completed an ultra marathon and many marathons.

Joel A. McDonald, District 3-Rose Hall

Joel A. McDonald was elected to the School Board in November 2012. From 2006 to 2012, he was employed by VBCPS as the data support specialist at Luxford Elementary. While at Luxford, he served as an active member and executive officer of the Luxford PTA, a building representative for the VBEA, and was recognized for his effectiveness and efficiency by the VBCPS superintendent. Currently, McDonald provides web design, development and communications consulting through his business, Comit Strategies. He is a 2003, and second generation, graduate of Bayside High School and an alumnus of the Cisco Networking Academy at the Advanced Technology Center (ATC). McDonald earned his associate's degree in information technology from the University of Phoenix, and his bachelor's degree in political science from ODU.

Ashley K. McLeod, At-Large

Ashley K. McLeod was appointed to the School Board in March 2010 to fill a vacant At-Large seat and re-elected in 2014. Her school volunteer work includes serving as PTA president for Old Donation Center (ODC) and vice president of programs for Plaza Middle School's PTA. She was ODC Volunteer of the Year in 2007. As a volunteer in the community, McLeod is a member of the Girl Scout Council of Colonial Coast Board of Directors, Boy Scout Unit Coordinator, past-president of Campus East Community Association and Northwest Beach Partnership, and elder at Bayside Presbyterian Church. Currently, McLeod is the communication and membership director for the Virginia Maritime Association. She owned her own consulting business from 1999 to 2008. From 2008 to 2014, she was the executive director of Norfolk Sister City Association. McLeod holds a bachelor's degree in elementary education from Indiana University. She taught on the elementary level from 1992 to 1998 in Chesapeake and in Hillsborough County Schools, Florida. McLeod is married to Gregor McLeod (USN Retired). Their son attends the International Baccalaureate (IB) program at Princess Anne High School and their daughter attends Salem High School's Performing Arts Academy.

Kimberly A. Melnyk, District 7-Princess Anne

Kimberly A. Melnyk was elected to the School Board in November 2014. She has lived in Virginia Beach for 40 years and is a product of VBCPS, having attended Old Donation Elementary School, Brandon Middle School and Green Run High School. She graduated from Longwood University with a bachelor's degree in education and taught for VBCPS at Glenwood, Strawbridge and Christopher Farms Elementary Schools. Melnyk is the past president and secretary of the Christopher Farms Home Owners Association, teaches Children's Liturgy at Holy Spirit Catholic Church and is a volunteer at her children's schools. Currently, she is employed at Premier Millwork and Lumber Company, her family owned and operated business. She and her husband, George, have three children, two of whom still attend VBCPS.

Trenace B. Riggs, District 1-Centerville

Trenace Riggs was elected to the school board in November 2016. Born in Norfolk, but raised in Virginia Beach, she is a product of Virginia Beach City Public Schools, having attended Woodstock Elementary School when it housed first through seventh grades and Kempsville High School when it was an eighth through 12th grade school. After earning her Bachelor of Science in education from Radford College, Riggs began her career as a kindergarten teacher in Currituck County Schools where she taught for two years before joining VBCPS. In Virginia Beach, she continued her career as a kindergarten teacher for 17 years at Creeds and Kempsville Meadows elementary schools and as a sixth grade English and social studies teacher for 19 years at Larkspur Middle School. After retiring in 2012, Riggs served as President of the Virginia Beach Education Association (VBEA) through June 2016. She also served on the Virginia Education Association (VEA) board and executive board for 10 years (2006-2016). Riggs is married to John Wakefield, a retired VBCPS teacher. Between them, they have a daughter and three sons, all of whom graduated from Virginia Beach City Public Schools. Riggs also holds a master's degree in early childhood education from Old Dominion University.

Carolyn T. Rye, District 5-Lynnhaven

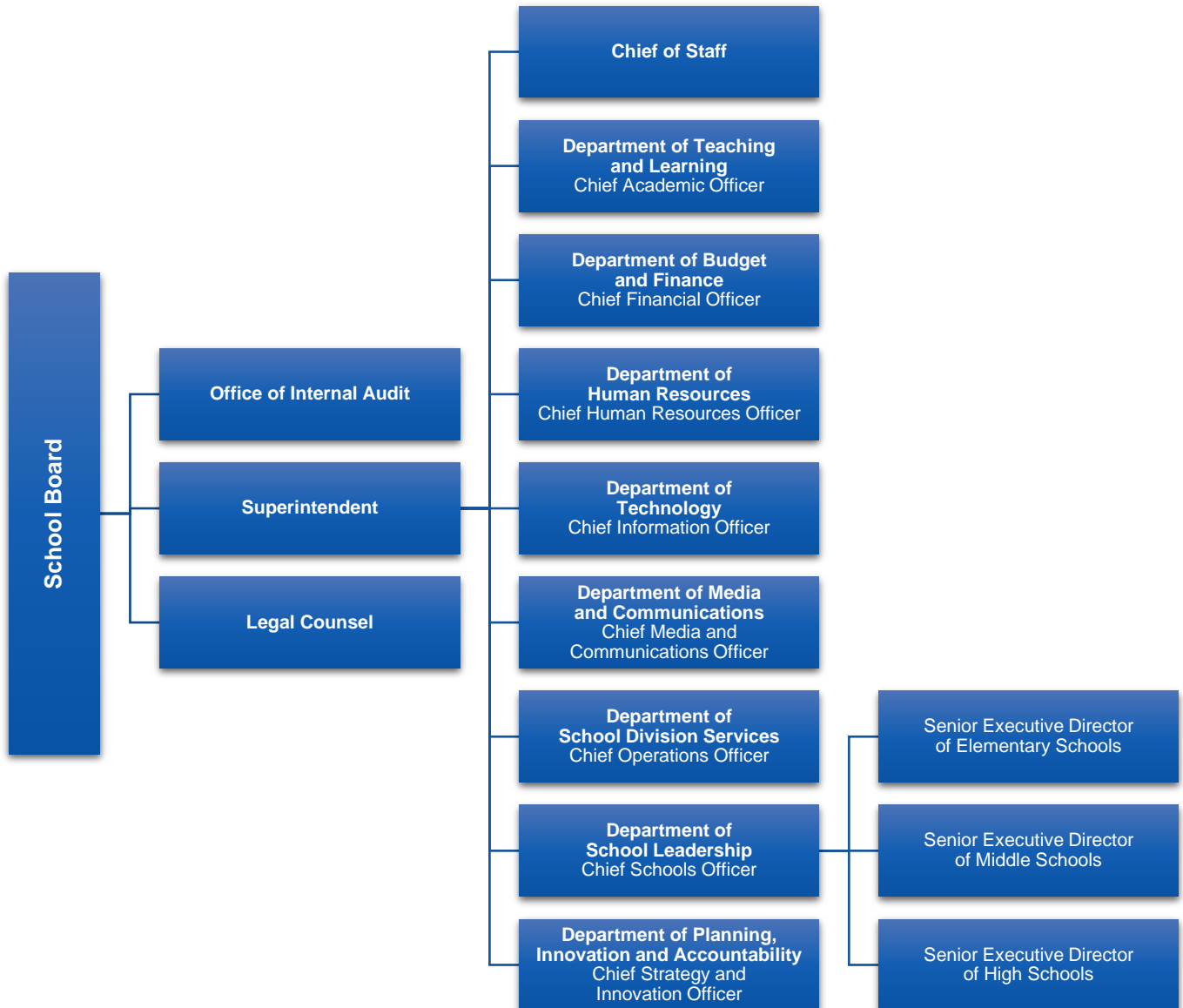
Carolyn T. Rye was elected to the School Board in November 2014. She began her professional career in the business sector as a corporate trainer and group insurance management consultant for Prudential Insurance. She was employed by VBCPS from 2000 to 2014 as an intermittent substitute teacher. Rye served on the PTA Boards of Lynnhaven Middle School, Kingston Elementary School, Kemps Landing Magnet School and Ocean Lakes High School, and is a two-time PTA president. She received the PTA Distinguished Service Award. Rye is also active in the community, serving two terms on both her St. Nicholas Catholic Church Parish Council and as Schools Committee chair for the College of William & Mary's South Hampton Roads Alumni Chapter. She was founder and president of her college's Northern New Jersey Chapter and presently serves as an advisor to her sorority, Kappa Kappa Gamma. As national Fight Colorectal Cancer advocates, Rye and her daughter have lobbied Congress and raised over \$100,000. She graduated with a bachelor's degree in government from the College of William & Mary. She holds a master's degree in business administration from Fairleigh Dickinson University. She and her Navy civilian attorney husband, Kenneth, are the proud parents of two VBCPS graduates.

Carolyn D. Weems, District 4-Bayside

Carolyn D. Weems was first elected to the School Board in May 2002. A former tennis coach at ODU, Weems has served as a volunteer for VBCPS and the Virginia Beach community. She has held the position of Parent Teacher Student Association (PTSA) president at Bayside High School, served on numerous PTA boards and has been a member of the Planning Councils of Thoroughgood Elementary, Independence Middle and Bayside High schools. Weems has served in the capacity of youth leader, Sunday School teacher, speaker for the Fellowship of Christian Athletes and volunteer counselor for the Crisis Pregnancy Center. Weems earned a bachelor's degree in administrative management from Clemson University. She and her husband, Billy, have five children – all of whom have attended VBCPS.

ORGANIZATIONAL CHART

The division superintendent works closely with the chief of staff and departmental chiefs to oversee the day-to-day operations of the schools and central offices. The schools and programs are supported by eight operational areas or departments as illustrated in the chart below. Throughout the departments, positions are allocated both in schools and at centrally managed administrative sites to provide divisionwide support.



SUPERINTENDENT

Dr. Aaron Spence has served as superintendent of VBCPS since June 2014. As Superintendent, he oversees the operation of 86 schools and centers (serving almost 67,000 students) as well as all administrative support functions for the school division. As has been the case throughout his career, Dr. Spence leads with his passion for both public education and for providing all students with the best possible opportunities in school. His commitment and leadership were key factors in his selection as the 2018 Region II Superintendent of the Year by the Virginia Association of School Superintendents.



During his time in Virginia Beach, Dr. Spence has brought innovative initiatives and groundbreaking work to the division. For example, he directed the creation of an Entrepreneurship and Business Academy at one of the division's 12 comprehensive high schools and he led the launch of the division's Digital Learning Anchor School initiative which serves as a pilot for a divisionwide digital 1:1 technology program. In addition, he developed expanded partnerships with leading community organizations, businesses and the military. For example, working with the United States Navy, all 5,000 fifth-grade students in the division took part in an interactive learning experience at the NAS Oceana Air Show.

In this same spirit, Dr. Spence has taken on leadership roles in the community, joining the boards of the Hampton Roads Chamber of Commerce (Virginia Beach division), United Way of South Hampton Roads, Opportunity, Inc., the Access College Foundation and the Public Education Foundation. In January 2017, Spence was the recipient of the Creating Unity in Our Community "Lead Like King" Award for his leadership of the division's work to ensure equitable access to resources and rigorous courses for every student, every day.

Dr. Spence's work in Virginia Beach has led to national acclaim. He has been asked to present at conferences for the National School Board Association and the American Association of School Administrators. He was a contributor to Dr. Mark Edwards' 2017 book, "Thank you for your leadership: the power of distributed leadership in a digital conversion model." He also was featured in a white paper on education technology, which was published by the Center for Digital Education. In addition, Dr. Spence was appointed by Gov. Terry McAuliffe to serve as a member on the Virginia Council on the Interstate Compact for Educational Opportunity for Military Children; he was asked to serve as the 2017 national chair for the Consortium of Large Countywide and Suburban School Districts; and he is the national vice chair for the EdLeader21 Professional Learning Community (PLC) Advisory Committee. In addition, in 2010, Dr. Spence was selected as an Emerging Leader by ASCD (formerly Association for Supervision and Curriculum Development) and invited to participate in its national leadership program.

Dr. Spence came to VBCPS after serving as superintendent of Moore County Public Schools in North Carolina. During his tenure there, he launched a divisionwide digital learning initiative designed to put a digital device, such as a laptop or tablet, in the hands of every student and teacher. He and his staff worked strategically to improve the school district's End of Grade Proficiency Scores. They were successful on that front, moving up Moore County Public Schools 20 places in state rankings.

Before his service in Moore County, Dr. Spence was Chief High School Officer of the Houston Independent School District (HISD), the nation's seventh largest school district. He also served as Chief Academic Officer and Director of Curriculum and Instruction in Chesterfield County, Virginia, as well as principal of Deep Run High School in Henrico County, Virginia. Spence began his career in 1994 as a French and photojournalism teacher in Stafford County Public Schools.

He attended the University of Virginia, where he received a bachelor's degree in French studies, a master's degree in secondary education and a doctorate in educational administration and supervision. Dr. Spence is a proud graduate of Green Run High School in Virginia Beach.

SENIOR STAFF

The superintendent works closely with members of senior staff to provide overall leadership and direction for the school division.



Marc A. Bergin, Ed.D.
Chief of Staff



Amy E. Cashwell, Ed.D.
Chief Academic Officer



Eileen M. Cox
Chief Media and Communications
Officer



Farrell E. Hanzaker
Chief Financial Officer



Dale R. Holt
Chief Operations Officer



Ramesh K. Kapoor
Chief Information Officer



John A. Mirra
Chief Human Resources Officer



Donald E. Robertson, Jr., Ph.D.
Chief Strategy and Innovation
Officer



Rashard J. Wright
Chief Schools Officer



Departmental Summaries

OFFICE OF THE SUPERINTENDENT

Superintendent: Aaron C. Spence, Ed.D.



The superintendent, as chief executive officer for the School Board, performs the functions and duties prescribed in the regulations of the VBOE and all other applicable statutes. The superintendent is responsible for the management of the school division in accordance with policies adopted by the School Board and provides administrative leadership including oversight of the instructional program, selection and assignment of personnel, school-community relations, and the business and operational affairs of the division. The superintendent advises the School Board on division matters including programs and practices. The superintendent maintains open channels of communication with all employees and the community for the improvement and welfare of the school division.

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Board, Legal and Governmental Services	1,008,899	1,137,020	1,138,661	1,641
Internal Audit	438,247	443,960	468,884	24,924
Office of the Superintendent	1,105,218	1,046,319	1,051,708	5,389
Total Budget	2,552,364	2,627,299	2,659,253	31,954

Goals

- Provide leadership for the continued implementation of the division's strategic plan
- Provide direction and leadership for the division's continued success with Standards of Learning (SOL) and Standards of Accreditation
- Continue to maintain fiscal integrity over the school division budget
- Provide leadership in the execution of School Board goals

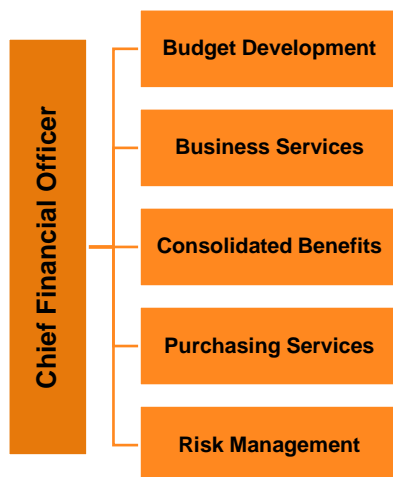
OFFICE OF THE CHIEF OF STAFF

Chief of Staff: Marc A. Bergin, Ed.D.

The chief of staff is responsible for general staff administration under the direction of the superintendent. As a senior leader, the chief of staff provides administrative oversight for school division operations; helps guide implementation of the *Compass to 2020* strategic plan; and supports organizational development, leadership development, succession planning and staffing priorities. The chief of staff serves as a liaison with departments throughout the division and outside organizations. In support of student achievement, the chief of staff is responsible for ensuring the smooth and efficient administrative operation of the Office of the Superintendent.

DEPARTMENT OF BUDGET AND FINANCE

Chief Financial Officer: Farrell E. Hanzaker



The Department of Budget and Finance provides overall fiscal management for the school division. The functions of this department include budget development, financial management and reporting, Impact Aid data collection and reporting, accounting, accounts payable, payroll, employee benefits, risk management, and purchasing. The department provides information and services to various groups including employees, School Board members, school and city staffs, citizens, government agencies, private organizations and others.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	71.50	73.50	73.50	-
Internal Service Funds	11.50	13.50	10.50	(3.00)
Total Budgeted Positions	83.00	87.00	84.00	(3.00)

Budget Detail Comparison

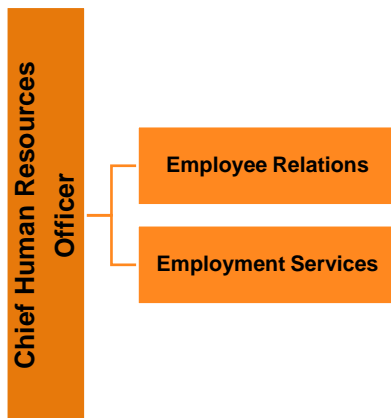
	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Benefits	2,036,634	2,197,483	2,356,539	159,056
Budget & Finance	4,501,600	5,159,780	5,351,945	192,165
Purchasing Services	1,051,898	1,119,917	1,183,092	63,175
	7,590,132	8,477,180	8,891,576	414,396
<i>Fund 116 - Categorical Grants</i>				
Reserve For Contingency - State	2,700,000	2,700,000	2,700,000	-
Reserve For Contingency - Federal	4,500,000	4,500,000	4,500,000	-
	7,200,000	7,200,000	7,200,000	-
<i>Other Funds</i>				
Fund 107, Equipment Replacement	1,106,301	1,106,301	170,193	(936,108)
Fund 109, Vending Operations	220,289	229,702	229,702	-
	1,326,590	1,336,003	399,895	(936,108)
Total Budget	16,116,722	17,013,183	16,491,471	(521,712)

Goals

- Manage the procurement of essential goods and services by developing and maintaining the most efficient, cost-effective processes
- Submit applications for the Government Finance Officers Association and Association of School Business Officials Certificates of Excellence in Financial Reporting
- Develop a balanced budget annually and monitor expenditures/revenues throughout the fiscal year (FY)
- Strive to increase efficiency and effectiveness through automation, electronic commerce, improved training and process improvement
- Reduce the amount of effort required to procure and pay for needed goods and services
- Execute a competitive benefits package to attract new employees and retain over 15,000 current benefit eligible city and school employees
- Utilize data to understand health issues and enhance the city and schools wellness program in an effort to keep employees and retirees healthy and ultimately reduce or maintain claims costs
- Assure adherence to financial policies and procedures via the Business Manual for Schools and Central Offices
- Adhere to and oversee local, state and federal grant funded programs

DEPARTMENT OF HUMAN RESOURCES

Chief Human Resources Officer: John A. Mirra



The Department of Human Resources is responsible for recruitment and staffing, employee relations and recognition, employee evaluation and assessment, and professional development. The mission of the Department of Human Resources is to partner with the division administration by providing quality comprehensive human resource services and information which will result in the efficient, effective and rewarding deployment of the division's most valuable asset, its employees. Additionally, the department is committed to continuing the progression toward hiring and retaining a staff that reflects the diversity of the student population.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	46.30	44.30	44.30	-
Total Budgeted Positions	46.30	44.30	44.30	-

Budget Detail Comparison

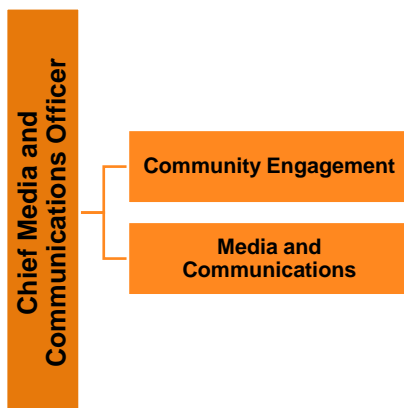
	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Human Resources	5,434,462	5,414,138	5,546,057	131,919
Total Budget	5,434,462	5,414,138	5,546,057	131,919

Goals

- Implement employee retention strategies
- Further diversify teaching staff through continued recruiting efforts
- Continue to improve the quality of customer service for our employees and applicants
- Implement initiatives to improve staff attendance
- Research and provide to all schools "highly qualified" data on all teachers
- Expand the usage of the Applicant Tracking System

DEPARTMENT OF MEDIA AND COMMUNICATIONS

Chief Media and Communications Officer: Eileen M. Cox



The Department of Media and Communications serves as an advocate to strengthen involvement with the public by communicating and supporting the goals of the Virginia Beach school division. Media and Communications personnel work in tandem to fulfill the department's mission while at the same time take on the responsibility for specific duties, projects, publications, crisis communications, and media relations, both internally in the school division and externally in the community at large. In addition, the department offers consulting and marketing services on an as-needed basis. The department also has oversight of the Office of Community Engagement which includes partnerships, volunteers and the Virginia Beach Education Foundation.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	15.00	18.00	18.00	-
Total Budgeted Positions	15.00	18.00	18.00	-

Budget Detail Comparison

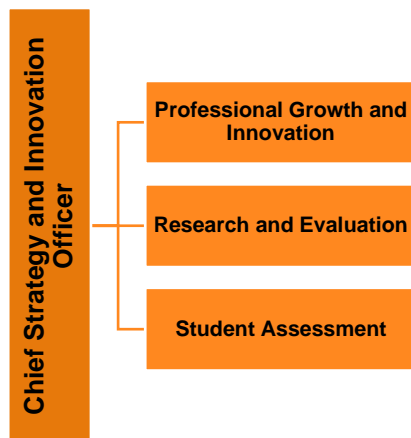
	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Media and Communications	1,885,894	2,180,016	2,316,073	136,057
Total Budget	1,885,894	2,180,016	2,316,073	136,057

Goals

- Generate, maintain and expand community involvement
- Publicize and promote the goals, programs, services and activities of the school system
- Provide consultation and training in communications and community involvement
- Identify strategic issues and manage crisis situations
- Execute or obtain the research necessary to implement effective communications and community initiatives and evaluate those activities

DEPARTMENT OF PLANNING, INNOVATION AND ACCOUNTABILITY

Chief Strategy and Innovation Officer: Donald E. Robertson, Jr., Ph.D.



The mission of the Department of Planning, Innovation and Accountability is to provide leadership and support to champion the work of *Compass to 2020* through high quality professional learning for all staff, the provision of resources related to test administration and data use, and the evaluation of programs, services and initiatives. Offices within the department include the Office of Professional Growth and Innovation, the Office of Research and Evaluation and the Office of Student Assessment.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	31.50	31.00	31.00	-
Total Budgeted Positions	31.50	31.00	31.00	-

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Instructional Professional Growth and Innovation	1,371,524	1,253,071	1,278,020	24,949
Planning, Innovation and Accountability	3,098,002	2,818,575	3,170,509	351,934
Professional Growth and Innovation	686,467	984,738	1,031,302	46,564
	5,155,993	5,056,384	5,479,831	423,447
<i>Fund 116 - Categorical Grants</i>				
Career Switcher Program Mentor Reimbursement	11,000	11,000	15,000	4,000
National Board Teacher Stipends	352,500	352,500	335,000	(17,500)
New Teacher Mentor Program	38,401	38,401	29,622	(8,779)
	401,901	401,901	379,622	(22,279)
Total Budget	5,557,894	5,458,285	5,859,453	401,168

Goals

- Provide resources and differentiated training in test administration and the effective use of data
- Collect and communicate information pertaining to the characteristics and performance of schools, programs and the division using a variety of methods
- Collaborate with stakeholders to identify and evaluate innovative strategies and solutions that help drive continuous improvement across the school division and utilize resources effectively
- Conduct evaluations of school division programs, services and initiatives and communicate results to appropriate stakeholders to facilitate data-driven decision-making and continuous improvement
- Provide leadership and support for the planning, implementation and overall coordination of all aspects of the school division's strategic plan and the school improvement process

DEPARTMENT OF SCHOOL DIVISION SERVICES

Chief Operations Officer: Dale R. Holt



The Department of School Division Services is the operational arm of VBCPS with responsibility for facilities planning and construction; facilities management and maintenance; food services; pupil transportation; distribution services; custodial services; safety and loss control; school rentals; and similar activities. The department is staffed by more than 2,500 employees whose objective is to provide an optimum learning environment to approximately 67,000 students attending 86 schools and centers in the division. The mission of the department is to provide excellent educational facilities that are safe, clean, well maintained and free from health hazards; to ensure that students are served nutritious and affordable meals; and to transport students to and from school in a safe and efficient manner.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	1,832.63	1,842.63	1,825.63	(17.00)
Other Funds	490.89	490.89	495.89	5.00
Total Budgeted Positions	2,323.52	2,333.52	2,321.52	(12.00)

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Custodial Services	29,402,565	28,230,000	28,761,292	531,292
Distribution Services	1,677,384	1,742,655	1,788,011	45,356
Facilities Planning and Construction	813,221	889,864	831,469	(58,395)
Grounds Services	3,884,352	4,167,908	4,167,908	-
Management	2,268,817	2,414,657	2,754,434	339,777
Monitoring Services	2,858,499	2,878,172	2,947,319	69,147
Safety and Loss Control	7,360,030	6,941,710	7,350,611	408,901
School Plant	44,443,289	45,407,710	45,949,951	542,241
Vehicle Maintenance	3,127,775	3,217,038	3,320,755	103,717
Vehicle Operations	18,082,855	21,201,482	21,245,599	44,117
Vehicle Operations - Special Education	5,237,355	5,194,458	6,122,972	928,514
Vehicle Services	1,044,558	1,140,522	1,279,663	139,141
	120,200,700	123,426,176	126,519,984	3,093,808
<i>Fund 116 - Categorical Grants</i>				
School Security Equipment	-	-	121,728	121,728
	-	-	121,728	121,728
<i>Other Funds</i>				
Fund 114, Cafeterias	30,227,350	30,742,626	31,679,250	936,624
	30,227,350	30,742,626	31,679,250	936,624
Total Budget	150,428,050	154,168,802	158,320,962	4,152,160

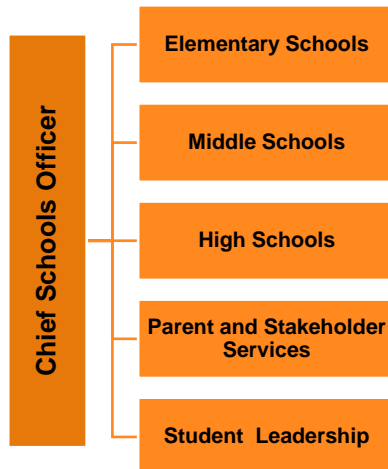
Goals

- Provide safe, efficient, reliable and courteous transportation to all of our valued customers
- Develop and implement safe, efficient and economical bus routes and obtain vehicle capacity at peak periods
- Recruit and train school bus drivers and assistants to meet the transportation needs of students
- Provide a safe and programmatically sound environment for all students of VBCPS
- Reduce average division food costs
- Develop a comprehensive database of all pertinent building data and a preventative maintenance program

- Increase employee awareness of emergency procedures and expand training opportunities for all employees
- Expand School Plant Services' management of small Capital Improvement Program (CIP) projects
- Implement a comprehensive energy management program and continue to improve the efficiency of facility operations and support services

DEPARTMENT OF SCHOOL LEADERSHIP

Chief Schools Officer: Rashard J. Wright



The Department of School Leadership provides oversight and staff development for administrative offices and principals of all schools and centers. The mission of the department, as the voice of the schools, is to provide world-class leadership, professional development, support, guidance and resources necessary to achieve world-class excellence.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
Green Run Collegiate	32.90	39.30	39.30	-
School Operating	4,612.45	4,633.15	4,656.50	23.35
Categorical Grants	17.00	18.20	17.00	(1.20)
Total Budgeted Positions	4,662.35	4,690.65	4,712.80	22.15

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Alternative Education	1,561,786	1,590,974	1,562,613	(28,361)
Alternative Education-Renaissance Academy	6,834,209	6,621,170	6,984,923	363,753
Elementary Classroom	142,391,805	143,733,027	154,608,476	10,875,449
General Adult Education	1,915,817	2,004,297	2,057,119	52,822
Health Services	7,342,324	7,559,261	7,910,579	351,318
Homebound Services	448,939	450,748	453,230	2,482
Middle School Classroom	58,169,678	59,457,050	61,159,745	1,702,695
Office of the Principal - Elementary School	25,550,926	25,162,648	26,227,792	1,065,144
Office of the Principal - Senior High	11,137,727	11,692,345	11,783,837	91,492
Office of the Principal - Middle School	9,963,941	10,496,130	10,739,709	243,579
Opportunity and Achievement	77,279	94,515	-	(94,515)
School Leadership	1,834,826	1,762,805	1,885,041	122,236
Senior High Classroom	72,612,669	75,727,133	77,503,631	1,776,498
Student Activities	7,585,005	7,702,781	8,015,983	313,202
Student Leadership	1,374,569	1,407,180	1,430,242	23,062
	348,801,500	355,462,064	372,322,920	16,860,856

<i>Fund 116 - Categorical Grants</i>				
Adult Basic Education	415,113	356,545	356,545	-
General Adult Education	34,586	34,586	34,586	-
ISAEP	62,869	62,869	62,869	-
Juvenile Detention Home	730,996	746,224	751,217	4,993
MYCAA - ALC Courses	5,000	5,000	5,000	-
MYCAA - LPN Program	10,000	10,000	10,000	-
Opportunity Inc. - Adult Learning Center	101,792	102,857	104,419	1,562
Race to GED	64,188	64,188	64,188	-
Title I, Part D - Subpart 1	5,000	25,800	25,878	78
Title I, Part D - Subpart 2	410,214	342,818	395,311	52,493
	1,839,758	1,750,887	1,810,013	59,126

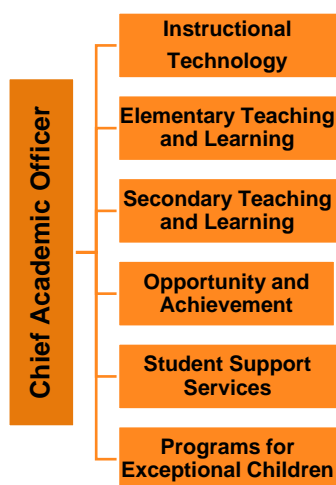
<i>Other Funds</i>				
Fund 104, Green Run Collegiate Charter School	2,885,023	3,686,686	3,763,447	801,663
Fund 119, Athletics	4,922,642	4,922,642	5,099,823	177,181
	7,807,665	8,609,328	8,863,270	978,844
Total Budget	358,448,923	365,822,279	382,984,920	17,887,543

Goals

- All students will achieve academic success
 - All schools will achieve full accreditation by state standards
 - All schools will make and exceed adequate yearly progress
 - The majority of students will attain pass advanced on state SOL tests
 - Students will score in the 90th percentile on national tests
 - Businesses and colleges will rate Virginia Beach graduates as well-prepared
 - There will be no students retained and student drop-outs will be eliminated
 - VBCPS students will rank at the top of the state school divisions in the number of academic achievement distinctions on high school diplomas
 - Increased numbers of VBCPS students will be recognized as Gates Millennium Scholars
 - Advanced Placement scores will exceed state and national averages
 - Students taking International Baccalaureate (IB) tests will score in the top ten percent internationally
 - VBCPS students will be accepted to prestigious universities and colleges
- All staff will be well-trained and highly qualified
 - 100 percent of teachers and teacher assistants will be highly qualified
 - There will be ongoing opportunities for differentiated staff development opportunities for teachers, teacher assistants, administrators and potential administrators
- All school sites will be 100 percent safe, healthy, and free from disruptions
 - The discipline referral rate will be reduced and there will be zero expulsions
 - All schools will comply with risk-management standards

DEPARTMENT OF TEACHING AND LEARNING

Chief Academic Officer: Amy E. Cashwell, Ed.D.



The mission of the Department of Teaching and Learning is to provide a comprehensive continuum of rigorous, authentic curricula and assessments while supporting differentiated instruction focused on equity and excellence for 21st century learners.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	2,307.15	2,351.85	2,373.85	22.00
Categorical Grants	461.50	491.00	499.80	8.80
Other Funds	1.50	1.50	1.50	-
Total Budgeted Positions	2,770.15	2,844.35	2,875.15	30.80

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Audiological Services	442,932	459,307	477,088	17,781
Gifted Education and Academy Programs Support	2,225,026	2,308,655	2,383,817	75,162
Gifted Education and Academy Programs	13,800,015	13,988,218	14,528,995	540,777
Guidance Services	16,185,337	16,882,269	17,235,915	353,646
Instructional Technology	10,143,169	11,346,826	12,034,082	687,256
Media Services Support	13,406,962	13,590,507	13,814,793	224,286

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Office of the Principal - TCE	641,604	648,746	669,992	21,246
Opportunity and Achievement	-	-	94,515	94,515
Psychological Services	3,597,093	4,150,656	4,648,998	498,342
Remedial Education	7,592,978	7,581,274	8,284,712	703,438
Social Work Services	3,220,675	3,762,399	4,047,541	285,142
Special Education	87,973,615	91,697,259	95,842,082	4,144,823
Special Education Support	3,046,031	3,596,445	3,675,442	78,997
Summer School	2,009,257	2,009,257	1,733,255	(276,002)
Summer Slide Program	-	-	276,002	276,002
Teaching and Learning Support	14,050,873	17,927,381	16,930,142	(997,239)
Technical and Career Education	18,172,946	18,091,925	19,316,717	1,224,792
Technical and Career Education Support	931,011	977,006	1,030,082	53,076
	197,439,524	209,018,130	217,024,170	8,006,040
<i>Fund 116 - Categorical Grants</i>				
Advanced Placement Fee Program	57,180	66,497	66,497	-
Algebra Readiness Initiative	868,082	986,209	979,857	(6,352)
Career and Technical Education State Equipment	88,427	90,813	145,825	55,012
Carl D. Perkins Vocational and Technical Education Act	873,706	813,627	799,400	(14,227)
DNA Building Blocks for Middle School Science	38,749	-	-	-
DoDEA MCASP	244,139	-	-	-
DoDEA MCASP Operation GRIT	-	-	313,543	313,543
DoDEA MCASP Operation Pride	1,272,700	609,347	-	(609,347)
DoDEA SFLEP	61,015	-	-	-
DoDEA Special Education	356,153	436,135	482,439	46,304
Dual Enrollment - TCC	275,918	275,918	501,886	225,968
Early Intervention Reading Initiative (PALS)	1,296,817	1,299,549	1,511,788	212,239
Industry Certification Examinations	78,176	80,333	97,352	17,019
Jail Education Program	236,551	176,950	167,076	(9,874)
McKinney-Vento Homeless Assistance Act	105,001	164,464	105,001	(59,463)
MTSS-B	-	340,043	207,849	(132,194)
Opportunity Inc. - STEM	220,492	381,264	336,539	(44,725)
Preschool Incentive	657,812	569,465	539,536	(29,929)
Project Graduation	-	-	37,500	37,500
Startalk	89,289	143,331	144,488	1,157
Title I, Part A	13,893,969	14,210,314	14,594,286	383,972
Title II, Part A	2,551,332	2,314,565	2,293,416	(21,149)
Title III, Part A - Immigrant and Youth	45,993	54,694	6,000	(48,694)
Title III, Part A - Language Acquisition	197,415	181,920	173,151	(8,769)
Title IV, Part B 21st CCLC - GRC	273,988	196,736	34,874	(161,862)
Title IV, Part B 21st CCLC - Lynnhaven ES	-	-	106,573	106,573
Title IV, Part B 21st CCLC - Williams ES	68,772	-	-	-
Title VI, Part B (IDEA)	15,558,825	14,272,913	14,639,583	366,670
VA Initiative for At-Risk Four-Year Olds	4,224,000	4,438,411	4,312,000	(126,411)
Virginia Middle School Teacher Corps	35,000	25,000	10,000	(15,000)
Workplace Readiness	-	18,623	16,286	(2,337)
	43,669,501	42,147,121	42,622,745	475,624
<i>Other Funds</i>				
Fund 117, Textbooks	9,094,147	9,182,874	5,179,602	(4,003,272)
	9,094,147	9,182,874	5,179,602	(4,003,272)
Total Budget	250,203,172	260,348,125	264,826,517	4,478,392

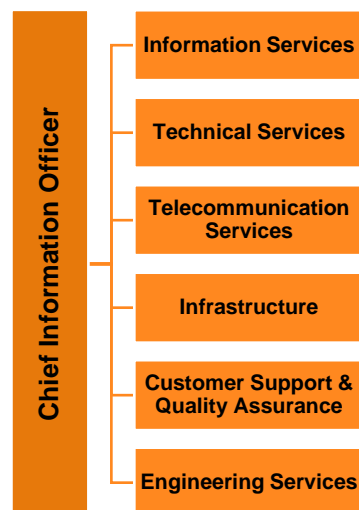
Goals

- Provide enrichment programs that are an integral part of the division's total program to increase student achievement
- Develop curriculum which helps ensure that all students succeed as 21st century learners, workers and citizens
- Build the capacity of teachers and administrators in order to provide and support quality instruction that leads to successful academic performance as measured by the outcomes for student success

- Include exemplary teacher-created learning plans and performance assessments in curriculum resources in all content areas
- Oversee the development and execution of federal, state and local grants awarded to the division
- Increase college scholarship awards
- Increase the number of students continuing their post-secondary education
- Increase student technical/career completers who are prepared to enter the workforce
- Improve strategies that will promote on-time graduation rates
- Improve strategies to reduce the division's dropout rate
- Increase collaboration of academic and technical and career education (TCE) teachers to promote relevance of academic studies as related to career opportunities
- Expand industry-certified programs for TCE
- Update existing curriculum and develop curriculum to include new courses
- Improve educational opportunities through the refinement of academy academic programs
- Provide a systematic identification process that reflects the delivery of services
- Provide continuous professional development for all instructional staff on the identification and education of gifted students
- Provide staff development opportunities to remain current with laws, trends and topics in special education
- Strengthen communication with schools, parents and offices throughout the division
- Ensure appropriate identification of students with disabilities
- Continue to close the achievement gap for students with disabilities by demonstrating gains so that at least 10 percent more students with disabilities (proportionately from year-to-year) will receive passing scores for at least one of the appropriate SOL administrations
- Continue to make gains in the number of State Performance Plan Indicators for which VBCPS is fully in compliance (i.e., meets the state determined standards)
- Improve educational opportunities through the refinement of gifted, academy and advanced academic programs
- Improve marketing and recruitment methods to increase participation of underrepresented populations in gifted programs

DEPARTMENT OF TECHNOLOGY

Chief Information Officer: Ramesh K. Kapoor



The mission of the Department of Technology is to advocate for and enable the integration of technology and information resources in curriculum, instruction, assessment and administrative functions. The vision of the department is to ensure VBCPS students are technologically skilled, globally connected and prepared to thrive in our highly competitive digital world.

Budgeted Positions Comparison

	FY 2015/16	FY 2016/17	FY 2017/18	Variance
<i>Funding Source</i>				
School Operating	81.00	85.00	85.00	-
Total Budgeted Positions	81.00	85.00	85.00	-

Budget Detail Comparison

	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>Fund 115 - School Operating Fund</i>				
Office of Technology	943,239	821,909	851,722	29,813
Telecommunications	1,075,450	1,000,107	1,058,541	58,434
Technology Maintenance	10,571,706	11,445,396	12,185,602	740,206
	12,590,395	13,267,412	14,095,865	828,453

<i>Fund 116 - Categorical Grants</i>				
Technology Initiative	3,490,394	2,813,300	5,326,800	2,513,500
VA e-Learning Backpack Initiative, Bayside High School	267,696	268,240	530,880	262,640
VA e-Learning Backpack Initiative, Green Run High School	212,784	227,920	470,400	242,480
VA e-Learning Backpack Initiative, Kempsville High School	205,920	214,480	394,560	180,080
	4,176,794	3,523,940	6,722,640	3,198,700
<i>Other Funds</i>				
Fund 108, Instructional Technology	106,000	53,678	79,579	25,901
Fund 112, Communication Towers Technology	600,000	600,000	850,000	250,000
	706,000	653,678	929,579	275,901
Total Budget	17,473,189	17,445,030	21,748,084	4,303,054

Goals

- Build a 24x7 learning environment including pursuing opportunities for providing internet access for students at home through partnerships with the city and independent service providers
- Support innovative instructional practices leveraging technology
- Collaborate with all stakeholders to support multiple pathways to learning
- Enhance and support the technology infrastructure to meet instructional and administrative needs
- Guide the acquisition and deployment of new and replacement computers, copiers and other devices
- Continually upgrade the network and telecommunications infrastructure to ensure security and high availability
- Ensure data security and safe access to the internet in compliance with the law
- Guide and support efforts associated with development and deployment of learning platforms; enterprise data systems; unique applications for departments and the division; mobile apps; productivity and collaboration tools and applications; and business process re-engineering for process automation
- Provide data analysis in support of data-driven decision-making
- Coordinate the collection and verification of student data to meet local, state and federal reporting requirements
- Build staff capacity to support VBCPS technology vision and goals
- Conduct strengths and skills gap analysis to improve individual and team performance
- Include professional growth objectives in annual evaluation process for all staff
- Train, guide, monitor and support the work of the technology support technicians

SUMMARY OF ALL DEPARTMENT BUDGETS BY FUNDING SOURCE

Departments	Superintendent	Budget and Finance	Human Resources	Media and Communications	Planning, Innovation and Accountability	School Division Services	School Leadership	Teaching and Learning	Technology	Total
School Operating	2,659,253	8,891,576	5,546,057	2,316,073	5,479,831	126,519,984	372,322,920	217,024,170	14,095,865	754,855,729
Green Run Collegiate	-	-	-	-	-	-	3,763,447	-	-	3,763,447
Athletics	-	-	-	-	-	-	5,099,823	-	-	5,099,823
Cafeterias	-	-	-	-	-	31,679,250	-	-	-	31,679,250
Categorical Grants	-	7,200,000	-	-	379,622	121,728	1,810,013	42,622,745	6,722,640	58,856,748
Communication Towers Technology	-	-	-	-	-	-	-	-	850,000	850,000
Equipment Replacement	-	170,193	-	-	-	-	-	-	-	170,193
Instructional Technology	-	-	-	-	-	-	-	-	79,579	79,579
Textbooks	-	-	-	-	-	-	-	5,179,602	-	5,179,602
Vending Operations	-	229,702	-	-	-	-	-	-	-	229,702
Total	2,659,253	16,491,471	5,546,057	2,316,073	5,859,453	158,320,962	382,996,203	264,826,517	21,748,084	860,764,073

SELECTED MEASURES OF SCHOOL FUNDING AND PERFORMANCE

	2012/13	2013/14	2014/15	2015/16	2016/17
Educational Resources					
Student Enrollment (as of September 30)	68,408	68,748	68,361	67,927	67,214
Elementary School Pupil-Teacher Ratios (excluding resource teachers)	21:1	20:1	19:1	20:1	20:1
Secondary School Average Class Size	24.0	23.0	23.1	23.8	23.3
Number of Portables (overall)	236	232	207	147	130
Number of Temporary Allocated Portables Due to Construction	0	0	0	0	8
Percentage of Students Receiving Special Education Services (September 30: K to 12 Serving Count)	10.20%	10.20%	10.00%	10.00%	10.20%
Percentage of Students Receiving Special Education Services (December 1: Pre-K to 12 Responsible Count)	11.80%	11.30%	11.30%	11.20%	11.50%
Percentage of Gifted Program Student Membership	11.70%	12.00%	12.10%	12.60%	13.10%
Financial					
Per Pupil Expenditure (total)	\$10,832	\$10,825	\$11,149	\$11,185	\$11,767
Per Pupil Expenditure (local)	\$5,237	\$5,277	\$5,392	\$5,450	\$5,651
Percentage of General Fund Expenditures by Category					
Instruction	75.00%	75.10%	75.80%	75.40%	74.70%
Administration, Attendance and Health	3.00%	3.00%	3.10%	3.20%	3.30%
Pupil Transportation	4.60%	4.70%	4.30%	4.40%	5.00%
Operations and Maintenance	12.60%	12.70%	12.40%	12.30%	12.10%
Technology	4.40%	3.90%	4.00%	4.20%	4.40%
Transfers	0.40%	0.60%	0.40%	0.50%	0.50%
Federally Connected Students	29.14%	27.43%	27.13%	27.26%	26.72%
Testing Data and Scores					
ACT Composite Scores	21.9	21.9	22.2	22.8	23
Advanced Placement Scores (Percent of exams with scores 3 or higher)	59.00%	59.00%	58.00%	58.00%	-
SAT Test Takers	3,110	3,110	3,156	2,875	-
Standards of Learning Pass Rate (All Grades)					
Reading	77.98%	79.69%	78.70%	84.68%	86.29%
Writing	78.31%	75.36%	75.40%	80.56%	82.39%
Math	72.45%	77.37%	77.40%	85.07%	84.31%
Science	83.49%	82.06%	82.10%	87.36%	86.74%
History & Social Science	85.27%	85.32%	85.30%	87.50%	88.22%
Demographics					
Attendance Rates	95.60%	95.50%	95.70%	95.30%	95.20%
Graduation Rate	88.00%	88.50%	89.80%	91.30%	91.90%
Promotion Rate	98.20%	98.20%	98.50%	98.60%	98.70%
% High School Graduates Continuing Education	85.90%	86.10%	85.70%	86.40%	-
Dropout Rate	1.00%	1.05%	1.24%	0.98%	0.93%
Cohort Dropout Rate	4.89%	4.81%	5.27%	4.67%	4.58%
Work Force					
Average Salary for Principals	\$89,420	\$95,502	\$98,787	\$101,678	\$101,110
Average Salary for Assistant Principals	\$71,188	\$71,832	\$74,852	\$76,142	\$80,279
Average Salary for Teaching Positions	\$54,839	\$56,018	\$56,096	\$54,342	\$54,541
Percentage of Core Courses Taught by Highly Qualified Teachers	99.60%	99.79%	99.34%	99.68%	99.59%
Percentage of Highly Qualified Teacher Assistants	82.44%	82.69%	83.30%	83.50%	82.63%
Number of Professional Development Courses Offered	3,400	3,167	3,036	2,946	2,763
Average Years of Teaching Experience	14.9	14.9	14.7	14.8	14.4
Percentage of Teachers With Graduate Degrees	53.00%	53.00%	54.00%	54.00%	51.00%
Number of Teachers With National Board Certification	114	135	143	143	141
Number of Teachers With the Division Designation of Career Teacher	1,327	1,276	1,169	1,214	1,249

	2012/13	2013/14	2014/15	2015/16	2016/17
Recognition of Diversity					
Percentage of Minority Staff (overall)	25.23%	25.97%	26.29%	26.57%	27.27%
Percentage of Minority Instructional Staff	14.96%	15.52%	15.75%	16.05%	16.94%
Number of Student Diversity Ambassadors	286	364	290	259	225
Number of Faculty Diversity Advisors	80	118	103	112	35
Percentage of Employees Completing Online Diversity Awareness Training (full- and part-time)	96.00%	98.80%	97.00%	***	***
Use of Technology					
Ratio of Students to Instructional Computers	1.3:1	1.3:1	0.9:1*	0.9:1	1:1
Number of Distance Learning Classes (being sent)	96	106	107	98	95
Number of Online Courses Taken by Students	960	1,092	1,220	1,444	1,552
Standards of Learning Subject Area Tests Administered Online	34	34	29	29	29
Safe Schools					
Number of Persistently Dangerous Schools	0	0	0	0	0
Dollars Spent on Security Infrastructure	\$1,642,535	\$957,955	\$1,047,203	\$904,441	\$1,533,000
Number of School Security Assistants/Night Security	211	206	208	208.5	208.5
Number of School Resource Officers	29	27	28	27	27
Percentage of Students, Teachers, Building Administrators and Parents Indicating That Schools Are a Safe and Orderly Place to Learn	89.00%	-	87.50%	-	83.60%
Percentage of Students Referred for Discipline Infractions	17.70%	17.50%	16.20%	15.10%	14.60%
Number of OSHA Incidents Per 100 VBCPS Employees	2.6	2.4	2.5	2.5	2.5
Workers' Compensation Costs**	\$1,321,595	\$1,501,444	\$1,686,360	\$1,922,316	\$1,921,347
Number of Student Safety Incidents	537	472	379	410	459
Number of Vehicle Crashes Per 100 Vehicles in Service	18.2	14.5	17.3	15.2	18
Community Involvement					
PTA/PTSA Membership	33,838	30,479	31,431	28,249	28,061
PTA/PTSA Membership (Percent of Student Enrollment)	49.50%	44.30%	46.00%	41.60%	41.70%
Number of Volunteers in Education	26,769	22,164	23,284	23,770	21,885
Partners in Education	2,014	2,031	2,014	2,069	2,164
Schoolwide and Teacher Grants Awarded by Virginia Beach Education Foundation	\$75,000	\$100,000	\$100,000	\$110,000	\$125,000
Scholarships Awarded by Virginia Beach Education Foundation	\$17,000	\$17,500	\$19,100	\$21,300	\$29,000
Number of ACCESS Scholarships Granted	231	234	282	251	160
Dollar Value of ACCESS Scholarships	\$495,225	\$213,211	\$314,000	\$313,750	\$200,625

Notes: - Information not available.

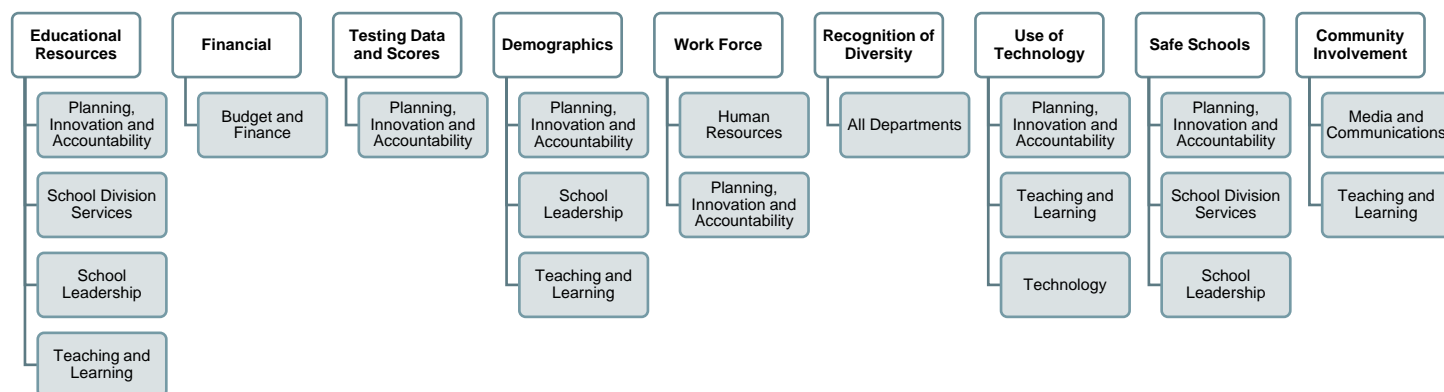
* Denotes a change in methodology in calculating the ratio of students to instructional computers; the calculation now includes tables.

** Workers' compensation costs are updated when claims are closed. Dollar amounts can change over time due to claims closing with a lower or higher cost than estimated.

***Denotes a change in reporting methodology for the diversity training percentages which will be reported every three years starting in 2017-2018.

Source: VBCPS Department of Planning, Innovation and Accountability

Departmental Responsibilities by Performance Measure



Schools and Centers

With 55 elementary schools, 15 middle schools, 11 high schools, one charter school and a number of secondary/post-secondary specialty centers, VBCPS is the largest school division in the region. In terms of the number of students enrolled, VBCPS is ranked No. 4 in the state of Virginia and No. 40 in the United States. In addition to core instructional programs at each of the 86 schools and centers, VBCPS provides a variety of unique programs at individual schools to meet the needs of students. A listing of schools and centers by grade level follows. This list includes addresses and phone numbers for all schools and centers.

ELEMENTARY SCHOOLS

Location	Address	Phone
Alanton Elementary	1441 Stephens Road	757.648.2000
Arrowhead Elementary	5549 Susquehanna Drive	757.648.2040
Bayside Elementary	5649 Bayside Road	757.648.2080
Birdneck Elementary	957 S. Birdneck Road	757.648.2120
Brookwood Elementary	601 S. Lynnhaven Road	757.648.2160
Centerville Elementary	2201 Centerville Turnpike	757.648.2200
Christopher Farms Elementary	2828 Pleasant Acres Drive	757.648.2240
College Park Elementary	1110 Bennington Road	757.648.2280
Cooke Elementary	1501 Mediterranean Avenue	757.648.2320
Corporate Landing Elementary	1590 Corporate Landing Pkwy	757.648.2360
Creeds Elementary	920 Princess Anne Road	757.648.2400
Dey Elementary	1900 N. Great Neck Road	757.648.2440
Diamond Springs Elementary	5225 Learning Circle	757.648.4240
Fairfield Elementary	5428 Providence Road	757.648.2480
Glenwood Elementary	2213 Round Hill Drive	757.648.2520
Green Run Elementary	1200 Green Garden Circle	757.648.2560
Hermitage Elementary	1701 Pleasure House Road	757.648.2600
Holland Elementary	3340 Holland Road	757.648.2640
Indian Lakes Elementary	1240 Homestead Drive	757.648.2680
Kempsville Elementary	570 Kempsville Road	757.648.2720
Kempsville Meadows Elementary	736 Edwin Drive	757.648.2760
King's Grant Elementary	612 N. Lynnhaven Road	757.648.2800
Kingston Elementary	3532 King's Grant Road	757.648.2840
Landstown Elementary	2212 Recreation Drive	757.648.2880
Linkhorn Park Elementary	977 First Colonial Road	757.648.2920
Luxford Elementary	4808 Haygood Road	757.648.2960
Lynnhaven Elementary	210 Dillon Drive	757.648.3000
Malibu Elementary	3632 Edinburgh Drive	757.648.3040
New Castle Elementary	4136 Dam Neck Road	757.648.3080
Newtown Elementary	5277 Learning Circle	757.648.3120
North Landing Elementary	2929 North Landing Road	757.648.3160
Ocean Lakes Elementary	1616 Upton Drive	757.648.3200
Parkway Elementary	4180 O'Hare Drive	757.648.3280
Pembroke Elementary	4622 Jericho Road	757.648.3320
Pembroke Meadows Elementary	820 Cathedral Drive	757.648.3360
Point O'View Elementary	5400 Parliament Drive	757.648.3440
Princess Anne Elementary	2444 Seaboard Road	757.648.3480
Providence Elementary	4968 Providence Road	757.648.3520
Red Mill Elementary	1860 Sandbridge Road	757.648.3560
Rosemont Elementary	1257 Rosemont Road	757.648.3600
Rosemont Forest Elementary	1716 Grey Friars Chase	757.648.3640
Salem Elementary	3961 Salem Lakes Blvd.	757.648.3680
Seatack Elementary	912 S. Birdneck Road	757.648.3720
Shelton Park Elementary	1700 Shelton Road	757.648.3760
Strawbridge Elementary	2553 Strawbridge Road	757.648.3800
Tallwood Elementary	2025 Kempsville Road	757.648.3840
Thalia Elementary	421 Thalia Road	757.648.3880

Location	Address	Phone
Thoroughgood Elementary	1444 Dunstan Lane	757.648.3920
Three Oaks Elementary	2201 Elson Green Avenue	757.648.3960
Trantwood Elementary	2344 Inlynnview Road	757.648.4000
White Oaks Elementary	960 Windsor Oaks Blvd.	757.648.4040
Williams Elementary	892 Newtown Road	757.648.4080
Windsor Oaks Elementary	3800 Van Buren Drive	757.648.4120
Windsor Woods Elementary	233 Presidential Blvd.	757.648.4160
Woodstock Elementary	6016 Providence Road	757.648.4200

MIDDLE SCHOOLS

Location	Address	Phone
Bayside Middle	965 Newtown Road	757.648.4400
Bayside Sixth Grade Campus	4722 Jericho Road	757.648.4440
Brandon Middle	1700 Pope Street	757.648.4450
Corporate Landing Middle	1597 Corporate Landing Pkwy	757.648.4500
Great Neck Middle	1848 North Great Neck Road	757.648.4550
Independence Middle	1370 Dunstan Lane	757.648.4600
Old Donation School	4633 Honeygrove Road	757.648.3240
Kempsville Middle	860 Churchill Drive	757.648.4700
Landstown Middle	2204 Recreation Drive	757.648.4750
Larkspur Middle	4696 Princess Anne Road	757.648.4800
Lynnhaven Middle	1250 Bayne Drive	757.648.4850
Plaza Middle	3080 S. Lynnhaven Road	757.648.4900
Princess Anne Middle	2323 Holland Road	757.648.4950
Salem Middle	2380 Lynnhaven Parkway	757.648.5000
Virginia Beach Middle	600 25th Street	757.648.5050

HIGH SCHOOLS

Location	Address	Phone
Bayside High	4960 Haygood Road	757.648.5200
Cox High	2425 Shorehaven Drive	757.648.5250
First Colonial High	1272 Mill Dam Road	757.648.5300
Green Run Collegiate	1700 Dahlia Drive	757.648.5393
Green Run High	1700 Dahlia Drive	757.648.5350
Kellam High	2665 West Neck Rd	757.648.5100
Kempsville High	5194 Chief Trail	757.648.5450
Landstown High	2001 Concert Drive	757.648.5500
Ocean Lakes High	885 Schumann Drive	757.648.5550
Princess Anne High	4400 Virginia Beach Blvd.	757.648.5600
Salem High	1993 SunDevil Drive	757.648.5650
Tallwood High	1668 Kempsville Road	757.648.5700

CENTERS

Location	Address	Phone
Adult Learning Center	4160 Virginia Beach Blvd.	757.648.6050
Advanced Technology Center	1800 College Crescent	757.648.5800
Renaissance Academy	5100 Cleveland Street	757.648.6000
Technical & Career Education Center	2925 North Landing Road	757.648.5850
Virginia Beach Juvenile Detention Center	2533 George Mason Drive	757.263.1203

INSTRUCTIONAL PROGRAMS

VBCPS offers students many instructional programs to acquire skills and knowledge that support their academic achievement and growth and development as learners, workers and citizens. These programs are available to ensure every child is challenged and supported to reach his or her full potential. Program descriptions are provided below along with a summary chart that identifies where specific instructional programs are offered in the division.

ACADEMY AND ADVANCED ACADEMIC PROGRAMS

The academy and advanced academic programs represent an exciting expansion of curricular options for students across the city. Recognizing that no educational program should adopt a “one size fits all” philosophy, the division developed these programs to provide additional academic choices for students. Advanced, technical and specialized elective courses are available at academies located at Bayside, First Colonial, Kempsville, Landstown, Ocean Lakes, Salem and Tallwood high schools. Students interested in pursuing careers in business, technology and engineering, legal studies, mathematics and science, health and human services, international studies, and visual and performing arts can apply to attend one of the academies.

ADULT EDUCATION

The Adult Learning Center (ALC) provides comprehensive educational services for students over the age of 18 years. The center offers educational opportunities for adults seeking to enhance their lives through personal growth, job enrichment and career advancement. Programs are designed to reach the needs of the high school dropout, the displaced worker and the non-English speaking adult. Classes are offered in Adult Basic Education/Pre-GED®, General Educational Development (GED®) test preparation, English for Speakers of Other Languages (ESOL), and Community Education and Career Training.

ALTERNATIVE EDUCATION

Believing that all students can learn, VBCPS seeks to develop and implement alternative education programs to meet the needs of students who are not experiencing success in regular secondary school settings. A variety of intervention and support programs are provided for students at risk for expulsion for inappropriate behavior, students conditionally expelled and students whose adjustment to traditional education interferes with successful participation in general education. Alternative education programs strive to ensure that every student finds a path to personal and community educational goals.

AN ACHIEVABLE DREAM ACADEMY

VBCPS implemented An Achievable Dream Academy at Seatack Elementary School during the 2014/15 school year. The program began with kindergarten, first and second grades. A grade level will be added each year until the program reaches 12th grade. This means in the coming years a secondary location will be selected to ensure that Seatack students will graduate having had the benefits of the program over the long-term. Students who participate in this program have many additional opportunities for success in school and develop social, academic and moral skills that help them become strong adults. The program provides an extended-day and year-round education with enrichment classes; field trips; the support of community partners and mentors who are dedicated to the welfare of students; and of course, high-quality academic instruction.



TECHNICAL AND CAREER EDUCATION

VBCPS' TCE courses provide skill sets and knowledge opportunities for all students, whether they are considering careers after graduation, pursuing higher education or seeking a combination of both. TCE at the middle school level offers students an exploratory experience with a growing emphasis on Science, Technology, Engineering and Mathematics (STEM) in a modular approach. High school level opportunities have a growing emphasis on STEM and include one- and two-year programs in business and information technology, engineering and technology education, family and consumer sciences, marketing education, and trade and industrial education.

CHARTER SCHOOL

VBCPS opened Green Run Collegiate (GRC), a public charter school, in September 2013 with a focus on college readiness. The curriculum is based on the IB philosophy and best practices with the support of Advancement Via Individual Determination (AVID). IB is recognized worldwide for offering quality international education programs designed to empower students for college and career readiness. AVID puts into place many of the support systems that will help students prepare for the demands the college experience will place on them. At GRC, IB is represented through three programs: the Middle Years Program (MYP), the Diploma Programme and the Career-related Programme. As a school of choice, GRC is open to any interested VBCPS high school student through a lottery selection process.

DIGITAL LEARNING ANCHOR SCHOOLS

The Digital Learning Anchor School initiative was prompted by the adoption of *Compass to 2020*, the school division's five-year strategic framework. The framework's strategies include providing students with personalized learning opportunities that incorporate the use of digital resources to prepare them for employment or post-secondary educational opportunities in a globally-competitive environment. As part of the strategic framework, the

following digital learning goal was developed:

"To use digital learning as a pathway to personalized learning by increasing student flexibility with respect to when and how learning occurs." Following a study of national trends and best practices in digital learning, the school division identified basic tenants of digital learning and will implement and further develop them through the Digital Learning Anchor Schools initiative. Fifteen schools will serve as Digital Learning Anchor Schools for the 2017/18 school year: Diamond Springs, Kingston, Newtown, Rosemont, Strawbridge, Tallwood, Thoroughgood and Williams elementary schools; Corporate Landing, Great Neck and Larkspur middle schools; and Bayside, Green Run, Kellam and Kempsville high schools.



DISTANCE LEARNING PROGRAM

VBCPS is committed to using innovative instructional practices and supportive technologies. Distance learning programs are offered at the high school and middle school levels. Through Virtual Virginia Beach e-Learning, online students are able to take one or two classes from the convenience of their homes, working any day of the week, anytime of the day. The Quality Connection program provides students the opportunity to participate in classes during the school day that cannot be offered at their home school due to low class enrollment. Instruction in this program is delivered through videoconferencing technology using equipment physically located in distance learning labs in the schools. This type of distance learning enables a class taught at one school to be broadcast to students at other schools.

DUAL ENROLLMENT PROGRAM

In the Dual Enrollment Program, VBCPS students may take courses that meet requirements for high school graduation while simultaneously earning college credit at Tidewater Community College (TCC). Grades are awarded according to the policies of the college and credit earned for the courses taken can be transferred to other public colleges in Virginia. Dual enrollment courses are offered during the regular school day. Interested students at any high school may take other TCC courses for college credit if they secure prior approval from their principal. However, other TCC courses not designated as dual enrollment will not carry high school credit.

ENGLISH AS A SECOND LANGUAGE

Through its English as a Second Language (ESL) program, VBCPS serves more than 1,100 students in kindergarten through 12th grades who speak 60 different languages. The ESL program is based on the premise that success in language is critical to success in all other curricular areas as well as future learning. English learners are prepared to be college and career ready by developing their academic English language proficiency through integrated content-based language instruction. The school division employs ESL-endorsed teacher specialists who are assigned to elementary and middle schools to provide English language services to students with limited English proficiency. High school specialists provide services to English learners at the ESL Student Center located in the school division's Technical and Career Education Center.

WORLD LANGUAGE IMMERSION PROGRAM

VBCPS offers partial-immersion programs in Spanish at select elementary and middle schools. The first program was established at Christopher Farms Elementary School in 2002. Students in a VBCPS language immersion program follow the same curriculum as their grade-level peers. At the elementary school level, a team-teaching model is used to deliver instruction daily in both the target language and English beginning in first grade. Students completing the elementary partial-immersion program may elect to attend the middle school partial-immersion program where they continue to receive social studies instruction in the target language. Students also refine their knowledge of the target language by taking a world language course for high school credit. Beginning as sixth graders with a level one world language course, students have the opportunity to complete three years of high school world language credits by the end of eighth grade. Students who live in the established attendance zone of a school hosting an elementary partial-immersion program are eligible to apply as rising first graders. Students completing the elementary and middle school partial-immersion sequence with a strong record are guaranteed acceptance into the Global Studies and World Languages Academy at Tallwood High School.

GIFTED EDUCATION

Identified gifted students at the elementary and middle school levels may choose to apply for the full-time gifted program at Old Donation School, for a pull-out program for dance and/or visual arts, or to remain in their neighborhood school and receive services via the resource-cluster program. All first grade VBCPS students are screened for gifted program services. Identified students are eligible to apply for admission to Old Donation School for full time academic gifted services or the pull-out program for dance and/or visual arts. Students in second through eighth grades admitted to the program at Old Donation School receive full time gifted education that follows the general education curriculum but is differentiated, modified and expanded to provide learning challenges. Students in third through eighth grades who are accepted to the gifted dance program and third through fifth grade students accepted to the gifted visual arts program attend Old Donation School for a one day a week pull-out program for specialized instruction. Sixth through eighth grade students accepted to the gifted visual arts program attend Virginia Beach Middle school for core classes and gifted visual arts instruction on a similar one day a week schedule. Identified students that are not accepted to attend the full time or pull-out gifted programs receive services at their home schools through a gifted cluster program. These students are placed in heterogeneous classrooms, in groups of six to eight, and are taught core curriculum similar to that offered at Old Donation School by a resource-cluster teacher trained in gifted education.

INTERNATIONAL BACCALAUREATE

The IB MYP and diploma programs provide students an advanced, comprehensive program of international study, offering an integrated approach to learning across the disciplines. The rigorous, broad and balanced curriculum emphasizes critical thinking. Students are exposed to a variety of international perspectives and points of view to value cultural differences and understanding and to promote responsibility in our changing world. The IB MYP at Plaza Middle School is designed to offer students an all-around foundation in liberal arts education. The IB MYP not only encourages students to pursue an academic and rigorous curriculum, but also provides a natural progression to the IB Diploma Program at Princess Anne High School. Students are selected through an application process.



NATIONAL JUNIOR RESERVE OFFICERS TRAINING CORPS PROGRAM

The National Junior Reserve Officers Training Corps (NJROTC) program is administered by the Chief of Naval Education and Training located at Naval Air Station, Pensacola, Florida, and locally supervised by the NJROTC AREA FIVE manager located at Norfolk Naval Base, Virginia. Naval science is an elective course with one credit earned for each year completed. The curriculum emphasizes citizenship and leadership development, as well as maritime heritage, the significance of sea power, and naval topics such as the fundamentals of naval operations, seamanship, navigation and meteorology. Classroom instruction is augmented throughout the year by extra-curricular activities of community service, academics, athletics, drill and orienteering competitions, field meets, flights, visits to naval or other activities, marksmanship, sports training, and physical fitness training.

PRE-KINDERGARTEN PROGRAM

VBCPS offers an educational program for at-risk pre-kindergarten (Pre-K) students. The program serves children who are continuously exposed to high-risk factors and situations that are likely to have an adverse impact on their social, emotional, physical and cognitive development. The program is funded primarily through Virginia Preschool Initiative (VPI) and Title I, Part A grants and is offered at no cost to parents. This full-day program follows the VBCPS school calendar and hours and provides children with purposeful learning experiences to



prepare them for a successful transition to kindergarten while also creating a strong educational foundation. Through implementation of a developmentally-appropriate, hands-on curriculum, students will be engaged in learning literacy and numeracy that reinforces academic and social development with a focus on phonemic awareness, language enrichment, letters/sounds, decoding and beginning reading and writing. The program develops students' communication, collaboration and problem-solving skills and integrates technology to support learning. Pre-K students must be 4 years old on or before September 30 and meet VPI eligibility criteria.

SPECIAL EDUCATION

The special education process includes identification, referral and screening, evaluation, eligibility, Individualized Education Program (IEP)/placement and triennial reevaluation. This process begins when a referral from a parent, teacher, physician or another interested person is received by the school. At this time, a school-based team reviews all the available information and determines whether or not there is enough information to suspect that a student has a disability. Each student who meets the qualifications for special education under the Individuals with Disabilities Education Act (IDEA) is entitled to an IEP. The IEP team is made up of parents, school personnel and students (when appropriate) who work together in developing the IEP. The educational placement decision for a student with disability is based on the IEP. It is made after the IEP has been developed with consideration of the least restrictive environment for the child. The least restrictive environment concept means that students with disabilities will be educated to the maximum extent possible with students who are not disabled.

TITLE I, PART A

The purpose of Title I, Part A, grant supplemental funding is to address the highest poverty areas of the division by supporting the educational needs of disadvantaged students. Research indicates students who leave elementary school functioning on grade level in reading and mathematics are more likely to be successful in secondary school and graduate on time. Therefore, the Title I program in Virginia Beach has historically supported both of these subject areas with supplemental resources and early intervention programs including full-day kindergarten, mathematics specialists, Title I literacy teachers, STEM, a technology program and the Reading Bus. Title I schools support family engagement programs to strengthen the partnership between the schools and home.

Instructional Programs by School and Center

Elementary Schools

	Academy and Advanced Academic Programs	Adult Education	Alternative Education	An Achievable Dream Academy	Career and Technical Education	Charter School	Digital Learning Anchor School	Distance Learning Program	Dual Enrollment Program	English as a Second Language (ESL)	Foreign Language Partial Immersion Academy	Full-day Kindergarten	Gifted Education (full-time or pull-out program)	International Baccalaureate	NUROTC Program	Pre-Kindergarten	Special Education	Title I
Alanton Elementary										X	X						X	
Arrowhead Elementary										X						X	X	
Bayside Elementary										X		X				X	X	
Birdneck Elementary										X		X				X	X	X
Brookwood Elementary										X		X					X	X
Centerville Elementary										X							X	
Christopher Farms Elementary										X	X					X	X	
College Park Elementary										X		X				X	X	X
Cooke Elementary										X		X				X	X	
Corporate Landing Elementary										X		X					X	
Creeds Elementary										X		X					X	
Dey Elementary										X							X	
Diamond Springs Elementary							X			X		X				X	X	X
Fairfield Elementary										X							X	
Glenwood Elementary										X		X				X	X	
Green Run Elementary										X		X					X	X
Hermitage Elementary										X							X	
Holland Elementary										X		X				X	X	X
Indian Lakes Elementary										X							X	
Kempsville Elementary										X						X	X	
Kempsville Meadows Elementary										X						X	X	
King's Grant Elementary										X							X	
Kingston Elementary							X			X							X	
Landstown Elementary										X							X	
Linkhorn Park Elementary										X						X	X	
Luxford Elementary										X		X				X	X	
Lynnhaven Elementary										X		X				X	X	X
Malibu Elementary										X		X				X	X	
New Castle Elementary										X							X	
Newtown Elementary							X			X							X	X
North Landing Elementary										X							X	
Ocean Lakes Elementary										X						X	X	
Parkway Elementary										X		X				X	X	X
Pembroke Elementary										X							X	
Pembroke Meadows Elementary										X		X				X	X	
Point O'View Elementary										X		X					X	
Princess Anne Elementary										X							X	
Providence Elementary										X						X	X	
Red Mill Elementary										X							X	
Rosemont Elementary							X			X		X				X	X	X
Rosemont Forest Elementary										X							X	
Salem Elementary										X						X	X	
Seatack Elementary				X						X		X					X	X
Shelton Park Elementary										X		X				X	X	
Strawbridge Elementary							X			X							X	
Tallwood Elementary							X			X							X	
Thalia Elementary										X		X					X	
Thoroughgood Elementary							X			X							X	
Three Oaks Elementary										X						X	X	
Trantwood Elementary										X	X					X	X	
White Oaks Elementary										X		X				X	X	
Williams Elementary							X			X							X	X
Windsor Oaks Elementary										X		X					X	
Windsor Woods Elementary										X						X	X	
Woodstock Elementary										X							X	

Academy and Advanced Academic Programs	Adult Education	Alternative Education	An Achievable Dream Academy	Career and Technical Education	Charter School	Digital Learning Anchor School	Distance Learning Program	Dual Enrollment Program	English as a Second Language (ESL)	Foreign Language Partial Immersion Academy	Full-day Kindergarten	Gifted Education (full-time or pull-out program)	International Baccalaureate	NUROTC Program	Pre-Kindergarten	Special Education	Title I
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Middle Schools

Bayside Middle
 Bayside Sixth Grade Campus
 Brandon Middle
 Corporate Landing Middle
 Great Neck Middle
 Independence Middle
 Kempsville Middle
 Landstown Middle
 Larkspur Middle
 Lynnhaven Middle
 Old Donation School
 Plaza Middle
 Princess Anne Middle
 Salem Middle
 Virginia Beach Middle

				X			X		X							X	X
				X			X		X							X	X
				X			X		X							X	
				X		X	X		X							X	
				X		X	X		X							X	
				X			X		X							X	
				X			X		X							X	
				X			X		X	X						X	
				X		X	X		X							X	
				X			X		X							X	
				X			X		X			X				X	
				X			X		X				X			X	
				X			X		X							X	
				X			X		X							X	
				X			X		X				X			X	

High Schools

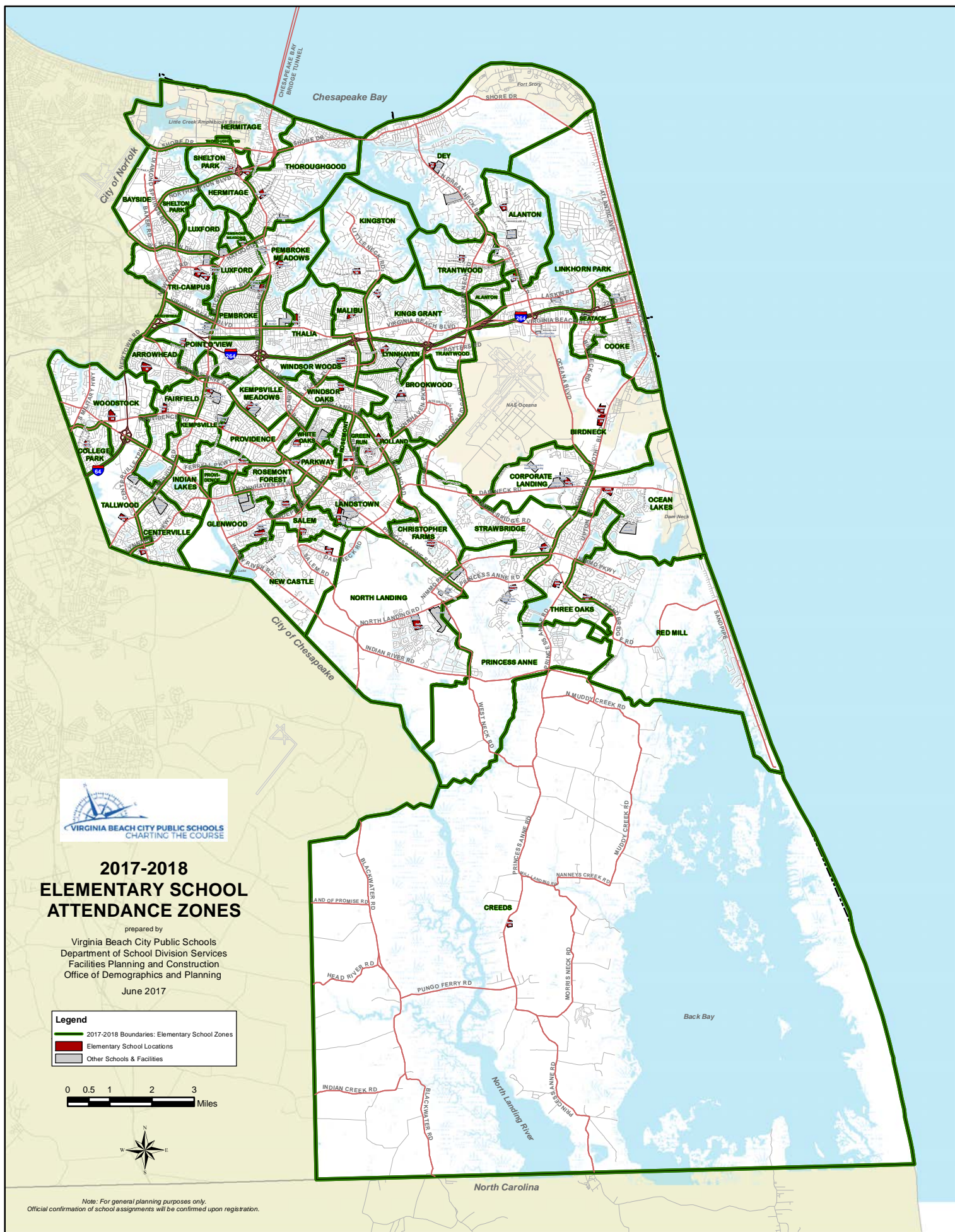
Bayside High
 Cox High
 First Colonial High
 Green Run Collegiate
 Green Run High
 Kellam High
 Kempsville High
 Landstown High
 Ocean Lakes High
 Princess Anne High
 Salem High
 Tallwood High

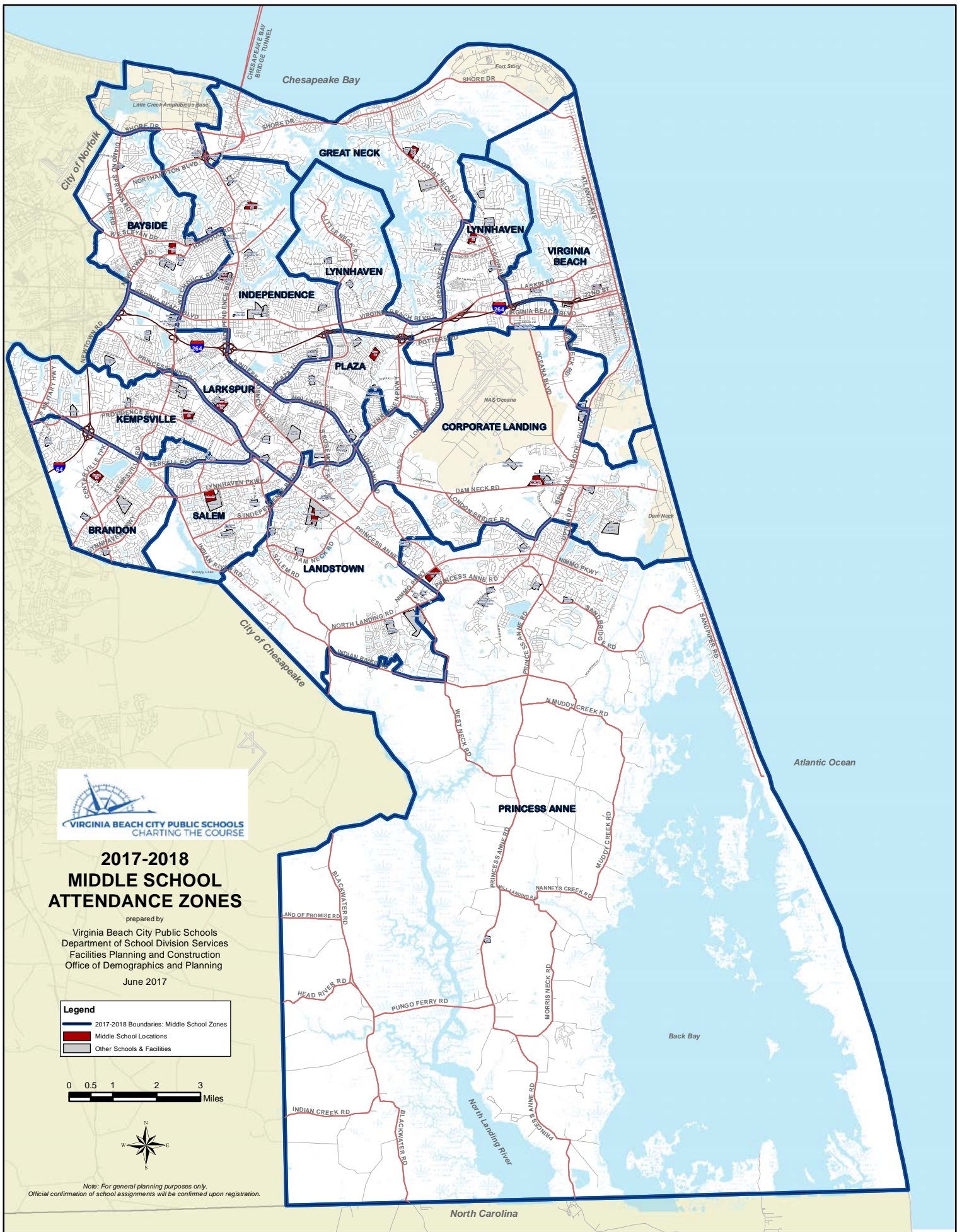
X				X		X	X	X								X	
				X			X	X								X	
X				X			X	X						X		X	
				X	X		X	X					X			X	
				X		X	X	X						X		X	
				X		X	X	X								X	
X				X		X	X	X								X	
X				X			X	X						X		X	
X				X			X	X								X	
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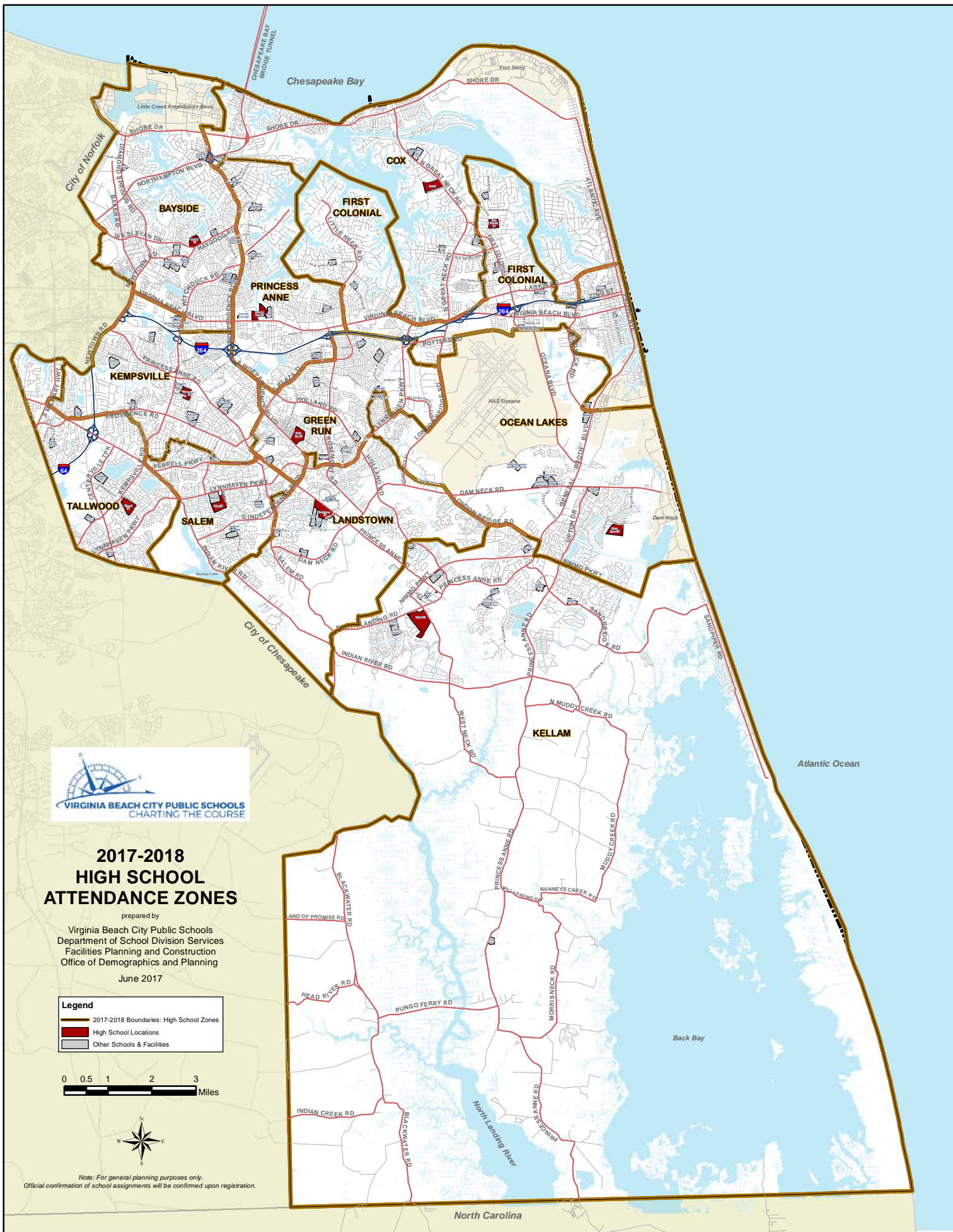
Centers

Adult Learning Center
 Advanced Technology Center
 Juvenile Detention Center
 Renaissance Academy
 Technical & Career Education

	X															X	
				X												X	
		X														X	
		X		X												X	
				X					X							X	







School Board Strategic Framework

The strategic framework, *Compass to 2020*, charts the course for teaching and learning across the school division with the focus of ensuring that every student is challenged and supported to reach his or her full potential.

MISSION

The Virginia Beach City Public Schools, in partnership with the entire community, will empower every student to become a life-long learner who is a responsible, productive and engaged citizen within the global community.

VISION

Every student is achieving at his or her maximum potential in an engaging, inspiring and challenging learning environment.

CORE VALUES

VBCPS is committed to creating a culture of growth and excellence for our students, staff and community. We strive to make this culture evident to all by actively reflecting on and engaging in behaviors that demonstrate our core values.

We Put Students First:

Student-Centered Decision Making - Choosing actions that, above all else, benefit and support student learning, growth and safety. We ask ourselves: *How am I putting student interests and needs first when making decisions?*

We Seek Growth:

Continuous Learning - Pursuing formal and informal learning opportunities to foster personal growth and improvement for all. We ask ourselves: *In what ways am I making my learning a priority?*

We Are Open to Change:

Innovation - Encouraging new ideas or improved ways of teaching, learning and working together to achieve our mission. We ask ourselves: *How am I implementing new or improved ideas to benefit my work and the work of the school division?*

We Do Great Work Together:

Collaboration - Working together and building partnerships that will benefit our students, division and community. We ask ourselves: *How and where am I working with others to improve my work and the work of the school division?*

We Value Differences:

Respect - Fostering a trusting, open, ethical, honest and inclusive environment where diversity of thought and individual contributions are prized. We ask ourselves: *What am I doing to invite, recognize and esteem the perspectives of those around me?*

CORE VALUES

STUDENT-CENTERED DECISION MAKING

Choosing actions that, above all else, benefit and support student learning, growth, and safety.

**Put
Students
First**

CONTINUOUS LEARNING

Pursuing formal and informal learning opportunities to foster personal growth and improvement for all.

**Seek
Growth**

INNOVATION

Encouraging new ideas or improved ways of teaching, learning, and working to achieve our mission.

**Be
Open to
Change**

COLLABORATION

Working together and building partnerships that will benefit our students, division, and community.

**Do Great
Work
Together**

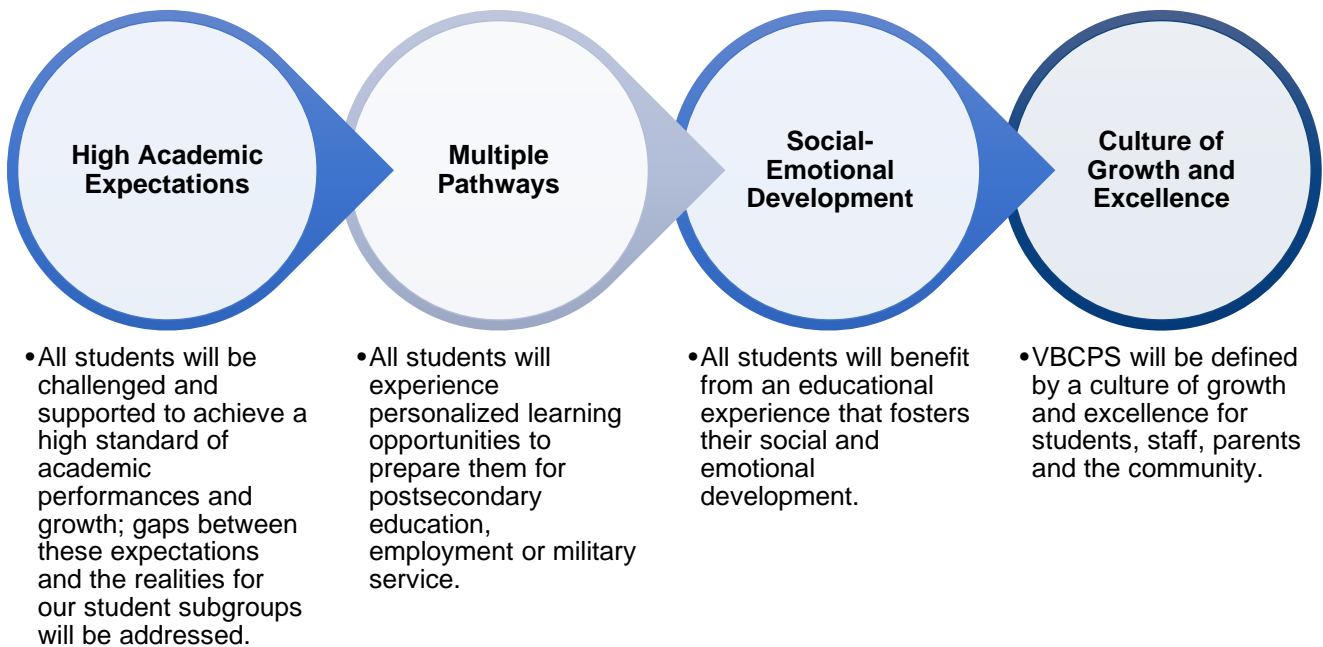
RESPECT

Fostering a trusting, open, ethical, honest and inclusive environment where diversity of thought and individual contributions are prized.

**Value
Differences**

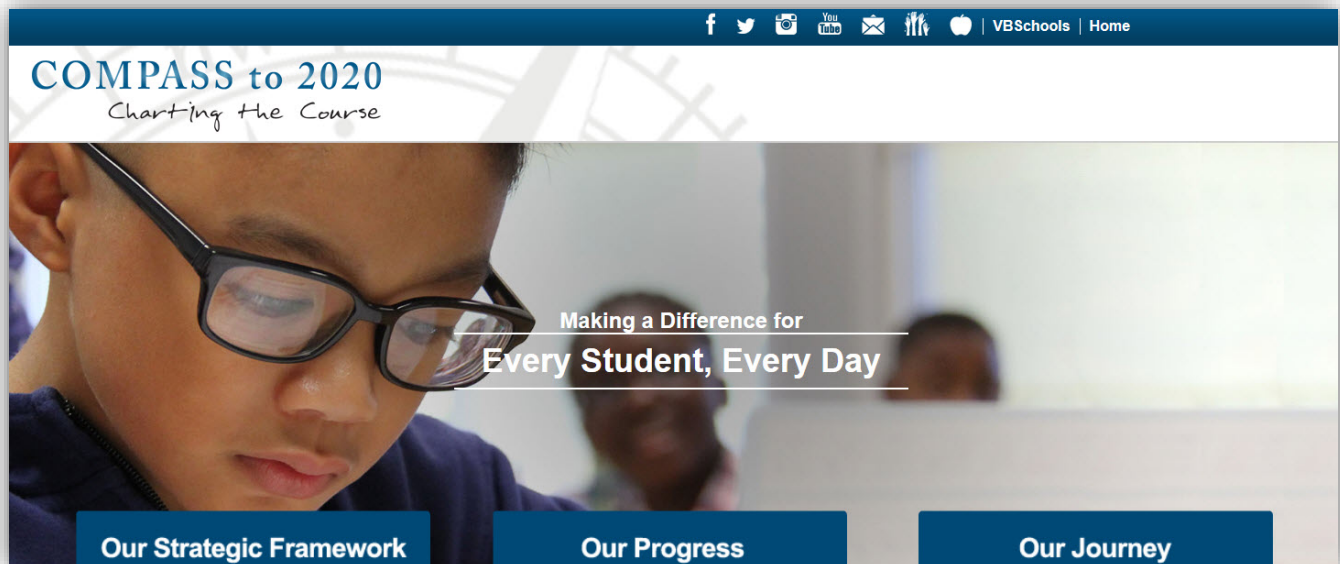
GOALS

Compass to 2020: Charting the Course sets the vision and guides the work of VBCPS. The five-year strategic framework includes four goals and multiple strategies to guide this important work.



As part of the planning process for the division's strategic framework, a cross-section of more than 70 stakeholders worked to identify key measures for each of the goals in the framework. These key measures were refined and translated into indicators designed to serve as "navigational markers" for the entire school division. Indicators specific to student performance are reported for all students across the school division as well as by student subgroups at regularly scheduled intervals. The navigational markers and related information about progress being made are available on the division website.

Anyone interested in additional information is encouraged to visit the [website for *Compass to 2020*](#) to view the framework in its entirety and see updates on how the school division is putting this framework into practice in the classrooms, hallways and schools across the city.



Budget Development Process

BUDGET PLANNING

Tenets of the School Board's strategic framework, *Compass to 2020: Charting the Course*, drive the division's operational and financial plans. The School Board budget reflects multiple stages of planning to allocate resources for carrying out the goals defined through the strategic framework. Each planning phase includes input from senior staff, school division employees, city government staff and the community.

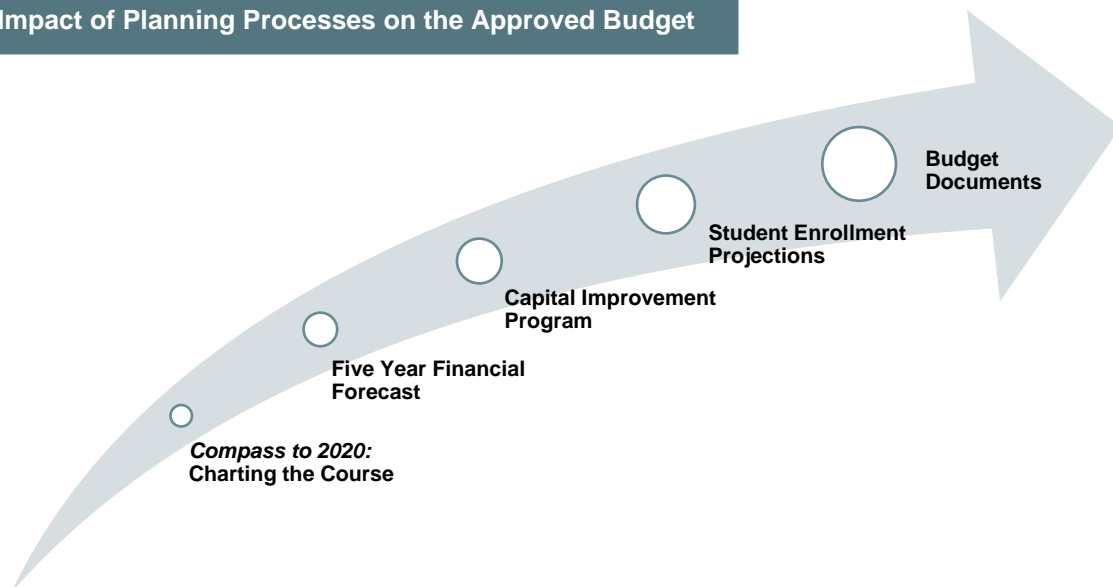
Each year, staff members from the city and VBCPS collaborate to make projections about economic indicators and budget trends that are likely to occur over the next five years. In preparation for the forecast report and to frame the upcoming budget process, city and school division staff meet with local and regional economists each year. This year, the consensus of the group is that the slow growth in the economy will linger over the next several years. The regional economic growth rate continues to fall well below the 2.6 percent average over the past 30 years. The area has yet to recover all of the jobs lost in the latest extended recession, federal defense spending has decelerated, and the housing market has shown only slight improvements in recent years. The forecast focuses on the city General fund and the division's School Operating fund. Overall revenues are projected to grow modestly for VBCPS in the forecast period, from 1.7 percent in FY 2017/18 to 2.3 percent in FY 2021/22.

VBCPS develops a series of student enrollment projections and analyses annually to aid in identifying future student needs and developing recommendations for how to best address these needs. In support of the short and long-range budget planning processes, student membership projections for each school are used to determine staffing and funding allocations.

The Capital Improvement Program (CIP) assesses requirements for new facilities, renovation of existing facilities, infrastructure management, technology upgrades and other facility related needs. The list of projects resulting from this assessment and guidance outlined in the division's Comprehensive Long Range Facility Master Plan provide a clear statement of school facility requirements. Actual completion dates for CIP projects depend on cash flow and debt service limitations.

Thorough planning processes are used to generate three drafts of the budget document at multiple stages of budget development. The Superintendent's Estimate of Needs (SEON) is developed and presented to the School Board in February. The School Board then conducts several workshops prior to submitting a Proposed School Board Operating Budget to the City Council in March. Both of these documents detail projected revenues and expenditures and outline proposed changes as compared to the prior year's budget. The City Council must approve the appropriation for the division no later than May 15. Ultimately, the School Board Approved Budget document is drafted using final revenue data from the city and General Assembly.

Impact of Planning Processes on the Approved Budget



BUDGET DEVELOPMENT OVERVIEW

SCHOOL OPERATING BUDGET

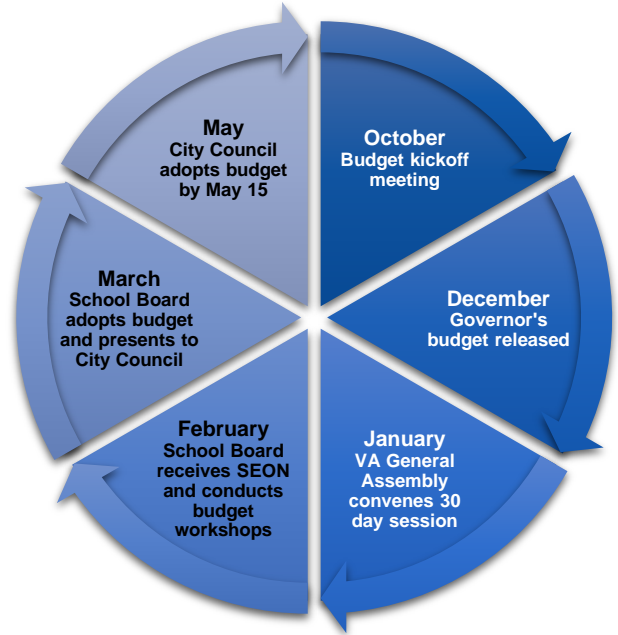
The graphic below highlights major events that impact the budget process; however, the narrative more fully explains activities that contribute to the development and approval of the annual School Operating budget.

Groundwork for the annual process begins in September when staff from the Office of Budget Development prepare and publish a budget calendar that outlines key dates associated with the development, presentation, approval and appropriation of funds for school use. The chief financial officer (CFO) works with budget staff to draft a baseline budget using estimated revenues and expenditures and assuming the division will maintain current staffing levels, programs and policies. Adjustments are made to the baseline budget to account for the latest economic projections, revenue estimates, and information about likely increases for expenditure types such as fringe benefits and purchased services (to execute contractual agreements).

During the annual budget kickoff meeting in October, the CFO provides budget managers with an economic update and revenue outlook for the upcoming fiscal year along with general directions for preparing their budgets. Budget development strategies are communicated and current budget challenges and priorities are discussed. In October and November, departmental budget requests are compiled and analyzed and recommendations are formulated by the Office of Budget Development for executive review.

The Five Year Forecast, a collaborative undertaking between VBCPS and city staff, is drafted and published each November and establishes underlying assumptions about expected costs, revenues, position turnover, inflation and enrollment that drive budget development. The forecast report is presented to the City Council and the School Board in a joint meeting. A public hearing is held during a School Board meeting in November or December to solicit public input on the School Operating budget.

The Governor's budget with projected state payments for each school division is introduced in December. In addition to estimated revenue information for the Standards of Quality (SOQ), incentive, categorical and lottery funded accounts, the Governor's budget release includes an electronic file that provides school divisions the opportunity to adjust average daily membership (ADM) to test the effect on state funding projections and local match requirements. The House of Delegates and the Senate have the opportunity to amend the Governor's budget proposals during the General Assembly session that convenes in January. The General Assembly adopts a final budget before the end of the session, which generally occurs in March.



Also in January, VBCPS departmental requests are summarized and presented to the superintendent and senior staff to begin deliberations on unmet needs and budget priorities. If initial revenue estimates are unfavorable and a budget shortfall is predicted, these discussions will focus on cost saving strategies and potential cuts that may be required to balance the budget. The superintendent holds budget forums for VBCPS staff during this stage of the process to obtain input on budget priorities and field questions and concerns about the budget.

The SEON is presented to the School Board each year in February and is considered the starting point for the following year's fiscal budget. The SEON is developed using the projected state payments outlined in the Governor's introduced budget and estimated local revenue figures provided by city staff. Following the presentation of the SEON, the School Board conducts several budget workshops with the administration to facilitate discussion prior to developing and presenting the Proposed Operating Budget to the City Council in March. During this same period, an additional public hearing is held to offer the community an opportunity to be involved in the budget development process.

CAPITAL IMPROVEMENT PROGRAM BUDGET

Guided by a Comprehensive Long Range Facilities Master Plan developed in October 2007, the CIP reflects the capital maintenance and construction needs of the school division. Capital expenditures included as a project in

the CIP typically cost at least \$100,000 and have a useful life of at least 20 years. In conjunction with the City Council, the School Board determines actual funding for the capital projects on an annual basis. The CIP budget addresses the current year's needs as well as planned capital projects over the succeeding five-year period. Projects may include acquisition, construction, renovation, betterment or improvement of land, school buildings and facilities; roof replacements; HVAC replacements; and equipment or vehicles.

The CIP budget development process closely follows the calendar and timeline of the School Operating budget, beginning with a preliminary meeting with city staff in September. After discussing plans and projects with staff from the city, CIP request forms are distributed to schools and offices and are returned to administration in late October. A public hearing is held during a School Board meeting in November or December to solicit public input on plans for the CIP budget. Following the schedule for the School Operating budget, the CIP budget is presented to the School Board in February with the SEON. During budget workshops conducted in February and March, the School Board meets with the superintendent and senior staff to review and discuss the proposed six-year plan for the CIP budget. Another public hearing is held in March to support community involvement in the CIP budget development process.

BUDGET ADOPTION

In accordance with State Code, the School Board is required to present a balanced budget to the City Council on, or before, April 1. In the interest of time, a formal budget resolution is generally adopted by the School Board in March. After the School Operating and CIP budgets have been adopted and forwarded to the city for review, updated information related to revenue projections, debt service obligations, or employee compensation and benefits is analyzed and assessed, as it becomes available, to determine any impact the revised figures may have on the budgets.

Following deliberations about budget priorities and development, staff from the city and VBCPS coordinate efforts to make final adjustments to projected revenues and complete a budget reconciliation process. The City Council must approve the appropriation for the School Operating and CIP budgets no later than May 15. Once the City Council adopts a final budget ordinance in May, VBCPS has firm budget figures for the share of local revenue the division will receive from the city. Since nearly 51 percent of funding for VBCPS comes directly from the city, understanding details about local revenue is critical for finalizing the budget development process. Once total amounts are known, the School Board Approved Operating Budget is drafted to present all revenue and expenditure details for the next fiscal year, which begins July 1.

BUDGET AMENDMENTS

Managing the annual budget for VBCPS is an ongoing cyclical process that encompasses the development, monitoring and review of activities for the current and future fiscal years. Once the budget is adopted by the City Council, it becomes the legal basis for the programs of each department during the fiscal year. Toward the end of the fiscal year, the CFO and his budget staff conduct a comprehensive budget review to address variances in estimated revenues, estimated expenditures and other changes to the schools' financial condition.

Fiscal accountability is based on the established signature authority. Financial and programmatic monitoring of departmental activities ensures conformity with the adopted budget and occurs throughout the year. Budget amendments may be made to meet the changing needs of a school, a department and/or the division.

All local funding is appropriated by the City Council to the school division. The School Board may ask for an increase in the appropriation from the City Council, in accordance with the City/School Revenue Sharing Policy, which is included for reference in the appendix to this document. Amendments to the School Operating budget are made in accordance with School Board Policy 3-10, which governs the transfer of funds. The policy essentially states that, "neither the School Board, the superintendent nor school staff shall expend nor 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 City Council."

BUDGET CALENDAR FOR FY 2017/18 OPERATING BUDGET AND FY 2017/18 - FY 2022/23 CAPITAL IMPROVEMENT PROGRAM

The following calendar of events further outlines activities that contribute to the budget development and approval process.

2016	
September	The Budget Calendar is developed
Sep. 20	The Budget Calendar is presented to the School Board for information
Oct. 4	The Budget Calendar is presented to the School Board for action
Oct. 11	A budget kickoff meeting is conducted to provide senior staff and budget managers with an economic update, revenue outlook and general directions for budget development
Oct. 11 - Dec. 6	Budget requests are submitted by senior staff and budget managers to the Office of Budget Development
Nov. 15	A Five Year Forecast is presented to the School Board and the City Council
Dec. 6	A public hearing is held to solicit stakeholder input and offer the community an opportunity to be involved in the budget development process
Dec. 9	Recommended part-time hourly rates for FY 2017/18 are submitted by the Department of Human Resources to the Office of Budget Development
Dec. 12	A draft of the Capital Improvement Program is prepared for the superintendent's review
December (3 rd week)	State revenue estimates are released by the Virginia Department of Education
2017	
Jan. 3 - 20	Budget requests are reviewed, refined and summarized by the Office of Budget Development
Jan. 9	The recommended Capital Improvement Program budget is presented to the superintendent and senior staff
Jan. 17	The recommended School Operating budget is presented to the superintendent and senior staff
Jan. 17	Budget Forum #1 is held for employees from 4:30 - 5:30 p.m. (Salem High School)
Jan. 19	Budget Forum #2 is held for employees from 4:30 - 5:30 p.m. (First Colonial High School)
Jan. 26	Budget Forum #3 is held for employees from 4:30 - 5:30 p.m. (Tallwood High School)
Jan. 30	Budget Forum #4 is held for employees from 1:30 - 2:30 p.m. (Advanced Technology Center)
Feb. 7	The Superintendent's Estimate of Needs for FY 2017/18 is presented to the School Board
Feb. 7	The Superintendent's Proposed FY 2017/18 - FY 2022/23 Capital Improvement Program budget is presented to the School Board
Feb. 14	School Board Budget Workshop #1 is held from 5:00 - 8:00 p.m.
Feb. 21	School Board Budget Workshop #2 is held from 2:00 - 5:00 p.m.
Feb. 21	A public hearing is held to solicit stakeholder input and offer the community an opportunity to be involved in the budget development process
Feb. 28	School Board Budget Workshop #3 is held from 5:00 - 8:00 p.m. (if needed)
Mar. 7	School Board Budget Workshop #4 is held from 2:00 - 5:00 p.m. (if needed)
Mar. 7	The FY 2017/18 School Operating budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are adopted by the School Board
Mar. 14	The FY 2017/18 School Board Proposed Operating Budget is provided to city staff
April	The FY 2017/18 School Board Proposed Operating Budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are presented to the City Council (Sec. 15.1-163)
No Later Than May 15	The FY 2017/18 School Board Proposed Operating Budget and FY 2017/18 - FY 2022/23 Capital Improvement Program budget are approved by the City Council (Sec. 22.1-93; 22.1-94; 22.1-115)

BUDGETARY GOALS AND CHALLENGES

There are many factors unique to school divisions that can trigger educational cost increases that outpace inflation. For example, increases in labor costs due to rising student enrollment or changes in staffing standards can drastically impact school budgets because K-12 education is so labor intensive. Understanding these factors provides a greater appreciation of the financial challenges that schools confront today and of the environmental context in which budgeting decisions must be made. The following factors place considerable pressure on school budgets:

- **Programmatic Priorities** – Our community demands high achievement, as well as the availability of programs and opportunities to address each student's individual needs. Meeting the expectations of our community and achieving the goals outlined in *Compass to 2020* requires that VBCPS allocate resources thoughtfully, strategically and efficiently.
- **Technology** – The five-year framework outlined in *Compass to 2020* charts the course for teaching and learning across the division with the focus of ensuring that every child is challenged and supported to reach his or her full potential. The framework's strategies include providing students with personalized learning opportunities that incorporate the use of digital resources to prepare them for employment or post-secondary educational opportunities in a globally-competitive environment. In support of the strategic plan, the division is preparing to phase in the provisioning of Chromebooks for every student and teacher in first through 12th grades with a goal to fully deploy the devices to each school in the division by the 2020 school year, or sooner, as funding permits. As the division prepares students to master not only course content, but globally competitive skills such as creativity, collaboration, critical thinking, communication and citizenship, it is evident that the purposeful use of technology will be integral to the instructional program.
- **Employee Compensation** – In support of Goal 4 of the strategic framework, VBCPS is focused on placing a premium on recruiting, hiring, supporting and retaining high-quality staff in all positions. One of the top strategies aimed at addressing Goal 4 of *Compass to 2020* is to provide a competitive compensation and benefit plan for employees. VBCPS ranks No. 1 in the Hampton Roads region for entry-level teacher salary compensation. In recent years, VBCPS has budgeted funds, as available, to take incremental steps toward addressing internal equity and compression issues identified in the Unified Pay Scale.
- **Employee Benefits** – In 2012, the General Assembly took action to require full funding of Virginia Retirement System (VRS) employer contributions under a phased-in schedule until the rates become 100 percent funded in the 2018-2020 biennium. However, the General Assembly's 2016-2018 biennial budget adopted higher VRS employer contribution rates for instructional retirement benefits than those originally planned. For FY 2017/18, the state budget increased the rate from 14.66 percent to 16.32 percent. This increase was due largely in part to the previous underfunding of the VRS plan during the economic downturn. Because retirement is a salary-sensitive benefit, related expenses can also increase with compensation adjustments, position growth and turnover.
- **State and Federal Mandates** – VBCPS must comply with state and federal mandates that significantly impact divisionwide needs and priorities. Mandates are not always funded and can pose a financial burden on localities and school divisions. In 2011, the Virginia General Assembly created the Governor's Task Force for Local Government Mandate Review. The task force was asked "to review state mandates imposed on localities and to recommend temporary suspension or permanent repeal of such mandates, or any other action as appropriate". In August 2015, the Governor's Task Force issued an interim report with recommendations for the General Assembly to consider. The financial impacts of federal mandates outlined in the Every Student Succeeds Act of 2015 (ESSA), the new accountability model that replaced the No Child Left Behind (NCLB) Act of 2001, have not yet been fully assessed.
- **Lagging State Funding** – Public education policy changes at the state level significantly and routinely underfund education. State spending allocated to school divisions is driven by the number of students and local ability to pay. According to a report on state education spending released by the Joint Legislative Audit and Review Commission, after adjusting for inflation and increased enrollment, Virginia now spends 9 percent less on K-12 instruction than it did in 2005. The Virginia Department of Education (VDOE) reported that inflation adjusted state per pupil funding declined from \$4,275 in 2009 to \$3,647 in 2016, or by \$628 per pupil. Costs for educating students have not declined during the same period.
- **Structurally Flawed Operating Budget** – The FY 2017/18 budget marks the eighth consecutive year VBCPS has had to rely on one-time reversion funds to augment the School Operating budget and pay for recurring expenses. While the use of one-time funding has helped bridge the gap between the revenue available and expenditures, the use of these funds to pay for ongoing costs has created a structural imbalance that requires

recurring revenue to resolve. Relying on one-time dollars for ongoing expenses is simply not a sustainable budget strategy.

- Enrollment and Demographics – The cost of enrollment growth and changing student demographics can impact school-based positions generated through staffing formulas and per pupil allocations. A slow decline in student enrollment is projected to continue divisionwide over the upcoming five-year projection window. According to the Weldon Cooper Center for Public Service at the University of Virginia, VBCPS is among the majority of Virginia school divisions with respect to declining enrollment trends.

COST OF GOALS

At the conclusion of deliberations during multiple budget workshops, the School Board approved and submitted a balanced budget resolution to the City Council in March requesting a lump sum appropriation of \$748.1 million for the FY 2017/18 School Operating budget. The budget adopted by the School Board and submitted to the City Council for review and approval was developed within the City/School Revenue Sharing Policy. Although the School Board submitted a resolution to the City Council reflecting a balanced FY 2017/18 Proposed Operating Budget based on projected revenues, the School Board also adopted a separate budget resolution on Mar. 7 requesting additional funding totaling \$14,093,300 above and beyond what would be provided by applying the agreed upon Revenue Sharing Formula (RSF). The purpose for the additional funding is: 1) to provide funds to begin a multi-year phased implementation of full-day kindergarten for all eligible students, and 2) to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to VPI state funding.

In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funds must be brought forward to the City Council and that the School Board must acknowledge support for an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary. This secondary Budget Resolution - Additional Funds Request adopted by the School Board included the required language with added clarification that any unspent funds related to the request would be utilized solely for identified priority needs such as CIP projects, replacement school buses, replacement equipment and furniture, and technology related items.

The city budget development process also occurs in stages, requiring the School Board Proposed Operating Budget to be reconciled with the City Council ordinance outlining the annual budget for the city and making appropriations for FY 2017/18. As previously mentioned, the City Council must approve the appropriation for the School Operating and CIP budgets no later than May 15, providing firm budget figures for the share of local revenue VBCPS will receive from the city for the next fiscal year, which begins July 1. These figures would reflect any additional educational funding that may be approved by the City Council.

The additional local funding requested by the School Board would equate to a real estate tax increase of nearly three cents. In the FY 2017/18 Resource Management Plan and Operating Budget adopted by the City Council, a real estate tax increase of 1.25 cents was included to support the first two years of the phased approach VBCPS will take to implement full-day kindergarten and expand the pre-kindergarten program. The tax revenue generated by the rate increase is recognized in the FY 2017/18 School Operating budget as an additional appropriation of \$6.75 million in dedicated revenue from the city.

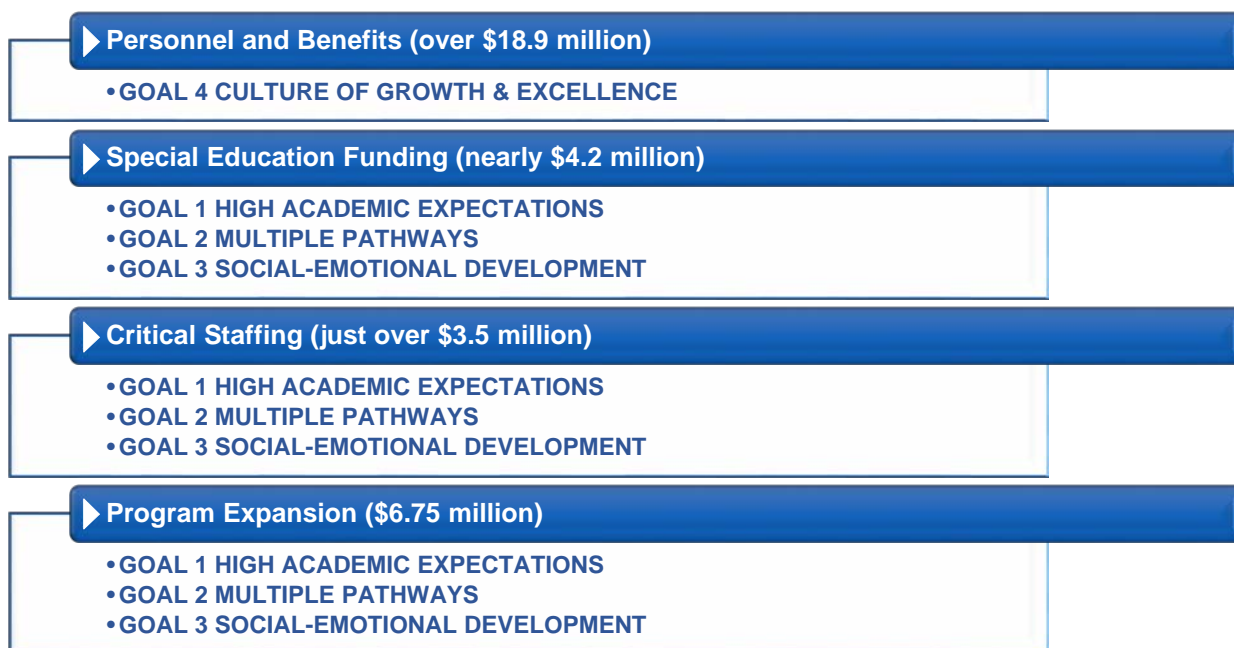
VBCPS is one of only three school divisions in the Commonwealth that do not currently offer full-day kindergarten to all eligible students. The planned implementation will expand full-day kindergarten to 53 elementary schools and increase the number of at-risk students served in the division's preschool program from 704 to 1,154 students by FY 2021/22. Full-day kindergarten is currently offered at 23 elementary schools with plans to add between 15 and 18 full-day classes each year. The preschool expansion would require the addition of six classes each year for four years and one additional class in the final year of expansion. The \$6.75 million budget is sufficient to fund the annual costs of implementing and expanding these programs for the first three years of the five-year plan, through FY 2019/20. Although funding to complete the multi-year phased implementation of full-day kindergarten for all eligible students is not reflected in the current financial forecast, the School Board will continue to support the planned expansion and address any request for additional funding during future budget development cycles.

With the additional \$6.75 million in funding from the city, the final FY 2017/18 School Operating budget totals approximately \$754.9 million, reflecting an increase of \$29.9 million, or 4.1 percent, when compared to the FY 2016/17 Approved Budget. For the first time in several years, balancing the School Operating budget did not include a proposed class size increase. In addition to the spending plan approved for the kindergarten and pre-kindergarten expansion funds, the FY 2017/18 School Operating budget provides for:

1. the addition of 40.0 secondary FTE instructional positions to strategically reduce class sizes and 6.0 FTE instructional technology specialists at the elementary and middle school levels at a combined cost of \$3.5 million;
2. a salary increase of 2.0 percent for employees at an expense of \$10.4 million (inclusive of benefits);
3. the implementation of higher VRS employer contribution costs of over \$6.5 million resulting from a rate increase of 1.66 percent;
4. the allocation of nearly \$1.2 million in targeted funding to improve compensation for bus drivers along with \$750,000 to continue support for Unified Pay Scale equity adjustments; and
5. an increase of approximately \$4.2 million to ensure the availability of adequate funding required to support special education programs in the division.

Based on discussions with the School Board and superintendent, the City Council felt comfortable with the division's internal accounting controls and adopted the FY 2017/18 School Operating budget as a lump sum appropriation rather than by categories.

Significant FY 2017/18 Expenditure Highlights Linked to Strategic Goals



The FY 2017/18 budget reflects considerable increases in revenue at the state and local levels and continues to reverse the impact of significant cuts that VBCPS has sustained since 2008. A variety of economic factors and policies contributed to revenue growth at the state and local level for FY 2017/18. State revenue, which accounts for 36.2 percent of VBCPS' FY 2017/18 funding, increased \$10.0 million, or 3.8 percent from FY 2016/17. The most significant changes for this revenue source are the lottery funded programs which increased a little more than \$7 million from the previous year. These projected increases reflect the impact of General Assembly legislative actions, the state's rebenchmarking of costs, changes in VBCPS enrollment, technical public education policy updates and a reduced local composite index (LCI) for the 2016-2018 biennium. Conversely, the projected state sales tax revenue for VBCPS in FY 2017/18 is \$73.7 million, a decrease of a little over \$1 million, or 1.4 percent, compared to the FY 2016/17 Approved Budget.

The outlook for increased local economic growth continues to improve. The major building blocks of the regional economy (defense, the Port, tourism) have gained momentum and the housing market continues to show slow, but steady improvement. VBCPS receives most of its funding, nearly 51 percent, from local contributions. The FY 2017/18 local contribution for the School Operating budget (generated through the RSF and other local contributions) totals \$382,762,670, an increase of \$17,303,374, or 4.7 percent, over the FY 2016/17 amount of \$365,459,296.

ASSUMPTIONS AND COSTING GUIDELINES FOR OTHER BUDGET ISSUES

VBCPS uses the following guidelines for major capital replacement purchases:

Capital Category	Replacement Cycle
Copiers and Multi-function Devices	8 years
School Buses	12 to 14 years
Technology	3 to 7 years depending on the item
Textbooks	7 to 8 years in conjunction with the state SOL revision cycle
White Fleet Vehicles	10 to 12 years (based on mileage)

UNFUNDED MANDATES

VBCPS must comply with state and federal mandates that significantly impact divisionwide needs and priorities. Every year, the Virginia General Assembly passes legislation, some of which mandates action for all Virginia school divisions. However, the state also decides how much funding, if any, school divisions receive in order to fulfill those mandates. School divisions are then left to make up the difference in cost for all funded or underfunded mandates, which poses a financial burden on localities and divisions.

As of August 2015, the total impact of state and federal unfunded mandates to VBCPS was approximately \$43 million. Of the \$43 million, approximately \$16 million (37 percent) are mandates that originated from either the General Assembly or the VDOE. These mandates range from new reporting requirements, to new policies and procedures, to unfunded equipment requirements. This section highlights the most recent or significant state and federal government mandates impacting VBCPS.

STATE MANDATES

VIRGINIA RETIREMENT SYSTEM

Legislation passed by the General Assembly mandated that beginning July 1, 2012, new employees must fully pay the 5.0 percent VRS employee contribution, which was previously paid by employers. For existing employees, Virginia school systems and localities had the option of shifting the full 5.0 percent to these employees beginning July 1 of that same year, or implementing the shift over five years. The legislation also required school divisions to give a salary increase equal to the percentage of the contribution shift. VBCPS opted to implement the shift over five years, beginning in FY 2012/13. Since this mandate was passed, VBCPS has provided salary increases that include a 1.34 percent “hold harmless” adjustment to offset the required increase employees must pay into VRS and cover associated payroll taxes. FY 2016/17 was the fifth and final year of the phased-in VRS offset; effective FY 2017/18, all eligible employees will be paying the full 5.0 percent required.

The General Assembly’s 2016-2018 biennial budget adopted higher VRS employer contribution rates for instructional retirement benefits than those originally planned. For FY 2017/18, the state budget increased the rate from 14.66 percent to 16.32 percent. This increase was due largely in part to the previous underfunding of the VRS plan during the economic downturn. The General Assembly adopted significantly lower than actuarially recommended VRS employer contribution rates in FY 2010/11 and 2011/12 to mitigate state budget cuts to localities. Although this reduced all school division contributions to VRS, school systems in Virginia were required to repay the underfunded amounts beginning in FY 2012/13 through higher contribution rates. The state established legislation that increases required employer contributions until they reach the full actuarially determined rate by July 1, 2018.

COMPENSATION SUPPLEMENT INCENTIVE

The biennial budget adopted by the 2016 General Assembly provided VBCPS with one-time incentive funding of \$2.7 million to implement salary increases of a minimum average of 2.0 percent for both instructional and support employees in FY 2016/17. As a result of the significant state revenue shortfall in FY 2016/17, Governor McAuliffe announced a proposal for balancing the state’s budget which included eliminating state funding for salary increases. As a result, VBCPS did not receive the compensation supplement for pay increases for FY 2016/17. To fill the gap created by this action, the School Board made a request to City Council to reappropriate \$2.7 million of School Reserve (reversion) funds to cover FY 2016/17 employee raises.

The Governor’s Amended 2016-2018 Biennial Budget adopted by the 2017 General Assembly included \$1.8 million in funding for a compensation supplement equal to the state share of a 2.0 percent salary increase effective Feb. 15, 2018 for funded SOQ instructional and support positions. In order to meet the minimum requirement, a recurring cost of approximately \$10.4 million is required. These compensation supplement funds are not included as part of required local effort; however, in order to receive the state funds, a local match must be provided. The FY 2017/18 Approved Budget includes a 2.0 percent salary increase for all employees effective

July 1 and meets the minimum requirement mandated by the state to receive this supplemental funding. There is no guarantee of additional state funding in future years.

TEXTBOOKS

The Constitution of Virginia, Article VIII, mandates that all school divisions must provide free textbooks and workbooks required for courses of instruction for all public school children. According to the Code of Virginia §§ 22.1-238, 22.1-241 and 22.1-243, local school boards should either enter into written term contracts or issue purchase orders on an as-needed basis with publishers of textbooks approved by the VBOE for use in the public schools. Although actual costs vary from year-to-year, VBCPS consistently spends more money to procure and maintain textbooks than the amount of state funding allocated for this purpose each fiscal year. For FY 2017/18, the unfunded cost for VBCPS is estimated at \$2.9 million.

GIFTED EDUCATION

School divisions are required to identify gifted K-12 students and provide instructional services to meet their needs. The VBOE adopted the Regulations Governing Educational Services for Gifted Students, which outline the requirements that school divisions need to include in their local plan for gifted education. Each school board approves a comprehensive plan for the education of gifted students that includes the components identified by the regulations. The VDOE conducts a technical review of local gifted plans every five years. Each school division has a gifted education coordinator who is assigned the responsibility of overseeing the implementation of the local gifted plan. To support the directives outlined in the regulations, VBCPS incurs costs of approximately \$3.9 million annually.

PROGRAMS FOR EDUCATIONALLY AT-RISK STUDENTS

Virginia school divisions are required to develop and implement programs of prevention, intervention and remediation (including summer school) for students who are educationally at-risk. This includes, but is not limited to, those who fail to achieve a passing score on any SOL assessment in third through eighth grades or who fail an end-of-course test required for the award of a verified unit of credit for the student's graduation. Local school divisions must offer an early identification program for students with difficulties in reading and mathematics. To provide reading intervention services, the Code of Virginia requires each local school board to employ reading specialists trained in the identification of and the appropriate interventions, accommodations, and teaching techniques for these at-risk students. Additionally, divisions are required to provide targeted mathematics remediation and intervention to students in sixth through eighth grades who show demonstrated computational deficiencies and provide reading intervention services to students in kindergarten through third grade who demonstrate deficiencies based on their individual performance on the SOL reading test. Although some of the state funding appropriated for prevention, intervention and remediation programs may be used to meet these requirements, the unfunded expense for VBCPS is projected to be approximately \$7.3 million for FY 2017/18.

PHYSICAL FITNESS REQUIREMENT FOR 8TH GRADERS

The VDOE modified the requirements for physical fitness at the middle school level in the fall of 2006. One of the changes provided students in the eighth grade the option of not taking the school's Health and Physical Education class; however, the Virginia Standards of Accreditation, Standard 8 VAC 20-131-90, now requires all students in sixth through eighth grades to participate in a program of physical fitness. As of August 2016, close to 1,600 VBCPS eighth graders opted out of Health and Physical Education classes, requiring nine additional teachers to instruct these students in other content areas. The requirement also placed an added burden on teachers and administrators to monitor individual programs of physical fitness for those students who opt out. The salary and benefit costs for nine additional teaching positions to support this requirement totaled approximately \$650,000 for the 2016/17 school year.

CONCUSSION MANAGEMENT PROGRAM

In accordance with the Student-Athlete Protection Act, Code of Virginia § 22.1-271.5, as amended, and the VBOE's Guidelines for Policies on Concussions in Student-Athletes, the superintendent developed "Protocol and Procedures for Management of Sports-Related Concussion" for VBCPS. The goals of the Protocol and Procedures are to ensure that VBCPS student-athletes who sustain concussions are properly diagnosed, given adequate time to heal, and are comprehensively supported until they are symptom free. To comply with Virginia Senate Bill 652, the division purchased online access to the ImPACT® program for each high school athletic department. Upon entry into a sport at the high school level, students in high-risk sports will participate in the ImPACT® program – a testing program used by the National Football League and Major League Baseball, along with colleges and universities across the nation. A baseline is created for each athlete. Should there be reason to believe a concussion may have taken place, this baseline will aid in making a return to play decision. Prior to the mandate, athletic trainers were shared at the middle school level. In support of the division's concussion

management program, VBCPS now employs an athletic trainer at every middle and high school. Athletic training services, contracted services and neuropsychologist services to support this program cost approximately \$550,000 each year.

CARDIOPULMONARY RESUSCITATION AND AUTOMATED EXTERNAL DEFIBRILLATORS

Legislation adopted by the 2013 General Assembly requires school divisions to include specific instruction in emergency first aid, cardiopulmonary resuscitation (CPR), and the use of an automated external defibrillator (AED) in the SOL for Health. Beginning in FY 2016/17, students must also receive hands-on training in emergency first aid, CPR and the use of defibrillators as a graduation requirement. The initial purchase of defibrillators for all VBCPS schools and administrative buildings was approximately \$55,000. In addition to that one-time expense, recurring costs for replacement devices are projected to be \$14,000 annually and an additional \$6,000 per year will be needed for AED trainers and replacement pads. CPR kits and training mats are expected to cost \$27,500 each year. Instructional staff seeking an initial license or renewal of a license must complete certification or training in emergency first aid, CPR, and the use of AEDs. The financial impact for staff development and student training is expected to be significant. There is no state funding to support this mandate.

FEDERAL MANDATES

INDIVIDUALS WITH DISABILITIES EDUCATION ACT

IDEA guarantees a free appropriate public education to all eligible children with disabilities. The term “special education” means specially designed instruction, at no cost to the parent(s) or guardian(s), to meet the unique needs of a child with a disability, including instruction conducted in a classroom, the home, hospitals, institutions, other settings and instruction in physical education. In 1975, the federal government made a commitment to fund 40 percent of excess special education costs. For FY 2015/16, national IDEA federal funding covered 15.3 percent of the estimated excess cost of educating children with disabilities, less than in FY 2008/09 when federal funding covered 17 percent of the cost and well below FY 2009/10 when additional funding through the American Recovery and Reinvestment Act (ARRA) covered 33 percent of the cost. IDEA Part B “full funding” for FY 2014/15 would have amounted to approximately \$33.5 billion nationally, or roughly \$20.7 billion more than was actually appropriated. The shortfall in IDEA funding has been assumed by the states and local school divisions. For FY 2015/16, federal funding only covered approximately 16.0 percent of VBCPS’ costs for special education and related services. During that fiscal year, approximately 10.8 percent of VBCPS students received special education services.

MCKINNEY-VENTO HOMELESS ASSISTANCE ACT

Under the McKinney-Vento Homeless Assistance Act, homeless children and youth are entitled to receive transportation and other services that are available to non-homeless students. States and local educational agencies (LEAs) must adopt policies and practices to ensure that transportation is provided, at the request of the parent or guardian, to and from the school of origin for the duration of the homelessness. In meeting these requirements, local liaisons must assist with helping to coordinate transportation services for homeless children and youth. If the student remains in the school division, the division is responsible for transportation. If the homeless student begins living in an area served by another school division, the two divisions should agree on how transportation costs will be shared. The transportation costs incurred by VBCPS for homeless children and youth exceed funding from the state and federal government by approximately \$800,000 annually.

ELEMENTARY AND SECONDARY EDUCATION ACT AS AMENDED BY THE EVERY STUDENT SUCCEEDS ACT OF 2015

School divisions have historically received federal funding from the Elementary and Secondary Education Act (ESEA) of 1965, reauthorized by the No Child Left Behind (NCLB) Act of 2001. On June 29, 2012, the U.S. Department of Education approved the Virginia Board of Education’s application for a waiver from certain provisions of NCLB. The flexibility waiver allowed the state to establish challenging but attainable goals for increasing student achievement. On Dec. 10, 2015, the Every Student Succeeds Act of 2015 (ESSA) was signed into law, and it replaced the NCLB Act of 2001. ESSA provides increased flexibility to states in developing and implementing, within federal guidelines, long term goals and interim measures of progress to identify schools for support and improvement. Section 4(b) of ESSA granted the U.S. Department of Education (USED) the authority to provide for an orderly transition to, and implementation of, authorized programs under the new statute. Programmatic and fiscal components for federal programs operating under ESSA take effect on July 1, 2017; however, the accountability provisions were delayed until July 1, 2018. In March, 2017, USED released a revised Consolidated State Plan template, which addressed all federal programs under ESSA. The financial impact of this new accountability model has not yet been assessed. It is anticipated that federal funding for Title I, Part A and Title III are expected to increase under ESSA, but this would likely be offset by decreases for Title II, Part A.

IMPACT AID

The Impact Aid Program is designed to directly compensate local school districts for: 1) local revenue lost due to the presence of federally owned, and therefore tax-exempt, property and 2) costs incurred to educate federally connected students, such as the children of armed services personnel working at a nearby military base. The purpose of Title VIII of the ESEA is to disburse Impact Aid payments to local school divisions and to provide technical assistance and support services. The Impact Aid program is the only K-12 federal education program that is not forward funded, so any delay in appropriations has an immediate impact on recipient school divisions. Additionally, the program has not been fully funded since 1969. Federal funding appropriated for Impact Aid payments has been declining since 2011, which prompted the USED to delay payments issued to divisions. As such, annual budgets for the last few years presented this federal revenue as a combined total of pending delayed payments plus estimated current year payments for VBCPS. While a near-full restoration of Impact Aid in FY 2013/14 and a \$23 million nationwide increase in FY 2016/17 were welcome relief, funding caps on discretionary spending continue to be a concern for federally impacted school divisions.

VBCPS' 2017 LEGISLATIVE AGENDA

BUDGET

According to a Joint Legislative Audit Review Commission (JLARC) study released on Sep. 14, 2015, spending on K-12 public education since 2005 has declined by 7.0 percent per pupil. After adjusting for inflation and increased enrollment, Virginia now spends 9.0 percent less on K-12 instruction than it did in 2005. According to the VDOE, Inflation Adjusted State Per Pupil Funding declined from \$4,275 in 2009 to \$3,647 in 2016 or by \$628 per pupil. Costs for educating students have not declined during the same period.

Due to the budget constraints facing the Governor and the General Assembly during the 2017 session, VBCPS requests that the recent investments in education remain untouched. Our mission as a school division continues, and we must be in the best position to advocate for the needs of our 68,000 students and 10,000 employees. We request that the following budget priorities be considered.

NO ADDITIONAL COSTS TO BE SHIFTED INTO LOTTERY FUND

VBCPS opposes any measure that would shift SOQ and other recurring cost programs into the Lottery Fund. The flexible Lottery Funds that were approved by the General Assembly during the 2016 Session represent a significant new investment in public education in Virginia.

UNCAP INSTRUCTIONAL SUPPORT POSITIONS IN STANDARDS OF QUALITY

VBCPS also supports additional enhancements to the SOQs that better reflect the staffing and financial needs of school divisions. For example, VBCPS supports funding student support positions, as well as instructional personnel support positions (e.g. social workers, guidance counselors, school psychologists, and instructional personnel support) under Standard 2 on a prevailing cost basis, rather than the current capped basis. Enhancements such as these will provide additional funding directly to the classroom and give teachers additional resources to support students.

ELIMINATE OR FUND CURRENTLY UNFUNDED MANDATES

As of August 2015 the total impact of state and federal unfunded mandates to VBCPS was \$43 million. Of that \$43 million, approximately \$16 million are mandates that originated from either the General Assembly or the Virginia Department of Education. These mandates range from new reporting requirements, to new policies and procedures, to unfunded equipment requirements. A few specific examples include:

- A mandatory requirement in the state administrative code for reading specialists at a cost of \$5.7 million.
- State mandated activities associated with gifted identification requiring additional staff, resources, professional development and communication instruments at a cost of \$3.9 million.
- New diploma requirements from the state required updates to the student information system and ongoing oversight and record keeping by guidance counselors at a cost of \$1.2 million.

VBCPS is opposed to any state mandates requiring local school divisions to assume additional responsibilities or provide additional services without the state's share of funding for such mandates. VBCPS supports the elimination or funding for existing unfunded mandates.

ISSUES SUPPORTED BY VBCPS

REDUCED DUAL ENROLLMENT COSTS FOR COURSES TAKEN AT COMMUNITY COLLEGES

Quality dual enrollment programs are an important part of preparing students for the workforce and will allow students to earn college credit or even an associate degree while still in high school. VBCPS supports legislation and/or regulatory reforms that allow school divisions and local community colleges to negotiate individual rates for public school students who, through their local school division, take dual enrollment courses at the local community college.

CONTINUED REFORM OF ASSESSMENT AND ACCOUNTABILITY SYSTEMS

VBCPS supports legislation responsive to recommendations by the SOL Innovation committee that reforms Virginia's SOL assessments to focus on authentic growth measures, opportunities for remediation and expedited retakes, and provides students with the opportunity to demonstrate 21st century skills like communicating effectively, thinking critically and creatively, and solving problems. VBCPS also supports the reduction of the number of required tests to allow school divisions to continue to transform the traditional classroom to better meet the needs of our students to compete in a global marketplace.

Rather than the 29 SOL tests currently mandated, VBCPS supports legislation that allows school divisions to substitute SOL assessments for those that are performance based, mimic real-life situations, and better prepare students for success in higher education and in the workplace. Since 2008, VBCPS has successfully developed an increasing number of performance-based assessments that are used on a division-wide basis.

VBCPS supports an accountability system that is flexible and considers each student's individual needs and abilities. Not every student enters school at the same level and with the same resources. It is well documented that there is a strong positive correlation between a student's academic achievement and his or her socioeconomic status. VBCPS strongly believes that school divisions and educators should be responsible for improving a student's academic performance; VBCPS, however, supports accountability standards that consider individual student achievement and growth beyond individual assessment performance.

In addition to student growth measures, VBCPS supports a teacher, principal, and superintendent accountability system that includes additional measures such as student participation and performance in Advanced Placement courses, postgraduate measures that provide information on how students transitioned after high school, and qualitative measures of overall school performance beyond assessments.

ISSUES OPPOSED BY VBCPS

OPPOSE PARTICIPATION IN INTERSCHOLASTIC ATHLETIC PROGRAMS BY NONPUBLIC SCHOOL STUDENTS

VBCPS opposes legislation that allows nonpublic school students to participate in interscholastic programs in public schools. VBCPS has grave concerns for the following reasons:

- A fundamental principle of the Virginia High School League (VHSL) rules is to provide a level playing field for competition such that all participants are following the same standards of eligibility. Previously proposed legislation in the General Assembly runs counter to this principle; whereby, nonpublic school students would have to abide by only one portion of the Transfer Rule (living in the proper school district) and "demonstrate evidence of progress" academically.
- Nonpublic school students would potentially displace other students currently enrolled in the school in which they wish to represent. Further, they would do so without having to abide by all VHSL rules and regulations set forth in the VHSL Handbook and Policy Manual.
- The potential for academic eligibility disparities is significant.
- Some schools and school systems have local academic requirements such as a minimum grade point average or mandatory study hall that could not be applied to nonpublic school students.
- Discipline and consequences for violating behavioral expectations, and attendance requirements, could not be applied to nonpublic school students as they can for in-school students.

Though philosophically opposed to the concept, in the event that allowing nonpublic students to participate is deemed appropriate by the General Assembly, we would strongly support the addition of specific parameters (examples below) for inclusion in the legislation:

- That the student be required to meet some type of minimum “residency requirement,” as well as enrollment in at least three of the member school’s current core area, non-elective curricular offerings (i.e, language arts, mathematics, science, and social studies), connecting the student in some fashion to both the overall academic and extra-curricular mission of the member school;
- That the student pass all SOL tests, or their equivalent, at the appropriate time in their progression toward a high school diploma (e.g., passing the statewide English 11 tests in the spring of what would constitute his/her junior year);
- That the student meet any local requirements regarding a minimum grade-point-average in all classes, including those taken at the member school;
- That the student be subject to the same disciplinary standards as their full-time counterparts as delineated in local school division codes of student conduct; and
- That no homeschooled student be permitted to participate on a sports team if that student has been or was recommended for involuntary removal from a school for disciplinary reasons (e.g., due to expulsion) for at least one year prior to the declaration of home-schooled status.

MANDATORY FUNDING OF VIRTUAL SCHOOL

VBCPS recognizes that virtual learning can play an important part in a child’s overall academic development and achievement. VBCPS, however, is opposed to any legislation that would require any portion of state or local funding to follow the student when the student chooses to enroll in a virtual school outside his or her school division. VBCPS supports online blended models that incorporate the individual needs of the student, as well as a full-time state operated virtual program through Virtual Virginia.

UNMET NEEDS

As part of the budget development process, departmental requests are summarized and presented to the superintendent and senior staff to begin deliberations on unmet needs and budget priorities. Within the first quarter of the fiscal year, the superintendent and senior staff consider one-time requests that could not feasibly be funded in the School Operating budget to determine the appropriate use(s) for any reversion funds. The following lists provide an approximate accounting of the division’s ongoing unmet operating and technology needs.

UNMET OPERATING NEEDS

Operating Item Description (not in priority order)	Amount
Full day kindergarten (does not include portable classrooms)	12,900,000
Increase allowances, supplements, long-term substitute rate and sick leave payout for retirees; reclassify teacher assistants; and move selected positions from the Unified Pay Scale to the Instructional Pay Scale	10,895,000
Eliminate the need for one-time funds in balancing budget	8,803,897
Reduce class size by one student grades K-12	8,500,000
Unified Scale equity adjustments	2,100,000
Bus replacement (20 buses at \$90,000 each)	1,800,000
Expand Advanced Placement support program	1,200,000
Increase local match to maximize available state funding for the preschool program	1,081,828
Additional high school math/reading coaches	706,040
White fleet replacement vehicles (needed annually)	300,000
Projector replacement (annually)	300,000
Additional middle school math/reading coaches	260,000
Operating Items Total	48,846,765

Technology Item Description	Amount
Interactive white board replacement	29,802,000
Fund technology initiative - access for all students	25,095,546
Access layer switching replacement	11,500,000
Telephone system upgrade	5,000,000
Copier/Multifunction Device (MFD) replacement	2,017,800
Cabling upgrades for various locations	2,014,943
UPS battery technology replacement	1,500,000
Hyper-converged Azure Cloud integration	600,000
Network monitoring and troubleshooting system	582,786
Local host server replacements	525,000
Hyper-converged production server/storage replacements (phase II)	500,000
Firewall replacement	400,000
Security threat identification software (Varonis)	250,000
Wide area network Edge/Distro upgrade for administrative sites	205,790
Department of Technology Total	79,993,865

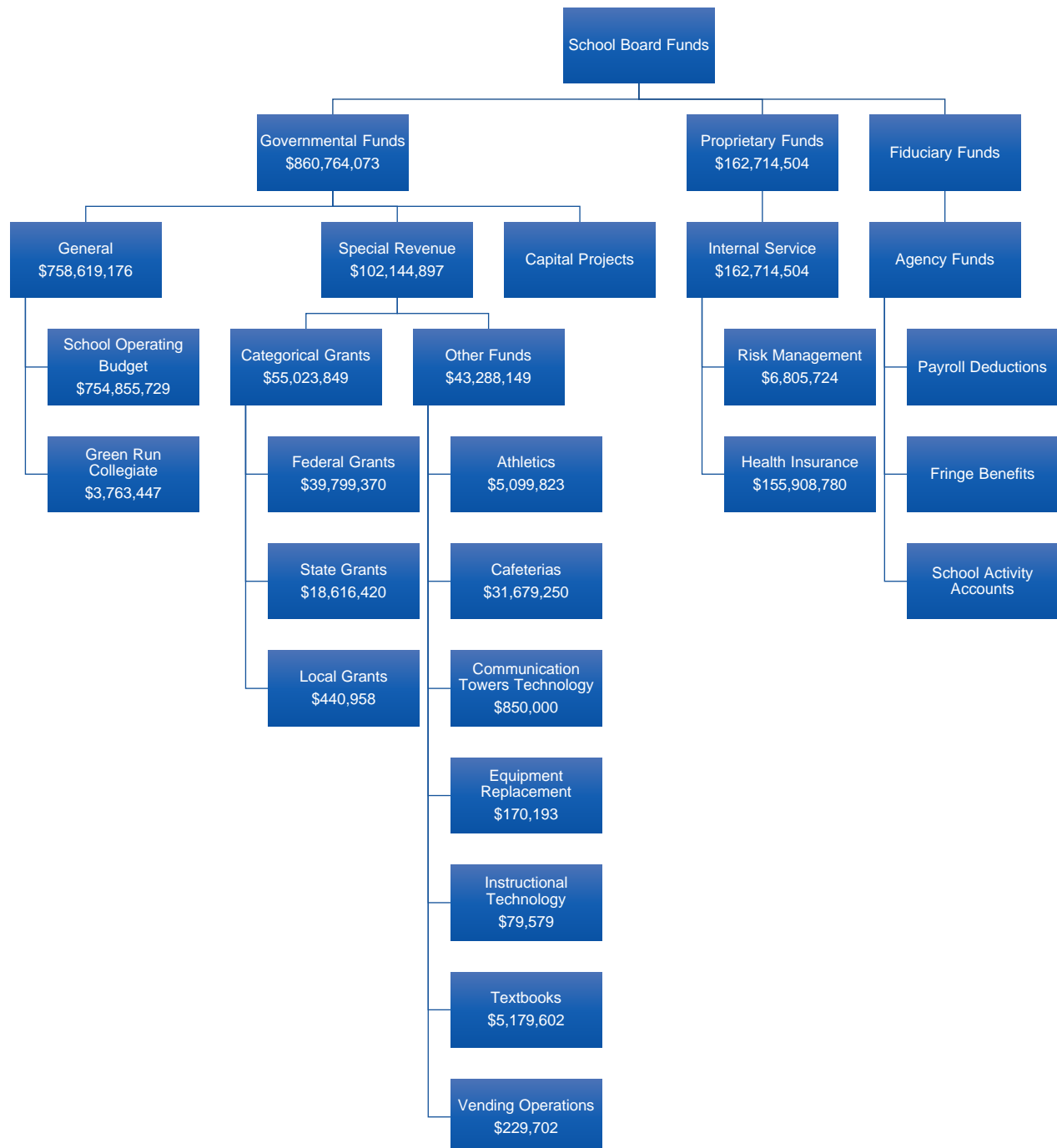
The following items were not built into the FY 2017/18 budget, but will be funded with one-time reversion funds:

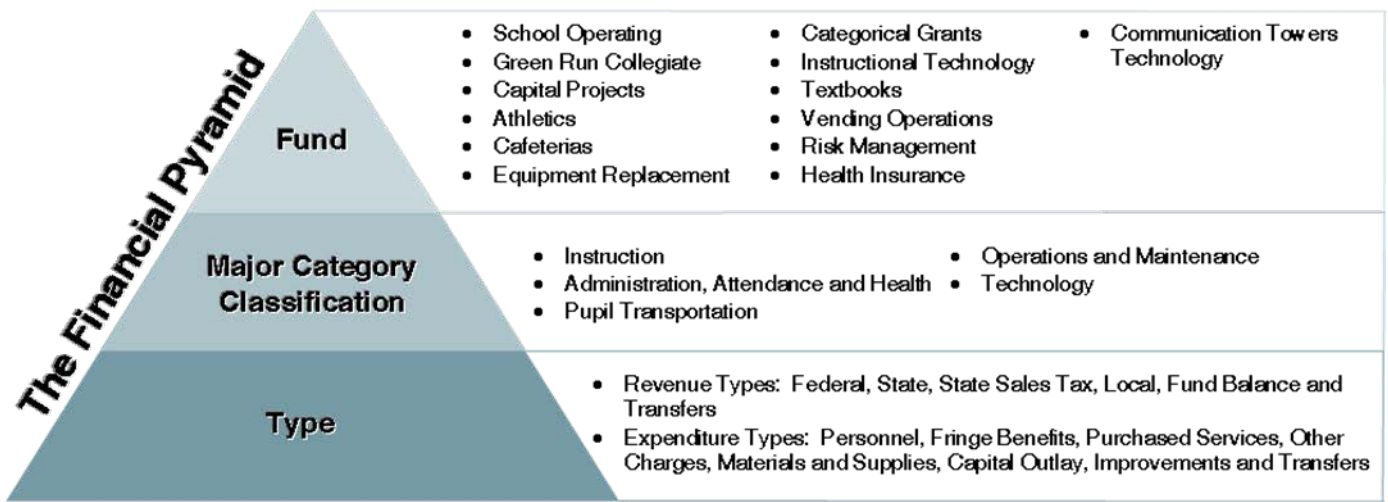
- Replacement school buses
- White fleet replacement vehicles
- Upgrades to the wireless network
- Technology initiative

School Board Funds

BUDGETARY BASIS

Like other state and local governments and public school divisions, the accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The elements used to classify revenues and expenditures can be viewed as a financial pyramid, with funds at the top and account types representing the lowest level of detail. All of the funds of the School Board are classified as Governmental funds, Proprietary funds or Fiduciary funds. Next, funds are categorized by major category classification (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type.





Fund Classification	Fund Type	Description	School Board Fund	Budget Basis	Accounting Basis
Governmental funds – account for operating, special revenue and capital project activities	General fund	The General fund is the general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and Green Run Collegiate (GRC) charter school.	School Operating Green Run Collegiate	Modified Accrual	Modified Accrual
	Capital Projects fund	The Capital Projects fund is used to account for the financial resources for the acquisition or construction of major capital facilities.	Capital Projects	Modified Accrual	Modified Accrual
	Special Revenue funds	The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.	Athletics Cafeterias Categorical Grants Communication Towers Technology Equipment Replacement Instructional Technology Textbooks Vending Operations	Modified Accrual	Modified Accrual
Proprietary funds – account for risk management and health insurance program activities	Internal Service funds	Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.	Risk Management Health Insurance	Accrual	Accrual
Fiduciary funds – account for resources held for others by VBCPS as an agent or trustee	Agency funds	Agency funds are used to account for assets held by the School Board as an agent for individuals, private organizations, other governmental units and/or other funds.	Payroll Deductions Fringe Benefits School Activity Accounts	Accrual	Accrual

FUND DESCRIPTIONS

GENERAL FUND

The General fund is the general operating fund of the School Board that is used to account for all of the division's financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and GRC. Within the fund, revenue and expenditures are budgeted by type. The budget is divided into five major classifications: Instruction; Administration, Attendance and Health; Transportation; Operations and Maintenance; and Technology.

CAPITAL PROJECTS FUND

The Capital Improvement Program (CIP) budget outlines the basic financing plan for capital needs. The Capital Projects fund tracks financial transactions used for the acquisition, construction or renovation of school buildings and sites, along with other major capital improvements. While the dollars budgeted in this fund address only the current year's needs, the CIP actually has capital projects programmed over a six-year span.

SPECIAL REVENUE FUNDS

The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.

ATHLETICS: The Athletics fund accounts for the costs of holding athletic activities at the division's schools. The primary source of revenue is from admission fees to athletic events.

CAFETERIAS: The Cafeterias fund is used to account for the procurement, preparation and serving of student breakfasts, snacks and lunches. The primary revenue sources are receipts from food sales and reimbursements from the federal school lunch program.

CATEGORICAL GRANTS: The Categorical Grants fund is used to account for federal, state, local, nonprofit and private industry grants that support instructional programs. Grants are typically legally restricted or dedicated to be expended for specified purposes.

COMMUNICATION TOWERS TECHNOLOGY: The Communication Towers Technology fund accounts for payments from leasing of School Board property for commercial wireless communication towers. The funds received from lease payments and the interest earned are used to acquire and replace/repair technology resources including computers, software, wiring, training, facsimile, multi-functional devices and interactive whiteboards.

EQUIPMENT REPLACEMENT: The Equipment Replacement fund provides an equipment replacement cycle for selected capital equipment for schools and support departments.

INSTRUCTIONAL TECHNOLOGY: The Instructional Technology fund provides for the cyclical replacement of classroom and instructional computers.

TEXTBOOKS: The Textbooks fund is used for the acquisition of textbooks (electronic and printed) and related materials for the VBCPS student population.

VENDING OPERATIONS: The Vending Operations fund accounts for receipts relating to the bottled drinks vending operations of the school division (through a long-term exclusive contract with a vending company). Proceeds from this contract are used by schools to support student and staff activities.

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.

HEALTH INSURANCE: The Health Insurance fund provides a means for accounting for health insurance and the administration thereof for city and school employees.

RISK MANAGEMENT: The Risk Management fund provides for the administration of the workers' compensation program, the centralization of self-insurance accounts for liability and the purchase of commercial insurance.

SCHOOL OPERATING FUND REVENUE SOURCES

The FY 2017/18 School Operating fund revenue budget totals \$754,855,729, an increase of approximately \$29.9 million, or 4.1 percent, from the FY 2016/17 budget. Local revenue contributions from the city continue to be the most substantial source of revenue for the School Operating fund, making up nearly 51 percent of the FY 2017/18 budget. Funding from the state provides approximately 36.2 percent of total School Operating fund revenue. The remaining revenues are obtained from federal aid, School Reserve (reversion) funds and other local contributions.

Federal.....\$12,200,000

General funds and categorical funds (primarily Impact Aid revenue)

The Impact Aid program is designed to directly compensate local school districts for: 1) local revenue lost due to the presence of federally owned, and therefore tax-exempt, property and 2) costs incurred to educate federally connected students, such as the children of armed services personnel working at a nearby military base. Virginia ranks No. 10 in the nation for Impact Aid payments to support federally connected students. Impact Aid program payments account for a little over 81 percent of the federal revenue funding projected for VBCPS in FY 2017/18.

State\$273,443,481

SOQ payments, incentive funds, lottery proceeds and categorical amounts established by the General Assembly on a biennial basis

State funding for public education is provided to VBCPS through the Direct Aid to Public Education budget in the Appropriation Act. The funds are appropriated by the Virginia General Assembly and administered by the VDOE. Funding is appropriated into four major categories: SOQ Programs, Incentive Programs, Categorical Programs and Lottery Programs. State revenue, which accounts for 36.2 percent of the schools' funding in the FY 2017/18 budget, is projected to increase over \$10 million, or 3.8 percent from FY 2016/17. The most significant changes for this revenue source are the lottery funded programs which increased a little more than \$7 million from the previous year.

State Sales Tax\$73,718,340

State sales tax (1.125 percent) dedicated to public education and distributed to school divisions based on the number of school-age children residing in the locality

State sales tax, the second largest source of state revenues, is a formula-driven allocation that is based upon the number of children between the ages of five and 19 who reside in Virginia Beach. One and one-eighth percent of the state sales tax is allocated directly to public education. The projected state sales tax revenue for VBCPS in FY 2017/18 is \$73.7 million, a decrease of a little over \$1 million, or 1.4 percent, compared to the FY 2016/17 Approved Budget.

Local Contribution.....\$382,762,670

Appropriation from the city of Virginia Beach (calculated using the RSF)

The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division. The city allocates funding to schools via the RSF. The City Council appropriates funding to the school division by major category (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Technology; and Debt Service) in the School Operating fund and by fund for each of the division's remaining funds. The allocation of this funding within these categories and specific funds is solely at the discretion of the School Board. The projected local revenue for FY 2017/18 is \$382,762,670 million, an increase of nearly \$17,303,374, or 4.7 percent, compared to the FY 2016/17 Approved Budget.

Other Local\$3,518,341

Miscellaneous sources of revenue such as rental of facilities, summer school tuition and non-resident tuition

Other local revenue is comprised of miscellaneous revenue sources such as rental of facilities, tuition and sale of salvage materials. The projected other local revenue for FY 2017/18 is \$3.5 million, reflecting an increase of \$100,000 when compared to the FY 2016/17 Approved Budget.

Additional Funds (non-recurring)\$9,212,897

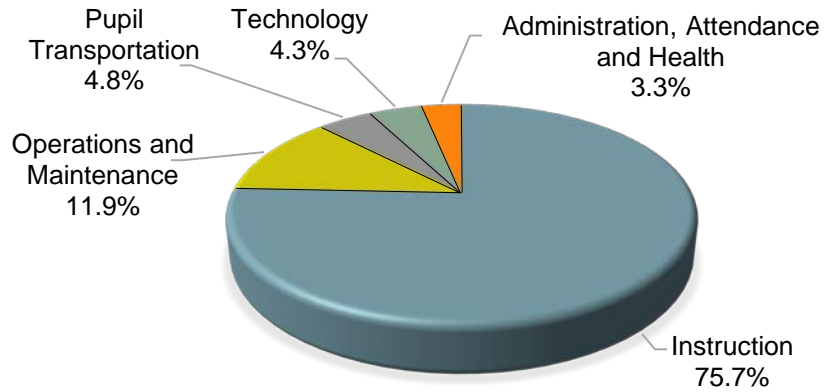
School Reserve (reversion) and Sandbridge TIF

VBCPS will use \$8.8 million of School Reserve (reversion) revenue and \$409,000 in Sandbridge TIF funds to balance the School Operating budget.

SCHOOL OPERATING FUND EXPENDITURES BY MAJOR CLASSIFICATION AND CATEGORY/TYPE

As expected, the majority of the School Operating budget is allocated to fund instructional programs. This is illustrated by the fact that proposed expenditures for instruction represent 75.7 percent of the FY 2017/18 budget.

Employee compensation is comprised of salaries and employee benefits. For FY 2017/18, the combined amount budgeted for salaries and benefits totals 83.9 percent of the School Operating fund expenditures.



MAJOR CATEGORY CLASSIFICATION

Instruction\$571,271,802
Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students

Administration, Attendance and Health\$25,267,186
Includes: activities concerned with establishing and administering policy for operating the division and activities whose primary purpose is the promotion and improvement of children's attendance at school

Pupil Transportation.....\$35,940,046
Includes: activities concerned with transporting students to and from school as mandated by state and federal law

Operations and Maintenance\$90,041,607
Includes: activities concerned with keeping the school plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in effective working condition

Technology\$32,335,088
Includes: technology-related expenditures as required by the General Assembly

TYPE

Personnel Services.....\$460,704,795
Includes: all compensation for the direct labor of persons in the employment of the school division including salaries and wages paid to employees for full-time, part-time and temporary work; supplements, allowances, overtime and similar compensation; payments for time not worked such as annual, funeral, sick and personal reasons leave; holidays; and other paid absences (e.g., jury duty, military pay)

Fringe Benefits.....\$172,867,053
Includes: job-related benefits provided for school employees as part of their total compensation; the employer's portion of the Federal Insurance Contributions Act (FICA); retirement contributions; health and life insurance premiums; unemployment insurance premiums; flexible benefits program; employee assistance program; workers' compensation; and tuition reimbursements

Purchased Services.....\$49,216,858
Includes: services acquired from outside sources on a fee basis or fixed-time contract basis (with the exception of payments for rentals, utilities or extensive repairs considered to be additions or improvements to capital assets)

Other Charges\$24,473,798
Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges

Materials and Supplies\$31,156,150
Includes: articles and commodities acquired that are consumed or materially altered when used and capital outlay items that have a per-unit cost of less than \$5,000

Capital Outlay\$4,541,259
Includes: outlays that result in the acquisition of or additions to capital assets with a unit cost of \$5,000 or more (with the exception of outlays for major capital facilities such as buildings and land)

Land, Structures and Improvement	\$222,577
<i>Includes: expenditures of a project that is less than \$1 million in estimated cost</i>	
Transfers to Other Funds	\$11,673,239
<i>Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse</i>	

REVENUE ENHANCEMENTS

Each year as part of the budget development process, VBCPS reviews areas where there may be opportunities to generate additional local revenue. Opportunities to add or increase user fees for a variety of items or services (e.g. rental of facilities, tuition, parking fees, etc.) are considered. The state places strict limitations on what fees a school division may assess students, somewhat limiting how much revenue can be generated from these types of sources. The General Fees Schedule for FY 2017/18 incorporated a small increase (\$0.35) in the student paid lunch price to comply with the Hunger-Free Kids Act's required adjustments to the weighted average price for paid lunches. Pursuant to provisions in federal legislation, effective July 1, 2011, school divisions are required to increase the price of paid meals until the paid meal price plus the federal reimbursement for a paid meal is equal to the federal reimbursement for a free meal. Rates for non-resident student tuition for employees remain at current levels based on stakeholder input and public feedback. VBCPS' local revenue is also enhanced through funding generated by the sale of vehicles and other salvage equipment, proceeds from vendor and procurement card rebates, and indirect costs recovered primarily for federal grants. The division pursues additional revenue by securing grants and developing business partnerships to help fund specific initiatives.

OTHER SUSTAINABLE SOURCES OF LOCAL REVENUE

The primary reason VBCPS engages in community outreach is to inform the public and gather important input about crucial educational issues and budget priorities. However, community outreach also provides VBCPS with important resources. As of June 30, 2017, there were 2,164 Partners in Education working with schools throughout the division. Thousands of individuals serve as volunteers in our schools each year. In fact, during the 2016/17 school year, 21,885 volunteers and partners in education donated 334,138 hours of service, which emphasizes the value of community outreach efforts. The value of the donated volunteer hours is estimated at \$8,066,080 (based on the \$24.14 per hour estimated value of volunteer time published by the National Independent Sector Organization).

PARTNERS IN EDUCATION

The Partners in Education program supports collaborative efforts between schools and community organizations that promote academic success and personal growth for the division's students. Community partners from businesses, military commands, faith-based groups and civic organizations work with schools to design innovative educational opportunities to meet the unique needs of students and schools. By matching school goals with the expertise, expanded materials, financial resources and skills of the community organization, partnerships enrich curriculum and enhance learning experiences, extend teachers' capacity to meet the individual needs of all students, and improve communication between the schools and the community. Community involvement makes a positive impact on education by helping to relate academic learning to real-world applications and demonstrates that the community values education.

Starting in 2001, VBCPS began recognizing outstanding partnership practices that support mutually beneficial relationships between schools and business/community organizations. Model Partnerships that represent exemplary community involvement in our school division are nominated and selected annually.

Model partnerships are chosen based on the following criteria: clearly articulated purpose/goal(s) of the partnership and how it supports the school division's strategic plan, *Compass to 2020*; detailed activities and programs implemented as a result of the partnership; specific results and the impact of the partnership to promote student achievement, aspirations and social emotional development; and mutual benefit to the school, students and the partnering organization.

The 2016/17 Model Partnerships are outlined below.

- Norfolk Beekeepers Association and Kellam High School
- DOMA Technologies, LLC and Linkhorn Park Elementary School
- Bridge Church and New Castle Elementary
- The Adventure Park at the Virginia Aquarium and Princess Anne Elementary School
- Military Aviation Museum and Creeds Elementary School
- Cisco Systems, Inc. and Advanced Technology Center

VOLUNTEERS IN EDUCATION AND PARTNERS IN EDUCATION PROGRAMS

VBCPS values and promotes active engagement of the community in all of our schools. In addition to soliciting input from the community on decisions about our schools, the Office of Community Engagement coordinates many opportunities for community members to interact and contribute to the academic achievement of our students and the overall continuous improvement of VBCPS. Parents, community members, businesses and organizations are able to support students, staff and school initiatives through the Volunteers in Education and Partners in Education programs.

VIRGINIA BEACH EDUCATION FOUNDATION

The Virginia Beach Education Foundation (VBEF) raises funds and in-kind donations to benefit VBCPS students and staff through tax-deductible donations, gifts, bequests and the like. The foundation then awards grants to teachers who submit applications for their innovative and creative learning programs. In addition, the VBEF manages The House Students Built (THSB), a project that provides hands-on work experience for juniors and seniors in the construction trades.

The VBEF Board of Directors, comprised of 30 community leaders, approves all expenditures from the foundation. They are responsible for screening funding proposals and are the final arbiters in decisions regarding foundation resources. All foundation monies go directly back to VBCPS. Operational costs for the foundation are very low (less than 5 percent) as many expenses are underwritten by individual and business contributions.

ADOPT A+ GRANTS

Each year, the VBEF Board of Directors awards grants to Virginia Beach schools for innovative and creative programs that benefit students. Each teacher-designed project is aligned with the school division's strategic framework. Schools are awarded funds through a blind review application process, meaning no information pertaining to the school is included. For FY 2017/18, funds awarded for Schoolwide Projects totaled \$55,396.96; and grants for Innovative Learning Projects equaled \$69,472.23.

HOUSE BUILDING PROJECTS

THSB is a program that partners TCE students with experienced professionals in the community to construct a single-family dwelling for public sale. Businesses and contractors donate their expertise and materials, and TCE students obtain valuable hands-on training and career experience. Net profits from the sale of each home support the Education Foundation's Adopt A+ Grants program. To date, nine THSB homes have been successfully planned, financed, constructed and sold. These projects have impacted VBCPS in the following ways:

- Hands-on training provided to over 80 TCE students annually
- Scholarships and grants awarded from the net profits totaling over \$790,000
- Community involvement in the form of donations of materials and time valued at over \$150,000 per house

GOLF TOURNAMENT

The annual golf tournament raises approximately \$35,000 to support the VBEF's Adopt A+ Grants program.

PEARLS OF WISDOM

The VBEF hosts the Pearls of Wisdom oyster roast and barbecue every spring at the 24th Street Park at the Virginia Beach oceanfront. Attendees enjoy live music and an all-you-can eat buffet. The annual fundraiser benefits VBCPS teachers and students by raising funds to support the VBEF's Adopt A+ Grants program.

SUMMER FOOD SERVICE PROGRAM

The United States Department of Agriculture's Summer Food Service Program provides kids and teens in low-income areas free meals when school is out. The Summer Food Service Program is a federally funded, state administered program. For summer 2017, VBCPS has partnered with the program to offer breakfast and lunch at select Virginia Beach schools.

Along with the Summer Food Service Program, VBCPS participates in several other programs to support food-insecure families in the city. Specifically, the division collaborates with the VBEF to operate the Beach Bags program, which provides shelf-stable meals and healthy snacks to students who might otherwise go hungry during weekends and school breaks. Additionally, all elementary schools offer Breakfast in the Classroom, and qualifying schools take part in the Supper Feeding Program as well as the Community Eligibility Program.

Financial Policies and Practices

ACCOUNTING FOR SCHOOL BOARD FUNDS

In accordance with the requirements of the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government (the city of Virginia Beach) as well as its component units that are legally separate organizations for which the City Council is financially accountable (e.g., a component unit that is fiscally dependent on the primary government). As a component unit of the city of Virginia Beach, the financial position and results of operations of the School Board are also presented in the city's Comprehensive Annual Financial Report (CAFR).

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by the administration.

The School Board adopts budgets for the following funds: General, Athletics, Categorical Grants, Cafeterias, Instructional Technology, Textbooks, Communication Towers Technology, Vending Operations and Equipment Replacement. All budgets are developed using a variety of assumptions based on expectations for the future. Additionally, the School Board must adhere to the city's financial codes and policies pertaining to balancing the budget. Specifically city code mandates that in no event may the expenditures recommended by the School Board in the budget exceed the estimated revenues. The School Board maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Activities of the General fund and Special Revenue funds are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the category level for the General fund and the fund level for the Special Revenue funds.

Certain controls are exercised administratively on the General fund (e.g., budget units, personnel positions, capital outlay and certain line items). A budget unit is an activity (e.g., Elementary Classroom) of a category (e.g., Instruction). Certain controls are also exercised on the Special Revenue funds (e.g., federal and state grants). The School Board utilizes an encumbrance accounting system as one method of maintaining budgetary control. At the end of the fiscal year, outstanding encumbrances of certain governmental funds are re-appropriated as part of the following fiscal year's operating budget.

The local government provides an appropriation for education in excess of the Commonwealth of Virginia SOQ payments and determines the level of total education support by means of the RSF. The amount derived from the application of this formula is allocated to debt service, Pay-As-You-Go (PAYGO) capital improvements and the School Operating budget. Managed and controlled by the city, debt service receives the first allocation of funds from the RSF. The next allocation from the RSF funds PAYGO CIP that are reasonably expected to be completed within one year. After those two distributions, the balance of funds from the RSF is allocated as School Operating budget support.

BUDGET POLICIES AND GUIDELINES

VBCPS budgets are developed using a variety of policies and practices which reflect state law, school policies and regulations. The School Board is responsible for establishing policy for the governance and operation of the division. Funding decisions reflect the policies, as well as mission, vision, and student achievement goals set by the School Board. Additionally, VBCPS policies are developed in compliance with state SOQ (§§ 22.1-253.13:1 through 22.1-253.13:10 of the Code of Virginia) and federal regulations (IDEA, ESEA, etc.). As a component unit of the city of Virginia Beach, local funding for VBCPS must be allocated and appropriated to the division by the City Council.

CITY/SCHOOL REVENUE SHARING POLICY

The City Council first adopted the City/School Revenue Sharing Policy in 1997 to provide a stable source of local funding for the public school system as a discretionary local match. A revised policy was adopted in October 2012. The discretionary local match allocates local tax revenues to the school division using two components: a RSF and a real estate tax dedication. In addition to explaining details about calculating the RSF and defining the 4 cents real estate dedication component, the joint policy outlines the following procedures and practices. The full text of the City/School Revenue Sharing Policy is included in the appendix of this document.

PROCEDURE TO REQUEST AN INCREASE IN THE DISCRETIONARY LOCAL FUNDING MATCH:

4.1. After receiving the Superintendent's Estimate of Needs, the School Board will notify the City Council by resolution that it has determined additional local funding is required to maintain the current level of operations or to provide for additional initiatives. The School Board's resolution will provide the following: 1) that additional funding is required; 2) the amount of additional funding requested; 3) the purpose for the additional funding; and 4) that the School Board supports an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary.

4.2. If the City Council determines that additional funding is warranted to maintain the current level of city and schools operations or to provide for additional initiatives, the City Council shall determine appropriate action. This action may include consideration of existing dedications or alternate sources of revenue or tax increases. If, after deliberation and appropriate public involvement, City Council determines that additional tax revenues are required, the City Council may adopt a tax rate increase to any revenue stream within this formula to generate additional local tax revenue.

4.3. Should the City Council dedicate such increase in local taxes, that dedication will be treated in the same manner as other Dedicated Local Tax. If the City Council does not dedicate the increased taxes, this revenue will be part of the Local Tax Revenues for purposes of this Policy.

ACTUAL REVENUE COLLECTIONS DEVIATE FROM BUDGET LOCAL TAX REVENUES:

5.1. If, at the end of the fiscal year, the actual Local Tax Revenues exceed the budgeted amount, the amount of excess revenue will be allocated in the same manner as similar revenues were apportioned in the recently ended fiscal year. However, such excess revenues are subject to the City Council's General Fund Balance Reserve Policy. If such funds are not required for the General Fund Balance Reserve Policy, the School Board may request that such funds be appropriated at the same time as the appropriation of reversion funds, discussed in Section 6.3, below.

5.2. If, the city, through the Manager or his designee, anticipates at any time during the fiscal year that actual revenues will fall below budgeted revenues, the School Board, upon notification by the City Manager or his designee of such an anticipated shortfall, will be expected to take necessary actions to reduce expenditures in an amount equal to the School's portion of the shortfall.

REVERSION OF FORMULA REVENUES:

6.1. All other sources of funding shall be expended by the Schools prior to the use of Local Tax Revenues.

6.2. All balances of Local Tax Revenues held by the schools at the close of business for each fiscal year ending on June 30 (to include the accrual period) lapse into the fund balance of the City's General fund. The reversion described in the preceding sentence is specific to Local Tax Revenues, and while the appropriation to spend funds may lapse, the reversion process is not applicable to monies in a fund, such as the Athletic Fund, that are attributable to user fees or gate admissions.

6.3. Reversion Appropriation Process: The School Board may request, by resolution, the re-appropriation and appropriation of funds resulting from the end of the fiscal year.

CITY OF VIRGINIA BEACH DEBT MANAGEMENT POLICY

The purpose of the City Council Policy for Management of Tax-Supported Debt is to outline debt policy guidelines and define the four major debt indicators. The four major debt indicators to be used to evaluate the city's financial condition are:

2.1 Ratio of General Government Debt to General Government Expenditures - This indicator measures the percentage of the general operating expenditures, which must be used for debt service (i.e., principal and interest payments on existing debt). Increasing debt service reduces expenditure flexibility by adding to the city's debt related obligations.

2.2 General Government Net Debt Per Capita - This indicator measures the amount of tax-supported debt attributable to each city resident. As the city's population increases, capital needs and long-term debt can logically be expected to increase as well.

2.3 Ratio of Per Capita Debt to Per Capita Income - This indicator measures the tax-supported debt burden as a percentage of city per capita income. The lower the ratio, the lower the government burden on its residents.

2.4 Ratio of General Government Debt to Assessed Value of Real Property - This indicator measures the amount of tax-supported debt as a percentage of the city's assessed valuation of real property, using the land book. An increase in this indicator can mean that the city's ability to repay the debt is diminishing. Or, it could mean that the city has intentionally increased its debt burden. A diminished ability to repay debt may result in difficulty in obtaining additional capital funds, a higher interest rate when borrowing, or difficulty in repaying existing debt. A reasonable level of debt burden is expected in order to meet the needs of a well-managed city. (Note: The Virginia State Constitution Art VII, § 10(A) and State Code § 15.2-2634 places a legal limit of 10 percent for general obligation debt.)

The target amount for debt indicators should be guided by the city's ability to pay, as well as a comparison with other cities of similar size and similar financial condition, such as those with similar bond ratings. Given those factors, the recommended guidelines and limits on debt indicators for the city of Virginia Beach are stated below.

3.1 The Ratio of General Government Debt to the General Government Expenditures may not exceed 10 percent.

3.2 The General Government Net Debt Per Capita may not exceed \$3,000. At no point shall this indicator exceed the lesser of the mean or median for Standard and Poor's triple-A rated cities with a population between 250,000 and 500,000, provided such data is available.

3.3 The Ratio of Per Capita Debt to Per Capita Income may not exceed 6.5 percent.

3.4 The Ratio of General Government Debt to Assessed Value of Real Property may not exceed 3.5 percent.

3.5 The status of each indicator shall be reported in the Operating budget each year and shall reflect the impact of the Capital Improvement Program.

SCHOOL BOARD POLICIES

The School Board of the City of Virginia Beach is the legislative body for the school division and determines all general policies to be employed in the conduct of VBCPS. Financial policies establish a foundation and direction for the School Board, the superintendent and staff as they make decisions concerning resource allocations. The School Board policies most commonly applied to budget development and implementation processes are included in Section 3 - Business and Noninstructional Operations and are highlighted below.

SCHOOL BOARD POLICY 3-1: CRITERIA

Financial Management: The School Board recognizes that money and money management are essential to support the whole school program. To make that support as effective as possible, the Board shall:

1. Encourage advance planning through the best possible budget procedures;
2. Explore all practical sources of financial support;
3. Guide the expenditure of funds so as to extract the greatest educational return for each dollar spent;
4. Expect effective accounting and reporting procedures;
5. Maintain the level of unit expenditure needed to provide high quality education within the ability of the community to pay.

Noninstructional Operations: The school board directs that the business segment of the administration shall:

1. Operate and maintain school plants and equipment at the highest standard of safety;
2. Promote the health of students and staff;
3. Reflect the moral and cultural aspirations of the community at its best;
4. Provide the surroundings necessary to the staff so that the best educational climate can be provided.

SCHOOL BOARD POLICY 3-5: BUDGET/GENERALLY

Budget Defined: The school budget is a written document which presents the Board's plan for the allocation of the available financial resources into an explicit expenditure plan to sustain and improve the education function of this school division. The budget will be based upon the educational needs and financial ability of the division, as cooperatively identified by the superintendent and staff, the School Board, and the community. The budget shall be a guide for discretionary spending to achieve the goals and objectives adopted by the Board.

Contents: The budget shall present a complete financial plan for each fiscal year. It shall be organized in accordance with state statutes and guidelines set up by the Virginia Board of Education.

SCHOOL BOARD POLICY 3-6: BUDGET: PREPARATION AND APPROVAL

Preparation: On or before March 1 of each year, the superintendent shall present to the Board an operating budget which contains a complete financial plan for the operation of the public schools for the ensuing fiscal year. The budget shall be organized in accordance with state law and guidelines set forth by the Virginia Board of Education and shall contain both a line-item and program expenditure format.

Public Hearings: Opportunity shall be provided for the public to be heard regarding their educational priorities both before and after the formulation of the superintendent's budget.

Board Approval: On or before April 1, the Board shall act to approve (with or without revision) the superintendent's budget and shall forward it to the governing body, together with a request for approval of the budget and the required appropriation. Included with the budget shall be a budget message from the School Board containing a description of the important features of the budget plan, an explanation of all salient changes in estimated receipts and recommended expenditures as compared with the current and preceding fiscal year, and a summary of the proposed budget showing these comparisons.

Final Board Action: Following action by the governing body on the total budget, the School Board shall give final approval to the budget within the framework of the funds available.

SCHOOL BOARD POLICY 3-7: BUDGET: CAPITAL EXPENDITURES

Except in emergencies or for reasons of economy, the purchase of major pieces of equipment, such as school buses shall be scheduled so that annual budgetary appropriations for capital purposes either will be of similar size or will show a continuous trend without severe fluctuations.

SCHOOL BOARD POLICY 3-9: BUDGET ADMINISTRATION

The budget shall be considered as a controlled spending plan for the fiscal year. The superintendent is authorized to make commitments in accordance with the policies of the Board and the laws of the State of Virginia. The same procedure shall be followed with respect to expenditures provided for by special Board action.

SCHOOL BOARD POLICY 3-10: BUDGET: TRANSFER OF FUNDS

Requirement Funds Be Appropriated: No money may be paid out or become available to be paid out for any contemplated expenditure until there has first been made an annual, semi-annual, quarterly, or monthly appropriation for such contemplated expenditure by the City Council.

Lump Sum Appropriation: In the event that the City Council appropriates funds to the School Board in a lump sum, the School Board may transfer appropriated funds from one Budget Major Classification (Instruction, Administration, Attendance and Health, Transportation, Operations and Maintenance, Technology) to another and between funds (except the Capital Improvement Fund) without approval from City Council.

Categorical Appropriation: In the event that the City Council appropriates funds for the School Board by Budget Major Classification (a "Categorical Appropriation"), the School Board may transfer appropriated funds between Budget Units within each Budget Major Classification, but may not transfer appropriated funds from one Budget Major Classification to another without prior approval from the City Council. In the event of a Categorical Appropriation, the Board is required to adopt a resolution requesting the City Council to authorize a transfer between Budget Major Classifications and no transfer, expenditure, or encumbrance of funds may be made prior to the City Council approval of the transfer between Budget Major Classification.

Definitions and Restrictions: Within Budget Major Classifications are Budget Unit Codes. Total expenditures and encumbrances within Budget Unit Codes may not exceed total Budget Unit Code appropriations.

Transfer Limits and Authority: The superintendent may transfer funds up to \$250,000 per transfer between Budget Unit Codes or within Budget Unit Codes. The superintendent may delegate transfer authority up to \$125,000 per transfer to the Chief Financial Officer. Reporting will be handled through the monthly interim financial statements to the School Board and will reflect all approved budget transfers and provide a listing and explanation of all approved transfers for the previous month. Budget transfers exceeding \$250,000 must be approved by the School Board prior to execution of the transfer or commitment of funds. All transfers of funds must be in compliance with the law, this policy, and the procedures outlined in School Board Regulation 3-10.1.

Emergency Budget Transfers: In certain emergency situations, the superintendent, or his designee, is authorized to commit funds in excess of \$400,000 prior to meetings of the School Board. The following procedures for emergency purchases will be in effect:

1. Termination of Services/Dangerous Situations: Emergency purchases up to \$400,000 may be made by the superintendent or his designee. Purchases above that amount must be authorized by the School Board. An emergency exists when a breakdown in machinery or equipment and/or a threatened termination of essential services or a dangerous condition develops, or when any unforeseen circumstances arise causing curtailment or diminution of an essential service or where materials or services are needed to prevent loss of life or property.
2. Life-Threatening Situations/Excess Property Damage Prevention: The School Board authorizes the superintendent to make emergency purchases in excess of \$400,000 in life-threatening situations and in circumstances where immediate action is needed to impede further damage to property.
3. Notice to School Board: The superintendent shall inform the School Board of emergency situations as soon as practicable. Depending on the situation, the superintendent will request the School Board chairman to call a special meeting of the School Board to make emergency purchases or will notify the School Board of emergency purchases authorized by the superintendent.
4. Compliance with Categorical Appropriation Requirement/Reporting:
 - a. Absent a lump sum appropriation by City Council, the superintendent shall make no emergency purchases which will require transfers between Budget Major Classifications described in Section B of this Policy;
 - b. Emergency transfers are subject to the listing, explanation, and monthly interim financial statement reporting requirements of Section D of this Policy.

General Limitation:

1. Notwithstanding the foregoing provisions, neither the School Board, the superintendent, nor school staff shall expend nor 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 City Council.
2. "Budget Unit Code," "Expenditure Categories," and "Line Item," are defined in School Board Regulation 3-10.1, and change in those definitions requires approval of the School Board.

SCHOOL BOARD POLICY 3-11: BUDGET: SURPLUS FUNDS

Generally: All general funds not encumbered or spent by the end of the fiscal year (June 30) shall be considered to be surplus funds for the fiscal year. Upon their re-appropriation by City Council to the Board for the next fiscal year, such surplus funds may be used for the following purposes:

1. To provide bonuses to employees pursuant to an approved "gainsharing" program designed to reward employees for their contribution to any cost-saving measures that result in a year-end surplus;
2. To make any expenditure toward the purchase of a capital item;
3. To make any expenditure toward an approved and funded capital project;
4. To fund items of a non-recurring nature that were included in a Board-approved School Operating budget, but for which the City Council-approved budget did not include sufficient funding; and/or
5. To provide supplemental funding for the School Reserve (reversion) fund established pursuant to School Board Policy 3-28.

Individual School Accounts: Available funds in individual school accounts may be invested in short-term savings certificates. All certificates must be filed in the School Board office until expiration date. All monies received from these certificates shall revert to the individual school accounts.

SCHOOL BOARD POLICY 3-12: CAPITAL IMPROVEMENT PROGRAM

The School Board, in cooperation with the superintendent shall draft a capital improvement programs which will project school division needs for a six-year period. Individual capital projects shall be assigned priorities. The program shall be reviewed and updated annually. Copies shall be submitted to the governing body for review and consideration.

SCHOOL BOARD POLICY 3-15: LOCAL FUNDS

Generally: The School Board receives local funds for school operation from revenues appropriated to the School Board from City Council and from other sources such as rents, tuition, sale of equipment, gifts, and bequests.

Expenditure of Excess Local Revenues:

1. Any "actual-over-estimated" local revenues that are appropriated to the School Board by City Council pursuant to the Council's policy for the sharing of revenues between the city and the School Board shall only be expended for the following purposes:
 - a. To maintain or supplement the School Reserve (reversion) fund set forth in School Board Policy 3-28;

- b. To fund items of a non-recurring nature that were included in a School Board-approved School Operating budget, but for which the City Council-approved budget did not include sufficient funding;
 - c. To make any expenditures for the purchase of a capital item; and/or
 - d. To reduce future debt service costs.
2. Any expenditure of the City Council-appropriated "actual-over-estimated" local revenues shall require a resolution adopted by a majority of the members of the School Board, which resolution shall state the purpose(s) of the expenditure, and the total amount to be expended.

SCHOOL BOARD POLICY 3-27: BORROWING

The School Board may borrow funds as described in the legal reference to this policy. Code of Va., § 22.1-110. Temporary loans to school boards. - No school board shall borrow any money in any manner for any purpose without express authority of law. Any loan negotiated in violation of this section shall be void. Subject to the approval of the governing body or bodies appropriating funds to the school board, any school board is authorized to borrow money, when necessary, not to exceed in the aggregate one-half of the amount produced by the school levy for the school division for the year in which such money is so borrowed or one-half of the amount of the cash appropriation made to such school board for the preceding year or, in school divisions for which there is both a school levy and appropriation, one-half of the amount of each. Such loans shall be evidenced by notes or bonds negotiable or nonnegotiable, as the school board determines. In the case of temporary loans in anticipation of loans from the Literary fund, such loans shall be repaid within two years of their dates. Other temporary loans shall be repaid within one year of their dates. However, loans made to purchase new school buses to replace obsolete or worn out equipment shall be repaid within not less than five years of their dates. (1987)

SCHOOL BOARD POLICY 3-28: RESERVE FUND

Generally: In order to be in a better position to respond to: 1) unexpected shortfalls in state or federal funding; 2) emergency expenditures of a nonrecurring nature that would not have been anticipated at the time of preparation and adoption of the School Operating budget; 3) unusual and critical need to fund the subsequent fiscal year's operating budget shortfall; or 4) other fiscal emergencies, the School Board shall set aside a reserve for contingencies (hereinafter "Reserve Fund" or "Fund") up to 2 percent of the previous year's School Operating budget, may be placed into this Fund. The purpose of this Policy is to specify what funds shall be placed in the Reserve Fund, and to set forth the School Board's requirement for any expenditures to be made from the Reserve Fund.

Policy:

- 1. Any expenditure of funds in the Reserve fund shall require a resolution adopted by a majority vote of the School Board. Such resolution shall state the purpose(s) of the expenditure, and the total amount to be expended.
- 2. Pursuant to applicable provisions of state law, the Reserve fund must be appropriated by City Council annually as part of the School Operating budget, and any funds that the School Board desires to be added to the Reserve fund during the fiscal year must also be appropriated by City Council.

SCHOOL BOARD POLICY 3-44: FINANCIAL REPORTS

Staff to Board: A continuing balance of the various budgetary accounts shall be maintained. The superintendent shall submit a monthly financial report covering the division's fiscal actions. The School Board shall review the financial condition of the division monthly at a regular Board meeting.

Staff to Administration: Routine financial reports are to be submitted in accordance with administrative memoranda circulated annually by the superintendent.

SCHOOL BOARD POLICY 3-46: AUDITS

Public Funds: The fiscal records of the school division shall be audited by a certified public accountant whose services shall be procured by competitive negotiation. The Director of Business Services shall timely provide a copy of the External Auditors Opinion on the Comprehensive Annual Financial Report (CAFR) and management letter to the Internal Auditor who shall timely provide copies to each School Board member.

School Activity Funds (Internal Accounts): Internal accounts of the individual schools shall be audited each year by a certified public accountant (CPA) or certified internal auditor (CIA). After review and approval by the Audit Committee a copy of the audit report shall be filed in the Office of Internal Audit.

Textbook Funds: Textbook funds shall be audited as mandated by Virginia Board of Education regulations.

Cafeteria Accounts: Cafeteria funds shall be accounted for in separate accounts and shall be audited each year. After review and approval by the board a copy of the audit reports shall be filed in the office of the superintendent. These audits are subject to periodic review by federal auditors as provided under the National School Lunch Act.

Federal Funds: Each grant of federal funds shall be accounted for separately in accordance with the agreement under which the funds were received. An audit shall be conducted in accordance with generally accepted auditing standards and the Single Audit Act as amended from time to time and the federal regulations promulgated thereunder, and the report shall be submitted to the board for review.

Special Audits: There shall be a special audit of individual school accounts at the request of the School Board, and whenever there is a change in principal or bookkeeper.

Internal Auditors: The Office of Internal Audit shall report directly to the Audit Committee and through the Audit Committee to the full School Board. For the purpose of administration, the Office of Internal Audit shall report to the Chairman of the Audit Committee. The office responsibilities include audits of all School Board programs, school activity accounting and fiscal matters as directed by the Audit Committee.

Audit Committee/Internal Audit Charter: The Audit Committee shall timely report to the full School Board material actions or inactions of school employees that become known to the committee and that could lead to charges of malfeasance in office by School Board members including, but not limited to: failure to care for, manage and control school property; failure to keep school expenditures within appropriated amounts; failure to comply with State or Federal statutes, Board of Education regulations, School Board Policy or Division Regulations. The Internal Audit Charter as adopted, and as revised from time to time by the School Board, is incorporated by reference into this policy.

FINANCIAL POLICIES

The accounting policies of the School Board conform to accounting principles generally accepted in the United States as applicable to governmental units. The information below summarizes the significant accounting principles of the School Board.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund equity, revenues and expenditures/expenses as appropriate.

The basic financial statements and required supplementary information include both the government-wide (based upon the School Board as a whole) financial statements (i.e., Statement of Net Position and Statement of Activities) and fund financial statements. While the previous reporting model emphasized fund types (i.e., the total of all funds of a particular fund type), the new reporting model emphasizes either the School Board as a whole or a major individual fund (within the basic financial statements and required supplementary information).

In the government-wide Statement of Net Position, the governmental activities column is presented on a full accrual and economic resources basis. This basis incorporates long-term assets and receivables, and long-term debt and obligations. The government-wide Statement of Activities demonstrates the degree to which the direct expenses of an activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific activity. Program revenues are those that are directly associated with the specific activity (e.g., Instruction, Pupil Transportation, Cafeterias). Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular activity. Taxes and other items not properly included among program revenues are reported as general revenues. The School Board does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Fund financial statements are provided for governmental funds, proprietary funds (i.e., internal service funds), and fiduciary funds (i.e., agency funds). By definition, the assets of the fiduciary funds are being held for the benefit of a third party and cannot be used to address activities or obligations of the government; therefore, these funds are excluded from the government-wide financial statements. Furthermore, the internal service funds have been

incorporated into the governmental activities column in the governmental-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

CAPITAL ASSETS

Capital assets including land and buildings; improvements other than buildings; machinery and equipment; and vehicles are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the School Board as assets with an initial, individual cost of \$5,000 or more. Capital assets are recorded as expenditures in the governmental funds and as assets in the government-wide financial statements. Depreciation is recorded on capital assets on a government-wide basis using the straight-line method with the following estimated useful lives:

Buildings	50 years
Portables	25 years
Improvements other than Buildings	20 years
Machinery and Equipment	5-20 years
Vehicles	8-12 years

All capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value in the year donated.

BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The effects of interfund activity have been eliminated from the government-wide financial statements; however, interfund services (e.g., risk management, health insurance) provided and used are not eliminated (elimination of these charges would distort the reported function expenses and program revenues).

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

The Agency funds are used to account for the assets held by the School Board as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds do not involve the measurement of results of operations, as they are custodial in nature (assets equal liabilities).

The modified accrual basis of accounting is used by all governmental fund types and the full accrual basis of accounting is used by the agency funds. Under the modified accrual basis of accounting, 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 collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (generally, revenues are considered available, if they are collected within 90 days of the end of the fiscal year). Expenditures are recorded when the related fund liability is incurred, if measurable.

The following is a list of the major revenue sources, which meet the "susceptible to accrual" criteria:

- Commonwealth of Virginia
- State Sales Taxes
- Federal Government

All Proprietary funds are reported under the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in

connection with a Proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service funds are charges for services. Operating expenses for the Internal Service funds include administrative expenses, insurance premiums and claims payments. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for the same purpose, restricted resources are used first, where practicable and permitted.

The School Board reports unearned revenue on its government-wide financial statements, when revenues are received prior to the period in which all eligibility requirements have been met. Unearned revenue at the fund level arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

CASH AND INVESTMENTS

Cash and temporary investments pertaining to the School Board's funds (except school activity account funds) are pooled and invested with the cash and temporary investments of the city. The bank balance of the city's deposits, which includes the School Board's cash pooled with the city, is covered by Federal Depository Insurance or collateralized in accordance with the Virginia Security for Public Deposits Act.

ENCUMBRANCES

Encumbrance accounting is used to reserve funding for outstanding purchase orders, contracts and other expenditure commitments. It is an important control measure to prevent the inadvertent over-expenditure of budget appropriations due to lack of information about future commitments. This is followed in the General, Special Revenue and Capital Projects funds.

Any fund balance in VBCPS' General fund carried into a succeeding fiscal year is for carry-over encumbrances and prepaid items only. By law, at the end of the fiscal year, all unexpended funds in the Operating budget in any school year must revert to the General fund of the city of Virginia Beach. The Special Revenue funds may have fund balances at the end of a fiscal year, unless otherwise stipulated in the city's budget ordinance.

INVENTORIES

All inventories are reported using the weighted average cost inventory method. Reported inventories are accounted for under the consumption method (i.e., recorded as expenditures when used) in the governmental funds.

FUND BALANCE FOR FINANCIAL REPORTING

All balances of Local Tax Revenues held by the schools at the close of business for each fiscal year ending on June 30 (to include the accrual period) lapse into the fund balance of the city of Virginia Beach's General fund. The reversion described in the preceding sentence is specific to Local Tax Revenues, and while the appropriation to spend funds may lapse, the reversion process is not applicable to moneys in a fund, such as the Athletic fund, that are attributable to user fees or gate admissions.

Fund balances are divided into five classifications based primarily upon constraints of specific purposes for which these funds can be spent. The classifications are as follows:

1. Non-spendable: Includes amounts that cannot be spent because they are not in spendable form (inventories, prepaid items), or are legally or contractually required to be maintained intact.
2. Restricted: When constraints are placed on the use of resources, either externally imposed by creditors, grantors, contributors or law or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.
3. Committed: Amounts that can be used only for the specific purposes imposed by formal action (ordinance or resolution) by the School Board and/or the City Council.
4. Assigned: Intended to be used by the School Board for specific purposes but do not meet the criteria to be classified as restricted or committed.
5. Unassigned: Amounts available that have not been restricted, committed or assigned to specific purposes.

FUND MANAGEMENT

Each senior staff member is responsible, through signature authority, for allocated school division funds. This authority may be shared, if so designated; however, delegating signature authority does not nullify accountability for fiscal responsibility. The division's other funds have the same expenditure and approval controls as the School Operating fund. Oversight responsibility for each fund is listed below. The complete Budget Manager and Signature Authority for budget and business transactions is included in the Appendix of this document.

Fund	Departments
Athletics	Department of School Leadership
Cafeterias	Department of School Division Services
Communication Towers Technology	Department of Technology
Equipment Replacement	Department of Budget and Finance
Green Run Collegiate	Department of School Leadership
Instructional Technology	Department of Teaching and Learning/Department of Technology
Textbooks	Department of Teaching and Learning
Vending Operations	Department of Budget and Finance

INSURANCE FUND

Risk Management: The School Board is self insured for a portion of its risks. The self-insurance coverage for Fire and Property Insurance is \$100,000 per occurrence (includes unnamed windstorm and earthquake damage) and 1 percent of the total insured value of the damaged covered property when such loss or damage results from a named windstorm (minimum deductible – \$250,000 per occurrence); Boiler and Machinery Breakdown coverage is \$10,000 per occurrence; School Leaders Liability (errors and omissions) coverage is \$350,000 per occurrence; Student Professional & International Travel Liability coverage is \$2,300,000 per claim; Crime (Employee Dishonesty) coverage is \$1,000 per occurrence; Environmental Impairment and Cyber Liability coverage has a \$1,000,000 each claim / aggregate; General Liability and Wrongful Act coverage is \$350,000 per occurrence; Automobile Liability coverage (engine on) is \$450,000 per occurrence; Automobile Physical Damage coverage (engine off) is \$60,000 per occurrence; General and Automobile Liability has a \$4,000,000 excess limit per occurrence; and Workers' Compensation Excess coverage is \$850,000 per claim.

Self-Insured Health Care Benefits: The School Board established a self-insured health care benefits program in January 2000 for all School Board and city employees. Certain claims expenses paid on behalf of each employee during a single policy year are covered by excess loss insurance with a specific stop-loss limit of \$600,000. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years.



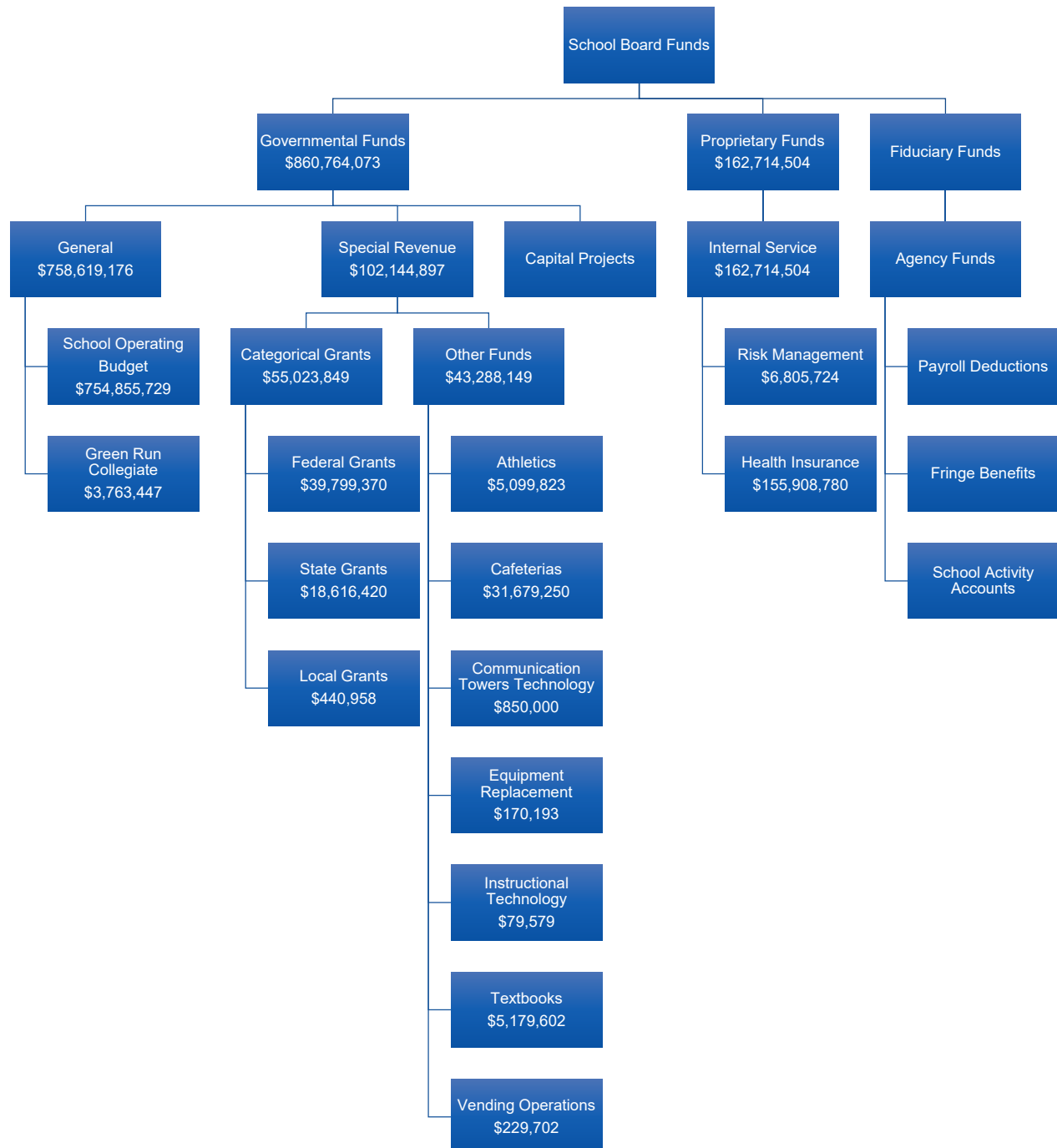
Financial

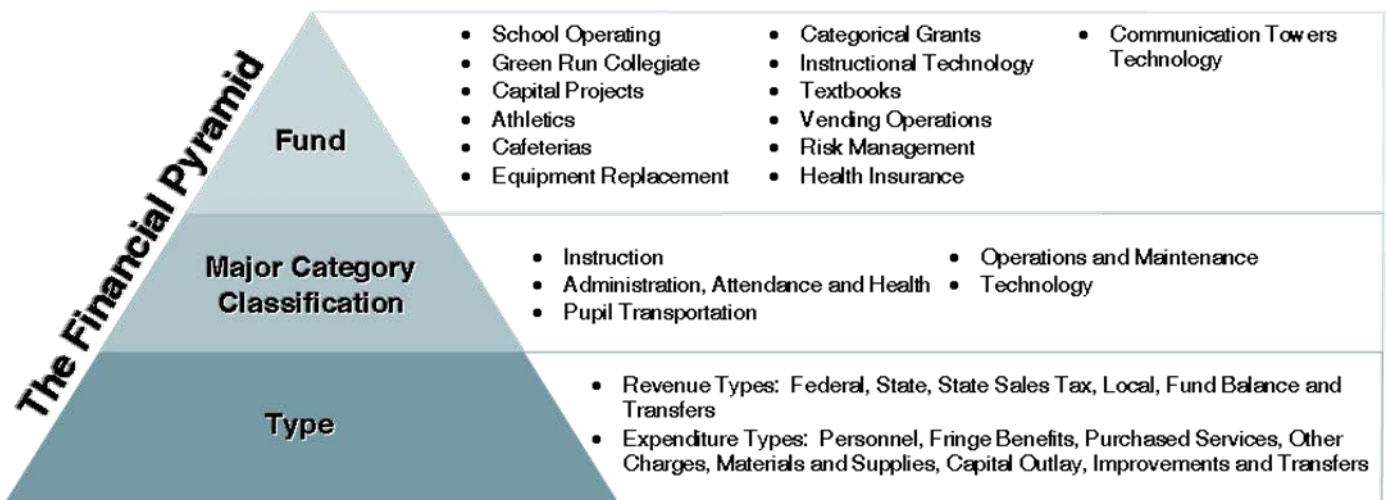
**School Board Funds • FY 2017/18 Budget at a Glance • General Fund
Special Revenue Funds • Internal Service Funds • Fund Balance
Capital Improvement Program • Debt Service • Other Postemployment Benefits**

School Board Funds

BUDGETARY BASIS

Like other state and local governments and public school divisions, the accounts of the School Board are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The elements used to classify revenues and expenditures can be viewed as a financial pyramid, with funds at the top and account types representing the lowest level of detail. All of the funds of the School Board are classified as Governmental funds, Proprietary funds or Fiduciary funds. Next, funds are categorized by major category classification (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type.





Fund Classification	Fund Type	Description	School Board Fund	Budget Basis	Accounting Basis
Governmental funds – account for operating, special revenue and capital project activities	General fund	The General fund is the general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and Green Run Collegiate (GRC) charter school.	School Operating Green Run Collegiate	Modified Accrual	Modified Accrual
	Capital Projects fund	The Capital Projects fund is used to account for the financial resources for the acquisition or construction of major capital facilities.	Capital Projects	Modified Accrual	Modified Accrual
	Special Revenue funds	The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.	Athletics Cafeterias Categorical Grants Communication Towers Technology Equipment Replacement Instructional Technology Textbooks Vending Operations	Modified Accrual	Modified Accrual
Proprietary funds – account for risk management and health insurance program activities	Internal Service funds	Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.	Risk Management Health Insurance	Accrual	Accrual
Fiduciary funds – account for resources held for others by VBCPS as an agent or trustee	Agency funds	Agency funds are used to account for assets held by the School Board as an agent for individuals, private organizations, other governmental units and/or other funds.	Payroll Deductions Fringe Benefits School Activity Accounts	Accrual	Accrual

FUND DESCRIPTIONS

GENERAL FUND

The General fund is the general operating fund of the School Board that is used to account for all of the division's financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and GRC. Within the fund, revenue and expenditures are budgeted by type. The budget is divided into five major classifications: Instruction; Administration, Attendance and Health; Transportation; Operations and Maintenance; and Technology.

CAPITAL PROJECTS FUND

The Capital Improvement Program (CIP) budget outlines the basic financing plan for capital needs. The Capital Projects fund tracks financial transactions used for the acquisition, construction or renovation of school buildings and sites, along with other major capital improvements. While the dollars budgeted in this fund address only the current year's needs, the CIP actually has capital projects programmed over a six-year span.

SPECIAL REVENUE FUNDS

The Special Revenue funds are used to account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.

ATHLETICS: The Athletics fund accounts for the costs of holding athletic activities at the division's schools. The primary source of revenue is from admission fees to athletic events.

CAFETERIAS: The Cafeterias fund is used to account for the procurement, preparation and serving of student breakfasts, snacks and lunches. The primary revenue sources are receipts from food sales and reimbursements from the federal school lunch program.

CATEGORICAL GRANTS: The Categorical Grants fund is used to account for federal, state, local, nonprofit and private industry grants that support instructional programs. Grants are typically legally restricted or dedicated to be expended for specified purposes.

COMMUNICATION TOWERS TECHNOLOGY: The Communication Towers Technology fund accounts for payments from leasing of School Board property for commercial wireless communication towers. The funds received from lease payments and the interest earned are used to acquire and replace/repair technology resources including computers, software, wiring, training, facsimile, multi-functional devices and interactive whiteboards.

EQUIPMENT REPLACEMENT: The Equipment Replacement fund provides an equipment replacement cycle for selected capital equipment for schools and support departments.

INSTRUCTIONAL TECHNOLOGY: The Instructional Technology fund provides for the cyclical replacement of classroom and instructional computers.

TEXTBOOKS: The Textbooks fund is used for the acquisition of textbooks (electronic and printed) and related materials for the VBCPS student population.

VENDING OPERATIONS: The Vending Operations fund accounts for receipts relating to the bottled drinks vending operations of the school division (through a long-term exclusive contract with a vending company). Proceeds from this contract are used by schools to support student and staff activities.

INTERNAL SERVICE FUNDS

Internal Service funds are used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.

HEALTH INSURANCE: The Health Insurance fund provides a means for accounting for health insurance and the administration thereof for city and school employees.

RISK MANAGEMENT: The Risk Management fund provides for the administration of the workers' compensation program, the centralization of self-insurance accounts for liability and the purchase of commercial insurance.

COMBINED FUNDS STATEMENT

Virginia Beach City Public Schools' (VBCPS) budgets are developed using a variety of policies and practices which reflect state law, school policies and regulations. Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). For accounting purposes, the fiscal year (FY) for VBCPS encompasses the 12 months beginning July 1 and ending the following June 30.

Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local (RSF)	326,746,963	335,555,661	346,772,054	365,459,296	382,762,670
Local (categorical grants and other funds)	13,712,478	12,217,171	12,870,826	13,772,166	13,697,107
Other Local	3,901,360	4,154,581	3,554,342	3,418,341	3,518,341
State	258,714,425	264,185,889	263,148,814	280,234,147	293,771,754
State Sales Tax	67,915,112	70,376,559	72,382,607	74,741,805	73,718,340
Federal	61,880,069	64,801,028	60,311,776	70,049,040	70,023,001
School Reserve (reversion)	14,000,000	16,000,000	8,299,318	5,000,000	8,803,897
Sandbridge TIF	-	-	-	409,000	409,000
Transfer(s) from other funds	7,678,757	7,950,352	7,329,705	11,273,085	11,673,239
Revenue Total	754,549,164	775,241,241	774,669,440	824,356,880	858,377,349
EXPENDITURE CATEGORY:					
Personnel Services	448,807,449	458,629,139	463,706,047	490,130,373	503,493,023
Fringe Benefits	160,463,155	173,142,546	169,727,602	178,879,832	188,306,856
Purchased Services	51,851,123	53,814,661	59,273,874	55,834,263	56,423,934
Other Charges	23,843,643	23,304,437	22,706,329	25,874,980	25,703,021
Materials and Supplies	51,943,559	58,565,885	48,799,379	62,208,309	69,627,980
Capital Outlay	8,053,624	1,931,086	3,578,850	6,036,014	5,313,443
Land, Structures and Improvement	628,306	375,248	90,759	240,301	222,577
Transfer(s) to Other Funds	7,501,662	7,348,009	7,632,572	11,273,085	11,673,239
Expenditure Total	753,092,521	777,111,011	775,515,413	830,477,157	860,764,073
Net Change in Fund Balance	342,652	(5,250,054)	616,308	(6,120,277)	(2,386,724)
Fund Balance July 1	25,998,881	26,341,533	21,091,480	21,707,787	15,587,510
Fund Balance June 30	26,341,533	21,091,480	21,707,787	15,587,510	13,200,786

Notes: All balances of local tax revenues held by the schools at the close of business for each fiscal year ending June 30 (to include the accrual period) lapse into the fund balance of the city of Virginia Beach's General fund. Risk Management fund 614 and Health Insurance funds 615 and 617 are excluded from this statement. Totals may not add due to rounding.

In accordance with the requirements of the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government (the city of Virginia Beach) and its component units which are legally separate organizations for which the City Council is financially accountable (e.g., a component unit that is fiscally dependent on the primary government). As a component unit of the city of Virginia Beach, the financial position and results of operations of the School Board are also presented in the city's Comprehensive Annual Financial Report (CAFR).

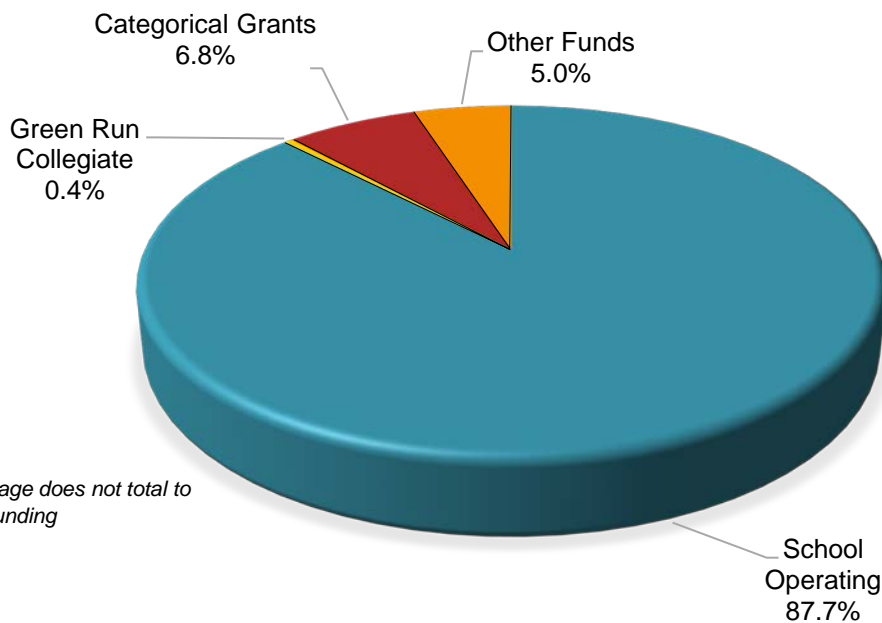
FY 2017/18 Budget at a Glance

FY 2017/18 BUDGET SUMMARY

Thorough planning processes are used to generate three drafts of the budget document at multiple stages of budget development. The Superintendent's Estimate of Needs (SEON) is developed and presented to the School Board in February. The School Board then conducts several workshops prior to presenting a Proposed School Board Operating Budget to the City Council in March. Each of these documents detail projected revenues and expenditures and outline proposed changes as compared to the prior year's budget. The City Council must approve the appropriation for the division no later than May 15. Ultimately, the School Board Approved Operating Budget document is drafted using final revenue data from the city and the Virginia General Assembly. This document presents a complete financial and organizational picture of the division, including comprehensive summaries and comparisons expanded to report up to eight years of data in some instances.

The VBCPS FY 2017/18 overall budget, including General funds, Categorical Grants and Other funds, totals \$860,764,073. This is an increase of \$30,286,916, or 3.6 percent, from the FY 2016/17 budget which totaled \$830,477,157. The following chart shows that the majority of total FY 2017/18 revenues and expenditures for VBCPS can be accounted for in the School Operating budget. The additional tables provide detailed data by major source and type.

Total FY 2017/18 School Board Approved Operating Budget



REVENUES BY MAJOR SOURCE

	School Operating Fund 115	Green Run Collegiate Fund 104	Equipment Replacement Fund 107	Instructional Technology Fund 108	Vending Operations Fund 109	Comm. Towers Technology Fund 112	Cafeterias Fund 114	Categorical Grants Fund 116	Textbooks Fund 117	Athletics Fund 119	Total
Local Revenue (RSF)	382,762,670	-	-	-	-	-	-	-	-	-	382,762,670
Local Revenue (Special Revenue Funds)	-	-	-	-	192,550	510,000	11,995,988	440,958	53,611	504,000	13,697,107
State Revenue	273,443,481	-	-	-	-	-	500,000	15,365,288	4,462,985	-	293,771,754
State Sales Tax	73,718,340	-	-	-	-	-	-	-	-	-	73,718,340
Federal Revenue	12,200,000	-	-	-	-	-	18,086,468	39,736,533	-	-	70,023,001
Fund Balance	-	-	170,193	79,579	37,152	340,000	1,096,794	-	663,006	-	2,386,724
Transfer(s) from Other Funds	-	3,763,447	-	-	-	-	-	3,313,969	-	4,595,823	11,673,239
Other Local Revenue	3,518,341	-	-	-	-	-	-	-	-	-	3,518,341
School Reserve (reversion)	8,803,897	-	-	-	-	-	-	-	-	-	8,803,897
Sandbridge TIF	409,000	-	-	-	-	-	-	-	-	-	409,000
Total Revenue	754,855,729	3,763,447	170,193	79,579	229,702	850,000	31,679,250	58,856,748	5,179,602	5,099,823	860,764,073
PERCENT OF TOTAL	87.70%	0.44%	0.02%	0.01%	0.03%	0.10%	3.68%	6.84%	0.60%	0.59%	100.00%

EXPENDITURES BY TYPE

	School Operating Fund 115	Green Run Collegiate Fund 104	Equipment Replacement Fund 107	Instructional Technology Fund 108	Vending Operations Fund 109	Comm. Towers Technology Fund 112	Cafeterias Fund 114	Categorical Grants Fund 116	Textbooks Fund 117	Athletics Fund 119	Total
Personnel Services	460,704,795	2,246,851	-	-	-	-	10,122,611	27,714,565	83,431	2,620,770	503,493,023
Fringe Benefits	172,867,053	804,226	-	-	-	-	4,501,594	9,902,434	31,066	200,483	188,306,856
Purchased Services	49,216,858	351,820	-	-	-	-	472,932	4,459,864	670,431	1,252,029	56,423,934
Other Charges	24,473,798	89,200	-	-	216,248	-	74,802	622,723	-	226,250	25,703,021
Materials and Supplies	31,156,150	271,350	-	79,579	13,454	850,000	16,157,311	16,094,162	4,394,674	611,300	69,627,980
Capital Outlay	4,541,259	-	170,193	-	-	-	350,000	63,000	-	188,991	5,313,443
Land, Structures and Improvements	222,577	-	-	-	-	-	-	-	-	-	222,577
Transfer(s) to Other Funds	11,673,239	-	-	-	-	-	-	-	-	-	11,673,239
Total Expenditure	754,855,729	3,763,447	170,193	79,579	229,702	850,000	31,679,250	58,856,748	5,179,602	5,099,823	860,764,073
PERCENT OF TOTAL	87.70%	0.44%	0.02%	0.01%	0.03%	0.10%	3.68%	6.84%	0.60%	0.59%	100.00%



SCHOOL OPERATING BUDGET SUMMARY FOR FY 2017/18

The School Operating budget provides for the day-to-day operations and maintenance of the division. Given that more than 87 percent of the total FY 2017/18 budget is appropriated in the School Operating fund, additional details are provided. The approved FY 2017/18 School Operating fund totals \$754,855,729. This is an increase of approximately \$29.9 million, or 4.1 percent, from the FY 2016/17 Approved Budget.

REVENUE HIGHLIGHTS

In the FY 2017/18 budget, local contributions calculated using an approved Revenue Sharing Formula (RSF) continue to be the most substantial source of revenue for VBCPS. The Commonwealth of Virginia provides the next largest source of revenue to VBCPS through state aid and sales tax revenues. The remaining revenues are obtained from federal aid, tuition, fees and other sources.

- VBCPS receives most of its funding, nearly 51 percent, from local contributions. The FY 2017/18 local contribution (generated through the RSF and other local contributions) totals \$382,762,670, an increase of \$17,303,374, or 4.7 percent, over the FY 2016/17 amount of \$365,459,296. This amount includes \$6.75 million in additional funding to support VBCPS' plans to begin a phased-in expansion of pre-kindergarten and full-day kindergarten over the next several years.
- Debt service funds are managed and controlled by the city of Virginia Beach. The funds are deducted from the city's local contribution to the division, reducing the amount appropriated for the School Operating budget. The total Debt Service payment for FY 2017/18 is estimated at \$45,819,477, which represents a decrease of \$871,797, or 1.9 percent, from the FY 2016/17 amount of \$45,819,477.
- State revenue for FY 2017/18, which accounts for 36.2 percent of total operating revenue, increased by \$10,019,656, compared to the FY 2016/17 budget of \$263,423,825. The FY 2017/18 total is \$273,443,481, which equates to a 3.8 percent increase. The second component of state revenue, sales tax, decreased by \$1,023,465, or 1.4 percent compared to the FY 2016/17 Adopted Budget of \$74,741,805. Projected sales tax receipts represent 9.9 percent of VBCPS' revenue.
- In Virginia, school divisions receive the majority of state aid based on their local composite index (LCI). Counties and cities with a lower composite index receive more state funding than those with a higher index. The state calculates the LCI every two years. Calculations for the 2016-2018 biennium budget resulted in a decrease for Virginia Beach's LCI from .4034 to .3925.
- The FY 2017/18 budget includes \$12,200,000 in federal revenue. This amount reflects a decrease of \$276,532 in Impact Aid program payments compared to the FY 2016/17 budget. Impact Aid program payments account for nearly 81.4 percent of the federal revenue funding projected for VBCPS in FY 2017/18.
- In prior years, VBCPS has relied on fund balance or reversion funds to maintain critical services in response to the recession and significant losses of state funding. VBCPS will use \$8.8 million of School Reserve (reversion) revenue and \$409,000 in Sandbridge Tax Increment Financing (TIF) funds to balance the FY 2017/18 School Operating budget. The School Reserve revenue amount represents an increase of \$3.8 million over the previous fiscal year when VBCPS used \$5 million of this one-time funding source to balance the School Operating budget. The Sandbridge TIF revenue reflects the same amount budgeted in FY 2016/17 for this source.

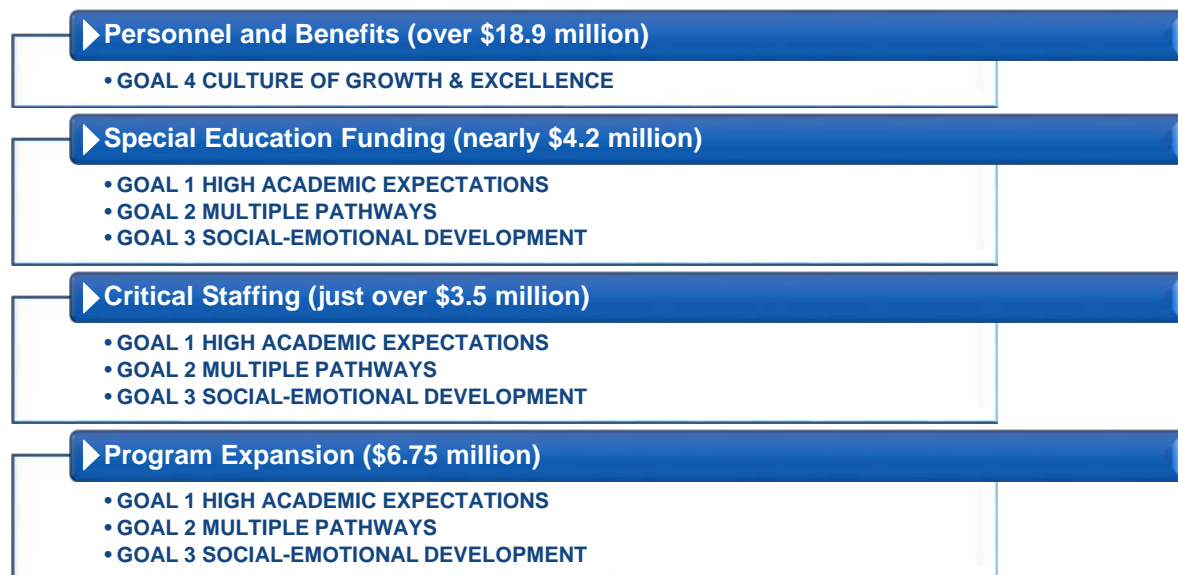
EXPENDITURE HIGHLIGHTS

This budget reflects considerable increases in revenue at the state and local levels. Combined with efforts to reprioritize budget line items and reallocate existing resources, this additional revenue will allow the division to address several of the School Board's funding goals and priorities. Included in this budget are funds to:

- Provide a salary increase of 2.0 percent. Effective FY 2017/18, all eligible employees will be paying the full 5.0 percent required into the Virginia Retirement System (VRS). As such, employees will see the full impact of this 2.0 percent increase in their annual salary. The projected cost for the increase is \$10,403,500 (inclusive of benefits).
- Cover nearly \$6.6 million in costs related to VRS employer contribution rate increases. The VRS rate will climb by 1.66 percent, from 14.66 percent in FY 2016/17 to 16.32 percent in FY 2017/18.
- Add 40.0 Full-Time Equivalent (FTE) instructional positions to reduce class sizes at the secondary level and 6.0 FTE instructional technology specialists at the elementary and middle school levels. The addition of these positions will cost approximately \$3.5 million.
- Work toward addressing bus driver compensation issues and continue support for Unified Pay Scale equity adjustments.
- Allocate adequate funding required to support special education programs in the division. Budget adjustments for special education are projected to cost an additional \$4.2 million for FY 2017/18.
- Begin a multi-year phased implementation of full-day kindergarten for all eligible students and to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to Virginia Preschool Initiative (VPI) state funding.

As a result of declining student enrollment, the division will reduce teaching positions by 50.3 FTEs across all grade levels in FY 2017/18 for a cost savings of approximately \$3.5 million. The loss of positions will be addressed entirely by attrition.

Significant FY 2017/18 Expenditure Highlights Linked to Strategic Goals



BALANCING THE FY 2017/18 SCHOOL OPERATING BUDGET

	FY 2016/17 Budget	FY 2017/18 Approved	Change
Revenue			
Federal	12,476,532	12,200,000	(276,532)
State	263,423,825	273,443,481	10,019,656
State Sales Tax	74,741,805	73,718,340	(1,023,465)
Local Contribution (RSF)	365,459,296	382,762,670	17,303,374
Other Local	3,418,341	3,518,341	100,000
School Reserve (reversion)	5,000,000	8,803,897	3,803,897
Sandbridge TIF Reallocation	409,000	409,000	-
	724,928,799	754,855,729	29,926,930
Budget Balancing			
		Amount	Balance
			29,926,930
Reduction of 50.3 FTEs as a result of declining enrollment		(3,525,274)	33,452,204
2.0% raise (salary and benefits)		10,403,500	23,048,704
Higher VRS employer contributions (rate increase from 14.66% to 16.32%)		6,567,623	16,481,081
Funding necessary to support special education programs		4,170,716	12,310,365
Addition of 40.0 secondary FTE instructional positions to reduce class size		3,022,552	9,287,813
Allocation of additional funds for bus drivers (salary and benefits)		1,165,008	8,122,805
Funding to continue support of Unified Scale equity adjustments		750,000	7,372,805
Addition of 6.0 FTE instructional technology specialists (at the ES and MS level)		522,805	6,850,000
Allocate additional funds to cover expenses related to consolidated benefits for city personnel		100,000	6,750,000
Phase-in of full-day kindergarten and pre-kindergarten expansion		6,750,000	-

APPROVED BUDGET BALANCING STEPS AND STRATEGIES

There are many unpredictable factors affecting the projection of revenue and expenditures. As such, VBCPS develops and utilizes budget assumptions that are based on data and information available at the time the budget is formulated. To balance the FY 2017/18 School Operating budget, the following steps were taken:

Step 1: Sources of revenue have been analyzed for use in developing a balanced budget. The city shared information about local revenue contributions and debt service. The Governor's Amended 2016-2018 Biennial Budget and the General Assembly's preliminary direct aid estimated distributions were used to determine state funding for FY 2017/18. School divisions are provided the option of using the Governor's projection for ADM or entering a local estimate for enrollment projections. For FY 2017/18, the ADM used in the development of the Governor's Amended budget was 66,714.55. Based on information provided by an internal demographer, VBCPS elected to utilize an ADM projection of 66,920 to determine state funding estimates for next fiscal year.

Step 2: Changes were made to the budget to reduce FTEs, primarily as a result of declining student enrollment.

Step 3: An increase of 2.0 percent has been applied to FTE personnel line items to increase base salaries for eligible employees effective July 1, 2017.

Step 4: Compensation parameters were updated to account for rising benefit costs. VRS employer contributions continue to be the primary driver of rising compensation costs. The rate will climb by 1.66 percent, from 14.66 percent in FY 2016/17 to 16.32 percent in FY 2017/18.

Step 5: Adequate funding required to support special education programs in the division has been allocated accordingly.

Step 6: Instructional positions have been added to reduce class sizes at the secondary level and address staffing shortages for instructional technology specialists at the elementary and middle school levels.

Step 7: Funding has been budgeted to work toward addressing bus driver compensation issues and continue support for Unified Scale equity adjustments.

Step 8: The Governor's Amended 2016-2018 Biennial Budget adopted by the 2017 General Assembly included funding for a compensation supplement equal to the state share of a 2.0 percent salary increase effective Feb. 15, 2018 for funded SOQ instructional and support positions. No local match is required under this initiative. The

salary increase referenced in Step 3 improves employee salaries in a way that will allow VBCPS to access approximately \$1.7 million of this state funding.

Step 9: One-time reversion funds in the amount of \$8.8 million have been included in the FY 2017/18 budget as a source of revenue.

Step 10: At the conclusion of deliberations during multiple budget workshops, the School Board approved and submitted a balanced budget resolution to the City Council in March requesting a lump sum appropriation of \$748.1 million for the FY 2017/18 School Operating budget. Although the School Board submitted a resolution to the City Council reflecting a balanced FY 2017/18 Proposed Operating Budget based on projected revenues, the School Board also adopted a separate budget resolution on Mar. 7 requesting additional funding totaling \$14,093,300 above and beyond what would be provided by applying the agreed upon RSF. The purpose for the additional funding is: 1) to provide funds to begin a multi-year phased implementation of full-day kindergarten for all eligible students, and 2) to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to VPI state funding.

Step 11: In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funds must be brought forward to the City Council and that the School Board must acknowledge support for an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary. This secondary Budget Resolution - Additional Funds Request adopted by the School Board included the required language with added clarification that any unspent funds related to the request would be utilized solely for identified priority needs such as CIP projects, replacement school buses, replacement equipment and furniture, and technology related items.

Step 12: The additional local funding requested by the School Board would equate to a real estate tax increase of nearly three cents. In the FY 2017/18 Resource Management Plan and Operating Budget adopted by the City Council, a real estate tax increase of 1.25 cents was included to support the first two years of the phased approach VBCPS will take to implement full-day kindergarten and expand the pre-kindergarten program. The tax revenue generated by the rate increase is recognized in the FY 2017/18 School Operating budget as an additional appropriation of \$6.75 million in dedicated revenue from the city.

Step 13: With the additional \$6.75 million in funding from the city, the final FY 2017/18 School Operating budget totals approximately \$754.9 million, reflecting an increase of \$29.9 million, or 4.1 percent, when compared to the FY 2016/17 Approved Budget. For the first time in several years, balancing the School Operating budget did not include a proposed class size increase.

UNMET NEEDS

As part of the budget development process, departmental requests are summarized and presented to the superintendent and senior staff to begin deliberations on unmet needs and budget priorities. Within the first quarter of the fiscal year, the administration considers one-time requests that could not feasibly be funded in the annual budget to determine the appropriate use(s) for any reversion funds. The following lists provide an approximate accounting of the division's ongoing unmet operating and technology needs.

UNMET OPERATING NEEDS

Operating Item Description (not in priority order)	Amount
Full day kindergarten (does not include portable classrooms)	12,900,000
Increase allowances, supplements, long-term substitute rate and sick leave payout for retirees; reclassify teacher assistants; and move selected positions from the Unified Pay Scale to the Instructional Pay Scale	10,895,000
Eliminate the need for one-time funds in balancing budget	8,803,897
Reduce class size by one student grades K-12	8,500,000
Unified Scale equity adjustments	2,100,000
Bus replacement (20 buses at \$90,000 each)	1,800,000
Expand Advanced Placement support program	1,200,000
Increase local match to maximize available state funding for the preschool program	1,081,828
Additional high school math/reading coaches	706,040
White fleet replacement vehicles (needed annually)	300,000
Projector replacement (annually)	300,000
Additional middle school math/reading coaches	260,000
Operating Items Total	48,846,765

UNMET TECHNOLOGY NEEDS

Technology Item Description	Amount
Interactive white board replacement	29,802,000
Fund technology initiative - access for all students	25,095,546
Access layer switching replacement	11,500,000
Telephone system upgrade	5,000,000
Copier/Multifunction Device (MFD) replacement	2,017,800
Cabling upgrades for various locations	2,014,943
UPS battery technology replacement	1,500,000
Hyper-converged Azure Cloud integration	600,000
Network monitoring and troubleshooting system	582,786
Local host server replacements	525,000
Hyper-converged production server/storage replacements (phase II)	500,000
Firewall replacement	400,000
Security threat identification software (Varonis)	250,000
Wide area network Edge/Distro upgrade for administrative sites	205,790
Department of Technology Total	79,993,865

The following items were not built into the FY 2017/18 budget, but will be funded with one-time reversion funds:

- Replacement school buses
- White fleet replacement vehicles
- Upgrades to the wireless network
- Technology initiative

General Fund

Within the General fund, revenue is classified by funding source and expenditures are categorized by type. All balances of local tax revenues held by the schools at the close of business for each fiscal year ending June 30 (to include the accrual period) lapse into the fund balance of the city of Virginia Beach's General fund.

School Operating Fund - Statement of Revenues and Expenditures

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local (RSF)	325,513,619	333,248,307	343,916,643	365,459,296	382,762,670
Other Local	3,901,360	4,154,581	3,554,342	3,418,341	3,518,341
State	243,244,524	250,173,014	249,585,001	263,423,825	273,443,481
State Sales Tax	67,915,112	70,376,559	72,382,607	74,741,805	73,718,340
Federal	12,316,895	14,290,941	10,984,117	12,476,532	12,200,000
School Reserve (reversion)	14,000,000	16,000,000	8,299,318	5,000,000	8,803,897
Sandbridge TIF	-	-	-	409,000	409,000
Revenue Total	666,891,510	688,243,402	688,722,026	724,928,799	754,855,729
EXPENDITURE CATEGORY:					
Personnel Services	413,490,168	422,822,022	428,445,474	447,785,910	460,704,795
Fringe Benefits	149,280,520	161,567,893	158,381,563	163,709,426	172,867,053
Purchased Services	42,643,633	43,858,962	46,917,346	46,518,963	49,216,858
Other Charges	22,957,640	22,337,114	21,619,318	24,563,323	24,473,798
Materials and Supplies	25,087,398	25,390,740	24,065,178	26,455,097	31,156,150
Capital Outlay	4,442,749	1,012,174	3,241,021	4,382,694	4,541,259
Land, Structures and Improvement	628,306	375,248	90,759	240,301	222,577
Transfer(s) to Other Funds	7,501,662	7,348,009	7,632,572	11,273,085	11,673,239
Expenditure Total	666,032,076	684,712,162	690,393,231	724,928,799	754,855,729

Green Run Collegiate Charter School Fund - Statement of Revenues and Expenditures

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local (RSF)	1,233,344	2,307,354	2,855,411	-	-
Transfer(s) from other funds	-	-	-	3,686,686	3,763,447
Revenue Total	1,233,344	2,307,354	2,855,411	3,686,686	3,763,447
EXPENDITURE CATEGORY:					
Personnel Services	680,445	1,297,962	1,731,774	2,177,719	2,246,851
Fringe Benefits	212,187	439,560	582,118	749,948	804,226
Purchased Services	168,242	200,358	248,721	345,032	351,820
Other Charges	61,408	76,538	69,230	99,200	89,200
Materials and Supplies	95,254	220,072	257,007	302,941	271,350
Capital Outlay	-	10,427	25,775	11,846	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	1,217,536	2,244,917	2,914,625	3,686,686	3,763,447

Note: Beginning in FY 2016/17, Green Run Collegiate funding is represented as a School Operating budget transfer; instead of being directly appropriated from the city of Virginia Beach.

GENERAL FUND REVENUE BUDGET COMPARISON

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved	Percent of Total	Variance
Public Law 874 (Impact Aid)	7,050,734	8,711,239	6,187,097	10,211,723	9,935,191	1.32%	(276,532)
Department of Defense	2,048,697	2,432,746	1,768,864	1,500,000	1,500,000	0.20%	-
Rebates and Refunds (NJROTC)	317,898	323,105	309,354	100,000	100,000	0.01%	-
Other Federal Funds	2,899,566	2,823,850	2,718,802	664,809	664,809	0.09%	-
Federal Revenue Total	12,316,895	14,290,941	10,984,117	12,476,532	12,200,000	1.62%	(276,532)
Basic School Aid	167,421,241	175,008,994	172,363,914	178,303,720	177,972,380	23.58%	(331,340)
State Sales Tax	67,915,112	70,376,559	72,382,607	74,741,805	73,718,340	9.77%	(1,023,465)
Foster Home Children	219,095	262,038	321,719	322,314	434,143	0.06%	111,829
Gifted and Talented	1,857,803	1,916,570	1,903,641	1,963,080	1,951,387	0.26%	(11,693)
Special Education	18,497,259	18,023,909	17,861,826	19,221,829	19,107,333	2.53%	(114,496)
Special Education (Homebound)	82,129	95,257	145,794	151,428	160,664	0.02%	9,236
Special Education (Regional Tuition)	8,612,358	8,981,792	9,455,956	9,564,375	9,949,380	1.32%	385,005
Remedial Summer School	325,958	382,674	250,985	341,793	228,268	0.03%	(113,525)
Prevention, Intervention and Remediation	3,311,736	4,037,029	4,009,798	4,703,213	4,675,199	0.62%	(28,014)
Vocational Education	2,503,996	2,207,998	2,137,022	1,881,285	1,870,079	0.25%	(11,206)
Vocational Education (Categorical)	168,059	216,771	202,458	392,736	324,137	0.04%	(68,599)
Social Security	10,015,983	10,235,297	10,166,255	10,633,352	10,570,014	1.40%	(63,338)
Virginia Retirement System	16,720,230	20,796,818	20,048,988	21,961,962	24,270,378	3.22%	2,308,416
State Employee Insurance	646,192	652,449	648,048	736,155	731,770	0.10%	(4,385)
English as a Second Language	520,114	594,967	637,066	726,035	636,990	0.08%	(89,045)
At-Risk Initiative	1,945,240	2,336,911	2,319,901	2,968,406	2,955,530	0.39%	(12,876)
Class Size Initiative	3,092,809	4,385,528	4,227,867	4,702,190	4,578,114	0.61%	(124,076)
Supplemental State Support	3,442,748	-	-	-	-	0.00%	-
Compensation Supplement	3,861,573	-	2,845,412	2,665,416	1,795,175	0.24%	(870,241)
Math/Reading Instructional Specialists	-	38,012	38,349	40,689	-	0.00%	(40,689)
Supplemental Lottery Per Pupil Allocation	-	-	-	2,143,847	11,232,540	1.49%	9,088,693
State Revenue Total	311,159,636	320,549,573	321,967,606	338,165,630	347,161,821	45.99%	8,996,191
Local Contributions (RSF)	325,513,619	333,248,307	343,916,643	365,459,296	382,762,670	50.71%	17,303,374
Additional Local Contributions	635,538	635,538	635,538	635,538	735,538	0.10%	100,000
Rental of Facilities	383,359	531,220	562,376	450,000	450,000	0.06%	-
Summer School Tuition	583,781	543,873	567,261	700,000	700,000	0.09%	-
General Adult Education Tuition	211,925	110,654	68,061	142,839	142,839	0.02%	-
Vocational Adult Education Tuition	30,870	25,140	19,628	169,750	169,750	0.02%	-
Non-Resident Tuition	137,819	210,349	186,706	100,000	100,000	0.01%	-
Driver Education Tuition	287,926	303,654	280,940	322,125	322,125	0.04%	-
Licensed Practical Nursing Tuition	15,437	23,115	25,291	25,575	25,575	0.00%	-
Renaissance Academy Tuition	7,950	2,550	-	20,811	20,811	0.00%	-
Sale of School Vehicles	5,411	-	-	15,000	15,000	0.00%	-
Sale of Salvage Equipment	322,743	597,314	125,336	12,000	12,000	0.00%	-
Other Funds	629,632	501,949	427,297	224,703	224,703	0.03%	-
Indirect Costs of Grants	648,969	669,224	655,908	600,000	600,000	0.08%	-
Local Revenue Total	329,414,979	337,402,888	347,470,985	368,877,637	386,281,011	51.17%	17,403,374
Revenue Total	652,891,510	672,243,402	680,422,707	719,519,799	745,642,832	98.78%	26,123,033
School Reserve (reversion)	14,000,000	16,000,000	8,299,318	5,000,000	8,803,897	1.17%	3,803,897
Sandbridge TIF Reallocation	-	-	-	409,000	409,000	0.05%	-
Additional Funds Total	14,000,000	16,000,000	8,299,318	5,409,000	9,212,897	1.22%	3,803,897
School Operating Fund Total	666,891,510	688,243,402	688,722,025	724,928,799	754,855,729	100.00%	29,926,930
Local Contributions (RSF)	1,233,344	2,307,354	2,855,411	-	-	0.00%	-
Transfer(s) from Other Funds*	-	-	-	3,686,686	3,763,447	100.00%	76,761
Green Run Collegiate Fund Total	1,233,344	2,307,354	2,855,411	3,686,686	3,763,447	100.00%	76,761
General Fund Total	668,124,854	690,550,756	691,577,436	728,615,485	758,619,176	100.00%	30,003,691

* Reflects a technical budget adjustment to treat GRC funding as a transfer from the School Operating budget beginning FY 2016/17.

Notes: Percentages may not total due to rounding.

GENERAL FUND EXPENDITURES BUDGET COMPARISON

		FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved	Percent of Total	Variance
50100	Elementary Classroom	135,229,384	142,542,841	138,880,306	142,570,682	153,446,131	20.33%	10,875,449
50200	Senior High Classroom	70,828,987	73,200,810	71,938,939	74,909,964	76,686,462	10.16%	1,776,498
50300	Technical and Career Education	17,063,818	16,866,793	16,316,721	17,937,007	19,161,799	2.54%	1,224,792
50400	Gifted Education and Academy Programs	12,875,301	12,772,627	13,042,194	13,891,461	14,423,782	1.91%	532,321
50500	Special Education	82,988,958	85,319,759	89,508,209	91,476,751	95,621,574	12.67%	4,144,823
50600	Summer School	1,493,939	1,907,372	1,904,463	2,006,768	1,730,766	0.23%	(276,002)
50610	Summer Slide Program	-	-	-	-	276,002	0.04%	276,002
50700	General Adult Education	1,683,761	1,688,506	1,804,901	1,965,164	2,017,986	0.27%	52,822
50800	Alternative Education - Renaissance	6,070,603	6,240,217	6,195,789	6,621,170	6,984,923	0.93%	363,753
50900	Student Activities	7,268,899	7,275,171	7,638,175	7,701,288	8,014,490	1.06%	313,202
51000	Office of the Principal - Elementary	23,529,288	24,282,678	24,539,974	25,108,034	26,173,178	3.47%	1,065,144
51100	Office of the Principal - Senior High	9,650,672	10,034,221	10,871,325	11,670,128	11,761,620	1.56%	91,492
51200	Office of the Principal - Technical and Career Education	521,516	568,239	585,798	648,235	669,481	0.09%	21,246
51300	Guidance Services	15,554,267	15,827,697	15,787,355	16,870,916	17,224,562	2.28%	353,646
51400	Social Work Services	3,235,987	3,222,485	3,395,828	3,750,657	4,035,799	0.53%	285,142
51500	Media and Communications	1,501,355	1,545,455	1,785,821	2,011,060	2,105,117	0.28%	94,057
51700	Teaching and Learning Support	12,730,970	13,367,813	13,482,251	17,695,473	16,698,234	2.21%	(997,239)
51710	Instructional Professional Growth and Innovation	1,130,489	1,209,138	1,052,606	1,245,608	1,270,557	0.17%	24,949
51720	Opportunity and Achievement	8,504	5,043	68,237	89,860	89,860	0.01%	-
51800	Special Education Support	2,506,062	2,702,286	3,002,544	3,586,296	3,665,293	0.49%	78,997
51900	Gifted Education and Academy Programs Support	1,951,041	2,069,247	2,118,746	2,275,604	2,325,250	0.31%	49,646
52000	Media Services Support	12,290,950	12,557,365	12,564,402	13,069,624	13,288,668	1.76%	219,044
52100	Planning, Innovation and Accountability	2,398,395	2,207,776	2,113,071	2,462,386	2,644,071	0.35%	181,685
52200	Middle School Classroom	54,880,585	58,414,421	56,973,326	59,027,049	60,729,744	8.05%	1,702,695
52300	Remedial Education	8,506,218	7,192,356	7,402,434	7,577,647	8,266,085	1.10%	688,438
52400	Office of the Principal - Middle School	8,459,900	9,004,956	9,951,735	10,479,268	10,722,847	1.42%	243,579
52500	Homebound Services	374,002	373,973	376,617	409,786	412,268	0.05%	2,482
52600	Technical and Career Education Support	837,920	888,338	920,391	973,995	1,027,071	0.14%	53,076
52700	Student Leadership	1,233,882	1,290,462	1,353,658	1,403,561	1,426,623	0.19%	23,062
52800	Psychological Services	3,247,257	3,405,330	3,464,815	4,133,277	4,631,619	0.61%	498,342
52900	Autological Services	382,485	427,331	445,567	458,732	476,513	0.06%	17,781
53100	School Leadership	1,306,678	1,440,597	1,717,068	1,732,516	1,854,752	0.25%	122,236
53200	Alternative Education	1,191,930	1,288,897	1,339,552	1,475,480	1,408,675	0.19%	(66,805)
Instruction Total		502,934,003	521,140,200	522,542,818	547,235,447	571,271,802	75.68%	24,036,355
54100	Board, Legal and Governmental Services	965,745	1,002,061	877,986	1,134,263	1,135,904	0.15%	1,641
54200	Office of the Superintendent	1,034,032	1,264,513	903,042	1,037,745	1,043,134	0.14%	5,389
54300	Budget and Finance	3,387,053	3,531,398	3,760,801	4,916,483	5,108,648	0.68%	192,165
54400	Human Resources	4,596,664	4,735,781	4,752,889	5,112,529	5,254,448	0.70%	141,919
54500	Internal Audit	389,240	416,057	390,330	441,842	466,766	0.06%	24,924
54600	Purchasing Services	999,008	1,020,691	1,040,657	1,062,890	1,126,065	0.15%	63,175
54700	Professional Growth and Innovation	482,084	460,155	726,302	843,231	889,795	0.12%	46,564
55000	Benefits	1,704,623	1,678,193	2,121,086	2,173,630	2,332,686	0.31%	159,056
55200	Health Services	6,707,115	6,930,315	7,294,816	7,558,422	7,909,740	1.05%	351,318
Administration, Attendance and Health Total		20,265,564	21,039,164	21,867,909	24,281,035	25,267,186	3.35%	986,151
56100	Management	1,968,353	2,162,144	2,250,424	2,355,836	2,545,712	0.34%	189,876
56200	Vehicle Operations	18,443,202	16,694,518	16,199,707	20,838,915	21,032,933	2.79%	194,018
56250	Vehicle Operations - Special Education	5,473,574	5,013,360	5,864,284	5,194,458	6,122,972	0.81%	928,514
56300	Vehicle Maintenance	2,825,073	2,884,210	3,212,477	3,187,393	3,291,110	0.44%	103,717
56400	Monitoring Services	2,782,483	2,870,480	3,056,056	2,878,172	2,947,319	0.39%	69,147
Pupil Transportation Total		31,492,685	29,624,712	30,582,948	34,454,774	35,940,046	4.76%	1,485,272
57100	Facilities Planning and Construction	734,850	710,605	792,847	875,830	813,472	0.11%	(62,358)
57200	School Plant	43,295,124	42,916,463	43,091,533	44,390,952	44,933,193	5.95%	542,241
57300	Distribution Services	1,516,450	1,501,532	1,609,028	1,687,729	1,733,085	0.23%	45,356
57400	Grounds Services	3,564,352	3,884,352	3,884,352	4,167,908	4,167,908	0.55%	-
57500	Custodial Services	26,842,827	26,890,109	27,149,155	28,226,355	28,757,647	3.81%	531,292
58100	Safety and Loss Control	6,707,263	6,616,053	7,030,060	6,937,465	7,346,366	0.97%	408,901
58200	Vehicle Services	1,060,041	1,243,607	842,893	1,102,674	1,241,815	0.16%	139,141
58300	Telecommunications	1,185,290	1,280,140	1,265,076	989,687	1,048,121	0.14%	58,434
Operations and Maintenance Total		84,906,197	85,042,861	85,664,944	88,378,600	90,041,607	11.93%	1,663,007
60000	Technology	26,433,626	27,865,225	29,734,608	30,578,943	32,335,088	4.28%	1,756,145
Technology Total		26,433,626	27,865,225	29,734,608	30,578,943	32,335,088	4.28%	1,756,145
School Operating Fund Total		666,032,075	684,712,162	690,393,227	724,928,799	754,855,729	100.00%	29,926,930
Green Run Collegiate Instruction		1,071,910	2,039,711	2,651,550	3,365,054	3,440,666	91.42%	75,612
Green Run Collegiate Administration, Attendance and Health		-	25	-	11,000	11,000	0.29%	-
Green Run Collegiate Pupil Transportation		120,741	159,060	189,128	260,766	260,766	6.93%	-
Green Run Collegiate Operations and Maintenance		-	-	-	19,400	19,400	0.52%	-
Green Run Collegiate Technology		24,885	46,121	73,947	30,466	31,615	0.84%	1,149
Green Run Collegiate Fund Total		1,217,536	2,244,917	2,914,625	3,686,686	3,763,447	100.00%	76,761
General Fund Total		667,249,611	686,957,079	693,307,852	728,615,485	758,619,176	100.00%	30,003,691

Notes: The General fund is used to account for the financial activities of the School Operating fund 115 and GRC charter school fund 104. Percentages may not total due to rounding.

SCHOOL OPERATING EXPENDITURES BY MAJOR CATEGORY CLASSIFICATION AND TYPE FOR FY 2017/18

	Instruction	Administration, Attendance and Health	Pupil Transportation	Operations and Maintenance	Technology	Total	Percent of Total Budget
Personnel Services	376,851,716	15,254,550	20,153,476	35,703,662	12,741,391	460,704,795	61.03%
Fringe Benefits	141,058,784	6,386,977	7,346,948	13,625,700	4,448,644	172,867,053	22.90%
Purchased Services	26,059,036	2,108,451	220,620	12,907,890	7,920,861	49,216,858	6.52%
Other Charges	1,329,089	1,091,128	1,018,257	20,782,784	252,540	24,473,798	3.24%
Materials and Supplies	13,528,137	426,080	4,440,745	6,529,998	6,231,190	31,156,150	4.13%
Capital Outlay	1,348,867	-	2,760,000	244,650	187,742	4,541,259	0.60%
Land, Structures and Improvements	-	-	-	222,577	-	222,577	0.03%
Transfers to Other Funds	11,096,173	-	-	24,346	552,720	11,673,239	1.55%
School Operating Fund Total	571,271,802	25,267,186	35,940,046	90,041,607	32,335,088	754,855,729	100%
Percent of Total	75.68%	3.35%	4.76%	11.93%	4.28%	100.00%	

Note: Percentage may not total to 100 due to rounding.

GREEN RUN COLLEGIATE EXPENDITURES BY MAJOR CATEGORY CLASSIFICATION AND TYPE FOR FY 2017/18

	Instruction	Administration, Attendance and Health	Pupil Transportation	Operations and Maintenance	Technology	Total	Percent of Total Budget
Personnel Services	2,245,351	-	-	-	1,500	2,246,851	59.70%
Fringe Benefits	804,111	-	-	-	115	804,226	21.37%
Purchased Services	73,654	9,000	260,766	8,400	-	351,820	9.35%
Other Charges	86,200	2,000	-	1,000	-	89,200	2.37%
Materials and Supplies	231,350	-	-	10,000	30,000	271,350	7.21%
Capital Outlay	-	-	-	-	-	-	0.00%
Land, Structures and Improvements	-	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	-	0.00%
Green Run Collegiate Fund Total	3,440,666	11,000	260,766	19,400	31,615	3,763,447	100%
Percent of Total	91.42%	0.29%	6.93%	0.52%	0.84%	100.00%	

Note: Percentage may not total to 100 due to rounding.

SCHOOL OPERATING FUND REVENUE SOURCES

The FY 2017/18 School Operating fund revenue budget totals \$754,855,729, an increase of nearly \$30 million, or 4.1 percent, from the FY 2016/17 budget. Local revenue contributions from the city continue to be the most substantial source of revenue for the School Operating fund, making up 50.7 percent of the FY 2017/18 budget. Funding from state direct aid and state sales tax combined provide approximately 46 percent of total School Operating fund revenue. The remaining revenues are obtained from federal aid, other local contributions and School Reserve (reversion) funds.

FEDERAL REVENUE

The total VBCPS FY 2017/18 budget for federal revenue is projected to be approximately \$12.2 million, decreasing \$276,532 when compared to the FY 2016/17 amount. Financial assistance provided by Congress to military impacted local educational agencies (LEAs) serves as the primary source of federal revenue for VBCPS. The division receives a smaller portion of overall federal funding in the form of rebates and refunds or reimbursements for some costs associated with specifically designated programs.

Federally impacted school districts are demographically and geographically diverse, educating more than 11 million students nationwide. Virginia is home to some of the nation's largest and most important military installations and nine of those bases are located in Hampton Roads, representing all five branches of the U.S. Armed Forces. As of August 2017, there are more than 70,000 military connected students in Virginia and the Commonwealth ranks in the top 15 states in the nation for Impact Aid payments to support federally connected students.

The purpose of Title VIII of the Elementary and Secondary Education Act (ESEA) of 1965 is to disburse Impact Aid payments to local school divisions and to provide technical assistance and support services. Impact Aid funding is appropriated annually by Congress and distributed through the United States Education Department (USED). Federal Impact Aid provides revenue to local educational agencies to minimize the fiscal inequities caused by both the presence of tax-exempt federal property and the increased burden of providing education to

large numbers of children whose parents reside on federal property and/or work on federal installations. The Impact Aid Program is designed to directly compensate local school districts for: 1) local revenue lost due to the presence of federally owned, and therefore tax-exempt, property and 2) costs incurred to educate federally connected students.

All Impact Aid funds appropriated annually by Congress are disbursed directly to school districts, bypassing state involvement, and can be used for any general fund purpose such as instructional materials, salaries, transportation, technology or capital needs. All decisions on how Impact Aid funds are spent are made locally by elected school boards. This flexibility and local control allows school district leaders to target funds wherever the needs are greatest.

The Impact Aid program is the only K-12 federal education program that is not forward funded, so any delay in appropriations has an immediate impact on recipient school divisions. Additionally, the program has not been fully funded since 1969. Federal funding appropriated for Impact Aid payments has been declining since 2011, which prompted the USED to delay payments issued to divisions. As such, annual budgets for the last few years presented this federal revenue as a combined total of pending delayed payments plus estimated current year payments for VBCPS. While a near-full restoration of Impact Aid in FY 2013/14 and a \$17 million nationwide increase in FY 2015/16 were welcome relief, funding caps on discretionary spending continue to be a concern for federally impacted school divisions.

VBCPS Federal Revenue Budget Comparison

	FY 2016/17	FY 2017/18	Variance
Department of the Navy - National Junior Reserve Officers Training Corps (NJROTC)	100,000	100,000	-
Department of Defense	1,500,000	1,500,000	-
Public Law 874	10,211,723	9,935,191	(276,532)
Other Federal Funds	664,809	664,809	-
Federal Revenue Total	12,476,532	12,200,000	(276,532)

Federally Connected Students

	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16
Military - Special Education					
Living on base	331	315	304	304	263
Living off base	1,334	1,245	1,239	1,217	924
Living on base	1,805	1,823	1,790	1,790	1,707
Living off base	10,924	10,763	10,199	10,015	9,797
All others	6,151	6,039	5,468	5,674	5,988
Total Federally Connected	20,545	20,185	19,000	19,000	18,679
Percent Federally Connected	29.72%	29.14%	27.43%	27.60%	27.26%

STATE REVENUE

State funding for public education is provided to VBCPS through the Direct Aid to Public Education budget in the Appropriation Act. The Virginia General Assembly appropriates the funds and the VDOE administers the funding. Funding is appropriated into four major categories (SOQ Programs, Incentive Programs, Categorical Programs and Lottery Programs) that are described in further detail below.

State revenue, which accounts for 36.2 percent of VBCPS' FY 17/18 funding, is projected to increase over \$10 million, or 3.8 percent from FY 2016/17. The most significant changes for this revenue source are the lottery funded programs which increased a little more than \$7 million from the previous year. These projected increases reflect the impact of General Assembly legislative actions, the state's rebenchmarking of costs, changes in VBCPS enrollment, technical public education policy updates and a reduced LCI for the 2016-2018 biennium.

STANDARDS OF QUALITY PROGRAMS

State spending allocated to school divisions is driven by the number of students and local ability to pay. According to a report on state education spending released by the Joint Legislative Audit and Review Commission in Dec. 2016, the Commonwealth of Virginia spent about \$5.68 billion in funding on constitutionally mandated K-12 SOQ programs. This equated to approximately \$4,585, on average, for each of the 1.24 million elementary and secondary students in Virginia. In Virginia Beach, the total average cost per pupil for the same year was \$11,283 with the state portion of the expenditures equal to \$4,533.

The SOQ Programs are established in the Virginia Constitution as the minimum educational program that all public school divisions must provide. The SOQ formula uses the minimum staffing standards and other associated costs with projected student enrollment to estimate the total cost school divisions must spend. Funds are then distributed to localities based on the LCI. The index considers property value, adjusted gross income, taxable retail sales, and the student and total population in each division.

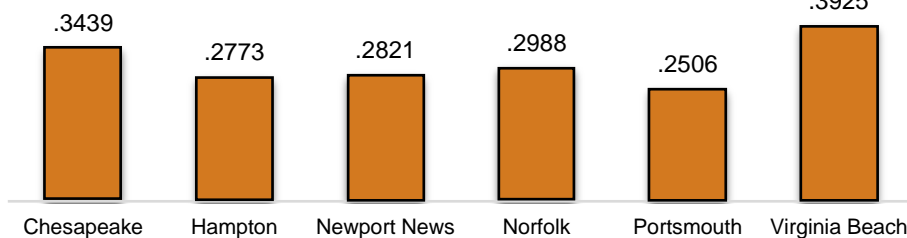
Historical Comparison of VBCPS' Local Composite Index

State Biennium	
1998 - 2000	.3466
2000 - 2002	.3523
2002 - 2004	.3394
2004 - 2006	.3353
2006 - 2008	.3492
2008 - 2010	.3704
2010 - 2012	.4060
2012 - 2014	.4110
2014 - 2016	.4034
2016 - 2018	.3925

The LCI formula is based on the true value of real property (weighted 50 percent), Virginia adjusted gross income (weighted 40 percent) and taxable retail sales (weighted 10 percent), divided by ADM and population. The LCI is calculated every two years for the state's biennium budget. To account for varying sizes of localities, each

indicator is expressed on a per capita basis and on a per pupil basis. The higher a locality's LCI, the less state funding it receives. For the 2016-2018 biennium, the LCI for Virginia Beach decreased from .4034 to .3925. This decrease in LCI had a positive impact on state revenue for the FY 2016/17 and FY 2017/18 budgets.

**LCI for Virginia Beach and Surrounding Cities
2016 - 2018 Biennium**



Source: Virginia Department of Education, Composite Index of Local Ability to Pay

Basic aid, representing the largest of the SOQ accounts, establishes standards and provides funding for personnel, instructional materials, and program planning and management. In FY 2017/18, basic aid is budgeted at approximately \$178 million, representing a 0.2 percent decrease from the prior year. Other SOQ accounts are allocated to vocational education, gifted education, special education, fringe benefits and remedial summer school. Overall, funding for VRS will account for most of the projected \$1.5 million increase in revenue for SOQ programs in the FY 2017/18 School Board Approved Operating Budget.

INCENTIVE PROGRAMS

Incentive payments from the state are for programs not required by law but intended to target resources for specific student or school needs statewide. In order to receive state funds, school divisions must certify that they will meet the requirements established for each unique incentive program.

The FY 2017/18 budget includes approximately \$1.8 million compensation supplement incentive payment that requires divisions to provide a 2.0 percent salary increase to all instructional and support personnel effective Feb. 15, 2018. VBCPS approved a 2.0 percent increase on July 1, 2017 to meet this requirement. The budget also includes nearly \$2.3 million at-risk funding.

CATEGORICAL PROGRAMS

Categorical programs are targeted to the particular needs of specific student populations, such as homebound students. Homebound funding provides for the continuation of educational services for students who are temporarily confined to their homes for medical reasons. State funds reimburse school divisions for a portion of the hourly rate paid to teachers employed to provide homebound instruction to eligible children. VBCPS will receive \$160,664 for this categorical program in the FY 2017/18 budget, higher than the FY 2016/17 amount of \$151,428.

LOTTERY PROGRAMS

As the state began facing funding constraints, the General Assembly created the Lottery-Funded Programs category, and designated certain programs to be funded through these proceeds. Basic education programs previously supported by the state's General fund are now funded with lottery proceeds. Revenue received from the state lottery provides funds for a number of programs such as foster care, at-risk, class size reduction, and career and technical education (CTE). State funding for these programs increases by a little over \$7 million for FY 2017/18, or 35.3 percent over the last fiscal year.

VBCPS State Revenue Budget Comparison

	FY 2016/17	FY 2017/18	Variance
<i>Standards of Quality Programs</i>			
Basic Aid	178,303,720	177,972,380	(331,340)
Vocational Education	1,881,285	1,870,079	(11,206)
Gifted Education	1,963,080	1,951,387	(11,693)
Special Education	19,221,829	19,107,333	(114,496)
Prevention, Intervention and Remediation	4,703,213	4,675,199	(28,014)
VRS Retirement (Includes RHCC)	21,961,962	24,270,378	2,308,416
Social Security	10,633,352	10,570,014	(63,338)
Group Life	736,155	731,770	(4,385)
English as a Second Language (ESL)	726,035	636,990	(89,045)
Remedial Summer School	341,793	228,268	(113,525)
Standards of Quality Programs Total	240,472,424	242,013,798	1,541,374
<i>Incentive Programs</i>			
At-Risk	-	2,295,541	2,295,541
Compensation Supplement	2,665,416	1,795,175	(870,241)
Math/Reading Instructional Specialists	40,689	-	(40,689)
Incentive Programs Total	2,706,105	4,090,716	1,384,611
<i>Categorical Programs</i>			
Special Education - Homebound	151,428	160,664	9,236
Categorical Programs Total	151,428	160,664	9,236
<i>Lottery-Funded Programs</i>			
Foster Care	322,314	434,143	111,829
At-Risk	2,968,406	659,989	(2,308,417)
K-3 Primary Class Size Reduction	4,702,190	4,578,114	(124,076)
Special Education - Regional Tuition	9,564,375	9,949,380	385,005
Career and Technical Education	392,736	324,137	(68,599)
Supplemental Lottery Per Pupil Allocation	2,143,847	11,232,540	9,088,693
Lottery-Funded Programs Total	20,093,868	27,178,303	7,084,435
State Revenue Total	263,423,825	273,443,481	10,019,656

STATE SALES TAX

State sales tax is a formula-driven allocation that is based upon the number of children between the ages of five and 19 who reside in Virginia Beach. One and one-eighth percent of the state sales tax revenue is allocated directly to public education. In order to distribute the sales tax dollars across the state, an annual census is collected by the Weldon Cooper Center for Public Service at the University of Virginia to determine the school-age population. The projected state sales tax revenue for VBCPS in FY 2017/18 is \$73.7 million, a decrease of a little over \$1 million, or 1.4 percent, compared to the FY 2016/17 Approved Budget.

VBCPS State Sales Tax Revenue Budget Comparison

	FY 2016/17	FY 2017/18	Variance
State Sales Tax Total	74,741,805	73,718,340	(1,023,465)

LOCAL REVENUE

The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division. The City Council appropriates funding to the school division by major classification/budget unit (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Technology; and Debt Service) in the School Operating fund and by fund for each of the division's remaining funds. The allocation of this funding within these categories and specific funds is solely at the discretion of the School Board.

The City Council first adopted the City/School Revenue Sharing Policy in 1997 to provide a stable source of local funding for the public school system as a discretionary local match. A revised policy was adopted in 2015. Within the policy, the discretionary local match allocates local tax revenues to the school division using two components: a revenue sharing formula and a real estate tax dedication. The RSF includes a four-step computation.

1. Total non-dedicated local revenues: The base from which the computation derives is the total non-dedicated local tax revenues, which represents a more diverse stream of revenues compared to the previous formula;
2. Fund 100 percent of the required local match for SOQ programs: The formula acknowledges the required local match under the state SOQ by dedicating 100 percent of local revenues to equal this match, which is then subtracted from the total non-dedicated local tax revenues;
3. Funding above SOQ match: The formula specifies that 34.11 percent of the remaining total non-dedicated local tax revenues (after subtracting the local SOQ match) is allocated to the school system as the discretionary local match; and
4. Additional dedication of real estate taxes: Finally, the formula adds the dedication of 4 cents of real estate taxes established by the City Council with the FY 2012/13 School Operating budget to offset lost state funding due to the recession. As state revenues increase, this dedication may be recalculated.

The city of Virginia Beach non-dedicated local tax revenue streams used to calculate the RSF are: real estate taxes (less dedications such as the FY 2012/13 dedication for schools and road construction, the Outdoor Initiative, the Agricultural Reserve Program and the recreation centers); personal property taxes; general sales taxes; utility taxes; Virginia telecommunications taxes; Business Permit and Occupational License (BPOL) taxes; cable franchise taxes; cigarette taxes (less dedication for the Economic Development Investment Program (EDIP)); hotel room taxes; restaurant meals taxes; automobile license taxes; bank net capital taxes; city taxes on deeds; and city taxes on wills. Additional information about the RSF is provided in detail in the City/School Revenue Sharing Policy included in the appendix of this document.

From the local appropriation received, funds are first distributed to debt service and Pay-As-You-Go (PAYGO) CIP (current revenue that pays for capital projects). The remainder of funds are then appropriated to the General fund. For FY 2017/18, School Operating fund local revenue (net of debt service and PAYGO) totals nearly \$382.8 million, an increase of \$17.3 million, or 4.7 percent, compared to the FY 2016/17 Approved Budget.

VBCPS Local Revenue Budget Comparison

	FY 2016/17	FY 2017/18	Variance
Revenue Sharing Formula	411,278,773	427,710,350	16,431,577
Less: Debt Service	(45,819,477)	(44,947,680)	871,797
Less: PAYGO	-	-	-
Local General Fund Revenue Total	365,459,296	382,762,670	17,303,374

OTHER LOCAL REVENUE

Other local revenue is derived from miscellaneous sources such as rental of facilities, tuition and sale of salvage materials. Other local revenue for FY 2017/18 is budgeted at \$3.5 million, reflecting an increase of \$100,000 when compared to the FY 2016/17 Approved Budget.

VBCPS Other Local Revenue Budget Comparison

	FY 2016/17	FY 2017/18	Variance
Consolidated Benefits	635,538	735,538	100,000
Indirect Costs (Grants)	600,000	600,000	-
Miscellaneous Revenue	224,703	224,703	-
Rent of Facilities	450,000	450,000	-
Sale of Salvage Materials	12,000	12,000	-
Sale of School Vehicles	15,000	15,000	-
Tuition-Driver's Education	322,125	322,125	-
Tuition-General Adult Education	142,839	142,839	-
Tuition-Licensed Practical Nurse (LPN) Program	25,575	25,575	-
Tuition-Regular Day	100,000	100,000	-
Tuition-Renaissance Academy	20,811	20,811	-
Tuition-Summer School	700,000	700,000	-
Tuition-Vocational Adult Education	169,750	169,750	-
Other Local Revenue Total	3,418,341	3,518,341	100,000

ADDITIONAL FUNDS (NON-RECURRING)

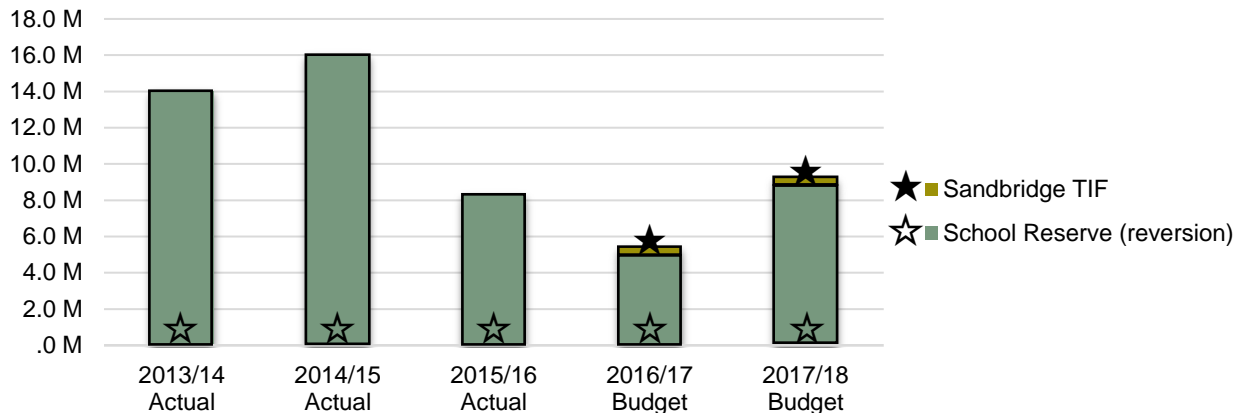
In prior years, VBCPS has relied on fund balance or reversion funds to maintain critical services in response to the recession and significant losses of state funding. For FY 2017/18, VBCPS will use \$8.8 million of School Reserve (reversion) revenue and \$409,000 in Sandbridge TIF funds to balance the School Operating budget. This amount reflects an increase of \$3.8 million, or 70 percent, compared to the additional funds budgeted in FY 2016/17.

VBCPS Additional Funds Budget Comparison

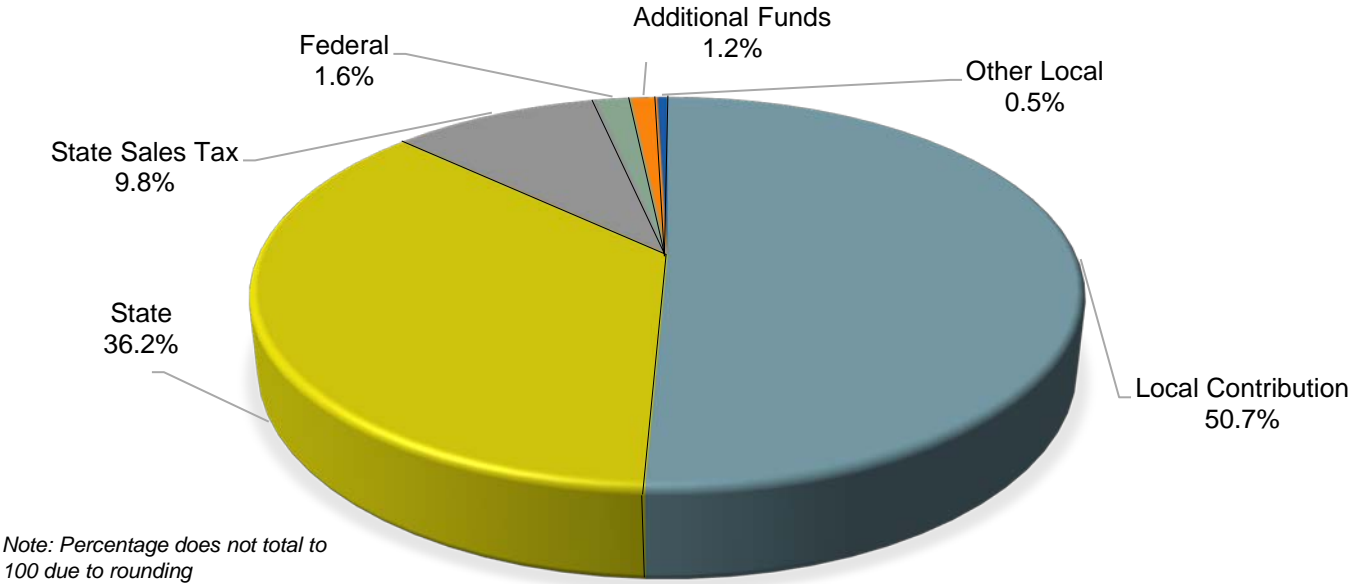
	FY 2016/17	FY 2017/18	Variance
Sandbridge TIF	409,000	409,000	-
School Reserve (reversion)	5,000,000	8,803,897	3,803,897
Additional Funds Total	5,409,000	9,212,897	3,803,897

The chart below illustrates how non-recurring funds have historically been used to supplement the School Operating budget.

VBCPS Use of Non-Recurring Funds



SCHOOL OPERATING FUND REVENUE FOR FY 2017/18



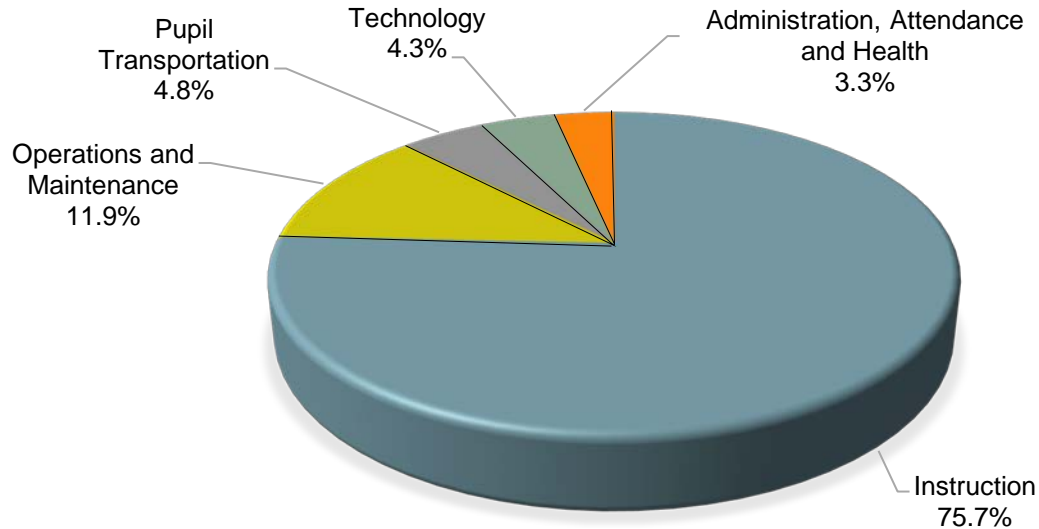
REVENUE SOURCE

Federal.....	\$12,200,000
<i>General funds and categorical funds (primarily Impact Aid revenue)</i>	
State	\$273,443,481
<i>SOQ payments, incentive funds, lottery proceeds and categorical amounts established by the General Assembly on a biennial basis</i>	
State Sales Tax	\$73,718,340
<i>State sales tax (1.125 percent) dedicated to public education and distributed to school divisions based on the number of school-age children residing in the locality</i>	
Local Contribution.....	\$382,762,670
<i>Appropriation from the city of Virginia Beach calculated using the RSF</i>	
Other Local	\$3,518,341
<i>Miscellaneous sources of revenue such as rental of facilities, summer school tuition and non-resident tuition</i>	
Additional Funds (non-recurring)	\$9,212,897
School Reserve (reversion)	\$8,803,897
Sandbridge TIF	\$ 409,000
Total School Operating Fund Revenue Sources.....	\$754,855,729

SCHOOL OPERATING FUND EXPENDITURES BY MAJOR CATEGORY CLASSIFICATION FOR FY 2017/18

As expected, the majority of the School Operating budget is allocated to fund instructional programs. This is illustrated by the fact that proposed expenditures for instruction represent 75.7 percent of the FY 2017/18 budget.

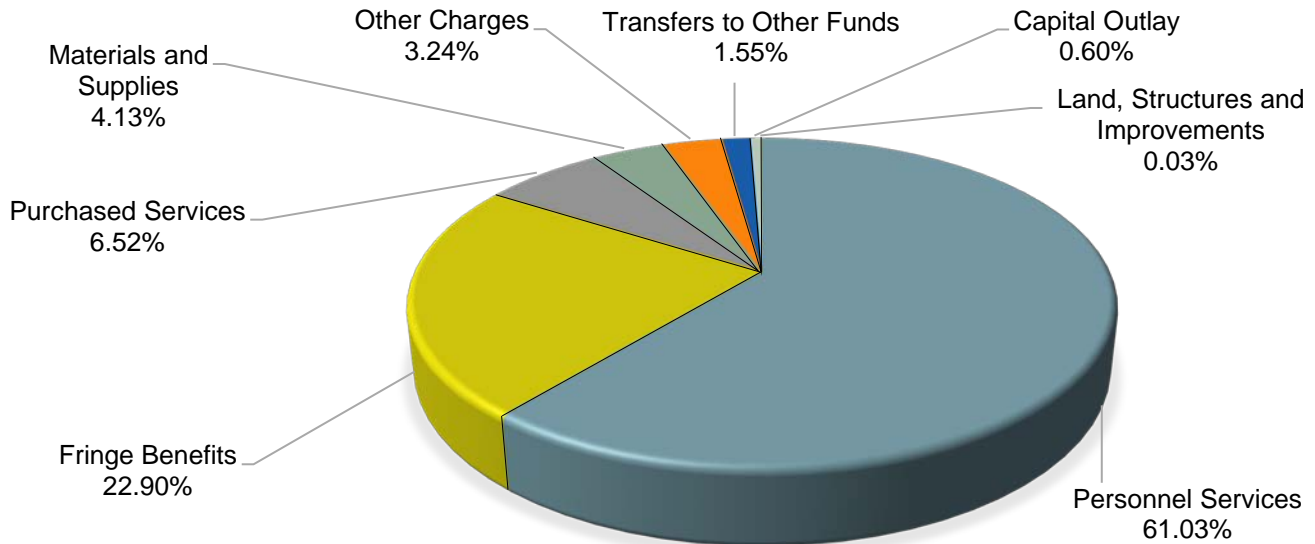
Employee compensation is comprised of salaries and employee benefits. The chart on the following page highlights that the majority of the FY 2017/18 budget is used to fund employee compensation costs. The combined amount budgeted for salaries and benefits totals 83.9 percent of General fund expenditures.



MAJOR CATEGORY CLASSIFICATION

Instruction	\$571,271,802
<i>Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students</i>	
Administration, Attendance and Health	\$25,267,186
<i>Includes: activities concerned with establishing and administering policy for operating the division and activities whose primary purpose is the promotion and improvement of children's attendance at school</i>	
Pupil Transportation.....	\$35,940,046
<i>Includes: activities concerned with transporting students to and from school as mandated by state and federal law</i>	
Operations and Maintenance	\$90,041,607
<i>Includes: activities concerned with keeping the school plant open, comfortable and safe for use, and keeping the grounds, buildings and equipment in effective working condition</i>	
Technology	\$32,335,088
<i>Includes: technology-related expenditures as required by the General Assembly</i>	
Total School Operating Fund by Major Category Classification	\$754,855,729

SCHOOL OPERATING FUND EXPENDITURES BY TYPE FOR FY 2017/18



TYPE

Personnel Services.....\$460,704,795
Includes: all compensation for the direct labor of persons in the employment of the school division including salaries and wages paid to employees for full-time, part-time and temporary work; supplements, allowances, overtime and similar compensation; payments for time not worked such as annual, funeral, sick and personal reasons leave; holidays; and other paid absences (e.g., jury duty, military pay)

Fringe Benefits.....\$172,867,053
Includes: job-related benefits provided for school employees as part of their total compensation; the employer's portion of the Federal Insurance Contributions Act (FICA); retirement contributions; health and life insurance premiums; unemployment insurance premiums; flexible benefits program; employee assistance program; workers' compensation; and tuition reimbursements

Purchased Services.....\$49,216,858
Includes: services acquired from outside sources on a fee basis or fixed-time contract basis (with the exception of payments for rentals, utilities or extensive repairs considered to be additions or improvements to capital assets)

Other Charges\$24,473,798
Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges

Materials and Supplies\$31,156,150
Includes: articles and commodities acquired that are consumed or materially altered when used and capital outlay items that have a per-unit cost of less than \$5,000

Capital Outlay\$4,541,259
Includes: outlays that result in the acquisition of or additions to capital assets with a unit cost of \$5,000 or more (with the exception of outlays for major capital facilities such as buildings and land)

Land, Structures and Improvement\$222,577
Includes: expenditures of projects that are less than \$1 million in estimated cost

Transfers to Other Funds\$11,673,239
Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse

Total School Operating Fund Expenditures by Type.....\$754,855,729

FIVE YEAR FORECAST

Each year, staff from VBCPS and the city work collaboratively to make projections about revenue and expenditure trends anticipated to occur over the next five years. The Five Year Forecast focuses on the main operating funds for the city (General fund) and the division (School Operating fund). The information below presents economic highlights from the Five Year Forecast dated Nov. 15, 2016.

VBCPS Five Year Forecast

	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
REVENUE CATEGORY:					
Local (RSF)	421,188,438	429,047,264	437,002,429	445,206,079	453,367,750
Other Local	3,418,341	3,418,341	3,418,341	3,418,341	3,418,341
State	266,058,063	271,379,225	276,806,809	285,111,013	293,664,344
State Sales Tax	75,489,223	76,999,008	78,538,988	80,895,157	83,322,012
Federal	12,200,000	12,200,000	12,200,000	12,200,000	12,200,000
School Reserve (reversion)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Sandbridge TIF	409,000	409,000	-	-	-
Transfer(s) from other funds	-	-	-	-	-
Revenue Total	783,763,065	798,452,837	812,966,567	831,830,591	850,972,447
EXPENDITURE CATEGORY:					
Personnel Services	462,759,628	472,014,821	481,455,117	491,084,220	500,905,904
Fringe Benefits	177,137,766	182,245,651	187,437,568	191,436,686	195,523,612
Purchased Services	47,449,342	48,398,329	49,366,296	50,353,622	51,360,694
Other Charges	52,038,788	53,079,564	54,141,155	55,223,979	56,328,458
Materials and Supplies	-	-	-	-	-
Capital Outlay	4,382,694	5,282,694	6,182,694	6,632,694	6,644,540
Land, Structures and Improvement	240,301	240,301	240,301	240,301	240,301
Transfer(s) to Other Funds	11,376,936	11,328,741	11,329,854	11,330,990	11,332,148
PAYGO	-	-	-	-	-
Debt Service	44,726,171	44,670,714	47,107,506	46,895,769	47,166,839
Expenditure Total	800,111,627	817,260,816	837,260,492	853,198,260	869,502,496
Expenditures Variance	(16,348,562)	(18,807,979)	(24,293,925)	(21,367,669)	(18,530,049)

REVENUE ASSUMPTIONS

- State Shared Sales Tax and Other State Revenue
 - Expected to increase by 1.0 percent for FY 2017/18, the second year of the state's biennial budget
 - Increasing by 2.0 percent in FY 2018/19 and FY 2019/20, and by 3.0 percent for FY 2020/21 and FY 2021/22
- Local Revenue Sharing Formula
 - Increasing by approximately 2.4 percent for FY 2017/18, primarily as a result of real estate, personal property and consumer-driven revenue growth
 - Expected to increase by approximately 1.9 percent each of the forecast years from FY 2018/19 to FY 2021/22
- Federal Revenue
 - Likely to decline from \$12.5 million in FY 2016/17 to approximately \$12.2 million for FY 2017/18 and then remain flat over the rest of the forecast period
- Other Revenue Sources
 - Approximately \$5 million in one-time School Reserve (reversion) funding will be used to balance the School Operating budget for the forecast period from FY 2017/18 to FY 2021/22
 - Sandbridge TIF funds of approximately \$400,000 will be diverted to the School Operating budget for forecast years FY 2017/18 and FY 2018/19

EXPENDITURE ASSUMPTIONS

- Personnel Services and Fringe Benefits
 - Each year of the forecast period includes a 2.0 percent salary increase
 - The current FY 2016/17 VRS rate of 14.66 percent is expected to climb by 1.66 percent to 16.32 percent in FY 2017/18, and then remain flat at that rate from FY 2018/19 through FY 2021/22
 - No increase in the health insurance rate is anticipated for FY 2017/18, but rates are projected to rise by 2.5 percent each year from FY 2018/19 to FY 2021/22
- Non-Personnel
 - All non-personnel budget line items impacted by inflation are expected to increase by approximately 2 percent each year of the forecast period
 - Capital outlay expenditures are expected to remain flat from FY 2016/17 to FY 2017/18 and then increase each of the next three years to purchase additional replacement school buses (10 buses each year in FY 2018/19 and FY 2019/20 and five buses in FY 2020/21) before leveling out in FY 2021/22

School Operating Fund Revenue

Revenue	FY 2012/13 Adopted	FY 2013/14 Adopted	FY 2014/15 Adopted	FY 2015/16 Adopted	FY 2016/17 Adopted	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
Local (RSF)*	375,600,000	378,981,176	390,017,424	403,917,607	411,278,773	421,188,438	429,047,264	437,002,429	445,206,079	453,367,750
Schools Use of Sandbridge TIF	2,000,000	3,116,978	2,000,000	-	409,000	409,000	409,000	-	-	-
Transfer(s) from Other Funds	-	-	-	-	-	-	-	-	-	-
Fund Balance - General Fund	9,200,000	-	-	-	-	-	-	-	-	-
City General Fund Outside RSF	645,180	-	725,000	-	-	-	-	-	-	-
From the Use of Money and Property	465,000	465,000	465,000	477,000	477,000	477,000	477,000	477,000	477,000	477,000
Charges for Services	2,183,837	2,203,383	2,203,383	2,941,341	2,941,341	2,941,341	2,941,341	2,941,341	2,941,341	2,941,341
Miscellaneous Revenue	657,000	657,000	786,703	-	-	-	-	-	-	-
State Sales Tax	69,064,589	70,522,688	70,065,298	71,783,907	74,741,805	75,489,223	76,999,008	78,538,988	80,895,157	83,322,012
State	241,055,084	240,866,735	252,592,470	250,039,573	263,423,825	266,058,063	271,379,225	276,806,809	285,111,013	293,664,344
Federal	17,141,085	17,141,085	16,453,899	12,476,532	12,476,532	12,200,000	12,200,000	12,200,000	12,200,000	12,200,000
School Reserve (reversion)	11,000,000	14,000,000	16,000,000	8,299,318	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total	729,011,775	727,954,045	751,309,177	749,935,278	770,748,276	783,763,065	798,452,837	812,966,567	831,830,591	850,972,447
Percent Change from Previous Year (in total)	3.514%	-0.145%	3.208%	-0.183%	2.775%	4.009%	1.874%	1.818%	2.320%	2.301%

*Schools' budget total includes debt service.

Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

School Operating Fund Expenditures

Expenditures	FY 2012/13 Adopted	FY 2013/14 Adopted	FY 2014/15 Adopted	FY 2015/16 Adopted	FY 2016/17 Adopted	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
Personnel Services	425,485,491	427,435,361	436,502,429	439,885,158	447,785,910	462,759,628	472,014,821	481,455,117	491,084,220	500,905,904
VRS	66,182,178	62,645,617	69,711,679	64,288,315	64,171,184	75,522,371	77,032,819	78,573,475	80,144,945	81,747,844
Health Insurance	52,226,764	52,829,141	56,929,189	57,371,968	59,579,068	59,579,068	61,068,545	62,595,258	64,160,140	65,764,143
Life Insurance	4,785,832	4,821,218	5,138,978	4,973,109	2,226,062	3,504,759	4,904,698	6,307,062	6,433,203	6,561,867
All Other Fringe Benefits	34,765,320	35,180,232	35,788,012	35,792,527	37,733,112	38,531,568	39,239,590	39,961,772	40,698,399	41,449,758
Contractual Services	42,293,724	42,366,595	43,166,078	43,067,445	46,518,963	47,449,342	48,398,329	49,366,296	50,353,622	51,360,694
Other Charges	49,758,264	50,248,259	48,954,255	49,702,552	51,018,420	52,038,788	53,079,564	54,141,155	55,223,979	56,328,458
Capital Outlay	1,243,774	1,578,969	1,590,815	1,578,969	4,382,694	4,382,694	5,282,694	6,182,694	6,632,694	6,644,540
Land, Structures and Improvements	252,948	-	240,301	240,301	240,301	240,301	240,301	240,301	240,301	240,301
PAYGO	-	-	-	642,448	-	-	-	-	-	-
Debt Service Charges	44,747,986	43,094,767	45,507,225	44,756,843	45,819,477	44,726,171	44,670,714	47,107,506	46,895,769	47,166,839
Transfer(s) to Other Funds	7,269,494	7,753,886	7,780,216	7,635,643	11,273,085	11,376,936	11,328,741	11,329,854	11,330,990	11,332,148
Total	729,011,775	727,954,045	751,309,177	749,935,278	770,748,276	800,111,627	817,260,816	837,260,492	853,198,260	869,502,496
Percent Change from Previous Year (in total)	3.514%	-0.145%	3.208%	-0.183%	2.775%	3.940%	2.143%	2.447%	1.904%	1.911%
Expenditure Variance by Fiscal Year	-	-	-	-	-	(16,348,562)	(18,807,979)	(24,293,925)	(21,367,669)	(18,530,049)

Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

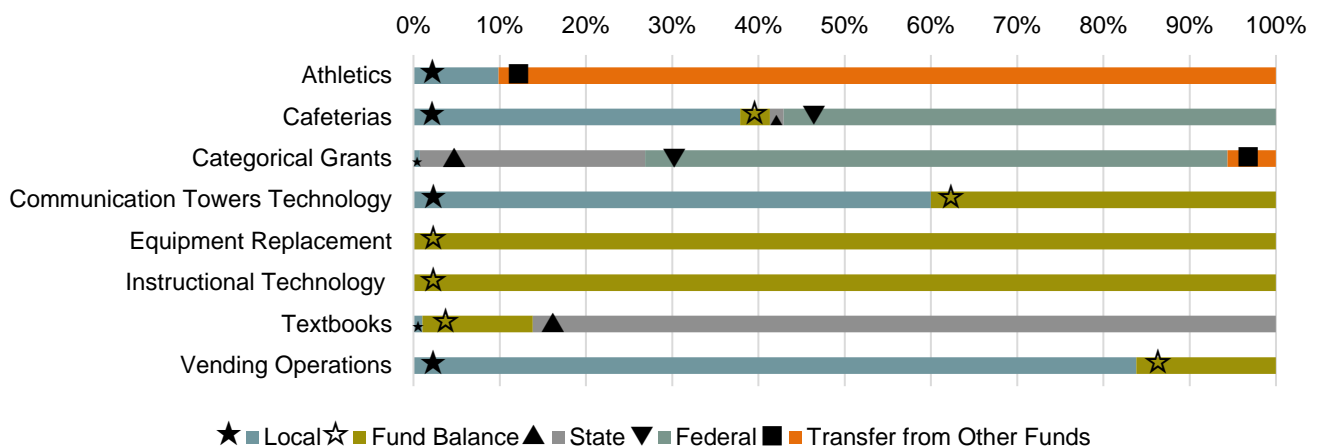
Special Revenue Funds

Although the majority of the total FY 2017/18 School Board Approved Budget is accounted for in the General fund and intended to support day-to-day activities, Special Revenue funds function to supplement the School Operating budget and equate to over \$102 million, or 0.28 percent, of the total budget for VBCPS. These funds are legally restricted and must be spent for specific purposes. The charts below show the breakdown of revenues by major source and expenditures by category for VBCPS budgeted special revenue funds.

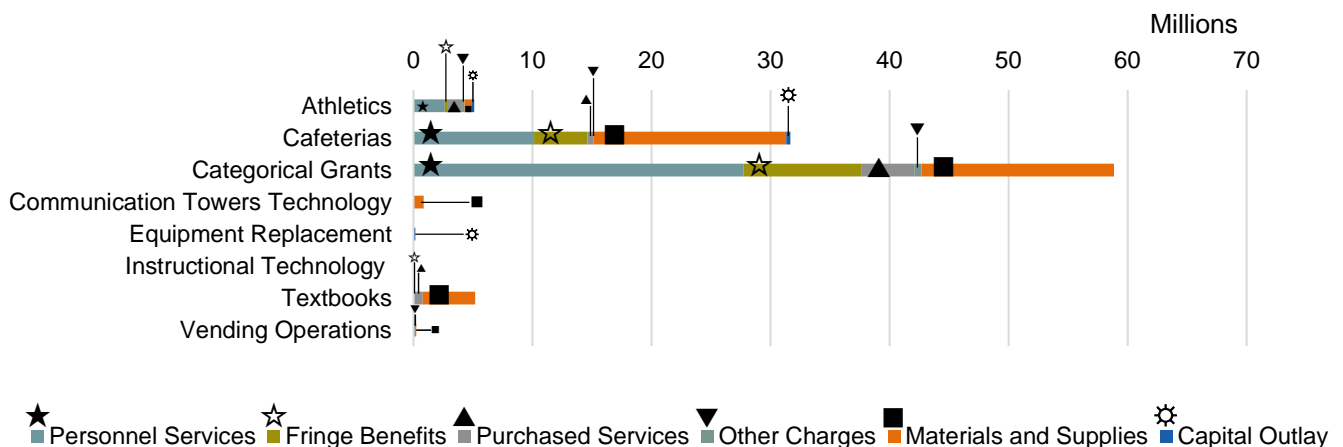
	FY 2016/17 Budget	FY 2017/18 Approved	Variance
Athletics	4,922,642	5,099,823	177,181
Cafeterias	30,742,626	31,679,250	936,624
Categorical Grants	55,023,849	58,856,748	3,832,899
Communication Towers Technology	600,000	850,000	250,000
Equipment Replacement	1,106,301	170,193	(936,108)
Instructional Technology	53,678	79,579	25,901
Textbooks	9,182,874	5,179,602	(4,003,272)
Vending Operations	229,702	229,702	-
Total	101,861,672	102,144,897	283,225

The FY 2017/18 budget for all special revenue funds is expected to increase by \$283,225 from FY 2016/17.

Revenue Sources for Categorical Grants and Other Funds



Expenditure Categories for Categorical Grants and Other Funds



CATEGORICAL GRANTS AND OTHER FUNDS REVENUE FOR FY 2017/18

	Local	Fund Balance	State	Federal	Transfer(s) from Other Funds	Total
Adult Basic Education Funds	-	-	-	293,708	62,837	356,545
Advanced Placement Fee Program	-	-	-	66,497	-	66,497
Carl D. Perkins Vocational and Technical Education Act	-	-	-	799,400	-	799,400
DoDEA MCASP Operation GRIT	-	-	-	313,543	-	313,543
DoDEA Special Education	-	-	-	482,439	-	482,439
McKinney-Vento Homeless Assistance Act	-	-	-	105,001	-	105,001
MTSS-B	-	-	-	207,849	-	207,849
MYCAA ALC Courses	-	-	-	5,000	-	5,000
MYCAA LPN Program	-	-	-	10,000	-	10,000
Preschool Incentive	-	-	-	539,536	-	539,536
Reserve For Contingency - Federal	-	-	-	4,500,000	-	4,500,000
Startalk	-	-	-	144,488	-	144,488
Title I, Part A	-	-	-	14,594,286	-	14,594,286
Title I, Part D - Subpart 1	-	-	-	25,878	-	25,878
Title I, Part D - Subpart 2	-	-	-	395,311	-	395,311
Title II, Part A	-	-	-	2,293,416	-	2,293,416
Title III, Part A - Immigrant and Youth	-	-	-	6,000	-	6,000
Title III, Part A - Language Acquisition	-	-	-	173,151	-	173,151
Title IV, Part B 21st CCLC - GRC	-	-	-	34,874	-	34,874
Title IV, Part B 21st CCLC - Lynnhaven ES	-	-	-	106,573	-	106,573
Title VI, Part B (IDEA)	-	-	-	14,639,583	-	14,639,583
Federal Grants Total	-	-	-	39,736,533	62,837	39,799,370
Algebra Readiness Initiative	-	-	591,628	-	388,229	979,857
Career and Tech Education State Equipment Allocation	-	-	145,825	-	-	145,825
Career Switcher New Teacher Mentor Program	-	-	15,000	-	-	15,000
Dual Enrollment - TCC	-	-	501,886	-	-	501,886
Early Intervention Reading Initiative (PALS)	-	-	918,411	-	593,377	1,511,788
General Adult Education	-	-	34,586	-	-	34,586
Industry Certification Examinations	-	-	97,352	-	-	97,352
ISAEF	-	-	62,869	-	-	62,869
Jail Education Program	-	-	167,076	-	-	167,076
Juvenile Detention Home	-	-	751,217	-	-	751,217
National Board Certification Incentive	-	-	335,000	-	-	335,000
New Teacher Mentor Program	-	-	29,622	-	-	29,622
Project Graduation	-	-	37,500	-	-	37,500
Race to GED®	-	-	64,188	-	-	64,188
Reserve for Contingency - State	-	-	2,700,000	-	-	2,700,000
School Security Equipment Grant	-	-	97,382	-	24,346	121,728
Technology Initiative	-	-	4,890,400	-	436,400	5,326,800
VA eLearning Backpack - Bayside HS	-	-	486,640	-	44,240	530,880
VA eLearning Backpack - Green Run HS	-	-	431,200	-	39,200	470,400
VA eLearning Backpack - Kempsville HS	-	-	361,680	-	32,880	394,560
VA Initiative for At-Risk Four-Year-Olds	-	-	2,619,540	-	1,692,460	4,312,000
Virginia Middle School Teacher Corps	-	-	10,000	-	-	10,000
Workplace Readiness	-	-	16,286	-	-	16,286
State Grants Total	-	-	15,365,288	-	3,251,132	18,616,420
Opportunity, Inc. - Adult Learning Center	104,419	-	-	-	-	104,419
Opportunity, Inc. - STEM	336,539	-	-	-	-	336,539
Local Grants Total	440,958	-	-	-	-	440,958
Categorical Grants Total	440,958	-	15,365,288	39,736,533	3,313,969	58,856,748
Athletics	504,000	-	-	-	4,595,823	5,099,823
Cafeterias	11,995,988	1,096,794	500,000	18,086,468	-	31,679,250
Communication Towers Technology	510,000	340,000	-	-	-	850,000
Equipment Replacement	-	170,193	-	-	-	170,193
Instructional Technology	-	79,579	-	-	-	79,579
Textbooks	53,611	663,006	4,462,985	-	-	5,179,602
Vending Operations	192,550	37,152	-	-	-	229,702
Other Funds Total	13,256,149	2,386,724	4,962,985	18,086,468	4,595,823	43,288,149
Categorical Grants and Other Funds Total	13,697,107	2,386,724	20,328,273	57,823,001	7,909,792	102,144,897

CATEGORICAL GRANTS AND OTHER FUNDS EXPENDITURES FOR FY 2017/18

	Personnel Services	Fringe Benefits	Purchased Services	Other Charges	Materials and Supplies	Capital Outlay	Total
Adult Basic Education Funds	276,681	64,999	14,865	-	-	-	356,545
Advanced Placement Fee Program	-	-	66,497	-	-	-	66,497
Carl D. Perkins Vocational and Technical Education Act	26,156	2,001	244,250	139,113	337,880	50,000	799,400
DoDEA MCASP Operation GRIT	86,976	37,182	127,086	40,799	21,500	-	313,543
DoDEA Special Education	289,743	49,964	30,750	3,750	108,232	-	482,439
McKinney-Vento Homeless Assistance Act	63,148	4,831	15,900	12,750	8,372	-	105,001
MTSS-B	111,613	28,031	-	-	68,205	-	207,849
MYCAA ALC Courses	-	-	5,000	-	-	-	5,000
MYCAA LPN Program	-	-	10,000	-	-	-	10,000
Preschool Incentive	376,189	131,011	11,614	-	20,722	-	539,536
Reserve For Contingency - Federal	-	-	-	-	4,500,000	-	4,500,000
Startalk	82,561	6,315	20,537	16,386	18,689	-	144,488
Title I, Part A	8,279,147	2,996,219	1,763,804	146,250	1,408,866	-	14,594,286
Title I, Part D - Subpart 1	23,110	1,768	-	-	1,000	-	25,878
Title I, Part D - Subpart 2	268,844	77,380	39,087	-	10,000	-	395,311
Title II, Part A	1,428,503	565,863	262,711	-	36,339	-	2,293,416
Title III, Part A - Immigrant and Youth	-	-	6,000	-	-	-	6,000
Title III, Part A - Language Acquisition	123,393	46,031	3,727	-	-	-	173,151
Title IV, Part B 21st CCLC - GRC	19,260	1,474	9,000	-	5,140	-	34,874
Title IV, Part B 21st CCLC - Lynnhaven ES	55,752	4,267	10,928	5,926	29,700	-	106,573
Title VI, Part B (IDEA)	10,057,552	4,267,428	311,763	2,840	-	-	14,639,583
Federal Grants Total	21,568,628	8,284,764	2,953,519	367,814	6,574,645	50,000	39,799,370
Algebra Readiness Initiative	368,500	28,191	342,875	-	240,291	-	979,857
Career and Tech Education State Equipment Allocation	-	-	-	-	145,825	-	145,825
Career Switcher New Teacher Mentor Program	15,000	-	-	-	-	-	15,000
Dual Enrollment - TCC	-	-	501,886	-	-	-	501,886
Early Intervention Reading Initiative (PALS)	1,326,201	121,587	62,500	1,000	500	-	1,511,788
General Adult Education	32,128	2,458	-	-	-	-	34,586
Industry Certification Examinations	-	-	97,352	-	-	-	97,352
ISAEP	26,591	2,034	16,200	500	17,544	-	62,869
Jail Education Program	132,930	30,740	480	1,300	1,626	-	167,076
Juvenile Detention Home	506,698	198,249	27,175	4,600	14,495	-	751,217
National Board Certification Incentive	335,000	-	-	-	-	-	335,000
New Teacher Mentor Program	29,622	-	-	-	-	-	29,622
Project Graduation	-	-	-	-	37,500	-	37,500
Race to GED®	54,239	4,149	5,800	-	-	-	64,188
Reserve for Contingency - State	-	-	-	-	2,700,000	-	2,700,000
School Security Equipment Grant	-	-	50,808	-	70,920	-	121,728
Technology Initiative	23,566	1,802	160,000	182,832	4,945,600	13,000	5,326,800
VA eLearning Backpack - Bayside HS	-	-	-	22,120	508,760	-	530,880
VA eLearning Backpack - Green Run HS	-	-	-	19,600	450,800	-	470,400
VA eLearning Backpack - Kempsville HS	-	-	-	16,440	378,120	-	394,560
VA Initiative for At-Risk Four-Year-Olds	3,120,519	1,191,481	-	-	-	-	4,312,000
Virginia Middle School Teacher Corps	10,000	-	-	-	-	-	10,000
Workplace Readiness	-	-	16,286	-	-	-	16,286
State Grants Total	5,980,994	1,580,691	1,281,362	248,392	9,511,981	13,000	18,616,420
Opportunity, Inc. - Adult Learning Center	51,231	3,920	45,655	2,360	1,253	-	104,419
Opportunity, Inc. - STEM	113,712	33,059	179,328	4,157	6,283	-	336,539
Local Grants Total	164,943	36,979	224,983	6,517	7,536	-	440,958
Categorical Grants Total	27,714,565	9,902,434	4,459,864	622,723	16,094,162	63,000	58,856,748
Athletics	2,620,770	200,483	1,252,029	226,250	611,300	188,991	5,099,823
Cafeterias	10,122,611	4,501,594	472,932	74,802	16,157,311	350,000	31,679,250
Communication Towers Technology	-	-	-	-	850,000	-	850,000
Equipment Replacement	-	-	-	-	-	170,193	170,193
Instructional Technology	-	-	-	-	79,579	-	79,579
Textbooks	83,431	31,066	670,431	-	4,394,674	-	5,179,602
Vending Operations	-	-	-	216,248	13,454	-	229,702
Other Funds Total	12,826,812	4,733,143	2,395,392	517,300	22,106,318	709,184	43,288,149
Categorical Grants and Other Funds Total	40,541,377	14,635,577	6,855,256	1,140,023	38,200,480	772,184	102,144,897

ATHLETICS FUND

VBCPS offers interscholastic athletic programs at the varsity, junior varsity and middle school levels at 11 high schools and 13 middle schools. The sports represented are: baseball, basketball, cheerleading, cross country, field hockey, football, golf, gymnastics, indoor track, soccer, softball, swimming, tennis, track and field, volleyball and wrestling.

Revenue for the Athletics fund is generated from event admission receipts, monies received for participation in post season tournaments and interest earned on deposits. The School Board may also transfer from the School Operating fund to supplement the Athletics fund. Disbursements from the Athletics fund consist of expenditures for coaching supplements, security staff, event officials, post-season travel, equipment, uniforms and miscellaneous supplies.

Athletics Fund - Statement of Revenues and Expenditures

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	533,481	525,326	529,095	504,000	504,000
Transfer(s) from Other Funds	4,491,481	4,201,256	4,418,642	4,418,642	4,595,823
Revenue Total	5,024,962	4,726,583	4,947,737	4,922,642	5,099,823
EXPENDITURE CATEGORY:					
Personnel Services	2,793,092	2,374,368	2,336,028	2,479,213	2,620,770
Fringe Benefits	213,958	181,831	179,105	189,659	200,483
Purchased Services	708,159	1,136,304	1,147,815	1,238,729	1,252,029
Other Charges	179,349	188,574	186,196	214,750	226,250
Materials and Supplies	748,681	733,580	721,386	611,300	611,300
Capital Outlay	142,975	325,319	109,069	188,991	188,991
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	4,786,213	4,939,976	4,679,599	4,922,642	5,099,823

Notes: All balances of local tax revenues held by the schools at the close of business for each fiscal year ending on June 30 (to include the accrual period) lapse into the fund balance of the city of Virginia Beach's General fund. The reversion process is not applicable to monies that are attributed to user fees or gate admissions. Totals may not add due to rounding.

CAFETERIAS FUND

Revenues and expenditures associated with VBCPS food services operations are accounted for in the Cafeterias fund. Revenue is generated from food sales and reimbursements from the federal school lunch program. School divisions that participate in the program receive cash subsidies and donated commodities from the United States Department of Agriculture based on a reimbursement rate determined annually by the federal government. The current subsidy for VBCPS is 39 cents for paid students, \$2.91 for reduced lunch students and \$3.31 for free eligible students.

Paid Lunch Prices for Virginia Beach and Surrounding Divisions (FY 2017/18)

Chesapeake	\$2.60
Hampton	\$2.03
Newport News	\$2.52
Norfolk	\$1.90
Portsmouth	\$1.65
Virginia Beach	\$2.85

As part of the reimbursement, a Healthy Hunger-Free Kids Act (HHFKA) incentive of 6 cents is provided to school divisions in compliance with new federal meal patterns. Pursuant to the HHFKA, student meal prices must be evaluated annually and gradually adjusted until the full price equals or exceeds the free reimbursement differential. In order to meet this requirement, VBCPS increased the rate for paid meals by 35 cents in FY 2017/18.

Source: Virginia Department of Education, 2017/18 School Division Paid Lunch Price Reports (Student Meals)

Over the last decade, the number of VBCPS students eligible for free and reduced-price meals has grown by approximately 15 percent. This student demographic is expected to continue to trend higher in future fiscal years.

Student Meal Prices Comparison

Fee/Assessment	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Breakfast:					
Paid	1.15	1.15	1.40	1.40	1.40
Reduced	0.30	0.30	0.30	0.30	0.30
Lunch:					
Paid	2.40	2.50	2.75	2.75	2.85
Reduced	0.40	0.40	0.40	0.40	0.40

Source: Virginia Beach City Public Schools, General Fees Schedule for 2017/18

Cafeterias Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	12,059,166	10,601,423	11,291,363	12,221,495	11,995,988
State	479,200	527,152	588,066	500,000	500,000
Federal	16,266,517	16,668,726	18,012,707	18,021,131	18,086,468
Revenue Total	28,804,882	27,797,301	29,892,136	30,742,626	30,582,456
EXPENDITURE CATEGORY:					
Personnel Services	8,072,068	8,221,949	8,276,333	9,804,527	10,122,611
Fringe Benefits	3,514,453	3,488,250	3,456,951	4,371,209	4,501,594
Purchased Services	257,726	279,015	447,638	398,329	472,932
Other Charges	62,828	63,056	60,208	72,623	74,802
Materials and Supplies	16,351,533	15,996,280	14,882,104	15,816,376	16,157,311
Capital Outlay	186,919	105,516	91,103	279,562	350,000
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	28,445,527	28,154,066	27,214,338	30,742,626	31,679,250
Net Change in Fund Balance	359,356	(356,765)	2,677,798	-	(1,096,794)
Fund Balance July 1	4,956,651	5,316,007	4,959,242	7,637,040	7,637,040
Fund Balance June 30	5,316,007	4,959,242	7,637,040	7,637,040	6,540,246

CATEGORICAL GRANTS FUND

VBCPS pursues additional revenue by securing grants to help fund specific initiatives. The Categorical Grants fund is used to account for federal, state, local, nonprofit and private industry grants that support instructional programs. Categorical grants range in size, scope, administration and purpose. They are subject to budget appropriations from the federal and state governments and are typically legally restricted or dedicated to be expended for specified purposes. If award amounts are reduced or eliminated, grant-funded services, programs and personnel may be affected.

Award amounts from FY 2016/17 are used to project program funding estimates for anticipated FY 2017/18 awards. Adjustments are typically made in the first quarter of the fiscal year to reflect actual award notifications. Available year-end balances for some grants may carry forward because they are awarded on a multi-year basis. In these instances, revenues and expenditures are estimated to prepare carryover budgets. Grant budgets are amended throughout the fiscal year, aligning expenditures with total revenue. Based on required compensation adjustments and/or adopted salary increases, the allocation of positions and other expenditures are modified as needed to balance the budgets for categorical grants.

A reserve is maintained in the Categorical Grants fund to provide appropriation authority funding for grant awards received during the fiscal year. For FY 2017/18, \$7.2 million is budgeted as a reserve for contingency. The projected FY 2017/18 budget for Categorical Grants is \$58,856,748 and includes 504.8 FTE positions. This is an increase of \$3,832,899, or 7.0 percent, from the FY 2016/17 Adopted Budget which totaled \$55,023,849. Categorical Grant funds are projected to account for 6.9 percent of the FY 2017/18 total budget.

Two federal projects, Title VI, Part B, Individuals with Disabilities Education Act of 2004 (IDEA, Section 611), (\$14,639,583), and Title I, Part A, (\$14,594,286), account for 49.7 percent of the Categorical Grants revenue budget. Title I, Part A, provides financial assistance through state educational agencies to school divisions and public schools with high numbers or percentages of children from low-income families to help ensure that all children meet challenging state academic content and achievement standards. Except as otherwise provided, amounts awarded to a LEA under Title VI, Part B, may be used only to pay the excess costs of providing special education and related services to children with disabilities. Excess costs are those costs for the education of an elementary school or secondary school student with a disability that are in excess of the average annual per student expenditure incurred by an LEA during the preceding school year, as may be appropriate.

The VDOE calculates and publishes LEA indirect cost rates each fiscal year. These rates apply to requests for reimbursement of indirect cost expenditures. Each grant award contains specific requirements regarding whether indirect costs may be recovered and whether the restricted or unrestricted rate should be used. LEA indirect cost rates are to be used by school divisions to recover the indirect costs associated with the administration of federal grants. As required by the U.S. Department of Education, the FY 2017/18 rate used to calculate indirect costs for the FY 2017/18 budget is 2.2 percent.

Categorical Grants Fund - Statement of Revenues and Expenditures

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	220,507	254,101	204,541	484,121	440,958
State	11,366,773	9,562,057	9,078,548	11,820,594	15,365,288
Federal	33,296,657	33,841,361	31,314,953	39,551,377	39,736,533
Transfer(s) from Other Funds	3,187,275	3,749,096	2,911,063	3,167,757	3,313,969
Revenue Total	48,071,212	47,406,614	43,509,104	55,023,849	58,856,748
EXPENDITURE CATEGORY:					
Personnel Services	23,693,928	23,840,370	22,836,568	27,803,148	27,714,565
Fringe Benefits	7,212,663	7,433,289	7,094,193	9,830,580	9,902,434
Purchased Services	7,746,723	8,260,446	7,852,518	4,375,377	4,459,864
Other Charges	281,163	423,191	556,463	708,836	622,723
Materials and Supplies	6,463,192	7,413,080	5,057,479	12,239,288	16,094,162
Capital Outlay	2,673,544	36,238	111,882	66,620	63,000
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	48,071,212	47,406,614	43,509,104	55,023,849	58,856,748

COMMUNICATION TOWERS TECHNOLOGY FUND

The Communication Towers Technology fund accounts for all payments from the leasing of property for commercial wireless communication towers. The funds received for lease payments and the interest earned on these funds are used to acquire and replace technology including computers, software, wiring, training, facsimile and copy machines.

Communication Towers Technology Fund - Statement of Revenues, Expenditures and Change in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	544,780	523,078	527,135	260,000	510,000
Revenue Total	544,780	523,078	527,135	260,000	510,000
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	31,214	7,971	-	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	109,889	403,192	389,907	600,000	850,000
Capital Outlay	299,983	209,779	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	441,086	620,942	389,907	600,000	850,000
Net Change in Fund Balance	103,694	(97,864)	137,227	(340,000)	(340,000)
Fund Balance July 1	2,859,283	2,962,977	2,865,114	3,002,341	2,662,341
Fund Balance June 30	2,962,977	2,865,114	3,002,341	2,662,341	2,322,341

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement fund provides an equipment replacement cycle for selected capital equipment for schools and support departments.

Equipment Replacement Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	3,239	3,589	3,596	-	-
Revenue Total	3,239	3,589	3,596	-	-
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	-	-	-	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	-	-	-	-	-
Capital Outlay	307,454	231,633	-	1,106,301	170,193
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	307,454	231,633	-	1,106,301	170,193
Net Change in Fund Balance	(304,216)	(228,044)	3,596	(1,106,301)	(170,193)
Fund Balance July 1	1,780,158	1,475,942	1,247,898	1,251,494	145,193
Fund Balance June 30	1,475,942	1,247,898	1,251,494	145,193	(25,000)

INSTRUCTIONAL TECHNOLOGY FUND

The Instructional Technology fund provides for the cyclical replacement of classroom and instructional computers.

Instructional Technology Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	72,535	33,443	41,272	-	-
Revenue Total	72,535	33,443	41,272	-	-
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	-	-	-	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	-	-	106,000	53,678	79,579
Capital Outlay	-	-	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	-	-	106,000	53,678	79,579
Net Change in Fund Balance	72,535	33,443	(64,728)	(53,678)	(79,579)
Fund Balance July 1	159,700	232,235	265,678	200,950	147,272
Fund Balance June 30	232,235	265,678	200,950	147,272	67,693

TEXTBOOKS FUND

The Textbooks fund is used for the acquisition of textbooks and related materials. The purpose of the fund is to provide a reliable funding mechanism for the purchasing of textbooks.

Textbooks Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	86,048	83,522	81,174	110,000	53,611
State	3,623,928	3,923,666	3,897,199	4,489,728	4,462,985
Revenue Total	3,709,976	4,007,188	3,978,373	4,599,728	4,516,596
EXPENDITURE CATEGORY:					
Personnel Services	77,749	72,468	79,870	79,856	83,431
Fringe Benefits	29,374	31,723	33,672	29,010	31,066
Purchased Services	295,426	71,605	2,659,836	2,957,833	670,431
Other Charges	-	-	-	-	-
Materials and Supplies	3,086,794	8,408,221	3,319,708	6,116,175	4,394,674
Capital Outlay	-	-	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	3,489,343	8,584,017	6,093,086	9,182,874	5,179,602
Net Change in Fund Balance	220,633	(4,576,829)	(2,114,713)	(4,583,146)	(663,006)
Fund Balance July 1	16,044,853	16,265,486	11,688,657	9,573,944	4,990,798
Fund Balance June 30	16,265,486	11,688,657	9,573,944	4,990,798	4,327,792

VENDING OPERATIONS FUND

The Vending Operations fund accounts for receipts relating to the bottled drinks vending operations of the school division. These proceeds, obtained through a long-term exclusive contract with a vending company, are used by schools to support student and staff activities. Effective August 2016, VBCPS entered into a five-year, renewable vending services contract with the Pepsi Beverage Company.

Vending Operations Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Approved
REVENUE CATEGORY:					
Local	192,723	192,689	192,650	192,550	192,550
Revenue Total	192,723	192,689	192,650	192,550	192,550
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	-	-	-	-	-
Other Charges	301,255	215,964	214,914	216,248	216,248
Materials and Supplies	818	720	609	13,454	13,454
Capital Outlay	-	-	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	302,073	216,684	215,523	229,702	229,702
Net Change in Fund Balance	(109,350)	(23,995)	(22,872)	(37,152)	(37,152)
Fund Balance July 1	198,236	88,886	64,891	42,019	4,867
Fund Balance June 30	88,886	64,891	42,019	4,867	(32,285)

Internal Service Funds

The information below includes excerpts from the School Board of the City of Virginia Beach Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

SELF-INSURED HEALTH CARE BENEFITS FUND

Effective Jan. 1, 2000, the School Board established a self-insured health care benefits program for all VBCPS and city of Virginia Beach employees. In a self-insured plan, the employer acts as its own insurer instead of purchasing health insurance from an insurance company and paying the insurer a per employee premium. In the simplest form, the employer uses the money that it would have paid the insurance company and instead directly pays health care claims. The Health Insurance fund holds employer contributions from the city and school division along with employee contributions. The fund pays for health care claims and other benefit plan costs.

Certain claims expenses paid on behalf of each employee during a single policy year are covered by excess loss insurance with a specific stop-loss limit of \$600,000. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years. Claims processing and payments for all health care claims are made through third-party administrators. The School Board uses the information provided by the third-party administrators and a health care benefits consultant to aid in the determination of self-insurance liabilities. The computed liability as of June 30, 2017, is \$7,324,000 (undiscounted).

2015 Plan Year Benefit Participants

Health Plan	
Active City Employees	5,089
Active School Employees	7,892
City and School Retirees	1,538
Dental Plan	
Active City Employees	4,850
Active School Employees	6,635
City and School Retirees	2,262
COBRA Enrollments	
Health (average monthly enrollment)	149
Dental (average monthly enrollment)	88

Source: Consolidated Benefits Office, 2015 Year in Review

Self-Insured Health Care Benefits Fund Comparison

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2013/14	8,578,000	136,996,000	136,182,000	9,392,000
2014/15	9,392,000	138,879,000	139,743,000	8,528,000
2015/16	8,528,000	132,638,000	133,627,000	7,539,000
2016/17	7,539,000	132,594,000	132,809,000	7,324,000

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

The Affordable Care Act (ACA), passed in 2010, continues to impact VBCPS' health benefits plan design. Changes to plan benefits and eligibility provisions have been phased in since 2011 to comply with the ACA. In January 2015, the Employer Shared Responsibility provision went into effect, requiring VBCPS to ensure coverage is offered to all employees who meet the ACA definition of 'full-time' employee. The legislation requires employers with 100 or more employees who work a minimum of 30 hours per week on average to offer coverage effective Jan. 1, 2015, or face financial penalties. VBCPS' health benefits plan is implemented over a calendar year rather than the fiscal year.

RISK MANAGEMENT FUND

VBCPS is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; employee illnesses and injuries; and natural disasters. The School Board believes it is cost effective to manage these risks using a combination of self-insurance programs and the purchase of commercial policies. The Risk Management fund accounts for insurance premiums and deductible costs related to all insurance types (except health insurance) including: property, workers' compensation, automobile and local government liability with self-insurance coverages for:

- Fire and Property Insurance - \$100,000 per occurrence and 1 percent of the total insured value of the damaged covered property when such loss or damage results from a named storm (minimum deductible is \$250,000 per occurrence)
- Boiler and Machinery Liability - \$10,000 per occurrence
- School Leaders Liability - \$350,000 per occurrence

- Student Professional and International Travel Liability - \$2,300,000 per claim
- Crime (Employee Dishonesty) - \$1,000 per occurrence
- Environmental Impairment and Cyber Liability - \$1,000,000 limit per occurrence
- General Liability and Wrongful Act coverage - \$350,000 per occurrence
- Automobile Liability coverage (engine on) - \$450,000 per occurrence
- Automobile Physical Damage coverage (engine off) - \$60,000 per occurrence
- General and Automobile Liability - \$4,000,000 excess limit per occurrence
- Worker's Compensation - \$850,000 per occurrence

Commercial insurance is purchased to cover the amount in excess of the above self-insured levels for specific losses. When economically feasible, commercial insurance is purchased to cover certain exposures completely. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years. For FY 2016/17 the insurance coverage is substantially the same as in prior fiscal years. The School Board uses the information provided by third-party administrators to aid in the determination of self-insurance liabilities. The computed liability as of June 30, 2017, is \$7,367,000 (undiscounted).

Risk Management Fund Comparison

Fiscal Year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2013/14	7,272,000	6,246,000	5,622,000	7,896,000
2014/15	7,896,000	6,588,000	5,894,000	8,590,000
2015/16	8,590,000	5,052,000	6,088,000	7,554,000
2016/17	7,554,000	5,837,000	6,024,000	7,367,000

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

The Virginia Workers' Compensation Commission is responsible for carrying out the requirements of the Virginia Workers' Compensation Act while administering Virginia's workers' compensation program. The act defines the statutory benefits due to an employee who incurs a job-related injury. School Board Policy 4-37 and School Board Regulations 4-37.1 and 4-37.2 govern workers' compensation and temporary alternative duty for VBCPS. VBCPS contracts a third party administrator, Corvel Corporation, to manage VBCPS' workers' compensation program. Services provided by Corvel include investigating claims, establishing loss reserves, processing payment, reporting to the Commission and recovering funds. The contract with Corvel will expire on June 30, 2018 with an option to renew annually for four additional one year periods, upon mutual agreement of both parties.

Fund Balance

FUND BALANCE CLASSIFICATIONS

Fund balance is divided into five classifications based primarily on the extent to which the School Board is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable: The nonspendable fund balance classification 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, such as inventories and prepaid items.

Restricted: The restricted fund balance classification is used when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the School Board to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the School Board can be compelled by an external party, such as citizens, public interest groups or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts, if applicable, that can be used only for the specific purposes imposed by a resolution adopted by the School Board. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: The assigned fund balance classification represents amounts intended to be used by the School Board for specific purposes. Assigned amounts are established by the School Board.

Unassigned: 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.

FUND BALANCE - GENERAL FUND

According to School Board Policy, all General funds not encumbered or spent by the end of the fiscal year shall be considered to be surplus funds for the fiscal year. Upon their re-appropriation by the City Council to the School Board for the next fiscal year, such surplus funds may be used for the following purposes:

- To provide bonuses to employees pursuant to an approved "gainsharing" program designed to reward employees for their contribution to any cost-saving measures that result in a year-end surplus;
- To make any expenditure toward the purchase of a capital item;
- To make any expenditure toward an approved and funded capital project;
- To fund items of a non-recurring nature that were included in a board-approved School Operating budget, but for which the City Council Approved Budget did not include sufficient funding; and/or
- To provide supplemental funding for the School Reserve fund established pursuant to School Board Policy 3-28.

FY 2015/16 SURPLUS FUNDS

On Nov. 1, 2016, the School Board adopted a resolution requesting the City Council to appropriate approximately \$16.8 million in surplus funds that lapsed and reverted at the end of FY 2015/16. On Nov. 15, 2016, the City Council approved the resolution for the amounts and purposes outlined below.

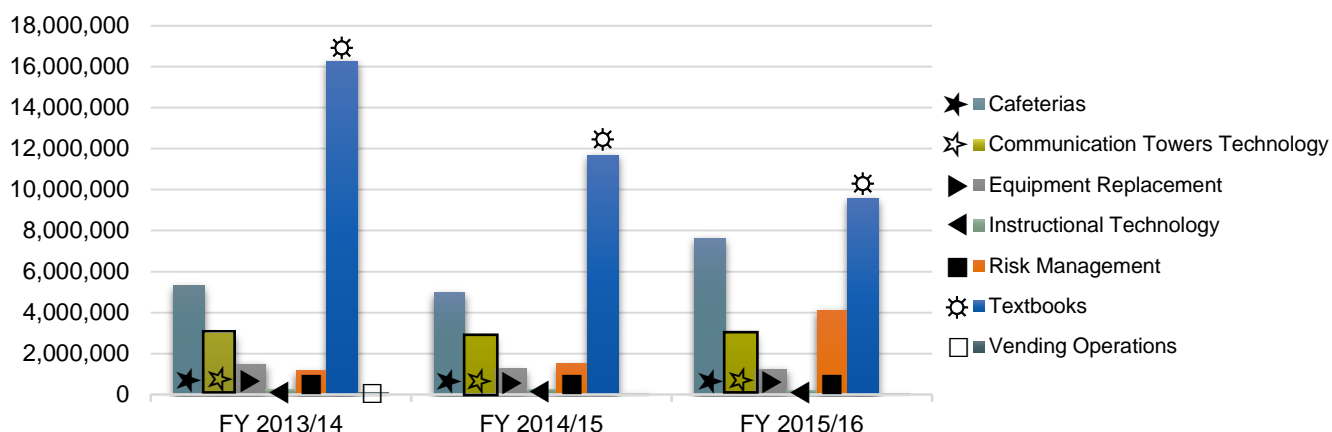
- \$2.7 million to cover the 1.34 percent employee raise effective Dec. 1, 2016
- \$2.1 million to purchase 21 replacement school buses, three additional special education buses and four other vehicles
- \$809,625 as a required e-rate local match for wireless network upgrades in remaining schools
- \$154,670 to purchase replacement vehicles
- \$500,000 for the 1:1 technology initiative access for all Students
- \$473,933 for electronic door access at schools

- \$10 million to the School Reserve (reversion) fund to address an anticipated budget shortfall in FY 2017/18 and to be available for unanticipated emergencies

FUND BALANCE - SPECIAL REVENUE FUNDS

VBCPS organizes its account code system on a fund basis. A fund is a self-balancing set of accounts that is segregated for a specific purpose or activity. The charts below represent the ending fund balances as of June 30, 2016. The fund balance is increased or decreased based on the fund's net revenue over (or under) expenditures for the fiscal year. The division has developed and implemented a spending plan for the fund balances that is in alignment with the strategic framework and the projected expenditures for each of these funds.

Three-Year Actuals



Actuals and Projections Based on the Spending Plan

	Actual			Projected	
	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Athletics	-	-	-	-	-
Cafeterias	5,316,007	4,959,242	7,637,040	6,000,000	6,000,000
Communication Towers Technology	2,962,977	2,865,114	3,002,341	2,700,000	2,700,000
Equipment Replacement	1,475,942	1,247,898	1,241,494	1,200,000	1,200,000
Instructional Technology	232,235	265,678	200,950	150,000	150,000
Risk Management	1,150,849	1,503,534	4,112,685	3,100,000	3,100,000
Textbooks	16,265,486	11,688,657	9,573,944	2,800,000	2,800,000
Vending Operations	88,886	64,891	42,019	30,000	30,000

Capital Improvement Program

CAPITAL IMPROVEMENT PROGRAM BUDGET DEVELOPMENT

In conjunction with the City Council, the School Board determines actual funding for capital projects on an annual basis. VBCPS develops a multi-year CIP that is updated annually to address facility needs. The budget calendar and timeline for the adoption of the CIP closely follows that of the School Operating budget. The CIP budget development process begins in September with a preliminary meeting with city staff. To ensure that the CIP will reflect the division's needs, input is requested from schools, offices and the community in November. The CIP is presented to the School Board for information in February and is adopted in March, prior to being submitted to the City Council for review and approval. The city adopts the CIP in May along with the Operating budget.

All CIP modernization and replacement projects programmed by VBCPS are developed in accordance with the school division's Comprehensive Long Range Facility Master Plan, a guiding document that was developed in 2007 in concert with the entire community. This document prioritizes school buildings to be replaced or modernized. As shown below, there are four phases of the plan. Phase I initially included nine schools. Two of those schools, Kemps Landing Magnet and Old Donation Center, were consolidated into project 1-233. Plaza Elementary School, the last school in Phase I, closed at the end of FY 2008/09. Phases II, III and IV include an additional 20 schools and one center that are not represented in the current six-year project funding summary.

Phase I	Phase II	Phase III	Phase IV
<ul style="list-style-type: none">• Kellam HS• Princess Anne MS• College Park ES• John B. Dey ES• Princess Anne HS• Thoroughgood ES• Old Donation Center• Kemps Landing Magnet• Plaza ES	<ul style="list-style-type: none">• Kempsville HS• Kempsville MS• Bettie F. Williams ES• Princess Anne ES• First Colonial HS• King's Grant ES• Plaza MS	<ul style="list-style-type: none">• North Landing ES• Bayside HS• Lynnhaven MS• Green Run ES• Independence MS• Fairfield ES• Kingston ES• Bayside MS• Alanton ES	<ul style="list-style-type: none">• Technical & Career Education Center• Holland ES• Point O'View ES• White Oaks ES• Indian Lakes ES

Source: Virginia Beach City Public Schools, Comprehensive Long Range Facility Master Plan

MONITORING

Each year the Office of Demographics and Planning monitors student residences through the division's Geographic Information System (GIS), attendance boundaries, school locations and various external variables that impact division planning. These variables are then assessed by the Building Utilization Committee to evaluate how each school is affected and for long-range planning and budgeting. Assumptions are made regarding the timing for anticipated student yields in the six-year projections for the CIP, adjusting as needed for the changing real estate climate and other variables that may be applicable. Results of this analysis are communicated, applied and tracked for future budget and facilities planning. The Office of Facilities Planning and Construction is responsible for the procurement of all architectural and engineering services for school construction projects, including the negotiation/preparation of all contracts and inspection of all projects through completion/occupancy.

IMPACT ON THE SCHOOL OPERATING BUDGET

The CIP budget requires one-time funding for large-scale projects, contrary to the School Operating budget where annual and ongoing operating expense obligations are planned. Almost every new project entails ongoing expenses for routine operation, repair and maintenance upon completion or acquisition. VBCPS' capital program has a direct impact on the School Operating budget, particularly in association with the opening of new facilities. The cost of operating new or expanded facilities is included in the fiscal year the facility becomes operational.

Combined, the CIP and School Operating budgets address School Board and community priorities. One of the primary goals of the CIP is to keep up with the demands of aging buildings, student membership adjustments and program changes. These changes could affect the school division in various ways. Capital projects can affect future operating budgets either positively or negatively when factoring in multiple variables. There could be increases or decreases in maintenance costs. There may be increased capacity for new programs or services. A new school, for example, will require additional staff, an increase in utility costs, and increases in custodial and maintenance contracts. Conversely, a capital project that renovates an existing school may reduce operating expenditures due to a decrease in necessary maintenance costs. Funding heating, air conditioning and electrical system repairs or replacement projects has the potential to reduce operating expenditures by reducing costly maintenance and staff time spent addressing critical system repairs.

LOCAL SUPPORT FOR THE CAPITAL IMPROVEMENT PROGRAM

The FY 2017/18 - 2022/23 CIP is the financial plan for capital projects beginning July 1, 2017, through June 30, 2023. The budget encompasses anticipated revenues and expenditures for FY 2017/18 (year one of the six-year plan) and five planning years forward. Scheduling over a six-year period ensures projects are planned appropriately, both from a physical and fiscal perspective. Considering that capital projects usually require several years to complete, funding associated with the CIP does not close-out annually.

The CIP funding totals nearly \$56 million for FY 2017/18 and approximately \$278 million for the entire six-year capital program through 2023.

There are three facilities programmed for modernization and/or replacement in the six-year plan:

- Project 1-035, John B. Dey Elementary School Modernization, will modernize the existing elementary school that was originally opened in 1956. The total cost is budgeted at nearly \$26 million. Educational programming/preliminary design has started and this project is on schedule to begin construction in 2017. This project will extend the useful life of the facility by 40 to 50 years.
- Project 1-043, Thoroughgood Elementary School Replacement, is funded to begin the design phase in 2017 and tentatively scheduled for completion in 2020. The total project cost is budgeted at \$28.3 million and will extend the useful life of the facility by 80 to 100 years.
- Project 1-056, Princess Anne Middle School Replacement, is funded to begin the design phase in 2017 and open for students in 2021. Princess Anne Middle School, originally built in 1974, can no longer adequately house the required instructional programs and the facility is in need of replacement. The total project cost is budgeted at \$78.9 million and will extend the useful life of the facility by 80 to 100 years.

Initial funding is also included in the six-year plan for project 1-107 Princess Anne High School Replacement. This project is not fully funded in the six-year CIP and therefore a completion date is undetermined. Although several replacement and renovation projects in the schools' modernization program have been delayed, ongoing maintenance projects necessary to prolong the life of facilities not in the program continue to be funded. These include projects to replace roofs, HVAC systems, lockers and other major building system components. Annual appropriations are made to cover the total value of the multi-year contracts, regardless of the year in which actual payments are made to contractors. The FY 2017/18 - 2022/23 CIP total project cost, including appropriations to date, is \$493.8 million. Project sheets with additional details are included later in this section.

FY 2017/18 - FY 2022/23 CIP Funding Sources

Funding Source	Year 1 FY 2017/18	Year 2 FY 2018/19	Year 3 FY 2019/20	Year 4 FY 2020/21	Year 5 FY 2021/22	Year 6 FY 2022/23
Charter Bonds	45,300,000	32,300,000	47,300,000	32,300,000	32,300,000	32,300,000
Sandbridge TIF Funding	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000
Public Facility Revenue Bonds	5,000,000	5,000,000	-	-	-	-
PAYGO	-	-	1,000,000	1,500,000	2,000,000	3,000,000
Interest/Sale of Property	2,100,000	-	-	-	-	-
Energy Performance Contracts Funding	-	-	5,000,000	5,000,000	5,000,000	-
State Construction Grants	-	-	-	-	-	-
Lottery Funds	-	-	-	-	-	-
Total	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

FY 2017/18 - FY 2022/23 CIP Project Costs

CIP #	Project Category	Total Project Cost	Six Year Appropriations	Appropriations to Date	Year 1 FY 2017/18	Year 2 FY 2018/19	Year 3 FY 2019/20	Year 4 FY 2020/21	Year 5 FY 2021/22	Year 6 FY 2022/23
1-003	Renovations and Replacements - Energy Management/Sustainability	12,375,000	12,375,000	2,875,000	1,000,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000
1-004	Tennis Court Renovations Phase II	1,000,000	1,000,000	600,000	200,000	200,000	-	-	-	-
1-035	John B. Dey Elementary School Modernization	25,989,241	25,989,241	25,989,241	-	-	-	-	-	-
1-043	Thoroughgood Elementary School Replacement	28,270,000	28,270,000	8,888,759	14,000,000	5,381,241	-	-	-	-
1-056	Princess Anne Middle School Replacement	78,873,759	78,873,759	14,650,000	20,491,000	14,834,759	28,898,000	-	-	-
1-095	Comprehensive Long Range Facilities Planning Update	300,000	300,000	300,000	-	-	-	-	-	-
1-099	Renovations and Replacements - Grounds Phase II	18,450,000	18,450,000	9,675,000	1,250,000	1,325,000	1,400,000	1,500,000	1,600,000	1,700,000
1-102	21st Century Learning Environment Improvements	2,100,000	2,100,000	-	2,100,000	-	-	-	-	-
1-103	Renovations and Replacements - HVAC Phase II	84,167,724	82,067,724	39,667,724	5,700,000	6,350,000	6,750,000	7,250,000	7,850,000	8,500,000
1-104	Renovations and Replacements - Reroofing Phase II	60,785,639	60,275,639	31,025,639	4,000,000	4,450,000	4,700,000	5,000,000	5,350,000	5,750,000
1-105	Renovations and Replacements - Various Phase II	25,435,000	25,435,000	13,110,000	1,750,000	1,850,000	1,975,000	2,100,000	2,250,000	2,400,000
1-107	Princess Anne High School Replacement	115,000,000	64,091,000	-	-	-	6,568,000	19,841,000	19,041,000	18,641,000
1-110	Energy Performance Contracts Phase II	30,000,000	30,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	-
1-025	Kempsville High School Entrepreneurial Academy	950,000	950,000	450,000	500,000	-	-	-	-	-
1-233	Old Donation School	63,615,000	63,615,000	63,615,000	-	-	-	-	-	-
Grand Total (all projects)		547,311,363	493,792,363	215,846,363	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
Targets					55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
Difference					-	-	-	-	-	-

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

EXPLANATION OF SIGNIFICANT CHANGES

Capital Projects funds are used to track financial transactions linked to the acquisition, construction or renovation of school sites, buildings and other major capital improvements. Since 1997, VBCPS has spent \$620 million to modernize or replace 31 of the division's oldest schools, maintenance, supply, custodial and transportation facilities, resulting in the renovation or replacement of approximately 3.3 million square feet of school division assets. All projects are designed/constructed to achieve the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Silver Certification (at a minimum). LEED emphasizes state of the art strategies for sustainable site development, water savings, energy efficiency, materials selection and indoor air quality.

As a result of the recession, the state no longer provides lottery proceeds directly to localities and school boards. Considering the loss of operational funding, VBCPS can no longer provide PAYGO funding in large amounts to the capital program. Although the School Board has made great strides, the effects of the recession have reduced considerably the available funding on the local and state level for the modernization and replacement schedule. In recent years, the remaining school facilities in need of modernization or replacement have been provided limited funding for maintenance, repairs and upgrades through the School Operating budget.

SCHOOL MODERNIZATION/REPLACEMENT PROGRAM AND PROPOSED SCHEDULE

Completed Projects

Year Construction Started	Location	Modernization/Replacement	Original Opening Date	Year Construction Complete	Variance (Years)	Total Project Cost (Millions)
1996	Linkhorn Park ES	Replacement	1955	1998	43	12.30
1997	WT Cooke ES	Replacement	1906	1999	93	8.90
1998	Seatack ES	Replacement	1952	2000	48	9.10
1999	Bayside ES	Replacement	1941	2000	59	8.90
1999	Creeds ES	Modernization	1939	2001	62	6.90
1999	Shelton Park ES	Modernization	1954	2001	47	7.40
1999	Thalia ES	Modernization	1956	2001	45	8.60
2000	Luxford ES	Modernization	1961	2002	41	7.80
2001	Kempsville Meadows ES	Replacement	1959	2002	43	9.60
2001	Woodstock ES	Replacement	1957	2002	45	10.20
2001	Kempsville ES	Modernization	1961	2003	42	8.80
2001	Malibu ES	Modernization	1962	2003	41	7.40
2002	Pembroke ES	Modernization	1962	2004	42	8.10
2002	Lynnhaven ES	Modernization	1963	2004	41	8.10
2002	Trantwood ES	Modernization	1963	2004	41	8.70
2003	Hermitage ES	Replacement	1964	2005	41	11.10
2003	Arrowhead ES	Replacement	1965	2005	40	10.80
2004	Pembroke Meadows ES	Modernization	1969	2006	37	9.70
2005	School Plant/Supply	Replacement	1938	2007	69	17.40
2006	Windsor Woods ES	Replacement	1966	2007	41	15.80
2006	Brookwood ES	Replacement	1968	2007	39	15.00
2006	Newtown Road ES	Replacement	1970	2008	38	18.00
2008	Windsor Oaks ES	Replacement	1970	2009	39	17.10
2007	Renaissance Academy	Replacement	1938-1960	2010	72/50	66.20
2007	Virginia Beach MS	Replacement	1952	2010	58	51.60
2009	School Bus Garage	Replacement	1936	2010	74	21.80
2009	Great Neck MS	Replacement	1961	2011	50	46.50
2010	College Park ES	Replacement	1973	2011	38	22.10
2011	Kellam HS	Replacement	1962	2014	52	102.00
2014	Old Donation School	Replacement	1957/1965	2017	60/52	63.40
Average/Total					49	619.30

Source: VBCPS Department of School Division Services, Modernization/Replacement Program

Projects Under Design

Proposed Construction Start	Location	Modernization/Replacement	Original Opening Date	Year Construction Complete	Variance (Years)	Total Project Cost (Millions)
2017	John B. Dey ES	Modernization	1956	2019	63	23.30
2018	Thoroughgood ES	Replacement	1958	2020	62	28.30
2018	Princess Anne MS	Replacement	1974	2021	47	78.90
Average/Total					57	130.50

Source: VBCPS Department of School Division Services, Modernization/Replacement Program

Projects Under Study

Proposed Start	Location	Modernization/ Replacement	Original Opening Date	Proposed Completion	Variance (Years)
TBD	Princess Anne HS	Replacement	1954	2026	72
TBD	Kempsville HS		1966	2032	66
TBD	Kempsville MS		1969	2039	70
TBD	B.F. Williams ES		1961	2034	73
TBD	Princess Anne ES		1956	2036	80
TBD	First Colonial HS		1966	2046	80
TBD	King's Grant ES		1960	2039	79
TBD	Plaza MS		1969	2051	82
TBD	North Landing ES		1975	2042	67
TBD	Bayside HS		1964	2058	94
TBD	Lynnhaven MS		1974	2064	90
TBD	Green Run ES		1975	2053	78
TBD	Green Run HS		1979	2076	97
TBD	Independence MS		1974	2070	96
TBD	Fairfield ES		1976	2067	91
TBD	Kingston ES		1965	2049	84
TBD	Bayside MS		1969	2065	96
TBD	Alanton ES		1966	2052	86
TBD	Tech Center		1972	2082	110
TBD	Holland ES		1968	2071	103
TBD	Point O' View ES		1969	2079	110
TBD	White Oaks ES		1978	2081	103
TBD	Indian Lakes ES		1979	2083	104

Source: VBCPS Department of School Division Services, Modernization/Replacement Program



SCHOOL FACILITY INFORMATION FOR FY 2016/17

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Elementary Schools					
Alanton Elementary (Opened Sep 1966; Addition Sep 1995; Sep 2006)					
Square Feet	74,049	74,049	74,049	74,049	74,049
Program Capacity	699	681	681	764	702
Enrollment	599	642	659	662	650
Arrowhead Elementary (Opened Sep 1964; Replaced Sep 2003)					
Square Feet	79,480	79,480	79,480	79,480	79,480
Program Capacity	525	547	547	597	486
Enrollment	473	497	490	451	447
Bayside Elementary (Opened Sep 1941; Replaced Dec 2000)					
Square Feet	77,428	77,428	77,428	77,428	77,428
Program Capacity	587	547	547	599	585
Enrollment	468	501	534	518	472
Birdneck Elementary (Opened Sep 1986)					
Square Feet	137,250	137,250	137,250	137,250	137,250
Program Capacity	757	818	818	732	787
Enrollment	668	665	631	634	568
Brookwood Elementary (Opened Sep 1967; Replaced Sep 2007)					
Square Feet	80,065	80,065	80,065	80,065	80,065
Program Capacity	661	626	631	586	617
Enrollment	715	701	746	720	641
Centerville Elementary (Opened Sep 1984)					
Square Feet	67,082	67,082	67,082	67,082	67,082
Program Capacity	660	639	678	602	669
Enrollment	714	720	704	739	732
Christopher Farms Elementary (Opened Sep 1997)					
Square Feet	78,740	78,740	78,740	78,740	78,740
Program Capacity	737	724	724	701	738
Enrollment	663	678	642	636	677
College Park Elementary (Opened Sep 1973; Gym Added Sep 1982; Replaced Sep 2011)					
Square Feet	94,861	94,861	94,861	94,861	94,861
Program Capacity	431	438	438	500	506
Enrollment	392	428	471	502	469
W. T. Cooke Elementary (Opened Sep 1913; Replaced Sep 1962; Gym Added Sep 1991; Replaced Sep 1999)					
Square Feet	92,256	92,256	92,256	92,256	92,256
Program Capacity	581	536	536	673	570
Enrollment	545	586	558	501	513
Corporate Landing Elementary (Opened Sep 1993)					
Square Feet	96,620	96,620	96,620	96,620	96,620
Program Capacity	655	642	642	598	585
Enrollment	545	523	452	437	426
Creeds Elementary (Opened Sep 1939; Gym Added Sep 1949; Modernized Sep 1969; Modernized Sep 2001)					
Square Feet	69,285	69,285	69,285	69,285	69,285
Program Capacity	360	360	360	395	432
Enrollment	296	297	301	315	306
John B. Dey Elementary (Opened Sep 1956; Addition Sep 1959; Gym Added Sep 1978; Addition Sep 1995)					
Square Feet	76,641	76,641	76,641	76,641	76,641
Program Capacity	860	860	860	756	815
Enrollment	842	868	826	834	815
Diamond Springs Elementary (Opened Sep 2007)					
Square Feet	97,000	97,000	97,000	97,000	97,000
Program Capacity	550	519	519	537	581
Enrollment	562	558	566	587	535
Fairfield Elementary (Opened Sep 1976)					
Square Feet	58,280	58,280	58,280	58,280	58,280
Program Capacity	503	526	526	561	558
Enrollment	474	506	520	513	517
Glenwood Elementary (Opened Sep 1990)					
Square Feet	139,600	139,600	139,600	139,600	139,600
Program Capacity	993	1,001	1,001	945	1,053
Enrollment	880	887	884	898	896

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Green Run Elementary (Opened Sep 1976; Addition Sep 2005)					
Square Feet	58,275	58,275	58,275	58,275	58,275
Program Capacity	412	420	420	446	432
Enrollment	448	491	427	403	397
Hermitage Elementary (Opened Nov 1964; Addition Sep 1974; Gym Added Sep 1995; Replaced Mar 2005)					
Square Feet	94,018	94,018	94,018	94,018	94,018
Program Capacity	633	640	640	641	698
Enrollment	641	656	635	645	678
Holland Elementary (Opened Sep 1967; Addition Sep 1995)					
Square Feet	73,956	73,956	73,956	73,956	73,956
Program Capacity	526	503	503	558	596
Enrollment	536	532	536	524	523
Indian Lakes Elementary (Opened Sep 1979)					
Square Feet	66,816	66,816	66,816	66,816	66,816
Program Capacity	569	526	526	546	563
Enrollment	537	527	534	539	577
Kempsville Elementary (Opened Sep 1961; Addition Sep 1963; Gym Added Sep 1990; Modernized Sep 2003)					
Square Feet	78,146	78,146	78,146	78,146	78,146
Program Capacity	563	586	586	513	482
Enrollment	490	455	472	454	429
Kempsville Meadows Elementary (Opened Sep 1959; Gym Added Sep 1990; Replaced Sep 2002)					
Square Feet	77,239	77,239	77,239	77,239	77,239
Program Capacity	518	512	512	509	527
Enrollment	504	470	528	506	488
Kings Grant Elementary (Opened Sep 1960; Replaced Sep 1969; Addition Sep 1995)					
Square Feet	72,043	72,043	72,043	72,043	72,043
Program Capacity	666	648	648	666	716
Enrollment	596	598	632	641	608
Kingston Elementary (Opened Sep 1965; Gym Added Sep 1989; Addition Sep 1997)					
Square Feet	65,223	65,223	65,223	65,223	65,223
Program Capacity	591	641	641	624	648
Enrollment	572	574	551	531	517
Landstown Elementary (Opened Sep 1993)					
Square Feet	81,634	81,634	81,634	81,634	81,634
Program Capacity	854	868	868	816	797
Enrollment	804	788	751	760	736
Linkhorn Park Elementary (Opened Sep 1955; Addition Sep 1967; Replaced Sep 1998; former bldg. used for administrative offices)					
Square Feet	76,285	76,285	76,285	76,285	76,285
Program Capacity	719	728	728	689	682
Enrollment	772	753	732	685	634
Luxford Elementary (Opened Sep 1961; Gym Added Sep 1990; Replaced Sep 2002; former bldg. used for instructional purposes)					
Square Feet	82,242	82,242	82,242	82,242	82,242
Program Capacity	495	506	506	567	548
Enrollment	497	524	531	537	516
Lynnhaven Elementary (Opened Sep 1963; Addition Sep 1968; Gym Added Sep 1990; Modernized Nov 2004)					
Square Feet	80,670	80,670	80,670	80,670	80,670
Program Capacity	494	494	494	489	403
Enrollment	446	471	441	407	405
Malibu Elementary (Opened Sep 1962; Addition Sep 1968; Gym Added Sep 1989; Replaced Nov 2003)					
Square Feet	73,182	73,182	73,182	73,182	73,182
Program Capacity	437	437	437	414	396
Enrollment	353	366	380	374	375
New Castle Elementary (Opened Sep 1999)					
Square Feet	87,060	87,060	87,060	87,060	87,060
Program Capacity	831	853	853	824	869
Enrollment	802	771	796	763	784
Newtown Road Elementary (Opened Sep 1970; Addition Sep 1988; Replaced Sep 2007)					
Square Feet	88,711	88,711	88,711	88,711	88,711
Program Capacity	436	482	482	497	514
Enrollment	460	517	524	511	554
North Landing Elementary (Opened Mar 1975; Gym Added Sep 1990)					
Square Feet	60,280	60,280	60,280	60,280	60,280
Program Capacity	483	455	455	443	423
Enrollment	507	482	462	464	448

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Ocean Lakes Elementary (Opened Sep 1989)					
Square Feet	69,917	69,917	69,917	69,917	69,917
Program Capacity	658	649	649	626	657
Enrollment	574	568	552	533	538
Parkway Elementary (Opened Sep 1987)					
Square Feet	67,840	67,840	67,840	67,840	67,840
Program Capacity	476	514	514	473	467
Enrollment	507	561	527	475	426
Pembroke Elementary (Opened Dec 1962; Addition Sep 1968; Addition Sep 1988; Modernized May 2005)					
Square Feet	108,773	108,773	108,773	108,773	108,773
Program Capacity	626	617	617	534	567
Enrollment	514	486	476	477	494
Pembroke Meadows Elementary (Opened Sep 1969; Modernized Oct 2006)					
Square Feet	75,926	75,926	75,926	75,926	75,926
Program Capacity	473	430	430	539	495
Enrollment	433	447	453	434	443
Point O'View Elementary (Opened Sep 1969; Addition Sep 1999)					
Square Feet	75,219	75,219	75,219	75,219	75,219
Program Capacity	628	772	772	765	680
Enrollment	584	631	666	717	670
Princess Anne Elementary (Opened Sep 1956; Addition Sep 1969; Gym Added Sep 1990; Addition Sep 1996)					
Square Feet	77,953	77,953	77,953	77,953	77,953
Program Capacity	585	586	586	563	612
Enrollment	498	502	519	531	569
Providence Elementary (Opened Sep 1981)					
Square Feet	61,831	61,831	61,831	61,831	61,831
Program Capacity	572	617	617	648	576
Enrollment	559	585	559	551	552
Red Mill Elementary (Opened Sep 1989; Addition Sept 2006)					
Square Feet	69,788	69,788	69,788	69,788	69,788
Program Capacity	663	694	694	734	734
Enrollment	653	676	676	679	662
Rosemont Elementary (Opened Sep 1981)					
Square Feet	63,667	63,667	63,667	63,667	63,667
Program Capacity	423	423	423	433	458
Enrollment	380	403	414	409	411
Rosemont Forest Elementary (Opened Jan 1987)					
Square Feet	69,788	69,788	69,788	69,788	69,788
Program Capacity	606	583	583	562	635
Enrollment	540	513	509	523	502
Salem Elementary (Opened Sep 1988)					
Square Feet	66,890	66,890	66,890	66,890	66,890
Program Capacity	559	559	559	514	491
Enrollment	431	453	467	435	463
Seatack Elementary (Opened Mar 1952; Addition Sep 1955; Addition Sep 1959; Gym Added Sep 1968; Replaced Mar 2000)					
Square Feet	74,375	74,375	74,375	74,375	74,375
Program Capacity	447	410	410	425	382
Enrollment	388	381	387	383	398
Shelton Park Elementary (Opened Sep 1954; Addition Sep 1961; Gym Added Sep 1977; Modernized Jan 2001)					
Square Feet	81,576	81,576	81,576	81,576	81,576
Program Capacity	437	410	410	428	414
Enrollment	369	399	373	372	355
Strawbridge Elementary (Opened Sep 1991)					
Square Feet	84,948	84,948	84,948	84,948	84,948
Program Capacity	782	716	716	692	734
Enrollment	691	697	678	694	665

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Tallwood Elementary (Opened Sep 1989; Addition Jan 2006)					
Square Feet	69,988	69,988	69,988	69,988	69,988
Program Capacity	620	620	620	590	657
Enrollment	593	546	527	558	565
Thalia Elementary (Opened Sep 1956; Addition Sep 1963; Gym Added Sep 1989; Modernized Sep 2001)					
Square Feet	91,550	91,550	91,550	91,550	91,550
Program Capacity	771	779	779	728	662
Enrollment	637	595	585	625	611
Thoroughgood Elementary (Opened Sep 1958; Gym Added Sep 1990; Modernized Sep 1995)					
Square Feet	66,259	66,259	66,259	66,259	66,259
Program Capacity	646	613	713	627	666
Enrollment	698	710	734	708	700
Three Oaks Elementary (Opened Sep 2005)					
Square Feet	92,210	92,210	92,210	92,210	92,210
Program Capacity	811	842	842	716	761
Enrollment	798	768	746	759	733
Trantwood Elementary (Opened Sep 1963; Addition Sep 1969; Gym Added Sep 1990; Modernized Sep 2003)					
Square Feet	81,040	81,040	81,040	81,040	81,040
Program Capacity	555	556	556	533	545
Enrollment	493	504	487	461	466
White Oaks Elementary (Opened Sep 1978)					
Square Feet	77,333	77,333	77,333	77,333	77,333
Program Capacity	705	648	648	688	626
Enrollment	670	683	673	651	608
Bettie F. Williams Elementary (Opened Sep 1961; Addition Sep 1963; Gym Added Sep 1990; Addition Sep 1995)					
Square Feet	77,656	77,656	77,656	77,656	77,656
Program Capacity	518	518	518	487	531
Enrollment	404	431	418	463	476
Windsor Oaks Elementary (Opened Jul 1968; Replaced Sep 2009)					
Square Feet	88,340	88,340	88,340	88,340	88,340
Program Capacity	690	601	601	591	630
Enrollment	617	600	583	559	582
Windsor Woods Elementary (Opened Sep 1966; Gym Added Sep 1990; Replaced Sep 2007)					
Square Feet	84,265	84,265	84,265	84,265	84,265
Program Capacity	437	463	463	433	473
Enrollment	376	362	385	357	343
Woodstock Elementary (Opened Sep 1957; Addition Sep 1962; Gym Added Sep 1977; Replaced Nov 2002)					
Square Feet	82,707	82,707	82,707	82,707	82,707
Program Capacity	687	687	687	752	765
Enrollment	676	736	718	688	699
Middle Schools					
Bayside Middle (Opened Sep 1969; Addition Sep 2004)					
Square Feet	180,134	180,134	180,134	180,134	180,134
Program Capacity	1,176	1,112	892	960	918
Enrollment	996	992	657	649	659
Bayside 6th (Opened Sep 2014; Formerly Kemps Landing Magnet; 6th grade previously housed at Bayside Middle)					
Square Feet	-	-	56,516	56,516	56,516
Program Capacity	-	-	504	500	346
Enrollment	-	-	351	375	348
Brandon Middle (Opened Aug 1978)					
Square Feet	190,586	190,586	190,586	190,586	190,586
Program Capacity	1,328	1,308	1,232	1,286	1,247
Enrollment	1,237	1,189	1,130	1,155	1,214
Corporate Landing Middle (Opened Sep 1997)					
Square Feet	235,093	235,093	235,093	235,093	235,093
Program Capacity	1,436	1,408	1,432	1,538	1,620
Enrollment	1,307	1,294	1,285	1,268	1,237
Great Neck Middle (Opened Sep 1961; Addition Sep 1963; Replaced Jan 2012)					
Square Feet	219,370	219,370	219,370	219,370	219,370
Program Capacity	1,360	1,360	1,360	1,460	1,373
Enrollment	1,085	1,097	1,147	1,161	1,175

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Independence Middle (Opened Sep 1974; Addition Sep 1996)					
Square Feet	137,656	137,656	137,656	137,656	137,656
Program Capacity	1,332	1,276	1,312	1,370	1,215
Enrollment	1,244	1,289	1,280	1,269	1,192
Kempsville Middle (Opened Sep 1969)					
Square Feet	136,287	136,287	136,287	136,287	136,287
Program Capacity	828	828	828	868	797
Enrollment	841	831	789	805	820
Landstown Middle (Opened Sep 1992)					
Square Feet	201,000	201,000	201,000	201,000	201,000
Program Capacity	1,692	1,628	1,552	1,634	1,499
Enrollment	1,482	1,516	1,485	1,464	1,452
Larkspur Middle (Opened Nov 1994)					
Square Feet	247,264	247,264	247,264	247,264	247,264
Program Capacity	1,684	1,684	1,776	1,910	1,763
Enrollment	1,584	1,632	1,620	1,520	1,544
Lynnhaven Middle (Opened Sep 1974; Addition Sep 1995)					
Square Feet	140,099	140,099	140,099	140,099	140,099
Program Capacity	1,138	1,092	1,160	1,250	1,071
Enrollment	1,060	962	866	863	896
Plaza Middle (Opened Sep 1969)					
Square Feet	157,869	157,869	157,869	157,869	157,869
Program Capacity	1,172	1,172	1,165	1,129	1,053
Enrollment	1,083	1,095	1,066	1,083	1,062
Princess Anne Middle (Relocated to Floyd E. Kellam HS Apr 2014; Opened Sept 1962, Addition Sept 1967; Modernization Sept 1990; Addition Sept 1996)					
Square Feet	135,592	135,592	222,571	222,571	222,571
Program Capacity	1,456	1,474	1,563	1,671	1,449
Enrollment	1,414	1,467	1,459	1,479	1,460
Salem Middle (Opened Sep 1988)					
Square Feet	217,500	217,500	217,500	217,500	217,500
Program Capacity	1,072	1,044	1,016	1,070	1,031
Enrollment	1,026	1,009	1,034	1,044	1,041
Virginia Beach Middle (Opened Sep 1952; Addition Sep 1964; Gym Added Sep 1977; Modernized Sep 1993; Replaced Mar 2010)					
Square Feet	189,730	189,730	189,730	189,730	189,730
Program Capacity	968	968	968	1,040	923
Enrollment	899	917	873	839	835
High Schools					
Bayside High (Opened Sep 1964; Addition Sep 1967; Modernized Sep 1990; Addition Sep 1995)					
Square Feet	200,816	200,816	200,816	200,816	200,816
Program Capacity	1,895	1,895	1,905	1,912	1,827
Enrollment	1,803	1,801	1,824	1,825	1,799
Frank W. Cox High (Opened Sep 1961; Replaced Sep 1983)					
Square Feet	236,744	236,744	236,744	236,744	236,744
Program Capacity	1,937	1,937	1,939	1,946	1,955
Enrollment	1,947	1,894	1,858	1,889	1,784
First Colonial High (Opened Sep 1966; Addition Sep 1968; Addition Sep 1996)					
Square Feet	178,266	178,266	178,266	178,266	178,266
Program Capacity	1,808	1,818	1,810	1,813	1,919
Enrollment	1,908	1,993	2,004	1,923	1,873
Green Run High (Opened Sep 1979; Includes Green Run Collegiate Public Charter School opened in Sep 2013)					
Square Feet	235,721	235,721	235,721	235,721	235,721
Program Capacity	1,927	1,910	1,946	1,956	2,063
Enrollment	1,636	1,689	1,497	1,810	1,789
Floyd E. Kellam High (Opened New Building on West Neck Road January 2014)					
Square Feet	222,571	336,410	349,350	349,350	349,350
Program Capacity	1,961	2,000	1,861	1,867	1,857
Enrollment	1,833	1,838	1,986	2,029	2,021

Fiscal Year	2012/13	2013/14	2014/15	2015/16	2016/17
Kempsville High (Opened Sep 1966; Addition Sep 1968; Modernized Sep 1991; Addition Sep 1995)					
Square Feet	202,665	202,665	202,665	202,665	202,665
Program Capacity	2,009	1,985	1,971	1,985	1,908
Enrollment	1,648	1,559	1,522	1,465	1,549
Landstown High (Opened Sep 2001; Addition Jan 2007)					
Square Feet	308,924	308,924	308,924	308,924	308,924
Program Capacity	2,332	2,332	2,368	2,385	2,543
Enrollment	2,196	2,195	2,195	2,208	2,183
Ocean Lakes High (Opened Sep 1994; Addition Jan 2007)					
Square Feet	330,525	330,525	330,525	330,525	330,525
Program Capacity	2,501	2,501	2,570	2,586	2,705
Enrollment	2,211	2,177	2,157	2,126	2,102
Princess Anne High (Opened Aug 1954; Modernized Sep 1987; Modernized (due to major fire damage) Jan 1997)					
Square Feet	228,860	228,860	228,860	228,860	228,860
Program Capacity	1,652	1,675	1,704	1,737	1,945
Enrollment	1,850	1,822	1,780	1,800	1,833
Salem High (Opened Sep 1989)					
Square Feet	260,889	260,889	260,889	260,889	260,889
Program Capacity	1,932	1,932	1,930	1,938	1,850
Enrollment	1,782	1,774	1,766	1,726	1,677
Tallwood High (Opened Sep 1992)					
Square Feet	294,457	294,457	294,457	294,457	294,457
Program Capacity	2,237	2,237	2,219	2,233	2,168
Enrollment	1,950	1,931	1,942	1,956	1,938
Alternative Schools					
Kemps Landing Magnet (Relocated to former Princess Anne MS Bldg Sept 2014; Building opened Sept. 1974; Addition Sept. 1995)					
Square Feet	54,516	54,516	80,939	80,939	-
Program Capacity	600	672	672	666	-
Enrollment	594	595	595	627	-
Old Donation Center (Relocated to former Princess Anne MS Bldg Sept 2014; Building opened Sept. 1974; Addition Sept. 1995)					
Square Feet	59,827	59,827	57,774	57,774	-
Program Capacity	393	393	495	512	-
Enrollment	506	495	503	482	-
Old Donation School (Kemps Landing Magnet and Old Donation Center were combined in a new consolidated facility in 2017)					
Square Feet	-	-	-	-	135,592
Program Capacity	-	-	-	-	945
Enrollment	-	-	-	-	1,147
Renaissance Academy - Middle/High Campuses (Opened Dec 2009)					
Square Feet	284,968	284,968	284,968	284,968	284,968
Program Capacity	1,232	1,226	1,236	1,197	1,191
Enrollment	616	556	510	438	429

Source: VBCPS, School Division Services

BUILDING UTILIZATION

Schools	Modernization/ Replacement Completion Date	Membership Sept. 30, 2016	Optimum Capacity 2016/17	Number Over/(Under) Capacity	Percent Over/(Under) Capacity	Total Portables On Site
<i>Elementary Schools</i>						
Alanton		650	702	-52	-7.4%	0
Arrowhead	2004	447	486	-39	-8.0%	0
Bayside	2000	472	585	-113	-19.3%	0
Birdneck		568	787	-219	-27.8%	0
Brookwood	2007	641	617	24	3.9%	5
Centerville		732	669	63	9.4%	6
Christopher Farms		677	738	-61	-8.3%	0
College Park	2011	469	506	-37	-7.3%	0
Cooke	1999	513	570	-57	-10.0%	0
Corporate Landing		426	585	-159	-27.2%	0
Creeds	2001	306	432	-126	-29.2%	0
John B. Dey	Projected 2019/20	815	815	0	0.0%	8
Diamond Springs	2008	535	581	-46	-7.9%	0
Fairfield		517	558	-41	-7.3%	0
Glenwood		896	1,053	-157	-14.9%	0
Green Run		397	432	-35	-8.1%	0
Hermitage	2005	678	698	-20	-2.9%	0
Holland		523	596	-73	-12.2%	1
Indian Lakes		577	563	14	2.5%	0
Kempsville	2003	429	482	-53	-11.0%	0
Kempsville Meadows	2002	488	527	-39	-7.4%	0
King's Grant		608	716	-108	-15.1%	0
Kingston		517	648	-131	-20.2%	0
Landstown		736	797	-61	-7.7%	0
Linkhorn Park	1998	634	682	-48	-7.0%	2
Luxford	2002	516	548	-32	-5.8%	0
Lynnhaven	2004	405	403	2	0.5%	0
Malibu	2003	375	396	-21	-5.3%	0
New Castle		784	869	-85	-9.8%	0
Newtown	2008	554	514	40	7.8%	0
North Landing		448	423	25	5.9%	2
Ocean Lakes		538	657	-119	-18.1%	0
Parkway		426	467	-41	-8.8%	4
Pembroke	2004	494	567	-73	-12.9%	0
Pembroke Meadows	2006	443	495	-52	-10.5%	0
Point O'View		670	680	-10	-1.5%	0
Princess Anne		569	612	-43	-7.0%	0
Providence		552	576	-24	-4.2%	0
Red Mill		662	734	-72	-9.8%	1
Rosemont		411	458	-47	-10.3%	0
Rosemont Forest		502	635	-133	-20.9%	0
Salem		463	491	-28	-5.7%	0
Seatack	1999	398	382	16	4.2%	3
Shelton Park	2001	355	414	-59	-14.3%	0
Strawbridge		665	734	-69	-9.4%	0
Tallwood		565	657	-92	-14.0%	0
Thalia	2001	611	662	-51	-7.7%	0
Thoroughgood	2019	700	666	34	5.1%	5
Three Oaks		733	761	-28	-3.7%	0
Trantwood	2004	466	545	-79	-14.5%	0
White Oaks		608	626	-18	-2.9%	3
Williams		476	531	-55	-10.4%	1
Windsor Oaks	2009	582	630	-48	-7.6%	0
Windsor Woods	2007	343	473	-130	-27.5%	0
Woodstock	2002	699	765	-66	-8.6%	0
Elementary Schools Total		30,264	33,194	-2,930	-8.8%	41

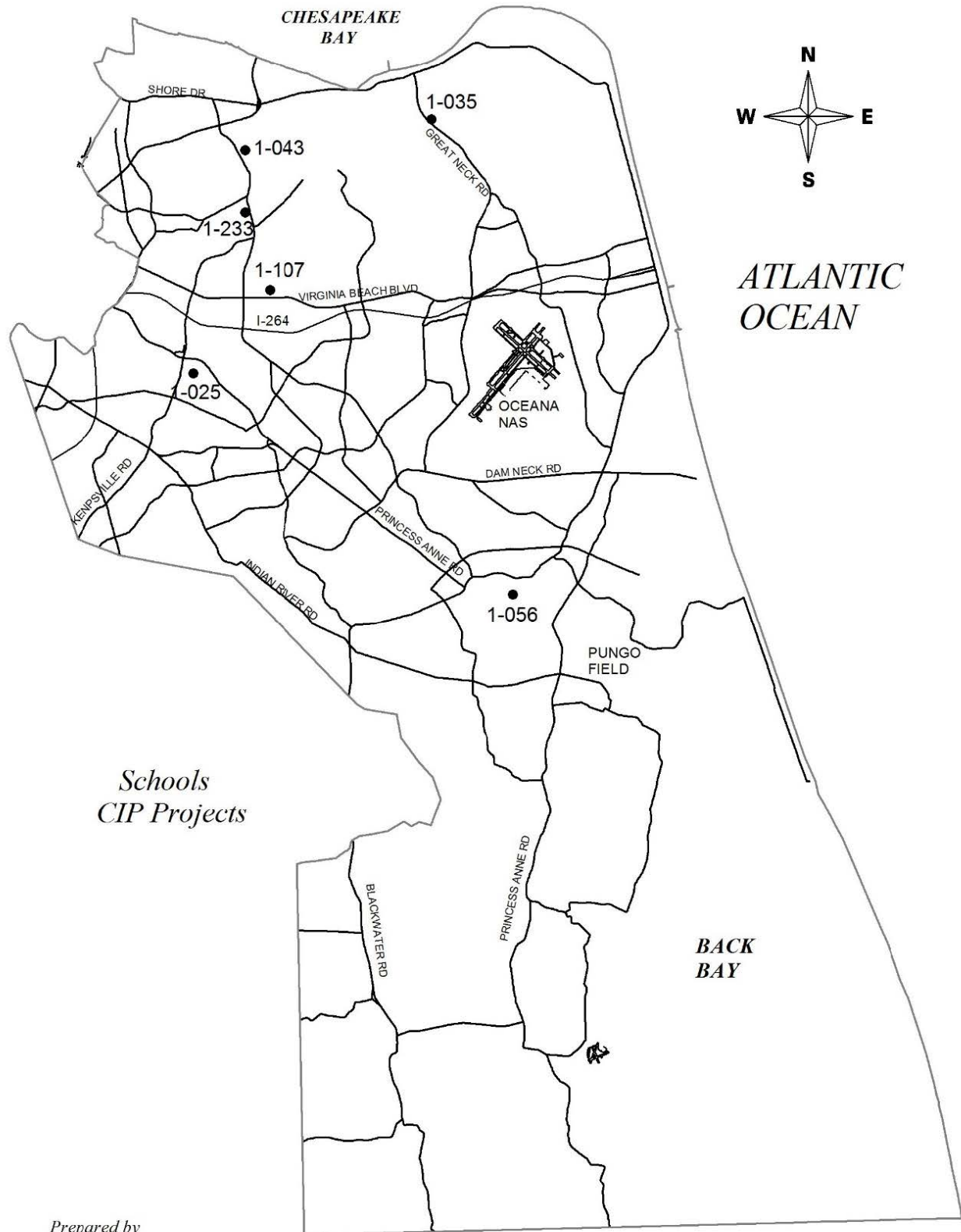
Schools	Modernization/ Replacement Completion Date	Membership Sept. 30, 2016	Optimum Capacity 2016/17	Number Over/(Under) Capacity	Percent Over/(Under) Capacity	Total Portables On Site
<i>Middle Schools</i>						
Bayside		659	918	-259	-28.2%	0
Bayside 6th		348	346	2	0.6%	1
Brandon		1,214	1,247	-33	-2.6%	2
Corporate Landing		1,237	1,620	-383	-23.6%	0
Great Neck	2011	1,175	1,373	-198	-14.4%	0
Independence		1,192	1,215	-23	-1.9%	2
Kempsville		820	797	23	2.9%	2
Landstown		1,452	1,499	-47	-3.1%	2
Larkspur		1,544	1,763	-219	-12.4%	0
Lynnhaven		896	1,071	-175	-16.3%	0
Plaza		1,062	1,053	9	0.9%	6
Princess Anne	TBD	1,460	1,449	11	0.8%	0
Salem		1,041	1,031	10	1.0%	1
Virginia Beach	2010	835	923	-88	-9.5%	0
Middle Schools Total		14,935	16,305	-1,370	-8.4%	16
<i>High Schools</i>						
Bayside		1,799	1,827	-28	-1.5%	3
Cox		1,784	1,955	-171	-8.7%	4
First Colonial		1,873	1,919	-46	-2.4%	19
Green Run		1,789	2,063	-274	-13.3%	7
Kellam	2014	2,021	1,857	164	8.8%	0
Kempsville		1,549	1,908	-359	-18.8%	0
Landstown		2,183	2,543	-360	-14.2%	0
Ocean Lakes		2,102	2,705	-603	-22.3%	0
Princess Anne	TBD	1,833	1,945	-112	-5.8%	14
Salem		1,677	1,850	-173	-9.4%	5
Tallwood		1,938	2,168	-230	-10.6%	2
High Schools Totals		20,548	22,740	-2,192	-9.6%	54
<i>Alternative Schools</i>						
Old Donation School	2017	1,147	945	202	21.4%	10
Grades 2-5		459				
Grades 6-8		688				
Renaissance Academy	2009	429	1,191	-762	-64.0%	0
Middle School		57				
High School		372				
Alternative Schools Total		1,576	2,136	-560	-34.8%	10
Division Totals		67,323	74,374	-7,051	-9.5%	121

10% or more over capacity

10% or more under capacity

Source: VBCPS Department of School Division Services, 2016-2017 Building Utilization

FY 2017/18 - FY 2022/23 CIP CITYWIDE PROJECT MAP



*Prepared by
Center for GIS*

Source: VBCPS Department of School Division Services

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1102000		Title: 21st Century Learning Environment Improvements				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
2,100,000	0	2,100,000	0	0	0	0	0	0
Description and Scope								
This project will provide furniture and equipment in older schools that have not been modernized or replaced.								
Purpose and Need								
There are approximately fifty school facilities that have extremely outdated furniture and equipment that do not support a 21st Century Learning Environment. This project will fund the replacement of library and support space furniture along with other fixtures as necessary.								
History and Current Status								
This project first appeared in the FY 2017-18 CIP.								
Operating Budget Impacts								
Not applicable.								

Project Map	Schedule of Activities	
<div>NO MAP REQUIRED</div>	Project Activities	From - To
		Amount
	Design	07/17 - 12/18
	Furniture and Fixtures	12/17 - 12/18
		100,000
		2,000,000
	<div>Total Budgetary Cost Estimate: 2,100,000</div>	
	Means of Financing	
	Funding Subclass	Amount
	Local Funding	2,100,000
<div>Total Funding: 2,100,000</div>		


City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1095000		Title: Comprehensive Long Range Facilities Planning Update				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
300,000	300,000	0	0	0	0	0	0	0
Description and Scope								
This project will provide for an update to the School Division's Long Range Facility Master Plan, which was originally completed in 2007.								
Purpose and Need								
The division has relied on the Long Range Facility Master Plan completed in 2007 to set priorities for modernizing or replacing thirty four of the oldest facilities, totaling approximately \$750 million. After a decade, an update will address a significant number of aging secondary school facilities.								
History and Current Status								
This project first appeared in the FY 2017-18 CIP. Appropriations to date reflect a \$300,000 in surplus funds from project 1-006, Various School Site Acquisitions.								
Operating Budget Impacts								
Not applicable. Appropriations to date transferred from Various Schools Site Acquisitions, CIP 1-006.								

Project Map	Schedule of Activities	
<div>NO MAP REQUIRED</div>	Project Activities	From - To Amount
	Design	07/17 - 12/18 300,000
	Total Budgetary Cost Estimate: 300,000	
	Means of Financing	
	Funding Subclass	Amount
	Local Funding	300,000
Total Funding:		300,000


City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1110000		Title: Energy Performance Contracts II				Status: Approved		
Category: Schools			Department: Public Education					
Project Type					Project Location			
Project Type: Rehabilitation/Replacement					District: Citywide			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
30,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	0	0
Description and Scope								
As a measure to reduce energy costs while improving the learning environment, the School system has completed \$14.1 million of energy performance contracting work in 31 schools through CIP 1-109. This project would complete an additional \$30.0 million worth of performance contract work. The projects to be completed in this phase include replacement of outdated lighting and HVAC systems.								
Purpose and Need								
As a measure to reduce energy costs as well as protect the environment, the City and School system have adopted energy performance contracts. Energy performance contracts involve a vendor (contractor) conducting a detailed energy audit and then installing improvements to a building that reduces energy cost. The savings associated from the reduced energy costs are expected to exceed any debt service costs incurred from the issuance of Public Facility Revenue bonds. The savings are guaranteed by the contractor, who is required to acquire a performance bond. If the savings do not materialize, the shortfall is paid to the City.								
History and Current Status								
This project first appeared in the FY 2016-17 CIP.								
Operating Budget Impacts								
Savings on energy costs are reflected in the school's operating budget.								

Project Map	Schedule of Activities		
NO MAP REQUIRED	Project Activities	From - To	Amount
	Inspections and Support	07/16 - 06/23	200,000
	Design	07/16 - 06/23	500,000
	Construction	07/16 - 06/23	28,800,000
	Contingencies	07/16 - 06/23	500,000
	Total Budgetary Cost Estimate:		30,000,000
	Means of Financing		
	Funding Subclass	Amount	
	Local Funding	30,000,000	
	Total Funding:		30,000,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1035000		Title: John B. Dey Elementary School Modernization				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Lynnhaven				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
25,989,241	25,989,241	0	0	0	0	0	0	0
Description and Scope								
This project is for the modernization of John B. Dey Elementary School.								
Purpose and Need								
John B. Dey Elementary School, originally built in 1956, can no longer adequately house the required instructional programs, and the facility is in need of major modernization. This project will extend the useful life of the facility by 40 to 50 years.								
History and Current Status								
This project first appeared in the FY 2004-05 CIP. Appropriations to date reflect transfers from: \$90,000 from 1-006, Various School Site Acquisitions - Phase I; \$510,00 from 1-104, Renovations and Replacements - Reroofing - Phase II; and \$2,100,000 from 1-103, Renovations and Replacements - HVAC - Phase II.								
Operating Budget Impacts								
Not Applicable.								


Project Map	Schedule of Activities		
	Project Activities	From - To	Amount
	Inspections and Support	03/17 - 12/19	150,000
	Design	07/15 - 12/19	2,000,000
	Construction	04/17 - 12/19	21,612,497
	Furniture and Fixtures	06/19 - 12/19	700,000
	Contingencies	07/15 - 12/19	1,526,744
Total Budgetary Cost Estimate:			25,989,241
Means of Financing			
Funding Subclass	Amount		
Local Funding	25,989,241		
Total Funding:			25,989,241

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1025000		Title: Kempsville High School Entrepreneurial Academy Improvements				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Kempsville			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
950,000	450,000	500,000	0	0	0	0	0	0
Description and Scope								
This project will fund renovations to Kempsville High School to support the Entrepreneurial Academy.								
Purpose and Need								
On October 6, 2015, the School Board approved the Kempsville High School Entrepreneurial Academy. The Academy enrolled students in school year 2016-17. Improvements to support the academy are scheduled to be constructed in two phases over two consecutive summers (2017 and 2018). Appropriations to date reflect \$450,000 in surplus funds from project 1-019 Great Neck Middle School Replacement.								
History and Current Status								
This project first appeared in the FY 2016-17 CIP.								
Operating Budget Impacts								

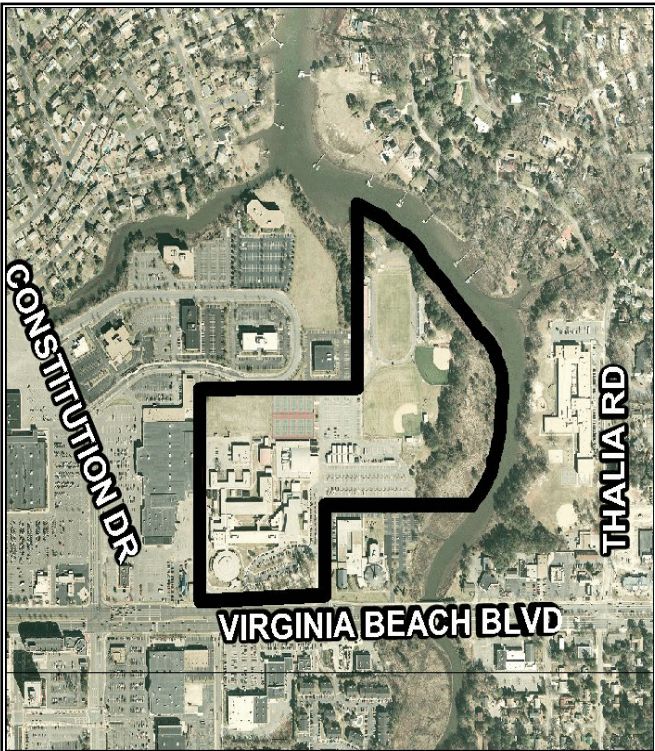
Project Map	Schedule of Activities		
	Project Activities	From - To	Amount
	Inspections and Support	07/18 - 12/18	25,000
	Design	07/16 - 12/18	100,000
	Construction	07/18 - 12/18	750,000
	Contingencies	07/16 - 12/18	75,000
Total Budgetary Cost Estimate:			950,000
Means of Financing			
Funding Subclass	Amount		
Local Funding	950,000		
Total Funding:			950,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1233000		Title: Old Donation School				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Bayside			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
63,615,000	63,615,000	0	0	0	0	0	0	0
Description and Scope								
This project is for the replacement of Old Donation Center and Kemps Landing Magnet schools with a consolidated facility.								
Purpose and Need								
Old Donation Center, originally built in 1965, and Kemps Landing Magnet built in 1957, can no longer adequately house the required instructional programs, and the facilities are in need of replacement. This project will extend the useful life of the facility by 80 to 100 years.								
History and Current Status								
This project first appeared in the FY 2000-01 CIP. Separate modernization projects for both Old Donation Center and Kemps Landing Magnet were in the FY 2000-01 CIP as part of the School Modernization Plan, approved by the School Board and City Council in January 1999. This consolidated project is a product of staff briefings received by the School Board in Fall 2009. Appropriations to date include \$255,000 approved by City Council on December 2, 2014 to fund an emergency generator to support the facility as a Category II Hurricane Shelter.								
Operating Budget Impacts								


Not Applicable.

Project Map	Schedule of Activities		
	Project Activities	From - To	Amount
	Inspections and Support	07/14 - 09/17	200,000
	Design	11/11 - 09/17	4,027,333
	Construction	07/14 - 09/17	53,702,778
	Furniture and Fixtures	09/16 - 09/17	2,995,000
	Contingencies	11/11 - 09/17	2,689,889
Total Budgetary Cost Estimate:			63,615,000
Means of Financing			
Funding Subclass			Amount
Interest on Deposits - School Capital Proj Fund			190,073
Local Funding			63,424,927
Total Funding:			63,615,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1107000		Title: Princess Anne High School Replacement				Status: Approved		
Category: Schools			Department: Public Education					
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Lynnhaven				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
64,091,000	0	0	0	6,568,000	19,841,000	19,041,000	18,641,000	50,909,000
Description and Scope								
This project is for the replacement of Princess Anne High School.								
Purpose and Need								
Princess Anne High School, originally built in 1954, can no longer adequately house the required instructional programs, and the facility is in need of replacement. This project will extend the useful life of the facility by 80 to 100 years.								
History and Current Status								
This project first appeared in the FY 2008-09 CIP. This project was unfunded and completion date delayed by the School Board on March 15, 2011. In the FY 2014-15 CIP, first year funding was shifted to FY 2019-20.								
Operating Budget Impacts								
Not Applicable.								

Project Map	Schedule of Activities		
	Project Activities	From - To	Amount
	Inspections and Support	07/22 - 09/25	350,000
	Design	07/19 - 09/25	8,000,000
	Construction	07/22 - 09/25	94,500,000
	Furniture and Fixtures	07/22 - 09/25	7,500,000
	Contingencies	07/19 - 09/25	4,650,000
Total Budgetary Cost Estimate:			115,000,000
Means of Financing			
Funding Subclass	Amount		
Local Funding	64,091,000		
Total Funding:			64,091,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1056000		Title: Princess Anne Middle School Replacement				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Princess Anne			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
78,873,759	14,650,000	20,491,000	14,834,759	28,898,000	0	0	0	0
Description and Scope								
This project is for the replacement of Princess Anne Middle School.								
Purpose and Need								
Princess Anne Middle School, originally built in 1974, can no longer adequately house the required instructional programs, and the facility is in need of replacement. This project will extend the useful life of the facility by 80 to 100 years.								
History and Current Status								
This project first appeared in the FY 2005-06 CIP. This project was originally scheduled as a modernization. A modernization study completed in 2005 recommended that this facility be torn down and replaced on the same site. The project's name was changed in the FY 2006-07 CIP to reflect the increased scope.								
Operating Budget Impacts								
Not Applicable.								

Project Map	Schedule of Activities		
	Project Activities	From - To	Amount
	Inspections and Support	09/18 - 09/21	500,000
	Design	07/16 - 09/21	4,924,917
	Construction	09/18 - 09/21	65,665,564
	Furniture and Fixtures	01/21 - 09/21	4,500,000
	Contingencies	07/16 - 09/21	3,283,278
Total Budgetary Cost Estimate:			78,873,759
Means of Financing			
Funding Subclass	Amount		
Local Funding	78,873,759		
Total Funding:			78,873,759

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1003000		Title: Renovation and Replacement Energy Management/Sustainability				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Citywide			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
12,375,000	2,875,000	1,000,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000	0
Description and Scope								
This project is for maintenance and sustainably related projects that will support the school division's efforts to conserve energy and promote sustainable business practices while improving the learning environment.								
Purpose and Need								
Older schools were constructed with less-energy efficient materials that are now available, and will produce energy savings.								
History and Current Status								
This project first appeared in the FY 2014-15 CIP.								
Operating Budget Impacts								
Savings on energy costs are reflected in the Schools Operating Budget.								

Project Map	Schedule of Activities		
<div>NO MAP REQUIRED</div>	Project Activities	From - To	Amount
	Inspections and Support	07/14 - 06/23	250,000
	Design	07/14 - 06/23	800,000
	Construction	07/14 - 06/23	10,875,000
	Contingencies	07/14 - 06/23	450,000
	Total Budgetary Cost Estimate:		12,375,000
	Means of Financing		
	Funding Subclass		Amount
	Local Funding		12,375,000
	Total Funding:		12,375,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1099000		Title: Renovations and Replacements Grounds II					Status: Approved	
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
18,450,000	9,675,000	1,250,000	1,325,000	1,400,000	1,500,000	1,600,000	1,700,000	0
Description and Scope								
This project provides for the addition, renovation and replacement of school grounds infrastructure, including but not limited to, parking lot and play areas, sidewalk replacements, basketball goal replacements, outdoor track resurfacing, storm drainage repairs, and other related improvements to outdoor infrastructure/assets at miscellaneous schools.								
Purpose and Need								
As schools and their infrastructure continue to age, there is an increasing need to perform long-term maintenance of school grounds. This project provides resources to repair/alter and maintain school grounds and to provide improvements to extend the useful life of specific elements of school grounds.								
History and Current Status								
This project first appeared in the FY 2006-07 CIP.								
Operating Budget Impacts								
Not Applicable.								

Project Map	Schedule of Activities		
<div>NO MAP REQUIRED</div>	Project Activities	From - To	Amount
	Inspections and Support	07/06 - 06/23	500,000
	Design	07/06 - 06/23	700,000
	Construction	07/06 - 06/23	16,750,000
	Contingencies	07/06 - 06/23	500,000
	Total Budgetary Cost Estimate:		18,450,000
	Means of Financing		
	Funding Subclass		Amount
	Local Funding		16,700,000
	Interest on Deposits - School Capital Proj Fund		900,000
	Sale of Property		850,000
Total Funding:			18,450,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1103000		Title: Renovations and Replacements HVAC Systems II				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
82,067,724	39,667,724	5,700,000	6,350,000	6,750,000	7,250,000	7,850,000	8,500,000	0
Description and Scope								
This project provides for the renovation and replacement of heating, ventilation and air conditioning systems throughout the division.								
Purpose and Need								
As existing school facilities become older, the need to replace and upgrade heating, ventilation and air conditioning (HVAC) systems is necessary to maintain adequate learning environments and to extend the useful life of facilities with older mechanical systems. This project improves or upgrades heating, cooling, and ventilation systems in schools throughout the division.								
History and Current Status								
This project first appeared in the FY 2006-07 CIP.								
Operating Budget Impacts								
Savings on energy costs are reflected in the Schools Operating Budget.								

Project Map	Schedule of Activities		
<div>NO MAP REQUIRED</div>	Project Activities	From - To	Amount
	Inspections and Support	07/07 - 06/23	1,250,000
	Design	07/06 - 06/23	6,000,000
	Construction	07/06 - 06/23	72,317,724
	Contingencies	07/06 - 06/23	2,500,000
	Total Budgetary Cost Estimate:		82,067,724
	Means of Financing		
	Funding Subclass		Amount
	State Contribution		2,119,991
	Interest on Deposits - School Capital Proj Fund		78,354
	Sale of Property		269,668
	Local Funding		79,599,711
Total Funding:			82,067,724

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1104000		Title: Renovations and Replacements Reroofing II				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
60,275,639	31,025,639	4,000,000	4,450,000	4,700,000	5,000,000	5,350,000	5,750,000	0
Description and Scope								
This project provides for the renovations and replacement of aging roofing systems throughout the division.								
Purpose and Need								
School facilities represent a significant portion of the city's infrastructure inventory. Given both the magnitude of this investment and the importance of maintaining safe, appropriate learning environments for our children, timely maintenance and upgrades to these facilities is critical. An important element of any facility is maintenance of roof integrity to protect the facility. As the average age of school physical facilities increases, the need for more renovations and system replacements to extend the useful life of the facilities for educational purposes increases as well. This project provides for roof replacements and major renovations, as appropriate, at identified school facilities.								
History and Current Status								
This project first appeared in the FY 2006-07 CIP. Appropriations to date reflect a transfer of \$510,000 to 1-035, John B. Dey Elementary School Modernization.								
Operating Budget Impacts								
Not Applicable.								

Project Map	Schedule of Activities		
<div>NO MAP REQUIRED</div>	Project Activities	From - To	Amount
	Inspections and Support	07/06 - 06/23	1,100,000
	Design	07/06 - 06/23	4,500,000
	Construction	07/06 - 06/23	52,675,639
	Contingencies	07/06 - 06/23	2,000,000
	Total Budgetary Cost Estimate:		60,275,639
	Means of Financing		
	Funding Subclass		Amount
	Local Funding		51,402,392
	State Contribution		400,471
	Interest on Deposits - School Capital Proj Fund		4,334,000
	Sale of Property		4,138,776
Total Funding:			60,275,639

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1105000		Title: Renovations and Replacements Various II				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Citywide			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
25,435,000	13,110,000	1,750,000	1,850,000	1,975,000	2,100,000	2,250,000	2,400,000	0
Description and Scope								
As the age of school facilities increases, the need for more renovations and system replacements has risen so that the useful life of the facilities for housing children for educational purposes can be extended. Inventory and analysis of the renovation needs of existing facilities has identified various major repair needs (masonry repair, asbestos removal, lighting) and replacement (language labs, hallway lockers, ceilings, bleachers, windows, gym floors) in schools throughout the system along with the need for various renovations of an emergency nature.								
Purpose and Need								
School facilities represent a major investment and component of the city's infrastructure. As such, the maintenance of these facilities is imperative to ensure the maintenance of this investment in a condition, which provides an appropriate learning environment for students. This project provides resources to both repair and maintain facilities and to provide improvements and upgrades to extend the useful life of the school facilities.								
History and Current Status								
This project first appeared in the FY 2006-07 CIP.								
Operating Budget Impacts								
Not Applicable.								

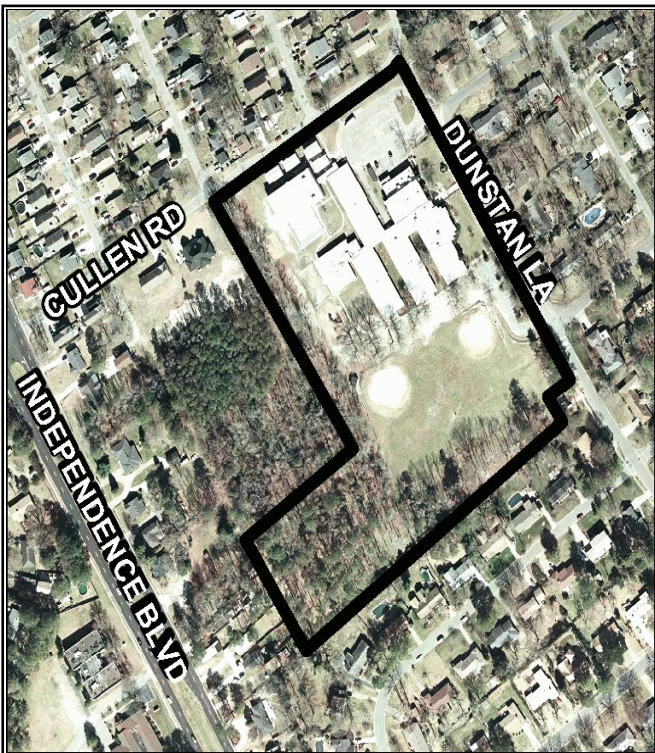
Project Map	Schedule of Activities		
<div>NO MAP REQUIRED</div>	Project Activities	From - To	Amount
	Inspections and Support	07/06 - 06/23	800,000
	Design	07/06 - 06/23	2,000,000
	Construction	07/06 - 06/23	21,385,000
	Contingencies	07/06 - 06/23	1,250,000
	Total Budgetary Cost Estimate:		25,435,000
	Means of Financing		
	Funding Subclass		Amount
	Interest on Deposits - School Capital Proj Fund		1,200,000
	Sale of Property		971,000
	Local Funding		23,264,000
Total Funding:			25,435,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1004000		Title: Tennis Court Renovations II				Status: Approved		
Category: Schools			Department: Public Education					
Project Type					Project Location			
Project Type: Rehabilitation/Replacement					District: Citywide			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
1,000,000	600,000	200,000	200,000	0	0	0	0	0
Description and Scope								
This project is a cooperative effort by schools and the city to implement a citywide program for renovation and rehabilitation of public tennis courts at various school and park sites.								
Purpose and Need								
This project will provide safe and well maintained tennis facilities for use by the general public. An efficient and effective tennis court maintenance plan requires routine surface treatment, patching, and periodic renovations/rehabilitation. In addition, some tennis courts will have to be completely rebuilt or renovated.								
History and Current Status								
This project first appeared in the FY 2014-15 CIP.								
Operating Budget Impacts								
Not Applicable.								

Project Map	Schedule of Activities	
<div style="border: 1px solid black; height: 300px; display: flex; align-items: center; justify-content: center; margin-top: 100px;"> NO MAP REQUIRED </div>	Project Activities	From - To
		Amount
	Design	07/14 - 06/20
	Construction	07/14 - 06/20
	Contingencies	07/14 - 06/20
Total Budgetary Cost Estimate:		1,000,000
Means of Financing		
Funding Subclass	Amount	
Local Funding	1,000,000	
Total Funding:		1,000,000

City of Virginia Beach, Virginia Fiscal Years 2018 through 2023 Capital Improvement Program								
Project: 1043000		Title: Thoroughgood Elementary School Replacement				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Rehabilitation/Replacement					District: Bayside			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2018	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	
28,270,000	8,888,759	14,000,000	5,381,241	0	0	0	0	0
Description and Scope								
This project is for the replacement of Thoroughgood Elementary School.								
Purpose and Need								
Thoroughgood Elementary School, originally built in 1958, can no longer adequately house the required instructional programs and the facility is in need of major modernization. This project will extend the useful life of the facility by 80 to 100 years.								
History and Current Status								
This project first appeared in the FY 2004-05 CIP. This cost estimate is provided after the comprehensive modernization study made a recommendation on this facility.								
Operating Budget Impacts								
Not Applicable.								

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Inspections and Support	09/18 - 09/20	175,000
Design	07/16 - 09/20	1,843,000
Construction	09/18 - 09/20	24,073,333
Furniture and Fixtures	12/19 - 09/20	950,000
Contingencies	07/16 - 09/20	1,228,667
Total Budgetary Cost Estimate:		28,270,000

Means of Financing

Funding Subclass	Amount
Local Funding	28,270,000
Total Funding:	28,270,000

Debt Service

OVERVIEW

The city of Virginia Beach is responsible for the issuance and redemption of all debt for both the city and schools. Debt service is issued for three major purposes: city capital projects, school capital projects and utilities (including water, sewer and storm water). To guide future CIP development and address long-term debt management issues, the City Council uses debt indicators and follows these debt policy guidelines:

- Debt will be the last source of funding considered.
- The city will issue bonds for capital improvements with a cost in excess of \$250,000 or which cannot be financed from current revenues.
- When the city finances capital projects by issuing bonds, it will pay back the debt within a period not to exceed the expected useful life of the projects. Generally the city issues debt over a 20-year term.
- Where possible, the city will develop, authorize and issue revenue, special fee or other self-supporting debt instruments instead of general obligation bonds.
- The debt structure of the government will be managed in a manner that results in minimal deviation from the indicators listed in city policy.
- The city will maintain good communications regarding its financial conditions. It will regularly evaluate its adherence to its debt policies. The city will promote effective communications with bond rating agencies and others in the marketplace based on full disclosure.

Historical Comparison of Debt Service for VBCPS

	FY 2013/14 Actual	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Budget
Debt Service	42,537,774	44,986,273	44,115,909	45,819,477	44,947,680

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

BOND RATING AND MARKET CONDITIONS

For eight consecutive years, all three major bond rating agencies, Fitch, Moody's and Standard & Poor's, assigned a triple-A rating to Virginia Beach's general obligation bonds. All three rating agencies have praised Virginia Beach's conservative fiscal management. Virginia Beach is the only city in Hampton Roads to receive triple-A bond ratings from all three rating agencies. The key rating drivers are: exceptional financial management, moderate debt and rapid amortization, large diverse tax base, comprehensive financial policies, conservative budgeting, and full funding of retirement costs. The number of municipal defaults as well as increased transparency requirements of GASB have caused the rating agencies to put greater emphasis on pensions, retiree health care, and debt issuance and administration in their rating analyses.

Regional Bond Ratings

	Virginia Beach	Chesapeake	Norfolk	Portsmouth	Suffolk
Standard & Poor's	AAA	AAA	AA+	AA	AAA
Moody's	Aaa	Aa1	Aa2	Aa2	Aa1
Fitch	AAA	AAA	AA+	AA	AAA

Source: Each city's Comprehensive Annual Financial Report for 2017

PROJECTED DEBT

The total outstanding debt for the city is projected to be \$1.29 billion by June 30, 2018, as summarized in the following table. The schools' portion is \$319 million, or 24.2 percent of the total projected debt. Challenges arise in limiting bond expenditures while meeting increasing demand for school capacity, the demand to renovate school facilities and the demand to fund special program facilities. In the next several years, Virginia Beach residents and their elected leadership will be faced with a major challenge to close this capital gap while minimizing the hardships imposed on students, parents, businesses and taxpayers.

Projected Outstanding Debt as of June 30, 2018

Purpose	Amount	Percent
Schools	319,081,703	24.2%
General Government	711,695,158	55.4%
Utilities	254,576,004	19.8%
Total Projected Debt	1,285,352,865	100.00%

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

Ratios of Outstanding General Bonded Debt by Type

Fiscal Year	General Obligation Bonds	State Literary Fund Loans	Appropriation Backed Debt	Total	Percentage of Estimated Actual Full Value of Property	Overall Net Debt Per Capita
2012/13	686,766,362	4,125,000	361,183,173	1,052,074,535	1.9%	2,162
2013/14	720,118,515	3,500,000	382,190,239	1,105,808,754	2.0%	2,256
2014/15	716,612,342	2,875,000	405,725,325	1,125,212,667	2.0%	2,258
2015/16	721,310,401	2,250,000	373,133,427	1,096,693,828	1.9%	2,195
2016/17	655,854,925	1,875,000	360,528,148	1,018,258,073	1.7%	2,034

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

LEGAL DEBT LIMIT

State statute imposes on cities a legal debt margin for general obligation debt, a limit of 10 percent of the assessed value of real property. Revenue bonds, such as those for utilities, are not subject to the state limit. For FY 2017/18, the city's assessed value of real property is estimated at \$55.3 billion. By the end of the fiscal year, the city's projected debt amount will only be 1.86 percent of the total assessed value.

Legal Debt Margin Information

	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17
Debt Limit	4,978,183,783	4,962,666,499	5,145,277,575	5,291,185,445	5,478,360,985
Less: Total Net Debt Applicable to Limit	685,988,698	712,384,323	697,079,775	697,520,721	641,749,326
Legal Debt Limit	4,292,195,085	4,250,282,176	4,448,197,800	4,593,664,724	4,836,611,659
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.78%	14.35%	13.55%	13.18%	11.71%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

Other Postemployment Benefits

PLAN DESCRIPTION

The City and School Board Other Postemployment Benefit (OPEB) Plans are each a single-employer, defined benefit plan, administered by the City and School Board in accordance with State and City statutes. Section 15.2-1500 of the Virginia State Code provides that every locality shall provide for the governmental functions of the locality, including employment of the officers and other employees. In connection with this employment, the School Board has established certain plans to provide post-employment benefits other than pensions as defined in Section 15.2-1545 of the Virginia Code to retirees and their spouses and eligible dependents.

In accordance with Article 8, Chapter 15, Subtitled II of Title 15.2 of the Virginia Code, the City and School Board have elected to establish a trust for the purpose of accumulating and investing assets to fund OPEB. The School Board, in accordance with this election, has joined the Virginia Pooled OPEB Trust Fund (Trust) established by the Virginia Municipal League and the Virginia Association of Counties in 2008 for the purpose of accumulating and investing assets to fund postemployment benefits other than pensions for counties, cities, towns, school divisions, and other authorized political subdivision of the Commonwealth of Virginia.

The Trust's Board of Trustees has fiduciary responsibility for the investment of monies and administration of the Trust pursuant to the Trust Agreement. The Board of Trustees is composed of nine members. Trustees are members of Local Finance Boards of participating employers and are elected for staggered three-year terms by the participants in the Trust. In accordance with Section 15.2-1547 of the Virginia Code, City Council appointed the City's Deferred Compensation Board Trust as the OPEB's Local finance Board to serve as the trustee of the City and School Board with respect to the OPEB trust. The board includes City employees, an appointee from City council, a member of the Sheriff's Office, a member of the School Board, and the Schools' Chief Financial Officer. The trust does not administer the retiree health benefits of each participating employer. Deposits to the trust are irrevocable and held solely for the payment of OPEB benefits for the City and School Board.

PLAN MEMBERSHIP

The membership as of January 1, 2016 includes:

Active plan members	10,062
Retirees and surviving spouses currently receiving benefits	739
Spouses of current retirees currently receiving benefits	75
Total plan membership	10,876

BENEFITS PROVIDED

The School Board provides health insurance benefits for their retirees. These benefits are provided through a self-insured program. Employees that retire under VRS guidelines with at least 25 years of service with the City and/or School Board as well as those who retire on a work-related disability compensable under the Workers' Compensation Act before age 65 are eligible for health insurance coverage. This benefit is payable until the retiree becomes eligible for Medicare.

CONTRIBUTIONS

Contribution requirements of the City, School Board, and plan members are established and may be amended by the respective legislative bodies. The required contributions were actuarially determined and are based upon projected pay as you go (PAYGO) financing requirements with an additional amount to prefund benefits. For the period ending June 30, 2017, the School Board's OPEB cost of \$4,542,400 was equal to its annual required contribution (ARC). The School Board's OPEB expected benefit payment for FY 2016/17 totaled \$5,661,700 and exceeded its ARC. This overage was not withdrawn from the Trust Accounts.

For retiree-only point of services coverage, plan members from each organization contributed \$3,044.40, \$2,082.00, or \$1,444.68 annually for the POS Premier, POS Standard, and POS Basic plans, respectively. Until Medicare eligibility is reached, School Board retirees electing coverage for their spouses contributed \$10,182.12, \$7,939.80, or \$6,454.68 annually for the POS Premier, POS Standard, and POS Basic plans, respectively. The School Board has determined that all current employees and retirees shall contribute to the cost of their health care coverage and no level of benefit shall be provided free of charge. Rates are calculated by an actuary from Milliman Inc., an independent health care consulting firm, and finalized by the Benefits Executive Committee which is comprised of City and School leadership.

Annual OPEB Cost and Contribution

Fiscal Year Ended	Annual OPEB Cost	Percentage of ARC Contributed	Net OPEB Obligation
June 30, 2015	5,832,200	100%	-
June 30, 2016	4,462,800	100%	-
June 30, 2017	4,542,400	100%	-

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Underfunded (Overfunded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Jan. 1, 2016	\$27,364,500	\$57,839,900	\$30,475,400	47.31%	\$426,884,300	7.14%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Determined amounts regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information that indicate whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

INVESTMENTS POLICY, TARGET ALLOCATION, RATE OF RETURN

The OPEB plan's policy in regard to the allocation of invested assets is established and may be amended by the Virginia Pooled OPEB Trust Fund Board of Trustees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan.

The best estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2017.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
Core Fixed Income	Barclays Aggregate	21.00%	1.76%	1.64%
Core Bonds	Barclays Gov/cred	12.00%	1.99%	1.83%
Large Cap US Equities	S&P 500	22.00%	4.80%	3.62%
Small Cap US Equities	Russell 2000	10.00%	6.02%	4.10%
Developed Foreign Equities	MSCI EAFE NR	10.00%	6.01%	4.40%
Emerging Market Equities	MSCI Emerging Markets	5.00%	8.30%	5.08%
Hedge Funds/Absolute Return	HFRI Fund of Funds	10.00%	3.37%	2.93%
Real Estate (REITS)	FTSE NAREIT Equity REIT	7.00%	5.04%	3.27%
Commodities	DJ UBS	3.00%	3.04%	1.42%
Assumed Inflation – Mean			2.32%	2.30%
Assumed Inflation – Standard Deviation			1.85%	1.85%
Portfolio Real Mean Return			3.90%	3.39%
Portfolio Nominal Mean Return			6.21%	5.77%
Portfolio Standard Deviation				1.79%
Long-term Expected Rate of Return				7.00%

For the year ended June 30, 2017, the annual money-weighted rate of return on investments, net of investment expense, was 12.89 percent. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

NET OPEB LIABILITY

The components of the net OPEB liability of the School Board at June 30, 2017, were as follows:

Net OPEB Liability	June 30, 2016	June 30, 2017
Total OPEB Liability	\$71,666,051	\$72,462,906
Fiduciary Net Position	(24,060,265)	(27,134,224)
Net OPEB Liability	\$47,605,786	\$45,328,682
Fiduciary Net Position as a % of Total OPEB Liability	33.57%	37.45%
Covered Payroll		\$426,884,300
Net OPEB Liability as a % of Covered Payroll		10.62%

ACTUARIAL METHODS AND ASSUMPTIONS

The Total OPEB Liability was determined by an actuarial valuation as of January 1, 2016, calculated based on the discount rate and actuarial assumptions below, and projected forward to the measurement date of June 30, 2017. There have been no significant changes between the valuation date and the fiscal year end.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Inflation	2.50%
Salary Increases	5.35% up to 2 years of service, 4.75% 3 years of service, 4.45% 4-6 years of service, 4.35% 7 years of service, 4.25% 8 years of service, 4% 9-10 years of service, 3.65% 11-19 years of service, 3.50% for 20 or more years of service, including inflation
Long-Term Expected Rate of Return	7.00%, net of administrative expenses
Healthcare Cost Trend Rates	3.70% in 2016, 9.00% in 2017, 5.4% for 2018 gradually moving to an ultimate rate of 4.50% for 2082 and beyond
Actuarial Cost Method	Entry Age Normal
Mortality	Pre-Retirement: RP-2000 Employee Mortality Table Projected with Scale AA to 2020 2020 with Males set forward 4 years and Females set back 2 years. Post-Retirement: RP2000 Combined Mortality Table Projected with Scale AA to 2020 Males set forward 1 year. Post-Disablement: RP-2000 Disabled Life Mortality Table with Males set back 3 years and no provision for future mortality movement.

DISCOUNT RATE

The discount rate used to measure the total OPEB liability was 7.0 percent.

	June 30, 2016	June 30, 2017
Discount Rate	7.00%	7.00%
Long-Term Expected Rate of Return, Net of Investment Expense	7.00%	7.00%
Municipal Bond Rate	N/A	N/A

The plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the long-term expected rate of return.

The Governmental Accounting Standards Board (GASB) Statement No. 74 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal cost method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year tax-exempt municipal bond yield or index rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 74 will often require the actuary to perform complex projections of future benefit payments and asset values. GASB 74 does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for the School Board:

- The School Board of the City of Virginia Beach has at least a 5-year history of paying at least 100% of the Actuarially Determined Contribution (previously termed the Annual Required Contribution).
- The Actuarially Determined Contribution is based on a closed amortization period, which means that payment of the Actuarially Determined Contribution each year will bring the plan to a 100% funded position by the end of the amortization period.
- GASB 74 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is the professional opinion of consultants with Milliman, Inc. that the detailed depletion date projections outlined in GASB 74 will show that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

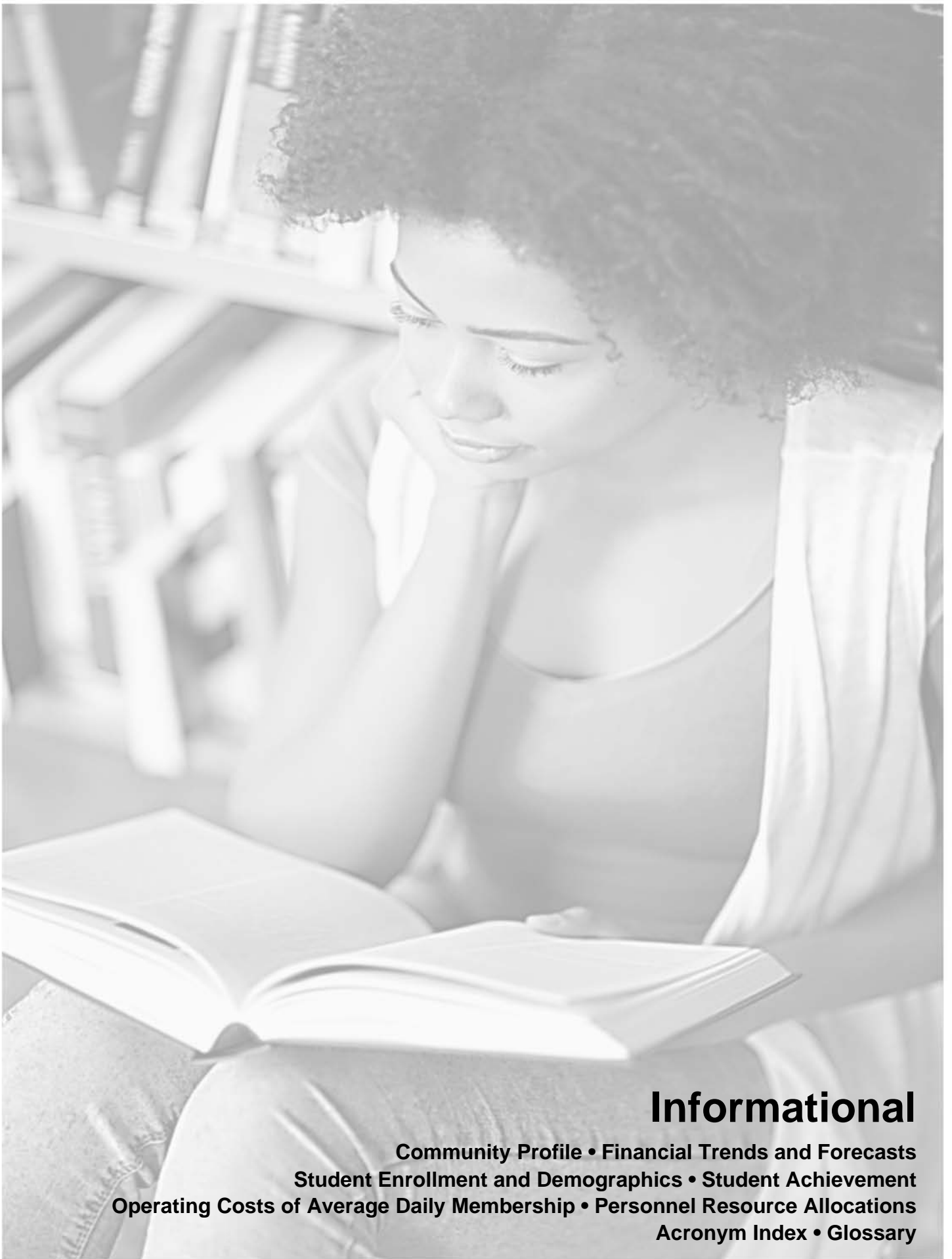
SENSITIVITY ANALYSIS

The following presents the Net OPEB liability of the School Board, calculated using the discount rate of 7.0 percent, as well as what the School Board's Net OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate.

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Total OPEB Liability	\$78,748,599	\$72,462,906	\$66,819,772
Fiduciary Net Position	(27,134,224)	(27,134,224)	(27,134,224)
Net OPEB Liability	\$51,614,375	\$45,328,682	\$39,685,548

The following presents the Net OPEB Liability of the School Board, calculated using the current healthcare cost trend rates, as well as what the School Board's Net OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$64,744,213	\$72,462,906	\$81,513,408
Fiduciary Net Position	(27,134,224)	(27,134,224)	(27,134,224)
Net OPEB Liability	\$37,609,989	45,328,682	54,379,184



Informational

**Community Profile • Financial Trends and Forecasts
Student Enrollment and Demographics • Student Achievement
Operating Costs of Average Daily Membership • Personnel Resource Allocations
Acronym Index • Glossary**

Community Profile

THE REGION

Located in the southeastern corner of Virginia, where the state meets the sea, the Hampton Roads Metropolitan Statistical Area (MSA) is ranked No. 36 of the largest regions in the United States, with a population of more than 1.7 million. The market encompasses 16 cities and counties including the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg, and the counties of Gloucester, James City, Mathews, Isle of Wight, Surry and York and the North Carolina county of Currituck.

THE CITY

Virginia Beach became politically independent from Princess Anne County in 1952. In 1963, the city of Virginia Beach and Princess Anne County were consolidated as a new, much larger independent city, retaining the better-known name of Virginia Beach.



Virginia Beach is the largest city in the Commonwealth of Virginia and ranked No. 39 of the largest cities in the United States, with approximately 450,000 residents. Virginia Beach's strategic mid-Atlantic location and superior transportation network provide swift access to domestic and foreign markets. More than two-thirds of the nation's population and marketplaces are within 750 miles of the city. The city encompasses 307 square miles with 38 miles of Chesapeake Bay and Atlantic Ocean beaches. Virginia Beach is listed in the Guinness Book of Records as having the longest pleasure beach in the world and is located at the southern end of the Chesapeake Bay Bridge-Tunnel, the longest bridge-tunnel complex in the world.

LAND

- 248 square miles (642 km)

ELEVATION

- 12 feet above sea level

WATER

- 59 square miles (59 km)

BEACHES

- 38+ miles (Atlantic Ocean and Chesapeake Bay)

The city boasts a unique environment offering more than 100 miles of bikeways promoting healthy lifestyles and community connectivity. Within minutes, residents and visitors have access to the popular oceanfront resort area, bountiful wildlife preserves and parks, vibrant financial districts, urban amenities, pastoral rural areas, distinctive cultural centers, exciting museums, a variety of military facilities and neighborhoods as diverse as the people who call the city home. Virginia Beach was named one of America's "50 Best Cities to Live" by 24/7 Wall Street.

In addition to being a wonderful place to live, work and play, Virginia Beach is a fun place to visit. The city is well-known as a year-round destination for business and pleasure. In the most recent calendar year, Virginia Beach experienced a record year for overall lodging sales. In fact, Virginia Beach was the only city in Hampton Roads to experience a growth in revenue per available hotel room over recent years. Annually, approximately 6.4 million people visit Virginia Beach for an overnight stay, along with an additional 7.5 million day visitors. These visitors spend an average of \$1,898 during their stay for accommodations, meals, entertainment and other services.

ECONOMICS AND DEMOGRAPHICS

The Virginia Beach MSA, also known as Hampton Roads and Coastal Virginia, encompasses six counties and nine cities in Virginia and one county in North Carolina with a civilian workforce of about 850,000. A locality within the Hampton Roads MSA, Virginia Beach is home to a dynamic community with an educated, tech-savvy workforce, a robust economy, a diverse mix of industry and low tax rates. Although Virginia Beach is well known as a resort community, diversification has been the underlying strength of the city's economy. The business community in Virginia Beach encompasses a highly diverse collection of industries including nationally and internationally known corporate headquarters, high-powered and technologically advanced manufacturers, billion-dollar defense contractors and locally owned shops. The strategic location and friendly business climate of the Hampton Roads MSA have made it a hub of international commerce, prompting a large number of foreign firms to establish a presence, an office location or North American headquarters in the region. Major components of the economic base in Virginia Beach include the following sectors: construction/real estate; light industry; wholesale

and retail sales; agriculture; advanced manufacturing; information technology; professional services; the military community; and the omnipresent resort and convention trade.

Virginia Beach is a great place for business, as the city boasts a skilled, educated workforce, strategic location, low tax rates and a dynamic, diverse economy. The city offers a low-cost environment for doing business, as well as a mix of commercial properties suitable for national and international business operations. The Virginia Beach Development Authority (VBDA) is an 11-member organization appointed by the City Council to facilitate the expansion of the Virginia Beach tax base and creation of new employment opportunities through increased business development and redevelopment. The VBDA approves incentive grants, induces revenue bonds, owns and manages high-value assets and helps finance complicated new development projects around the city. According to the VBDA, the city's Department of Economic Development recorded the creation of more than 1,548 new jobs during FY 2016/17 and private investment of more than \$172 million by 42 projects during the same period. The city of Virginia Beach finished the year with a 3.7 percent unemployment rate, more than one-half percent below the national rate. Significant growth occurred among each of the VBDA's target business sectors, with 95 percent of announced projects falling within at least one target sector. Seven announcements were made by SWaM (Small, Women-and-Minority-Owned) certified businesses and five by international firms. Additionally, 20 incentive grants totaling \$1.39 million helped leverage \$53.23 million in new private investment.

Due to its strategic mid-Atlantic location, both global and U.S. markets are readily accessed through a superior multimodal transportation network, which includes an extensive railway system, international airport, vast shipping terminals and one of the East Coast's largest ports. International business development is also a key component to the Virginia Beach economy, as nearly 200 foreign-based companies are located in the area in addition to the many local companies who operate around the globe. With 12 foreign consular offices and direct shipping to all of the world's major ports, the Hampton Roads MSA is truly an international business gateway.

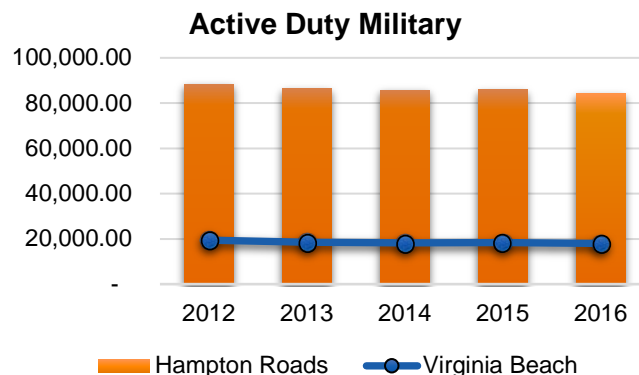
Comparing Virginia Beach to Virginia, Hampton Roads and the U.S.

	Virginia Beach	Hampton Roads	Virginia	United States
<i>Income</i>				
Median family income	\$77,264	\$71,018	\$80,403	\$68,260
Percent of people below the poverty level	7.9%	12.3%	11.2%	14.7%
<i>Labor force (population 16 years and over)</i>				
Percent of civilian labor force unemployed	5.6%	6.8%	5.5%	6.3%
Percent in the Armed Forces	7.2%	5.9%	1.8%	0.4%
Percent in Management, Business, Science and Art occupations	39.3%	37.5%	43.0%	37.1%
<i>Educational attainment (population 25 years and over)</i>				
Percent of people with at least a high school diploma	93.0%	90.7%	88.9%	87.1%
Percent of people with a bachelor's degree or higher	32.8%	30.2%	37.0%	30.6%
<i>Median household information</i>				
Value of owner-occupied units	\$262,900	\$236,900	\$257,800	\$194,500
Gross rent	\$1,258	\$1,106	\$1,144	\$959
<i>Social characteristics</i>				
Percent of population over 5 years who speak a language other than English at home	12.2%	9.0%	15.9%	21.5%
Percent of households with a broadband Internet subscription	84.8%	81.4%	78.6%	76.7%

Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Estimates

As shown in the chart above, the 5.6 percent unemployment rate in Virginia Beach is lower than the regional and national rates. According to the 2015 American Community Survey, an estimated 63.5 percent of workers in Virginia Beach are classified as civilian labor force. Of that number, 75.4 percent work for private organizations; 20.5 percent are federal, state or local government employees; and 4.0 percent are self-employed in their own business. The survey also illustrates that 39.3 percent of the city's population over 16 years old is employed in management, business, science and art occupations. According to the Virginia Employment Commission, the largest civilian employment sectors in Virginia Beach are retail trade, health care, accommodation and food services, local government, and the military.

Hampton Roads is home to nine military installations including three joint-base complexes that span multiple locations, bringing the total number of military bases to 15. All five branches of the military have a presence in the region (Army, Navy, Air Force, Marines and Coast Guard). In Virginia Beach alone, there were 17,992 active duty military jobs reported by the Bureau of Economic Analysis in 2016. That number is down 1,448 from 2012, and future defense cuts due to sequestration and military downsizing could further decrease the number of active duty personnel in Virginia Beach and the region.



Source: U.S. Department of Commerce, Bureau of Economic Analysis

Top 10 Principal Employers in Virginia Beach

Company	Type of Business	Number of Employees
City of Virginia Beach/Schools	Local government	17,242
Naval Air Station Oceana/Dam Neck	Military base	5,850
Sentara Healthcare	Medical and surgical hospitals	5,200
Joint Expeditionary Base Little Creek/Fort Story	Military base	3,600
GEICO General Insurance Company	Auto and other vehicle insurance carriers	2,700
General Growth Properties (Lynnhaven Mall)	Retail trade	2,600
Gold Key PHR Hotels and Resorts	Developer, owner and operator of hotels	2,365
STIHL Incorporated	Headquarters; power tools manufacturer	2,113
Amerigroup (Anthem)	Corporation insurance carriers	1,850
Navy Exchange Service Command	Headquarters; military and government retail	1,550

Note: This ranking is based on employment of civilian personnel.

Source: City of Virginia Beach, Comprehensive Annual Financial Report for FY Ended June 30, 2017

The majority of people who work in Virginia Beach also live in the city. The population in Virginia Beach has been steadily rising, from 434,058 in FY 2006/07 to an estimated 453,947 in FY 2016/17. The city's population is estimated to be 49 percent male and 51 percent female with a median age of 36. Almost 22 percent of the city population ages 25 and older have a bachelor's degree and 11.1 percent have a graduate or professional degree.

The cost of living is below the national average and housing continues to be in demand as people move to Virginia Beach for employment opportunities and residential amenities. Excluding on-base military housing, the city has 178,221 residences/homes. According to the U.S. Census Bureau's American Community Survey in 2015, the median family income for Virginia Beach residents was \$77,264, compared to \$71,018 for the Hampton Roads region, \$80,403 for Virginia and \$68,260 for the nation. While the city is often viewed as having wealth and resources, the population of students eligible for free and reduced-price meals, a federal benchmark of poverty, rose from 33.15 percent of the student population in FY 2011/12 to 37.18 percent in FY 2016/17.

The table on the following page highlights available information from the last three decennial censuses for Virginia Beach as well as U.S. Census Bureau data from the 2015 American Community Survey.

Demographic Highlights for FY 2017/18

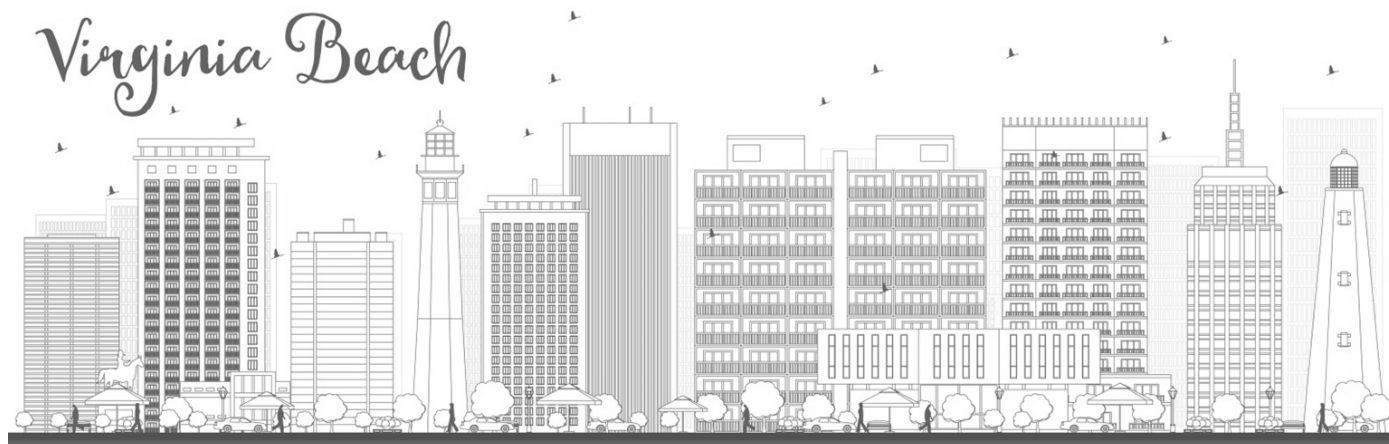
Demographic Characteristic	1980	1990	2000	2015
<i>Gender</i>				
Male	50.8%	50.8%	49.5%	49.2%
Female	49.2%	49.2%	50.5%	50.8%
<i>Age</i>				
Under 18	30.7%	28.0%	27.5%	22.6%
65 and Over	4.5%	5.9%	8.4%	12.6%
Peak Earning Years (Age 35-54)	23.1%	24.9%	30.5%	26.2%
Median Age	26.9	28.9	32.7	35.4
Dependency Population (Under 18 & 65 and over)	35.2%	33.9%	35.9%	35.2%
<i>Race</i>				
White	86.5%	80.5%	71.4%	67.2%
Black/African American	10.0%	13.9%	19.0%	19.6%
American Indian/Alaskan Native	0.2%	0.4%	0.4%	0.1%
Asian/Hawaiian/Pacific Islander	2.5%	4.3%	5.0%	6.3%
Other Race	0.7%	0.9%	1.5%	1.3%
Two or More Races	-	-	2.7%	5.3%
Hispanic	2.0%	3.1%	4.2%	8.0%
<i>Households</i>				
Family Household	79.2%	75.4%	71.8%	67.0%
Married Couple Family	66.6%	62.9%	55.7%	48.8%
Female Head of Household	10.3%	9.5%	12.4%	12.8%
Household with Children under 18	-	44.8%	42.1%	34.5%
Housing Occupancy: Owner	64.2%	62.5%	65.6%	62.6%
Housing Occupancy: Renter	35.8%	37.5%	34.4%	37.4%
Average Household Size	2.97	2.82	2.70	2.61
Average Family Size	3.35	3.21	3.21	3.16
<i>Health Insurance</i>				
Percent with Health Insurance Coverage	-	-	-	91.6%
<i>Marital Status</i>				
Single, Never Married	26.5%	24.7%	25.5%	30.8%
Married	61.0%	58.4%	57.1%	49.1%
Separated	3.0%	5.4%	3.2%	3.0%
Widowed	4.0%	4.0%	4.7%	4.9%
Divorced	5.5%	7.6%	9.5%	12.3%
<i>Median Household Income</i>				
	20,203	36,271	48,705	67,281
<i>Median Family Income</i>				
	21,809	39,112	53,242	77,264
<i>Per Capita Income</i>				
	10,836	20,652	30,633	52,235
<i>Poverty</i>				
Persons	8.9%	5.9%	6.5%	7.9%
Families	7.7%	4.3%	5.1%	5.8%
Children Under 18	13.0%	7.6%	8.6%	11.9%
65 and Over	10.3%	8.0%	4.7%	3.5%
Female Head of Household	38.9%	20.2%	18.9%	19.8%
Female Householder with Children	45.8%	26.5%	23.1%	24.8%

Demographic Characteristic	1980	1990	2000	2015
<i>Housing Expenses</i>				
Owner Expenses Exceeding 30% of Income	26.3%	30.7%	27.4%	28.9%
Renter Expenses Exceeding 30% of Income	37.8%	39.0%	37.9%	54.5%
Percent of Mortgage-Free Homeowners	11.1%	11.4%	13.9%	23.8%
<i>Education Attainment</i>				
High School Graduate	80.0%	88.0%	90.4%	32.0%
College Graduate	22.4%	25.5%	28.1%	32.8%
<i>Labor Force</i>				
Civilian Labor Force Population Rate	58.3%	62.5%	63.2%	63.5%
Civilian Female Labor Force Participation Rate	54.6%	63.5%	62.9%	62.8%
Percent of Labor Force in Armed Forces	18.2%	18.6%	13.3%	7.2%
Percent Unemployed	5.3%	4.7%	4.1%	3.6%
<i>Transporation</i>				
Percent Who Drive Alone	67.5%	78.4%	82.0%	83.7%
Percent Who Carpool	21.2%	12.0%	10.8%	7.8%
Percent Who Use Public Transportation	1.7%	0.8%	0.7%	1.3%
Percent Who Work at Home	1.1%	3.3%	2.8%	3.1%
Mean Travel Time (in minutes)	21.9	22.7	23.9	24.1

- No information provided

Note: Percentages may not total to 100 due to rounding.

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18



Financial Trends and Forecasts

LOCAL SUPPORT FOR VIRGINIA BEACH CITY PUBLIC SCHOOLS

The School Board is a component unit of the city of Virginia Beach with responsibility for elementary and secondary education within the city. The School Board serves the largest city in the Commonwealth of Virginia and oversees a school system ranked as the No. 4 largest in the state, with a school enrollment of approximately 67,000 students and more than 10,000 employees. The City Council annually approves the budget, levies the necessary taxes to finance operations, and approves the borrowing of money and issuance of bonds for the school division. The City Council appropriates funding to the school division by major category (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; Technology; and Debt Service) in the School Operating fund and by fund for each of the division's remaining funds. The allocation of this funding within these categories and specific funds is solely at the discretion of the School Board.

In the FY 2017/18 budget, local contributions continue to be the most substantial source of revenue for Virginia Beach City Public Schools (VBCPS). The funding provided by the city to the school division for FY 2017/18 totals \$382.8 million. The information below includes excerpts from the City of Virginia Beach Resource Management Plan Operating Budget FY 2017/18; the City of Virginia Beach Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2017; and the School Board of the City of Virginia Beach CAFR for the Fiscal Year Ended June 30, 2017.

The City Council first adopted a City/School Revenue Sharing Policy in 1997 to provide a stable source of local funding for the public school system as a discretionary local match. A revised policy was adopted in December 2013 and modified again in November 2015. Within the policy, the discretionary local match allocates local tax revenues to the school division using two components: a Revenue Sharing Formula (RSF) and a real estate tax dedication. The following represents the current four-step computation:



1. Total non-dedicated local revenues: The base from which the computation derives is the total non-dedicated local tax revenues, which represents a more diverse stream of revenues compared to the previous formula;
2. Fund 100 percent of the required local match for Standards of Quality (SOQ) programs: The formula acknowledges the required local match under the state SOQ by dedicating 100 percent of local revenues to equal this match, which is then subtracted from the total non-dedicated local tax revenues;
3. Funding above SOQ match: The formula specifies that 34.11 percent of the remaining total non-dedicated local tax revenues (after subtracting the local SOQ match) is allocated to the school system as the discretionary local match; and
4. Additional dedication of real estate taxes: Finally, the formula adds the dedication of 4 cents of real estate taxes established by the City Council with the FY 2012/13 School Operating budget to offset lost state funding due to the recession. As state revenues increase, this dedication may be recalculated. In FY 2017/18, an additional 1.25 cents is included to phase-in full-day kindergarten.

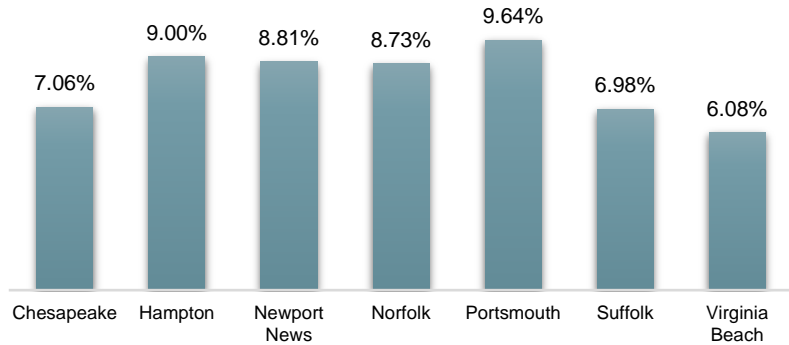
The city of Virginia Beach non-dedicated local tax revenue streams used to calculate the RSF are: real estate taxes (less dedications such as the FY 2012/13 dedication for schools and road construction, the Outdoor Initiative, the Agricultural Reserve Program and the recreation centers); personal property taxes; general sales taxes; utility taxes; Virginia telecommunications taxes; Business Permit and Occupational License (BPOL) taxes; cable franchise taxes; cigarette taxes (less dedication for the Economic Development Investment Program (EDIP)); hotel room taxes; restaurant meals taxes; automobile license taxes; bank net capital taxes; city taxes on deeds; and city taxes on wills. Additional information about the RSF is provided in detail in the City/School Revenue Sharing Policy included in the Appendix of this document.

TAXPAYER IMPACT

After steadily increasing through 2008, median household income in Virginia Beach has fluctuated for the past five years and is currently at \$67,281. Fortunately, Virginia Beach families benefit from the lowest real estate and personal property tax rates in the region, minimizing the tax burden for Virginia Beach families. This means that Virginia Beach residents get to keep more of their income than most residents in Hampton Roads.

The city's FY 2017/18 Operating budget, the Capital Improvement Program (CIP) and the School Operating budget provide the resources needed to continue support for families in need, keep the city's infrastructure maintained, provide a quality education, and fund projects that will have meaning for generations to come. The FY 2017/18 combined operating budgets for the city and schools total over \$1.97 billion, an overall increase of 3.0 percent from the previous fiscal year. This is the fourth year of local real estate assessment growth. The table below illustrates the impact city taxes may have on families.

Relative Measure of Tax Burden
Per Capita Expenditures as a Percentage of Per Capita Income



Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

Typical Family Tax Impact

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Real Estate Tax	2,110.19	2,054.12	2,089.05	2,001.36	2,054.37	2,230.47	2,285.91	2,374.92
Personal Property Tax	160.99	193.05	236.01	238.29	287.03	310.35	319.16	332.27
Electricity Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Gas Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
VA Telecommunications Tax	72.12	73.68	73.92	74.64	75.24	75.24	76.32	76.32
Water Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Restaurant Tax	140.31	143.44	147.95	140.86	149.22	149.22	149.22	140.86
Admissions Tax	17.55	18.15	15.41	15.10	14.19	14.19	14.19	14.19
Vehicle License Decal	50.00	50.00	50.00	50.00	50.00	60.00	60.00	60.00
Storm Water Utility Fee	87.97	115.34	133.59	151.84	158.05	158.05	158.05	167.17
Residential Refuse Fee	-	60.00	120.00	256.32	256.32	256.32	276.00	276.00
Water & Sewer	604.92	635.88	668.76	703.56	740.16	740.16	740.16	740.16
Total Tax Impact	3,352.05	3,451.66	3,642.70	3,739.96	3,892.57	4,101.98	4,186.99	4,298.25
Annual Change	(55.86)	99.61	191.03	97.27	152.60	209.42	85.01	111.25

Notes: Real estate taxes are computed based on a median home value. Personal property tax is computed based on an average vehicle value for two vehicles.

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

PROPERTY TAXES

An annual ad valorem tax is levied by the city on the assessed value of real and tangible personal property. These levies are made each year on July 1 and Jan. 1 for real property and tangible personal property, respectively. Taxes levied on these dates become liens on the subject property on the date of levy. Real property taxes are payable in two installments, on Dec. 5 and June 5. Personal property taxes are payable on June 5, however, pro-rated bills on automobiles are also payable throughout the year on the portion of the year they are owned if not owned a full year. These taxes are considered delinquent when not paid by the due dates and subject to penalties and interest charges by the city treasurer. City property tax revenues are recognized when levied and collected.

During FY 2016/17, the real property tax rate was 99 cents per \$100 of assessed valuation (100 percent of fair market value except for public service corporation properties); an additional 6 cents per \$100 of assessed valuation is charged to those residents of Sandbridge; an additional 45 cents per \$100 of assessed valuation is charged to all real estate within Town Center Special Service District (SSD); an additional 18.4 cents per \$100 of assessed valuation is charged to all real estate within the Old Donation SSD; an additional 36.3 cents per \$100 of assessed valuation is charged to all real estate within the Bayville Creek SSD, not exempt from taxation; an additional 15.9 cents per \$100 of assessed valuation is charged to all real estate within the Shadowlawn SSD;

taxes on all real estate that has been classified as an energy efficient building, not exempt from taxation, at a rate of 84 cents on each \$100 of assessed valuation thereof; and taxes on buildings that are individually listed on the Virginia's Landmarks Register, not including the real estate or land on which the building is located, so long as the building is maintained in a condition such that it retains the characteristics for which it was listed on the Virginia Landmarks Register at a rate of 52 cents on each \$100 of assessed valuation thereof. The personal property rate was \$4 per \$100 of assessed valuation (100 percent of fair market value). Other personal property tax rates exist for qualified equipment. There are no limits currently on the property tax rates which may be established by the City Council. In addition, the City Council is the only governmental entity that has the local taxing authority.

Assessed Value and Total Estimated Value of Taxable Property

	Real Property					Personal Property					Direct Tax Rate	Total Estimated Actual Taxable Property Value
Fiscal Year	Residential Assessed Value	Commercial Assessed Value	Public Service Assessed Value	Total Taxable Assessed Value	Tax Rate	Residential Assessed Value	Commercial Assessed Value	Total Taxable Assessed Value				
2007/08	47,862,927,769	7,283,463,230	647,905,245	55,794,296,244	0.8900	3,260,237,123	892,229,360	4,152,466,483	3.70	59,946,762,727		
2008/09	48,889,366,712	7,877,386,575	807,890,384	57,574,643,671	0.8900	2,807,028,410	905,268,622	3,712,297,032	3.70	61,286,940,703		
2009/10	47,128,334,239	8,251,639,426	890,229,132	56,270,202,797	0.8900	2,860,711,763	751,063,121	3,611,774,884	3.70	59,881,977,681		
2010/11	43,967,169,845	8,008,231,601	927,509,746	52,902,911,192	0.8900	3,105,575,058	972,520,233	4,078,095,291	3.70	56,981,006,483		
2011/12	42,582,797,354	7,925,225,472	938,693,399	51,446,716,225	0.8900	3,225,216,284	1,079,909,616	4,305,125,900	3.70	55,751,842,125		
2012/13	40,815,993,416	8,036,001,242	929,843,170	49,781,837,828	0.9500	3,306,948,272	942,744,260	4,249,692,532	3.70	54,031,530,360		
2013/14	40,590,297,065	8,147,317,125	889,050,800	49,626,664,990	0.9300	3,362,985,338	971,033,585	4,334,018,923	3.70	53,960,683,913		
2014/15	42,110,642,755	8,466,636,425	875,496,571	51,452,775,751	0.9300	3,446,918,395	1,122,915,183	4,569,833,578	4.00	56,022,609,329		
2015/16	43,302,214,028	8,714,160,476	895,479,945	52,911,854,449	0.9900	3,552,544,174	1,029,515,444	4,582,059,618	4.00	57,493,914,067		
2016/17	45,017,777,981	8,822,768,056	945,094,380	54,785,640,417	0.9900	3,612,948,282	1,079,435,074	4,692,383,356	4.00	59,478,023,773		

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

Real Estate Assessments and Taxes

The most significant indicator in terms of the municipal budget is the continued growth in real estate assessments for FY 2017/18. After five consecutive years of decline, residential assessments are projected to increase for a fourth consecutive year. Local funding provided to VBCPS for FY 2017/18 includes \$28.4 million of dedicated real estate tax. Real estate revenues are the city's single largest revenue source and comprise 42 percent of local revenue collected.

The purpose of a property tax is to fairly distribute the necessary tax burden among all property owners based upon the market value of their property. Properties are appraised so that some of the costs associated with providing services, such as public education, fire and police protection, roads, and utilities, can be allocated to property owners in proportion to the market value of their individual properties.

There are three accepted methods for valuing real estate:

1. The sales comparison approach: To find the value of any property, the assessor must first know the selling prices of similar properties. This method compares the residential property to others that have sold. When using the sales comparison approach, the assessor considers and analyzes all available market data to arrive at a fair valuation of the property. Size, quality, condition, amenities, location and time of sale are some of the important factors given consideration. The sales comparison approach generally produces the most reliable indication of the value of residential property.
2. The cost approach: The cost approach estimates the current costs of material and labor needed to replace a residential property with one of similar quality and function. Depreciation is factored into the valuation of the improvements. The cost approach is a good method for appraising special purpose and unique properties that are usually owner occupied, seldom sell for the use they were constructed for and have a limited market base.
3. The income approach: The income approach values the revenue producing capabilities of a property. This method reviews market data derived from commercial properties to determine income, expenses, vacancy rates and capitalization rates. A net operating income is capitalized into a value which includes the land. The income approach is widely used to assess commercial properties which generate income derived from tenant leases.

The city of Virginia Beach real estate assessor's appraisal staff annually reassesses each neighborhood in the city using a mass appraisal process. This process values a group of homes in a defined area (neighborhood) by analyzing the property sales within that area and applying those values to homes similar to the ones that sold. The premise is that if a property sold for a certain amount of money after being exposed to the market for a

reasonable time, with no unusual pressure to act placed on the seller or buyer, a comparable property will bring a similar sum if put up for sale. To begin a reassessment of a residential neighborhood, the city appraiser first requests a computerized listing of all recent property ownership transfers for that neighborhood. The appraiser then eliminates transfers that are not arms-length (bona fide) sales. These would include family transactions, foreclosures and distress sales. Sometimes the appraiser will need to extensively research a property transaction before it can be determined if the information is reliable. Field visits to the sold properties are conducted to determine the condition of the structure(s) and site and to talk with the new owner(s), if possible. This also gives the appraiser a feel for the overall condition and desirability of the neighborhood.

Once the appraiser is confident that the sales analyzed present an accurate picture of the market values in the neighborhood, rates can be applied to the living area (climate controlled area) of the various models or size ranges of homes comparable to the sales. To do this, the appraiser values the amenities of the sold properties, such as porches, garages, swimming pools and the building sites, then subtracts the total value of those items from the sales price of the homes. What remains are indicated rates of the living area of those homes. Application of these rates provides the living area rates for the remainder of the properties that did not sell. Adding the established value of the amenities and valuing the sites results in assessments of all the homes in the neighborhood. This process is continued throughout the year until all the residential properties in the city have been assessed.

Beginning in 2005, the city experienced four years of unprecedented double-digit housing appreciation (averaging 17.1 percent annually) followed by one year of below-trend growth (1.4 percent) and five consecutive years of negative appreciation, which is also unprecedented. This describes a classic boom-and-bust cycle. During the boom period, home prices rose 89.3 percent while median household income

grew at approximately 17.6 percent over the same time span. For FY 2017/18, the city is expecting positive real estate assessment growth for the fourth year in a row. Overall assessments are increasing 1.8 percent. The average assessment change for residential properties is 2.47 percent; for commercial/industrial property, the average change is 2.16 percent. Residential units comprise 83.4 percent of the total tax base and commercial/industrial properties make up the remaining 16.6 percent.

PERSONAL PROPERTY TAXES

Personal property encompasses several tax categories including vehicles, business personal property, commercial boats, recreational vehicles, mobile homes and the like. Of these, vehicles represent 72 percent of the personal property assessment tax base.

During the FY 1990/91 recession, new vehicle sales decreased 6.7 percent while unemployment peaked at 5 percent. Comparatively, during the 2001 recession, new vehicle sales dipped by 2.6 percent while unemployment peaked at 3.5 percent. Demonstrating the magnitude of the most recent recession, unemployment climbed to 7.1 percent and new vehicle sales decreased 37 percent. New model year cars typically represent less than 10 percent of the total vehicles, but have constituted as much as 30 percent of the total value. While this is certainly economically driven, the increased vehicle quality also supports maintaining vehicle ownership for longer periods. Reduction in the number of used vehicles for sale has resulted in a significant year-over-year growth in the value of used vehicles since the last recession. The years 2012 and 2013 showed a slight decline of less than 2 percent; however, according to the Manheim Used Vehicle Value Index, values increased by 3.0 percent from 2008 to 2016. Recent literature indicates the potential of previously leased vehicles flooding the market soon, which will drive down the value of used vehicles.

In FY 2005/06, the state implemented the Personal Property Tax Relief Act through which localities receive a flat reimbursement rather than a calculated reimbursement based on the total eligible tax base. The car tax reimbursement is no longer linked to the percentage of individual vehicle tax bills. Rather than experiencing increases that parallel the growth in the vehicle base, the amount of the state reimbursement to the city is frozen at \$53.4 million. Consistent with the original legislation, vehicles valued under \$1,000 will not be subject to any tax. With projected growth in the vehicle base, the city's FY 2017/18 Operating budget proposes a state relief

Virginia Beach Real Property Tax Rates and Change in Tax Levy

Fiscal Year	Tax Rate on Real Property*	Real Property Tax Levy	Percent Annual Change in Tax Levy
1999/00	1.22	264,436,560	7.32%
2000/01	1.22	280,963,485	6.25%
2001/02	1.22	305,058,532	8.58%
2002/03	1.22	327,953,650	7.51%
2003/04	1.22	341,740,132	4.20%
2004/05	1.196	378,178,905	10.66%
2005/06	1.024	393,544,291	4.06%
2006/07	0.99	461,816,439	17.35%
2007/08	0.89	483,635,234	4.72%
2008/09	0.89	497,742,524	2.92%
2009/10	0.89	485,659,493	-2.43%
2010/11	0.89	456,029,698	-6.18%
2011/12	0.89	443,160,075	-2.82%
2012/13	0.95	457,057,821	3.14%
2013/14	0.93	446,015,531	-2.42%
2014/15	0.93	463,184,807	3.85%
2015/16	0.99	510,528,757	10.22%
2016/17	0.99	528,410,384	3.50%

*Tax rate per \$100 of assessed value.

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

amount of 51.1 percent, down from 52.1 percent in FY 2016/17. Vehicles valued between \$1,001 and \$20,000 will be taxed at 47.9 percent of the assessed value of \$4 per \$100, and the portion of vehicles valued over \$20,001 will be taxed at 100 percent of the assessed value of \$4 per \$100. However, in addition to the impacts of complicated legislation, this revenue is based on a calendar year. With over 80 percent of the billing due June 30, an inadequate amount of year-to-date revenue is available to test the assumptions used to estimate this revenue.

GENERAL SALES TAX

This revenue represents 1 percent of total state sales tax collected in Virginia Beach, which is distributed back to local governments. After declining by a compound annual rate of 3.6 percent over a two-year recessionary period, general sales tax revenue has advanced at a 3.3 percent compound annual rate over the last six years. The growth has occurred in a narrow range, with a low point of 2.6 percent and a high point of 3.2 percent, which may represent the new normal. The strong dollar, technology, global competition and the consolidation of retail stores all limit inflation which, in turn, limits growth of this revenue source. Continued increases in internet sales, coupled with well-informed consumers who use technology to price shop, siphon and/or limit the growth in general sales tax revenue. Despite the challenging environment, estimated revenue for general sales tax is expected to be 3.1 percent higher for FY 2017/18 than it was in FY 2016/17 and in-line with recent performance.

UTILITY TAX

Utility taxes apply to electric, gas and water bills for residential and commercial properties. Historically, this revenue grows at modest rates. For residential properties, the Code of Virginia limits the tax to 20 percent of the first \$15 of a bill, essentially making it a flat \$3 per month tax. As such, the tax on residential properties is unaffected by weather (variations in weather are not sufficient to reduce a bill below \$15). Previous information provided by Dominion Power indicates that approximately 50 percent of the city's utility tax is derived from residential properties. The commercial tax, however, is applied on a tier structure, and a staff statistical analysis does reveal that a typical year's weather does affect the growth in this revenue. Sophisticated techniques have historically projected this revenue very well, with staff tracking average monthly temperatures, number of housing units and natural gas prices.

VIRGINIA TELECOMMUNICATIONS TAX

In January 2007, the state replaced all local telecommunication and cell phone taxes with a uniform 5 percent tax. The taxation applies to satellite TV, internet phone service, Voice over Internet Protocol (VoIP) and satellite radio. Additionally, an 83 cent right-of-way fee was imposed. To eliminate the various rate structures levied by over 100 local governments, telecommunication industries intensely lobbied for this change. With the increasing consumer trend of relying strictly on cellular phone service, many local governments at the time were experiencing a decline in telecommunication revenues. The National Center for Health Statistics reports that 40 percent of households do not have a landline. Since its inception, the telecommunication tax has not maintained revenue neutrality, but it is impossible to know what growth would have occurred under the previous tax structure. Neutrality was based upon FY 2005/06 revenue collections and represents \$23.4 million per annum for Virginia Beach. Revenues are received monthly, but they usually incur adjustments. The adjustments include overpayments, amnesty collections and misapplied revenues. To measure the correct annual collections, the adjustments are applied and a normalized collection is calculated. This revenue has experienced year-over-year declines.



BUSINESS PERMIT AND OCCUPATIONAL LICENSE TAX

BPOL tax is paid by businesses based on gross receipts and is primarily driven by consumer behavior. This revenue has proven difficult to predict, partially because of reporting and auditing issues as well as rebates associated with court rulings on appeals. Additional variables impacting this revenue include regional federal spending reductions that may affect local business sales as well as the general modest recovery. Another factor affecting the BPOL tax is the implementation of a two-year business exemption program adopted by the City Council in 2012. Through this program, new businesses in Virginia Beach are not required to pay BPOL taxes for two years. Enrollment in this program delays the base growth in this revenue resulting from new businesses. The amount exempted for the last three years have been \$544,000 in FY 2013/14, \$878,000 in FY 2014/15 and 504,000 in FY 2015/16. In terms of projection methods, sophisticated techniques have a poor record of success in forecasting this revenue. However, none of the broad, local economic indicators seem to serve as good

predictors. Hence, this revenue is often projected using simple trend analysis and judgment based on information from the Commissioner of the Revenue's Office.

CABLE FRANCHISE TAX

One area unaffected by the recession has been cable entertainment. This may appear to be counterintuitive, but the literature suggests that consumers turned to less expensive at-home entertainment in the wake of the recession. While theater prices escalated, movie rentals and pay-per-view costs only modestly increased. In addition, the city benefitted from the growing offerings of high definition and digital channels that have been introduced for which consumers pay increased monthly rates. Cable franchise revenues have also risen because the cable franchise tax is based upon gross revenues and prices have increased with options. Between FY 2007/08 and FY 2010/11, annual increases in cable franchise revenues exceeded 7.6 percent on average. Over the last 12 years, they have grown at an average rate of 5.0 percent, eclipsing the national average of the Consumer Price Index.

AUTOMOBILE LICENSE FEE

This revenue had historically grown in a moderate and stable manner and partially reflected the slow growth in the city's population. Considering this stable and steady pattern of growth, sophisticated statistical techniques had an exceptional track record of forecasting this revenue. In FY 2003/04, the city eliminated physical issuance of decals and began collecting these fees through the Department of Motor Vehicles (DMV) state registration process. DMV represents a more comprehensive source for vehicle discovery and offers an added bonus of aiding collections of delinquent fees. In May 2004, the city and DMV entered into an agreement related to delinquent personal property taxes. Until delinquent taxes are satisfied, tax payers are not allowed to renew their state vehicle registration. This revenue has experienced flat or declining growth in recent years, a trend that may possibly be attributed to demographic factors and the economy.

CIGARETTE TAX

The cigarette tax revenue trend is volatile. Some of the factors contributing to this volatility are health awareness, non-smoking legislation, cancer litigation, price increases and the availability of e-cigarettes (which are not subject to federal, state or local cigarette taxes). According to the Centers for Disease Control and Prevention, 15.1 percent of Virginians were smokers in 2015 compared to 25.5 percent in 1990. Historically, after a tax rate increase, this revenue declines. Presumably, this either encourages cessation or alternative purchasing decisions. It is likely a combination of both with more weight going to the latter. Also impacting this trend is the method in which cigarette taxes are applied. Cigarette stamps are purchased by wholesalers and fixed into the purchase price paid by consumers. There is a strong likelihood that wholesalers purchase these stamps in bulk prior to the tax increase taking effect on July 1, thus delaying the realized revenue anticipated from increases in the rate change.



HOTEL TAX

The city experienced two consecutive years of declining hotel revenue in FY 2008/09 and FY 2009/10 as a result of the recession. There is no historical precedent for this. Even with the declining revenue for those years, the city outperformed all three of its main competitors (Ocean City, Myrtle Beach and coastal North Carolina) in terms of average annual hotel occupancy, and fared better than two out of three in terms of Average Daily Rate (ADR), and RevPar (revenue per available hotel room). Growth has since resumed, averaging 4.6 percent annually over the last six years. The city has experienced slight increases in occupancies, but the bulk of the increase in revenue is the result of higher ADR and rentals at the residential beach community of Sandbridge. Statistical techniques used have not accurately forecasted this revenue in the past. Staff review local forecasts for tourism, but these are regionally based. As a result, estimates are primarily developed using simple trend analysis and judgment.

RESTAURANT MEAL TAX

This revenue has historically been one of the most consistent performers regardless of underlying economic fundamentals, consistently outperforming general sales tax. Through five previous national recessions, the lowest annual growth rate measured was 1.6 percent. This immunity ended during the most recent recession. Annual growth rates for FY 2008/09 and FY 2009/10 failed to breach 1 percent. This activity paralleled the national experience. According to a Zagat Survey, Americans dined out an average of 3.3 times a week before the recession and 3.1 times during it. Restaurant meal sales comprise 46 percent of all food purchases in the city (grocery stores and restaurants combined). According to restaurant industry experts, meals away from home are

often driven by specific demographic variables: the percentage of women working; percentage of households with incomes higher than \$75,000; and the percentage of people born after 1977. Higher concentrations of these variables bode well for restaurant sales. Virginia Beach has a higher relative concentration compared to Virginia and the United States. Local resident wealth and tourism also serve as positive factors. Finally, between 30 percent and 35 percent of meal tax revenues are generated by non-residents. Tourism, measured through hotel revenues, has recovered since the recession and this has helped bolster meal sales. Statistical techniques forecast this revenue well and staff also examine trends to establish revenue estimates.

CURRENT ENVIRONMENT

The FY 2017/18 combined operating budgets for the city and schools total \$1.97 billion, an overall increase of 3.0 percent from the previous fiscal year. This is the fourth year of local real estate assessment growth. Listed below is an overview of all major revenue streams included in the city's Operating budget. The large negative number in the city budget (shown as a positive in the school's budget column) reflects the transfer of local funding to support the school system. Eleven years of tax revenue data are presented in a summary table on the following page.

City of Virginia Beach Budgeted Revenue Comparison

Revenue Source	FY 2016/17 Adjusted Budget	FY 2017/18 City Budget	FY 2017/18 Schools' Budget	FY 2017/18 City & Schools' Budget	Percent Change
Real Estate Tax	542,384,484	537,868,892	28,432,004	566,300,896	4.4%
Personal Property Tax	146,979,656	155,933,379	-	155,933,379	6.1%
General Sales Tax	63,160,061	65,135,023	-	65,135,023	3.1%
Utility Tax	25,472,704	25,757,106	-	25,757,106	1.1%
VA Telecommunications Tax	16,998,982	16,215,279	-	16,215,279	-4.6%
Business Licensure Tax	46,389,703	46,786,036	-	46,786,036	0.9%
Cable Franchise Tax	8,703,443	8,646,041	-	8,646,041	-0.7%
Restaurant Tax	64,881,611	68,807,636	-	68,807,636	6.1%
Amusement Tax	6,201,490	6,331,312	-	6,331,312	2.1%
Hotel Room Tax	31,525,371	34,897,289	-	34,897,289	10.7%
Cigarette Tax	11,853,670	11,906,906	-	11,906,906	0.4%
Revenue Sharing Formula	-	(399,278,346)	399,278,346	-	0.0%
General Fund Balance	10,903,254	6,264,165	-	6,264,165	-42.5%
Other Fund Balance	16,022,163	2,042,123	11,599,621	13,641,744	-14.9%
Utility Fee	157,620,791	161,310,047	-	161,310,047	2.3%
Other Revenue	135,927,254	121,973,944	17,215,448	139,189,392	2.4%
Waste Collection Fee	33,644,400	33,672,000	-	33,672,000	0.1%
State Revenue	477,790,745	125,316,244	367,490,094	492,806,338	3.1%
Federal Revenue	115,237,824	45,584,627	70,492,685	116,077,312	0.7%
Total City Operating Budget	1,911,697,606	1,075,169,703	894,508,198	1,969,677,901	3.0%

Note: Schools' budget total includes debt service.

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

City of Virginia Beach Tax Revenue Summary

Revenue Source	FY 2007/08 Actual*	FY 2008/09 Actual*	FY 2009/10 Actual*	FY 2010/11 Actual*	FY 2011/12 Actual*	FY 2012/13 Actual*	FY 2013/14 Actual*	FY 2014/15 Actual*	FY 2015/16 Actual*	FY 2016/17 Actual*	FY 2017/18 Budget**
Real Estate Taxes	499,241,014	515,768,880	504,334,961	474,474,648	461,480,333	476,217,120	464,439,667	481,774,192	526,451,909	544,302,460	566,300,896
Personal Property Taxes	128,475,060	123,593,895	113,226,394	119,356,403	73,705,379	74,723,035	78,678,322	90,898,635	95,930,682	100,075,205	155,933,379
Total General Property Taxes	627,716,074	639,362,775	617,561,355	593,831,051	535,185,712	550,940,155	543,117,989	572,672,827	622,382,591	644,377,665	722,234,275
Other Local Taxes:											
General Sales	54,071,427	51,439,533	50,263,545	51,743,905	53,375,318	54,978,531	56,431,418	58,164,569	61,099,407	62,614,614	65,135,023
Utility	42,071,272	45,764,804	46,662,622	45,129,301	45,254,169	44,623,292	44,050,182	43,308,157	42,658,906	44,829,994	41,972,385
Business Licenses	41,801,475	41,047,807	38,092,610	41,281,806	41,129,895	44,224,356	44,027,381	44,586,110	45,301,911	47,009,925	46,786,036
Franchise Taxes	5,487,236	5,891,384	6,256,632	6,827,422	6,962,320	7,192,940	7,531,593	7,939,584	8,115,171	5,163,159	8,646,041
Automobile Licenses	8,945,576	8,962,613	8,654,625	9,018,142	8,970,535	9,437,635	9,346,971	9,225,176	10,862,073	11,189,995	10,807,765
Bank Stock	2,261,296	2,071,296	2,667,046	3,029,323	2,615,883	2,354,647	2,151,058	2,739,645	3,023,394	3,100,922	3,328,454
City Tax on Deeds	8,803,558	6,492,325	6,218,098	5,796,601	6,203,751	7,458,847	6,297,952	6,970,299	7,222,757	7,755,788	7,617,589
City Tax on Wills	88,725	77,086	65,742	67,623	80,884	71,622	79,882	74,659	76,288	102,618	76,288
Cigarette	11,503,774	11,786,853	12,468,847	12,063,516	12,182,212	11,953,020	11,693,536	13,707,486	10,164,199	11,906,282	11,906,906
Amusement	5,020,312	5,422,767	5,226,534	5,314,873	5,472,204	5,482,948	6,015,026	5,902,807	7,044,913	6,811,740	6,331,312
Hotel Taxes	23,623,107	22,955,423	22,801,413	24,169,996	25,003,788	26,049,027	26,643,369	27,914,212	30,595,133	32,805,597	34,897,289
Restaurant Meals	48,069,618	48,304,462	48,442,376	50,594,181	53,254,313	55,122,465	56,872,794	59,968,375	63,437,485	65,207,699	68,807,636
Transient Occupancy Taxes	861,559	920,264	934,382	1,122,301	1,106,769	1,178,742	761,557	771,695	-	-	-
Total Other Local Taxes	260,197,924	251,136,617	248,754,472	256,158,990	261,612,041	270,128,072	271,902,719	281,272,774	289,601,637	298,498,333	306,312,724

Note: Beginning in FY 2015/16, hotel taxes include transient occupancy taxes.

*Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017

**Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

FIVE YEAR FORECAST

Each year, staff from VBCPS and the city work collaboratively to make projections about revenue and expenditure trends that will be occurring over the next five years. The Five Year Forecast focuses on the main operating funds for the city (General fund) and the division (School Operating fund). The information below presents economic highlights from the Five Year Forecast dated Nov. 15, 2016.

CURRENT ECONOMY AND SELECTED ECONOMIC TRENDS

History suggests economies rebound quickly from deep recessions, but a quick national or local turnaround was absent this time. In Virginia Beach, several economic-related measures provide a current picture of our local economy: consumer spending (representing about 70 percent of the national economy), employment, tourism, housing, military earnings, income and tax burden. These measures reflect various levels of performance.

CONSUMER REVENUES

In this period of recovery, performance of consumer revenues is in line with the long-term averages, but this recovery falls short of the growth achieved in the past.

Consumer Revenues and Economic Indicator Performance: Growth Rates

Consumer Revenue	Recession	Recovery	Long-Term Average	Past Recoveries
General Sales	-4.0%	3.3%	3.4%	5.8%
Restaurant Meal Sales	0.4%	4.6%	4.0%	6.3%
Hotel Sales	-1.3%	4.6%	3.4%	5.2%

These revenues serve as key indicators in the event of a significant downturn in the economy or possibly even a recession. While the growth rates for these revenues have not matched previous recoveries, they are trending in a positive direction and having a positive impact on the forecasted projections.

EMPLOYMENT RELATED

There are five employment related indicators impacting economic growth: the unemployment rate, employment (number of residents employed), jobs located within the city, labor force and employment to population ratio. The current unemployment rate essentially matches the city's long-term average and is 2.9 percentage points below its recessionary peak. It remains higher than the rate achieved in past recoveries, but changes in demographics affect these comparisons.

Virginia Beach Unemployment Rate

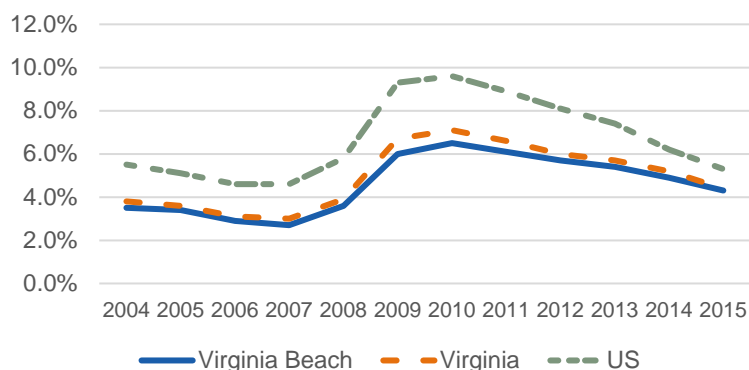
	Recession	Recovery	Long-Term Average	Past Recoveries
Unemployment Rate	7.1%	4.2%	4.3%	3.6%

The recovery in employment and jobs has been more modest. The pre-recessionary peak for both occurred in 2007. Nine years later, current employment essentially only matches its 2007 levels (-0.03 percent) while jobs have yet to fully recover to 2007 levels (-1.15 percent). Military jobs in the city are still down 16.2 percent from 2007 through 2014.

Labor Force

Growth in the labor force and productivity determine the rate at which the economy can grow. More people working equates to more economic production and eventually, production of more goods and services. That explains why economists monitor the growth of the labor force and the labor force's participation rate.

Unemployment Rate Comparison

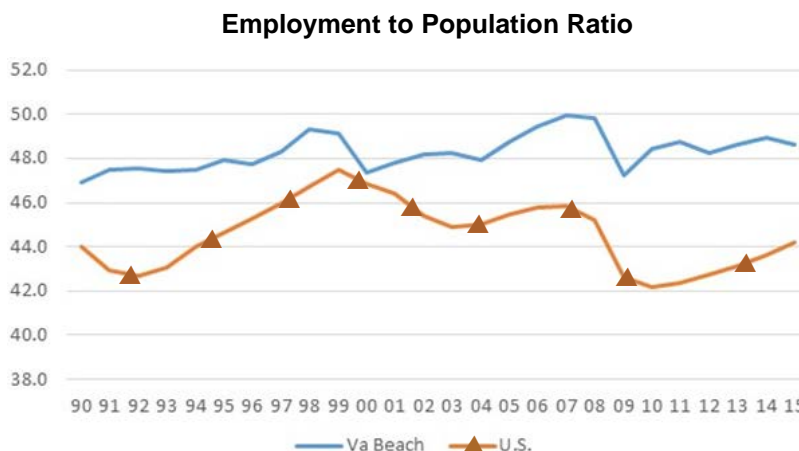


Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

People exit the labor force for many reasons: they may be disabled or retire; they may pursue educational opportunities or care for family members; or they may be discouraged because of the lack of employment opportunities. Economists believe the latter serves as one reason for the drop in the national unemployment rate. The labor force annual growth rate is calculated as the percentage of the labor force that is unemployed. Individuals who are not actively searching for work, perhaps due to a belief that it is not possible to find a job, are not counted in the labor force. If the participation rate declines, a slower pace of job growth can still bring about a decline in the unemployment rate. Early in the recovery (2010-2013), the city's growth in the labor force bested the rate at which the U.S. was growing; that is not the case now.

Employment to Population Ratio

Some economists believe that the number of people employed to support the total population represents a better measure of the labor force. The theory behind this thinking is this: as the economy falters, the unemployment rate may actually fall if workers stop seeking employment. If the economy recovers, the unemployment rate may rise as people re-enter the labor force seeking jobs. Nationally, this ratio measures total employment as a share of the working-age population (civilians age 16 and over). Because reliable annual estimates of the city's working age population are unavailable over time, this graph computes employment to total population. Importantly, the city's overall younger, educated population and government jobs serve as explanations for our higher ratio and our above-average income level compared to the United States.



Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

HOUSING

Paralleling the national experience, housing represents the last sector of the local economy to recover. The below-average recovery in jobs likely serves as one reason.

One factor in the housing market recovery is the decline in distressed-home sales. At the recessionary peak, these comprised over 28 percent of all home sales and sold for about 15 percent below assessed value. Distressed sales now represent 11 percent of sales, and foreclosures are currently below their pre-recessionary levels. However, it is uncertain how many foreclosed properties remain on the inventory of financial institutions awaiting release.

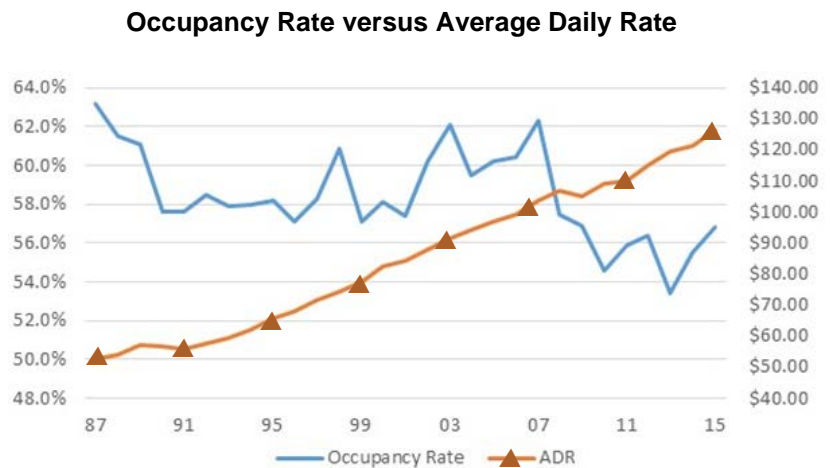
Residential building permits stand at 110 percent of their long-term average. The construction industry, which provides good paying jobs for residents with trade skills, has recovered only 70 percent of its pre-recession peak employment level.

Apartments account for approximately 20 percent of the city's housing stock, but have accounted for 45 percent of total residential permits issued since 2011. Both supply and demand forces spur the construction of apartments. There are several factors that could serve as reasons for the growth in construction: low initial inventory and increased demand, the need to rent as a result of the inability to secure financing for a home, and the option to rent rather than own as a matter of choice/flexibility often because of concern about long-term investment potential or the cost of ownership.

TOURISM

Tourism represents an important export industry, bringing money in from outside the area. Tourism infrastructure benefits residents as well as tourists. City research indicates that 80.2 percent of Virginia Beach residents visit public beaches.

Hotel revenues represent one measure of the health of the tourism industry. These revenues have increased at a compound annual rate of 4.6 percent during the recovery. The accompanying graph illustrates that this growth can be attributed to increases in the average daily rate (ADR) rather than the occupancy rate. That indicates that growth potential for this revenue source remains. One explanation for the increase in ADR is the fact that more wealthy tourists are visiting the city and patronizing local hotels. The median household income of tourists in 2014 was \$108,969, 58 percent above the city's household income. That statistic continues to increase.



Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

MILITARY

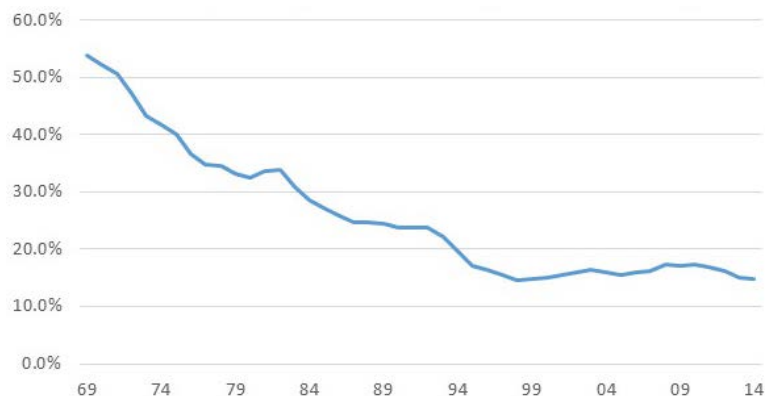
This graph illustrates the declining contribution of military earnings to our economy, measured by wages and benefits earned at bases located in Virginia Beach, not those of military residents who may report to bases in a regional city.

By default, the economy has diversified, but many non-military jobs generated by the economy do not pay as well. Additionally, the military only offers full-time employment while the private sector and civilian government jobs offer both full and part-time jobs. Finally, the military does not serve as a direct source of employment for current residents, meaning local residents who join are unlikely to receive a local station assignment.

A perpetual area of concern for our region is the possibility of further reductions in military spending. Circumstances such as sequestration, future deficit-reduction efforts and geopolitical concerns (that often result in the transfer of manpower and military vessels) could equate to a decline in the number of ships and military personnel stationed in the area.

Between 2000 and 2012, defense spending in Hampton Roads grew at an average annual rate of 5.8 percent before shifting to a negative growth rate of 0.5 percent from 2012 to 2016. Regional military employment declined at an annual rate of 2.5 percent from its peak in 2003 through 2014. These variables weighed heavily on growth.

Military Earnings as a Percentage of Total Earnings



Source: City of Virginia Beach and Virginia Beach City Public Schools Five Year Forecast

SCHOOL OPERATING FUND REVENUE ASSUMPTIONS

This forecast reflects increases in revenue at the state and local levels and begins to reverse the impact of significant cuts VBCPS has sustained since 2008.

State Shared Sales Tax and Other State Revenue

- Expected to increase by 1.0 percent for FY 2017/18, the second year of the state's biennial budget
- Increasing by 2.0 percent in FY 2018/19 and FY 2019/20, and by 3.0 percent for FY 2020/21 and FY 2021/22

Local Revenue Sharing Formula

- Increasing by approximately 2.4 percent for FY 2017/18, primarily as a result of real estate, personal property and consumer-driven revenue growth
- Expected to increase by approximately 1.9 percent each of the forecast years from FY 2018/19 to FY 2021/22

Federal Revenue

- Likely to decline from \$12.5 million in FY 2016/17 to approximately \$12.2 million for FY 2017/18 and then remain flat over the rest of the forecast period

Other Revenue Sources

- Approximately \$5 million in one-time School Reserve (reversion) funding will be used to balance the School Operating budget for the forecast period from FY 2017/18 to FY 2021/22
- Sandbridge Tax Increment Financing (TIF) funds of approximately \$400,000 will be diverted to the School Operating budget for forecast years FY 2017/18 and FY 2018/19

School Operating Fund Revenue

	FY 2016/17 Adopted	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
Revenue Sharing Formula	411,278,773	421,188,438	429,047,264	437,002,429	445,206,079	453,367,750
Schools Use of Sandbridge TIF	409,000	409,000	409,000	-	-	-
General Fund Balance	-	-	-	-	-	-
General Fund Outside of Formula	-	-	-	-	-	-
From the Use of Money and Property	477,000	477,000	477,000	477,000	477,000	477,000
Charges for Services	2,941,341	2,941,341	2,941,341	2,941,341	2,941,341	2,941,341
Miscellaneous Revenue	-	-	-	-	-	-
State Shared Sales Tax	74,741,805	75,489,223	76,999,008	78,538,988	80,895,157	83,322,012
Other State Revenue	263,423,825	266,058,063	271,379,225	276,806,809	285,111,013	293,664,344
Federal Revenue	12,476,532	12,200,000	12,200,000	12,200,000	12,200,000	12,200,000
School Reversion/Fund Balance	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
	770,748,276	783,763,065	798,452,837	812,966,567	831,830,591	850,972,447

LOCAL REVENUE

Overall, local revenues are projected to increase over the next five years as the local economy continues to improve. This will help to support key services for Virginia Beach residents. Revenue assumptions for each of the local tax categories outlined earlier in this section are explained in further detail on the following pages.

Estimated Real Estate Revenue

Real estate is the largest local source of revenue for the city, representing over 42 percent of the city's total local revenue collected. Growth of this revenue occurs as a result of rising real estate assessments, new real estate development and increases in the tax rate. In FY 2017/18, overall real estate revenue is anticipated to grow 4.4 percent. This growth is partially attributable to the 2.7 percent increase in the area of assessments, from rising projections in real estate property values and new real estate development. The remaining portion of the overall growth is the result of a 1.25 cent real estate tax increase to be dedicated to the school division for the phase-in of full-day kindergarten.

Real Estate assessments are a primary reflection of the housing market. Buyers of distressed sales or foreclosures typically pay a much lower purchase price when compared to market value. As the market reflects the sales price of foreclosures, the value of market comparables declines. During the height of the recession, these types of transactions represented a large portion of home sales, reducing home values throughout the city. The city of Virginia Beach experienced an unprecedented five straight years of declining home values. As foreclosure sales slowly worked their way out of the market, real estate assessments began to increase. The city is now projecting its fourth year of real estate assessment growth. Beyond FY 2017/18, future growth of assessments is anticipated but is projected to grow below the city's historic norms for this revenue stream.

Change in Real Estate Revenue FY 2016/17 to FY 2017/18

	FY 2015/16	FY 2016/17	Difference
City Operations	243,457,512	260,639,000	17,181,488
Schools	234,061,560	247,833,407	13,771,847
Parks and Recreation	20,751,935	21,389,297	637,362
Sandbridge Special Service District	679,891	735,744	55,853
Agriculture Reserve Program	2,945,029	4,878,451	1,933,422
Sandbridge TIF District	9,177,724	10,226,817	1,049,093
Central Business District TIF	6,936,483	7,107,950	171,467
Town Center Special Service District	1,970,578	2,007,681	37,103
Multi-Modal Fund	11,254,217	0	-11,254,217
Roadways/Line of Duty	10,517,959	10,841,002	323,043
Dredging Special Service Districts	631,596	641,547	9,951
Total	542,384,484	566,300,896	23,916,412

Source: City of Virginia Beach, Resource Management Plan Operating Budget FY 2017/18

Estimated Property Tax Revenue

For FY 2017/18, personal property taxes are estimated to be \$155,933,379, a 6.1 percent increase over the FY 2016/17 budget. This revenue has been erratic and difficult to forecast over time; resulting in a conservative forecast.

Estimated General Sales Tax Revenue

For FY 2017/18, estimated revenue for general sales tax is expected to be \$65,135,023. This represents an increase of 3.1 percent when compared to the budgeted FY 2016/17 general sales tax revenues.

Estimated Utility Tax Revenue

For FY 2017/18, estimated revenue for utility taxes is expected to be \$25,757,106, which is up 1.1 percent from the previous year's budget.

Estimated Virginia Telecommunications Tax Revenue

For FY 2017/18, this revenue is projected to be \$16,215,279, down 4.6 percent from FY 2016/17. Month-to-month collections of this revenue are erratic. Without intent by the state to increase rates, there is no indication that this revenue will increase or return to a revenue neutral level in the near future.

Estimated Business Permit and Occupational License Tax Revenue

For 2017/18, estimated revenue for BPOL is projected to be \$46,786,036 and represents a 0.9 percent increase when compared to the previous budget.

Estimated Cable Franchise Tax Revenue

For FY 2017/18, cable franchise revenues are projected to be \$8,646,041, a decrease of 0.7 percent from the previous year's budget. "Cord cutting" could serve as an explanation for the underperformance. According to DigitalSmiths, 15.4 percent of households "cut the cord" in 2017.

Estimated Automobile License Fee Revenue

For FY 2017/18, revenue from automobile license fees is projected to be \$10,807,765, down 3.5 percent from FY 2016/17.

Estimated Cigarette Tax Revenue

For FY 2017/18, total cigarette tax revenues are projected to be \$11,906,906. This is an increase of 0.5 percent when compared to the previous year's budget.

Estimated Hotel Tax Revenue

Total hotel taxes are estimated to be \$34,897,289, or 10.7 percent above the previous year's budget. There are two components making up this revenue. The first is the hotel tax rate itself, which is established at 8 percent. The second is the hotel flat tax which generates \$2 per room night in addition to the aforementioned tax rate. The growth reflects trends, an upward adjustment to the base for actual performance that exceeded the budget, and annualizing an additional \$1 per room night flat tax, effective Jan. 1, 2017.

Estimated Restaurant Meal Tax Revenue

For FY 2017/18, meal taxes are expected to be \$68,807,636, or 6.1 percent above the previous year's budget.

STATE REVENUE

State revenue to the School Operating fund has increased over the past five fiscal years. This trend is anticipated to continue over the forecast period. State direct aid revenue projections range from an increase of 1.0 percent in the first year, a 2 percent increase in years two and three, and a 3.0 percent increase in the two remaining years of the forecast period.

FEDERAL REVENUE

Federal revenue in the School Operating fund has fluctuated over the past five fiscal years. VBCPS is anticipating a net decrease of nearly \$300,000 in FY 2017/18 and then federal revenue remains flat at \$12.5 million for the rest of the forecast period.

FUND BALANCE

By policy, the City Council has restricted the use of fund balance to one-time purchases. VBCPS, much like the city, has had to use fund balance or reversion funds to maintain critical services in the face of the recession and significant losses of state funding. There is a growing concern that the school division has a structural deficit that will not resolve itself without intervention. Approximately \$5 million in one-time School Reserve (reversion) funding will be used to balance the School Operating budget for the forecast period. Additionally, Sandbridge TIF funds of approximately \$400,000 will be diverted to the School Operating budget for the forecast years.

SCHOOL OPERATING FUND EXPENDITURE ASSUMPTIONS

State law requires VBCPS to operate within a balanced budget. As previously stated, the School Board does not have taxing authority. Without additional revenue, the School Board must reduce expenditures to eliminate any projected shortfall, while making every effort to minimize the impact of budget reductions on instruction. The shortfall shown in each year assumes that the prior year's budget is balanced. As in the past, if school reversion funds are used to supplement other revenues, the FY 2017/18 deficit could be reduced from its projected shortfall of \$16.3 million. All other year deficits would remain the same considering that reversion dollars are a one-time source of funds. Student enrollment is expected to decrease slightly over the forecast period, so the growth in expenditures is not linked to student membership.

Personnel Services and Fringe Benefits

- Each year of the forecast period includes a 2 percent salary increase
- The current FY 2016/17 Virginia Retirement System (VRS) rate of 14.66 percent is expected to climb by 1.66 percent to 16.32 percent in FY 2017/18, and then remain flat at that rate from FY 2018/19 through FY 2021/22
- No increase in the health insurance rate is anticipated for FY 2017/18, but rates are projected to rise by 2.5 percent each year from FY 2018/19 to FY 2021/22

Non-Personnel

- All non-personnel budget line items impacted by inflation are expected to increase by approximately 2 percent each year of the forecast period
- Capital outlay expenditures are expected to remain flat from FY 2016/17 to FY 2017/18 and then increase each of the next three years to purchase additional replacement school buses (10 buses each year in FY 2018/19 and FY 2019/20 and five buses in FY 2020/21) before leveling out in FY 2021/22

School Operating Fund Expenditures

	FY 2016/17 Adopted	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast	FY 2020/21 Forecast	FY 2021/22 Forecast
Personnel Services	447,785,910	462,759,628	472,014,821	481,455,117	491,084,220	500,905,904
Fringe Benefits						
FICA	34,602,656	35,401,112	36,109,134	36,831,316	37,567,943	38,319,302
VRS	64,171,184	75,522,371	77,032,819	78,573,475	80,144,945	81,747,844
Health Insurance	59,579,068	59,579,068	61,068,545	62,595,258	64,160,140	65,764,143
Life Insurance	2,226,062	3,504,759	4,904,698	6,307,062	6,433,203	6,561,867
All Other Fringe Benefits	3,130,456	3,130,456	3,130,456	3,130,456	3,130,456	3,130,456
Contractual Services	46,518,963	47,449,342	48,398,329	49,366,296	50,353,622	51,360,694
Other Charges	51,018,420	52,038,788	53,079,564	54,141,155	55,223,979	56,328,458
Capital Outlay	4,382,694	4,382,694	5,282,694	6,182,694	6,632,694	6,644,540
Land, Structures and Improvement	240,301	240,301	240,301	240,301	240,301	240,301
Debt Service	45,819,477	44,726,171	44,670,714	47,107,506	46,895,769	47,166,839
Transfers to Other Funds						
Athletics Fund	4,418,642	4,418,642	4,418,642	4,418,642	4,418,642	4,418,642
Categorical Grants Fund	3,167,757	3,167,757	3,167,757	3,167,757	3,167,757	3,167,757
Green Run Collegiate Fund	3,686,686	3,790,537	3,742,342	3,743,455	3,744,591	3,745,749
	770,748,276	800,111,627	817,260,816	837,260,492	853,198,260	869,502,496

CAPITAL IMPROVEMENT PROGRAM REVENUE ASSUMPTIONS

All modernization and replacement projects programmed by VBCPS are developed in accordance with the school division's Comprehensive Long Range Facility Master Plan, a guiding document that was developed in 2007 in concert with the entire community. This document prioritizes school buildings to be replaced or modernized. In the wake of the recession, VBCPS has had to divert funding away from the School Modernization Program. Just prior to the recession, the school division was contributing \$17 million in Pay-As-You-Go (PAYGO) funding to support the capital program. An increase in the real estate dedication for the School Operating budget would allow VBCPS to redirect all of the one-time funds to the School Modernization Program therefore reducing its reliance on debt and the need for additional funds for debt service.

BOND AMORTIZATION

For the eighth year in a row, all three major bond rating agencies, Fitch, Moody's and Standard & Poor's, assigned a triple-A rating to Virginia Beach's general obligation bonds. All three rating agencies praised Virginia Beach's conservative fiscal management. Virginia Beach is the only city in Hampton Roads to receive triple-A bond ratings from all three rating agencies.

The state constitution limits the amount of general obligation debt a governmental entity may issue to 10 percent of the total assessed value of real property. At the end of FY 2016/17, the city's assessed value of real property

was \$54.8 billion, making the city's debt less than the current debt limitation of \$5.5 billion. The amortization schedule that follows represents bonds issued for school division capital projects.

Bond Amortization Schedule

Issue Description	Original Issue/Allocated Amount	Principal Outstanding as of 6/30/17	Interest Outstanding as of 6/30/17	Principal Due FY 2017/18	Interest Due FY 2017/18	Total Due FY 2017/18	Principal Outstanding as of 6/30/18	Interest Outstanding as of 6/30/18
2002 \$7,500,000 State Literary Fund (Taxable) W.T. Cooke ES	7,500,000	1,875,000	168,750	375,000	56,250	431,250	1,500,000	112,500
2008 \$90,000,000 GOPI Bonds	36,976,214	2,310,750	57,769	2,310,750	57,769	2,368,519	-	-
2008B \$6,350,705 VPSA Virginia Beach Middle	6,350,705	4,005,633	1,304,365	302,024	202,351	504,375	3,703,609	1,102,014
2009 \$72,000,000 GOPI Bonds	27,221,760	3,202,560	240,192	1,601,280	160,128	1,761,408	1,601,280	80,064
2009A \$20,755,000 GOPI Refunding	12,262,054	11,429,026	1,404,538	44,310	521,159	565,469	11,384,716	883,379
2009B \$78,875,000 GOPI Refunding	30,524,625	26,234,730	2,791,483	4,125,420	1,068,185	5,193,605	22,109,310	1,723,298
2010 A1 & A2 \$60,000,000 GOPI Bonds	26,771,995	17,401,800	5,996,259	1,338,600	835,286	2,173,886	16,063,200	5,160,972
2010-1 \$4,875,000 VPSA QSCB	4,875,000	2,880,000	844,290	285,000	152,928	437,928	2,595,000	691,362
2011A \$90,000,000 GOPI Bonds	32,930,245	23,051,700	7,015,950	1,646,550	897,370	2,543,920	21,405,150	6,118,580
2012A \$65,000,000 GOPI Bonds	27,092,845	20,319,000	7,396,116	1,354,600	954,993	2,309,593	18,964,400	6,441,123
2012B \$19,630,000 GO Refunding Series	8,949,317	8,949,317	2,314,262	-	447,466	447,466	8,949,317	1,866,797
2013A \$22,885,000 GOPI	22,885,000	19,465,000	5,908,200	1,145,000	698,450	1,843,450	18,320,000	5,209,750
2013B \$33,795,000 GOPI Refunding	11,328,124	5,652,228	1,520,836	-	235,421	235,421	5,652,228	1,285,415
2014A \$85,055,000 GOPI	40,517,022	34,801,020	13,426,000	2,048,520	1,576,360	3,624,880	32,752,500	11,849,640
2015A \$51,295,000 GOPI	7,075,000	6,375,000	2,435,575	350,000	277,925	627,925	6,025,000	2,157,650
2015B \$56,530,000 GOPI Refunding	27,394,438	27,394,438	9,450,633	-	1,334,370	1,334,370	27,394,438	8,116,263
2016A \$61,255,000 GOPI	38,095,000	36,195,000	13,944,600	1,905,000	1,504,950	3,409,950	34,290,000	12,439,650
2016B \$50,430,000 GOPI Refunding	29,168,712	18,565,671	3,293,569	8,789,302	872,838	9,662,140	9,776,369	2,420,731
General Obligation (GO) Bonds and Loans Total		270,107,873	79,513,387	27,621,356	11,854,200	39,475,556	242,486,517	67,659,187
2010A \$17,000,000 Public Facility Revenue Bonds	5,000,000	1,499,910	91,495	499,970	45,497	545,467	1,499,910	91,495
2012-A \$22,580,000 Public Facility Revenue Bonds	431,245	344,996	104,792	21,562	13,692	35,254	344,996	104,792
2013A \$20,960,000 Public Facility Revenue Bonds	3,805,510	2,544,307	416,412	424,587	87,352	511,938	2,544,307	416,412
2014A \$44,975,000 Public Facility Revenue Bonds	3,972,135	3,341,229	1,116,628	231,837	150,689	382,526	3,341,229	1,116,628
2015A \$48,245,000 Public Facility Revenue Bond	15,295,000	13,770,000	4,917,994	765,000	564,188	1,329,188	13,770,000	4,917,994
2016A \$21,225,000 Public Facility Revenue Bond	885,000	885,000	346,650	45,000	37,300	82,300		
Public Facility Revenue Bonds (PFRB) Total		22,385,442	6,993,971	1,987,956	898,717	2,886,673	21,500,442	6,647,321
Total Schools Debt Service		292,493,315	86,507,358	29,609,312	12,752,917	42,362,229	263,986,959	74,306,508

Source: City of Virginia Beach, Department of Finance

CAPITAL IMPROVEMENT PROGRAM EXPENDITURE ASSUMPTIONS

SCHOOL MODERNIZATION

Since 1997, VBCPS has spent \$620 million to modernize or replace 31 of the division's oldest schools, maintenance, supply, custodial and transportation facilities, resulting in the renovation or replacement of approximately 3.3 million square feet of school division assets. This was possible because of a commitment by the City Council to direct state lottery proceeds to the program and by the School Board to commit nearly \$17 million in PAYGO funding. With the use of debt, state construction funding and Sandbridge TIF surplus funds, these strategies brought the annual amount of funding for the modernization program to just over \$60 million at one point.

As a result of the recession, the state no longer provides lottery proceeds directly to localities and school boards. Considering the loss of operational funding, VBCPS can no longer provide PAYGO funding in large amounts to the capital program. Although the School Board has made great strides, the effects of the recession have reduced considerably the available funding on the local and state level for the modernization and replacement schedule. In recent years, the remaining school facilities in need of modernization or replacement have been provided limited funding for maintenance, repairs and upgrades through the School Operating budget.

On Nov. 3, 2016, the city issued appropriation backed Public Facility Revenue Bonds (PFRB) consisting of \$21.2 million of new money bonds and \$7.9 million refunding bonds to achieve debt service savings of \$1.24 million over the next 12 years. As part of the ratings review, both Fitch Ratings and Moody's Investor Service upgraded the city's PFRBs to AA+ and Aa1 respectively, and Standard & Poor's affirmed a AA+ rating, all one notch below AAA. Proceeds were used to fund several capital improvement projects, including the modernization of John B. Dey Elementary School.

CATEGORICAL GRANTS AND OTHER FUNDS

REVENUE AND EXPENDITURE ASSUMPTIONS

Outside of the School Operating budget, programs and activities linked to other funds are generally either self-supporting or grant funded. As such, expenditures are projected to be adjusted to match total revenue. Based on required compensation adjustments and/or adopted salary increases, the allocation of positions and other expenditures will be adjusted as needed to balance the budgets for categorical grants and other funds.

Student Enrollment and Demographics

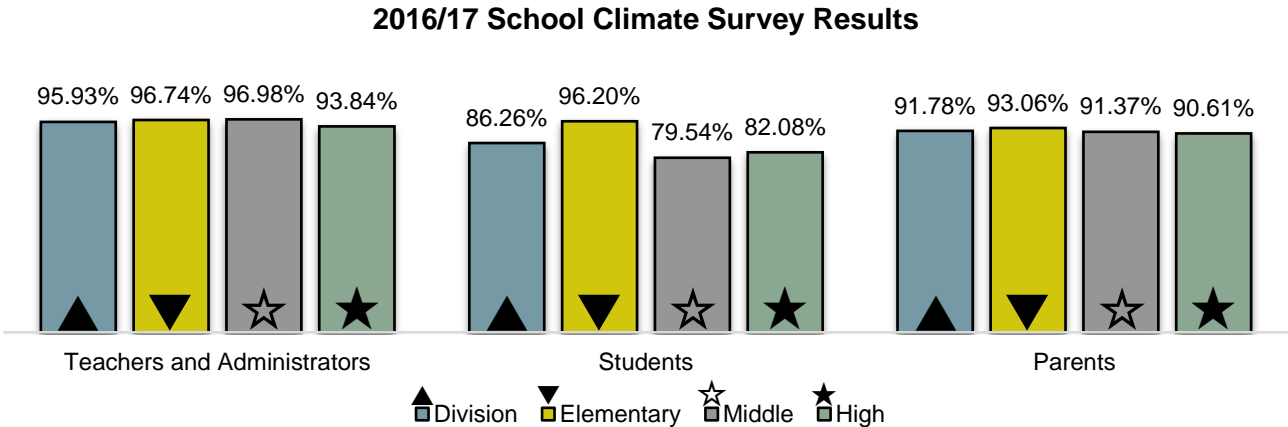
Numbers and statistics can tell a great deal about an organization. The enrollment and demographic information presented below is derived from reports developed at various times of the year by multiple departments and offices for different purposes. Variations in data collection procedures may create some minor discrepancies in the statistics in certain tables. The constantly changing school division population, the focus of specific reports and the recording dates for various items are all factors that may contribute to minor discrepancies. Inconsistencies are eliminated wherever possible, but readers should be aware that some still exist. As such, analysis and comparisons should not be done without consideration for the data and the dates for which each variable was recorded.

OVERALL QUALITY OF EDUCATION

Every two years, the Department of Planning, Innovation and Accountability administers School Climate Surveys to staff, students and parents/guardians as part of the school division's assessment of each school's educational climate. Results from the survey are reported as part of the Annual School Report Card. Results from the surveys provide the administration and building principals with school-level feedback and information that can be used for continuous improvement planning efforts.

- Staff Survey: Administered to school-based instructional staff.
- Student Survey: Administered to students in grades five, eight and 12.
- Parent Survey: Administered to parents/guardians of students in grades five, eight and 12.

The bar chart below displays the percentage of each group agreeing that the school division provides a high quality education.



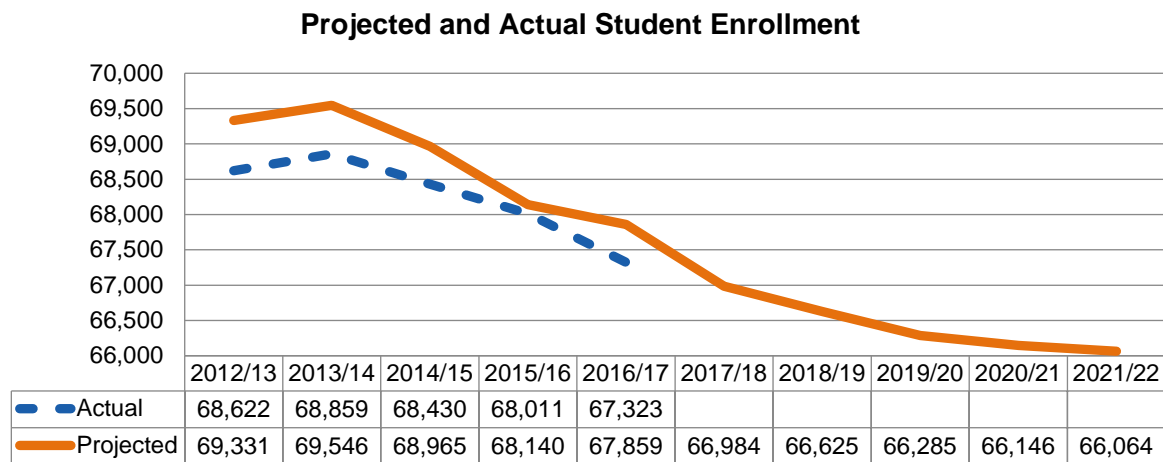
Source: VBCPS Department of Planning, Innovation and Accountability, School Climate Surveys

STUDENT ENROLLMENT

The school division uses a cohort survival model to generate base student membership projections. This model essentially compares the number of students in a particular grade to the number of students in the previous grade during the previous year. Ratios are computed for each grade progression over a multi-year period and are then used to project future enrollments. To project kindergarten enrollment, birth data lagged five years behind its respective kindergarten class is used to calculate a cohort ratio. Student projections are further adjusted based on analysis generated in the school division's Geographic Information System (GIS), a detailed analysis of residential housing trends, Virginia Beach resident birth rates and other available data that may impact student enrollment.

For the past several years, data from the Office of Demographics and Planning have demonstrated how recent economic conditions have had a significant impact on the division's student membership. Factors such as the increasing number of students in shared housing and homeless situations, fluctuations in the numbers of students opting to attend private schools, and volatility in the real estate market have created instability in VBCPS' student enrollment. Between FY 2012/13 and FY 2016/17, VBCPS student enrollment declined by nearly 1.9 percent, from 68,622 to 67,323. According to the Weldon Cooper Center for Public Service Census Brief "Public School Enrollment Trends in Virginia," VBCPS is among the majority of Virginia school divisions with respect to declining enrollment trends. In fact, only 31 percent of Virginia localities experienced increases in student enrollment between 2008 and 2013.

The following graph depicts the actual and projected enrollment in the division for fiscal years 2012/13 through 2021/22.



Source: VBCPS Department of School Division Services, Final 2017/18 - 2021/22 September 30th Student Membership Projections

Student Membership

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Elementary										
K	4,810	4,914	4,697	4,541	4,431	4,546	4,461	4,596	4,606	4,690
1	5,587	5,397	5,376	5,302	5,160	5,077	5,127	4,994	5,149	5,168
2	5,336	5,523	5,346	5,325	5,210	5,107	5,026	5,057	4,931	5,095
3	5,298	5,384	5,498	5,282	5,277	5,190	5,081	5,004	5,036	4,916
4	5,196	5,326	5,299	5,433	5,283	5,266	5,176	5,051	4,969	5,011
5	5,163	5,210	5,315	5,332	5,362	5,277	5,253	5,172	5,043	4,965
Total	31,390	31,754	31,531	31,215	30,723	30,463	30,124	29,874	29,734	29,845
Change from previous year	-303	364	-223	-316	-492	-260	-339	-250	-140	111
% change from previous year	-0.96%	1.16%	-0.70%	-1.00%	-1.58%	-0.85%	-1.11%	-0.83%	-0.47%	0.37%
Middle										
6	5,344	5,239	5,168	5,319	5,315	5,304	5,245	5,263	5,177	5,051
7	5,437	5,347	5,225	5,143	5,234	5,286	5,302	5,217	5,232	5,150
8	5,231	5,422	5,343	5,215	5,131	5,245	5,285	5,291	5,207	5,242
Total	16,012	16,008	15,736	15,677	15,680	15,835	15,832	15,771	15,616	15,443
Change from previous year	45	-4	-272	-59	3	155	-3	-61	-155	-173
% change from previous year	0.28%	-0.02%	-1.70%	-0.37%	0.02%	0.99%	-0.02%	-0.39%	-0.98%	-1.11%
High										
9	5,740	5,781	5,818	5,656	5,476	5,556	5,669	5,663	5,670	5,598
10	5,372	5,304	5,396	5,467	5,313	5,165	5,261	5,315	5,308	5,316
11	5,212	5,128	5,023	5,101	5,157	4,999	4,894	5,006	5,056	5,051
12	4,896	4,884	4,926	4,895	4,974	4,966	4,845	4,656	4,762	4,811
Total	21,220	21,097	21,163	21,119	20,920	20,686	20,669	20,640	20,796	20,776
Change from previous year	-371	-123	66	-44	-199	-234	-17	-29	156	-20
% change from previous year	-1.72%	-0.58%	0.31%	-0.21%	-0.94%	-1.12%	-0.08%	-0.14%	0.76%	-0.10%
Division										
Total	68,622	68,859	68,430	68,011	67,323	66,984	66,625	66,285	66,146	66,064
Change from previous year	-629	237	-429	-419	-688	-339	-359	-340	-139	-82
% change from previous year	-0.91%	0.35%	-0.62%	-0.61%	-1.01%	-0.50%	-0.54%	-0.51%	-0.21%	-0.12%

Source: VBCPS Department of School Division Services, Final 2017/18 - 2021/22 September 30th Student Membership Projections

STUDENT DEMOGRAPHICS AND CHARACTERISTICS

Divisionwide Student Characteristics

Students Grades K-12*	2012/13	2013/14	2014/15	2015/16	2016/17
Ethnic Background					
African American	23.80%	23.90%	23.80%	23.70%	23.70%
American Indian/Alaska Native	0.30%	0.30%	0.30%	0.20%	20.00%
Asian	5.60%	5.70%	5.60%	5.70%	5.90%
Caucasian	52.10%	51.30%	50.80%	50.20%	49.70%
Hispanic/Latino	9.80%	10.20%	10.50%	10.90%	11.00%
Native Hawaiian/Pacific Islander	0.50%	0.50%	0.50%	0.50%	50.00%
Multirace	7.90%	8.10%	8.50%	8.80%	8.90%
Gender					
Female	48.80%	49.00%	49.00%	48.80%	48.80%
Male	51.20%	51.00%	51.00%	51.20%	51.20%
Additional Characteristics					
Economically Disadvantaged**	33.30%	36.10%	36.30%	37.00%	37.40%
Gifted	11.70%	12.00%	12.00%	12.60%	13.10%
Limited English Proficiency	1.80%	1.90%	1.90%	1.80%	2.10%
Migrant	<0.10%	<0.10%	<0.10%	0.10%	0.10%
Students with Disabilities	10.20%	10.20%	10.00%	10.00%	10.20%
Students with Disabilities***	11.80%	11.30%	11.30%	11.20%	11.50%

*Unless otherwise indicated, data are based on the Fall Membership Report submitted annually to the Virginia Department of Education and represent VBCPS students receiving services as of Sept. 30 in kindergarten through grade 12. Pre-kindergarten students are excluded.

**Percentages of economically disadvantaged students are based on the November report from Food Services.

***Percentages are based on the Dec. 1 special education child count and Sept. 30 membership for pre-kindergarten through grade 12 students for whom VBCPS is the responsible school division. Data are available from the Virginia Department of Education (VDOE).

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

Attendance Rates

	Elementary		Secondary		Total	
	Virginia Beach	State	Virginia Beach	State	Virginia Beach	State
2012/13	96.0%	95.7%	94.9%	94.4%	95.6%	95.2%
2013/14	96.1%	96.1%	94.5%	94.6%	95.5%	95.5%
2014/15	96.2%	95.9%	95.0%	94.5%	95.7%	95.4%
2015/16	95.9%	95.8%	94.5%	94.4%	95.3%	95.2%
2016/17	95.6%	*	94.4%	*	95.2%	*

* Data not available

Source: VBCPS Department of Planning, Innovation and Accountability

Average Daily Membership and Attendance

Fiscal Year	Number of Days Taught	Elementary		Secondary		Total	
		Average Daily Membership	Average Daily Attendance	Average Daily Membership	Average Daily Attendance	Average Daily Membership	Average Daily Attendance
2012/13	183	42,481	40,767	26,509	25,164	68,990	65,931
2013/14	183	42,405	40,743	26,513	25,063	68,918	65,806
2014/15	183	42,122	40,512	26,564	25,224	68,686	65,736
2015/16	183	41,909	40,180	26,335	24,877	68,244	65,057
2016/17	181	41,430	39,617	26,072	24,625	67,502	64,242

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

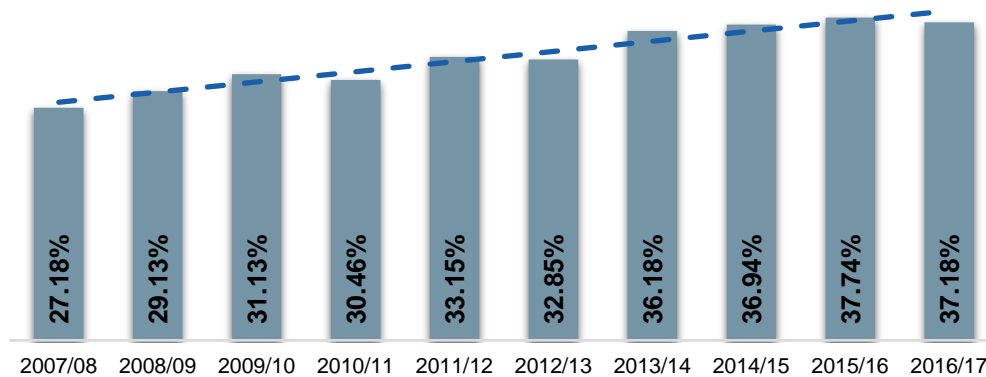
VDOE National School Lunch Program Free and Reduced Price Eligibility

Families qualifying for free and reduced-price meals must meet established federal guidelines for income and household size. Over the last decade, the number of VBCPS students eligible for free and reduced-price meals has grown by approximately 14 percent, from 22,560 in FY 2006/07 to 25,655 in FY 2016/17. The number of students eligible as a percentage of the total student population decreased from 32.85 percent in FY 2012/13 to 37.18 percent in FY 2016/17.

Fiscal Year	School Nutrition Program Membership	Free Eligible	Free Percentage	Reduced Price Eligible	Reduced Price Percentage	Free and Reduced Price Eligible	Free and Reduced Price Percentage
2012/13	69,403	17,531	25.26%	5,269	7.59%	22,800	32.85%
2013/14	70,476	20,307	28.81%	5,193	7.37%	25,500	36.18%
2014/15	69,144	20,044	28.99%	5,498	7.95%	25,542	36.94%
2015/16	68,731	20,534	29.88%	5,407	7.87%	25,941	37.74%
2016/17	68,966	20,374	29.54%	5,281	7.66%	25,655	37.18%

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

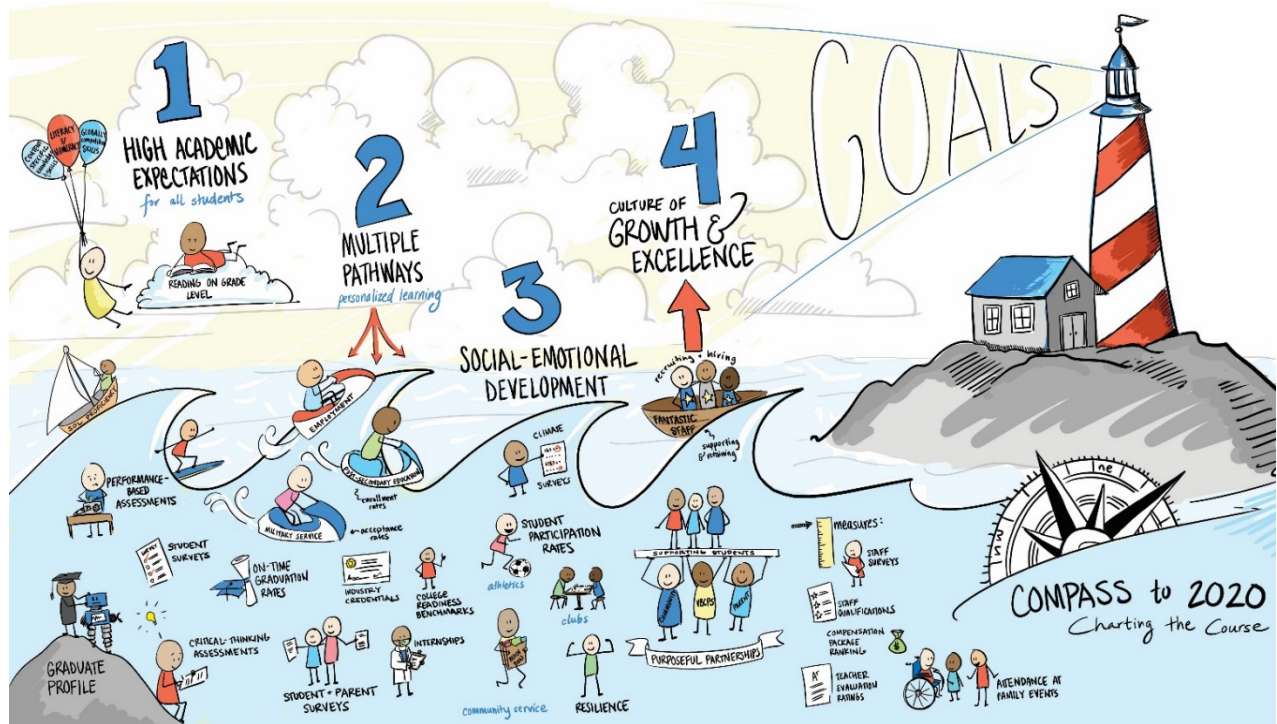
Total Percentage of Students Qualifying for Free and Reduced Price Lunch



Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

Student Achievement

With the implementation of *Compass to 2020*, an ambitious strategic framework, VBCPS is committed to the continuous improvement of our schools to ensure that our students graduate with globally competitive skills. *Compass to 2020: Charting the Course* lays out a five-year plan focused on ensuring that every student is challenged and supported through high academic expectations, multiple pathways, social-emotional development, and a culture of growth and excellence. This kind of tireless commitment highlights the vision of VBCPS and has led to a number of accomplishments and public accolades. The storyboards below outline the strategic framework and the work done across the division during the 2015/16 school year to support *Compass to 2020*.



DIVISIONWIDE ACCOMPLISHMENTS

- VBCPS has 94 percent of its testing schools that have earned full SOL accreditation for the 2016/17 school year. This is a five percent increase from last year.
- VBCPS outperformed the nation for the fifth consecutive year on all three components of the SAT test. The 2016 results also showed that Virginia Beach continued to lead all Hampton Roads school divisions in scores for reading, math and writing. The 2016 scores are also the highest for the division since 2005.
- VBCPS' Class of 2016 achieved both the division's highest on-time graduate rate and lowest dropout rate since 2003. In addition, the students of this class were offered a record \$76 million in scholarships.
- All VBCPS high schools have made *The Washington Post's* "America's Most Challenging High Schools" list.
- VBCPS continues to be a model for the Commonwealth regarding industry certifications earned by students. Last year, students earned more than 11,300 industry credentials in areas ranging from plumbing and heating and practical nursing to computer repair and networking.
- Advanced placement enrollment increased by 6 percent in the 2015/16 school year. Of the 9,712 AP exams administered, 58.3 percent of the students achieved scores of 3 or higher, earning either college credit or advanced college placement.
- Princess Anne Middle School and Woodstock Elementary School were named National PTA Schools of Excellence.
- Old Donation School, Kingston Elementary, Strawbridge Elementary, and Thoroughgood Elementary all received 2016 Board of Education Excellence Awards.
- John B. Dey Elementary, Glenwood Elementary, Great Neck Middle, North Landing Elementary, Ocean Lakes High, Pembroke Elementary, Princess Anne Elementary, Princess Anne Middle, Red Mill Elementary, and Three Oaks Elementary all received 2016 Board of Education Distinguished Achievement Awards.

PERFORMANCE MEASURES

To accurately measure student mastery of core knowledge and demonstration of globally competitive skills, VBCPS uses a variety of assessments including, but not limited to, performance tasks, multiple-choice tests and essays. Many of the assessments students take are required by the state and federal departments of education to measure student progress toward performance benchmarks. Local assessments (locally and externally developed) are used to monitor student progress, differentiate instruction, identify students for participation in specific programs and measure students' mastery of globally competitive skills. These assessments are aligned with the division's strategic framework, *Compass to 2020*, which focuses on ensuring that every child is challenged and supported to reach his or her full potential. This section highlights results from the 2015/16 school year, as published in the nineteenth annual school report card, *Campus Compass*. The data presented show that the division continues to place an emphasis on student outcomes which extend beyond traditional assessment results.



GOAL 1: HIGH ACADEMIC EXPECTATIONS

All students will be challenged and supported to achieve a high standard of academic performance and growth; gaps between these expectations and the realities for our student subgroups will be addressed.

- Literacy and Numeracy - All students will acquire the literacy and numeracy skills necessary for success in school and life.
- Content-Specific Knowledge and Skills - All students will know and be able to apply critical concepts within each of the core, exploratory or elective courses.
- Globally Competitive Skills - All students will demonstrate proficiency in globally competitive skills such as critical thinking, innovation, problem solving, communication and collaboration.

Indicators will include the percentage of students reporting growth in the areas of literacy, numeracy and globally competitive skills to include reading on grade level by grades three, six and nine and passing the English, Writing, Mathematics, Science and Social Studies SOL tests; the percentage of students scoring at the emerging level or higher on the IPT; and the percentage of students scoring at the developing level or higher on the CWRA.

READING ON GRADE LEVEL

Reading on Grade Level is assessed within VBCPS through the use of formative reading assessments. In grades kindergarten through second, students are administered the Developmental Reading Assessment (DRA). In grades three, six and nine, students are administered the Reading Inventory (RI).

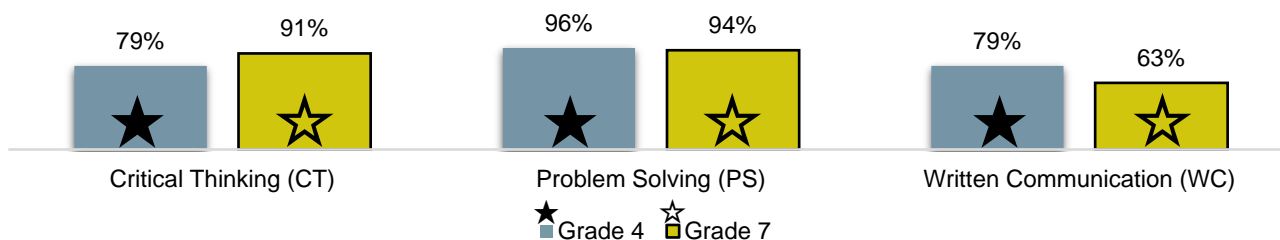
Percentage of Students Reading on Grade Level by Subgroup

	Kindergarten	Grade 1	Grade 2	Grade 3	Grade 6	Grade 9
All Students	92.7%	80.3%	75.8%	76.8%	67.9%	80.6%
African American	90.9%	73.1%	67.4%	64.1%	49.7%	65.0%
Asian	93.8%	88.9%	84.5%	87.1%	78.4%	80.9%
Caucasian	93.8%	83.1%	79.3%	82.5%	76.4%	88.3%
Hispanic	91.5%	74.7%	69.8%	72.8%	61.9%	71.5%
Multiracial	92.9%	84.4%	79.8%	76.4%	69.7%	87.2%
Economically Disadvantaged	89.4%	73.2%	66.9%	68.1%	54.3%	69.4%
Students with Disabilities	71.7%	38.1%	30.3%	29.3%	22.5%	38.9%
African American Males	87.7%	69.3%	61.1%	61.3%	47.9%	60.8%

CRITICAL THINKING ASSESSMENTS

Critical thinking is assessed within VBCPS through the use of performance-based assessments designed to measure critical-thinking, problem-solving and written communication skills. In grades four and seven, students are administered the locally developed Integrated Performance Task (IPT). In grade 11, students are administered the College and Work Readiness Assessment (CWRA+).

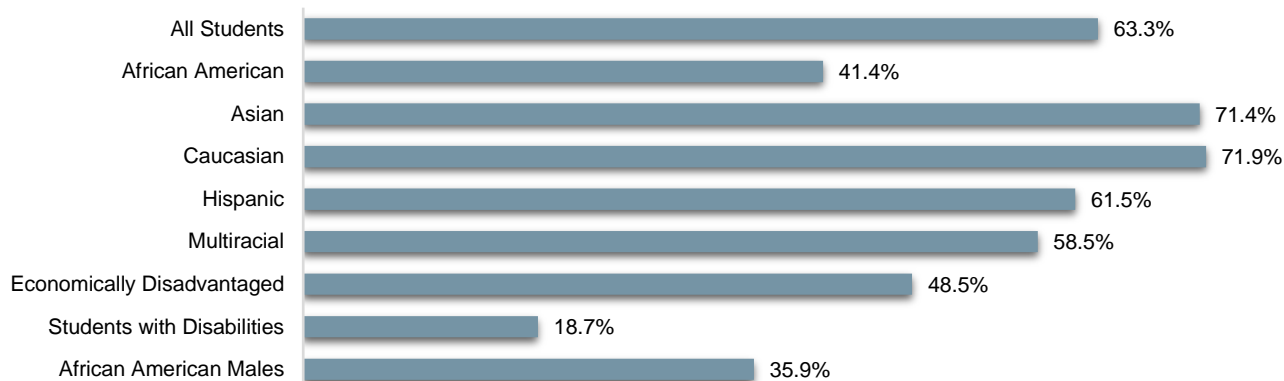
Percentage of Students Scoring at the Emerging Level or Higher on the IPT



Percentage of Students Scoring at the Emerging Level or Higher on the IPT by Subgroup

	Grade 4 CT	Grade 4 PS	Grade 4 WC	Grade 7 CT	Grade 7 PS	Grade 7 WC
African American	67.0%	92.3%	68.6%	84.6%	89.7%	42.8%
Asian	84.9%	96.5%	89.5%	94.4%	97.0%	78.3%
Caucasian	84.0%	97.4%	82.6%	93.4%	95.5%	70.0%
Hispanic	76.6%	95.4%	77.5%	88.8%	95.8%	60.7%
Multiracial	81.3%	94.7%	80.5%	89.5%	94.6%	64.3%
Economically Disadvantaged	70.3%	93.6%	71.5%	87.4%	91.5%	49.4%
Students with Disabilities	44.3%	81.7%	38.4%	76.7%	74.5%	19.8%
African American Males	61.5%	89.2%	59.4%	82.4%	84.6%	32.8%

Percentage of Students Scoring at the Proficient Level or Higher on the CWRA+



RIGOROUS COURSEWORK

Students who participate in rigorous coursework during middle school and high school are more prepared for the challenges that they face in college and the workplace. The chart below provides the percentage of students who were enrolled in rigorous coursework during the 2015/16 school year.

Percentage of Students Enrolled in Rigorous Coursework by Subgroup

	Eighth Grade Students Earning High School Credit	Middle School Students Enrolled in Advanced Courses	High School Students Enrolled in Advanced Courses
All Students	70.7%	54.8%	56.4%
African American	52.5%	31.9%	37.6%
Asian	83.3%	69.9%	74.2%
Caucasian	78.7%	65.5%	63.9%
Hispanic	66.7%	49.0%	50.8%
Multiracial	70.1%	52.6%	59.0%
Economically Disadvantaged	55.1%	37.0%	38.6%
Students with Disabilities	20.8%	7.3%	6.4%
African American Males	42.9%	27.0%	28.9%

ON-TIME GRADUATION

The Virginia On-Time Graduation Rate expresses the percentage of students in a cohort who earned a VBOE approved diploma within four years of entering high school for the first time. Percentages are based on longitudinal student-level data and account for student mobility and retention and promotion patterns.

On-Time Graduation

All Students	2012/13	2013/14	2014/15	2015/16	2016/17
Virginia Beach	88.0%	88.5%	89.8%	91.3%	91.9%
State of Virginia	89.1%	89.9%	90.5%	91.3%	91.1%

ANNUAL DROPOUT RATE

The annual dropout rate is based on the number of students in seventh through 12th grades who permanently left school during a specified reporting year and is based on the fall membership for that year.

Annual Dropout Rate (Seventh through 12th Grades)

	2012/13	2013/14	2014/15	2015/16	2016/17
Number of Virginia Beach Dropouts	322	337	396	313	295
Virginia Beach	1.00%	1.05%	1.24%	0.98%	0.93%
State of Virginia	1.26%	1.23%	1.20%	1.33%	-

- Information is not yet available

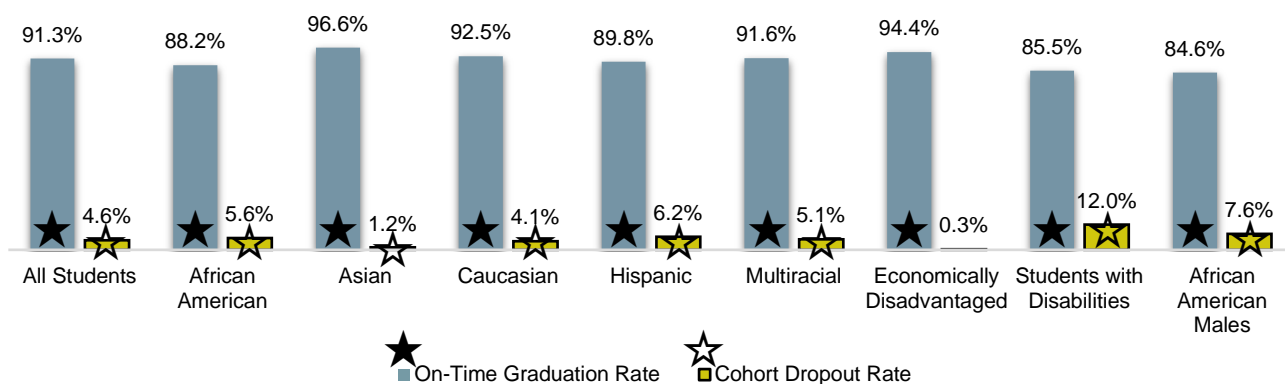
GRADUATION COHORT

Beginning with the students who entered the ninth grade in 2004/05, Virginia began tracking individual students over the four years of a traditional high school career to determine the percentage who graduate on time along with the percentage who drop out of school.

Cohort Dropout Rate (Ninth through 12th Grades)

	2012/13	2013/14	2014/15	2015/16	2016/17
Virginia Beach	4.89%	4.81%	5.27%	4.67%	4.58%
State of Virginia	5.89%	5.41%	5.24%	5.29%	5.80%

Graduation Cohort by Subgroup



SCHOLARSHIPS

The table below shows the dollar value of the scholarships offered and accepted by students in the division. The amount of renewable scholarships is multiplied by four and the dollar value of Reserve Officers' Training Corps (ROTC) and military academy appointments is included. Pell grants, work study and student loans are not included in the reported amounts.

Scholarships Offered and Accepted



GOAL 2: MULTIPLE PATHWAYS

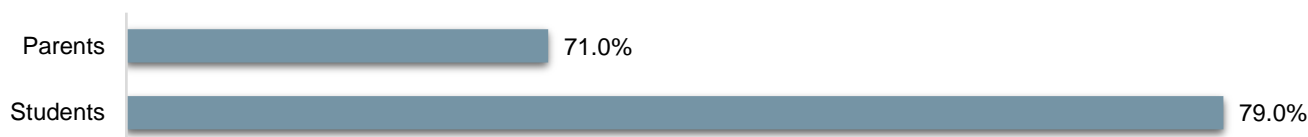
All students will experience personalized learning opportunities to prepare them for postsecondary education, employment or military service.

Indicators will include On-Time Graduation Rates; college-readiness benchmarks such as the American College Test (ACT), SAT, ReadiStep and PSAT; percentage of students passing technical and career education (TCE) certifications and other credentialing assessments; the percentage of students completing internships or cooperative work experiences, enrolling in two- and four-year colleges, being accepted into the military or service academies and receiving ROTC scholarships.

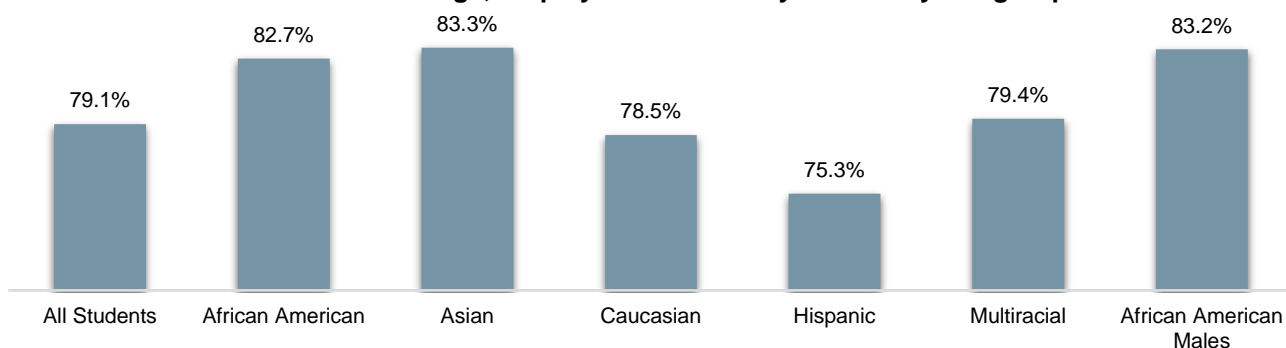
ACADEMIC AND CAREER PLANNING

Beginning in elementary school and continuing through middle and high school, students work with their school counselors to develop an academic and career plan to help them identify the appropriate courses and experiences to pursue to support their future endeavors. The chart below is based on information gathered from the 2015/16 *Compass to 2020* Monitoring Survey administered to students in grades five, eight and 12 and their parents.

Percentage of Students and Parents Reporting That Students' Academic and Career Planning Process Helped Them to Make Informed Decisions about College, Employment or Military Service



Percentage of Students Reporting That Students' Academic and Career Planning Process Helped Them to Make Informed Decisions about College, Employment or Military Service by Subgroup



PERSONALIZED LEARNING

Goal 2 of *Compass to 2020* specifically calls for personalized learning opportunities for students. This means tapping into what is most relevant to students (i.e., goals, strengths, interests and needs) and using this to partner with them in the learning process. The chart below provides student and parent perception data regarding personalized learning opportunities based on information gathered from the 2015/16 *Compass to 2020* Monitoring Survey.

Percentage of Students and Parents Reporting That Students Were Provided With Personalized Learning Opportunities



COLLEGE READINESS BENCHMARKS

College Readiness is assessed within VBCPS through the use of four nationally recognized standardized tests. In Grade 8, all students are administered the PSAT 8/9. In Grade 10, all students are administered the PSAT/NMSQT. Additionally, students have the opportunity to take either the ACT or SAT at any point throughout high school. The SAT suite of tests (PSAT 8/9, PSAT/NMSQT, SAT) report whether a student is on track to pass college courses based on the areas of evidence-based reading and writing and mathematics. The ACT provides similar information for the areas of English, mathematics, reading and science.

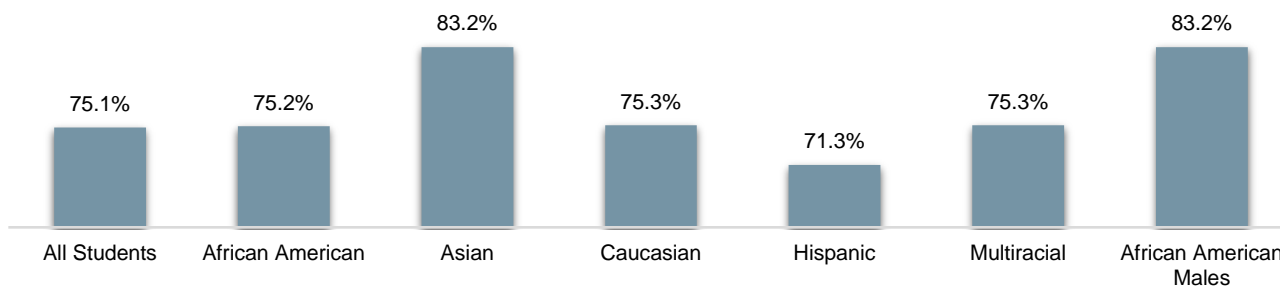
Percentage of Students Meeting College-Readiness Benchmarks on the SAT Suite of Assessments by Subgroup

	Evidence-Based Reading and Writing	Mathematics
All Students	59.8%	39.9%
African American	36.4%	18.0%
Asian	68.8%	56.4%
Caucasian	70.6%	49.1%
Hispanic	54.4%	37.0%
Multiracial	61.5%	38.2%
Economically Disadvantaged	43.5%	24.5%
Students with Disabilities	16.6%	8.6%
African American Males	30.7%	18.4%

Percentage of Students Meeting College-Readiness Benchmarks on the ACT by Subgroup

	English	Mathematics	Reading	Science
All Students	75.3%	55.0%	60.2%	50.1%
African American	43.6%	21.0%	28.4%	18.1%
Asian	82.1%	69.5%	75.8%	67.4%
Caucasian	86.2%	65.8%	70.2%	59.1%
Hispanic	69.9%	48.2%	55.4%	44.6%
Multiracial	67.1%	50.0%	50.0%	50.0%
Economically Disadvantaged	45.6%	28.5%	30.5%	27.2%
Students with Disabilities	21.1%	15.8%	15.8%	0.0%
African American Males	36.4%	23.2%	22.2%	15.2%

Percentage of Students Reporting They Were Provided With Personalized Learning Opportunities



GOAL 3: SOCIAL-EMOTIONAL DEVELOPMENT

All students will benefit from an educational experience that fosters their social and emotional development.

Indicators will include the percentage of students reporting positive relationships with peers and adults and reporting a sense of belonging to their school; the percentage of students/parents reporting a safe and welcoming school environment; and the percentage of students participating in extracurricular activities, clubs, athletics or community service.

SCHOOL CLIMATE

In order to facilitate the best learning environment, schools strive to provide an environment that is safe, orderly and a welcoming place to learn. The charts below provide student and parent perception data regarding VBCPS' learning environment based on information gathered from the 2015/16 *Compass to 2020* Monitoring Survey.

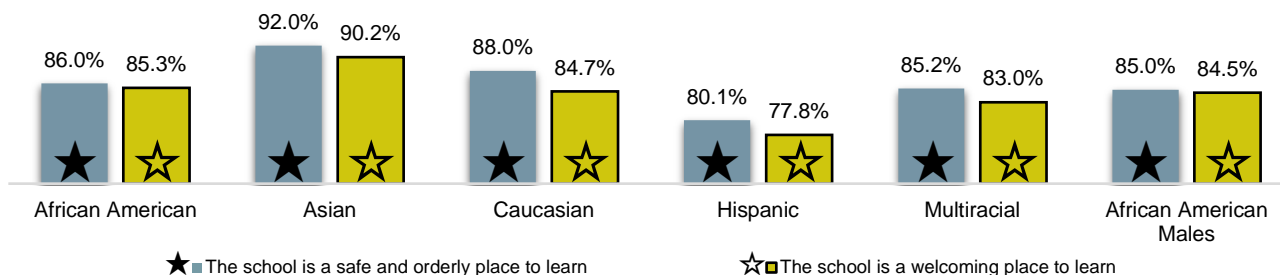
Percentage of Students Reporting the School is a Safe and Orderly Place to Learn



Percentage of Students Reporting the School is a Welcoming Place to Learn



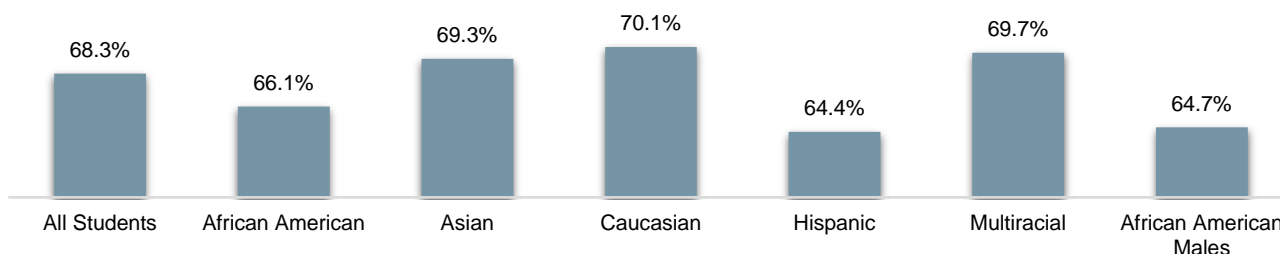
Percentage of Students Reporting the School is a Safe and Orderly Place to Learn and a Welcoming Place to Learn by Subgroup



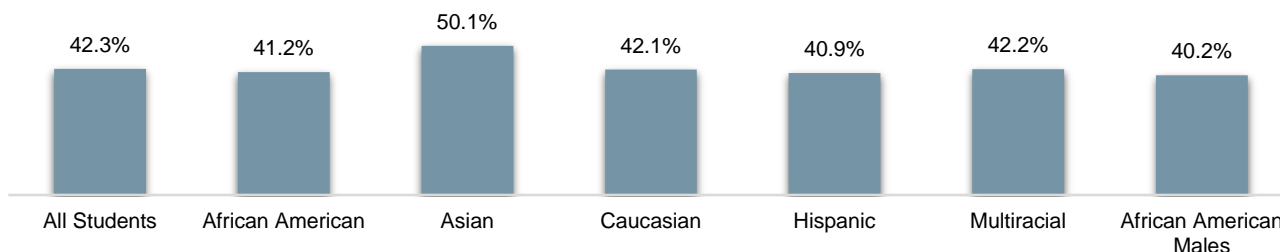
STUDENT PARTICIPATION

In addition to the learning that occurs in the classroom, students are encouraged to participate in activities outside of the classroom to facilitate their own personal growth and development. The charts below display the percentage of students participating in extracurricular activities, clubs, athletics, and community service based on information gathered from the 2015/16 *Compass to 2020* Monitoring Survey.

Percentage of Students Reporting Participation in Extracurricular Activities, Clubs or Athletics by Subgroup



Percentage of Students Reporting Participation in Community Service by Subgroup



GOAL 4: CULTURE OF GROWTH AND EXCELLENCE

VBCPS will be defined by a culture of growth and excellence for students, staff, parents and the community.

- Purposefully Partnering with Parents and the Community - VBCPS will purposefully partner with parents and the community to support student achievement, aspirations and social-emotional development.

Indicators will include attendance at division-sponsored family programs/events; the number and percentage growth of model, comprehensive and resource partnerships; the number of participating members across partnerships; and the percentage of families expressing satisfaction with the programs and resources provided.

PARTNERS AND VOLUNTEERS

The Partners in Education and Volunteers in Education programs support collaborative efforts between schools and the community that promote academic success and personal growth for the division's students. Community partners from businesses, military commands, faith-based groups, and civic organizations and volunteers from the community work with schools to design innovative educational opportunities to meet the unique needs of students and schools. The number of participating partners and volunteers within the division is 50,361.

COMPASS TO 2020 NAVIGATIONAL MARKERS

To chart VBCPS' progress, key measures have been identified for each of the goals outlined in *Compass to 2020*. These indicators serve as “navigational markers” and are reported out at regularly scheduled intervals.

Goal 1: High Academic Expectations						
Navigational Markers		2015-16	2016-17	2017-18	2018-19	2019-20
Percentage of students reading on grade level by the end of grades K-2 as measured by the DRA and grades 3, 6, and 9 as measured by the Reading Inventory (RI)	Kindergarten	92.7%	92.7%			
	Grade 1	80.3%	77.3%			
	Grade 2	75.8%	75.5%			
	Grade 3	76.8%	76.2%			
	Grade 6	67.9%	69.3%			
	Grade 9	80.6%	79.4%			
Percentage of students passing the English, Writing, Mathematics, Science, and Social Studies Standards of Learning (SOL) assessments	English	83.7%	85.7%			
	Writing	78.4%	82.1%			
	Mathematics	83.5%	82.9%			
	Science	85.5%	85.0%			
Percentage of students scoring at the emerging level or higher on the Integrated Performance Task (IPT)	Social Studies	85.5%	86.1%			
	Gr. 4 Critical Thinking	78.9%	70.6%			
	Gr. 4 Problem Solving	95.6%	90.7%			
	Gr. 4 Written Communication	78.9%	70.4%			
	Gr. 7 Critical Thinking	90.6%	81.5%			
	Gr. 7 Problem Solving	94.2%	87.2%			
Percentage of students scoring at the proficient level or higher on the College and Work Readiness Assessment (CWRA+)	Gr. 7 Written Communication	62.7%	58.3%			
Data for this navigational marker will be first reported as part of the Fall 2018 update.						
Percentage of students reporting growth in the areas of literacy, numeracy, and globally competitive skills	Reading	86.8%	86.9%			
	Writing	88.1%	88.2%			
	Mathematics	86.3%	86.3%			
	Critical Thinking	84.8%	84.6%			
	Problem Solving	86.4%	87.1%			
	Communication	81.4%	81.9%			
	Collaboration	83.1%	83.0%			
	Innovation	81.1%	81.0%			
Percentage of secondary students enrolled in rigorous coursework	Advanced Courses in MS	54.8%	56.2%			
	Advanced Courses in HS	56.4%	57.4%			
	AP/IB Courses	34.8%	35.8%			
	Dual Enrollment Courses	8.5%	8.6%			
Percentage of 8th grade students earning high school credit		70.7%	71.2%			
Percentage of students graduating in four years		91.3%	91.9%			
Percentage of students completing Algebra II and passing the SOL by the end of 11th grade		63.6%	65.9%			
Goal 2: Multiple Pathways						
Navigational Markers		2015-16	2016-17	2017-18	2018-19	2019-20
Percentage of students and parents reporting that students were provided with personalized learning opportunities (e.g., opportunities aligned with their needs and interests)	Students	75.1%	67.7%			
	Parents	89.7%	84.6%			
Percentage of students and parents reporting that students' academic/career planning process helped them to make informed decisions about college, employment, or military service	Students	79.1%	75.7%			
	Parents	71.3%	72.9%			
Percentage of students taking advantage of flexible learning opportunities through enrollment in...	Online classes	7.1%	7.6%			
	Distance Learning classes	3.4%	3.0%			
Percentage of 8th grade students meeting college-readiness benchmarks on the PSAT 8/9	Reading and Writing	59.8%	61.4%			
	Mathematics	39.9%	39.1%			
	Both	35.3%	34.9%			
Percentage of 10th grade students meeting college-readiness benchmarks on the PSAT/NMSQT	Reading and Writing	62.5%	62.6%			
	Mathematics	40.2%	38.1%			
	Both	36.0%	35.4%			
Percentage of students meeting college-readiness benchmarks on the SAT	Reading and Writing	83.3%	84.0%			
	Mathematics	55.5%	57.1%			
	Both	54.2%	55.6%			
Percentage of students meeting college-readiness benchmarks on the ACT	English	75.3%	79.1%			
	Mathematics	55.0%	58.1%			
	Reading	60.2%	65.2%			
	Science	50.1%	54.5%			
Percentage of students completing internships, co-operatives, or other specific work experiences facilitated by schools		3.5%	4.4%			
Percentage of recent graduates reporting that their experiences in VBCPS prepared them for postsecondary education or entry into the military or workforce.		78.3%				
Percentage of recent graduates reporting that internships, co-operatives, or job shadowing experiences prepared them for postsecondary education or entry into the military or workforce.		85.5%				
Percentage of graduates enrolling in 2- and 4-year colleges within one year of graduation		Data for this navigational marker will be first reported as part of the Spring 2018 update.				
Percentage of graduates who completed a Career and Technical Education Program.		43.9%	44.9%			
Percentage of graduates accepted/reporting acceptance into the military, service academies, or receiving ROTC scholarships		2.8%	2.6%			

Goal 3: Social-Emotional Development						
Navigational Markers		2015-16	2016-17	2017-18	2018-19	2019-20
Percentage of students reporting positive relationships with peers, teachers, and administrators	Peers	89.0%	87.8%			
	Teachers	89.3%	88.9%			
	Administrators	73.6%	73.9%			
Percentage of students reporting a sense of belonging to their school		74.5%	70.2%			
Percentage of students and parents reporting the school is a safe and orderly place to learn	Students	86.1%	82.7%			
	Parents	92.5%	92.0%			
Percentage of students and parents reporting the school is a welcoming place to learn	Students	83.9%	80.9%			
	Parents	92.0%	88.5%			
Percentage of students reporting participation in extracurricular activities, clubs, or athletics		68.3%	68.2%			
Percentage of students reporting participation in community service		42.3%	40.3%			
Percentage of students without excessive unexcused/unverified absences		81.0%	79.4%			
Percentage of students with no discipline infractions		84.9%	85.4%			
Goal 4a: Placing a Premium on High-Quality Staff						
Navigational Markers		2015-16	2016-17	2017-18	2018-19	2019-20
Ranking of VBCPS salary for teachers compared to 6 surrounding divisions (total of 7 divisions)	New Hires	2	1			
	5 Years of Experience	2	1			
	10 Years of Experience	3	3			
	15 Years of Experience	2	1			
	20 Years of Experience	1	1			
	25 Years of Experience	2	1			
	30 Years of Experience	1	1			
Ranking of VBCPS health benefits package for all employees compared to 6 surrounding divisions (total of 7 divisions)	Monthly Premium for Employee Only Plan	6	6			
	Monthly Premium for Family Plan	7	7			
	Deductible for Employee Only Plan	6	7			
	Deductible for Family Plan	7	7			
Percentage of teachers receiving an overall summative rating of proficient or exemplary		98.1%	97.4%			
Number of teachers with National Board Certification		141	122			
Number of teachers with the division designation of career teacher		1214	1248			
Percentage of instructional, administrative, and certified staff with graduate degrees		59.8%	59.5%			
Percentage of staff reporting that their opportunities for professional learning are appropriate to meet their needs		78.4%	85.8%			
Percentage of staff reporting that the school division offers flexible opportunities for professional learning		80.7%	87.6%			
Number of teachers and administrators who report leaving VBCPS to work in other school divisions	Teachers	15				
	Administrators	0				
Number of teachers and administrators who are hired with experience in other school divisions	Teachers	160	309			
	Administrators	15	6			
Percentage of staff reporting high levels of job satisfaction		85.9%	89.2%			
Goal 4b: Purposefully Partnering with Parents and the Community						
Navigational Markers		2015-16	2016-17	2017-18	2018-19	2019-20
Percentage of families expressing satisfaction with events, programs, and resources provided for parents to support students		88.3%	91.2%			
Attendance at division-sponsored family programming events		57.6%	58.9%			
Number of partnerships	Total	1630	2164			
	Model	14	6			
Number of participating partners and volunteers		0	21885			
Percentage of partners and schools expressing satisfaction with the partnership relationships	Partners	91.4%	93.1%			
	Schools	99	92			
Percentage of partners willing to continue as partners		98.7%	100.0%			

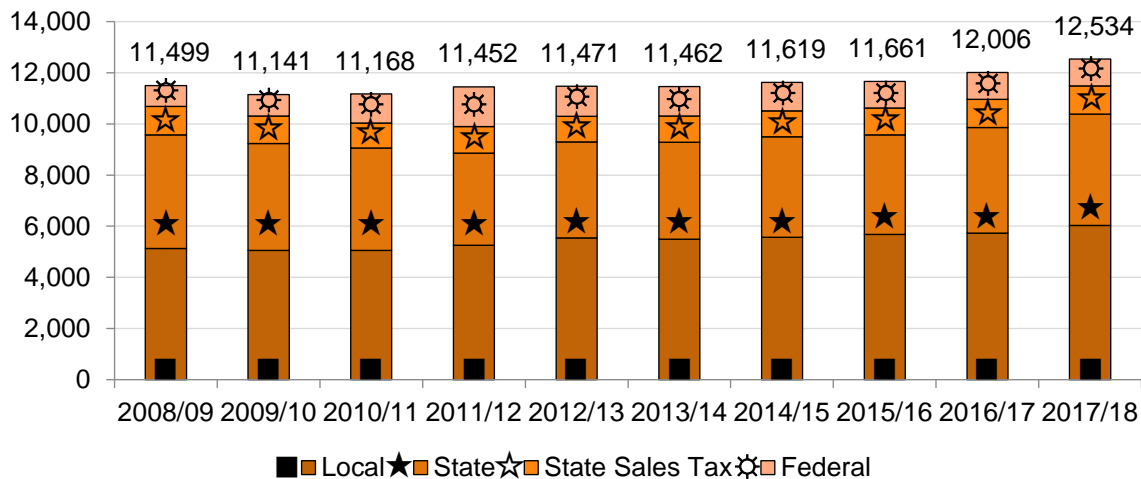
Operating Costs of Average Daily Membership

State K-12 SOQ spending in school divisions is driven by the number of students and local ability to pay. The 2016/17 actual Sept. 30 student membership for K-12 was 67,323. This amount is 688 students, or 1.01 percent, below student membership from the same period in 2015/16.

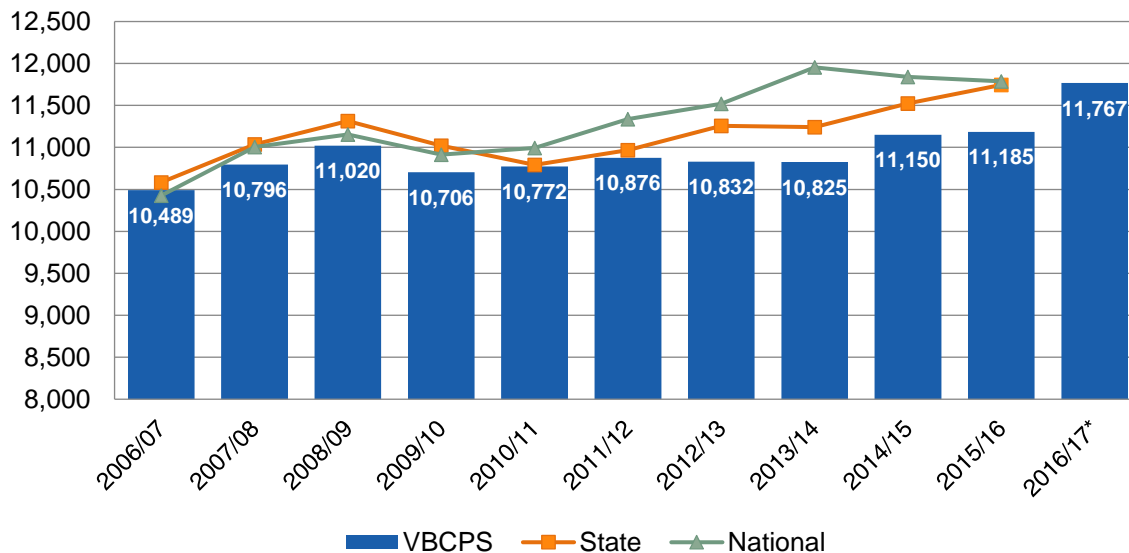
The FY 2017/18 School Operating budget was developed using a student membership projection of 66,920. This is slightly higher than the average daily membership (ADM) of 66,714.55 used in the development of the Governor's 2016-2018 Introduced Budget Amendments.

BUDGETED EXPENDITURES PER PUPIL

Budgeted Average Per Pupil Expenditures Comparison



VBCPS Average Per Pupil Expenditures Compared with State and National Data



* Estimated expenditures for FY 2016/17; all other figures represent actual data.

Sources: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017; Joint Legislative Audit and Review Commission Reference Guide, Virginia Compared to the Other States; and Education Week Research Center, Quality Counts report

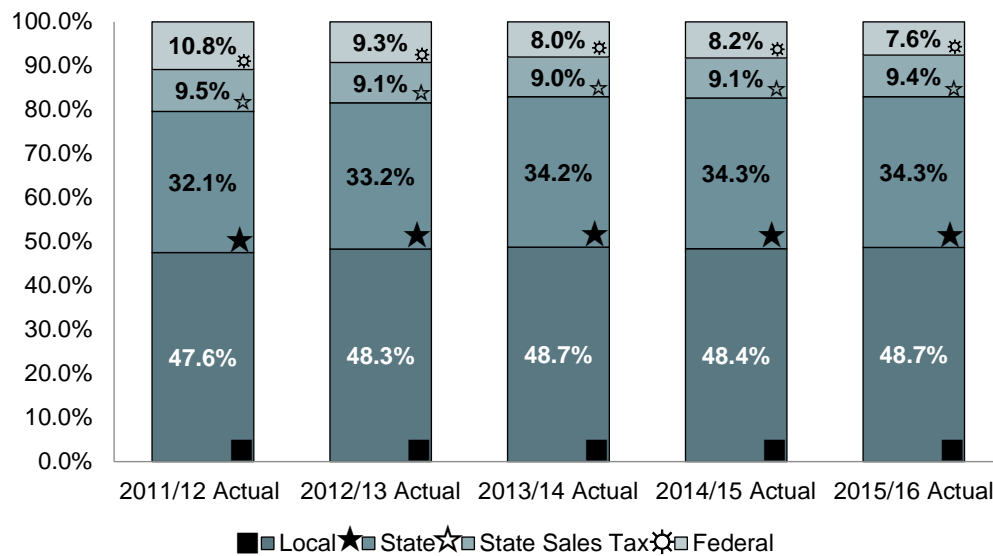
Actual Average Per Pupil Expenditures Comparison

Average Per Pupil Total Expenditures for Operations	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual
Virginia Beach Cost Per Pupil	10,876	10,832	10,825	11,150	11,185
State Cost Per Pupil	10,969	11,257	11,242	11,523	11,745
ADM for Determining Cost Per Pupil	69,856	69,512	69,441	69,242	68,888

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

According to a report on state education spending released by the Joint Legislative Audit and Review Commission, the Commonwealth of Virginia spent about \$5.66 billion on SOQ programs in FY 2014/15. This equated to about \$4,580, on average, for each of the 1.24 million elementary and secondary school students in Virginia.

VBCPS Average Per Pupil Expenditures by Funding Source



Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

Personnel Resource Allocations

STAFFING ALLOCATION SUMMARY

As one of the largest employers in Hampton Roads, VBCPS staffs over 14,500 full-time, part-time, temporary and substitute positions.

STAFFING HIGHLIGHTS

For FY 2017/18, VBCPS expects to employ a total of 10,192.77 FTE positions, an increase of 37.95 from the FY 2016/17 budget.

GENERAL FUND

Allocations in the School Operating budget are up by a net of 28.35 FTEs from the previous budget year. The FY 2017/18 budget reflects considerable increases in revenue at the state and local levels, supporting a continued trend to reverse the impact of significant budget cuts sustained over the last several years. Combined with efforts to reprioritize and reallocate existing personnel resources, the current School Operating budget includes funds for positive adjustments across three categories offset by a reduction in FTEs in operations and maintenance.

- As a result of declining enrollment projections, 50.3 instructional FTE positions will be reduced across all grade levels for FY 2017/18. The loss of these positions will be addressed through attrition. The reduction saves the division over \$3.5 million.
- In recent years, VBCPS has reluctantly increased class size as a strategy to balance substantial budget shortfalls. As an effort to begin to reverse this trend, the FY 2017/18 budget includes approximately \$3 million to fund 40.0 additional teaching positions to reduce class size at the secondary level.
- Additional revenue from the city to support a multi-year phased implementation of full-day kindergarten for all eligible students will allow the division to add 15.0 FTE teachers and 15.0 FTE teacher assistant positions in FY 2017/18 for the first year of the expansion.
- In addition to changes directly impacting the classroom, other areas in the instructional category will be affected by modifications to staffing and position management for FY 2017/18. A total of 4.0 psychologist FTE positions will be shifted from grant funding to the local operating budget; 2.0 FTE social workers will be added for Student Response Teams in support of the division's strategic plan; and a new position is being budgeted to support the Communities in Schools initiative.
- VBCPS staffs instructional technology specialists (ITS) assigned to schools to serve as technology program managers, instructional technology leaders and instructional technology partners/coaches for teachers across all content areas. The FY 2017/18 budget includes funding for 6.0 additional ITS positions to address staffing shortages at the elementary and middle school levels at a cost to the division of a little more than \$500,000. Along with the instructional and technology category adjustments, a 0.5 FTE clinic assistant position was added in the administration, attendance and health category.
- A net of 17.0 positions were reduced in the operations and maintenance category, primarily as a result of an administrative change to the Staffing Standards and Guidelines for FY 2017/18 that will adjust the square footage used to determine the ratio of custodian allocations per school. A total of 20.0 FTE positions were removed from the budget for custodial services based on the revised standards. The changes in this category also reflect a reorganization that moved 3.0 FTEs from the Risk Management fund to the Safety and Loss Control budget unit within operations and maintenance.
- GRC charter school completed the final year of a phased-in implementation during FY 2016/17 and is serving 9th through 12th grade students. No additional staffing allocations are required for FY 2017/18.

CATEGORICAL GRANTS AND OTHER FUNDS

Budgeted positions in the Categorical Grants and Other funds are increasing by a net of 9.6 FTEs. There are several factors contributing to the changes in special revenue funds.

- In the Cafeterias fund, 5.0 FTE assistant cafeteria manager positions will be added to augment support staff for school food services and operate as floaters throughout the division's 86 schools and centers to support the needs of students. The salary and benefit costs are projected to be approximately \$164,000.
- Although FTE positions will be added to two federal grants, a total of 11.4 FTEs are being removed from several other grants, including 4.0 psychologist positions that will be shifting from grant funding to the local operating budget for FY 2017/18. State funds made available through the VPI grant will be used to add 6.0 FTE teachers and 6.0 FTE teacher assistant positions in FY 2017/18 for the first year of the pre-kindergarten expansion. The School Operating budget will provide additional local match funding to

begin expanding the program, maximize accessibility to state funds and increase the number of at-risk students served in the division's preschool program from 704 to 1,154 students by FY 2021/22.

- As part of a reorganization plan, 3.0 FTE positions were moved from the Risk Management fund to the School Operating budget within the operations and maintenance category.

BUDGETED POSITION COMPARISONS

The table below provides historical FTE staffing information and illustrates the net position changes from FY 2013/14 to FY 2017/18 organized by funding source and category. Additional tables that follow show detailed staffing comparisons.

Budgeted Positions for All School Board Funds

	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
<i>General Fund</i>						
Fund 115 - School Operating						
Instruction	6,848.10	6,911.40	6,736.60	6,800.00	6,838.85	38.85
Administration, Attendance and Health	278.80	280.80	276.80	279.80	280.30	0.50
Pupil Transportation	667.13	667.13	666.13	675.13	675.13	-
Operations and Maintenance	1,146.50	1,159.50	1,169.50	1,169.50	1,152.50	(17.00)
Technology	188.00	188.00	170.00	176.00	182.00	6.00
School Operating Fund Total	9,128.53	9,206.83	9,019.03	9,100.43	9,128.78	28.35
Fund 104 – Green Run Collegiate	-	24.80	32.90	39.30	39.30	-
General Fund Total	9,128.53	9,231.63	9,051.93	9,139.73	9,168.08	28.35
<i>Categorical Grants and Other Funds</i>						
Fund 114 – Cafeterias	492.89	490.89	490.89	490.89	495.89	5.00
Fund 116 – Categorical Grants	563.50	484.50	478.50	509.20	516.80	7.60
Fund 117 – Textbooks	1.50	1.50	1.50	1.50	1.50	-
Fund 614 – Risk Management	5.00	5.00	5.00	7.00	4.00	(3.00)
Funds 615/617 – Health Insurance	6.50	6.50	6.50	6.50	6.50	-
Other Funds Total	1,069.39	988.39	982.39	1,015.09	1,024.69	9.60
TOTAL BUDGET	10,197.92	10,220.02	10,034.32	10,154.82	10,192.77	37.95

General Fund Budgeted Positions

	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	
	Budget	Budget	Budget	Budget	Approved	Variance
50100 Elementary Classroom	2,084.60	2,162.90	2,049.90	2,038.70	2,044.40	5.70
50200 Senior High Classroom	982.60	985.80	926.60	937.00	940.00	3.00
50300 Technical and Career Education	211.45	216.35	216.35	219.35	220.35	1.00
50400 Gifted Education and Academy Programs	156.00	157.00	157.50	159.20	162.20	3.00
50500 Special Education	1,178.00	1,178.00	1,177.60	1,192.40	1,195.40	3.00
50700 General Adult Education	20.00	20.00	20.00	20.00	20.00	-
50800 Alternative Education - Renaissance	96.60	93.60	92.60	92.60	93.60	1.00
50900 Student Activities	30.50	30.50	30.50	31.00	31.00	-
51000 Office of the Principal - Elementary	336.00	336.00	332.00	335.00	335.00	-
51100 Office of the Principal - Senior High	122.00	127.00	137.00	141.00	142.00	1.00
51200 Office of the Principal - Technical and Career Education	7.00	7.00	8.00	8.00	8.00	-
51300 Guidance Services	209.60	206.60	205.20	210.40	211.40	1.00
51400 Social Work Services	31.00	31.00	31.00	34.00	36.00	2.00
51500 Media and Communications	15.00	15.00	15.00	18.00	18.00	-
51700 Teaching and Learning Support	51.00	47.00	47.00	53.00	54.00	1.00
51710 Instructional Professional Growth and Innovation	8.00	8.00	8.00	6.00	6.00	-
51800 Special Education Support	32.00	32.00	32.00	36.00	36.00	-
51900 Gifted Education and Academy Programs Support	20.00	20.00	20.00	19.00	19.00	-
52000 Media Services Support	196.50	196.50	196.50	195.50	195.50	-
52100 Planning, Innovation, and Accountability	19.00	19.00	18.00	17.00	17.00	-
52200 Middle School Classroom	740.75	753.65	724.85	733.85	747.00	13.15
52300 Remedial Education	106.50	70.50	73.00	75.00	76.00	1.00
52400 Office of the Principal - Middle Schools	112.00	112.00	130.00	134.00	134.00	-
52500 Homebound Services	1.00	1.00	1.00	1.00	1.00	-
52600 Technical and Career Education Support	9.00	9.00	9.00	9.00	9.00	-
52700 Student Leadership	7.00	9.00	9.00	9.00	9.00	-
52800 Psychological Services	38.00	38.00	38.00	44.00	48.00	4.00
52900 Audiological Services	4.00	4.00	4.00	4.00	4.00	-
53100 School Leadership	8.00	10.00	11.00	11.00	11.00	-
53200 Alternative Education	15.00	15.00	16.00	16.00	15.00	(1.00)
Instruction Total	6,848.10	6,911.40	6,736.60	6,800.00	6,838.85	38.85
54100 Board, Legal, and Governmental Services	12.00	12.00	12.00	12.00	12.00	-
54200 Office of the Superintendent	7.00	8.50	5.50	5.00	5.00	-
54300 Budget and Finance	43.00	43.00	43.00	44.00	44.00	-
54400 Human Resources	47.30	47.30	46.30	44.30	44.30	-
54500 Internal Audit	4.00	4.00	4.00	4.00	4.00	-
54600 Purchasing Services	13.00	13.00	12.00	12.00	12.00	-
54700 Professional Growth and Innovation	6.00	5.50	5.50	8.00	8.00	-
55000 Benefits	15.50	16.50	16.50	17.50	17.50	-
55200 Health Services	131.00	131.00	132.00	133.00	133.50	0.50
Administration, Attendance and Health Total	278.80	280.80	276.80	279.80	280.30	0.50
56100 Management	27.00	27.00	27.00	27.00	27.00	-
56200 Vehicle Operations	354.69	354.69	353.69	362.69	362.69	-
56250 Vehicle Operations - Special Education	122.56	122.56	122.56	122.56	122.56	-
56300 Vehicle Maintenance	56.00	56.00	56.00	56.00	56.00	-
56400 Monitoring Services	106.88	106.88	106.88	106.88	106.88	-
Pupil Transportation Total	667.13	667.13	666.13	675.13	675.13	-
57100 Facilities Planning and Construction	6.00	6.00	6.00	7.00	6.00	(1.00)
57200 School Plant	197.00	197.00	197.00	198.00	199.00	1.00
57300 Distribution Services	23.50	23.50	22.50	22.50	22.50	-
57500 Custodial Services	716.00	728.00	738.00	737.00	717.00	(20.00)
58100 Safety and Loss Control	197.00	198.00	199.00	199.00	202.00	3.00
58200 Vehicle Services	4.00	4.00	4.00	4.00	4.00	-
58300 Telecommunications	3.00	3.00	3.00	2.00	2.00	-
Operations and Maintenance Total	1,146.50	1,159.50	1,169.50	1,169.50	1,152.50	(17.00)
61600 Instructional Technology	110.00	110.00	92.00	93.00	99.00	6.00
64900 Office of Technology	7.00	7.00	6.00	6.00	6.00	-
68400 Technology Maintenance	71.00	71.00	72.00	77.00	77.00	-
Technology Total	188.00	188.00	170.00	176.00	182.00	6.00
School Operating Fund Total	9,128.53	9,206.83	9,019.03	9,100.43	9,128.78	28.35
Green Run Collegiate Instruction	-	24.80	32.90	39.30	39.30	-
Green Run Collegiate Administration, Attendance and Health	-	-	-	-	-	-
Green Run Collegiate Pupil Transportation	-	-	-	-	-	-
Green Run Collegiate Operations and Maintenance	-	-	-	-	-	-
Green Run Collegiate Technology	-	-	-	-	-	-
Green Run Collegiate Fund Total	-	24.80	32.90	39.30	39.30	-
General Fund Total	9,128.53	9,231.63	9,051.93	9,139.73	9,168.08	28.35

Note: The General fund is used to account for the financial activities of the School Operating fund 115 and GRC charter school fund 104. Fiscal year 2013/14 was the first year of operation for GRC charter school.

General Fund Budgeted Positions by Employee Group

	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Approved	Variance
<i>General Fund</i>					
Fund 115 - School Operating					
Assistant Principal	129.00	127.00	128.00	128.00	0.00
Bus Assistants	106.88	106.88	106.88	106.88	0.00
Bus Drivers	473.75	472.25	481.25	481.25	0.00
Clinic Assistants	38.00	38.00	40.00	40.50	0.50
Coordinator Administration	46.00	46.00	46.00	47.00	1.00
Coordinator Instruction	69.00	66.00	72.00	74.00	2.00
Custodians	722.00	731.00	730.00	710.00	(20.00)
Directors	34.00	33.00	36.00	36.00	0.00
Executives	11.00	11.00	12.00	12.00	0.00
Instructional Support	933.40	908.90	911.40	920.90	9.50
Interns	5.00	5.00	8.00	8.00	0.00
Interpreters	32.20	32.20	32.20	32.20	0.00
Maintenance	177.00	177.00	179.00	179.00	0.00
Mechanics	50.00	50.00	50.00	50.00	0.00
Nurses	91.00	91.00	91.00	91.00	0.00
Occupational/Physical Therapists	39.20	38.20	26.20	26.20	0.00
Paraprofessionals	37.00	37.00	37.00	37.00	0.00
Principals	81.00	81.00	81.00	81.00	0.00
Professional Staff	55.00	54.00	55.00	58.00	3.00
Professional Support	585.90	525.40	527.40	528.40	1.00
School Board	11.00	11.00	11.00	11.00	0.00
Security	197.00	200.00	200.00	200.00	0.00
Specialists	194.50	197.50	207.00	213.00	6.00
Superintendent	1.00	1.00	1.00	1.00	0.00
Supply	27.50	26.50	26.50	26.50	0.00
Teachers	4,980.90	4,790.60	4,833.00	4,860.35	27.35
Technical Staff	73.00	156.00	166.00	164.00	(2.00)
Travel Bell	5.60	5.60	5.60	5.60	0.00
School Operating Fund Total	9,206.83	9,019.03	9,100.43	9,128.78	28.35
Fund 104 - Green Run Collegiate					
Coordinator Instruction	0.00	1.00	1.00	1.00	0.00
Instructional Support	1.00	1.00	1.00	1.00	0.00
Principals	1.00	1.00	1.00	1.00	0.00
Professional Support	2.00	2.00	2.00	2.00	0.00
Specialists	1.00	0.00	0.00	0.00	0.00
Teachers	19.80	27.90	34.30	34.30	0.00
Green Run Collegiate Fund Total	24.80	32.90	39.30	39.30	0.00
General Fund Total	9,231.63	9,051.93	9,139.73	9,168.08	28.35

Categorical Grants and Other Funds Budgeted Positions

	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Budget	FY 2017/18 Approved	Variance
Adult Basic Education Funds	5.00	5.00	5.00	5.00	5.00	-
DoDEA MCASP	3.50	4.00	-	-	-	-
DoDEA MCASP Operation GRIT	-	-	-	-	1.00	1.00
DoDEA MCASP Operation Pride	-	3.00	3.00	2.00	-	(2.00)
DoDEA SFLEP	1.00	2.00	-	-	-	-
DoDEA Special Education	-	-	1.00	1.00	1.00	-
MTSS-B Impact Evaluation Study	-	-	-	1.20	-	(1.20)
Preschool Incentive	5.00	5.00	5.00	5.00	4.00	(1.00)
Title I, Part A	123.00	118.00	116.00	122.00	128.00	6.00
Title I, Part D - Subpart 1	0.50	0.50	-	-	-	-
Title I, Part D - Subpart 2	1.00	1.00	1.00	1.00	1.00	-
Title II, Part A	28.00	24.50	26.00	24.00	24.00	-
Title III, Part A - Language Acquisition	1.00	1.00	1.00	1.00	1.00	-
Title VI, Part B (IDEA)	381.50	306.50	306.50	253.00	245.80	(7.20)
Federal Grants Total	549.50	470.50	464.50	415.20	410.80	(4.40)
Early Intervention Reading Initiative (PALS)	1.00	1.00	1.00	1.00	1.00	-
Jail Education Program	1.00	1.00	1.00	1.00	1.00	-
Juvenile Detention Home	11.00	11.00	11.00	11.00	11.00	-
VA Initiative for At-Risk Four-Year-Olds	-	-	-	80.00	92.00	12.00
State Grants Total	13.00	13.00	13.00	93.00	105.00	12.00
Opportunity, Inc. - STEM	1.00	1.00	1.00	1.00	1.00	-
Local Grants Total	1.00	1.00	1.00	1.00	1.00	-
Categorical Grants Total	563.50	484.50	478.50	509.20	516.80	7.60
Cafeterias	492.89	490.89	490.89	490.89	495.89	5.00
Health Insurance	6.50	6.50	6.50	6.50	6.50	-
Risk Management	5.00	5.00	5.00	7.00	4.00	(3.00)
Textbooks	1.50	1.50	1.50	1.50	1.50	-
Other Funds Total	505.89	503.89	503.89	505.89	507.89	2.00
Categorical Grants and Other Funds Total	1,069.39	988.39	982.39	1,015.09	1,024.69	9.60

Categorical Grants and Other Funds Budgeted Positions by Employee Group

	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Approved	Variance
<i>Categorical Grants and Other Funds</i>					
Fund 114 - Cafeterias					
Cafeterias Staff	474.89	474.89	474.89	479.89	5.00
Directors	1.00	1.00	1.00	1.00	0.00
Professional Staff	9.00	9.00	9.00	9.00	0.00
Professional Support	6.00	6.00	6.00	6.00	0.00
Cafeterias Fund Total	490.89	490.89	490.89	495.89	5.00
Fund 116 - Categorical Grants					
Coordinator Administration	2.00	2.00	1.00	1.00	0.00
Coordinator Instruction	5.00	5.00	1.00	0.00	(1.00)
Directors	0.00	0.00	0.00	1.00	1.00
Instructional Support	179.00	177.00	196.50	198.50	2.00
Principals	1.00	1.00	1.00	1.00	0.00
Professional Staff	1.00	1.00	1.00	1.00	0.00
Professional Support	4.00	3.00	2.00	2.00	0.00
Specialists	26.50	25.50	21.70	15.50	(6.20)
Teachers	266.00	264.00	285.00	296.80	11.80
Categorical Grants Fund Total	484.50	478.50	509.20	516.80	7.60

Categorical Grants and Other Funds Budgeted Positions by Employee Group (continued)

	2014/15 Budget	2015/16 Budget	2016/17 Budget	2017/18 Approved	Variance
<i>Categorical Grants and Other Funds</i>					
Fund 117 - Textbooks					
Supply Staff	1.50	1.50	1.50	1.50	0.00
Textbooks Fund Total	1.50	1.50	1.50	1.50	0.00
Fund 614 - Risk Management					
Directors	1.00	1.00	1.00	0.00	(1.00)
Professional Staff	1.00	1.00	3.00	2.00	(1.00)
Professional Support	3.00	3.00	3.00	2.00	(1.00)
Risk Management Fund Total	5.00	5.00	7.00	4.00	(3.00)
Funds 615/617 - Health Insurance					
Coordinator Administration	0.00	0.00	0.00	1.00	1.00
Professional Staff	3.00	3.00	3.00	2.00	(1.00)
Professional Support	3.50	3.50	3.50	3.50	0.00
Health Insurance Fund Total	6.50	6.50	6.50	6.50	0.00
Other Funds Total	988.39	982.39	1,015.09	1,024.69	9.60
Total Budget	10,220.02	10,034.32	10,155.82	10,192.77	36.95

ACTUAL ALLOCATED POSITIONS COMPARISON

VBCPS reports multiple years of actual position data as a federal requirement of the Equal Employment Opportunity Commission (EEOC). The FTE figures presented below cover the payroll period closest to Oct. 1 of the reporting year. Employee groups and classifications defined by the EEOC differ from those VBCPS uses internally for budget development and staffing, making it impractical to compare the two sets of data.

Prior Years' Actual Allocated FTE Positions by Employee Group

Employee Groups	2011/12 Actual	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual
Full-Time Staff					
Office/Admin/Managers	40.00	43.00	43.00	44.00	47.00
Principals	86.00	87.00	87.00	86.00	87.00
Assistant Principals	150.00	147.00	153.00	152.00	157.00
Elementary Classroom Teachers	2,101.00	2,068.00	2,108.00	2,059.00	2,096.00
Secondary Classroom Teachers	2,395.00	2,353.00	2,359.00	2,304.00	2,298.00
Other Classroom Teachers	334.00	316.00	318.00	302.00	297.00
Guidance	174.00	175.00	174.00	171.00	176.00
Psychological	83.00	75.00	75.00	77.00	76.00
Librarians/AV	105.00	106.00	106.00	105.00	106.00
Supervisory	82.00	83.00	90.00	84.00	86.00
Other Professionals	375.00	371.00	378.00	371.00	380.00
Teacher Aides	1,126.00	1,121.00	1,113.00	1,100.00	1,127.00
Technicians	108.00	111.00	111.00	197.00	203.00
Clerical/Secretarial	584.00	578.00	596.00	534.00	530.00
Service Workers	1,092.00	1,072.00	1,058.00	1,058.00	1,061.00
Skilled Crafts	238.00	234.00	234.00	229.00	232.00
Total Full-Time Staff	9,073.00	8,940.00	9,003.00	8,873.00	8,959.00
Part-Time Staff					
Professional/Instructional	193.00	170.00	153.00	138.00	142.00
Other	1,082.00	1,073.00	1,095.00	1,079.00	1,050.00
Total Part-Time Staff	1,275.00	1,243.00	1,248.00	1,217.00	1,192.00

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017

STAFF DEMOGRAPHICS AND CHARACTERISTICS

As one of the largest employers in Hampton Roads, VBCPS staffs over 14,500 full-time, part-time, temporary and substitute positions. Of more than 9,000 FTE allocated positions in the School Operating fund, nearly 75 percent are categorized as instructional.

Instructional Staff Characteristics

Elementary School Instructional Staff	2012/13	2013/14	2014/15	2015/16	2016/17
Female	92.6%	93.0%	93.0%	93.0%	92.7%
Male	7.4%	7.0%	7.0%	7.0%	7.3%
Average years of teaching experience	14.8	14.9	14.8	14.8	14.8
Percentage new to the system	6.7%	4.7%	8.4%	5.2%	5.2%

Middle School Instructional Staff	2012/13	2013/14	2014/15	2015/16	2016/17
Female	76.5%	76.4%	75.5%	77.0%	74.6%
Male	23.5%	23.6%	24.5%	23.0%	25.4%
Average years of teaching experience	15.1	14.7	14.3	14.7	14.7
Percentage new to the system	7.3%	6.0%	7.0%	5.1%	5.1%

High School Instructional Staff	2012/13	2013/14	2014/15	2015/16	2016/17
Female	65.6%	65.7%	66.1%	66.5%	67.9%
Male	34.4%	34.3%	33.9%	33.5%	32.1%
Average years of teaching experience	15.0	14.7	14.6	14.9	15.5
Percentage new to the system	3.9%	4.0%	6.7%	5.3%	5.2%

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

Instructional Staff by Ethnic Group

	2013/14	2014/15	2015/16	2016/17
Caucasian	74.19%	73.72%	73.52%	72.70%
African American	18.87%	18.81%	18.77%	19.09%
Asian	3.81%	3.60%	3.72%	3.87%
Hispanic/Latino	2.63%	2.83%	2.85%	3.07%
Multiracial	-	0.50%	0.58%	0.75%
American Indian	0.50%	0.50%	0.50%	0.48%
Hawaiian/Pacific Islander	-	-	0.06%	0.07%
Number of Teachers	5,213	5,248	5,115	5,150

AVERAGE TEACHER SALARIES

At a presentation to the School Board on Dec. 6, 2016, staff from the Department of Human Resources outlined how Virginia Beach ranks in the Hampton Roads region when examining teacher salaries. VBCPS ranks No. 1 in the region for entry-level compensation (up from No. 2 in 2015/16) and No. 1 in the region when teachers reach five years of experience (up from No. 2 in 2015/16).

2016/17 Teacher Salary Comparisons

Experience	Entry Level	5 Years	10 Years	15 Years	20 Years	25 Years	30 Years
Virginia Beach	1 44,025	1 45,328	3 47,521	1 52,857	1 58,195	1 63,533	1 68,869
Chesapeake	5 42,465	3 44,949	2 47,726	2 52,304	2 57,749	2 63,148	2 66,336
Suffolk	6 40,677	7 41,495	6 45,988	4 50,577	4 55,784	4 60,095	4 65,338
Portsmouth	2 43,622	2 45,147	4 47,382	3 51,447	3 55,861	3 60,618	5 62,623
Hampton	3 42,700	5 43,729	7 45,311	7 47,104	7 50,363	7 53,052	7 58,569
Newport News	4 42,600	4 44,773	5 47,057	5 49,826	6 52,757	6 56,639	6 61,016
Norfolk	2 43,622	6 44,242	1 47,894	6 49,822	5 53,388	5 56,648	3 65,655

Source: VBCPS Department of Human Resources

STAFFING PROCESS AND TIMELINE

The allocations of instructional personnel in Virginia Beach are based on guidelines that meet or exceed the SOQ, the accreditation requirements of Virginia and core class size caps as adopted by the School Board. All staffing projections are done on a school-by-school basis. The number of classroom teachers and many other positions provided at each school is based on specific staffing formulas for each program level. For instance, the number of classroom teachers assigned to an elementary school is determined by the number of students based on a pupil-teacher ratio. At the secondary level, class size is influenced by the number of students and class schedules. The complete VBCPS Staffing Standards and Guidelines are included in the Appendix of this document.

Elementary Ratio of Students to Teaching/Instructional Personnel

Fiscal Year	Teaching Positions	End-of-Year Membership K-7	VBCPS Elementary Student/Teacher Ratio	State Average Elementary Student/Teacher Ratio
2012/13	2,814	42,217	15	13.3
2013/14	2,714	42,156	15.5	13.2
2014/15	2,789	41,896	15.0	13.2
2015/16	2,897	41,668	14.4	13.0
2016/17	-	-	-	-

Secondary Ratio of Students to Teaching/Instructional Personnel

Fiscal Year	Teaching Positions	End-of-Year Membership 8-12	VBCPS Secondary Student/Teacher Ratio	State Average Secondary Student/Teacher Ratio
2012/13	1,976	26,082	13.2	12.2
2013/14	1,924	26,088	13.6	12.4
2014/15	1,942	26,141	13.5	12.5
2015/16	2,003	25,926	12.9	12.5
2016/17	-	-	-	-

- Not Available (officially published by the Virginia Department of Education)

Note: These tables represent student teacher ratios based on End-of-Year Average Daily Membership to full-time equivalent teaching positions, excluding special education teachers, principals, assistant principals, guidance counselors and librarians.

Source: Superintendent's Annual Report for Virginia, Ratio of Pupil to Classroom Teacher Positions - Regular Day School

Acronym Index

A

AAL - Actual Accrued Liability
ACA - Affordable Care Act
ACT - American College Test
ADA - Average Daily Attendance
ADM - Average Daily Membership
ADR - Average Daily Rate
ALC - Adult Learning Center
AMO - Annual Measurable Objectives
AP - Advanced Placement
ASR - Annual School Report
ATC - Advanced Technology Center
AV - Audio Visual
AVID - Advancement Via Individual Determination
AYP - Adequate Yearly Progress

B

BEAR - Be a Reader
BPOL - Business Permit and Occupational License
BYOD - Bring Your Own Device

C

CAFR - Comprehensive Annual Financial Report
CCI - Consumer Confidence Index
CCLC - Century Community Learning Centers
CFO - Chief Financial Officer
CIA - Certified Internal Auditor
CIP - Capital Improvement Program
COLA - Cost-of-Living Adjustment
CPA - Certified Public Accountant
CPI - Consumer Price Index
CPI-U - Consumer Price Index for all Urban Consumers
CTE - Career and Technical Education
CWRA+ - College and Work Readiness Assessment

D

DECA - Distributive Education Clubs of America
DMV - Department of Motor Vehicles
DOD - Department of Defense
DoDEA - Department of Defense Education Activity

E

EBA - Entrepreneurship and Business Academy
EDIP - Economic Development Investment Program
EDK - Extended Day Kindergarten
EEOC - Equal Employment Opportunity Commission
EMT - Emergency Medical Technician
EOY - End of Year
ESEA - Elementary and Secondary Education Act of 1965

ESL - English as a Second Language
ESOL - English for Speakers of Other Languages

F

FICA - Federal Insurance Contributions Act
FTE - Full Time Equivalent
FY - Fiscal Year

G

GAAP - Generally Accepted Accounting Principals
GASB - Governmental Accounting Standards Board
GCI - Graduation and Completion Index
GDP - Gross Domestic Product
GED - General Education Development
GIS - Geographic Information System
GO - General Obligation
GOPI - General Obligation Public Improvement
GRC - Green Run Collegiate

H

HHFKA - Healthy Hunger-Free Kids Act

I

IB - International Baccalaureate
IBCC - International Baccalaureate Career-related Certificate
ICTC - ITC Company
IDEA - Individuals with Disabilities Education Act
IEP - Individualized Education Program
ImPACT - Immediate Post-Concussion Assessment and Cognitive Testing
IPT - Integrated Performance Task
ISAEP - Individual Student Alternative Education Plan

J

JCC - Jewish Community Center
JLARC - Joint Legislative Audit Review Commission

L

LCI - Local Composite Index
LEA - Local Educational Agency
LEED - Leadership in Energy and Environmental Design
LEP - Limited English Proficient

M

MAP - Measures of Academic Progress
MCASP - Military Connected Academic Support Programs
MSA - Metropolitan Statistical Area
MTSS-B - Multi-Tiered System of Support for Behavior
MYCAA - My Career Advancement Account
MYP - Middle Years Program

N

NCLB - No Child Left Behind Act of 2001
NJROTC - National Junior Reserve Officers Training Corps

O

ODC - Old Donation Center
ODU - Old Dominion University
OECD - Organization for Economic Co-operation and Development
OPEB - Other Post-Employment Benefit
ORP - Optional Retirement Plan

P

PALS - Phonological Awareness Literacy Screening
PAYGO - Pay-As-You-Go
PBIS - Positive Behavior Interventions and Support
PFRB - Public Facility Revenue Bond
PPE - Personal Protective Equipment
Pre-K - Pre-Kindergarten Program
PSAT/NMSQT - Preliminary SAT/National Merit Scholarship Qualifying Test
PTA - Parent Teacher Association
PTSA - Parent Teacher Student Association

Q

QSCB - Qualified School Construction Bond

R

RevPar - Revenue Per Available Hotel Room
RHCC - Retiree Health Care Credit
RI - Reading Inventory
RSF - Revenue Sharing Formula

S

S-FLEP - Strategic Foreign Language Expansion Program
SEON - Superintendent's Estimate of Needs
SOL - Standards of Learning
SOQ - Standards of Quality
SPCA - Society for the Prevention of Cruelty to Animals
SSD - Special Service District
STEM - Science Technology Engineering and Mathematics

T

TCC - Tidewater Community College
TCE - Technical and Career Education
THSB - The House Students Built
TIF - Tax Increment Financing
TIP - Tourism Investment Program

U

UAAL - Underfunded Actuarial Accrued Liability
UJFT - United Jewish Federation of Tidewater
USDOE - U.S. Department of Education
USED - United States Education Department

V

VASC - Virginia Air and Space Center
VBCPS - Virginia Beach City Public Schools
VBEA - Virginia Beach Education Association
VBEF - Virginia Beach Education Foundation
VBFD - Virginia Beach Fire Department
VBOE - Virginia Board of Education
VBTV - Virginia Beach Television
VDOE - Virginia Department of Education
VLDP - Virginia Local Disability Program
VoIP - Voice Over Internet Protocol
VPSA - Virginia Public School Authority
VRS - Virginia Retirement System
VSDP - Virginia Sickness and Disability Program
VTfT - Virginia Teachers for Tomorrow
VWC - Virginia Wesleyan College

W

WAN - Wide Area Network
WISE - Web Integrated System for Employees

Glossary

A

Academy and Advanced Academic Programs - These programs offer an expansion of curricular activities for VBCPS students at many high school locations. Currently, academies are offered in entrepreneurship and business, technology and engineering, legal studies, mathematics and science, health and human services, international studies, and visual and performing arts.

Accrual Basis of Accounting - Where revenue and expenses are recorded in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period. This is the accounting basis that generally is required to be used in order to conform to Generally Accepted Accounting Principles (GAAP) in preparing financial statements for external users.

Achievement Gap - The variance in performance that exists between subgroups of students. In Virginia Beach, those subgroups are students with disabilities, limited English proficiency, economically disadvantaged and the state-designated major racial/ethnic groups (African-American, Caucasian and Hispanic). Achievement gaps can be observed on a variety of measures, including standardized test scores, grade point averages, dropout rates, completion rates and college enrollment.

Adequate Yearly Progress (AYP) - An individual state's measure of yearly progress toward achieving state academic standards, as described in the No Child Left Behind (NCLB) legislation.

Adopted Budget - This is the third phase of the budget process and reflects the School Board's changes to the Proposed Budget. This budget is submitted by the School Board to the City Council detailing proposed revenues, expenditures and transfers for the coming fiscal year.

Adult Education - Educational services are provided at the Adult Learning Center for students over the age of 18 years. Programs include Adult Basic Education/Pre-GED®, General Education Development (GED®), English for Speakers of Other Languages (ESOL), and Community Education and Career Training.

Advanced Placement (AP™) Program - An intensive program of college-level courses and examinations that provides high school students with an opportunity to earn advanced placement and/or college credit, at participating universities and colleges across the country.

Advanced Technology Center (ATC) - A joint city/state partnership to help VBCPS and Tidewater Community College students meet projected enrollment figures for training in technology. Curriculum strands include information technology and computer services, digital design and marketing and agriculture, and engineering and manufacturing, and offer students a chance to earn industry certifications and college credit.

Advancement Via Individual Determination (AVID) - A program that meets the educational needs of underachieving students in middle and high school. Students are prepared to meet college entrance requirements and are taught academic strategies to use in their learning.

Agency Funds - Fiduciary funds that are used to account for assets held by the School Board as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds for the School Board are payroll deductions, fringe benefits and school activity accounts.

Alternative Education - A variety of intervention and support programs for students at risk for expulsion for inappropriate behavior, students conditionally expelled and students whose adjustment to traditional education interferes with successful participation in general education.

American College Test (ACT) - The ACT is a national college admissions examination whose results are accepted by all four-year colleges and universities in the United States.

An Achievable Dream Academy - A program that provides students an extended-day and year-round education featuring enrichment classes; field trips; the support of community partners and mentors who are dedicated to the welfare of students; and, of course, high-quality academic instruction. The program is currently housed at Seatack Elementary School, with the goal of expanding to K-12 with the addition of a grade level each year.

Annual Dropout Rate - This measurement is calculated by dividing the total number of students, seventh through 12th grades, who drop out during a school year by the fall membership for that school year.

Annual School Report - Virginia Department of Education report of annual schools, school divisions, and the commonwealth including data on student achievement (including Standards of Learning test results) state accreditation ratings and other indicators of school quality. This report is part of the commitment to inform the public of the progress of schools in raising achievement and improving teaching and learning.

Annual School Report Card - Report cards for schools, school divisions and the commonwealth provide information about student achievement, accountability ratings, attendance, program completion, school safety, teacher quality and other topics.

Appropriation - Legal authorization from City Council to make expenditures and incur financial obligations on behalf of the city. Appropriations for each program area are outlined and approved by City Council each fiscal year.

Approved Budget - The fourth and final phase of the budget process. The approved budget reflects all adjustments approved by the School Board in May resulting from revised revenue, expenditures, enrollment and other projections. This is the budget implemented on the following July 1.

Assessed Value - The appraised value of property for the purpose of taxation.

Athletics Fund - This special revenue fund accounts for the costs of holding athletic activities at the division's schools. Primary funding is from admission fees to athletic events.

Attrition - A method of achieving a reduction in personnel by not filling the positions vacated through resignation, reassignment, transfer, retirement or means other than layoffs.

Audit - A formal examination of accounts or financial situations.

Authorized Position - A position that has been approved for hiring, either in the approved budget or by a subsequent action within the revised budget.

Average Class Size - The average class size is calculated by dividing the number of students enrolled in a class by the number of sections of each class.

Average Daily Attendance (ADA) - The ADA is calculated by dividing the number of days of student attendance by the total number of days that a student is enrolled during the school year. The number reported is based on the end of the school year attendance data.

Average Daily Membership (ADM) - The aggregate membership of a school division divided by the number of days school is in session. ADM is a factor in the state funding formula.

B

Balanced Budget - A budget for which projected revenues plus approved use of fund balance equals planned expenditures.

Baseline - The baseline budget includes funding to continue current educational and support programs.

Basic Aid - Standards of Quality fund that includes funding for instructional and support personnel and non-personnel costs such as instructional materials and program management.

Benchmarking - A standard of achievement against which similar things must be measured or judged.

Bond - A written promise to pay a specified sum of money (called the principal) at a specified date in the future, together with periodic interest at a specified rate. Bonds are a form of long-term borrowing used for capital improvements and new construction.

Bring Your Own Device (BYOD) - A program where students are allowed to use privately owned electronic devices to access the division's wireless network in order to enhance the students' educational experience and outcomes.

Budget - A plan of financial activity for a specified period of time (fiscal year; biennium) indicating all planned revenues and expenses for the budget period.

Budget Amendment - Any change in expenditure budgets which results in a net increase or decrease in the total dollar amount budgeted.

Budget Calendar - The schedule of key dates which the government follows in the preparation and adoption of the budget.

Budget Unit - A compilation of all the costs associated with a particular program.

Budgetary Basis - The basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: Generally Accepted Accounting Principles (GAAP), cash or modified accrual.

Budgetary Control - The management of the financial affairs of the division in accordance with the appropriate laws, regulations and procedures of the various governing bodies with the responsibility to keep expenditures within the authorized limits.

Business Permit and Occupational License (BPOL) - Tax paid by businesses based on gross receipts and is primarily driven by consumer behavior.

C

Cafeterias Fund - This special revenue fund is used to account for the procurement, preparation and serving of student breakfasts, snacks and lunches. The primary revenue sources are receipts from food sales and federal school lunch programs.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets may also be referred to as fixed assets.

Capital Budget - The appropriation of bonds or operating revenue for improvements to facilities and other infrastructures.

Capital Expenditures - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - The comprehensive presentation of capital project expenditure estimates, funding requirements, capital budget requests, program data for the construction and modernization of all schools, and for other capital projects that address facility issues.

Capital Outlay - Fixed assets which have a value of \$5,000 or more and have a useful economic lifetime of more than one year.

Capital Projects Fund - This governmental fund tracks financial transactions used for the acquisition, construction or renovation of school sites, buildings and other major capital improvements.

Career and Technical Education (CTE) - Coursework that provides skill sets and knowledge for all students considering careers after graduation, seeking higher education or both, through programs in business and information technology, engineering and technology education, family and consumer sciences, marketing education, and trade and industrial education.

Carryover - Forwarding an unobligated balance of funds from current budget year to cover allowable costs in a future budget year.

Cash Basis of Accounting - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Categorical Grants Fund - This special revenue fund is used to account for federal, state, local, nonprofit and private industry grants that support instructional programs. Grants are typically legally restricted or dedicated to be expended for specific purposes.

Charter Bonds - The City Council is authorized by the Virginia Beach City Charter to "... issue bonds or other obligations in any calendar year for any proper purpose in such amounts as shall not increase the total indebtedness of the City ... by more than ten million dollars above the amount of such indebtedness at the beginning of such calendar year ..." without the approval of qualified voters in the city.

Charter School - Charter schools provide options for parents and students while allowing communities and educators to create innovative instructional programs that can be replicated elsewhere in the public school system. All charter schools in Virginia are nonsectarian alternative public schools located within a school division and under the authority of a local school board.

Cohort Dropout Rate - The percentage of students who entered grade nine for the first time together and were scheduled to graduate four years later, who drop out during the same period.

College and Career Readiness Benchmark - SAT Benchmark that offers states a rigorous, meaningful and actionable tool for measuring the college and career readiness of groups of students. It is a simple, powerful way to evaluate and help improve academic programs that prepare students for success after high school.

College and Work Readiness Assessment (CWRA+) - An innovative assessment that includes a performance task and complex selected-response items. The results provide an indication of each student's critical thinking skills and readiness for college or career.

Communication Towers Technology Fund - This special revenue fund accounts for payments from leasing of School Board property for commercial wireless communication towers. The funds received from lease payments and the interest earned are used to acquire and replace/repair technology including computers, software, wiring, training, facsimile and copy machines.

Compass to 2020 - A set of goals that chart the course for teaching and learning across the school division with the focus of ensuring that every VBCPS student is challenged and supported to reach his or her full potential. The five-year strategic framework includes four goals – high academic expectations, multiple pathways, social-emotional development, and culture of growth and excellence – and multiple strategies to guide this important work.

Comprehensive Annual Financial Report (CAFR) - Thorough and detailed presentation of the issuing body's financial condition and activities for the fiscal year.

Comprehensive Long Range Facility Master Plan - A guiding document developed in 2007 in concert with the entire community prioritizing school buildings to be replaced or modernized.

Consumer Confidence Index (CCI) - Indicator designed to measure consumer confidence, which is defined as the degree of optimism on the state of the economy that consumers are expressing through their activities of saving and spending.

Consumer Price Index (CPI) - A measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services.

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Services rendered to a government by private firms, individuals or other governmental agencies. Examples include rent, maintenance agreements and professional consulting services.

Cost-of-Living Adjustment (COLA) - An annual adjustment in wages to offset a change (usually a loss) in purchasing power (also known as a market scale adjustment).

D

Debt Service - The annual principal and interest payments for the debt incurred by the city in the process of acquiring capital outlay or constructing capital facilities for the school division.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation - Used to record de-valuable capital investment of buildings, vehicles, equipment and to record anticipated uncollectible accounts.

Digital Learning Anchor School - Initiative to provide students with personalized learning opportunities that incorporate the use of digital resources to prepare them for employment or post-secondary educational opportunities in a globally-competitive environment.

Disbursement - The expenditure of monies from an account.

Distance Learning Program - A program that uses innovative instructional practices and supportive technologies to enhance student educational opportunities. Virtual Virginia Beach e-learning allows students to take one or two classes online at their convenience. The Quality Connection program provides students the opportunity to participate in classes during the school day that cannot be offered at their home school due to low class enrollment through videoconferencing technology.

Dual Enrollment Program - A program that allows students to take classes that not only help them meet graduation requirements, but also provide them with college credits at Tidewater Community College (TCC).

E

E-Rate - Federal program sponsored by the Federal Communications Commission (FCC) to provide discounts to school divisions for telecommunication services.

Economic Development Investment Program (EDIP) – This program is a proactive and creative initiative which enables the city to successfully retain existing employment opportunities and create new jobs while substantially enhancing the local tax base. These funds are leveraged by businesses for off-site utility improvements/upgrades, road improvements, traffic signal improvements, regional storm water facilities, and site preparation for land purchased from the Virginia Beach Development Authority (VBDA).

Economically Disadvantaged - Students participating in the free/reduced lunch program are considered to be economically disadvantaged.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

English as a Second Language (ESL) - English learners are prepared to be college and career ready by developing their academic English language proficiency through integrated content-based language instruction. This program is available for students K-12 through ESL-endorsed teacher specialists who are assigned to specific schools.

Enrollment - The number of students attending school officially counted as of Sept. 30 of each school year.

Entitlements - Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

Equipment Replacement Fund - This special revenue fund provides an equipment replacement cycle for selected capital equipment for schools and support departments.

Expenditures - Payment for goods, services and obligations.

Expense - Costs incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Extended Day Kindergarten (EDK) - A program VBCPS developed to provide kindergarten students with intensive assistance in literacy and mathematics. Identified students receive an extra half-day of instruction beyond the regular kindergarten program.

F

Fiduciary Funds - Funds that account for resources held for others by VBCPS as an agent or trustee.

Fiscal Policy - A government's policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment.

Fiscal Year (FY) - A twelve-month period used for accounting and budgeting purposes. VBCPS' financial year encompasses the 12 months beginning July 1 and ending the following June 30. The number of the fiscal year refers to the year in which the fiscal year ends. For example, FY17 began July 1, 2016, and ends June 30, 2017.

Five Year Forecast - A collaborative project of VBCPS and the city, projecting revenues and expenditure trends occurring over the next five years. The Five Year Forecast focuses mainly on operating funds for the city and division.

Fixed Assets - Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Foreign Language Partial Immersion Academy - This program is currently offered in Spanish at select elementary and middle schools in VBCPS. The program delivers instruction daily in both the target language and English, beginning in the first grade.

Free and Reduced-Price Meals - This program is required for participation in the federally-funded school lunch program under the National School Lunch and Child Nutrition Acts. This program provides free or reduced-price meals to children determined to be eligible under the program and supports the belief of the VBCPS School Board that every school-age child should have an adequate lunch.

Fringe Benefits - Job-related benefits provided to employees as part of their total compensation (i.e., health, life and dental insurance, retirement, FICA and FICA-Medicare, etc.).

Full-Time Equivalent (FTE) - Method of calculating hourly or part-time employees on a full-time position basis.

Fund - A grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves and carryover.

Fund Statements - Financial statements that display revenue, expenditure and changes in fund balance for each of the nine School Board funds.

G

GASB 45 - Beginning July 1, 2007, the Governmental Accounting Standards Board (GASB) required governments to fully reflect the actuarial costs of "Other Post-Employment Benefits" (OPEB) in their accounting records. For VBCPS, retiree health insurance represents OPEB's.

GASB 54 - Beginning July 1, 2010, the Governmental Accounting Standards Board (GASB) completely changed the reporting requirements for Special Revenue Funds (Athletics, Cafeterias, Categorical Grants, etc.) making revenues the determining factor in the budgeting of these funds. Under GASB 54, Special Revenue Funds are required to have their own unique source of revenue; transfers can no longer serve as the primary source of revenues and the actual source of the revenue must be shown.

GASB 74 - The purpose of this statement is to improve the usefulness of information about other postemployment benefits included in the general purpose external financial reports of state and local governmental other postemployment benefits (OPEB) plans for making decisions and assessing accountability. This statement is effective for plan fiscal years beginning after June 15, 2016.

General Fund - The general operating fund of the School Board that is used to account for all of the financial resources, except those required to be accounted for in another fund. Funds are allocated separately between the School Operating budget and Green Run Collegiate (GRC) Charter School.

Geographic Information System (GIS) - A detailed analysis of residential housing trends, Virginia Beach resident birth rates and other available data that may impact student enrollment.

Gifted Education - The educational program for gifted students in VBCPS is based on the belief that gifted students need a dynamic learning environment. Gifted students in kindergarten through grade twelve are provided school experiences that are differentiated, modified and expanded to provide learning challenges. The percentage of gifted students reported in the annual school report card reflects a count of the students identified for gifted services as of the end of September of the given school year.

Governmental Funds - VBCPS' Governmental Funds are comprised of Special Revenue funds, the Capital Projects fund and the General fund.

Green Run Collegiate (GRC) Fund - This fund provides for the day-to-day operations and maintenance of Green Run Collegiate Charter School and is funded through an appropriation in the school's formal budget resolution and city ordinance.

Gross Domestic Product (GDP) - A primary indicator used to gauge the health of the country's economy. It represents the total dollar value of all goods and services produced over a specific time period.

H

Healthy Hunger-Free Kids Act (HHFKA) - Legislation authorizing funding and sets policy for United States Department of Agriculture's (USDA) core child nutrition programs. The act provides incentives to school districts that are certified to be in compliance with the new meal patterns.

I

Impact Aid - The purpose of Title VIII of the Elementary and Secondary Act is to disburse federal Impact Aid payments to local school divisions for: 1) local revenue lost due to the presence of federally owned and therefore tax-exempt property and 2) costs incurred to educate federally connected students, such as the children of armed services personnel working at a nearby military base.

Incentive Programs - Funds received by school divisions that can certify they have met the requirements established for each unique incentive program.

Indirect Cost Rate - The rate calculated for school divisions to use when recovering indirect costs on federal grants.

Individuals with Disabilities Education Act of 2004 (IDEA) - Federal law that determines how state and local education agencies provide early intervention, special education and related services to children with disabilities for all states and school districts that accept IDEA funding.

Instructional Technology Fund - This special revenue fund provides for the cyclical replacement of classroom and instructional computers.

Integrated Performance Task (IPT) - The IPT is a performance-based test designed to measure critical thinking, problem solving, and written communication skills. The assessment is administered in the fall and spring of each school year to students in fourth and seventh grades.

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Internal Service Funds - A type of proprietary fund used to account for the financing of goods and/or services provided by one department or agency to other departments or agencies of the governmental unit (and other governmental units) on a cost-reimbursement basis.

International Baccalaureate (IB) - The IB Program is an internationally recognized, advanced academic program for ninth through 12th grades. This program provides college level course work in six academic areas and provides high school students with an opportunity to earn advanced placement, college credit or both, at participating universities and colleges across the country.

International Baccalaureate Middle Years Program (IBMYP) - The IBMYP consists of a program designed for grades 6 through 8. Through schoolwide curricular focus on the five areas in interaction, the program promotes communication and the vertical articulation within the pyramid of schools to increase student achievement and increase the number of high schoolers enrolled in the International Baccalaureate courses.

K

K-12 Literacy Plan - A comprehensive plan designed to advance reading and writing success for all students. In Virginia Beach, this document defines 12 strategic processes that are aimed at accelerating students through literacy tiers. It also includes criteria for placement of students in appropriate tiers.

L

Leadership in Energy and Environmental Design (LEED) - A rating system that certifies buildings as meeting established standards of energy sustainability and environmental friendliness, both in their interior environments and in their effect on the surrounding ecology.

Limited English Proficient (LEP) - The percentage of LEP students reported in the annual school report card reflects a count of the students who have been identified or have received English as a Second Language (ESL) services because English is not their native language, and they experience difficulty speaking, reading, writing, or understanding the English language.

Local Composite Index (LCI) - The relative wealth index established by the Virginia General Assembly to equalize state aid to localities. The LCI determines a school division's ability to pay education costs fundamental to the Commonwealth's Standards of Quality (SOQ). Each locality's index is adjusted to maintain an overall statewide local share of 45 percent and an overall state share of 55 percent.

Local Educational Agency (LEA) - A public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public elementary schools or secondary schools.

Lottery Programs - Revenue received from the state lottery funds a number of programs such as foster care, at-risk class-size reduction and career and technical education

M

Maintenance of Effort - A federal requirement that stipulates grant recipients and/or subrecipients must maintain a certain level of state/local fiscal effort to be eligible for full participation in federal grant funding.

Metropolitan Statistical Area (MSA) - The Hampton Roads MSA encompasses 16 cities and counties including the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg, and the counties of Gloucester, James City, Mathews, Isle of Wight, Surry and York and the North Carolina county of Currituck.

Migrant - The percentage of migrant students reported in the annual school report card reflects a count of the students classified as migratory due to the nature of their parents' or guardians' work as a migratory agricultural

worker (i.e., migratory dairy worker, migratory fisher) and a recent history of relocating for the purpose of finding such work.

Modified Accrual Basis of Accounting - Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

N

No Child Left Behind (NCLB) - A 2001 federal law that was the most recent iteration of the Elementary and Secondary Education Act of 1965 (ESEA), the major law authorizing federal spending on programs to support K-12 schooling.

National Junior Reserve Officers Training Corps (NJROTC) - A program established by Public Law in 1964 for implementation at accredited secondary schools throughout the nation. The program is designed to emphasize citizenship and leadership development, as well as maritime heritage, the significance of sea power, and naval topics such as the fundamentals of naval operations, seamanship, navigation and meteorology.

O

Obligations - A legal requirement to make future payment that is incurred as soon as a purchase order is placed and funds are encumbered. An obligation is not necessarily a liability in accordance with Generally Accepted Accounting Principles (GAAP). When an obligation occurs depends on the type of property or services that the obligation is for.

On-Time Graduation Rate - The percentage of students who earned a Board of Education approved diploma within the first four years of entering high school.

Ordinance - An ordinance or amendment to an ordinance is a formal and binding type of City Council legislation. Since the budget is a legal document, any expenditure that is not included in the budget document must be ratified by City Council as a separate ordinance.

P

Parent Connection – A VBCPS sponsored resource which offers workshop, guest columns, daily engagement tips and other helpful resources to help connect parents and schools to support student learning and growth, Parent Connections also coordinates programs which provide healthy weekend meals and free computers to families facing economic challenges.

Patient Protection and Affordable Care Act (PPACA) - also known as the Affordable Care Act or ACA was signed into law in March 2010. Key provisions of the ACA are intended to extend coverage to millions of uninsured Americans, to implement measures that will lower health care costs and improve system efficiency and to eliminate industry practices that include denial of coverage due to pre-existing conditions.

Pay-As-You-Go (PAYGO) - An apportionment of cash funding from the general revenue of the city to an operating department to administer an activity relating to a specific capital project. This method of funding is normally employed as an alternative to additional borrowing.

Per Pupil Expenditures - The calculation that represents total expenditures for operations divided by average daily membership. Operations include regular day school, school food services, summer school, adult education, pre-kindergarten and other education, but do not include non-regular day school programs, non-local education agency (LEA) programs, debt service or capital outlay additions. The Average Daily Membership (ADM) calculated at the end of the school year includes the ADM of pupils served in the school division and the ADM of resident pupils for whom tuition is paid to another school division, regional special education program or private school. It excludes students for whom the division receives tuition payments from another division or entity.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Personal Property Tax Relief Act – Provides relief of personal property taxes on vehicles if the vehicle meets these qualifications: a passenger car, pickup or panel truck, or a motorcycle; owned by a natural person or leased by a natural person under a contract requiring such person to pay the property tax; and used for non-business purposes. Tax bills are reduced for qualified vehicles by the applicable tax relief percentage for the tax year on the first \$10,000 of value. If the qualifying vehicle's assessed value is \$1,000 or less, the tax is eliminated and the Commonwealth's share is 100 percent.

Pre-Kindergarten (Pre-K) - The pre-kindergarten program serves children who are continuously exposed to high-risk factors and situations that are likely to have an adverse impact on their social, emotional, physical and cognitive development. The program is funded primarily through Virginia Preschool Initiative (VPI) and Title I, Part A grants and is offered at no cost to parents.

Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT) - The PSAT/NMSQT™ assesses knowledge and skills developed through study in a wide range of courses, as well as, through experiences outside the classroom. Although the PSAT/NMSQT™ is not directly related to a specific high school curriculum, it is developed to reflect the kinds of academic experiences that teachers consider important. Schools administer the PSAT/NMSQT™ once a year in October.

Program Revenue (Income) - Revenues earned by a program, including fees for services, license and permit fees, and fines.

Proposed Budget - The second phase of the budget process. A plan of financial operations submitted by the School Board to the City Council detailing proposed revenues, appropriations, expenditures and transfers for the upcoming fiscal year.

Proprietary Funds - The proprietary funds account for self-financing, business-like activities.

R

Reading Inventory (RI) - A multiple-choice, computer adaptive reading comprehension assessment, developed in partnership with Meta Metrics, Inc., which reports student reading levels using Lexile measurement format. The RI uses authentic passages of literature and non-fiction texts for its selections. The Lexiles reported in the RI assessment provide teachers, students and parents with incremental information with band ranges related to their students' reading growth.

Resolution - Formal document used to solidify and record votes on a decision made by Board members.

Revenue - Sources of income financing the operations of government.

Revenue Sharing Formula (RSF) - This is a City Council policy to share the specifically identified local revenues with the school division to provide both the locally required match to state funds and the additional local support beyond that minimum.

Reversion - Funds available as a result of school revenues, including the local transfer, greater than actual expenditures and from appropriations that were not expended during the fiscal year. All remaining school funds must, by state law, be returned to the locality.

Risk Management Fund - An internal service fund that provides for the administration of the workers' compensation program, a state required benefit for employees that have sustained an injury on the job or occupational illness; the centralization of self-insurance accounts for liability; and the purchase of commercial insurance.

S

SAT and SAT II - The SAT is a widely used college admission test. The SAT measures critical reading, writing and mathematical reasoning abilities that students develop over time, both in and out of school, which are related to successful performance in college. The SAT II Subject Tests are designed to measure knowledge and the ability to apply that knowledge in specific subject areas.

School Financial Allocations - School Board funds are appropriated for schools and allocated to various accounts by purpose - administrative, equipment, instructional, special education, computer supplies, library, staff development and field trips. The amount distributed to each account is formula-driven. For certain accounts, a minimum allocation ensures equity for small schools and special centers.

School Health Insurance Fund - An internal service fund that provides a means for accounting for health insurance and the administration thereof for city and school employees.

School Modernization Program - All modernization/replacement projects programmed by VBCPS are developed in accordance with the school division's Comprehensive Long Range Facility Master Plan, a guiding document that prioritizes school buildings to be replaced or modernized.

School Operating Fund - This fund provides for the day-to-day operations and maintenance of the schools and is funded primarily by revenue from the city and state.

Special Education Programs - The special education process includes identification, referral and screening, evaluation and placement. Specially designed instruction and related services are provided to meet the unique needs of eligible children with disabilities in preschool through grade 12 divisionwide. This includes instruction conducted in a classroom, home, hospital, institution or other setting.

Special Revenue Fund - Special Revenue funds account for the proceeds of specific revenue sources (other than capital projects), which are legally restricted or committed to be expended for specified purposes.

Staffing Standards - Per student ratios used to allocate teachers, administrators and other instructional staff to schools and centers.

Standards of Learning (SOL) - These standards describe the commonwealth's expectations for student learning and achievement in grades K-12 in English, mathematics, science, history/social science, technology, the fine arts, foreign languages, health and physical education, and driver education. Students participate in state-mandated assessments in the core areas of English, mathematics, history/social science and science.

Standards of Quality (SOQ) - The General Assembly and the Board of Education determine the SOQ for public schools in Virginia, as prescribed by the Code of Virginia. These standards are periodically revised and specify that each school division shall maintain schools that meet those requirements for accreditation prescribed by the Board of Education.

Strategic Plan - The five-year strategic framework laid out in the *Compass to 2020*, which includes four goals: high academic expectations, multiple pathways, social-emotional development, and a culture of growth and excellence; and multiple strategies to guide this important work.

Superintendent's Estimate of Needs - Annual presentation by the superintendent to the School Board in February, which summarizes the recommendations from the Office of Budget Development.

Supplanting - Substituting one source of funding to augment reductions in funding by another agency.

Supplemental Appropriation - An additional appropriation made by the governing body after the budget year or biennium has begun.

Supplemental Nutrition Assistance Program - Program that enables low-income families to buy nutritious food with coupons and Electronic Benefits Transfer (EBT) cards. The program is the cornerstone of the food assistance programs, and provides crucial support to needy households and to those making the transition from welfare to work.

T

Tax Increment Financing (TIF) - A public financing tool that uses the real estate revenues generated by the growth in value of a designated area to fund capital improvements within that area. The Sandbridge oceanfront area in Virginia Beach annually battles sand erosion. In conjunction with other financial grants and mechanisms, the Sandbridge TIF pays for sand replenishment efforts. In advance of replenishment needs, the TIF accumulates revenues; furthermore, this TIF is considered ongoing.

Textbooks Fund - This special revenue fund is used for the acquisition of textbooks (online and print) and related materials for the VBCPS student population.

Title I, Part A - Title I, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLB), provides financial assistance through state educational agencies to school divisions and public schools with high numbers or percentages of children from low-income families to help ensure that all children meet challenging state academic content and achievement standards. School divisions target the Title I funds they receive to public schools with the highest percentages of children from low-income families.

Title I, Part D - Title I, Part D of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLB), also called the Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk Act, provides financial assistance to educational programs for youths in state-operated institutions or community day programs. The program also provides financial assistance to support school division programs involving collaboration with locally operated correctional facilities.

Title II, Part A - Title II, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLB), provides federal funding to states and districts for activities that strengthen instructional leadership and teacher quality in all schools, especially those with a high proportion of children in poverty. Federal funds awarded under Title II, Part A support programs to increase academic achievement by increasing the number of highly qualified teachers in classrooms; increasing the number of highly qualified principals and assistant principals in schools; and increasing the effectiveness of teachers and principals by holding school districts and schools accountable for improvements in student academic achievement.

Title III, Part A - Federal funds awarded under Title III, Part A of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLB), support programs to improve the education of limited English proficient (LEP) children and youths by helping them learn English and meet challenging state content and achievement standards. Title III, Part A programs also provide enhanced instructional opportunities for immigrant children and youth.

Title VI, Part B - Under the provisions of the Individuals with Disabilities Education Act of 2004 (IDEA), local educational agencies (LEAs) are eligible to receive state and federal funds appropriated for the education of children with disabilities. Except as otherwise provided, amounts awarded to an LEA under Title VI, Part B may be used only to pay the excess costs of providing special education and related services to children with disabilities. Excess costs are those costs for the education of an elementary school or secondary school student with a disability that are in excess of the average annual per student expenditure in an LEA during the preceding school year, as may be appropriate.

Transfers To/From - Amounts transferred from one fund to another to assist in financing the operations of the recipient fund.

U

Unappropriated Fund Balance - The estimated unallocated funds available at the end of the current fiscal year. The unappropriated fund balance amount represents the accumulation of revenues in excess of expenditures from prior years.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

V

Vacancy - Savings generated in the employee compensation accounts due to positions being unfilled for some period of time.

Vending Operations Fund - This special revenue fund accounts for receipts (long-term, exclusive contract with a vending company) relating to the bottled drinks vending operations of the school division. Proceeds from this contract are used to support student activities.

Virginia Board of Education (VBOE) - The governing and policy-making body for the Virginia system of public elementary and secondary education.

Virginia Department of Education (VDOE) - The mission of the VDOE is to lead and facilitate the development and implementation of a quality public education system that meets the needs of students and assists them in becoming educated, productive and responsible citizens.

Virginia High School League (VHSL) - A nonprofit organization composed of public high schools in the Commonwealth of Virginia. The league is a service organization whose purpose is to build better citizens through interscholastic activities such as athletics, drama, debate, forensics and publications for students throughout Virginia.

Virginia Retirement System (VRS) - The VRS administers pension plans and other benefits for Virginia's public sector employees. Approximately 825 employers participate in VRS, including state agencies, public colleges and universities, local public school divisions and political subdivisions. Political subdivisions include counties, cities, towns, special authorities and commissions. VRS has approximately 340,000 active members and 185,000 retirees and beneficiaries.

A pair of round-rimmed glasses with dark frames is resting on a stack of papers. The glasses are positioned in the lower right quadrant of the image, with the lenses facing the viewer. The papers are stacked and slightly offset, creating a sense of depth. The background is a soft, out-of-focus light gray.

Appendix

**The Strategic Framework • Student Achievement • Compensation
Staffing Standards and Guidelines • School Financial Allocations
Budget Manager and Signature Authority • Proposed Budget Resolutions
City Council and School Board Revenue Sharing Policy**



COMPASS to 2020

Charting the Course

The Strategic Framework

of VIRGINIA BEACH CITY PUBLIC SCHOOLS



Compass to 2020: Charting the Course is the strategic framework of Virginia Beach City Public Schools. This five-year framework charts the course for teaching and learning across the division with the focus of ensuring that every child is challenged and supported to reach his or her full potential.

GOAL 1 HIGH ACADEMIC EXPECTATIONS

All students will be challenged and supported to achieve a high standard of academic performance and growth; gaps between these expectations and the realities for our student subgroups will be addressed.

Literacy and Numeracy - All students will acquire the literacy and numeracy skills necessary for success in school and life.

Content Specific Knowledge and Skills - All students will know and be able to apply critical concepts within each of the core, exploratory or elective courses.

Globally Competitive Skills - All students will demonstrate proficiency in globally competitive skills such as critical thinking, innovation, problem solving, communication and collaboration.

Strategies:

- 1. Refine and implement the K-12 Literacy Initiative –** Refine and implement the K-12 Literacy Initiative divisionwide with an emphasis on monitoring and improving K-2 reading achievement.
- 2. Integrate literacy and numeracy across the curriculum –** Explicitly integrate literacy and numeracy across the curriculum by developing a common language and an understanding of their defining characteristics across content areas.
- 3. Refine and expand the Responding to Student Needs (RSN) model –** Refine and expand the RSN model to provide intervention and acceleration for learners at all school levels.
- 4. Monitor and address gaps in achievement for all student groups –** Continue to monitor and engage in efforts directed at closing gaps in achievement for all student groups.
- 5. Continue to implement effective and innovative teaching practices that maximize rigor and engagement –** Continue to define, develop and implement effective and innovative teaching practices that maximize rigor and meaningful engagement for all students.
- 6. Continue to implement a balanced assessment system with an emphasis on standards-based and performance-based assessments –** Continue to develop and provide training on varied assessments for literacy, numeracy and content-specific knowledge and skills with an emphasis on standards-based and performance-based assessments.
- 7. Create inquiry-based and experiential learning opportunities for all students –** Create inquiry-based and experiential learning opportunities for all students to assist them in acquiring literacy, numeracy and globally competitive skills.
- 8. Continue to deploy the curriculum in all areas of study to support students' acquisition of globally competitive skills –** Continue to deploy the curriculum in all areas of study (Arts, Humanities, language arts, mathematics, science, social studies, world languages, technical and career education, STEM, health and physical education) to support students' acquisition of globally competitive skills.

Indicators will include the percentage of students reporting growth in the areas of literacy, numeracy and globally competitive skills to include reading on grade level by grades 3, 6 and 9 and passing the English, Writing, Mathematics, Science and Social Studies Standards of Learning (SOL) tests; the percentage of students scoring at the emerging level or higher on the Integrated Performance Task (IPT); and the percentage of students scoring at the developing level or higher on the College and Work Readiness Assessment (CWRA).



GOAL 2 MULTIPLE PATHWAYS

All students will experience personalized learning opportunities to prepare them for postsecondary education, employment or military service.

Strategies:

1. **Implement an approach to personalized learning at all school levels** – Develop a plan and implement an approach to personalized learning at all school levels by providing students with interest-based, flexible, student-directed learning opportunities.
2. **Leverage technology to increase flexible learning opportunities and monitor student progress** – Leverage technology to increase flexibility with respect to when and how learning occurs and to monitor the progress of students throughout their academic careers.
3. **Create and use student learner profiles to support student achievement and aspirations** – Create and use student learner profiles containing information related to students' learning styles, academic and career interests, academic progress and specific learning experiences in support of their future plans.
4. **Provide increased opportunities for career awareness, exploration and experience** – Provide increased opportunities for career awareness beginning in elementary school and expand this focus to include career exploration and experience throughout middle school and into high school to prepare students for their future endeavors.
5. **Promote and expand access to services and programs that support students' future aspirations** – Ensure that students are provided with guidance services that clearly articulate the requirements necessary to be college and career ready. Promote and expand, as needed, access to high-quality Technical and Career Education (TCE) programming, advanced coursework and college credit opportunities, advanced academic and career-themed academies, as well as the Junior Reserve Officers' Training Corps (JROTC) to support student aspirations.

Indicators will include On-Time Graduation Rates; college-readiness benchmarks such as ACT, SAT, ReadiStep and PSAT; percentage of students passing TCE certifications and other credentialing assessments; the percentage of students completing internships or cooperative work experiences, enrolling in two- and four-year colleges, being accepted into the military or service academies and receiving ROTC scholarships.

GOAL 3 SOCIAL-EMOTIONAL DEVELOPMENT

All students will benefit from an educational experience that fosters their social and emotional development.

Strategies:

1. **Provide a safe and welcoming learning environment** – All staff will ensure that all schools are safe and welcoming places conducive to student learning.
2. **Embed social-emotional learning strategies into the K-12 curriculum** – Develop a plan to systematically integrate developmentally appropriate social-emotional learning strategies into the curriculum to promote the development of interpersonal skills, responsible decision making and resilience.
3. **Encourage student participation in school and community activities** – Promote participation in extracurricular activities, clubs, athletics and community service to increase students' sense of connectedness to their school and wider community.
4. **Refine and expand the Responding to Student Needs (RSN) model to include a focus on behavior** – Refine and expand the division's RSN model to include a focus on positive behavioral supports for students.

Indicators will include the percentage of students reporting positive relationships with peers and adults and reporting a sense of belonging to their school; the percentage of students/parents reporting a safe and welcoming school environment; and the percentage of students participating in extracurricular activities, clubs, athletics or community service.



GOAL 4 CULTURE OF GROWTH & EXCELLENCE

VBCPS will be defined by a culture of growth and excellence for students, staff, parents and the community.



Placing a Premium on High-Quality Staff – VBCPS will place a premium on recruiting, hiring, supporting and retaining high-quality staff in all positions.

Strategies:

1. **Provide a competitive compensation and benefit plan** – Provide a competitive compensation and benefit plan to attract, support and retain high-quality instructional and support staff. Provide allowances for a wider range of professional certifications and continue to address equity issues on the unified scale.
2. **Optimize the teacher talent pipeline** – Optimize the teacher talent pipeline by engaging in a variety of strategies to secure top candidates (e.g., early commitment process, VBCPS Future Teacher Award and Contract Program, a career-switcher program and partnerships with schools and universities with teacher or career preparation programs).
3. **Leverage technology to identify and interview highly qualified candidates** – Effectively use the applicant tracking system and other technology tools to identify and interview highly qualified candidates in all positions.
4. **Continue to refine, build capacity and use the teacher evaluation process to increase teaching effectiveness** – Continue to refine, build capacity and use the teacher evaluation process to increase teaching effectiveness for all instructional staff.
5. **Provide a variety of professional learning opportunities and resources to all staff** – Provide a variety of professional learning opportunities and resources to all staff to support continuous improvement and the successful implementation of the strategic framework.
6. **Continue to focus on improving working conditions and fostering a culture of respect among all staff** – Continue to focus on improving the working conditions and fostering a culture of respect among all staff through the use of the Employee Input Process and the provision of resources to support employees' well-being.

Indicators will include the rank of the VBCPS compensation package for all staff compared to surrounding divisions; the percentage of teachers receiving an overall summative rating of proficient or exemplary; the percentage of core courses taught by highly qualified teachers; the number of teachers with National Board Certification; the number of teachers with the designation of career teacher; the percentage of teachers with graduate degrees/professional certifications; the percentage of highly qualified teacher assistants; and the percentage of staff reporting high levels of job satisfaction.

Purposefully Partnering with Parents and the Community – VBCPS will purposefully partner with parents and the community to support student achievement, aspirations and social-emotional development.

Strategies:

1. **Develop and deliver programs and resources to assist families in fulfilling their essential roles in supporting students** – Develop and deliver programs and resources, based on identified needs, to assist families in fulfilling their essential roles in supporting students at home and in their schools.
2. **Deepen and expand mutually-beneficial, ongoing partnerships with businesses, military, faith-based, civic and city agencies to strengthen learning opportunities for students** – Deepen and expand mutually-beneficial, ongoing partnerships with businesses, military, faith-based, civic and city agencies to provide students with opportunities for increased career awareness, exploration and experience as well as helping to make connections between what students are learning in school and its application beyond the classroom.
3. **Leverage technology to match community and business assets to the identified needs of schools** – Maximize the use of technology to match community and business assets to the identified needs of schools by opening online channels of communication between schools and partners.
4. **Strengthen the role of the Partners in Education (PIE) staff member within each school** – Strengthen the role of the PIE staff member in each school by articulating expectations for the role and providing additional training.

Indicators will include attendance at division-sponsored family programs/events; the number and percentage growth of model, comprehensive and resource partnerships; the number of participating members across partnerships; and the percentage of families expressing satisfaction with the programs and resources provided.



VIRGINIA BEACH CITY PUBLIC SCHOOLS

A HEAD OF THE CURVE

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your virtual link to Hampton Roads' largest school system

Dr. Aaron C. Spence, Superintendent
Virginia Beach City Public Schools

2512 George Mason Drive, Virginia Beach, VA 23456-0038

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Notice of Non-Discrimination Policy

Virginia Beach City Public Schools does not discriminate on the basis of race, color, national origin, sex, disability, or age in its programs and activities and provides equal access to the Boy Scouts and other designated youth groups. School Board policies and regulations (including, but not limited to, Policies 2-33, 4-4, 4-43, 5-7, 5-33, 5-44, 6-7, 7-11, 7-48, 7-49 and Regulations 5-44.1, 7-11.1, 7-57.1) provide equal access to courses, programs, counseling services, physical education and athletic, vocational education, instructional materials, and extracurricular activities.

To seek resolution of grievances resulting from alleged discrimination or to report violations of these policies, please contact the Title IX Coordinator/Director of Student Leadership at (757) 263-2020, 1413 Laskin Road, Virginia Beach, Virginia 23451 (for student complaints) or the Section 504/ADA Coordinator/Chief Human Resources Officer at (757) 263-1133, 2512 George Mason Drive, Municipal Center, Building 6, Virginia Beach, Virginia 23456 (for employees or other citizens). Concerns about the application of Section 504 of the Rehabilitation Act should be addressed to the Section 504 Coordinator/Director of Guidance Services and Student Records at (757) 263-1980, 2512 George Mason Drive, Virginia Beach, Virginia 23456 or the Section 504 Coordinator at the student's school.

Alternative formats of this publication which may include taped, Braille, or large print materials are available upon request for individuals with disabilities. Call or write Susan Keipe, Virginia Beach City Public Schools, 2512 George Mason Drive, P.O. Box 6038, Virginia Beach, VA 23456-0038. Telephone 263-1030 (voice); fax 263-1131; 263-1240 (TDD) or email her at susan.keipe@vbschools.com.

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Strategic Action Agenda for 2017-2018

With equity as an ever present emphasis, ALL schools will...

- ☐ Foster student agency by focusing on various elements of the student disposition within Transformational Learning and the implications for the work of teachers and building leaders. Based on their readiness, schools may also determine additional entry points for building their capacity for Transformational Learning.
- ☐ Understand and use mediation as a restorative practice for addressing conflicts, particularly between teachers and students.
- ☐ Continue to work in partnership with their assigned special education coordinator and program compliance support teachers to implement the special education audit recommendations.
- ☐ Ensure all staff are aware of the Academic and Career Plan process and resources, and the role they (staff) serve in supporting students' future aspirations.

SELECT schools will...

- ☐ Fully implement the SRT process in 2017-2018 if they have not already done so in 2016-2017.
- ☐ Implement Positive Behavioral Interventions and Supports (PBIS) as part of a phased-in, cohort approach to bring the school division to full implementation by 2020.
- ☐ Communicate, implement, and monitor their approved grading guidelines. (All Secondary Schools)
- ☐ Continue the division's digital expansion to support Transformational Learning by:
 - ☐ Field testing a learning management system. (Digital Learning Anchor Schools)
 - ☐ Implementing devices that will be strategically deployed by the division based on funding, readiness, and feeder patterns. (Select Schools)

Goal 1: High Academic Expectations

Percentage of students reading on grade level by the end of grades K-2 as measured by the DRA and grades 3, 6, and 9 as measured by the Reading Inventory (RI)

Grade Level	2015-16	2016-17	2017-18	2018-19	2019-20
Kindergarten	92.7%	92.7%			
Grade 1	80.3%	77.3%			
Grade 2	75.8%	75.5%			
Grade 3	76.8%	76.2%			
Grade 6	67.9%	69.3%			
Grade 9	80.6%	79.4%			

Percentage of students passing the English, Writing, Mathematics, Science, and Social Studies Standards of Learning (SOL) assessments

Subject Area	2015-16	2016-17	2017-18	2018-19	2019-20
English	83.7%	85.7%			
Writing	78.4%	82.1%			
Mathematics	83.5%	82.9%			
Science	85.5%	85.0%			
Social Studies	85.5%	86.1%			

Percentage of students scoring at the emerging level or higher on the Integrated Performance Task (IPT)

Content Area	2015-16	2016-17	2017-18	2018-19	2019-20
Grade 4 Critical Thinking	78.9%	70.6%			
Grade 4 Problem Solving	95.6%	90.7%			
Grade 4 Written Communication	78.9%	70.4%			
Grade 7 Critical Thinking	90.6%	81.5%			
Grade 7 Problem Solving	94.2%	87.2%			
Grade 7 Written Communication	62.7%	58.3%			

Percentage of students scoring at the proficient level or higher on the College and Work Readiness Assessment (CWRA+)

2015-16	2016-17	2017-18	2018-19	2019-20
--	--	65.7%		

Percentage of students reporting growth in the areas of literacy, numeracy, and globally competitive skills

Grade Level	2015-16	2016-17	2017-18	2018-19	2019-20
Reading	86.8%	86.9%			
Writing	88.1%	88.2%			
Mathematics	86.3%	86.3%			
Critical Thinking	84.8%	84.6%			
Problem Solving	86.4%	87.1%			
Communication	81.4%	81.9%			
Collaboration	83.1%	83.0%			
Innovation	81.1%	81.0%			

Percentage of secondary students enrolled in rigorous coursework

Grade Level	2015-16	2016-17	2017-18	2018-19	2019-20
Advanced Courses in MS	54.8%	56.2%	60.3%		
Advanced Courses in HS	56.4%	57.4%	59.1%		
AP/IB Courses	34.8%	35.8%	37.7%		
Dual Enrollment Courses	8.5%	8.6%	10.0%		

Percentage of 8th grade students earning high school credit

2015-16	2016-17	2017-18	2018-19	2019-20
70.7%	71.2%			

Percentage of students graduating in four years

2015-16	2016-17	2017-18	2018-19	2019-20
91.3%	91.9%			

Percentage of students completing Algebra II and passing the SOL by the end of 11th grade

2015-16	2016-17	2017-18	2018-19	2019-20
63.6%	65.9%			

Goal 2: Multiple Pathways

Percentage of students and parents reporting that students were provided with personalized learning opportunities (e.g., opportunities aligned with their needs and interests)

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Students	75.1%	67.7%			
Parents	89.7%	84.6%			

Percentage of students and parents reporting that student' academic/career planning process helped them to make informed decisions about college, employment, or military service

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Students	79.1%	75.7%			
Parents	71.3%	72.9%			

Percentage of students taking advantage of flexible learning opportunities through enrollment in...

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Online classes	7.1%	7.6%	8.5%		
Distance Learning classes	3.4%	3.0%	3.4%		

Percentage of 8th grade students meeting college-readiness benchmarks on the PSAT 8/9

Section	2015-16	2016-17	2017-18	2018-19	2019-20
Reading and Writing	59.8%	61.4%	61.6%		
Mathematics	39.9%	39.1%	42.0%		
Both	35.3%	34.9%	38.0%		

Goal 2: Multiple Pathways

Percentage of 10th grade students meeting college-readiness benchmarks on the PSAT/NMSQT

Section	2015-16	2016-17	2017-18	2018-19	2019-20
Reading and Writing	62.5%	62.6%	59.9%		
Mathematics	40.2%	38.1%	34.2%		
Both	36.0%	35.4%	31.9%		

Percentage of students meeting college-readiness benchmarks on the SAT

Section	2015-16	2016-17	2017-18	2018-19	2019-20
Reading and Writing	83.3%	84.0%			
Mathematics	55.5%	57.1%			
Both	54.2%	55.6%			

Percentage of students meeting college-readiness benchmarks on the ACT

Section	2015-16	2016-17	2017-18	2018-19	2019-20
English	75.3%	79.1%			
Mathematics	55.0%	58.1%			
Reading	60.2%	65.2%			
Science	50.1%	54.5%			

Percentage of students completing internships, co-operatives, or other specific work experiences facilitated by schools

2015-16	2016-17	2017-18	2018-19	2019-20
3.5%	4.4%			

Percentage of recent graduates reporting that their experiences in VBCPS prepared them for postsecondary education or entry into the military or workforce

2015-16	2016-17	2017-18	2018-19	2019-20
78.3%				

Percentage of recent graduates reporting that internships, co-operatives, or job shadowing experiences prepared them for postsecondary education or entry into the military or workforce

2015-16	2016-17	2017-18	2018-19	2019-20
85.5%				

Percentage of graduates enrolling in 2- and 4-year colleges within one year of graduation

2015-16	2016-17	2017-18	2018-19	2019-20
62.7%				

Percentage of graduates who completed a Career and Technical Education Program

2015-16	2016-17	2017-18	2018-19	2019-20
43.9%	44.9%			

Percentage of graduates accepted/reporting acceptance into the military, service academies, or receiving ROTC scholarships

2015-16	2016-17	2017-18	2018-19	2019-20
2.8%	2.6%			

Goal 3: Social-Emotional Development

Percentage of students reporting positive relationships with peers, teachers, and administrators

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Peers	89.0%	87.8%			
Teachers	89.3%	88.9%			
Administrators	73.6%	73.9%			

Percentage of students reporting a sense of belonging to their school

2015-16	2016-17	2017-18	2018-19	2019-20
74.5%	70.2%			

Percentage of students and parents reporting the school is a safe and orderly place to learn

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Students	86.1%	82.7%			
Parents	92.5%	92.0%			

Percentage of students and parents reporting the school is a welcoming place to learn

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Students	83.9%	80.9%			
Parents	92.0%	88.5%			

Percentage of students reporting participation in extracurricular activities, clubs, or athletics

2015-16	2016-17	2017-18	2018-19	2019-20
68.3%	68.2%			

Percentage of students reporting participation in community service

2015-16	2016-17	2017-18	2018-19	2019-20
42.3%	40.3%			

Percentage of students without excessive unexcused/unverified absences

2015-16	2016-17	2017-18	2018-19	2019-20
81.0%	79.4%			

Percentage of students with no discipline infractions

2015-16	2016-17	2017-18	2018-19	2019-20
84.9%	85.4%			

Goal 4a: Placing a Premium on High-Quality Staff

Ranking of VBCPS salary for teachers compared to 6 surrounding divisions
(total of 7 divisions)

Years of Experience	2015-16	2016-17	2017-18	2018-19	2019-20
New Hires	2	1	1		
5 Years	2	1	1		
10 Years	3	3	5		
15 Years	2	1	2		
20 Years	1	1	2		
25 Years	2	1	3		
30 Years	1	1	2		

Ranking of VBCPS health benefits package for all employees compared to 6 surrounding divisions (total of 7 divisions)

Plan	2015-16	2016-17	2017-18	2018-19	2019-20
Monthly Premium for Employee Only Plan	6	6	6		
Monthly Premium for Family Plan	7	7	7		
Deductible for Employee Only Plan	6	7	5		
Deductible for Family Plan	7	7	7		

Percentage of teachers receiving an overall summative rating of proficient or exemplary

2015-16	2016-17	2017-18	2018-19	2019-20
98.1%	97.4%			

Number of teachers with National Board Certification

2015-16	2016-17	2017-18	2018-19	2019-20
141	122	130		

Number of teachers with the division designation of career teacher

2015-16	2016-17	2017-18	2018-19	2019-20
1214	1248	1276		

Percentage of instructional, administrative, and certified staff with graduate degrees

2015-16	2016-17	2017-18	2018-19	2019-20
59.8%	59.5%	59.2%		

Percentage of staff reporting that their opportunities for professional learning are appropriate to meet their needs

2015-16	2016-17	2017-18	2018-19	2019-20
78.4%	85.8%			

Percentage of staff reporting that the school division offers flexible opportunities for professional learning

2015-16	2016-17	2017-18	2018-19	2019-20
80.7%	87.6%			

Number of teachers and administrators who report leaving VBCPS to work in other school divisions

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Teachers	15	19			
Administrators	0	0			

Number of teachers and administrators who are hired with experience in other school divisions

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Teachers	160	309	278		
Administrators	15	6	7		

Percentage of staff reporting high levels of job satisfaction

2015-16	2016-17	2017-18	2018-19	2019-20
85.9%	89.2%			

Goal 4b: Purposefully Partnering with Parents and the Community

Percentage of families expressing satisfaction with events, programs, and resources provided for parents to support students

2015-16	2016-17	2017-18	2018-19	2019-20
88.3%	91.2%			

Attendance at division-sponsored family programming events

2015-16	2016-17	2017-18	2018-19	2019-20
57.6%	58.9%			

Number of partnerships

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Total	1630	2164			
Model	14	6			

Number of participating partners and volunteers

2015-16	2016-17	2017-18	2018-19	2019-20
--	21885			

Percentage of partners and schools expressing satisfaction with the partnership relationships

Group	2015-16	2016-17	2017-18	2018-19	2019-20
Partners	91.4%	93.1%			
Schools	98.9%	91.9%			

Percentage of partners willing to continue as partners

2015-16	2016-17	2017-18	2018-19	2019-20
98.7%	100.0%			

Goal 1: High Academic Expectations
Academic Equity Indices

Percentage of students identified as intellectually gifted

<u>Reported Data:</u>	Division level and school level.
<u>Educational Outcome:</u>	The unduplicated count of students in grades 2-12 identified as intellectually gifted based on September 30 membership serving count of the reported year.
<u>Reference Population:</u>	The unduplicated count of students in grades 2-12 based on September 30 membership serving count of the reported year.
<u>Note:</u>	Source for the September 30 membership is the Virginia Department of Education Fall Verification Report for the reported year.

Percentage of secondary students enrolled in rigorous coursework (Access)

<u>Reported Data:</u>	Division level and school level.
<u>Educational Outcome:</u>	The unduplicated count of students who were enrolled in a rigorous course from any VBCPS school on February 10 of the reporting year or earned a final grade in a rigorous course from any VBCPS school in the first semester of the reporting year.
<u>Reference Population:</u>	The unduplicated count of students who were enrolled on February 10 of the reporting year or earned a final grade in the first semester of the reporting year.
<u>Note:</u>	For the school-level counts, the students are unduplicated by school. For the division-level counts, the students are unduplicated across the division. Students are counted at the school where the course was taken. Please refer to the Advanced Courses document in the School Data Portfolio for a list of all courses identified as advanced in middle school (grades 6-8) and advanced in high school (grades 9-12).

Percentage of students graduating in four years (Outcomes)

<u>Reported Data:</u>	Division level and school level.
<u>Educational Outcome:</u>	The unduplicated count of on-time graduates earning a state-approved diploma.
<u>Reference Population:</u>	The unduplicated count of first-time entering grade 9 students from four years earlier plus students who transfer in during that time period minus students who transfer out.
<u>Note:</u>	Source is the Virginia Department of Education four-year on-time graduation rate.

Percentage of on-time graduates earning advanced diplomas (Excellence)

<u>Reported Data:</u>	Division level and school level.
<u>Educational Outcome:</u>	The unduplicated count of on-time graduates earning an advanced or IB diploma.
<u>Reference Population:</u>	The unduplicated count of on-time graduates earning a state-approved diploma.
<u>Note:</u>	Source is the Virginia Department of Education four-year on-time graduation rate.

COMPASS TO 2020 NAVIGATIONAL MARKERS METHODOLOGY

Goal 1: High Academic Expectations **Navigational Markers**

Percentage of students reading on grade level by the end of grades K-2 as measured by the DRA and grades 3, 6, and 9 as measured by the Reading Inventory (RI)

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of students whose highest score on the DRA (grades K-2 Independent Level Score) or SRI (grades 3, 6, and 9 Lexile Score) for the reported year was at or above the minimum established reading on grade level score for the given grades: kindergarten (3), grade 1 (16), grade 2 (28), grade 3 (500), grade 6 (800), and grade 9 (1000).
<u>Denominator:</u>	The count of students enrolled during the end-of-year DRA (grades K-2) or SRI (grades 3, 6, and 9) administration window with a valid score at any point during the reported year.
<u>Note:</u>	If a student was enrolled during the end-of-year administration window, did not have a valid score during the end-of-year administration window, and was at or above the minimum established reading on grade level score at any point during the school year, the student will be included in the count of students reading on grade level.

Percentage of students passing the English, Writing, Mathematics, Science, and Social Studies Standards of Learning (SOL) assessments

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students by subject area who scored at the proficient or pass advanced level on the SOL tests administered during the summer, fall, or spring of the reported year.
<u>Denominator:</u>	The unduplicated count of students by subject area who took an SOL test during the summer, fall, or spring of the reported year.
<u>Note:</u>	Students are counted at the school associated with the student's SOL results. When a student has two or more test results for the same test, only the higher score will be used. Students enrolled at Advanced Technology Center, Renaissance Academy, and Technical & Career Education Center are reported at both their home school and the center.

Percentage of students scoring at the emerging level or higher on the Integrated Performance Task (IPT)

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of students who scored at the emerging level or higher on the Integrated Performance Task (IPT) for grades 4 and 7 in the areas of critical thinking, problem solving, and written communication.
<u>Denominator:</u>	The count of students who took the Integrated Performance Task for grades 4 and 7 during the spring of the reported year.
<u>Note:</u>	Emerging is defined as a score of 2 or higher.

Percentage of students scoring at the proficient level or higher on the College and Work Readiness Assessment (CWRA+)

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of grade 12 students who scored proficient or higher on the College and Work Readiness assessment (CWRA+).
<u>Denominator:</u>	The count of grade 12 students who completed the CWRA+.
<u>Note:</u>	This data file is provided by the Council for Aid to Education. Students who do not have a valid Performance Task score and a valid Selected-Response score are not included in the analysis. The data reported are for seniors, the primary test-taker group, for the reported year.

Percentage of students reporting growth in the areas of literacy, numeracy, and globally competitive skills

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that they had improved in the areas of literacy, numeracy, and globally competitive skills.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether they had improved in the areas of literacy, numeracy, and globally competitive skills.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Goal 1: High Academic Expectations
Navigational Markers

Percentage of secondary students enrolled in rigorous coursework

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students who were enrolled in a rigorous course from any VBCPS school on February 10 of the reporting year or earned a final grade in a rigorous course from any VBCPS school in the first semester of the reporting year.
<u>Denominator:</u>	The unduplicated count of students who were enrolled on February 10 of the reporting year or earned a final grade in the first semester of the reporting year.
<u>Note:</u>	For the school-level counts, the students are unduplicated by school. For the division-level counts, the students are unduplicated across the division. Students are counted at the school where the course was taken. Please refer to the Advanced Courses document in the School Data Portfolio for a list of all courses identified as advanced in middle school (grades 6-8) and advanced in high school (grades 9-12).

Percentage of 8th grade students earning high school credit

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of grade 8 students who have completed a high school credit-bearing course with a grade of D or higher during or prior to the reported year.
<u>Denominator:</u>	The unduplicated count of grade 8 students enrolled in the school at the end of any course in the reported year.
<u>Note:</u>	Students are counted at the school at which they were last enrolled.

Percentage of students graduating in four years

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	Count of on-time graduates earning a state-approved diploma.
<u>Denominator:</u>	Count of first-time entering grade 9 students from four years earlier plus students who transfer in during that time period minus students who transfer out.
<u>Note:</u>	Source is the Virginia Department of Education four-year on-time graduation rate.

Percentage of students completing Algebra II and passing the SOL by the end of 11th grade

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of grade 11 students with a final grade of D or higher in an Algebra II or Algebra II/Trig course from any VBCPS school while also earning a Pass Advanced or Pass Proficient score on the Algebra II SOL test during or prior to the reported year.
<u>Denominator:</u>	The unduplicated count of grade 11 students enrolled in the school at the end of any course in the reported year.
<u>Note:</u>	Students are counted at the school at which they were last enrolled.

**Goal 2: Multiple Pathways
Navigational Markers**

Percentage of students and parents reporting that students were provided with personalized learning opportunities (e.g., opportunities aligned with their needs and interests)

<u>Reported Data:</u>	Division level and school level with subgroup data. Subgroup data are only available for students.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that they were provided opportunities aligned with their needs and interests.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether they were provided opportunities aligned with their needs and interests.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students and parents reporting that students' academic/career planning process helped them to make informed decisions about college, employment, or military service

<u>Reported Data:</u>	Division level and school level with subgroup data. Subgroup data are only available for students.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that they received assistance, resources, and information that helped them make informed decisions about their options after they graduate from high school.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether they received assistance, resources, and information that helped them make informed decisions about their options after they graduate from high school.
<u>Note:</u>	In grade 5, this item asked if teachers or counselors talked to students about options after high school. Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students taking advantage of flexible learning opportunities through enrollment in online classes.

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students who were enrolled in an online course from any VBCPS school on February 10 of the reporting year, earned a final grade in an online course from any VBCPS school in the first semester of the reporting year, or earned a final grade in an online course from any VBCPS school in the summer prior to the start of the reporting year.
<u>Denominator:</u>	The unduplicated count of students who were enrolled on February 10 of the reporting year, earned a final grade in the first semester of the reporting year, or earned a final grade in the summer prior to the start of the reporting year.
<u>Note:</u>	For the school-level counts, the students are unduplicated by school. For the division-level counts, the students are unduplicated across the division. For the reporting year, students are counted at the school where the course was taken. For summer school, students are counted at the school where they were enrolled during the reporting year. If a summer school student was not enrolled in a school for the reporting year, the students are counted at the school where they were enrolled during the prior year. If a summer school student was not enrolled in a school for the reporting year or the prior year, that student is excluded from this calculation.

Percentage of students taking advantage of flexible learning opportunities through enrollment in distance learning classes.

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students who were enrolled in a distance learning course from any VBCPS school on February 10 of the reporting year or earned a final grade in a distance learning course from any VBCPS school in the first semester of the reporting year.
<u>Denominator:</u>	The unduplicated count of students who were enrolled on February 10 of the reporting year or earned a final grade in the first semester of the reporting year.
<u>Note:</u>	For the school-level counts, the students are unduplicated by school. For the division-level counts, the students are unduplicated across the division. For the reporting year, students are counted at the school where the course was taken.

**Goal 2: Multiple Pathways
Navigational Markers**

Percentage of 8th grade students meeting college-readiness benchmarks on the PSAT 8/9

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of 8th grade students whose score on the evidence-based reading and writing section, math section, or both the evidence-based reading and writing section and math section of the PSAT 8/9 assessment for the reporting year was at or above the established College Readiness Benchmark score for the given section.
<u>Denominator:</u>	The count of 8th grade students with a PSAT 8/9 result for the reporting year.
<u>Note:</u>	The benchmark score is 390 for evidence-based reading and writing and 430 for mathematics. Students are counted at the school where the PSAT was taken.

Percentage of 10th grade students meeting college-readiness benchmarks on the PSAT

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of 10th grade students whose score on the evidence-based reading and writing section, math section, or both the evidence-based reading and writing section and math section of the PSAT assessment for the reporting year was at or above the established College Readiness Benchmark score for the given section.
<u>Denominator:</u>	The count of 10th grade students with a PSAT result for the reporting year.
<u>Note:</u>	The benchmark score is 430 for evidence-based reading and writing and 480 for mathematics. Students are counted at the school where the PSAT was taken.

Percentage of students meeting college-readiness benchmarks on the SAT

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of students by section whose score on the evidence-based reading and writing section, mathematics section, or both sections of the SAT assessment for the reported year was at or above the established College Readiness Benchmark score for the given section. The benchmark score is 480 for evidence-based reading and writing and 530 for mathematics.
<u>Denominator:</u>	The count of grade students with an SAT result for the reported year.
<u>Note:</u>	Starting in March 2016, the College Board began administering a new version of the SAT with new sections. For 2015-2016, only SAT attempts from March 2016 - June 2016 are reported. The SAT college- and career-readiness benchmarks indicate a 75 percent likelihood of achieving at least a C in first semester, credit-bearing college courses in related subjects and coursework. When there are two or more test results for the same student, only the score with the highest combined score will be used. School-level results are reported at the school associated with the student's highest test result.

Percentage of students meeting college-readiness benchmarks on the ACT

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of students by subtest whose score on the ACT assessment for the reported year was at or above the established ACT benchmark score for the subtest. The established benchmark score is 18 for English, 22 for mathematics, 22 for reading, and 23 for science.
<u>Denominator:</u>	The count of students with an ACT test result for the reported year.
<u>Note:</u>	When there are two or more test results for the same student, only the score with the highest composite score will be used. School-level results are reported at the school associated with the student's highest score.

Percentage of students completing internships, co-operatives, or other specific work experiences facilitated by schools

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students in grades 9-12 who completed an internship, co-operative, or other specific work experiences facilitated by schools for the reported year.
<u>Denominator:</u>	The unduplicated count of students in grades 9-12 who earned a final grade in the second semester of the reported year.
<u>Note:</u>	Students are counted at the school where they earned a final grade in the second semester of the reported year.

**Goal 2: Multiple Pathways
Navigational Markers**

Percentage of recent graduates reporting that their experiences in VBCPS prepared them for postsecondary education or entry into the military or workforce.

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Virginia Beach Postgraduate Survey who agreed or strongly agreed that their experiences in VBCPS prepared them for postsecondary education or entry into the military or workforce.
<u>Denominator:</u>	The count of all respondents to the Virginia Beach Postgraduate Survey who provided a response to an item about whether or not their experiences in VBCPS prepared them for postsecondary education or entry into the military or workforce.
<u>Note:</u>	Source is the Virginia Beach Postgraduate Survey.

Percentage of recent graduates reporting that internships, co-operatives, or job shadowing experiences prepared them for postsecondary education or entry into the military or workforce.

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Virginia Beach Postgraduate Survey who agreed or strongly agreed that internships, co-operatives, or job shadowing experiences prepared them for postsecondary education or entry into the military or workforce.
<u>Denominator:</u>	The count of all respondents to the Virginia Beach Postgraduate Survey who provided a response to an item about whether or not internships, co-operatives, or job shadowing experiences prepared them for postsecondary education or entry into the military or workforce.
<u>Note:</u>	Source is the Virginia Beach Postgraduate Survey.

Percentage of graduates enrolling in 2- and 4-year colleges within one year of graduation

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of graduates identified as having enrolled in a postsecondary institution within one year following graduation.
<u>Denominator:</u>	The unduplicated count of graduates.
<u>Note:</u>	Source is the National Student Clearinghouse Report. The National Student Clearinghouse does not include students with a FERPA block attached to their record.

Percentage of graduates who completed a Career and Technical Education Program

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of graduates for the reporting school year who completed a Career and Technical Education Program.
<u>Denominator:</u>	The count of graduates for the reporting school year.
<u>Note:</u>	A Career and Technical Education Program completer is a student who has met the requirements for a CTE concentration (sequence) and all requirements for high school graduation or an approved alternative education program.

Percentage of graduates accepted/reporting acceptance into the military, service academies, or receiving ROTC scholarships

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of graduates for the reporting school year who were accepted/reporting acceptance into the military, service academy, or received an ROTC scholarship.
<u>Denominator:</u>	The count of graduates for the reporting school year.
<u>Note:</u>	A student is included in the numerator if they enlisted in the military, were offered or accepted enrollment into a service academy, or were offered or accepted an ROTC scholarship.

Goal 3: Social-Emotional Development **Navigational Markers**

Percentage of students reporting positive relationships with peers, teachers, and administrators

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that they had positive relationships with peers, teachers, and administrators.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether they had positive relationships with peers, teachers, and administrators.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students reporting a sense of belonging to their school

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that they felt a sense of belonging at their school.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether they felt a sense of belonging at their school.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students and parents reporting the school is a safe and orderly place to learn

<u>Reported Data:</u>	Division level and school level with subgroup data. Subgroup data are only available for students.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that their school is a safe and orderly place to learn.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether their school is a safe and orderly place to learn.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students and parents reporting the school is a welcoming place to learn

<u>Reported Data:</u>	Division level and school level with subgroup data. Subgroup data are only available for students.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who agreed or strongly agreed that their school is a welcoming place to learn.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about whether their school is a welcoming place to learn.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students reporting participation in extracurricular activities, clubs, or athletics

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who reported participation in extracurricular activities, clubs, or athletics.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about participation in extracurricular activities, clubs, or athletics.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Goal 3: Social-Emotional Development
Navigational Markers

Percentage of students reporting participation in community service

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who reported participation in community service.
<u>Denominator:</u>	The count of all respondents to the Compass to 2020 Monitoring Survey or School Climate Survey who provided a response to the item about participation in community service.
<u>Note:</u>	Source is either the Compass to 2020 Monitoring Survey or Virginia Beach School Climate Survey administered in grades 5, 8, and 12 biannually during different school years. Subgroup data is self-reported and based on a student's response to the ethnicity and gender questions at the end of each survey.

Percentage of students with excessive unexcused/unverified absences

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students receiving less than six unexcused and/or unverified absences during the reporting year.
<u>Denominator:</u>	The unduplicated count of students who were enrolled at least seven days during the reporting year.
<u>Note:</u>	For school-level counts, student data are based on absences accrued at the reported school. For division-level counts, student data are based on absences accrued across the division. This indicator uses six or more unexcused and/or unverified absences to align with VDOE requirements for a truancy conference.

Percentage of students with no discipline infractions

<u>Reported Data:</u>	Division level and school level with subgroup data.
<u>Numerator:</u>	The unduplicated count of students who received no referrals during the reporting year.
<u>Denominator:</u>	The unduplicated count of students who were enrolled at any point during the reporting year.
<u>Note:</u>	For school-level counts, student data are based on referrals that occurred while the student was enrolled at the reported school. For division-level counts, student data are based on referrals that occurred across the division.

**Goal 4a: Placing a Premium on High-Quality Staff
Navigational Markers**

Ranking of VBCPS salary for teachers compared to 6 surrounding divisions (total of 7 divisions)

<u>Reported Data:</u>	Division level without subgroup data.
<u>Ranking:</u>	Ranking of teacher salary out of a total of 7 public school divisions. The divisions included in the ranking are Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, and Virginia Beach.
<u>Note:</u>	Information for each school division was obtained from either their school division website or the annual National Education Association survey completed by all participating school divisions.

Ranking of VBCPS health benefits package for all employees compared to 6 surrounding divisions (total of 7 divisions)

<u>Reported Data:</u>	Division level without subgroup data.
<u>Ranking:</u>	Ranking of the cost of insurance plans out of a total of 7 public school divisions. This ranking is only based on insurance premium cost and the amount of the deductible. The divisions included in the ranking are Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, and Virginia Beach.
<u>Note:</u>	Information for each school division was obtained from either their school division website or by contacting the division directly.

Percentage of teachers receiving an overall summative rating of proficient or exemplary

<u>Reported Data:</u>	Division level without subgroup data.
<u>Numerator:</u>	The count of teachers receiving an overall summative rating of proficient or exemplary for the reporting year.
<u>Denominator:</u>	The count of teachers evaluated for the reporting year.
<u>Note:</u>	The teacher evaluation system is based on a 3-year cycle with evaluation of teachers evenly distributed across all three years. For any given year, approximately one third of all teachers will be evaluated.

Number of teachers with National Board Certification

<u>Reported Data:</u>	Division level without subgroup data.
<u>Count:</u>	The count of teachers with a National Board Certification.
<u>Note:</u>	Count of all staff including those who were newly certified during the first half of the reported school year.

Number of teachers with the division designation of career teacher

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Count:</u>	The count of teachers with the division designation of career teacher.

Percentage of instructional, administrative, and certified staff with graduate degrees

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Numerator:</u>	The count of instructional, administrative, and professional instructional staff (certified) with an advanced degree.
<u>Denominator:</u>	The count of all instructional, administrative, and professional instructional staff (certified).
<u>Note:</u>	Data are based on head count and not FTEs for allocated positions. School-level information is based on the primary position for each staff member.

Percentage of staff reporting that their opportunities for professional learning are appropriate to meet their needs

<u>Reported Data:</u>	Division level without subgroup data. (Employee Input Survey) Division level and school level without subgroup data. (School Climate Survey)
<u>Numerator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who agreed or strongly agreed that their opportunities for professional learning are appropriate to meet their needs.
<u>Denominator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who provided a response to the item that their opportunities for professional learning are appropriate to meet their needs.
<u>Note:</u>	Source is either the Employee Input Survey or Virginia Beach School Climate Survey administered biannually during different school years.

Goal 4a: Placing a Premium on High-Quality Staff
Navigational Markers

Percentage of staff reporting that the school division offers flexible opportunities for professional learning

<u>Reported Data:</u>	Division level without subgroup data. (Employee Input Survey) Division level and school level without subgroup data. (School Climate Survey)
<u>Numerator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who agreed or strongly agreed that the school division offers flexible learning opportunities for professional learning.
<u>Denominator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who provided a response to the item that the school division offers flexible learning opportunities for professional learning.
<u>Note:</u>	Source is either the Employee Input Survey or Virginia Beach School Climate Survey administered biannually during different school years.

Number of teachers and administrators who leave VBCPS to work in other school divisions

<u>Reported Data:</u>	Division level without subgroup data.
<u>Count:</u>	The count of administrative, instructional, and professional instructional staff (certified) who left VBCPS during the reported school year to work in other school divisions.
<u>Note:</u>	Data are based on head counts and not FTEs.

Number of teachers and administrators who are hired with experience in other school divisions

<u>Reported Data:</u>	Division level without subgroup data.
<u>Count:</u>	The count of administrative, instructional, and professional instructional staff (certified) who are hired from July to early February of the reported school year with experience in other school divisions.
<u>Note:</u>	Data are based on head counts and not FTEs.

Percentage of staff reporting high levels of job satisfaction

<u>Reported Data:</u>	Division level without subgroup data. (Employee Input Survey) Division level and school level without subgroup data. (School Climate Survey)
<u>Numerator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who were satisfied or very satisfied with their job in Virginia Beach City Public Schools.
<u>Denominator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who provided a response to the item about their satisfaction with their job in Virginia Beach City Public Schools.
<u>Note:</u>	Source is either the Employee Input Survey or Virginia Beach School Climate Survey administered biannually during different school years.

Goal 4b: Purposefully Partnering with Parents and the Community
Navigational Markers

Percentage of families expressing satisfaction with events, programs, and resources provided for parents to support students

<u>Reported Data:</u>	Division level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Community Engagement Survey for Parents who were satisfied or very satisfied with the events, programs, or resources provided by VBCPS to support their child's education.
<u>Denominator:</u>	The count of all respondents to the Employee Input Survey or School Climate Survey who provided a response to the item about their satisfaction with the events, programs, or resources provided by VBCPS to support their child's education.

Attendance at division-sponsored family programming events

<u>Reported Data:</u>	Division level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Community Engagement Survey for Parents who reported that they attended a VBCPS-sponsored family event or program during the reported year.
<u>Denominator:</u>	The count of all respondents to the Community Engagement Survey for Parents who provided a response to the item about attending a VBCPS-sponsored family event or program during the reported year.

Number of partnerships

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Count:</u>	The count of total and model partnerships for the reported year.

Number of participating partners and volunteers

<u>Reported Data:</u>	Division level and school level without subgroup data.
<u>Count:</u>	The count of participating partners and volunteers for the reported school year.
<u>Note:</u>	If a partner or volunteer worked at more than one school, those individuals will be counted more than once in the division total.

Percentage of partners and schools expressing satisfaction with the partnership relationships

<u>Reported Data:</u>	Division level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Partners in Education Survey who were satisfied with the relationship between the partners and school for the reported year.
<u>Denominator:</u>	The count of all respondents to the Partners in Education Survey who provided a response to the item about the relationship between the partners and school for the reported year.

Percentage of partners willing to continue as partners

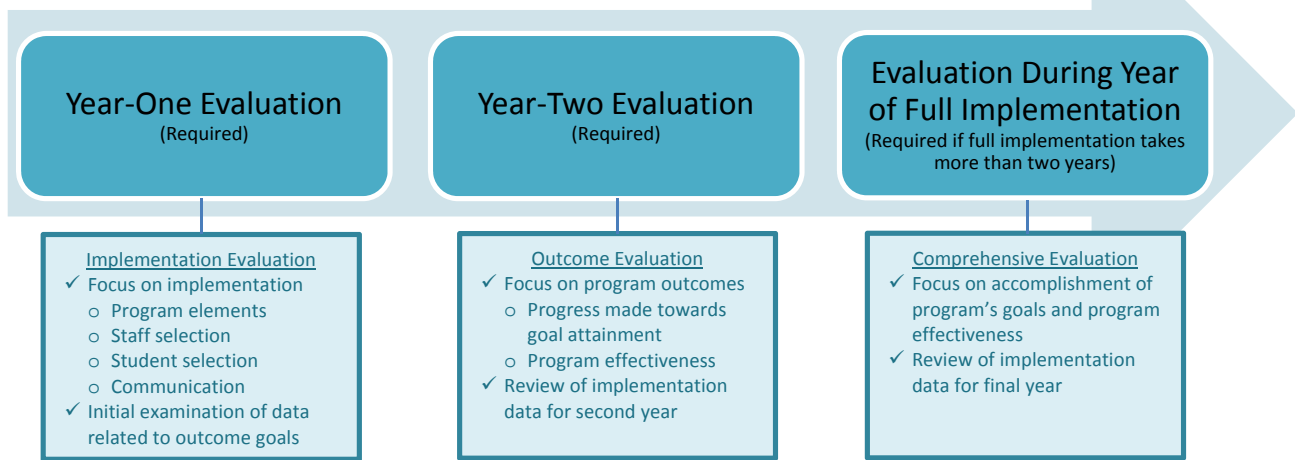
<u>Reported Data:</u>	Division level without subgroup data.
<u>Numerator:</u>	The count of all respondents to the Partners in Education Survey who were willing to continue their partnership with the school/division for the reported year.
<u>Denominator:</u>	The count of all respondents to the Partners in Education Survey who provided a response to the item about their willingness to continue their partnership with the school/division for the reported year.

Program Evaluation Policy and Process

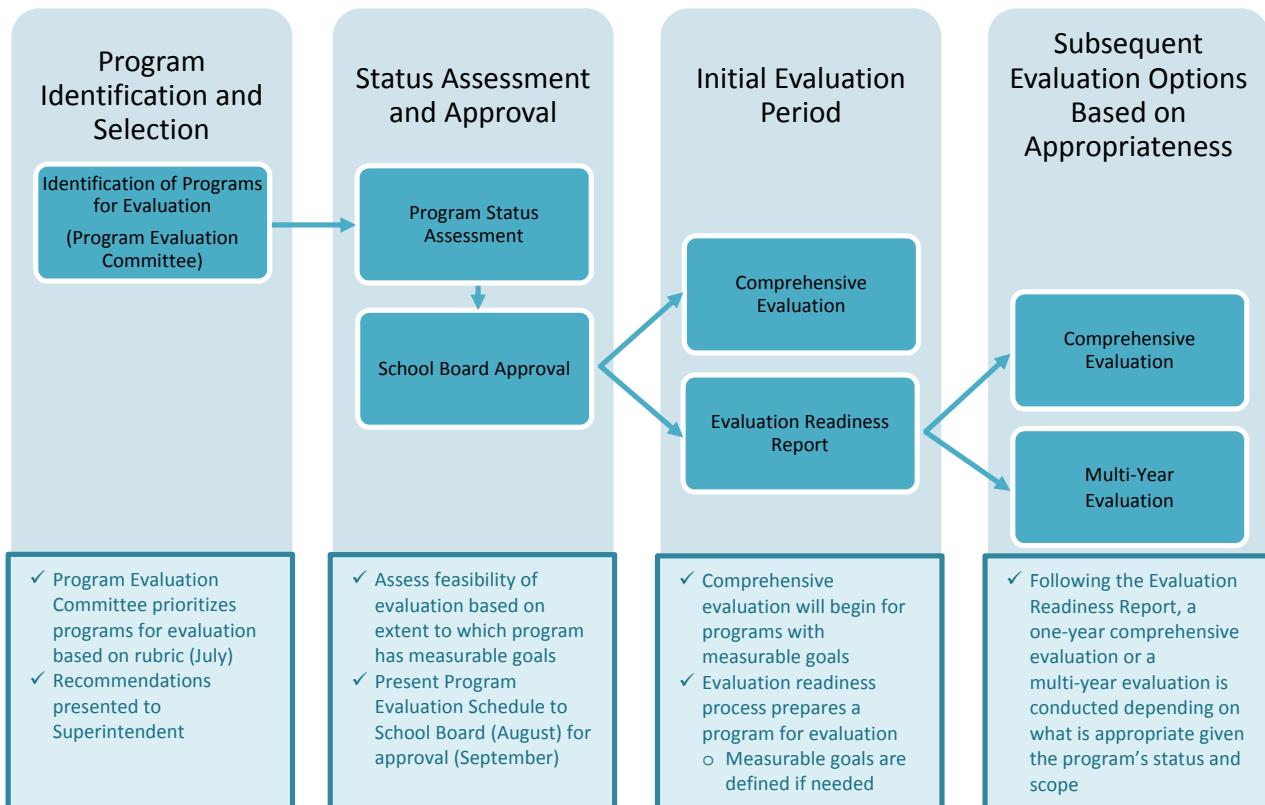
Department of Planning, Innovation, and Accountability
Office of Research and Evaluation

Program evaluation in Virginia Beach City Public Schools is a systematic process guided by School Board Policy 6-26. The policy is applicable to all educational programs in operation or being planned for implementation that receive local funding. This document outlines the evaluation process for new and existing programs based on the policy and describes the types of evaluations that may be conducted. Any questions regarding program evaluation should be directed to the Office of Research and Evaluation at 757-263-1199.

New Programs



Existing Programs



Types of Program Evaluation in Virginia Beach City Public Schools

Several types of program evaluations are conducted to meet the needs of the school division and program staff. These evaluations are conducted for formative purposes, such as providing information for program improvement or adjustment, as well as for summative purposes where information is used for accountability and decisions regarding program continuation. The School Board reviews and votes on recommendations made through the evaluation process regarding evaluation plans and continuation, expansion, or discontinuation of educational programs.

Program Status Assessment

- ❖ **Focus:** Determine whether an evaluation is feasible based on the extent to which the program's goals, objectives, activities, and outcomes are connected, plausible, well defined, and measurable.
- ❖ **Result:** Determination of whether the program will be the subject of an evaluation readiness report or a comprehensive evaluation in the upcoming school year.

Evaluation Readiness Report

- ❖ **Focus:** Evaluation staff members work with program staff throughout the year to define measurable goals and objectives, as well as linkages with activities and outcomes. The report includes a program description, the outcomes of the evaluation readiness process including measurable goals and objectives, baseline data describing program participants, and a recommended evaluation plan.
- ❖ **Result:** Recommendation as to whether the program will be the subject of a one-year comprehensive evaluation or begin a multi-year evaluation in the upcoming school year.

Implementation Evaluation

- ❖ **Focus:** Fidelity of program operation or implementation based on an approved plan for program operation (usually relevant to new programs or programs that have changed significantly).
- ❖ **Result:** Recommendation to 1) Continue the program without modifications or 2) Continue the program with modifications. Expansion or discontinuation of a program could also be recommended, although this generally does not occur at this evaluation stage.

Process Evaluation

- ❖ **Focus:** Operation of the program as it exists (usually relevant to existing programs).
- ❖ **Result:** Recommendation to 1) Continue the program without modifications or 2) Continue the program with modifications. Expansion or discontinuation of a program could also be recommended, although this generally does not occur at this evaluation stage.

Outcome Evaluation

- ❖ **Focus:** Extent to which the program is meeting its outcome goals and whether the program is effective. To the greatest extent possible, the evaluation methodology is designed to determine if the program was responsible for the outcomes observed. Data about program operation are also analyzed to assess whether operational factors may have influenced the attainment of outcome goals, but these data are not the focus.
- ❖ **Result:** Recommendation to 1) Continue the program without modifications, 2) Continue the program with modifications, 3) Expand the program, or 4) Discontinue/phase out the program.

Comprehensive Evaluation

- ❖ **Focus:** All aspects of the program including operation of program components, attainment of identified program outcomes, and program effectiveness. Generally, the evaluation also includes information about the additional cost of the program to the school division.
- ❖ **Result:** Recommendation to 1) Continue the program without modifications, 2) Continue the program with modifications, 3) Expand the program, or 4) Discontinue/phase out the program.

Multi-Year Evaluation

- ❖ **Focus:** Multiple evaluations conducted over more than one year due to the size and scope of the program. Generally, multi-year evaluations begin with an implementation or process evaluation and end with an outcome evaluation, but the evaluation plan is specifically tailored to the individual program.
- ❖ **Result:** Recommendation to 1) Continue the program without modifications, 2) Continue the program with modifications, 3) Expand the program, or 4) Discontinue/phase out the program.

Evaluation Update (As needed)

- ❖ **Focus:** Follow-up analysis of data after an evaluation has been completed based on specific areas that could benefit from additional monitoring. An evaluation update is included as a specific recommendation in the program's final evaluation report if needed.
- ❖ **Result:** School division's administration may choose to make recommendations about the program as a result of the update, but no formal recommendations are made by the evaluation staff within the update report.



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

**Department of Planning, Innovation, and Accountability
Office of Research and Evaluation**

2017-2018 Program Evaluation Schedule

2016-2017 Program Evaluation Schedule*	
Program	Proposed Reporting Schedule
School Counseling Program (K-12)	Fall 2017
Entrepreneurship and Business Academy**	Fall 2017
An Achievable Dream Academy***	Fall 2017
Digital Learning Anchor Schools Initiative**	Fall 2017
Green Run Collegiate**	Fall 2017
Academy and Advanced Academic Programs Longitudinal Study	Spring 2018

2017-2018 Program Evaluation Schedule (Submitted for School Board approval in accordance with School Board Policy 6-26)	
Program	Proposed Reporting Schedule
School Counseling Program (K-12)	Fall 2018
Entrepreneurship and Business Academy**	Fall 2018
An Achievable Dream Academy**	Fall 2018
English as a Second Language Program (K-12)	Fall 2018
LEAD Aspiring Administrators' Program	Fall 2018
Student Response Teams (SRT)	Fall 2018
Academy and Advanced Academic Programs Longitudinal Study	Spring 2019

* Once evaluation results have been presented to the School Board, recommendations may include additional evaluations to be completed by the Department of Planning, Innovation, and Accountability (PIA) during the 2017-2018 school year.

** Added to the Program Evaluation Schedule based on School Board Policy 6-26 which stipulates that new educational programs or initiatives that operate with local resources will be evaluated for a minimum of two years. Programs or initiatives that take more than two years to fully implement will also be evaluated during the year in which the program or initiative reaches full implementation.

*** Added to the Program Evaluation Schedule as a follow-up to the external review conducted during the program's first year.



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Master Accreditation Chart
2005-2006 to Present

School	Level	Based on 05-06 Scores for 06-07 Accreditation	Based on 06-07 Scores for 07-08 Accreditation	Based on 07-08 Scores for 08-09 Accreditation	Based on 08-09 Scores for 09-10 Accreditation	Based on 09-10 Scores for 10-11 Accreditation	Based on 10-11 Scores for 11-12 Accreditation	Based on 11-12 Scores for 12-13 Accreditation	Based on 12-13 Scores for 13-14 Accreditation	Based on 13-14 Scores for 14-15 Accreditation	Based on 14-15 Scores for *15-16 Accreditation	Based on 15-16 Scores for *16-17 Accreditation	Based on 16-17 Scores for *17-18 Accreditation
Alanton	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Arrowhead	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Bayside	ES	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	FA	FA	FA
Birdneck	ES	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	PA-Approaching (English)	PA - Warned (History)	FA
Brookwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Centerville	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Christopher Farms	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
College Park	ES	FA	FA	FA	FA	FA	FA	FA	AW (Math and English)	AW (Math, English, and Science)	PA-Warned (English, Math, History, and Science)	FA	FA
Cooke	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Corporate Landing	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Creeds	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
John B. Dey	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Diamond Springs	ES	N/A	N/A	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Fairfield	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Glenwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Green Run	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	PA- Improving (English)	FA	FA
Hermitage	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Holland	ES	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA	FA
Indian Lakes	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kempsville	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kempsville Meadows	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kings's Grant	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kingston	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Landstown	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Linkhorn Park	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Luxford	ES	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA	FA
Lynnhaven	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Malibu	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
New Castle	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Newtown	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
North Landing	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA

FA = Fully Accredited, AW = Accredited with Warning, AD = Accreditation Denied, CA = Conditionally Accredited, TBD = To Be Determined

*Starting with the 2015-2016 Accreditation Year - PA =Partially Accredited



Master Accreditation Chart
2005-2006 to Present

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Ocean Lakes	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Old Donation Center	ES	FA	FA	FA	FA	FA	FA	FA	FA	N/A	N/A	N/A	N/A
Parkway	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Pembroke	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Pembroke Meadows	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Point O'View	ES	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	PA-Warned (English)	FA	FA
Princess Anne	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Providence	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Red Mill	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Rosemont	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Rosemont Forest	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Salem	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Seatack, An Achievable Dream Academy	ES	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math, English, and Science)	PA-Warned (English and Science)	PA - Approaching (Science)	FA
Shelton Park	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Strawbridge	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Tallwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Thalia	ES	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA	FA
Thoroughgood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Three Oaks	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Trantwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
White Oaks	ES	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	FA	FA	FA
Williams	ES	FA	FA	AW (History)	FA	FA	FA	AW (Math)	AW (Math and Science)	AW (English and Science)	PA - Reconstituted School	FA	FA
Windsor Oaks	ES	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	PA-Approaching (English)	FA	FA
Windsor Woods	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Woodstock	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Bayside Grade 6 Campus	MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CA	FA	PA - Warned (English)	FA

FA = Fully Accredited, AW = Accredited with Warning, AD = Accreditation Denied, CA = Conditionally Accredited, TBD = To Be Determined

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VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Master Accreditation Chart
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Bayside MS (7/8)	MS	FA	FA	FA	FA	FA	AW (Math)	AW (Math)	AW (Math)	CA	PA - Reconstituted School	PA - Reconstituted School	FA
Brandon	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Corporate Landing	MS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	FA	FA	FA	FA
Great Neck	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Independence	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kemps Landing	MS	FA	FA	FA	FA	FA	FA	FA	FA	N/A	N/A	N/A	N/A
Kempsville	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Landstown	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Larkspur	MS	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	PA - Approaching (English)	FA
Lynnhaven	MS	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	FA	FA	FA
Old Donation School	MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	FA	FA	FA	FA
Plaza	MS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	FA	FA	FA	FA
Princess Anne	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Salem	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Virginia Beach	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Bayside	HS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (Math)	FA	FA	FA
Cox	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
First Colonial	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Green Run	HS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	FA	PA-Approaching (Math)	FA	FA
Green Run Collegiate	HS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CA	FA	FA	FA	FA
Kellam	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kempsville	HS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (Math)	FA	FA	FA
Landstown	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Ocean Lakes	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Princess Anne	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Salem	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Tallwood	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA

FA = Fully Accredited, AW = Accredited with Warning, AD = Accreditation Denied, CA = Conditionally Accredited, TBD = To Be Determined

*Starting with the 2015-2016 Accreditation Year - PA =Partially Accredited

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017

Mobility Indices

All Schools (N=84)

Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Schools
Alanton Elementary	157	0.2415	60
Arrowhead Elementary	67	0.1499	15
Bayside 6th Grade	79	0.2297	55
Bayside Elementary	174	0.3679	80
Bayside High	576	0.3225	76
Bayside Middle	231	0.3505	78
Bettie F. Williams Elementary	125	0.2626	63
Birdneck Elementary	236	0.4140	81
Brandon Middle	179	0.1474	14
Brookwood Elementary	154	0.2402	59
Centerville Elementary	112	0.1530	19
Christopher Farms Elementary	127	0.1876	38
College Park Elementary	89	0.1898	41
Corporate Landing Elementary	76	0.1784	30
Corporate Landing Middle	176	0.1423	12
Creeds Elementary	28	0.0915	3
Diamond Springs Elementary	144	0.2692	65
Fairfield Elementary	72	0.1395	10
First Colonial High	397	0.2140	50
Frank W. Cox High	292	0.1649	25
Glenwood Elementary	178	0.1984	46
Great Neck Middle	217	0.1847	35
Green Run Collegiate	72	0.1983	45
Green Run Elementary	77	0.1935	43
Green Run High	506	0.3558	79
Hermitage Elementary	214	0.3156	74
Holland Elementary	116	0.2218	51
Independence Middle	210	0.1762	29
Indian Lakes Elementary	81	0.1404	11
John B. Dey Elementary	152	0.1863	36
Kellam High	186	0.0930	4
Kempsville Elementary	70	0.1609	21
Kempsville High	281	0.1827	33
Kempsville Meadows Elementary	131	0.2679	64
Kempsville Middle	214	0.2610	62
King's Grant Elementary	123	0.2023	47
Kingston Elementary	55	0.1062	5
Landstown Elementary	141	0.1916	42
Landstown High	298	0.1371	9
Landstown Middle	220	0.1515	17
Larkspur Middle	319	0.2063	48
Linkhorn Park Elementary	147	0.2319	57
Luxford Elementary	115	0.2229	53
Lynnhaven Elementary	111	0.2741	67
Lynnhaven Middle	205	0.2291	54
Malibu Elementary	61	0.1627	24
New Castle Elementary	127	0.1620	22
Newtown Elementary	156	0.2816	70
North Landing Elementary	77	0.1719	28

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017

Mobility Indices

All Schools (N=84)

Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Schools
Ocean Lakes Elementary	119	0.2220	52
Ocean Lakes High	238	0.1138	6
Old Donation School	37	0.0323	1
Parkway Elementary	88	0.2066	49
Pembroke Elementary	165	0.3340	77
Pembroke Meadows Elementary	133	0.3002	73
Plaza Middle	192	0.1806	31
Point O'View Elementary	127	0.1893	40
Princess Anne Elementary	47	0.0823	2
Princess Anne High	339	0.1873	37
Princess Anne Middle	197	0.1349	8
Providence Elementary	80	0.1449	13
Red Mill Elementary	120	0.1815	32
Renaissance Academy (6-8)	175	3.0702	84
Renaissance Academy (9-12)	1068	2.8556	83
Rosemont Elementary	68	0.1659	26
Rosemont Forest Elementary	79	0.1574	20
Salem Elementary	107	0.2311	56
Salem High	327	0.1959	44
Salem Middle	300	0.2879	71
Seatack Elementary	111	0.2782	69
Shelton Park Elementary	98	0.2722	66
Strawbridge Elementary	81	0.1218	7
Tallwood Elementary	106	0.1876	39
Tallwood High	323	0.1668	27
Thalia Elementary	179	0.2925	72
Thoroughgood Elementary	106	0.1514	16
Three Oaks Elementary	119	0.1621	23
Trantwood Elementary	71	0.1524	18
Virginia Beach Middle	153	0.1832	34
W. T. Cooke Elementary	142	0.2763	68
White Oaks Elementary	193	0.3174	75
Windsor Oaks Elementary	147	0.2539	61
Windsor Woods Elementary	146	0.4257	82
Woodstock Elementary	166	0.2365	58

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017 Mobility Indices

Elementary Schools (N=55)

School Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Elementary Schools
Alanton Elementary	157	0.2415	38
Arrowhead Elementary	67	0.1499	8
Bayside Elementary	174	0.3679	53
Bettie F. Williams Elementary	125	0.2626	40
Birdneck Elementary	236	0.4140	54
Brookwood Elementary	154	0.2402	37
Centerville Elementary	112	0.1530	11
Christopher Farms Elementary	127	0.1876	22
College Park Elementary	89	0.1898	25
Corporate Landing Elementary	76	0.1784	19
Creeds Elementary	28	0.0915	2
Diamond Springs Elementary	144	0.2692	42
Fairfield Elementary	72	0.1395	5
Glenwood Elementary	178	0.1984	28
Green Run Elementary	77	0.1935	27
Hermitage Elementary	214	0.3156	50
Holland Elementary	116	0.2218	31
Indian Lakes Elementary	81	0.1404	6
John B. Dey Elementary	152	0.1863	21
Kempsville Elementary	70	0.1609	13
Kempsville Meadows Elementary	131	0.2679	41
King's Grant Elementary	123	0.2023	29
Kingston Elementary	55	0.1062	3
Landstown Elementary	141	0.1916	26
Linkhorn Park Elementary	147	0.2319	35
Luxford Elementary	115	0.2229	33
Lynnhaven Elementary	111	0.2741	44
Malibu Elementary	61	0.1627	16
New Castle Elementary	127	0.1620	14
Newtown Elementary	156	0.2816	47
North Landing Elementary	77	0.1719	18
Ocean Lakes Elementary	119	0.2220	32
Parkway Elementary	88	0.2066	30
Pembroke Elementary	165	0.3340	52
Pembroke Meadows Elementary	133	0.3002	49
Point O'View Elementary	127	0.1893	24
Princess Anne Elementary	47	0.0823	1
Providence Elementary	80	0.1449	7
Red Mill Elementary	120	0.1815	20
Rosemont Elementary	68	0.1659	17
Rosemont Forest Elementary	79	0.1574	12
Salem Elementary	107	0.2311	34
Seatack Elementary	111	0.2782	46
Shelton Park Elementary	98	0.2722	43
Strawbridge Elementary	81	0.1218	4
Tallwood Elementary	106	0.1876	23
Thalia Elementary	179	0.2925	48
Thoroughgood Elementary	106	0.1514	9
Three Oaks Elementary	119	0.1621	15
Trantwood Elementary	71	0.1524	10
W. T. Cooke Elementary	142	0.2763	45

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017 Mobility Indices

Elementary Schools (N=55)

School Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Elementary Schools
White Oaks Elementary	193	0.3174	51
Windsor Oaks Elementary	147	0.2539	39
Windsor Woods Elementary	146	0.4257	55
Woodstock Elementary	166	0.2365	36

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017 Mobility Indices

Combined Schools (N=1)

School Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Combined Schools
Old Donation School	37	0.0323	1

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017 Mobility Indices

Middle Schools (N=15)

School Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All Middle Schools
Bayside 6th Grade	79	0.2297	11
Bayside Middle	231	0.3505	14
Brandon Middle	179	0.1474	3
Corporate Landing Middle	176	0.1423	2
Great Neck Middle	217	0.1847	8
Independence Middle	210	0.1762	5
Kempsville Middle	214	0.2610	12
Landstown Middle	220	0.1515	4
Larkspur Middle	319	0.2063	9
Lynnhaven Middle	205	0.2291	10
Plaza Middle	192	0.1806	6
Princess Anne Middle	197	0.1349	1
Renaissance Academy (6-8)	175	3.0702	15
Salem Middle	300	0.2879	13
Virginia Beach Middle	153	0.1832	7

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2016-2017 Mobility Indices

High Schools (N=13)

School Name	Number of Entries and Withdrawals	Mobility Index 2016-2017	Rank Among All High Schools
Bayside High	576	0.3225	11
First Colonial High	397	0.2140	10
Frank W. Cox High	292	0.1649	4
Green Run Collegiate	72	0.1983	9
Green Run High	506	0.3558	12
Kellam High	186	0.0930	1
Kempsville High	281	0.1827	6
Landstown High	298	0.1371	3
Ocean Lakes High	238	0.1138	2
Princess Anne High	339	0.1873	7
Renaissance Academy (9-12)	1068	2.8556	13
Salem High	327	0.1959	8
Tallwood High	323	0.1668	5

Report Title: Mobility Indices

The Mobility Indices report reflects the number of entries and withdrawals that occur within a school during the calendar year. The Mobility Index expresses this value as a function of the September 30 membership count. For calculation purposes, the calendar year begins with the first official day for students and ends with their last official day. Based on the Mobility Index, schools are assigned a rank across all schools in the division and across schools within a respective school level. A school with a lower rank indicates more stability in their student population compared to other schools.

Definitions:

- **Number of Entries and Withdrawals:** The student entries in the calculation include each time a student transferred into a school from another state, school division, homebound program, and those who transfer into a different school within the school division. The withdrawal codes included in the calculation consist of any time a student moved from one school to another school within the school division or moved to another state, school division, homebound program, or private school. The withdrawals also include students who were expelled, dropped out from the school division, or were absent/suspended for more than 15 days with the expectation of returning.
- **Mobility Index:** The total number of entries and withdrawals divided by the school enrollment as of September 30. For example, a school with a September 30 membership count of 100 and a total number of student entries and withdrawals of 10 during the course of the school year would have a Mobility Index of .10.
- **Rank Among All Schools:** The school's relative position based on the mobility of students across all schools in the division.
- **Rank Among School Level:** The school's relative position based on the mobility of students across schools at a specific school level.

GRADE 3

GRADE 3 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	76.19	74.00	79.98	81.88	83.35	1.47	3.37	7.17
Caucasian	82.77	81.64	86.22	87.51	88.36	0.85	2.15	5.59
Afr American	60.48	56.83	64.57	69.71	71.66	1.95	7.09	11.18
Hispanic	73.27	71.40	77.76	77.46	78.88	1.42	1.12	5.61
Asian	85.38	81.89	86.96	87.21	91.41	4.20	4.45	6.02
Multiracial	76.92	73.26	84.25	84.28	85.90	1.62	1.65	8.98
SWD	46.50	39.61	45.56	40.91	47.84	6.93	2.29	1.34
POV	65.09	62.69	70.41	74.18	74.99	0.80	4.57	9.90
Afr American Males	55.52	52.12	58.47	66.50	65.95	-0.55	7.48	10.43
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	22.29	24.80	21.65	17.80	16.71	-1.10	-4.95	-5.59
Cauc vs Hispanic	9.51	10.23	8.46	10.05	9.49	-0.57	1.03	-0.02
Non-SWD vs SWD	33.03	38.11	38.20	45.42	39.23	-6.19	1.03	6.20
Non-POV vs POV	17.89	19.12	16.60	13.03	14.24	1.21	-2.36	-3.65

GRADE 3 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	71.87	74.10	80.46	84.13	81.71	-2.41	1.26	9.85
Caucasian	79.24	80.59	87.18	89.20	86.83	-2.38	-0.35	7.59
Afr American	52.25	58.62	64.21	73.32	68.51	-4.81	4.30	16.26
Hispanic	68.20	71.33	76.80	79.06	77.47	-1.58	0.67	9.27
Asian	87.12	86.99	91.49	91.29	94.58	3.29	3.09	7.46
Multiracial	74.29	72.63	83.06	86.17	84.35	-1.82	1.29	10.06
SWD	43.98	40.16	48.11	45.65	42.62	-3.03	-5.48	-1.36
POV	61.05	62.48	70.65	76.86	72.60	-4.25	1.95	11.55
Afr American Males	53.61	58.95	62.92	73.39	65.28	-8.11	2.36	11.67
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	26.99	21.98	22.96	15.88	18.31	2.43	-4.65	-8.67
Cauc vs Hispanic	11.04	9.27	10.37	10.15	9.35	-0.80	-1.02	-1.68
Non-SWD vs SWD	31.03	37.57	35.87	42.63	43.17	0.54	7.29	12.14
Non-POV vs POV	17.44	19.57	17.00	12.30	15.49	3.19	-1.51	-1.95

GRADE 4

GRADE 4 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	71.38	73.23	79.56	82.02	85.64	3.62	6.08	14.26
Caucasian	79.99	82.18	86.19	88.36	91.07	2.71	4.88	11.08
Afr American	53.24	53.80	64.30	68.97	73.57	4.60	9.26	20.33
Hispanic	64.60	65.87	77.22	77.09	82.99	5.91	5.77	18.40
Asian	77.70	80.92	90.88	89.24	89.55	0.32	-1.32	11.85
Multiracial	70.10	75.06	78.11	83.65	87.92	4.27	9.81	17.82
SWD	40.19	43.84	43.93	45.41	49.47	4.06	5.54	9.28
POV	58.16	60.41	69.34	72.44	77.93	5.50	8.59	19.77
Afr American Males	50.25	50.58	61.92	63.93	68.41	4.48	6.49	18.17
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	26.75	28.39	21.89	19.39	17.50	-1.89	-4.38	-9.25
Cauc vs Hispanic	15.39	16.31	8.97	11.27	8.08	-3.19	-0.89	-7.31
Non-SWD vs SWD	34.76	32.87	39.73	40.98	40.62	-0.36	0.89	5.86
Non-POV vs POV	21.12	21.26	17.12	16.43	12.92	-3.51	-4.20	-8.19

GRADE 4 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	76.02	82.97	88.32	86.28	85.89	-0.39	-2.43	9.87
Caucasian	82.36	88.95	92.46	91.27	91.26	-0.01	-1.20	8.90
Afr American	60.42	67.21	79.03	74.86	73.93	-0.93	-5.10	13.51
Hispanic	72.62	80.94	86.85	82.71	82.09	-0.62	-4.76	9.47
Asian	87.80	95.94	96.03	95.17	94.57	-0.61	-1.46	6.76
Multiracial	73.87	83.03	86.55	87.82	86.62	-1.20	0.06	12.75
SWD	44.76	50.81	56.24	54.32	48.23	-6.09	-8.01	3.47
POV	65.07	73.70	80.96	78.36	79.06	0.70	-1.90	13.99
Afr American Males	61.70	66.17	79.42	71.61	71.73	0.12	-7.68	10.03
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	21.94	21.74	13.43	16.41	17.33	0.92	3.90	-4.61
Cauc vs Hispanic	9.74	8.01	5.61	8.56	9.18	0.61	3.57	-0.57
Non-SWD vs SWD	34.81	35.97	35.76	35.76	42.26	6.50	6.50	7.46
Non-POV vs POV	17.48	15.39	12.32	13.57	11.43	-2.13	-0.89	-6.05

GRADE 5

GRADE 5 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	75.06	78.73	82.86	87.19	88.08	0.89	5.22	13.02
Caucasian	83.65	85.78	89.71	92.28	93.31	1.03	3.60	9.66
Afr American	57.00	63.19	66.69	75.31	76.66	1.36	9.97	19.66
Hispanic	71.93	74.34	79.26	86.32	86.46	0.14	7.20	14.54
Asian	82.75	86.82	89.34	93.97	91.29	-2.68	1.95	8.54
Multiracial	72.52	76.98	85.84	86.97	90.29	3.32	4.45	17.77
SWD	38.74	50.60	42.28	52.32	53.01	0.69	10.73	14.27
POV	59.23	66.89	73.02	78.32	80.57	2.25	7.55	21.33
Afr American Males	53.48	59.11	61.37	72.16	72.16	0.01	10.80	18.68
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	26.65	22.59	23.02	16.97	16.65	-0.33	-6.37	-10.00
Cauc vs Hispanic	11.72	11.44	10.45	5.96	6.85	0.89	-3.61	-4.88
Non-SWD vs SWD	40.49	31.26	45.31	39.06	39.43	0.37	-5.88	-1.05
Non-POV vs POV	25.28	19.47	16.24	14.99	12.58	-2.41	-3.66	-12.70

GRADE 5 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	74.04	79.38	83.31	84.35	83.53	-0.82	0.22	9.49
Caucasian	80.46	86.04	89.93	89.58	89.74	0.16	-0.19	9.28
Afr American	57.04	63.46	66.93	71.35	68.51	-2.83	1.58	11.47
Hispanic	73.37	75.60	80.32	83.86	82.52	-1.34	2.20	9.15
Asian	89.69	89.44	94.24	95.14	93.15	-1.99	-1.09	3.46
Multiracial	72.08	78.65	84.73	83.20	84.33	1.13	-0.40	12.25
SWD	30.86	42.57	44.40	45.36	46.13	0.77	1.72	15.27
POV	61.58	68.03	73.01	75.56	74.33	-1.23	1.32	12.75
Afr American Males	54.91	61.46	66.72	69.39	63.64	-5.75	-3.08	8.73
GAPS								
	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	23.42	22.58	23.00	18.23	21.23	2.99	-1.78	-2.19
Cauc vs Hispanic	7.08	10.44	9.61	5.72	7.22	1.50	-2.39	0.14
Non-SWD vs SWD	48.12	40.88	43.42	43.66	42.03	-1.63	-1.39	-6.09
Non-POV vs POV	19.90	18.64	16.97	14.82	15.40	0.58	-1.57	-4.51

SWD = Student With Disabilities
POV = Poverty/Economic Disadvantaged

Results based on best attempt. Subgroups that contain no students are listed as N/A and less than 10 students are listed as <. Includes results from Renaissance. However, does NOT include VAAP or VGLA scores.

GRADE 5 HISTORY & SOCIAL SCIENCE								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	87.52	85.70	87.18	89.17	89.68	0.51	2.50	2.16
Caucasian	92.59	91.00	93.15	92.88	93.23	0.36	0.08	0.64
Afr American	75.83	71.97	71.68	79.93	80.34	0.40	8.66	4.50
Hispanic	86.75	83.92	86.51	87.66	88.68	1.02	2.16	1.93
Asian	94.46	94.81	95.42	95.36	96.80	1.44	1.38	2.33
Multiracial	85.64	85.95	89.80	90.93	92.07	1.14	2.26	6.43
SWD	57.75	57.60	52.79	62.16	59.37	-2.79	6.58	1.62
POV	78.58	75.38	77.73	81.95	83.23	1.28	5.50	4.65
Afr American Males	75.64	72.21	71.11	79.76	77.76	-2.00	6.65	2.12
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	16.76	19.03	21.47	12.94	12.90	-0.05	-8.57	-3.87
Cauc vs Hispanic	5.84	7.08	6.64	5.22	4.55	-0.67	-2.08	-1.29
Non-SWD vs SWD	33.16	31.22	38.39	30.26	34.06	3.80	-4.32	0.90
Non-POV vs POV	14.28	16.94	15.58	12.20	10.80	-1.40	-4.78	-3.48

GRADE 5 SCIENCE								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	75.90	72.71	79.43	85.13	82.29	-2.85	2.85	6.38
Caucasian	84.56	83.12	88.63	90.93	89.61	-1.32	0.98	5.05
Afr American	57.09	49.27	57.34	71.64	66.51	-5.13	9.17	9.42
Hispanic	74.34	66.87	74.45	83.54	77.96	-5.57	3.52	3.63
Asian	82.81	85.48	89.57	91.64	90.07	-1.57	0.50	7.26
Multiracial	73.54	69.30	83.33	86.35	85.33	-1.01	2.00	11.79
SWD	36.78	35.46	39.37	47.76	43.77	-3.98	4.40	6.99
POV	61.29	57.89	66.97	76.33	72.71	-3.62	5.74	11.42
Afr American Males	55.22	49.74	58.15	70.89	64.74	-6.15	6.59	9.52
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	27.47	33.84	31.29	19.29	23.10	3.81	-8.19	-4.37
Cauc vs Hispanic	10.22	16.25	14.18	7.39	11.65	4.25	-2.53	1.42
Non-SWD vs SWD	43.57	41.36	44.68	41.84	43.26	1.43	-1.41	-0.31
Non-POV vs POV	23.37	24.30	20.51	14.84	16.02	1.18	-4.49	-7.35

GRADE 6

GRADE 6 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	73.81	77.04	81.71	81.52	84.11	2.59	2.40	10.30
Caucasian	82.51	85.05	88.78	88.46	90.20	1.74	1.42	7.69
Afr American	54.90	59.71	64.88	65.17	70.47	5.30	5.59	15.57
Hispanic	67.47	76.61	82.05	76.81	83.13	6.31	1.07	15.66
Asian	81.43	83.23	88.67	91.64	93.38	1.74	4.71	11.95
Multiracial	80.34	76.59	80.89	85.18	82.99	-2.19	2.10	2.65
SWD	35.56	40.69	42.58	37.85	43.34	5.49	0.76	7.78
POV	58.74	65.11	71.14	70.10	74.24	4.14	3.10	15.50
Afr American Males	50.31	54.27	61.40	59.51	67.06	7.56	5.66	16.75
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	27.60	25.35	23.90	23.29	19.72	-3.56	-4.17	-7.88
Cauc vs Hispanic	15.04	8.44	6.73	11.64	7.07	-4.57	0.35	-7.97
Non-SWD vs SWD	42.66	40.46	43.58	48.71	45.74	-2.97	2.16	3.07
Non-POV vs POV	23.86	19.67	17.40	18.80	16.80	-2.00	-0.60	-7.06

GRADE 6 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	66.93	69.70	84.74	83.30	83.21	-0.09	-1.53	16.28
Caucasian	75.46	76.83	89.80	89.82	87.44	-2.39	-2.37	11.97
Afr American	52.05	55.51	73.49	70.73	75.68	4.94	2.19	23.62
Hispanic	65.74	68.92	87.05	83.05	82.93	-0.12	-4.12	17.19
Asian	78.29	85.20	93.55	93.90	94.41	0.51	0.86	16.12
Multiracial	73.31	72.24	85.07	85.07	81.09	-3.99	-3.98	7.78
SWD	35.48	34.71	52.47	49.15	46.98	-2.17	-5.48	11.51
POV	55.75	60.40	77.97	75.31	76.13	0.83	-1.83	20.38
Afr American Males	49.82	51.19	69.52	67.40	74.63	7.23	5.11	24.82
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	23.41	21.32	16.32	19.09	11.76	-7.33	-4.56	-11.65
Cauc vs Hispanic	9.73	7.91	2.75	6.78	4.51	-2.27	1.76	-5.22
Non-SWD vs SWD	36.98	40.44	37.05	39.41	42.08	2.67	5.03	5.10
Non-POV vs POV	20.53	17.24	12.37	14.51	13.38	-1.14	1.00	-7.16

GRADE 7

GRADE 7 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	77.25	79.80	83.66	85.93	87.83	1.90	4.17	10.58
Caucasian	84.81	86.76	90.33	91.30	92.78	1.49	2.46	7.97
Afr American	59.07	64.18	68.33	73.81	75.85	2.04	7.52	16.78
Hispanic	72.28	75.70	83.76	85.53	85.86	0.33	2.10	13.58
Asian	87.22	85.91	88.92	91.15	93.62	2.48	4.70	6.40
Multiracial	79.60	84.58	84.52	82.98	90.95	7.97	6.43	11.35
SWD	37.18	48.73	42.03	45.45	50.00	4.55	7.97	12.82
POV	63.39	69.04	73.21	76.90	79.94	3.04	6.73	16.55
Afr American Males	56.93	61.23	60.97	68.49	71.68	3.19	10.71	14.75
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	25.74	22.58	22.00	17.49	16.93	-0.56	-5.06	-8.81
Cauc vs Hispanic	12.53	11.06	6.56	5.76	6.92	1.16	0.36	-5.61
Non-SWD vs SWD	44.36	34.43	45.96	44.78	42.02	-2.76	-3.94	-2.34
Non-POV vs POV	21.33	17.44	17.04	14.83	12.80	-2.03	-4.24	-8.53

GRADE 7 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	51.13	65.54	71.43	76.01	70.87	-5.14	-0.56	19.75
Caucasian	60.13	72.19	77.37	81.77	79.31	-2.45	1.95	19.18
Afr American	34.72	51.62	58.87	64.00	55.45	-8.55	-3.42	20.73
Hispanic	44.44	65.02	69.75	75.91	69.16	-6.76	-0.59	24.71
Asian	69.03	78.11	85.99	86.00	85.71	-0.29	-0.28	16.68
Multiracial	57.50	70.78	73.89	75.58	71.47	-4.11	-2.41	13.97
SWD	24.70	34.60	28.54	38.16	29.00	-9.16	0.46	4.30
POV	38.74	54.79	60.51	66.13	59.64	-6.49	-0.87	20.90
Afr American Males	34.18	48.65	54.84	60.07	54.79	-5.28	-0.05	20.62
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	25.42	20.57	18.50	17.76	23.86	6.10	5.37	-1.55
Cauc vs Hispanic	15.69	7.17	7.62	5.85	10.16	4.30	2.54	-5.53
Non-SWD vs SWD	30.52	35.39	48.58	42.94	47.96	5.03	-0.62	17.44
Non-POV vs POV	21.46	19.34	19.60	17.79	20.01	2.21	0.41	-1.46

SWD = Student With Disabilities
POV = Poverty/Economic Disadvantaged

Results based on best attempt. Subgroups that contain no students are listed as N/A and less than 10 students are listed as <. Includes results from Renaissance. However, does NOT include VAAP or VGLA scores.

GRADE 8

GRADE 8 READING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	73.32	77.15	79.86	78.60	80.95	2.35	1.09	7.63
Caucasian	81.38	84.49	88.63	86.27	88.53	2.26	-0.10	7.15
Afr American	55.08	59.51	60.14	59.65	63.22	3.57	3.08	8.14
Hispanic	69.46	74.95	75.97	76.02	79.30	3.28	3.33	9.84
Asian	86.44	84.11	87.68	88.41	87.42	-0.99	-0.25	0.98
Multiracial	72.49	80.40	84.50	82.60	81.44	-1.16	-3.06	8.95
SWD	30.52	40.66	35.92	29.31	32.31	3.01	-3.61	1.79
POV	57.46	63.38	67.38	65.46	69.46	4.00	2.08	12.00
Afr American Males	51.48	57.86	54.59	52.75	58.01	5.26	3.42	6.53
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	26.30	24.98	28.49	26.62	25.31	-1.31	-3.17	-0.99
Cauc vs Hispanic	11.93	9.54	12.66	10.25	9.23	-1.02	-3.42	-2.69
Non-SWD vs SWD	47.37	40.17	48.39	54.09	53.55	-0.54	5.17	6.18
Non-POV vs POV	23.50	21.67	19.91	21.29	18.64	-2.64	-1.27	-4.86

GRADE 8 HISTORY & SOCIAL SCIENCE								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	86.79	86.08	91.02	90.79	91.42	0.62	0.40	4.63
Caucasian	91.42	91.76	95.46	94.91	95.04	0.13	-0.42	3.62
Afr American	76.74	71.75	81.25	80.66	82.02	1.36	0.78	5.28
Hispanic	84.62	83.79	87.94	90.39	91.42	1.02	3.47	6.80
Asian	93.22	93.73	95.74	96.93	97.43	0.50	1.68	4.21
Multiracial	86.01	89.68	93.17	90.66	90.39	-0.27	-2.78	4.38
SWD	54.07	51.88	57.45	55.51	57.64	2.14	0.20	3.58
POV	76.20	75.67	83.68	83.66	85.33	1.68	1.66	9.14
Afr American Males	76.90	70.95	79.69	79.29	80.07	0.78	0.38	3.17
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	14.68	20.01	14.22	14.25	13.02	-1.23	-1.20	-1.66
Cauc vs Hispanic	6.81	7.97	7.52	4.52	3.63	-0.89	-3.89	-3.18
Non-SWD vs SWD	36.21	37.66	36.97	38.73	37.24	-1.50	0.26	1.03
Non-POV vs POV	15.72	16.34	11.68	11.56	9.84	-1.72	-1.84	-5.88

GRADE 8 MATHEMATICS								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	58.59	65.06	77.34	75.91	77.23	1.32	-0.11	18.64
Caucasian	67.71	74.55	84.65	83.01	82.69	-0.32	-1.96	14.98
Afr American	38.49	43.63	62.20	59.53	63.29	3.77	1.09	24.80
Hispanic	50.75	59.17	74.52	72.32	73.99	1.67	-0.53	23.24
Asian	76.92	84.39	91.67	90.38	90.99	0.61	-0.68	14.07
Multiracial	58.48	73.04	81.37	80.25	81.87	1.62	0.50	23.38
SWD	22.93	30.88	35.63	34.59	37.05	2.47	1.42	14.12
POV	42.18	48.31	65.18	64.47	68.83	4.36	3.66	26.65
Afr American Males	37.83	40.30	57.22	55.24	57.67	2.43	0.44	19.84
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	29.22	30.91	22.46	23.48	19.40	-4.09	-3.06	-9.83
Cauc vs Hispanic	16.96	15.38	10.13	10.69	8.69	-1.99	-1.44	-8.27
Non-SWD vs SWD	40.53	38.95	47.88	47.11	45.74	-1.37	-2.14	5.21
Non-POV vs POV	24.93	27.99	21.11	19.92	15.01	-4.91	-6.11	-9.92

GRADE 8 SCIENCE								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	79.17	78.33	83.38	84.27	85.44	1.17	2.06	6.27
Caucasian	88.30	88.33	91.82	91.47	91.60	0.13	-0.23	3.30
Afr American	58.31	55.05	65.20	66.67	70.35	3.69	5.15	12.04
Hispanic	73.09	73.23	79.88	81.89	83.60	1.71	3.72	10.51
Asian	86.62	87.42	89.39	93.46	92.00	-1.46	2.61	5.38
Multiracial	80.91	82.40	85.41	87.19	86.19	-1.01	0.78	5.27
SWD	42.97	40.25	40.99	43.79	46.07	2.28	5.08	3.10
POV	63.88	63.73	71.77	73.56	76.03	2.47	4.25	12.14
Afr American Males	60.20	56.23	65.16	66.77	70.57	3.80	5.41	10.37
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	29.99	33.29	26.62	24.80	21.24	-3.56	-5.38	-8.75
Cauc vs Hispanic	15.21	15.10	11.94	9.57	7.99	-1.58	-3.95	-7.21
Non-SWD vs SWD	40.13	42.13	46.69	44.52	43.25	-1.27	-3.44	3.12
Non-POV vs POV	22.66	23.04	18.66	17.49	15.22	-2.27	-3.44	-7.43

GRADE 8 ENGLISH: WRITING								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	70.59	71.36	72.42	73.64	75.85	2.21	3.44	5.26
Caucasian	78.09	79.60	80.15	81.12	83.37	2.25	3.22	5.28
Afr American	53.69	50.77	53.14	54.60	57.84	3.24	4.70	4.15
Hispanic	65.37	68.38	68.04	72.67	73.52	0.85	5.48	8.15
Asian	84.41	84.39	85.82	86.92	86.08	-0.83	0.27	1.68
Multiracial	69.95	74.16	78.90	75.00	75.00	0.00	-3.90	5.05
SWD	22.31	23.12	20.29	19.60	25.00	5.40	4.71	2.69
POV	56.32	54.63	57.71	60.35	63.18	2.83	5.47	6.86
Afr American Males	45.02	44.22	44.96	47.41	49.41	2.00	4.45	4.39
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	24.40	28.83	27.01	26.52	25.53	-0.99	-1.48	1.13
Cauc vs Hispanic	12.72	11.22	12.11	8.45	9.85	1.40	-2.26	-2.87
Non-SWD vs SWD	53.41	53.23	57.51	59.39	56.10	-3.29	-1.41	2.69
Non-POV vs POV	20.82	26.11	23.24	21.27	20.12	-1.16	-3.13	-0.70

END-OF-COURSE

EOC ENGLISH: READING

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	90.97	90.39	90.75	90.60	91.15	0.54	0.40	0.18
Caucasian	94.71	94.82	94.98	94.90	95.71	0.81	0.73	1.00
Afr American	81.74	80.09	81.20	81.75	80.09	-1.66	-1.11	-1.65
Hispanic	91.09	86.65	90.11	89.71	88.50	-1.21	-1.61	-2.60
Asian	91.29	93.17	90.97	91.72	93.68	1.96	2.71	2.39
Multiracial	93.54	94.17	93.73	91.15	94.84	3.69	1.11	1.30
SWD	59.77	59.39	54.44	60.48	57.85	-2.64	3.40	-1.93
POV	81.25	81.29	83.36	82.39	82.17	-0.22	-1.18	0.92
Afr American Males	78.47	78.18	79.46	78.74	76.86	-1.88	-2.60	-1.61
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	12.96	14.73	13.78	13.15	15.62	2.47	1.84	2.66
Cauc vs Hispanic	3.61	8.17	4.87	5.20	7.21	2.02	2.34	3.60
Non-SWD vs SWD	33.69	33.51	39.22	32.63	35.71	3.09	-3.51	2.02
Non-POV vs POV	12.87	12.80	10.64	11.84	13.12	1.28	2.48	0.25

EOC ENGLISH: WRITING

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	87.91	81.40	83.56	85.20	86.90	1.70	3.34	-1.01
Caucasian	92.37	87.63	88.96	90.63	91.92	1.29	2.97	-0.44
Afr American	75.65	64.93	69.87	72.16	73.35	1.19	3.48	-2.30
Hispanic	88.24	77.65	81.43	84.42	83.64	-0.78	2.21	-4.59
Asian	91.04	88.57	89.14	90.82	93.66	2.84	4.52	2.62
Multiracial	90.03	86.14	87.57	86.05	91.88	5.82	4.30	1.85
SWD	51.72	34.52	37.78	43.85	45.10	1.25	7.32	-6.62
POV	77.24	67.04	72.15	74.61	75.21	0.60	3.05	-2.03
Afr American Males	70.20	57.69	63.02	64.70	67.05	2.36	4.03	-3.15
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	16.71	22.70	19.09	18.47	18.57	0.10	-0.52	1.86
Cauc vs Hispanic	4.13	9.98	7.52	6.21	8.28	2.07	0.76	4.15
Non-SWD vs SWD	39.06	50.79	49.41	44.69	44.90	0.20	-4.52	5.83
Non-POV vs POV	13.94	20.02	16.11	15.06	17.15	2.09	1.04	3.21

EOC WORLD GEOGRAPHY

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	93.09	93.10	95.00	96.21	94.48	-1.73	-0.52	1.39
Caucasian	97.27	96.69	98.25	98.45	98.24	-0.21	-0.01	0.97
Afr American	80.31	83.56	84.64	88.89	84.51	-4.38	-0.13	4.20
Hispanic	95.10	91.72	94.74	94.87	92.36	-2.52	-2.38	-2.75
Asian	95.45	95.03	97.55	100.00	96.77	-3.23	-0.77	1.32
Multiracial	93.91	94.93	95.04	97.71	96.06	-1.65	1.02	2.15
SWD	69.09	57.89	75.00	80.95	60.53	-20.43	-14.47	-8.56
POV	85.75	83.65	86.75	91.01	85.32	-5.69	-1.43	-0.43
Afr American Males	80.77	83.22	86.09	88.89	83.72	-5.17	-2.37	2.95
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	16.96	13.13	13.60	9.56	13.73	4.17	0.12	-3.24
Cauc vs Hispanic	2.17	4.97	3.51	3.57	5.88	2.31	2.37	3.72
Non-SWD vs SWD	24.89	36.42	20.52	15.63	34.72	19.09	14.20	9.83
Non-POV vs POV	9.63	13.11	11.19	7.04	12.60	5.57	1.41	2.98

EOC WORLD HISTORY I

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	75.68	78.00	81.23	77.91	79.86	1.95	-1.37	4.18
Caucasian	83.15	85.28	87.05	85.58	86.53	0.95	-0.52	3.38
Afr American	58.43	62.00	66.67	60.59	64.41	3.82	-2.25	5.98
Hispanic	73.13	75.00	81.06	75.77	80.65	4.88	-0.40	7.52
Asian	87.50	90.59	93.93	88.79	91.32	2.54	-2.60	3.82
Multiracial	80.23	79.71	85.93	85.51	82.60	-2.91	-3.34	2.37
SWD	46.54	50.70	54.18	46.41	51.52	5.11	-2.65	4.98
POV	63.14	65.79	70.74	66.22	69.03	2.81	-1.71	5.90
Afr American Males	59.91	64.07	69.38	59.49	64.03	4.54	-5.36	4.12
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	24.72	23.29	20.38	24.99	22.12	-2.88	1.73	-2.61
Cauc vs Hispanic	10.02	10.28	5.99	9.81	5.87	-3.94	-0.12	-4.15
Non-SWD vs SWD	32.20	30.42	29.77	34.90	31.71	-3.19	1.93	-0.49
Non-POV vs POV	18.91	19.24	16.50	19.21	18.46	-0.75	1.96	-0.44

EOC WORLD HISTORY II

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	80.47	82.10	80.99	82.42	81.80	-0.62	0.80	1.32
Caucasian	87.05	87.92	86.61	87.26	87.79	0.52	1.18	0.73
Afr American	61.87	66.11	64.94	66.96	65.84	-1.13	0.90	3.97
Hispanic	78.06	81.47	79.42	83.38	81.69	-1.69	2.27	3.63
Asian	92.13	89.95	90.38	89.03	87.38	-1.65	-3.00	-4.75
Multiracial	81.16	84.47	82.87	86.99	82.91	-4.08	0.04	1.75
SWD	67.05	53.85	58.18	60.49	54.55	-5.95	-3.64	-12.50
POV	67.33	71.96	70.35	71.01	71.04	0.03	0.69	3.71
Afr American Males	65.80	66.85	69.17	68.42	67.49	-0.93	-1.67	1.70
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	25.19	21.81	21.67	20.30	21.95	1.65	0.28	-3.24
Cauc vs Hispanic	9.00	6.45	7.19	3.88	6.10	2.22	-1.09	-2.90
Non-SWD vs SWD	14.15	29.62	23.98	22.98	28.58	5.60	4.60	14.43
Non-POV vs POV	17.85	14.52	15.25	16.50	15.85	-0.65	0.61	-2.00

EOC VA & US HISTORY

PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	81.53	85.86	87.05	86.16	87.20	1.04	0.15	5.67
Caucasian	88.15	91.42	92.22	92.03	92.82	0.79	0.60	4.67
Afr American	66.21	72.04	74.40	71.67	73.68	2.01	-0.72	7.47
Hispanic	78.61	82.74	85.40	86.24	85.37	-0.88	-0.04	6.76
Asian	84.88	91.93	93.62	91.96	91.92	-0.04	-1.70	7.05
Multiracial	84.21	88.92	89.78	88.76	90.19	1.43	0.41	5.98
SWD	51.21	57.73	57.89	53.41	53.48	0.08	-4.41	2.27
POV	66.61	75.09	77.28	73.97	76.48	2.50	-0.80	9.86
Afr American Males	67.01	73.96	76.01	72.11	74.44	2.34	-1.57	7.43
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	21.94	19.38	17.82	20.35	19.14	-1.22	1.32	-2.80
Cauc vs Hispanic	9.54	8.68	6.81	5.78	7.45	1.67	0.64	-2.09
Non-SWD vs SWD	32.77	30.38	31.47	35.47	36.32	0.85	4.85	3.55
Non-POV vs POV	19.99	15.21	14.12	17.78	15.95	-1.84	1.82	-4.05

EOC ALGEBRA I								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	73.51	80.19	86.86	90.18	91.35	1.17	4.48	17.84
Caucasian	78.66	84.48	90.85	92.76	93.61	0.85	2.76	14.95
Afr American	58.33	68.89	76.87	83.55	84.69	1.15	7.82	26.36
Hispanic	71.03	75.57	81.24	87.35	88.82	1.47	7.59	17.79
Asian	91.55	90.63	96.77	96.05	97.38	1.33	0.60	5.83
Multiracial	73.90	82.40	91.16	93.01	93.00	0.00	1.84	19.10
SWD	36.90	49.88	60.00	65.96	71.39	5.43	11.39	34.49
POV	62.73	70.86	79.26	84.51	86.24	1.74	6.98	23.52
Afr American Males	53.58	65.84	73.00	78.70	80.20	1.51	7.21	26.62
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	20.32	15.59	13.97	9.22	8.92	-0.30	-5.06	-11.41
Cauc vs Hispanic	7.63	8.90	9.61	5.41	4.79	-0.62	-4.82	-2.84
Non-SWD vs SWD	39.88	33.07	29.28	26.13	21.51	-4.61	-7.77	-18.37
Non-POV vs POV	15.72	14.15	11.66	8.80	7.92	-0.89	-3.75	-7.81

EOC ALGEBRA II								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	73.15	80.57	87.25	92.17	91.87	-0.30	4.62	18.72
Caucasian	76.22	83.69	88.10	92.86	92.34	-0.52	4.24	16.12
Afr American	60.46	68.71	82.72	89.89	87.41	-2.48	4.69	26.95
Hispanic	72.18	76.16	83.96	90.85	91.04	0.18	7.08	18.86
Asian	85.85	91.71	94.99	95.70	97.58	1.87	2.59	11.73
Multiracial	74.22	82.73	88.20	91.32	93.96	2.64	5.76	19.74
SWD	47.33	65.45	73.68	82.05	87.64	5.59	13.96	40.31
POV	63.75	73.57	86.21	90.03	88.80	-1.23	2.59	25.05
Afr American Males	59.18	66.94	82.29	90.61	86.35	-4.26	4.06	27.17
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	15.76	14.98	5.38	2.97	4.93	1.96	-0.45	-10.83
Cauc vs Hispanic	4.04	7.54	4.15	2.01	1.31	-0.70	-2.84	-2.73
Non-SWD vs SWD	26.69	15.49	13.96	10.34	4.33	-6.01	-9.62	-22.36
Non-POV vs POV	11.97	9.28	1.40	2.89	4.18	1.29	2.77	-7.79

EOC BIOLOGY								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	83.94	80.29	85.45	86.88	86.11	-0.77	0.66	2.17
Caucasian	91.03	88.74	92.84	93.50	93.43	-0.07	0.60	2.40
Afr American	65.17	63.83	69.82	71.13	68.92	-2.21	-0.90	3.75
Hispanic	80.32	73.32	81.58	83.33	84.49	1.16	2.91	4.17
Asian	91.17	86.77	91.05	91.74	91.87	0.12	0.81	0.70
Multiracial	88.86	84.12	85.92	92.49	87.91	-4.58	2.00	-0.95
SWD	50.68	39.90	50.00	55.05	51.12	-3.93	1.12	0.44
POV	71.30	68.29	73.70	75.92	76.06	0.14	2.36	4.76
Afr American Males	63.37	62.03	69.54	69.13	65.69	-3.44	-3.85	2.32
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	25.86	24.90	23.02	22.37	24.52	2.14	1.50	-1.35
Cauc vs Hispanic	10.71	15.42	11.26	10.17	8.94	-1.23	-2.32	-1.77
Non-SWD vs SWD	36.33	43.91	38.71	34.69	38.03	3.34	-0.69	1.70
Non-POV vs POV	17.57	18.00	17.62	16.45	15.41	-1.04	-2.22	-2.16

EOC GEOMETRY								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	80.17	78.61	82.71	86.58	85.66	-0.92	2.95	5.49
Caucasian	86.99	84.17	88.53	90.82	91.36	0.53	2.83	4.37
Afr American	60.38	62.76	67.26	71.92	72.36	0.44	5.10	11.98
Hispanic	78.11	73.85	78.22	85.78	80.61	-5.18	2.39	2.50
Asian	88.65	91.24	92.58	95.82	92.06	-3.76	-0.52	3.40
Multiracial	81.82	80.75	82.78	90.20	84.59	-5.60	1.81	2.78
SWD	47.65	37.50	46.62	54.76	53.62	-1.14	7.00	5.98
POV	70.10	69.52	74.63	77.75	76.35	-1.39	1.73	6.25
Afr American Males	57.43	60.16	65.73	68.04	68.20	0.16	2.47	10.77
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	26.61	21.41	21.27	18.91	19.00	0.10	-2.26	-7.61
Cauc vs Hispanic	8.88	10.32	10.31	5.04	10.75	5.71	0.44	1.87
Non-SWD vs SWD	34.72	43.87	38.62	33.71	34.07	0.36	-4.54	-0.64
Non-POV vs POV	13.60	12.98	11.50	12.89	13.84	0.95	2.34	0.24

EOC EARTH SCIENCE								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	84.51	83.99	84.23	87.12	85.89	-1.23	1.66	1.38
Caucasian	92.47	92.27	92.34	94.82	93.95	-0.87	1.62	1.48
Afr American	69.37	65.83	65.96	70.64	67.66	-2.97	1.71	-1.70
Hispanic	79.25	79.37	81.44	84.53	86.18	1.65	4.74	6.93
Asian	89.87	92.31	91.67	91.33	91.69	0.36	0.02	1.82
Multiracial	85.71	86.72	90.80	92.31	88.94	-3.37	-1.86	3.22
SWD	52.41	54.82	51.80	55.27	49.09	-6.19	-2.71	-3.32
POV	72.71	71.33	71.73	77.02	73.98	-3.04	2.25	1.27
Afr American Males	70.68	69.03	67.62	70.03	67.29	-2.74	-0.34	-3.39
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	23.10	26.43	26.38	24.18	26.29	2.11	-0.09	3.18
Cauc vs Hispanic	13.22	12.90	10.90	10.29	7.77	-2.52	-3.13	-5.45
Non-SWD vs SWD	35.38	32.29	35.93	34.89	40.51	5.62	4.58	5.13
Non-POV vs POV	17.53	19.70	19.49	16.08	19.44	3.36	-0.05	1.91

EOC CHEMISTRY								
PASSING RATES	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Total Passing	87.99	87.90	89.82	89.40	90.64	1.24	0.82	2.64
Caucasian	91.01	90.93	92.66	91.98	93.01	1.03	0.35	1.99
Afr American	77.75	76.81	80.41	79.91	82.03	2.13	1.62	4.29
Hispanic	82.48	86.94	86.92	86.71	87.99	1.28	1.07	5.51
Asian	93.07	94.27	96.61	95.88	95.07	-0.81	-1.54	2.00
Multiracial	91.13	86.94	88.48	88.98	91.67	2.69	3.19	0.54
SWD	73.56	74.14	75.81	70.00	68.18	-1.82	-7.62	-5.38
POV	82.45	81.32	84.38	82.25	84.04	1.78	-0.35	1.58
Afr American Males	78.91	78.57	78.47	79.64	83.66	4.01	5.19	4.74
GAPS	2013	2014	2015	2016	2017	'17-'16	'17-'15	'17-'13
Cauc vs Afr American	13.27	14.12	12.24	12.07	10.97	-1.10	-1.27	-2.29
Cauc vs Hispanic	8.54	3.99	5.74	5.27	5.02	-0.25	-0.72	-3.51
Non-SWD vs SWD	14.76	13.99	14.26	19.74	22.89	3.15	8.63	8.12
Non-POV vs POV	6.89	8.44	7.19	9.38	8.81	-0.57	1.62	1.91

COMPENSATION PHILOSOPHY OF THE SCHOOL BOARD OF THE CITY OF VIRGINIA BEACH

The vision statement for the School Board of the City of Virginia Beach has the goal that every student will be achieving at his or her maximum potential in an engaging, inspiring and challenging learning environment. With this vision in mind, the School Board strives to provide a total employee compensation program that enables the school division to:

- ✓ attract and retain a highly qualified and diverse workforce;
- ✓ ensure fair and consistent pay practices;
- ✓ comply with applicable laws and regulations; and
- ✓ operate within the constraints of fiscal resources while balancing and achieving educational goals.

The School Board's compensation philosophy embraces the following points:

1. The total compensation program will align with the division's overall mission in support of the division's strategic goals and objectives.
2. The division will strive to provide a total compensation program that is world class among all accredited K-12 institutions. The school division endeavors to be economically competitive with institutions in Southeastern Virginia and for certain positions, outside of our local labor market as well.
3. Benchmarking and broad-banding are used as best practices for compensation of similar positions.
4. Compensation strategies must include the flexibility needed to adapt to market changes, maintain internal equity, and address the needs of the school division.
5. Starting pay for new employees is based upon education and work experience related to position requirements, as well as, market conditions.
6. Allowances are available to eligible employees based on the attainment of educational/licensing credentials earned beyond the requirements of the position to the extent that they relate to the employee's current job responsibilities and to the extent that they enhance the employee's ability to contribute to the mission and strategic goals of the school division.
7. Supplements may be provided to eligible employees performing specific functions outside of their established job descriptions.
8. Pay adjustments, other than allowances and supplements, are provided to employees when appropriate, to address equity, market responsiveness, targeted needs, and consistency in the administration of the school division's compensation program.
9. Salary progression may occur as a result of annual salary increases, promotions, reclassifications and pay adjustments.
10. Part-time/temporary employees may or may not be eligible for the same benefits as full-time employees.
11. Benefit plans, retirement, and other non-cash compensation are reviewed annually for competitiveness, cost effectiveness and their value to employees and the school division.
12. To ensure that our compensation structure remains competitive, pay ranges for all instructional positions are evaluated annually. Pay ranges for all other job groups are reviewed as needed, but not less than every three years.
13. The compensation philosophy will be made available to employees.



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

INSTRUCTIONAL PAY SCALE SY 2017 - 2018 Effective: July 1, 2017 - June 30, 2018						
Creditable Years of Teaching Experience	Standard Teaching	10-month Extended	10-month Extended HS School Counselors	11-month	12-month	ALC
0	44,796	47,271	48,615	49,502	58,241	31,381
1	44,906	47,387	48,735	49,623	58,384	31,458
2	45,124	47,618	48,972	49,865	58,668	31,612
3	45,342	47,848	49,209	50,106	58,951	31,764
4	45,564	48,081	49,449	50,350	59,239	31,919
5	45,786	48,316	49,690	50,595	59,528	32,075
6	46,235	48,789	50,177	51,092	60,111	32,389
7	46,350	48,911	50,302	51,219	60,261	32,470
8	46,396	48,960	50,352	51,270	60,322	32,503
9	46,466	49,033	50,428	51,347	60,412	32,551
10	47,381	49,999	51,421	52,358	61,602	33,192
11	48,471	51,150	52,604	53,563	63,020	33,956
12	49,559	52,297	53,784	54,765	64,433	34,718
13	50,647	53,446	54,966	55,968	65,849	35,481
14	51,736	54,595	56,148	57,171	67,264	36,244
15	52,827	55,746	57,331	58,376	68,682	37,007
16	53,914	56,893	58,511	59,578	70,096	37,769
17	55,003	58,042	59,693	60,781	71,512	38,532
18	56,092	59,191	60,875	61,984	72,928	39,295
19	57,181	60,340	62,056	63,188	74,343	40,058
20	58,270	61,489	63,238	64,391	75,759	40,821
21	59,359	62,638	64,420	65,594	77,174	41,583
22	60,448	63,788	65,602	66,798	78,591	42,346
23	61,537	64,937	66,784	68,001	80,006	43,109
24	62,625	66,086	67,965	69,204	81,422	43,872
25	63,714	67,235	69,147	70,407	82,837	44,635
26	64,803	68,384	70,329	71,611	84,253	45,397
27	65,891	69,531	71,509	72,812	85,667	46,159
28	66,981	70,682	72,692	74,017	87,084	46,923
29	68,070	71,831	73,874	75,220	88,500	47,686
30	69,158	72,980	75,055	76,423	89,916	48,449
31	70,246	74,127	76,236	77,625	91,330	49,211
32	71,336	75,278	77,419	78,830	92,747	49,974
33	72,425	76,427	78,601	80,033	94,163	50,737
34	73,514	77,576	79,782	81,237	95,578	51,500
35	74,602	78,724	80,963	82,439	96,993	52,262
36	75,692	79,874	82,146	83,643	98,410	53,025
37	76,781	81,023	83,328	84,846	99,826	53,788
Top of Scale	77,809	82,108	84,443	85,983	101,162	54,509

2017/2018 - The scale represents an overall increase of 1.75% at the entry level and 2% for all other levels of June 30, 2017 salaries.



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Unified Pay Scale SY 2017-2018 Effective: July 1, 2017 - June 30, 2018				
<i>(The scale is based on a 12-month, 260 days/yr, 8 hrs/day calendar or 2080 hours per year. For positions working less than 2080 hours per year, please refer to the alphabetical listing of positions.)</i>				
Grade	Annual Salary		Hourly Rates	
	Min	Max	Min	Max
28	107,491	188,508	51.6783	90.6288
27	100,319	175,930	48.2305	84.5820
26	93,626	164,193	45.0126	78.9389
25	87,375	153,230	42.0073	73.6685
24	81,550	143,015	39.2068	68.7573
23	76,100	133,456	36.5865	64.1618
22	71,024	124,555	34.1464	59.8823
21	66,289	116,252	31.8699	55.8903
20	61,860	108,486	29.7405	52.1567
19	57,739	101,258	27.7591	48.6818
18	53,873	94,477	25.9006	45.4216
17	50,280	88,175	24.1730	42.3919
16	46,924	82,291	22.5598	39.5629
15	43,790	76,794	21.0528	36.9204
14	40,877	71,685	19.6522	34.4642
13	38,153	66,908	18.3427	32.1674
12	35,597	62,427	17.1139	30.0130
11	33,230	58,276	15.9758	28.0172
10	31,015	54,392	14.9110	26.1499
9	28,938	50,749	13.9123	24.3986
8	27,013	47,373	12.9872	22.7756
7	25,209	44,207	12.1195	21.2534
6	23,522	41,252	11.3087	19.8326
5	21,955	38,502	10.5553	18.5106
4	20,491	35,934	9.8512	17.2761
3	19,128	33,544	9.1962	16.1271

2017-2018 - The scale represents an increase of 1.75% at the entry level and 2% at the top of scale with the midpoint being adjusted accordingly. All calculations are based on 6/30/17 pay.



**Unified Pay Scale Grade Assignments
SY 2017-2018**

GRADE 28

Chief of Staff

GRADE 27

Chief Academic Officer

Chief Media and Communications Officer

Chief Financial Officer

Chief Operations Officer for Division Services

Chief Human Resources Officer

Chief Schools Officer

Chief Information Officer

Chief Strategy and Innovation Officer

GRADE 26

Senior Executive Director Elementary Schools

Senior Executive Director Middle Schools

Senior Executive Director High Schools

GRADE 25

Director Alternative Education

Executive Director Facilities Services

Director Elementary Schools

Executive Director Secondary Teaching and Learning

Director Transportation

Executive Director Student Support Services

Executive Director Elementary Teaching and Learning

Principal HS

Executive Director Office of Programs for Exceptional Children

GRADE 24

Director Administrator Learning and Leadership

Director School Plant

Director Adult Learning Center

Director Student Leadership

Director Benefits

Director Student Services

Director Business Services

Director Technical & Career Education

Director Compliance and Special Education Service

Director Technical & Career Education Center

Director Employee Relations

Director Technology

Director Employment Services

Director Teacher Learning and Leadership

Director Food Services

Director Title I Programs

Director Innovation & Strategic Planning

Founding Head of School (Green Run Collegiate)

Director Instructional Technology

Principal MS

Director Purchasing Services

GRADE 23

Coordinator Information Services

Director Internal Audit

Coordinator Technical Services

Director Opportunity and Achievement

Director Advanced Technology Center

Director Research, Evaluation and Assessment

Director Communications

Director Safety and Loss Control

Director Community Engagement

Director Testing

Director Custodial Services

Principal ES

Director Distribution Services

GRADE 22

Academic Dean

Coordinator English Language Learners

Administrative Coordinator

Coordinator Entrepreneurship & Business Academy

Assistant Director Advanced Technology Center

Coordinator Family and Consumer Sciences

Assistant Principal HS

Coordinator Fine Arts

Coordinator Academic Support Programs K-12

Coordinator Gifted Education

Coordinator Accounting

Coordinator Global Studies Academy

Coordinator Adult Academic Programs

Coordinator Grants Development

Coordinator Alternative Education

Coordinator Guidance

Coordinator Athletics

Coordinator Health Academy

Coordinator Benefits

Coordinator Health Services

Coordinator Budget Development

Coordinator Health/Physical Education

Coordinator Business & Information Technology

Coordinator Instructional Media Service

Coordinator Distance Learning

Coordinator Instructional Technology

Coordinator Educational Foundation

Coordinator International Baccalaureate

Coordinator Elementary Curriculum

Coordinator Language Arts

Coordinator English

Coordinator Legal Academy



Unified Pay Scale Grade Assignments
SY 2017-2018

GRADE 22 (continue)

Coordinator Library Services	Coordinator Student Leadership
Coordinator Math/Science Academy	Coordinator Social Work Services
Coordinator Mathematics	Coordinator TCE Administration and Marketing Program
Coordinator Middle Years Program	Coordinator Technical and Career Education
Coordinator Military Connected & Academic Support Program	Coordinator Technology Academy
Coordinator Parent and Stakeholder Services	Coordinator Telecommunications
Coordinator Planetarium	Coordinator Visual and Performing Arts
Coordinator Policy and Constituent Services	Coordinator World Languages
Coordinator Professional Learning	Database Administrator
Coordinator Psychological Services	Dean of Students (HS)
Coordinator Public Relations	Neuropsychologist
Coordinator Recruitment and Retention	Specialist Educational Measurement and Assessment
Coordinator School/Community Partnerships	Specialist Employee Relations
Coordinator Science	Specialist Human Resources
Coordinator Social Studies	Specialist Professional Learning
Coordinator Social Work Services	Specialist Program Evaluation
Coordinator Special Education	Specialist Research
Coordinator Student Activities	Specialist Testing
Coordinator Student Conduct/Services	

GRADE 21

Assistant Director Environment/Energy	Dean of Students (MS)
Assistant Director School Plant	Demographer/GIS Manager
Assistant Principal MS	Information Security Manager
Coordinator Food Services	Payroll Supervisor
Coordinator Purchasing	Project Manager - Information Services
Coordinator Security & Safe Schools	Risk Manager
Coordinator Technical Applications	Staff Architect
Coordinator Transportation	Systems Engineer - Supervisor

GRADE 20

Assistant Principal ES	Project Manager - Construction
Educational Data Specialist	Safety and Loss Control Specialist
Financial Management Specialist	Student Information Systems Specialist
Grants Manager	Sustainability Officer
HR Information Systems Specialist	Systems Analyst
Programmer Analyst - Senior	Transportation Systems Specialist

GRADE 19

Accountant - Principal	Occupational Therapist
Accounts Payable Supervisor	Physical Therapist
Assistant Payroll Supervisor	Positive Behavioral Interventions and Supports (PBIS) Specialist
Benefits Program Specialist	Procurement Specialist II
Coordinator Distribution Services	Psychologist
Coordinator Maintenance	School Social Worker
Coordinator Mechanical Systems	School-to-Work Transition Supervisor
Coordinator Special Projects	Specialist, Professional Learning
Energy Manager	Student Activities Coordinator (HS)
Fleet Manager	Supervisor Construction
Food Services Operations Supervisor	Systems Administrator
Instructional Specialist	Systems Engineer
Internal Auditor	



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Unified Pay Scale Grade Assignments
SY 2017-2018

GRADE 18

Audiologist	Programmer Analyst
Family Engagement Specialist	School Improvement Specialist (HS)
Guidance Department Chair	School Nurse
Human Resources Marketing Specialist	Student Activities Coordinator (MS)
Occupational Safety and Health Specialist	Transportation Area Supervisor
Opportunity Inc. STEM Grant Specialist	Visiting Teacher
Positive Behavioral Interventions and Supports (PBIS) Coach	Webmaster

GRADE 17

Accountant - Sr.	Student Support Specialist
Budget Analyst	Supervisor Carpentry
Geographic Information Systems (GIS) Analyst	Supervisor Electrical
Interpreter Specialist	Supervisor Electronics
Network Administrator	Supervisor HVAC
Procurement Specialist I	Supervisor Maintenance
School Improvement Specialist (MS)	Supervisor Night Crew
Senior Construction Inspector	Supervisor Plumbing

GRADE 16

Accounts Payable Systems Specialist	HVAC Specialist
Boiler Specialist	Interpreter III (EIPA 3.5 - 3.9)
Construction Inspector	Network Technician II
Data Operations Supervisor	Nutritional/Training Coordinator
Educational Data Analyst	Occupational Safety Specialist
Executive Office Associate III	Procurement Systems Specialist
Fleet Supervisor	Procurement Card Program Manager
Food Services Program Analyst	Technical Contract Manager

GRADE 15

Assistant Accounts Payable Supervisor	HVAC Craftsman III
Boiler Craftsman III	Machinist Craftsman III
Building Manager	Occupational Health and Safety Technician
Custodial Supervisor	Occupational Therapy Assistant (COTA)
Custodial Supplies Supervisor	Physical Therapy Assistant (LPTA)
Distribution Center Supervisor (<i>Formerly Warehouse Supervisor</i>)	Plumbing Craftsman III
Electrical Craftsman III	Secretary & Clerk to Board
Electronics Craftsman III	Special Project Support
Fleet Foreman	Supervising Cafeteria Manager
Food Services Craftsman III	

GRADE 14

Accountant (<i>Title Only</i>)	Graphic Designer
Assistant Distribution Center Supervisor (<i>formerly Asst. Warehouse Supv.</i>)	Interpreter II (EIPA 3.0 - 3.4)
Benefits Specialist I	Network Technician I
Carpentry Craftsman III	Painter Craftsman III
Executive Office Associate II	School Business Assistant
General Maintenance Craftsman III	

GRADE 13

Accounting Technician	Insurance Claims Analyst (<i>formerly Loss Control Associate</i>)
Boiler Craftsman II	Interpreter I (EIPA 2.5 - 2.9)
Customer Support Technician II	Machinist Craftsman II
Data Management Analyst	Plumbing Craftsman II
Executive Office Associate I	Procurement Assistant III
Food Services Craftsman II	Testing Assistant
Electrical Craftsman II	Warehouse Manager - School Plant
Electronics Craftsman II	Warehouse and Distribution Technician
HVAC Craftsman II	Workers Compensation Claims Analyst (<i>formerly Loss Control Associate</i>)



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Unified Pay Scale Grade Assignments
SY 2017-2018

GRADE 12

Accounts Payable Technician	Inventory Technician
Administrative Office Associate II	Licensure Analyst
Benefits Assistant	Painter Craftsman II
Bookkeeper - HS	Payroll Assistant
Building Operations Supervisor	Research, Evaluation & Assessment (REA) Assistant
Carpentry Craftsman II	School Administrative Associate II (HS)
Fleet Technician III	Substitute Office Associate
General Maintenance Craftsman II	Technology Support Technician
Interpreter	

GRADE 11

Administrative Office Associate I	Food Services Craftsman I
Assistant Warehouse Manager - School Plant	Human Resources Associate
Bookkeeper - MS	HVAC Craftsman I
Bus Driver Trainer	Library Cataloger
Cafeteria Manager II	Machinist Craftsman I
Customer Support Technician I	Pest Control Technician
Data Processing Specialist	Plumbing Craftsman I
Electrical Craftsman I	Procurement Assistant II
Electronics Craftsman I	School Administrative Associate I
Employee Relations Associate	Teacher Production Center Technician
Financial Assistant	Web Page Design Technician
Fleet Technician II	

GRADE 10

Cafeteria Manager I	Painter Craftsman I
Carpentry Craftsman I	School Rental Assistant
Clinic Assistant - LPN	Special Education Assistant - BD
General Maintenance Craftsman I	

GRADE 09

ALC General Assistant - BD	Library / Media Assistant - BD
Bus Driver	PE Assistant - BD
Clinic Assistant - EMT	Pre-Kindergarten Assistant - BD
Custodian IV	Procurement Assistant I <i>(Title only)</i>
Distance Learning Assistant - BD	Security Assistant - BD
Distribution Driver	Security Officer
Duplication Technician	Special Education Assistant - AD
Fleet Technician I	Student Residency Verifier
General Assistant - BD	Title I Assistant - BD
ISS Coordinator	Transportation Dispatcher
Kindergarten Assistant - BD	

GRADE 08

ALC General Assistant - AD	Library / Media Assistant - AD
Assistant Cafeteria Manager	Office Associate II
Circulation Clerk	PE Assistant - AD
Clinic Assistant - CNA	Pre-Kindergarten Assistant - AD
Distance Learning Assistant - AD	School Office Associate II
Drivers Education Instructor	School Office Associated II - Data Technician
Fiscal Technician	Security Assistant - AD
General Assistant - AD	Special Education Assistant - Parapro/48 hrs
Kindergarten Assistant - AD	Title I Assistant - AD



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Unified Pay Scale Grade Assignments
SY 2017-2018

GRADE 07

ALC General Assistant - Parapro/48 hrs	Library Technician
Cafeteria Manager in Training	PE Assistant - Parapro or 48 hrs
Custodian III	Pre-Kindergarten Assistant - Parapro or 48 hrs
Distance Learning Assistant - Parapro/48 hrs	Security Assistant - HQ
General Assistant - Parapro/48 hrs	Special Education Assistant - HD
Kindergarten Assistant - Parapro/48 hrs	Title I Assistant - HQ
Library / Media Assistant - HD/Parapro/48 hrs	Warehouse & Distribution Technician

GRADE 06

ALC General Assistant - HD	PE Assistant - HD
Distance Learning Assistant - HD	Pre-Kindergarten Assistant - HD
General Assistant - HD	Security Assistant - HD
Kindergarten Assistant - HD	

GRADE 05

Bus Assistant	Custodian II
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GRADE 04

Cafeteria Assistant	Fleet Shop Helper
Custodian I	



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Part Time/Temporary Hourly Rates

SY 2017 2018

Effective: July 1, 2017 (based on 16/17 part-time rates)

Position	July 1, 2017	Comments
SUBSTITUTES		
Bus Assistants	\$ 10.37	
Bus Assistants (summer only)	\$ 10.37	
Bus Assistants subbing for bus driver (employee must substitute a minimum of one-hour)	\$ 4.49	Additional per Hour
Bus Drivers	\$ 13.68	
Bus Drivers (summer only)	\$ 13.68	
Cafeteria Manager	\$ 14.65	
Cafeteria Assistant	\$ 9.68	
Cafeteria Assistant subbing for Cafeteria Manager (employee must substitute a minimum of one-hour)	\$ 4.49	Additional per Hour
Clerical	\$ 12.76	
Long Term	\$ 13.68	
Custodian	\$ 9.68	
Driver Ed Instructor	\$ 12.76	
Interpreter	\$ 18.03	
ISS Coordinator	\$ 13.68	
Library/Media Assistant	\$ 11.91	
Library/Media Assistant subbing for Library/Media Specialist (employee must substitute a minimum of one-hour)	\$ 4.49	Additional per Hour
Nurse Assistant	\$ 12.76	
Nurse Assistant subbing for the Nurse (employee must substitute a minimum of one-hour)	\$ 4.49	Additional per Hour
OT/PT	\$ 27.28	
OT/PT Assistant	\$ 20.69	
Security Assistant	\$ 11.11	
Teacher Assistant	\$ 11.11	
Long Term	\$ 11.91	
Teacher Assistant subbing for Teacher (employee must substitute a minimum of one-hour)	\$ 4.49	Additional per Hour
Technology Support Technician	\$ 16.82	
SUBSTITUTE DAILY RATES FOR TEACHERS and NURSES		
Teacher Daily Substitute (Non-Licensed)	\$ 89.00	Must have earned a minimum of 60 college credits
Teacher Daily Substitute (Substitute Training Certificate)	\$ 95.00	Must have earned a certificate of completion from a substitute training program approved by VBCPS.
Teacher Daily Substitute (Licensed)	\$ 99.00	Must have a valid active VA teacher license
Teacher Long-Term Substitute (Licensed)	\$ 124.32	Must have or be eligible for an active Va. teaching license with an endorsement in the subject area to be taught.
Site Assigned Designated Subs - (Non-Licensed)	\$ 91.50	Must have earned a minimum of 60 college credits
Site Assigned Designated Subs (Substitute Training Certificate)	\$ 95.00	Must have earned a certificate of completion from a substitute training program approved by VBCPS.
Site Assigned Designated Subs - (Licensed)	\$ 99.00	Must have a valid active VA teacher license
School Nurse, RN - Daily	\$ 175.33	Must be a registered nurse
SUMMER SCHOOL EMPLOYEES		
Building Supervisor	\$ 13.68	
Bus Assistants	\$ 10.37	
Bus Drivers	\$ 13.68	
Clerical	\$ 12.50	
Custodian	\$ 9.68	
Driver Ed Teacher-Behind the Wheel (Licensed)	\$ 30.00	Summer School Teacher Rate
Driver Ed Parapro - Behind the Wheel (Non - Licensed)	\$ 15.87	
Driver Ed Teacher-Classroom	\$ 30.00	Summer School Teacher Rate



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Part Time/Temporary Hourly Rates

SY 2017 2018

Effective: July 1, 2017 (based on 16/17 part-time rates)

Position	July 1, 2017	Comments
SUMMER SCHOOL EMPLOYEES (continued)		
Interpreter	\$ 18.03	
Library/Media Assistant	\$ 12.50	
Nurse (RN)	\$ 175.33	
Nurse Assistant	\$ 12.50	
OT/PT	\$ 27.28	
OT/PT Assistant	\$ 20.69	
Security Assistant	\$ 12.50	
Summer Feeding Program (Manager)	\$ 16.43	<i>Grant Funds - increased rate to match special events rate</i>
Summer Feeding Program (Worker)	\$ 12.50	<i>Grant Funds - increased rate to match special events rate</i>
Teacher Assistant subbing for Teacher (applies to non-VBCPS employees working summer school only)	\$ 16.99	<i>Summer School Rate plus \$4.49</i>
Teacher	\$ 30.00	<i>Summer School Teacher Rate</i>
Teacher - Fast Track Tutor	30.00	<i>Summer School Teacher Rate</i>
Teacher - IEP/Summer Eligibility Assessment	15.00	<i>50% of the summer school teacher rate</i>
Teacher Assistant	12.50	
MISCELLANEOUS HOURLY AND/OR DAILY RATES		
Acting Administrator	\$ 29.23-69.82	<i>Superintendent or designee approval required (Grade 20-mid)</i>
Alternate Chief Examiner - Adult Learning Center (ALC)	\$ 30.03	
Bus Driver - Behind the Wheel Trainee		<i>Paid as a stipend based on the minimum wage rate.</i>
Bus Driver - Behind the Wheel Training Specialist	N/A	<i>Pay employee's hourly rate</i>
Bus Driver - Additional/Double Run	\$ 8.50	<i>Per Run - Effective 3/1/17</i>
Bus Driver - Field Trip Rate	8.50	
Bus Driver - Parks and Recreation	10.00	
CDL - Random Drug Testing	8.50	
Cafeteria Assistant-Special Events	12.00	
Cafeteria Manager-Special Events	16.43	
Cafeteria Monitor	\$ 9.68	
Clerical Support	\$ 12.76-18.03	
Computer Lab Facilitator-Technician (ALC)	\$ 15.36	
Curriculum Development/Textbook Adoption	\$ 25.00	
Evening Administrator	\$ 33.56	<i>Entry Rate for a HS AP</i>
Foreign Language Translator-Oral	\$ 14.00	
Foreign Language Translator-Written	\$ 16.00	
Guidance Representative - Hearings	\$ 35.00 per hour	
Hearing Officer - Student Discipline	\$ 45.00 per hour	
Hearing Officer - Case Cancelled	\$ 15.00 per Case	
Homebound Teacher - Certified	\$ 30.03	
Homebound Teacher - Non-Certified Teacher	\$ 24.32	<i>Adj. by same % and Entry Level-Teacher</i>
Homework Hotline - Non Certified Teacher	\$ 24.32	<i>Adj. by same % and Entry Level-Teacher</i>
Homework Hotline - Certified Teacher	\$ 30.03	
Interpreter - After School Activities - (EIPA 2.5-2.9)	\$ 18.03	
Interpreter - After School Activities - (EIPA 3.0-3.4)	\$ 19.31	
Interpreter - After School Activities - (EIPA 3.5-3.9)	\$ 22.17	
IPT/VGLA Testing & Scoring	\$ 25.00	
Jail Education Program - Social Worker	\$ 40.00	
Jail Education Program - Psychologist	\$ 60.00	
Jail Education Program - Teacher	\$ 30.03	
Leadership Camp Counselor	\$ 9.04	
Music Clinicians/Judges	\$ 30.03	
Occupation Therapy Assistant (Certified)	\$ 20.69	
Occupation Therapist	\$ 34.25	
PALS Instructor (HD)	\$ 13.44	



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

Part Time/Temporary Hourly Rates

SY 2017 2018

Effective: July 1, 2017 (based on 16/17 part-time rates)

Position	July 1, 2017	Comments
MISCELLANEOUS HOURLY AND/OR DAILY RATES (continue)		
PALS Instructor (BD)	\$ 16.13	
PALS Instructor (Certified)	\$ 18.21	
Physical Therapist	\$ 34.25	
Physical Therapy Assistant (Licensed)	\$ 20.69	
Professional Dev. Activity Instr. (PDA)	\$ 30.00	
Professional Dev. Activity Instr. (PDA) - PLP Prep	\$ 25.00	
Professional Dev. Activity Instr. (PDA) - Non - PLP Prep	\$ 15.00	
Program Planner - ALC	\$ 30.03	
Project Support Staff	\$ 11.91-69.82	<i>Superintendent or designee approval required (Grade 7-mid</i>
Project Support Staff - PIA - Clerical	\$ 12.76	
Project Support Staff - Materials Asst.	\$ 13.68	
Retake Expedited Coordinator	\$ 20.00	
Saturday Detention	\$ 20.00	
Security Officers (Sworn Officers)	\$ 27.00	<i>Based on agreement with the City</i>
Security - Police Officers (Graduation Only)	\$ 30.00	<i>Based on agreement with the City</i>
Security - Police Supervisor (Graduation Only)	\$ 35.00	<i>Based on agreement with the City</i>
Special Education Job Coach - Training	\$ 10.32	
Special Education Job Coach - HD	\$ 13.76	
Special Education Job Coach - BD	\$ 16.05	
Specialty Camp Coach	\$ 14.33	
Student Workers	\$ 9.04	
Teacher - Academic Programs	\$ 30.03	
Teacher - After Hours (approval required)	\$ 30.03	
Teacher - ALC	\$ 30.03	
Teacher - Community Service Programs - 6 Students (ALC)	\$ 14.95	
Teacher - Community Service Programs - 7 Students (ALC)	\$ 17.08	
Teacher - Community Service Programs - 8 Students (ALC)	\$ 19.23	
Teacher - Community Service Programs - 9+ Students (ALC)	\$ 21.36	
Teacher - Workforce Development Training - 6 Students (ALC)	\$ 16.62	
Teacher - Workforce Development Training - 7 Students (ALC)	\$ 19.00	
Teacher - Workforce Development Training - 8 Students (ALC)	\$ 21.36	
Teacher - Workforce Development Training - 9+ Students (ALC)	\$ 23.74	
Teacher - Transition Program (Grant)	\$ 30.03	
Test Examiner	\$ 19.71	
Test Proctor	\$ 12.76	
TSIP Test Proctor	\$ 16.20	
Tutor - AVID Program	\$ 17.63	
Tutor - Certified	\$ 30.03	
Tutor - Non-certified	\$ 24.32	<i>Adj. by same % as Entry Level-Teacher</i>
Workshop Participants - Classified	\$ 8.77	
Workshop Participants - Teacher	\$ 19.48	



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

TABLE OF ALLOWANCES SY 2017-2018 Effective: July 1, 2017		
CODE	DESCRIPTION	VALUE
ZALW 7016	Acting Pay - (<i>Per Regulation 2-48.2</i>)	Varies
ZALW 7010	Additional Class - HS Teacher	5,600.00
ZALW 7011	Additional Class - MS Teacher	5,600.00
ZALW 7000	Additional Time - Vocational Teacher	400.00
ZALW 7200	Advanced Certificate - (<i>ED.S or Masters plus 30</i>)	3,300.00
ZALW 7040	Cafeteria Manager - Additional School Served	750.00
ZALW 7207	Career Teacher - (<i>3-year cycle</i>)	1,000.00
ZALW 7211	Clerical 180 Points Allowance	350.00
ZALW 7212	Clerical 360 Points Allowance	475.00
ZALW 7213	Clerical Associate Degree	525.00
ZALW 7214	Clerical Bachelor Degree	750.00
ZALW 7220	Clinical Competency Certification	1,000.00
ZALW 7097	Data Communication Allowance	540.00
ZALW 7230	Doctorate Administrative	5,000.00
ZALW 7231	Doctorate Instructional	4,100.00
ZALW 7095	Executive Communication Allowance	1,200.00
ZALW 7096	Emergency Communication Allowance	420.00
ZALW 7235	School Nutrition Specialist	1,000.00
ZALW 7245	Interpreter 180 Points Allowance	350.00
ZALW 7246	Interpreter 360 Points Allowance	475.00
ZALW 7250	Masters Allowance Instructional	2,500.00
ZALW 7051	Miscellaneous Credit	Varies
ZALW 7255	MS Certified Systems Eng/Dev	1,500.00
ZALW 7260	National Board for Teaching Standards Certification	2,000.00
ZALW 7267	Nursing Bachelors Degree	750.00
ZALW 7270	Professional Allowance	1,500.00
ZALW 7075	*Doctoral Intern in Professional Psychology (<i>Eligible for health insurance subsidy</i>)	28,000.00
ZALW 7275	Registered Dietician	1,000.00
ZALW 7280	Registry Interpreters for Deaf	2,500.00
ZALW 7285	School Plant Journeyman	350.00
ZALW 7286	School Plant Master	1,000.00
ZALW 7295	Teacher Assistant 180 Points Allowance	325.00
ZALW 7296	Teacher Assistant 360 Points Allowance	450.00
ZALW 7050	Temporary Duty Allowance	Varies
ZALW 7018	Temporary Duty Allowance - (<i>Legislative Liaison</i>)	Varies
ZALW 7090	Travel Allowance - (<i>Per contract or employment agreement</i>)	Varies
2017-2018 SY	*Tuition Reimbursement Rate (<i>Per Policy 4-39</i>)	700.00

* Denotes allowances that are not subject to VRS

Staffing Standards and Guidelines

FY 2017/2018

The allocations of instructional personnel in Virginia Beach are based on guidelines that meet or exceed the SOQ, the accreditation requirements of Virginia, and core class size caps as adopted by the School Board.

NOTE: These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements and local operating budget.

Elementary School

Grade Level [see Note (5)]	Virginia SOQ Accreditation Standard Division-wide Ratios [See Note (3)]	VBCPS Classroom Teacher Allocation	VBCPS Target Class Size Ratio [see Note (1)]	VBCPS Class Size Cap [see Note (1)]
K	24:1 without assistant; no class larger than 29; with a full-time assistant if ADM is greater than 24:1	25:1	25:1	27
1	24:1 no class larger than 30	25:1	25:1	27
2	24:1 no class larger than 30	25:1	25:1	27
3	24:1 no class larger than 30	25:1	25:1	27
4	25:1 no class larger than 35	26:1	26:1	27
5	25:1 no class larger than 35	26:1	26:1	27

These standards do not include teachers for resource programs, itinerant services, special education, Title I, guidance counselors, instructional technology specialists and library media specialists.

NOTES TO STAFFING STANDARDS:

- (1) Schools are monitored throughout the year for compliance with pupil/teacher ratios. An additional teacher will be added at a grade level when the average class-size of all sections on the grade level reaches the class-size cap as shown above. In all cases, adequate funds must be available.
- (2) Exceptions to student/teacher target ratios can be requested on the basis of existing staff. The written request for exception must include the program rationale for the exception, as it relates specifically to student achievement and/or an objective in the school's strategic plan. A cost analysis will be completed by the Department of Human Resources after the appropriate administrator in the Department of School Leadership receives the request.
- (3) Twenty-eight elementary schools in Virginia Beach participate in the state K-3 Class-Size Initiative. The Virginia Department of Education (VDOE) determines the ratio for each school based on the percentage of students who receive free lunch. Allocations for 2017/18 are 1 student above the VDOE schoolwide Pupil Teacher Ratio.

Schools that participate in the Virginia K-3 Class-Size Initiative must maintain a K-3 class-size average as listed below.

17 schools @ 20 to 1 with no class in K-3 larger than 25
 4 schools @ 19 to 1 with no class in K-3 larger than 24
 5 schools @ 18 to 1 with no class in K-3 larger than 23
 1 schools @ 17 to 1 with no class in K-3 larger than 22
 1 school @ 15 to 1 with no class in K-3 larger than 20

- (4) Principals are asked to schedule planning periods for elementary grade levels at the same time each day, whenever possible, to provide opportunities for collaborative planning and staff development.
- (5) 0.5 Extended Day Kindergarten (EDK) FTE assigned per school; additional FTE based on established eligibility criteria; excludes schools with Full Day Kindergarten Program.

Resource Teachers, Library Media Specialists, and Guidance Counselor Allocations
Full-time resource teachers should be scheduled for a daily, unencumbered planning time.

Art/Grades 1-5	40-minute instructional period on a regular basis per class; plus 1 class period for display and dissemination of materials per week; initial staffing equal to music staffing; additional staffing based on number of classes taught*
Music/Kindergarten	30-minute instructional period on a regular basis per class*
Music/Grades 1-5	40-minute instructional period on a regular basis per class; plus 1 class period for chorus per week*
Music/Strings	Itinerant based on enrollment and levels (excluding Old Donation School additional .20 for 3 rd Grade)
Physical Education/Grades K-5	40-45 minute period recommended daily per class; a second P.E. teacher will be allocated after the 6th P.E. assistant, if teacher positions are available
Reading Specialist	1 per school [SOQ] (excluding Old Donation .50); additional .20 for each 100 students in membership after 500 (VBCPS)
Library Media Specialist	1 per school
Guidance	1 per school; additional .20 per 100 students in membership after 500 [SOQ]
English as a Second Language	Itinerant based on number of students and level of proficiency [Federal]
Instructional Technology Specialist (ITS)	Allocations are made based upon the number of available positions, school needs, and school enrollments. The Department of Teaching and Learning, in conjunction with the Department of School Leadership, makes these allocations annually.
Gifted/Talented	Itinerant resource based on identified enrollment

*Principals are expected to adhere to recommended instructional times for Kindergarten and Grades 1-5 Music and for Grades 1-5 Art. Staffing standards are:

Art (1-5) and Music (K-5) Teachers

1-6 classes	0.2 FTE
7-12 classes	0.4 FTE
13-18 classes	0.6 FTE
19-24 classes	0.8 FTE
25-30 classes	1.0 FTE
31-36 classes	1.2 FTE
37-42 classes	1.4 FTE
43-48 classes	1.6 FTE
49-54 classes	1.8 FTE
55-60 classes	2.0 FTE

School Health Allocations	
Nurse	1 per school (excluding Old Donation School); additional staff is based on special need
Clinic Assistant	Special need basis
Teacher Assistant Allocations (VBCPS)	
General Assistants	1 500 students (excluding Old Donation School) 1.5 650 students 2 800 students 2.5 950 students Special needs basis (Additional FTE for Christopher Farms Spanish Immersion Program as needed)
Kindergarten	1 per kindergarten teacher
Physical Education (Grades 1-5) 1 for each 6 classes exceeding the P.E. teacher's initial 6 classes; 1 assistant per 6 additional classes. Additional allocations as needed to primary grades to support Kindergarten expansion.	
	7-12 classes 1.0 FTE 13-15 classes 1.5 FTE 16-18 classes 2.0 FTE 19-21 classes 2.5 FTE 22-24 classes 3.0 FTE 25-27 classes 3.5 FTE 28-30 classes 4.0 FTE 31-33 classes 4.5 FTE 34-36 classes 5.0 FTE 37-39 classes 5.5 FTE 40-42 classes 6.0 FTE
Security Assistant Allocations (VBCPS)	
Security Assistants	1 per school
Non-Instructional - Secretarial/Clerical and Technical Allocations	
School Administrative Associate I/12 mo.	1 per school (excluding Old Donation School)
School Office Associate II/12 mo.	1 per school (Pembroke ES additional 1.0 for Special Ed)
School Office Associate II/10 mo.	1 per school (excluding Old Donation School)
Technical Support Specialist (TST)/12 mo.	1 per school (excluding Old Donation School)
Library Media Assistant/10 mo.	1 per school (.50 Creeds Elementary and excluding Old Donation School)
Extra Secretarial Days	7 per school 20 per new school
Administrative Allocations	
Principal	1 per school (excluding Old Donation School)
Assistant Principal	1 for 300-899 students 2 for 900-1,499 students 3 for 1,500 students
Other School Administrator Allocations	
Coordinators	Assigned to special programs
Administrative Assistant	Special need basis
Custodial Allocations	
Custodian	1 per 17,000 square feet for schools with footage of 85,000 or less; 17,500 for schools over 85,000 square feet.

Staffing Standards and Guidelines

FY 2017/18

The allocations of instructional personnel in Virginia Beach are based on guidelines that meet or exceed the SOQ and the accreditation requirements of Virginia and core class caps as adopted by the School Board.

NOTE: These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements and local operating budget.

Middle School

Grade Level	SOQ Accreditation Standard Division-wide Ratios	VBCPS Standard Classroom Teacher Allocation
Middle School (Grades 6-8)		21.25:1(a)
Bayside 6 and Bayside MS		20.25:1(a)
Grade 6	25:1[SOQ]	
English	24:1[SOQ]	
Courses	VBCPS Target Class Size Ratio [see Note (1)]	Allocation Adjustments will be Considered as Follows: (Additional Teachers Subject to Availability of Funds) (b)
Core Courses-Math, Science, and Social Studies	28:1	Class size minimum: 24:1 Class size maximum: 35:1
*Bayside 6 and Bayside MS	22:1	Class size maximum: 24:1
Core Course-English	28:1	Class size minimum: 24:1 Class size maximum: 35:1
*Bayside 6 and Bayside MS	22:1	Class size maximum: 24:1
Exploratory Courses and Electives	28:1	Class size minimum: 20:1 Band and chorus: 37:1 for all sections Other electives: 30:1 for all sections
Career and Technical Education Courses	20:1 or number of work stations (c)	Class size minimum: 18:1 Class size maximum: 20:1 or number of work stations (See VDOE listings)
Physical Education	35:1	Class size maximum: 37:1 average for all sections Class size minimum: 25:1
Distance Learning	25:1	Class size minimum: N/A Class size maximum: 30:1

(a) This standard includes all instructional personnel other than teachers for gifted education, in-school suspension, special education, guidance counselors, library media specialists, student activity coordinators, reading specialists, math specialists, SOL improvement specialists and instructional technology specialists.

(b) Courses not meeting minimums may be dropped. Waivers may be granted, depending on the course and the extenuating circumstances.

(c) Career and Technical Education laboratory classes that use equipment that has been identified by the U.S. Department of Labor for hazardous occupations shall be limited to a maximum of 20 students per laboratory.

NOTES TO STAFFING STANDARDS:

- (1) Instructional allocations may be decreased and a teacher reassigned when the school-wide student/teacher ratio is 21.25:1 or less with the elimination of the position, excluding Bayside 6 and Bayside MS.
- (2) Exceptions to student/teacher target ratios can be requested on the basis of existing staff. The written request for exception must include the program rationale for the exception, as it relates specifically to student achievement and/or an objective in the school's strategic plan. A cost analysis will be completed by the Department of Human Resources after the appropriate administrator in the Department of School Leadership receives the request. Bayside 6 and Bayside MS are excluded.
- (3) The classroom teacher allocation of 21.25:1 is based on all core teachers being assigned to four (4) teaching periods. Elective teachers will be assigned to five (5) teaching periods a day and one period designated for individual planning.
- (4) Each day, core teachers will have one individual planning period scheduled during the students' instructional day. Core teachers have one core team work/planning period during the contractual day. [Note: The team work/planning period may include such activities as remediation/academic support; professional learning; planning with team members; conferring with parents, resource staff, and educational professionals; providing special assistance to individual students or groups; completing other tasks necessary for efficient, effective team operation.]
- (5) Principals are encouraged to schedule the core team-planning period for each team on a grade level at the same time each day.
- (6) Full-time teachers of non-core classes will have one planning period per day.

Resource Teachers, Library Media Specialists, and Guidance Counselors Allocations (Old Donation School, Bayside 6 th Grade Campus and Bayside Middle School are staffed using appropriate modifications to all established standards.)	
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Instructional Technology Specialist	Allocations are made based upon the number of available positions, school needs and schools enrollments. The Department of Teaching and Learning, in conjunction with the Department of School Leadership, makes these allocations annually.
Distance Learning	.20 per school (for schools that send transmissions)
Gifted Education	1 per school (excluding Old Donation School. Bayside 6 th Grade Campus 0.40 and Bayside Middle School 0.60)
Student Activities	1 per school (Bayside 6 th Grade Campus .40 and Bayside MS .60)
Library Media Specialist	.50 for < 300 students; 1 for 300 students; 2 for 1,000 students [SOQ]
Guidance	Guidance Department Chair, 1 per school (300 students); Counselors, 1 per 350 students (after first 300)
(SOL) School Improvement Specialist	1 per school (Bayside 6 th Grade Campus .40 and Bayside MS .60)
Reading Specialist	1 per school (Old Donation School .50 and Bayside MS 2.0)

English as a Second Language	Itinerant based on number of students and level of proficiency [Federal Standard]
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Math Specialist	Assigned based on student needs
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Literacy Specialist	Assigned based on student needs
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Paraprofessional Allocation	
In-School Suspension	1 per school (excluding Old Donation School. Bayside 6 th Grade Campus staffed with a TEA.)

VBCPS Non-Instructional - Secretarial/Clerical and Technical Allocations
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School Admin Associate I/Office Manager /12 mo.	1 per school
Bookkeeper/12 mo.	1 per school (excluding Bayside 6 th Grade Campus)
School Office Assoc. II/Attendance Secretary 10 mo.	1 per school (excluding Old Donation School)
School Office Assoc. II/Discipline Secretary/10 mo.	1 for 1,000 students 2 for 1,600 students 3 for 2,200 students
School Office Associate II/10 mo.	
School Office Associate II/10 mo.	
School Office Associate II/12 mo./Data Tech	1 per school (Bayside 6 th Grade Campus .40 and Bayside MS .60)
School Office Assoc. II/Guidance Secretary/12 mo.	1 per school (excluding Bayside 6 th Grade Campus/ staffed with a TEA)
Library Media Assistant	1 per school (750 enrollment) [SOQ]
Technical Support Technician	1 per school
Additional Secretarial Days	21 per school (7 for Old Donation School and Bayside 6 th Grade Campus)

Security Assistant Allocations

Security	3 per school; (Old Donation School 2.0 and Bayside 6 th Grade Campus 2.0); additional staff is based on special need
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Distance Learning Teacher Assistant Allocations

Teacher Assistant	1 per school (excluding Old Donation School)
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General Assistant Allocations

General Assistant	Old Donation School (1)
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School Health Allocations

Nurse	1 per school
Clinic Assistant	1 per school at 1,000 students (This standard will be adjusted and additional assistants assigned based on student needs, usage and programs.)

Administrative Allocations

Principal	1 per school [SOQ]
Assistant Principal	1 per school [SOQ-1 per 600 students] 2 for 900 students 3 for 1,200 students

4 for 1,800 students
5 for 2,400 students

Dean of Students 1 each at Bayside 6th Grade Campus and Bayside MS

Other School Administrator Allocations

Coordinators Assigned to special programs

Administrative Assistant Special needs basis

Custodial Allocations

Custodians 1 per 17,500 square feet

Staffing Standards and Guidelines

FY 2017/18

The allocations of instructional personnel in Virginia Beach are based on guidelines that meet or exceed the SOQ, the accreditation requirements of Virginia (State), and core class size caps as adopted by the School Board.

NOTE: These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements and local operating budget.

High School

Grade Level	SOQ Accreditation Standard Division-wide Ratios	VBCPS Standard Classroom Teacher Allocation
High School (9-12)		21.25:1 (a)
High School English	24:1 [SOQ]	
Courses	VBCPS Target Class Size Ratio [see Note (1)]	Allocation Adjustments will be Considered as Follows: (Additional Teachers Subject to Availability of Funds) (b)
Core Courses- Math, Science, and Social Studies	25:1	Class size minimum: N/A Class size average: 28 with no class higher than 30
Core Course- English	24:1	Class size minimum: N/A Class size average: 28 with no class higher than 30
Electives	25:1	Class size minimum: 17 Class size average: 28 with no class higher than 30 Band and chorus: 38:1 average for all sections Other electives: 28:1 for all sections
Advanced Placement/ Academy Courses	24:1	Class minimum: 15
Honors Academic Courses	25:1	Class size minimum: 17
High Level Academic Language Electives	25:1	Class size minimum: 17 Class size average: 28 with no class larger than 30
Career and Technical Education Courses	20:1 or number of Workstations (c)	Class size minimum: 17 Class size maximum: determined by number of workstations (see VDOE listing)
Physical Education	35:1	Class size minimum: 25:1 [Division] Class size maximum: 38:1 average for all sections with no class higher than 40

(a) This standard includes all instructional personnel other than teachers for gifted education, in-school suspension, NJROTC, special education, guidance counselors, library media specialists, SOL improvement specialists, reading specialists, math specialists, instructional technology specialists, and student activity coordinators.

- (b) Courses not meeting minimums may be dropped. Waivers may be granted by the senior executive director of high schools, depending on the course and the extenuating circumstances.
- (c) Career and Technical Education laboratory classes that use equipment that has been identified by the U.S. Department of Labor for hazardous occupations shall be limited to a maximum of 20 students per laboratory.

NOTES TO STAFFING STANDARDS:

- (1) International Baccalaureate Program, Mathematics and Science Academy, Health Sciences Academy, Technology Academy, Legal Studies Academy, Visual and Performing Arts Academy, Global and World Languages Academy, Entrepreneurship and Business Academy, Technical and Career Education Center, Renaissance Academy, and Advanced Technology Center are staffed using appropriate modifications to all established standards.
- (2) Staffing for Green Run Collegiate Charter School will be based on the Memorandum of Agreement (MOA) between the Governing Board of Green Run Collegiate Charter School and the School Board of Virginia Beach City Public Schools.
- (3) Instructional allocations may be decreased and a teacher reassigned when the school-wide student/teacher ratio would be 21.25:1 or less with the elimination of the position.
- (4) Exceptions to student/teacher target ratios can be requested on the basis of existing staff. The written request for exception must include the program rationale for the exception as it relates specifically to student achievement and/or an objective in the school's strategic plan. A cost analysis will be completed by the Department of Human Resources after the appropriate administrator in the Department of School Leadership receives the request.
- (5) High school teachers will have a minimum of 250 minutes of planning time per week (SOQ).
- (6) Throughout September, the principal will monitor the number of students in classes to ensure the most effective use of division resources in staffing.

Resource Teachers, Library Media Specialists, and Guidance Counselors Allocations	
Distance Learning	.20 per school (for schools that send transmissions)
Gifted Education	1 per school (excluding Renaissance Academy, Advanced Technology Center and Technical & Career Ed Center)
Student Activities	1 per school (with interscholastic program)
Library Media Specialist	1 per school; additional 1.0 added when enrollment exceeds 1,000. (SOQ requirement)
Instructional Technology Specialist	Allocations are made based upon the number of available positions, school needs and schools enrollments. The Department of Teaching and Learning, in conjunction with the Department of School Leadership, makes these allocations annually.

Guidance	1 Guidance Department Chair per school (300 students) 1 Counselor per 350 students (after first 300)
English as a Second Language	Itinerant based on number of students and level of proficiency [Federal]
(SOL) School Improvement Specialist	1 per school (Renaissance Academy 2)
Reading Specialist	1 per school (Renaissance Academy 2; Technical & Career Education Center 0; Advanced Technical Center 0)
Math Specialist	Assigned based on student needs

Paraprofessional Allocations

In-School Suspension	1 per school (Renaissance Academy 2)
Driver's Education Instructor	1 per school

Non-Instructional - Secretarial/Clerical and Technical Allocations

(Appropriate modifications to established standards are made for the Advanced Technology Center, Princess Anne High School (Special Education Wing), Renaissance Academy, and Technical and Career Education Center.)

School Admin Office Assoc II/12 mo. (Office Manager)	1 per school
Bookkeeper/12 mo.	1 per school
School Office Assoc II/10 mo. (Attendance Secretary)	1 per school
School Office Assoc II/10 mo. (Discipline Secretary)	1 for 1,000 students 2 for 1,600 students [State] 3 for 2,200 students [State]
School Office Assoc II/12 mo.	
School Office Assoc II/10 mo.	
School Office Assoc II/12 mo. (Data Tech)	1 per school
School Office Assoc II/12 mo. (Guidance)	1 per school
Library Media Assistant	1 per school (750 students) [SOQ]
Technical Support Technician	1 per school
Extra Secretarial Days	21 per comprehensive high school 20 for Renaissance Academy 7 for Adult Learning Center 7 for Advanced Technology Center 7 for Technical and Career Education Center

Security Assistant Allocations

Security Assistants - Day	5 per school; additional staff is based on special needs
Security Assistants - Night	1 per school; additional staff is based on special needs

Distance Learning Assistant Allocations

Distance Learning	1 per high school
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School Health Allocations

Nurse	1 per school
Clinic Assistant	1 per school at 1,000 students; additional staff based on student needs

Administrative Allocations	
Principal	1 per school [SOQ]
Assistant Principal	2 for below 1,200 students [SOQ 1 per 600 students] 3 for 1,200 students 4 for 1,800 students
Other School Administrator Allocations	
Coordinators	Assigned to special programs
Administrative Assistant	Special needs basis
Custodial Allocations	
Custodian	1 per 17,500 square feet

School Financial Allocations

Division funds are appropriated and allocated to schools based on an allocation formula and the projected March 31 ADM. To ensure equity for small schools and special centers, a minimum allocation for certain categories is applied. An amount not to exceed 35 percent of the total allocation is provided to each school in a direct appropriation. The remaining funds are available through school draw accounts. Except for funds allocated to restricted accounts, school allocation funds may be transferred between categories. Schools may submit no more than three transfer requests per fiscal year. The principal is responsible for the management of all school allocation funds.

Category/Purpose	Formula
Administrative - Funds are allocated for non-capitalized administrative needs such as office supplies, paper, postage, professional subscriptions, printing and student activities.	<ul style="list-style-type: none"> \$15.35 per student; schools with fewer than 500 students and all special centers receive adjusted allocations based on size and need \$361.00 per senior high school for graduation Schools with less than 500 students receive \$7,676
Equipment - Funds are allocated for the purchase of new and replacement equipment. Cost must be \$5,000 or more per unit.	<ul style="list-style-type: none"> Elementary: \$4,515 per school Middle: \$4.51 per student; minimum \$4,515 per school High: \$4.51 per student; minimum \$4,515 per school Special centers receive adjusted allocations based on size and need
Instructional - Funds are allocated for instructional materials and supplies including paper, science and math consumables, maps, art supplies, paperback books/novels, physical education materials, and program specific needs.	<ul style="list-style-type: none"> \$35.66 per student excluding self-contained special education students and preschool DD/SPE students Schools with less than 350 students and all special centers receive adjusted allocations based on size and specialized program needs Schools with less than 350 students receive \$12,485 Each Title I school receives an additional \$1,355
Special Education (Restricted Account) - Funds are allocated for special education materials and supplies including paper, consumables, art supplies, supplementary learning materials, and program specific needs designated for special education students.	<ul style="list-style-type: none"> \$63.21 per self-contained student \$13.55 per resource student \$63.21 per preschool student
Computer Supplies - Funds are allocated for the purchase of non-capitalized administrative and instructional computer supplies.	<ul style="list-style-type: none"> \$2.71 per student
Library - Funds are allocated for the purchase of books, periodicals, reference materials, audio/video tapes, software, and other library related materials and supplies	<ul style="list-style-type: none"> Elementary: \$2,709-\$4,515 per school based on size, plus \$4.06 per student Middle: \$4,967-\$6,774 per school based on size, plus \$5.42 per student Senior High: \$8,127 per school, plus \$5.42 per student Special Centers: \$2,258-\$6,774 per center based on size, plus \$5.42 per student
Staff Development - Funds are allocated to provide site-specific staff development opportunities and training that support school and division strategic plans including workshops, training conferences, and contracted training personnel.	<ul style="list-style-type: none"> Elementary: \$2,709-\$3,612 per school based on size, plus \$4.51 per teacher Middle: \$3,612-\$4,064 per school based on size, plus \$4.51 per teacher Senior High: \$4,515 per school, plus \$4.51 per teacher Special Centers: \$1,806-\$4,515 per center based on size, plus \$4.51 per teacher
Field Trips - Funds are allocated for the bus driver costs for field trips.	<ul style="list-style-type: none"> Elementary, Middle, High Schools: \$1.38 per student Special centers and small schools with fewer than 300 students are funded at the minimum level of \$461 A debit accounting system is used in lieu of a draw account

Note: Restricted Accounts - Funds may be transferred into restricted accounts; however, once funds are transferred into a restricted account, they cannot be transferred out for any purpose.

Budget Manager and Signature Authority

(For budget and business transactions)

Each Senior Staff is responsible, through signature authority, for designated budget categories, including departmental spending, line item compliance, and all expenditures. This authority may be shared, if so designated; however, delegating signature authority *does not nullify* the Senior Staff's accountability for fiscal responsibility.

INSTRUCTION CATEGORY

NOTE: ★ **School Draw Accounts ONLY**

- ① Principals are designated as Signature Authority [Alternate: Unit Code Signature Authority]
- ② Chief Financial Officer is designated Authority for 35% School Allocation checks to schools

FUND 115 UNIT CODE	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
50100/60100	Elementary Classroom ★	Shirann Lewis	Shirann Lewis Sean Walker Kathleen Starr	Shirann Lewis Rashard Wright
50200/60200	Senior High Classroom ★	Daniel Keever	Daniel Keever	Daniel Keever Rashard Wright
50300/60300	Technical and Career Education ★	Amy Cashwell	Sara Lockett	Amy Cashwell Marc Bergin
50400/60400	Gifted Education and Academy Programs ★	Amy Cashwell	Veleka Gatling James Pohl	Amy Cashwell Marc Bergin
50500/60500	Special Education ★	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
50600/60600	Summer School	Amy Cashwell	Alveta Green Adrian Day	Amy Cashwell Marc Bergin
50610/60610	Summer Slide Program	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
50700/60700	General Adult Education	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
50800/60800	Alternative Education ★	Daniel Keever	Kay Thomas	Daniel Keever Rashard Wright
50900/60900	Student Activities	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
51000/61000	Office of the Principal - Elementary ★	Shirann Lewis	Shirann Lewis Sean Walker Kathleen Starr	Shirann Lewis Rashard Wright
51100/61100	Office of the Principal - Senior High ★	Daniel Keever	Daniel Keever	Daniel Keever Rashard Wright
51200/61200	Office of the Principal - Technical and Career Education ★	Amy Cashwell	Sara Lockett	Amy Cashwell Marc Bergin
51300/61300	Guidance Services	Amy Cashwell	Alveta Green Robert Jamison	Amy Cashwell Marc Bergin
51400/61400	Social Work Services	Amy Cashwell	Alveta Green Gay Thomas	Amy Cashwell Marc Bergin
51500/61500	Media and Communications	Eileen Cox	Eileen Cox Lauren Nolasco	Eileen Cox Lauren Nolasco Marc Bergin

Budget Manager and Signature Authority

(For budget and business transactions)

UNIT CODE	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
51700/61700	Teaching and Learning Support	Amy Cashwell	Amy Cashwell Lesley Hughes James Pohl Veleka Gatling	Amy Cashwell Marc Bergin
51710/61710	Instructional Professional Growth and Innovation	Donald Robertson	Janene Gorham	Donald Robertson Marc Bergin
51720/61720	Opportunity and Achievement	Amy Cashwell	LaQuiche Parrott	Amy Cashwell Marc Bergin
51800/61800	Special Education Support	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
51900/61900	Gifted Education and Academy Programs Support ★	Amy Cashwell	Amy Cashwell James Pohl Veleka Gatling	Amy Cashwell Marc Bergin
52000/62000	Media Services Support ★	Amy Cashwell	William Johnsen	Amy Cashwell Marc Bergin
52100/62100	Planning, Innovation, and Accountability	Donald Robertson	Donald Robertson	Donald Robertson Marc Bergin
52200/62200	Middle School Classroom ★	Cheryl Woodhouse	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
52300/62300	Remedial Education	Amy Cashwell	Amy Cashwell James Pohl	Amy Cashwell Marc Bergin
52400/62400	Office of the Principal - Middle School ★	Cheryl Woodhouse	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
52500/62500	Homebound Services	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
52600/62600	Technical and Career Education Support	Amy Cashwell	Sara Lockett James Pohl	Amy Cashwell Marc Bergin
52700/62700	Student Leadership	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
52800/62800	Psychological Services	Amy Cashwell	Alveta Green	Amy Cashwell Marc Bergin
52900/62900	Audiological Services	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
53100/63100	School Leadership	Rashard Wright	Rashard Wright Shirann Lewis	Rashard Wright Marc Bergin
53200/63200	Alternative Education	Daniel Keever	Kay Thomas Daniel Keever	Daniel Keever Rashard Wright
ADMINISTRATION, ATTENDANCE, and HEALTH CATEGORY				
54100/64100	Board, Legal, and Governmental Services	Aaron Spence	Aaron Spence	Aaron Spence Marc Bergin
54200/64200	Superintendent	Aaron Spence	Aaron Spence	Aaron Spence Marc Bergin

Budget Manager and Signature Authority

(For budget and business transactions)

UNIT CODE	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
54300/64300	Budget and Finance	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
54400/64400	Human Resources	John Mirra	John Mirra	John Mirra Marc Bergin
54500/64500	Internal Audit	N/A	Terrie Pyeatt	Terrie Pyeatt Farrell Hanzaker
54600/64600	Purchasing Services	Farrell Hanzaker	Kevin Beardsley	Kevin Beardsley Farrell Hanzaker John Manzella
54700/64700	Professional Growth and Innovation	Donald Robertson	Janene Gorham	Donald Robertson Marc Bergin
55000/65000	Benefits	Farrell Hanzaker	Linda Matkins	Linda Matkins Farrell Hanzaker Lauren Heath
55200/65200	Health Services	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
PUPIL TRANSPORTATION CATEGORY				
56100/66100	Management	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt Marc Bergin
56200/66200	Vehicle Operations	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt Marc Bergin
56250/66250	Vehicle Operations – Special Education	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt Marc Bergin
56300/66300	Vehicle Maintenance	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt Marc Bergin
56400	Monitoring Services	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt Marc Bergin
OPERATIONS and MAINTENANCE CATEGORY				
57100/67100	Facilities Planning and Construction	Dale Holt	Anthony Arnold	Dale Holt Marc Bergin
57200/67200	School Plant	Dale Holt	Eric Woodhouse	Eric Woodhouse Dale Holt
57300/67300	Distribution Services	Dale Holt	Brian Baxter	Brian Baxter Dale Holt
57400	Grounds Services	Dale Holt	Steve Proffitt	Dale Holt Marc Bergin
57500/67500	Custodial Services	Dale Holt	Larry Ames	Larry Ames Dale Holt Marc Bergin

Budget Manager and Signature Authority

(For budget and business transactions)

UNIT CODE	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
58100/68100	Safety and Loss Control	Dale Holt	Richard Ponti	Dale Holt Farrell Hanzaker
58200/68200	Vehicle Services	Dale Holt	David Pace <i>(Acting)</i>	David Pace Dale Holt
58300/68300	Telecommunications	Ramesh Kapoor	Ramesh Kapoor	Neha Patel Michael Combs Ramesh Kapoor Marc Bergin
TECHNOLOGY CATEGORY				
61600	Instructional Technology ★	Amy Cashwell	William Johnsen	Amy Cashwell Marc Bergin
64900	Technology	Ramesh Kapoor	Joseph Damus	Joseph Damus Ramesh Kapoor Marc Bergin
68400	Technology Maintenance	Ramesh Kapoor	Neha Patel	Neha Patel Ramesh Kapoor Marc Bergin
OTHER FUNDS				
FUND				
104	Green Run Collegiate Charter School	Barbara Winn	Barbara Winn	Barbara Winn Daniel Keever
107	Equipment Replacement	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
108	Instructional Technology	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor <u>and</u> Amy Cashwell Farrell Hanzaker
109	Vending Operations	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
112	Communication Towers Technology	Ramesh Kapoor	Ramesh Kapoor	Neha Patel Michael Combs Ramesh Kapoor Marc Bergin
114	Cafeteria	Dale Holt	John Smith	John Smith Dale Holt
113	Title IV – Pell Grant	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
116	Categorical Grants			
	<u>Department of School Leadership</u>			
	Adult Basic Education	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
	General Adult Education	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright

Budget Manager and Signature Authority

(For budget and business transactions)

BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
ISAEF	Daniel Keever	Kay Thomas	Daniel Keever Rashard Wright
Juvenile Detention Home	Rashard Wright	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
MyCAA – ALC Courses	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
MyCCAA – LPN Program	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
Opportunity Inc. – Adult Learning Center	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
Post 9/11 GI Bill	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
Race to GED	Daniel Keever	Paul Palombo	Daniel Keever Rashard Wright
Title I Part D Subpart 1	Rashard Wright	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
Title I Part D Subpart 2	Daniel Keever	Kay Thomas	Daniel Keever Rashard Wright
<u>Department of Planning, Innovation, and Accountability</u>			
Career Switcher Program Mentor Reimbursement	Donald Robertson	Janene Gorham	Donald Robertson Marc Bergin
National Board Teachers Stipends	Donald Robertson	Janene Gorham	Donald Robertson Marc Bergin
New Teacher Mentor	Donald Robertson	Janene Gorham	Donald Robertson Marc Bergin
<u>Office of Safety and Loss Control</u>			
Risk Management Grant Program	Dale Holt	Richard Ponti	Dale Holt Marc Bergin
School Security Equipment	Dale Holt	Richard Ponti	Dale Holt Marc Bergin
<u>Department of Teaching and Learning</u>			
Advance Placement Fee Program	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Algebra Readiness	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Alternative Assessment Assistance Incentive	Amy Cashwell	Amy Cashwell	Amy Cashwell Marc Bergin
Asia Society Confucius Classrooms Network	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin

Budget Manager and Signature Authority

(For budget and business transactions)

BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
Career & Technical Education State Equipment Allocation	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
Carl Perkins	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
DoDEA Special Education	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
Dual Enrollment – TCC	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Early Reading Intervention	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
Girls on the Run Program	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
Green Run Collegiate Charter School Support	Amy Cashwell	Barbara Winn James Pohl	Amy Cashwell
Green Run Collegiate Support	Amy Cashwell	Barbara Winn James Pohl	Amy Cashwell
Industry Certification Examinations	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
Jail Education Program	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
LTR [Ret] H. G. Pete Taylor Partnership of Excellence Award	Amy Cashwell	Alveta Mitchell Robert Jamison	Amy Cashwell Marc Bergin
McKinney Homeless	Amy Cashwell	Alveta Green Gay Thomas	Amy Cashwell Marc Bergin
MTSS-B Evaluation	Amy Cashwell	Alveta Green	Amy Cashwell Marc Bergin
Opportunity Inc. – STEM (ISY and OSY)	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
Positive Behavior Interventions and Supports	Amy Cashwell	Alveta Green	Amy Cashwell Marc Bergin
Preschool Incentive	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
Project HOPE – City Wide SCA	Amy Cashwell	Alveta Green Gay Thomas	Amy Cashwell Marc Bergin
Startalk	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Title I Part A	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
Title II Part A	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
Title III Part A Immigrant and Youth	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin

Budget Manager and Signature Authority

(For budget and business transactions)

	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
	Title III Part A Language Acquisition	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
	Title IV Part B 21 st CCLC GRC	Amy Cashwell	Barbara Winn James Pohl	Amy Cashwell Marc Bergin
	Title IV Part B 21 st CCLC Lynnhaven	Amy Cashwell	Amy Cashwell Katherine Everett Lesley Hughes	Amy Cashwell Marc Bergin
	Virginia Incentive Program for Speech-Language Pathologists	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
	Virginia Initiative for At Risk Four-Year-Olds	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
	Virginia Middle School Teacher Corps	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
	Virginia Student-Led Assessment NIC	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
	Virtual Virginia	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
	Workplace Readiness Skills for Exam the Commonwealth	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
	<u>Department of Teaching and Learning/Technology</u>			
	Technology Initiative			
	Non-training	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor
	Training	Amy Cashwell	Amy Cashwell	Amy Cashwell
	Non-training/Training			Marc Bergin
	Virginia eLearning Backpack – Bayside HS			
	Non-training	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor
	Training	Amy Cashwell	Amy Cashwell	Amy Cashwell
	Non-training/Training			Marc Bergin
	Virginia eLearning Backpack – Green Run HS			
	Non-training	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor
	Training	Amy Cashwell	Amy Cashwell	Amy Cashwell
	Non-training/Training			Marc Bergin
	Virginia eLearning Backpack – Kempsville HS			
	Non-training	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor
	Training	Amy Cashwell	Amy Cashwell	Amy Cashwell
	Non-training/Training			Marc Bergin
117	Textbooks	Amy Cashwell	Amy Cashwell	Amy Cashwell Farrell Hanzaker
119	Athletics	Rashard Wright	Michael McGee	Rashard Wright Farrell Hanzaker
614	Risk Management	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
615/617	Health Insurance	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate

Budget Manager and Signature Authority

(For budget and business transactions)

	BUDGET NAME	SENIOR STAFF	BUDGET MANAGER	SIGNATURE AUTHORITY
CIP PROJECTS				
PROJECTS				
1008	Instructional Technology – Phase II	Ramesh Kapoor	William Johnsen	Amy Cashwell and Ramesh Kapoor Farrell Hanzaker
1195	Student Data Management System	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor Marc Bergin
1196	Instructional Technology	Ramesh Kapoor	William Johnsen	Amy Cashwell and Ramesh Kapoor Farrell Hanzaker
1211	School Operating Budget Support	Assigned by unit code	Assigned by unit code	Assigned by unit code
1237	Schools Human Resources Payroll System	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
	All Other CIP Projects except those listed above	Ramesh Kapoor	Anthony Arnold	Anthony Arnold and Dale Holt



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

School Administration Building #6, Municipal Center
2512 George Mason Dr.
P. O. Box 6038
Virginia Beach, VA 23456
(757) 263-1000

MISSION STATEMENT

The Virginia Beach City Public Schools, in partnership with the entire community, will empower every student to become a life-long learner who is a responsible, productive and engaged citizen within the global community.

School Board of the City of Virginia Beach

Beverly M. Anderson, At-Large, Chair
Daniel D. Edwards, District 2 – Kempsville, Vice Chair
Sharon R. Felton, District 6 – Beach
Dorothy M. Holtz, At-Large
Victoria C. Manning, At-Large
Joel A. McDonald, District 3 – Rose Hall
Ashley K. McLeod, At-Large
Kimberly A. Melnyk, District 7 – Princess Anne
Trenace B. Riggs, District 1 – Centerville
Carolyn T. Rye, District 5 – Lynnhaven
Carolyn D. Weems, District 4 – Bayside
Aaron C. Spence, Ed.D., Superintendent

Budget Resolution – FY 2017/18

WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with the entire community, is to empower every student to become a life-long learner who is a responsible, productive, and engaged citizen within the global community; and

WHEREAS, the School Board of the City of Virginia Beach has adopted a comprehensive strategic plan and school improvement priorities to guide budgetary decisions; and

WHEREAS, the School Board has studied the recommended FY 2017/18 Operating Budget in view of state and federal requirements, the strategic plan, priorities, community expectations, competitive compensation for employees and the best educational interests of its students; and

WHEREAS, the City/School Revenue Sharing Policy provides 34.11% of certain general fund revenues to meet obligations of the School Board of the City of Virginia Beach; and

WHEREAS, the proposed Operating Budget includes a 2% salary increase for all employees; and

WHEREAS, the total funds requested for FY 2017/18 from the City of Virginia Beach to the School Board of the City of Virginia Beach is \$420,960,350, which includes \$44,947,680 for estimated debt service payments leaving a balance of \$376,012,670; and

WHEREAS, \$8,803,897 of the School Reserve Special Revenue Fund, which would have normally been used for major one-time purchases, will now be budgeted to use for the FY 2017/18 Operating Budget; and

WHEREAS, the amount of the Sandbridge Tax Increment Financing (TIF) available to the School Board for FY 2017/18 is \$409,000.

NOW, THEREFORE, BE IT

RESOLVED: That \$8,803,897 of the School Reserve Special Revenue fund be added to the Operating Budget, bringing the total to \$384,816,567; and be it

FURTHER RESOLVED: That \$409,000 of the Sandbridge TIF be allocated to the Operating Budget, bringing the total to \$385,225,567; and be it

FURTHER RESOLVED: That federal funds in the amount of \$12,200,000 along with state funds in the amount of \$347,161,821 and other local funds in the amount of \$3,518,341 be added to the Operating Budget, bringing it to a total for FY 2017/18 of \$748,105,729; and be it

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests a Lump Sum Appropriation of \$748,105,729 for FY 2017/18 from the City Council of Virginia Beach for the School Board FY 2017/18 Operating Budget; and be it

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VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

School Board of the City of Virginia Beach

Budget Resolution FY2017/18 (continued)

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests an appropriation of \$102,144,897 for categorical grants and other special revenue funds comprised of federal grants in the amount of \$39,799,370, state grants in the amount of \$18,616,420, local grants in the amount of \$440,958, and other special revenue funds in the amount of \$43,288,149; and be it

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests an appropriation of \$3,763,447 for Green Run Collegiate Charter School for the 2017/18 fiscal year and that the total of these funds be included in the Lump Sum Appropriation for a total of \$854,014,073; and be it

FINALLY RESOLVED: That a copy of this Resolution be spread across the official minutes of this School Board, and the Clerk of the School Board is directed to deliver a copy of this Resolution to the Mayor, each member of the City Council, the City Manager, and the City Clerk.

Adopted by the School Board of the City of Virginia Beach this 7th day of March 2017

SEAL


Beverly M. Anderson, School Board Chair

Attest:


Dianne P. Alexander, Clerk of the Board



VIRGINIA BEACH CITY PUBLIC SCHOOLS
CHARTING THE COURSE

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Carolyn T. Rye, District 5 – Lynnhaven
Carolyn D. Weems, District 4 – Bayside
Aaron C. Spence, Ed.D., Superintendent

**Budget Resolution – Additional Funds Request FY 2017/18
(Beyond Balanced Budget)**

WHEREAS, the School Board has submitted a Budget Resolution FY 2017/18 for the Operating Budget which reflects a balanced budget based on the projected revenues including the Federal, State, and Local Funds which include Revenue Sharing Formula funding; and

WHEREAS, the total funds included in the balanced budget resolution total \$854,014,073 and the School Board desires to send to the City Council a separate budget resolution that reflects the additional funding required for full-day kindergarten implementation and pre-kindergarten program expansion.

NOW, THEREFORE, BE IT

RESOLVED: That pursuant to Section 4 of the City/School Revenue Sharing Policy, the School Board has determined that additional local funding is required beyond the balanced budget; and be it

FURTHER RESOLVED: That the School Board requests additional funding in the amount of \$14,093,300; and be it

FURTHER RESOLVED: That the purpose for the additional funding is: 1) to provide funds to begin a multi-year phased implementation of full-day kindergarten for all eligible students and 2) to provide additional local match funding to begin expansion of the pre-kindergarten program, maximizing accessibility to Virginia Preschool Initiative (VPI) state funding; and be it

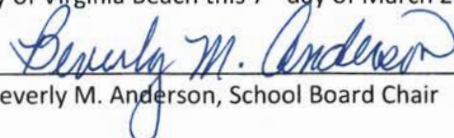
FURTHER RESOLVED: That the School Board supports an increase in the real estate tax or any other local tax (from the revenue streams within the Revenue Sharing Formula) if the City Council determines that such a tax increase is necessary or an increase in the amount of dedicated funding from any of the revenue streams within the Revenue Sharing Formula; and be it

FURTHER RESOLVED: That the School Board will use any unspent funds related to this additional funding solely for identified priority needs such as Capital Improvement Program (CIP) projects, replacement school buses, replacement equipment and furniture, and technology related items; and be it


FINALLY RESOLVED: That a copy of this Resolution be spread across the official minutes of this School Board, and the Clerk of the School Board is directed to deliver a copy of this Resolution to the Mayor, each member of the City Council, the City Manager, and the City Clerk.

Adopted by the School Board of the City of Virginia Beach this 7th day of March 2017

SEAL


Beverly M. Anderson, School Board Chair

Attest:


Dianne P. Alexander, Clerk of the Board

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Aaron C. Spence, Ed.D., Superintendent

FY 2017/18 - FY 2022/23 Capital Improvement Program (CIP)
CIP RESOLUTION

WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with the entire community, is to empower every student to become a life-long learner who is a responsible, productive, and engaged citizen within the global community; and

WHEREAS, the School Board of the City of Virginia Beach has adopted a comprehensive strategic plan and school improvement priorities to guide budgetary decisions; and

WHEREAS, the primary funding sources for the School CIP have been Sandbridge TIF funds and the issuance of debt by the City; and

WHEREAS, the City/School Revenue Sharing Policy provides 34.11% of certain general fund revenues to meet obligations of the School Board of the City of Virginia Beach; and

WHEREAS, the City/School Revenue Sharing Policy allocates funds first to Debt Service, while the balance is used for the Operating Budget; and

WHEREAS, the School Board has comprehensively reviewed all sources of funding, projected various scenarios and prioritized the needs of the Operating and Capital Improvement Budgets.

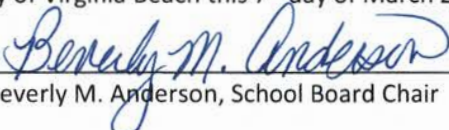
NOW, THEREFORE, BE IT

RESOLVED: That the School Board of the City of Virginia Beach adopts a CIP program of \$496,534,811 (as shown on the attached School Board Funding Summary and Project Summary dated March 7, 2017), and be it

FINALLY RESOLVED: That a copy of this Resolution be spread across the official minutes of this School Board, and the Clerk of the School Board is directed to deliver a copy of this Resolution to the Mayor, each member of the City Council, the City Manager, and the City Clerk.

Adopted by the School Board of the City of Virginia Beach this 7th day of March 2017

SEAL


Beverly M. Anderson, School Board Chair

Attest:



Dianne P. Alexander, Clerk of the Board

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School Board Funding Summary
Virginia Beach City Public Schools
FY 2017/18 - FY 2022/23 Capital Improvement Program (CIP)
March 7, 2017

CIP #	Project Category	Total Project Cost	Six Year Appropriations	Appropriations to Date	Year 1 2017-2018	Year 2 2018-2019	Year 3 2019-2020	Year 4 2020-2021	Year 5 2021-2022	Year 6 2022-2023
1-003	Renovations and Replacements - Energy Management/Sustainability	12,375,000	12,375,000	2,875,000	1,000,000	1,500,000	1,600,000	1,700,000	1,800,000	1,900,000
1-004	Tennis Court Renovations - Phase II	1,000,000	1,000,000	600,000	200,000	200,000	0	0	0	0
1-008	Instructional Technology - Phase II	642,448	642,448	642,448		0	0	0	0	0
1-035	John B. Dey Elementary School Modernization	25,989,241	25,989,241	25,989,241	0	0	0	0	0	0
1-043	Thoroughgood Elementary School Replacement	28,270,000	28,270,000	8,888,759	14,000,000	5,381,241	0	0	0	0
1-056	Princess Anne Middle School Replacement	78,873,759	78,873,759	14,650,000	20,491,000	14,834,759	28,898,000	0	0	0
1-095	Comprehensive Long Range Facilities Planning Update	300,000	300,000	300,000	0	0	0	0	0	0
1-099	Renovations and Replacements - Grounds - Phase II	18,450,000	18,450,000	9,675,000	1,250,000	1,325,000	1,400,000	1,500,000	1,600,000	1,700,000
1-102	21st Century Learning Environment Improvements	2,100,000	2,100,000	0	2,100,000	0	0	0	0	0
1-103	Renovations and Replacements - HVAC - Phase II	84,167,724	84,167,724	39,667,724	5,700,000	6,350,000	6,750,000	7,250,000	7,850,000	8,500,000
1-104	Renovations and Replacements - Reroofing - Phase II	60,785,639	60,275,639	31,025,639	4,000,000	4,450,000	4,700,000	5,000,000	5,350,000	5,750,000
1-105	Renovations and Replacements - Various - Phase II	25,435,000	25,435,000	13,110,000	1,750,000	1,850,000	1,975,000	2,100,000	2,250,000	2,400,000
1-107	Princess Anne High School Replacement	115,000,000	64,091,000	0	0	0	6,568,000	19,841,000	19,041,000	18,641,000
1-110	Energy Performance Contracts - Phase II	30,000,000	30,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	0
1-025	Kempsville High School Entrepreneurial Academy	950,000	950,000	450,000	500,000	0	0	0	0	0
1-233	Old Donation School	63,615,000	63,615,000	63,615,000	0	0	0	0	0	0
			Total	Appropriations to Date	Year 1 2017-2018	Year 2 2018-2019	Year 3 2019-2020	Year 4 2020-2021	Year 5 2021-2022	Year 6 2022-2023
	GRAND TOTAL (all projects)	547,953,811	496,534,811	216,488,811	55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
	TARGETS				55,991,000	40,891,000	56,891,000	42,391,000	42,891,000	38,891,000
	DIFFERENCE				0	0	0	0	0	0

Virginia Beach City Public Schools
FY 2017/18 - FY 2022/23 Capital Improvement Program (CIP)
March 7, 2017

Funding Sources	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Charter Bonds	45,300,000	32,300,000	47,300,000	32,300,000	32,300,000	32,300,000
Sandbridge	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000	3,591,000
Public Facility Revenue Bonds	5,000,000	5,000,000	0	0	0	0
PayGo	0	0	1,000,000	1,500,000	2,000,000	3,000,000
Interest/Sale of Property	2,100,000	0	0	0	0	0
Energy Performance	0	0	5,000,000	5,000,000	5,000,000	0
State Construction Grants	0	0	0	0	0	0
Lottery Funds	0	0	0	0	0	0
Total	\$55,991,000	\$40,891,000	\$56,891,000	\$42,391,000	\$42,891,000	\$38,891,000



City Council and School Board Policy

Title: City/School Revenue Sharing Policy		Index Number:
Date of Adoption: October 23, 2012	Date of Revision: 11/17/2015	Page: 1 of 6

1. Purpose:

- 1.1. This policy ("Policy") is to establish a procedure for allocating to the City and to the Public School System revenues estimated to be available in any given fiscal year. It is the intent of this Policy to provide sufficient funding to maintain Virginia Beach City Public Schools' academic success as well as the City's strategic goals.
- 1.2. This Policy is designed to accomplish these goals by providing better planning for school funding by clearly and predictably sharing local revenues. It provides a balance between the funding requirements for School and City programming. This Policy seeks to provide a diverse stream of revenues that mitigates dramatic changes in the economy by relying upon all local General Fund tax revenues that are under the City Council's control rather than a subset of those revenues. It also recognizes decisions by the City Council to dedicate some of these same revenues to City and School priorities outside of the formula discussed herein. This Policy seeks to rectify some of the concerns with the past formula by linking City funding to the School directly to the State Standards of Quality ("SOQ") which periodically takes into account changes in student enrollment, true property value, adjusted gross income, taxable retail sales, and population.

2. Definitions:

- 2.1. "City" refers to the City of Virginia Beach exclusive of the Virginia Beach City Public Schools.
- 2.2. "Schools" refer to the Virginia Beach City Public Schools.

"Local Tax Revenues" refers to all General Fund revenues generated by non-dedicated local taxes: real estate (less dedications such as the dedication for Schools, and the Outdoor Initiative); Personal Property (less dedication for public safety); General Sales; Utility; Virginia Telecommunications; Business License (BPOL); Cable Franchise; Cigarette (less dedication for Economic Development Incentive Program (EDIP)); Hotel Room; Restaurant Meals; Automobile License; Bank Net Capital; City Tax on Deeds; and City Tax on Wills.

- 2.3 “Dedicated Local Tax” refers to taxes that have been previously obligated by the City Council or State law to support specific projects or programs. Examples of dedicated local taxes that are excluded from this Policy include, but are not limited to: Tax Increment Financing District Revenues; Special Services Districts Revenues; the dedication to Schools (4 cents of the real estate tax); taxes that represent “net-new revenues” and are required to be redirected or are the basis for the calculation of an incentive payment as part of a public-private partnership approved by City Council; taxes established to support Open Space; Agricultural Reserve Program; Recreation Centers; Outdoor Initiative; Economic Development Incentive Program; Tourism Advertising Program; Tourism Investment Program; referendum related taxes; and taxes used to support the BRAC project. A more complete discussion of such dedications is found in the Executive Summary and the Operating Budget each year.
- 2.4. “Net -new Revenues” as used in Section 2.3 means public-private partnership revenues generated by a project (or property) that exceed the Local Tax Revenues prior to the public-private partnership.
- 2.4. “Revenue Sharing Formula” refers to the method of sharing Local Tax Revenues between the City and the Schools.
- 2.5. “Budgeted Local Tax Revenues” refers to the appropriation of revenues by City Council in May each year for the upcoming fiscal year beginning July 1.
- 2.6. “Actual Local Tax Revenues” refers to the actual collected revenues reflected in the Comprehensive Annual Financial Report (CAFR).
- 2.7. “School Reversion Funds” refers to unused expenditure appropriations and end of the year adjustments to the Revenue Sharing Formula revenues based on actual collections.
- 2.8. “Discretionary Local Match” refers to the funding level set by the Revenue Sharing Formula and the real estate tax dedication to Schools.
- 2.9. “Required Local Match” refers to the City funding required by the State’s Standards of Quality (SOQ).

3. Procedure to Calculate the Revenue Sharing Formula:

3.1. Initial Estimate

- 3.1.1 In October, Budget and Management Services will provide to Schools an estimate of local tax revenue for the upcoming fiscal year.

3.1.2. The Required Local Match calculation - Using the SOQ for each of the State Biennial years, Budget and Management Services will deduct this amount from the projection of Local Tax Revenues and set it aside as the first step.

3.1.3. Discretionary Local Match calculation – The Discretionary Local Match has two components: the formula component and the FY 2013 four cent real estate dedication.

3.1.3.1. Formula component: Budget and Management Services will then allocate to Schools 34.11% of the remaining Local Tax Revenues.

3.1.3.2. School dedication component: In FY 2013 Operating Budget the City Council increased the real estate tax rate by four cents and dedicated it to the Schools' Operating Budget. This dedication amount will be added to the Discretionary Local Match. This dedication shall exist until such time as the State restores funding for education to the average level provided from FY 2006 to FY 2012 of \$350 million (net of School facility funds). The City Council has directed the City Manager to recommend, as a part of the City's Proposed Operating Budget, reductions in whole or in part to the four cents real estate dedication in an amount roughly equal to the increased State funding above \$350 million (per annum) as reflected by a decrease in the local composite index below the current FY 2013 level of 0.4110.

3.1.4. The combination of the required local match and the discretionary local match shall comprise the funding for Schools pursuant to this Policy.

3.2. Final Estimate

3.2.1. In February, Budget and Management Services will provide a final estimate of the Local Tax Revenues. This will be the estimate included in the City's Proposed Operating Budget.

3.2.2. Required Local Match calculation - By February the final SOQ required local match should be known from the Virginia Department of Education and this figure will be used to set aside the first allocation of revenues.

3.2.3. Discretionary Local Match calculation – Budget and Management Services will then allocate to Schools the formula component (34.11% of the remaining estimated Local Tax Revenues) plus the Schools' dedication component (four cents of the real estate tax provided no adjustments are required).

3.2.4. The combination of the Required Local Match and the Discretionary Local Match shall comprise the total local funding of the Schools under the Revenue Sharing Formula.

3.2.5. Estimates of the revenues contained in the Revenue Sharing Formula shall be clearly presented in the City's Operating Budget.

4. Procedure to Request an Increase in the Discretionary Local Funding Match:

- 4.1. After receiving the Superintendent's Estimate of Needs, the School Board will notify the City Council by resolution that it has determined additional local funding is required to maintain the current level of operations or to provide for additional initiatives. The School Board's resolution will provide the following: 1) that additional funding is required; 2) the amount of additional funding requested; 3) the purpose for the additional funding; and 4) that the School Board supports an increase in the real estate tax (or other local tax) should the City Council determine that such a tax increase is necessary.
- 4.2. If the City Council determines that additional funding is warranted to maintain the current level of City and Schools operations or to provide for additional initiatives, the City Council shall determine appropriate action. This action may include consideration of existing dedications or alternate sources of revenue or tax increases. If, after deliberation and appropriate public involvement, the City Council determines that additional tax revenues are required, City Council may adopt a tax rate increase to any revenue stream within this formula to generate additional local tax revenue.
- 4.3. Should the City Council dedicate such increase in local taxes, that dedication will be treated in the same manner as other Dedicated Local Taxes. If the City Council does not dedicate the increased taxes, this revenue will be part of the Local Tax Revenues for purposes of this Policy.

5. Actual Revenue Collections deviate from Budget Local Tax Revenues:

- 5.1. If, at the end of the fiscal year, the actual Local Tax Revenues exceed the budgeted amount, the amount of excess revenue will be allocated in the same manner as similar revenues were apportioned in the recently ended fiscal year. However, such excess revenues are subject to the City Council's General Fund Balance Reserve Policy. If such funds are not required for the General Fund Balance Reserve Policy, the School Board may request that such funds be appropriated at the same time as the appropriation of reversion funds, discussed in Section 6.3, below.
- 5.2. If, the City, through the Manager or his designee, anticipates at any time during the fiscal year that actual revenues will fall below budgeted revenues, the School Board, upon notification by the City Manager or his designee of such an anticipated shortfall, will be expected to take necessary actions to reduce expenditures in an amount equal to the School's portion of the shortfall.

6. Reversion of Formula Revenues:

- 6.1. All other sources of funding shall be expended by the Schools prior to the use of Local Tax Revenues.
- 6.2. All balances of Local Tax Revenues held by the Schools at the close of business for each fiscal year ending on June 30th (to include the accrual period) lapse into the fund balance of the City's General

Fund. The reversion described in the preceding sentence is specific to Local Tax Revenues, and while the appropriation to spend funds may lapse, the reversion process is not applicable to moneys in a fund, such as the Athletic Fund, that are attributable to user fees or gate admissions.

6.3. Reversion Appropriation Process: The School Board may request, by resolution, the reappropriation and appropriation of funds resulting from the end of the fiscal year. This request should consider the following:

6.3.1. The use of funds whose appropriation has lapsed because of the end of the fiscal year and reverted to the fund balance of the City's General Fund. See Section 6.2.

6.3.2. The use of excess funds discussed in Section 5.1.

6.3.3. The calculation of actual debt payments for the fiscal year recently closed as compared to the estimated debt payments upon which the fiscal year's budget was appropriated. If the actual debt payment exceeds estimated debt payments, the amount of Schools reversion funds will be reduced by this difference. If actual debt is less than estimated debt payments, the amount of Schools reversion funds will be increased by this difference.

6.3.4. The Schools' Budget Office will confer with Budget and Management Services to verify that there is sufficient fund balance in the General Fund to meet the City Council Fund Balance Policy. If there is insufficient fund balance according to the Fund Balance Policy, the City Manager shall notify the Superintendent of this condition.

6.3.5. The School Board resolution may request the use of excess or reversion funds for one-time purchases or to be retained according to applicable policy on the Schools Reserve Fund (Fund 098), including School Board Policy #3-28, and City Council Ordinance # 2789F, adopted November 4, 2003.

6.3.5.1. Upon receipt of the resolution, Budget and Management Services shall prepare an ordinance for City Council's consideration of the School Board's request at the earliest available City Council meeting.

6.3.5.2. Following City Council's action Budget and Management Services shall notify the Schools of the City Council's decision and shall adjust the accounting records accordingly.

7. Revision to the City/School Revenue Sharing Policy:

7.1. The Superintendent, City Manager, School Chief Financial Officer, and the City's Director of Budget and Management Services shall meet annually to discuss changes in State and Federal revenues that support Schools operations, any use of "one-time" revenues, and any adjustments made to existing

revenues affecting this formula. If they determine that an adjustment is needed, the City Manager and Superintendent will brief the City Council and School Board respectively.

7.2. City Council may revise this Policy in its discretion after consultation with the School Board.

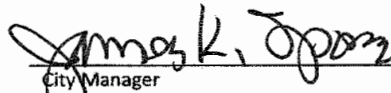
7.3. If no other action is taken by the City Council and School Board, this Policy shall remain effective until June 30th 2018 at which time it will be reviewed and considered for reauthorization.

Approved:

As to Content:

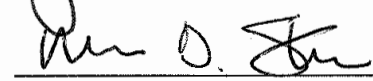

School Superintendent

11-17-15
Date


City Manager

11/18/15
Date

As to Legal Sufficiency:


City Attorney

11/19/15
Date

Approved by School Board:


School Board Chairman

11/17/2015
Date

APPROVED BY
CITY COUNCIL:


Mayor

11/20/15
Date

Note: "Local Tax Revenues" refers to all General Fund revenues generated by non-dedicated local taxes: real estate (less dedications such as the dedication for Schools, and the Outdoor Initiative); Personal Property (less dedication for public safety); General Sales; Utility; Virginia Telecommunications; Business License (BPOL); Cable Franchise; Cigarette (less dedication for Economic Development Incentive Program (EDIP)); Hotel Room; Restaurant Meals; Automobile License; Bank Net Capital; City Tax on Deeds; and City Tax on Wills. (Per Section 2.2 of the City/School Revenue Sharing Policy)

Aaron C. Spence, Ed.D., *Superintendent*
Virginia Beach City Public Schools
2512 George Mason Drive, Virginia Beach, VA 23456-0038

Produced by the Department of Budget and Finance.
For further information, please call (757) 263-1066

Notice of Non-Discrimination Policy

Virginia Beach City Public Schools does not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation/gender identity, pregnancy, childbirth or related medical condition, disability, marital status, age, genetic information or veteran status in its programs and activities and provides equal access to the Boy Scouts and other designated youth groups. School Board policies and regulations (including, but not limited to, Policies 2-33, 4-4, 4-6, 4-43, 5-7, 5-19, 5-20, 5-44, 6-7, 7-48, 7-49, 7-57 and Regulations 4-4.1, 4-4.2, 4-6.1, 4-43.1, 5-44.1, 7-11.1, 7-17.1 and 7-57.1) provide equal access to courses, programs, counseling services, physical education and athletic, vocational education, instructional materials and extracurricular activities.

To seek resolution of grievances resulting from alleged discrimination or to report violations of these policies, please contact the Title VI/Title IX Coordinator/Director of Student Leadership at (757) 263-2020, 1413 Laskin Road, Virginia Beach, Virginia, 23451 (for student complaints) or the Section 504/ADA Coordinator/Chief Human Resources Officer at (757) 263-1133, 2512 George Mason Drive, Municipal Center, Building 6, Virginia Beach, Virginia, 23456 (for employees or other citizens). Concerns about the application of Section 504 of the Rehabilitation Act should be addressed to the Section 504 Coordinator/Director of Student Support Services at (757) 263-1980, 2512 George Mason Drive, Virginia Beach, Virginia, 23456 or the Section 504 Coordinator at the students school. For students who are eligible or suspected of being eligible for special education or related services under IDEA, please contact the Office of Programs for Exceptional Children at (757) 263-2400, Laskin Road Annex, 1413 Laskin Road, Virginia Beach, Virginia, 23451.

Alternative formats of this publication which may include taped, Braille, or large print materials are available upon request for individuals with disabilities. Call or write the Department of Budget and Finance, Virginia Beach City Public Schools, 2512 George Mason Drive, P.O. Box 6038, Virginia Beach, VA 23456-0038.
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