

Virginia Beach City Public Schools

Virginia Beach, Virginia 23456

www.vbschools.com



FY 2015/16 School Board Approved Operating Budget

NOTICE OF NON-DISCRIMINATION POLICY

Virginia Beach City Public Schools does not discriminate on the basis of race, color, 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, 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 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. 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, Virginia Beach, Virginia, 23451.

Alternative formats of this report, which may include taped, Braille or large print materials, are available upon request for individuals with disabilities. Call or write the Office of Budget Development, Virginia Beach City Public Schools, 2512 George Mason Drive, P.O. Box 6038, Virginia Beach, Virginia 23456-0038, 757-263-1066 (voice) or 757-263-1173 (fax).

VIRGINIA BEACH CITY PUBLIC SCHOOLS
SCHOOL BOARD APPROVED OPERATING BUDGET
FY 2015/16

School Board

Mr. Daniel D. “Dan” Edwards, Chairman

District 2 – Kempsville

Mrs. Beverly M. Anderson, Vice Chair

At-Large

Mrs. Sharon R. Felton

District 6 – Beach

Mrs. Dorothy M. “Dottie” Holtz

At-Large

Mr. Joel A. McDonald

District 3 – Rose Hall

Mrs. Ashley K. McLeod

At-Large

Mrs. Kimberly A. Melnyk

District 7 – Princess Anne

Mrs. Carolyn T. Rye

District 5 – Lynnhaven

Mrs. Elizabeth E. “Betsy” Taylor

At-Large

Mr. Leonard C. Tengco

District 1 – Centerville

Mrs. Carolyn D. Weems

District 4 – Bayside

Administration

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

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) 2015/16 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 FY 2015/16 Approved 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 2015/16 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 provided and budget highlights are summarized in narrative format. Additional details are provided 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 provides 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.

Table of Contents

Guide to Understanding the Budget	i
Introductory	
Acknowledgements.....	1
Awards	2
Budget Messages	3
Division Organization.....	13
School Board Strategic Framework.....	15
Budget Development Process	17
School Board Funds	22
FY 2015/16 Budget at a Glance	25
General Fund Budget Summary.....	33
Special Revenue Funds Budget Summary.....	36
Financial Trends and Forecasts	38
Operating Costs of Average Daily Membership	43
Personnel Resource Allocations.....	48
Selected Measures of School Funding and Performance	50
Organizational	
Division Organization.....	52
Departmental Summaries	58
Schools and Centers	69
School Board Strategic Framework.....	79
Budget Development Process	81
School Board Funds	92
Financial Policies and Practices	99
Financial	
School Board Funds	109
FY 2015/16 Budget at a Glance	113
General Fund.....	118
Special Revenue Funds.....	131
Internal Service Funds.....	140
Fund Balance.....	142
Capital Improvement Program.....	144
Debt Service	171
Other Postemployment Benefits.....	173

Informational

Community Profile175

Financial Trends and Forecasts180

Student Enrollment and Demographics.....196

Student Achievement.....200

Operating Costs of Average Daily Membership212

Personnel Resource Allocations.....214

Acronym Index.....221

Glossary.....225

Appendix

The Strategic Framework238

Student Achievement.....248

Compensation.....277

Staffing Standards and Guidelines287

School Financial Allocations.....299

Budget Manager and Signature Authority300

Proposed Budget Resolutions307

City Council and School Revenue Sharing Policy312

This page intentionally left blank

Introductory

**Acknowledgements • Awards • Budget Messages • Division Organization
School Board Strategic Framework • Budget Development Process
School Board Funds • FY 2015/16 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 2015/16 School Board Approved Budget.

Administration

Aaron C. Spence, Ed.D., Superintendent

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

Nichole L. Jackson, Ed.D., Coordinator of Government and Administrative Affairs

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

Veleka S. Gatling, Ph.D., Executive Director of Differentiated Academic Programs
Lesley L. Hughes, Ed.D., Executive Director of Elementary Teaching and Learning
James M. Pohl, Ph.D., Executive Director of Secondary Teaching and Learning
Daisy B. Wood, Ed.D., Executive Director of Office of Programs for Exceptional Children
William Johnsen, Director of Instructional Technology
Patrick M. Konopnicki, Ed.D., Director of Technical and Career Education
Alveta G. Mitchell, Ed.D., Director of Guidance Services
Tania T. Sotomayor, Director of Compliance and Special Education Services

Eileen M. Cox, Chief Media and Communications Officer

Vacant, Director of Communications and 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

Larry E. Ames, Director of Custodial Services
Tony L. Arnold, Director of Facilities Planning and Construction
Brian S. Baxter, Director of School Plant
John "Jay" Cotthaus, 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 Distribution Services

Ramesh K. Kapoor, Chief Information Officer

Neha D. Patel, Director of Technology

John A. Mirra, Chief Human Resources Officer

Edward L. Jones, 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 Planning
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
Cheryl R. Woodhouse, Senior Executive Director of Middle Schools
Shirann C. Lewis, Senior Executive Director of Elementary Schools
Kathleen A. Starr, Director of Elementary Schools
Sean R. Walker, Director of Elementary Schools
Jobynia G. Caldwell, Director of Equity Affairs
Michael B. McGee, Director of Student Leadership

School Board

Daniel D. "Dan" Edwards, District 2 – Kempsville (Chairman)
Beverly M. Anderson, At-Large (Vice Chair)
Sharon R. Felton, District 6 – Beach
Dorothy M. "Dottie" Holtz, At-Large
Joel A. McDonald, District 3 – Rose Hall
Ashley K. McLeod, At-Large
Kimberly A. Melnyk, District 7 – Princess Anne
Carolyn T. Rye, District 5 – Lynnhaven
Elizabeth E. "Betsy" Taylor, At-Large
Leonard C. Tengco, District 1 – Centerville
Carolyn D. Weems, District 4 – Bayside

Internal Auditor

Terrie L. Pyeatt, Director of Internal Audit

Legal Counsel

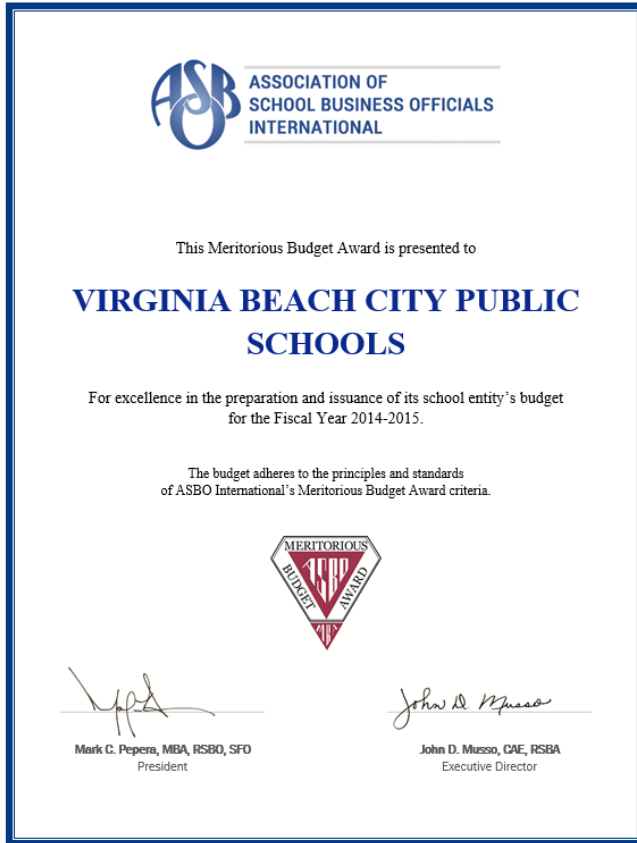
Kamala H. Lannetti, Deputy City Attorney

Office of Budget Development

Cassandra Armstrong, Budget Development Coordinator
Elizabeth Berrios, Financial Assistant
Regina Bourn-Delgado, Budget Development Coordinator
Sandra Childress, Executive Office Associate
Cindy Gamble, Budget Analyst
Tiffany Jacobs, Grants Manager
Maria Maloney, Financial Assistant
Carter Mobley, Budget Analyst
Irene Soriano, 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 2014/15 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 2014/15 budget document.



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.

Daniel D. Edwards, District 2 – Kempsville, Chair
Beverly M. Anderson, At-Large, Vice Chair
Sharon R. Felton, District 6 – Beach
Dorothy M. Holtz, At-Large
Joel A. McDonald, District 3 – Rose Hall
Ashley K. McLeod, At-Large
Kimberly A. Melnyk, District 7 – Princess Anne
Carolyn T. Rye, District 5 – Lynnhaven
Elizabeth E. Taylor, At-Large
Leonard C. Tengco, District 1 – Centerville
Carolyn D. Weems, District 4 – Bayside
Aaron C. Spence, Ed.D., Superintendent

March 17, 2015

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

Dear Mayor and Members of City Council:

On behalf of the School Board, I am pleased to submit a proposed operating budget for the 2015-16 fiscal year. This proposal, which stands at \$689.6 million, was developed within the city-schools revenue-sharing policy. It is \$13.7 million less than the current year's budget, thus balancing this expenditure plan required some sacrifice.

This operating budget proposal was balanced through a number of strategies, including:

1. **Increasing class size at all levels by one student.** The estimated savings is \$12.1 million based on an overall reduction of 169.9 teaching positions. In addition, another 44.8 teaching positions were eliminated as a result of a projected decrease in student enrollment (825). The loss of positions will be addressed entirely by attrition.
2. **Eliminating eight positions in central office for a savings of \$650,000**
3. **Decreasing the baseline budget by \$3 million.** Our Budget and Finance staff reviewed every line item for historical spending trends, identifying which of them could be decreased accordingly.
4. **Using \$12.3 million in year-end funding to help address a funding shortfall.** It is important to note that the amount of reversion funds available to us has been declining over recent years. For example, VBCPS was able to access \$16 million in year-end funds for the current year budget.

All total these recommendations will save the school division more than \$15 million.

The latter strategy is, however, problematic for Virginia Beach City Public Schools (VBCPS). Clearly, relying on one-time dollars for ongoing expenses is not a sustainable budget strategy. Unfortunately, we are forced into this position because of lackluster state funding. Last year the statewide education funding level was \$5.2 billion, which represents a cut of more than \$400 million, absent inflation, since 2009.

Those cuts have had a very real impact here in Virginia Beach. As you know, state basic aid has been slashed by 17 percent since FY 2008-09 when Virginia Beach received \$3,088 per pupil. In 2014-15, that number was \$2,568. The end result: The City of Virginia Beach has stepped in to fill the gap. The School Board appreciates that effort and at the same time has done everything within its power to cut and contain costs without negatively impacting classroom instruction. In fact, the school system has implemented considerable cost-saving strategies over recent years. These have included: eliminating 43 central office positions, closing a school, ending five year-round school programs, reducing departmental budgets by a cumulative 13 percent, extending the school bus replacement cycle, ending an after-school program and increasing class sizes twice in the past seven years.

No matter how fiscally responsible we are, each year brings more mandates and challenges. The current budget proposal can be described only as a “maintenance of effort” as we struggle to fund the quality programs our children deserve and our citizens have come to expect.

To provide high-quality learning opportunities, you have to hire and retain high-quality staff. Therefore, one area of significant concern is employee salaries. This proposal includes only a 1.34 percent “hold harmless” increase for all eligible employees. It merely ensures that employees will not lose money from the previous year because of the required Virginia Retirement System contribution. It will not result in an appreciable increase in net pay for employees.

A complicating factor is this: The recently approved state biennial budget includes monies for a 1.5 percent salary increase for all local positions covered by the Standards of Quality. However, receiving that state money is contingent upon the school systems’ ability to fund the local matching portion of this 1.5 percent pay raise which this budget proposal does not and cannot do. Therefore, VBCPS potentially could be turning its back on \$2.8 million of state funding.

Obviously, we must find a way to access these funds. As a point of reference, earlier this year our human resources department made a presentation to the School Board outlining how Virginia Beach ranks in the region when it comes to teacher salary and benefits. Regrettably, VBCPS is third in our region for entry-level compensation and fourth in the region at year five. The school division does not rise to the number one rank until teachers have 25 and 30 years of service. The bottom line is that we cannot stay competitive with current salaries.

There is one ray of good news on our funding horizon. As we understand it, our debt service costs are projected to be \$2.6 million lower than they were at the start of our budget planning process. Therefore, this budget will be able to accomplish something that hasn’t been possible in the last six years – a transfer of funding to the Capital Improvement Program (CIP). This is one-time funding, so moving it to the CIP is a sound move to make.

On the subject of the CIP, that budget too is of real concern. It has gone woefully under-funded since the dramatic decline in state funding began in 2009. In fact, the CIP has been reduced to nearly half of what it was seven years ago when VBCPS was committed to renovating two schools a year. The pace of renovation has slowed to one school every two years which places our schools on an unacceptable 150-year replacement cycle. In the meantime, VBCPS is also forced to defer significant maintenance projects such as new roofs and HVAC upgrades. Clearly, we must continue to have strategic discussions on how to bolster the CIP.

Returning to the operating budget, we examined the many pressing needs of our students, teachers, staff and schools. We came to the inevitable – and painful - conclusion that the current proposal is not adequate. After much discussion, the School Board identified three priorities that must be addressed. These are:

1. **Improving employee salaries in a way that allows VBCPS to access the additional \$2.8 million in state funding and enhance the school division's recruiting and hiring competitiveness.** The Board believes that both a real salary increase of 3.66 percent plus the 1.34 percent hold harmless is needed to achieve a regionally competitive pay scale. The cost for the 3.66 percent adjustment is \$14.3 million (in addition to the \$2.8 million in state funds).
2. **Reducing reliance on reversion funds so VBCPS is not in the position of plugging holes in its baseline budget from year to year.** The cost for this would be \$4 million. This funding would be part of a multi-year approach that recognizes both the reality of declining year-end funds as well as the policy compliance we are attempting to reinstate to eliminate this reliance.
3. **Adjusting the Unified Pay Scale (which encompasses non-instructional employees) to address compression and other equity issues at a cost of \$2 million.** This represents only an incremental step. Adjusting the non-teaching scale to the full extent needed to address all equity and compression issues would cost \$8 million.

Total additional funding needed: \$20.3 million

The School Board is acutely aware the city-schools revenue sharing policy stipulates that should the school system need money above and beyond what is provided by the agreed upon formula, a formal request for additional funding must be brought forward to City Council. That is why on March 3 the School Board adopted a resolution that noted, "...the School Board supports an increase in the real estate tax increase or any other local tax if the City Council determines such a tax increase is necessary."

This was a painful decision for members of the School Board. We realize there will be citizens who object to a tax increase. However, the alternative would be harmful to the quality of education in our schools and ultimately the vitality of our community. We were elected to preserve, protect and improve public education in Virginia Beach. The current operating budget, without the additional funding, does not provide the resources necessary to meet that obligation.

VBCPS has a stellar record for delivering excellent educational services. That fact of life must not change. As evidence that public education is worth the increased investment, I offer a brief overview of recent VBCPS accomplishments:

- For the second year in a row, all 11 of our high schools were ranked in the top 9 percent nationwide by *The Washington Post*. We are the only division in Hampton Roads that can make this claim.
- *Newsweek* ranked the top 2,000 high schools in the country that best prepare students for college and 10 of our 11 high schools made that list.
- The College Board reported that we continue to increase the number of students taking AP courses and earning qualifying scores on AP exams. By the end of last year, our students took more than 8,850 Advanced Placement exams, an increase of approximately 200 exams from the year before. Of those, nearly 5,200 had qualifying scores of 3, 4 or 5, which means they are already earning college credit.

- Kemps Landing Magnet School was awarded the 2014 Governor's Award of Educational Excellence for the seventh year in a row and was one of only five schools in Virginia to receive the honor.
- Hermitage Elementary School was named a 2014 National Blue Ribbon School by the U.S. Department of Education. The school earned this prestigious distinction for the second time in less than a decade and was one of only 10 schools in Virginia to achieve the honor in 2014.
- Seatack Elementary School opened An Achievable Dream Academy, where more than 200 students are now receiving additional instruction throughout the week as well as a focus on their social development.
- Rosemont Elementary School was selected as a Title 1 Distinguished School by the Virginia Department of Education. To earn the honor, schools have to meet all state and federal accountability requirements for two consecutive years and achieve reading and mathematics SOL pass rates at the 60th percentile or higher. Rosemont was one of 36 schools in the Commonwealth recognized as a Title I Distinguished School.
- Green Run Collegiate, a public charter funded by this budget, has been formally named an International Baccalaureate World School. As an IB World School, Green Run Collegiate is able to offer the International Diploma Program. The addition of this program enables students to participate in international conferences and allows teachers to work with their peers internationally.
- Community involvement in and support of the mission of VBCPS remained ever-present. More than 22,000 volunteers, 2,031 community partners and 2,828 mentors lent their expertise to our schools last year. The estimated value of their efforts was approximately \$15.5 million.

We have been delivering an incredibly strong quality education for the children of Virginia Beach at per pupil funding below the state average. Even with the requested funding adjustments we will not meet all the legitimate needs of the school division, which include addressing the repair to the Unified Pay Scale, replacing one-time funds used for operations, providing citywide all-day kindergarten and the need for an ongoing source of CIP PayGo.

While our accomplishments are certainly noteworthy, we cannot rest on our laurels. Looking forward, the School Board has adopted an ambitious strategic plan, *Compass to 2020*, which is committed to improving student achievement and providing multiple pathways for students to enter college and the workforce well-prepared. Improving the school division's funding prospects in a meaningful, ongoing way will help pave the way for more innovation and support for the children of this city. It is a responsibility this School Board is committed to addressing. We know it is one City Council also holds dear.

Sincerely,

A handwritten signature in black ink that reads "Daniel D. Edwards". The signature is fluid and cursive, with a stylized "D" and "E".

Daniel D. Edwards, Chairman
School Board of the City of Virginia Beach

Aaron C. Spence, Ed.D.
Superintendent

February 3, 2015

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

The first six months of my time here in Virginia Beach have been focused on learning about the achievements of our schools, the aspirations of our community and the challenges we face as a division as we work to become the premier school division in the nation. It became clear that a difficult budget year will be one of those challenges as I prepared to deliver to you my Estimate of Needs for the 2015-16 school year. To say “times are tight” is an understatement. We are facing formidable financial obstacles. As you are well aware, this process is all-important because a well-thought-out expenditure plan truly drives the progress of a school division. Aspirations for Virginia Beach City Public Schools (VBCPS) are high, and they should be, because we’ve already achieved so much. For example:

- For the second year in a row, all 11 of our high schools were ranked in the top 9 percent nationwide by *The Washington Post*. We are the only division in Hampton Roads that can make this claim.
- In addition, *Newsweek* ranked the top 2,000 high schools in the country that best prepare students for college and 10 of our 11 high schools made that list as well.
- The College Board reported that we continue to increase the number of students taking Advanced Placement (AP) courses and earning qualifying scores on AP exams. By the end of last year, our students had taken more than 8,850 AP exams, an increase of approximately 200 exams from the year before. Of those, nearly 5,200 had qualifying scores of 3, 4 or 5, which means they are already earning college credit.
- Kemps Landing Magnet School was awarded the 2014 Governor’s Award of Educational Excellence for the seventh year in a row and was one of only five schools in Virginia to receive the honor.
- And, our elementary schools have enjoyed great successes too. This year, Hermitage Elementary School was named a 2014 National Blue Ribbon School by the U.S. Department of Education. The school earned this prestigious distinction for the second time in less than a decade and was one of only 10 schools in Virginia to achieve the honor in 2014.
- Seatack Elementary School opened An Achievable Dream Academy this summer, where more than 200 students are now receiving additional instruction throughout the week as well as a focus on their social development.
- Rosemont Elementary School was selected as a Title 1 Distinguished School by the Virginia Department of Education. To earn the honor, schools have to meet all state and federal accountability requirements for two consecutive years and achieve reading and mathematics SOL pass rates at the 60th percentile or higher. Rosemont was one of 36 schools in the Commonwealth recognized as a Title I Distinguished School.
- Bevin Reinen, a first grade and special education inclusion teacher, was named the 2015 Region II Teacher of the Year by the Virginia Department of Education.

- Community involvement in, and support of, the mission of VBCPS is ever-present. More than 22,000 volunteers, 2,031 community partners and 2,828 mentors lent their expertise to our schools last year. Their contributions fuel the excellence of this school division.

It is clear, great things happen here because of our top-notch teachers, administrators and staff, and our caring community members who understand their role in helping to build strong schools. We intend to continue this fine tradition in the years ahead.

At the recent School Board retreat, we discussed at length plans for charting our progress forward – plans that are in alignment with the strategic framework adopted by you in December. We all agreed the plans are ambitious, yet achievable. Of course, their far-reaching nature will require adequate funding and human resources. Consequently, many of our plans are built on a philosophy of incremental implementation. That said, when you are dealing with children's futures, you also have to make sure that learning opportunities and resources don't lag behind. This budget proposal, amounting to \$689.6 million, represents a \$13.8 million decrease from the current year. In spite of that decrease, this budget is built to strike a balance between dealing with our fiscal reality and allocating and organizing the resources we need to ensure success for every child, every day. However, because our resources have dwindled, I think we all understand that this balance is becoming more difficult to achieve.

So why is that?

One reason is because we have relied on one-time reversion funds to augment our operating budget this year. This reliance on reversion dollars can now be called a trend since this is the sixth consecutive year we have had to do so. It is not a sound, long-term solution. In fact, it is a major structural flaw with our operating budget, especially when available reversion dollars are shrinking. Next year we are projecting to have \$4.5 million less reversion dollars available than this year. I realize not all of our stakeholders understand why dependence on reversion funds is a problem. After all, money is money and any source is a good one. Think of it this way. After budgeting carefully, a family finds that it has money left over at the end of the year, and they'd like to put that money away for something they may need later — unexpected expenses, for example. This family wouldn't want to think about having to use that money to pay next year's electrical bill, but what if their income declined and expenses rose? They'd have no choice, right? Unfortunately in that scenario, if that trend continues, the family may in short order find itself unable to pay its electrical bill. Clearly relying on one-time dollars for ongoing expenses is not a sustainable budget strategy, and we do not want to find ourselves in a similar position. The long-term fix for the school system is the same one such a family needs to employ. We need to reduce expenses significantly and/or obtain adequate ongoing revenues. Such strategies undoubtedly would provide a firmer foundation for this operating budget and improve future budgeting practices immensely.

But this is not our only challenge. We've had to use these reversion dollars because lagging state funding over the last six years has proved a major impediment for us. In 2009, the state gave \$5.6 billion to public education. Last year, it was \$5.2 billion. That's a cut of more than \$400 million statewide and that doesn't even account for inflation and rising costs. Virginia now ranks 39th amongst all states in per-pupil funding, and Virginia teacher pay now trails the national average by \$7,456.

In an opinion editorial recently published in *The Richmond Times Dispatch*, Christian Braunlich, president of the Virginia Board of Education, wrote about the cumulative effect of the state's underfunding. He pointed out that the Joint Legislative Audit and Review Commission had reported that state spending in 2005 was \$3,639 per pupil. He went on to examine what has happened since then, writing and I quote, "With inflation since then rising by 20.9 percent, had spending simply kept pace with inflation, state spending would have been \$4,388 per pupil in FY2014. Instead, it was \$4,290. That's not a one-year anomaly: It's a 10-year trend. While the difference may seem relatively small, it totals \$124 million and is exacerbated by increases in student populations that are the hardest, and most expensive, to teach."

So, just where does VBCPS stand as we face the 2015-16 budget year?

All together, we are looking at a shortfall of approximately \$15.1 million. Besides the aforementioned, \$4.5 million less in reversion funds that shortfall also includes a \$3.5 million reduction in federal impact aid which is occurring because the federal government has now caught up on its payments and isn't issuing multiple ones anymore. In addition, we initially projected health care costs to increase by about 8 percent a year. However, because the net impact on the budget is tied to attrition, our estimate could change somewhat. Right now we're projecting a \$3.2 million increase. Other circumstances contributing to our shortfall include the expenses related to the proposed employee raise of 1.34 percent that constitutes a VRS offset, increases in utilities costs, the continuation of the Bayside sixth grade program and the continued expansion of Green Run Collegiate as it moves toward its first senior class. All these cost increases must be addressed before we can even consider implementing new programs or giving employees a much-deserved raise.

So here is where the "rubber meets the road." In order to present a balanced budget we must address this significant shortfall. As we do that, I think it is imperative to understand what cost-cutting strategies have been used since the 2008-09 school year. For example, we have:

- Eliminated 43 central office positions
- Closed a school
- Ended five year-round school programs
- Reduced departmental budgets by a cumulative 13 percent
- Extended the school bus replacement cycle
- Ended a costly after-school program
- Increased class sizes

As you can see, in years past we have really cut close to the bone, and yet we find ourselves in a situation where we have to do that again.

We are fortunate to have Farrell Hanzaker as our chief financial officer — and Virginia's CFO of the year for 2014, according to *Virginia Business* magazine — to help us engineer a workable operating budget. Mr. Hanzaker and his staff have worked tirelessly to strategize with me on how we can best position this school division for progress and continued success.

What we all understand is this: To address a shortfall of this magnitude you can't "pick the pocket" of this program or that unit code. You have to look for sources that are deep and wide. Unfortunately, the only way to address this shortfall — without trampling on employee compensation and benefits — is to look at raising class sizes. To be clear, we have looked deeply at the budget for other avenues to close such a significant operating gap. We have considered things like eliminating middle school athletics, ending transportation to academies, and even increasing our walking zones, to name but a few. As creative and difficult as this thinking is, taken individually and collectively, none of these come close to providing the savings we need.

And so that brings us to the most feasible strategy, the recommendation to raise the class size by one student. This strategy, combined with a lower estimate for student enrollment, will save the division approximately \$12.1 million based on an overall reduction in teaching positions — a strategy that will not result in teachers losing jobs but can be handled through attrition. Believe me, this is not a preferred strategy; it is more of a forced choice. However, in building this budget, the ability to provide employees an adequate salary increase and the need to reduce our reliance on reversion dollars were foremost on my mind.

I want to be clear that the sacrifices inherent in this budget are not just resident in our schools. We are currently looking deeper into organizational efficiencies that will capture savings. For example, I am proposing the elimination of eight central office positions for a savings of \$650,000. We have also adjusted our baseline projections across all line items in our budget to more aggressively account for savings. This adjustment, which stands at \$3 million, is the result of various efficiencies and cost savings measures, tighter calculations for salaries and benefits, and a more conservative approach to projecting our student membership number. As a reminder, these are in addition to the cuts discussed earlier that have occurred over the past five years.

To ensure our staff also understands the environment in which we've had to operate and the challenges we must overcome, I have held four budget forums. I have also had many conversations with employees during my school visits. What I can tell you from these conversations and comments is that for the most part, our workforce understands the constraints we are under. They are, of course, concerned about adequate compensation and employee benefits. But when you couple those concerns with the extra responsibilities brought on by state and federal mandates, you can see why they are frustrated. These range in breadth from assistive technology, physical therapy services, and allergy accommodations to additional remediation, bullying prevention and concussion management, to name just a few. Clearly, our teachers are doing more with less, and we have to be their advocates.

So how can we do better for them? Let's talk about compensation. This proposal, as it stands now, includes a 1.34 percent salary increase for all eligible employees. In reality, it is a "hold harmless" adjustment because it offsets the required increase employees must pay into the Virginia Retirement System (VRS). So, while this will not increase employees' net pay, it will help ensure that net pay doesn't drop either.

In the long run, relying on "hold harmless" measures will negatively affect the school division's ability to recruit teachers in the region. Earlier this year, our human resources department made a presentation to the School

Board, outlining how Virginia Beach ranks in the Hampton Roads region when it comes to teacher salary and benefits. As some of you heard in that presentation, VBCPS is third in the region for entry-level compensation and fourth in the region at year five. We do not rise to the number-one rank until a teacher has 25 and 30 years of service. We also know that we still have approximately 2,300 employees who remain eligible for an internal equity adjustment. Quite frankly, I believe our employees are the very best in this region and their compensation should reflect that.

As we developed this budget, my senior staff and I discussed at length what would be the school division's unmet needs if, at the end of this process, we found we had to operate within the constraints of the budget I am presenting to you. We have prepared an accounting of those needs that is included in your budget document. Some of these needs include more collaborative planning time for teachers, bus replacements, reading and math coaches across our schools, and the expansion of our swim program, to name but a few. But the chief priorities are a greater salary increase for employees and continuing the incremental but purposeful implementation of equity adjustments to the unified scale.

As we move through this budget process, I am asking board members to work with school leadership and city leadership to change Virginia Beach City Public Schools' unacceptable loss of competitiveness in the workforce marketplace. In fairness, I recognize that in the last six years our employees' salary increases have averaged 1.58 percent. However, even that percentage is deceiving because much of it has been dedicated to a VRS offset that came with the new obligation of paying 5 percent of their base salaries into that system. Couple this new obligation with rising health care costs and we find many of our employees are making less than they did six years ago.

I am proposing we find a way to raise employee salaries by 5 percent (inclusive of the 1.34 percent VRS adjustment). We must commit ourselves to raising the stature of a profession that is life changing for the children of this city. I have every confidence that our city leadership, which works diligently every day to make Virginia Beach the greatest city in the world, will work with us to address these funding challenges, which are a direct result of lackluster state funding, dwindling reversion funds and rising costs. I am asking the Board to work with the city in a good faith effort to halt the incremental degradation of our competitiveness in the regional market. I understand the obstacles presented by this year's budget, but I believe now is the time for bolder, more decisive strides forward, because each year cannot be about just meeting a shortfall. A class size increase allows us to correct structural flaws in the budget and lessen our reliance on reversion dollars. It will also take increased resources to provide an appropriate and competitive salary to our employees. As the budget dialogues unfold in the coming weeks, I know the School Board will talk strategically about the need to increase the revenue picture for Virginia Beach City Public Schools so this can be accomplished.

As a part of that dialogue, I am sure we will also examine the many other pressing needs that must be addressed if Virginia Beach City Public Schools is going to achieve its goal of becoming the premier school division in this nation. For example, we must expand access to technology for **all** of our students. This is how children learn; this is how they engage. We need to meet them where they are and not expect them to "unplug." We also need to improve

equity in access to rigorous courses, especially AP, International Baccalaureate and dual enrollment courses, for our students. If that means increasing supports, we need to find a way to do that. We must ensure that every child — no matter where he or she lives, no matter what his or her family looks like, no matter what his or her socioeconomic situation may be — reaches his or her full potential.

We also need to talk about efforts to revitalize our CIP, which has gone woefully underfunded since the dramatic decline in state funding that began in 2009. In fact, the CIP has been reduced to nearly half of where it was seven years ago. This means it is going to take the school system far longer to renovate its buildings than was originally planned. Initially, VBCPS was committed to renovating two schools a year. The pace of renovation has slowed to one school every two years, which places our schools on an unacceptable 150-year replacement cycle. In the meantime, VBCPS is also forced to defer significant maintenance projects such as new roofs and HVAC upgrades; and we have effectively ended the practice of making a transfer from the operating budget to help fund one-time capital needs, what we used to call PayGo. Clearly, we must continue to have strategic discussions on how to bolster the CIP.

As a profession, Virginia's superintendents are stepping up advocacy efforts for increased funding at the state level. As a Board, you have passed a resolution asking state legislators for the restoration of our funding to the 2009 level as well as for the state to go back to funding some of our CIP costs. There are many groups that are issuing a call to action with the intent of making a corporate case for more state revenue. I am hopeful in the coming weeks we will move beyond "the ask" to "the tell." As a city and a school division, we need to tell a compelling story to the General Assembly — one that moves them to action.

Finally, as you are in contact with your constituents, please remind them to use the collective power of their voices to call for improved K-12 funding, especially with their state legislators. Share with them our success stories and ask them to imagine what would be possible if we received appropriate funding.

Together we **will** improve the quality of education for every student, every day, and VBCPS **will be** the premier school division in the nation.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Spence', with a long horizontal line extending to the left.

Aaron C. Spence, Ed.D.
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.



Daniel D. "Dan" Edwards
Chairman
District 2 – Kempsville



Beverly M. Anderson
Vice Chair
At-Large Seat



Sharon R. Felton
District 6 – Beach



Dorothy M. "Dottie" Holtz
At-Large Seat



Joel A. McDonald
District 3 – Rose Hall



Ashley K. McLeod
At-Large Seat



Kimberly A. Melnyk
District 7 – Princess Anne



Carolyn T. Rye
District 5 – Lynnhaven



Elizabeth E. "Betsy" Taylor
At-Large Seat



Leonard C. Tengco
District 1 – Centerville



Carolyn D. Weems
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.

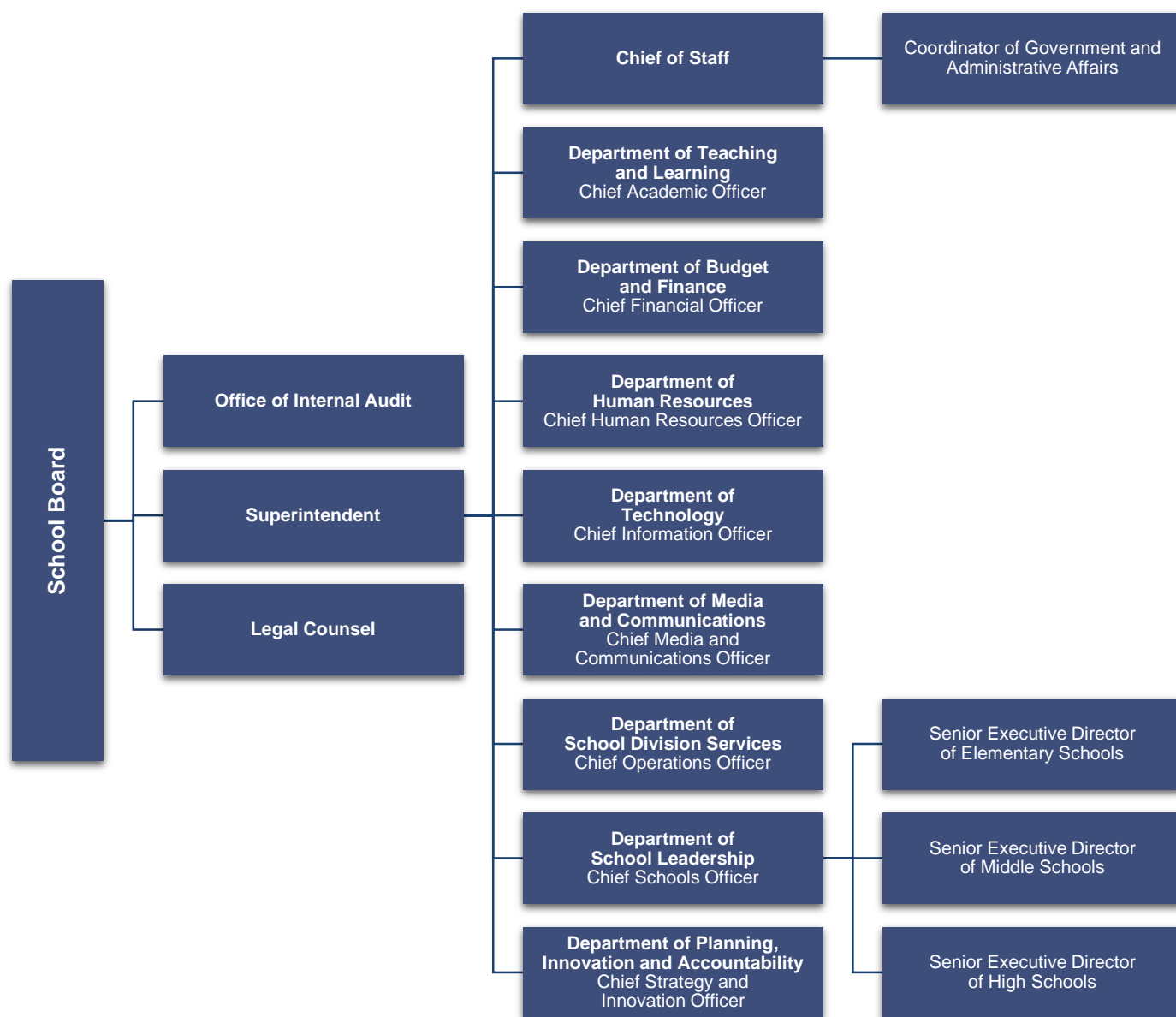
The organizational structure of VBCPS is focused on meeting the needs of 68,140 kindergarten through 12th grade students while managing 86 schools/centers and seven support facilities. The administrative structure of VBCPS is divided into eight departments to manage the day-to-day operations of the division: 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.
 Marc A. Bergin, Ed.D.
 Amy E. Cashwell, Ed.D.
 Eileen M. Cox
 Farrell E. Hanzaker
 Dale R. Holt
 Ramesh K. Kapoor
 John A. Mirra
 Donald E. Robertson, Jr., Ph.D.
 Rashard J. Wright

Superintendent
 Chief of Staff
 Chief Academic Officer
 Chief Media and Communications Officer
 Chief Financial Officer
 Chief Operations Officer
 Chief Information Officer
 Chief Human Resources Officer
 Chief Strategy and Innovation Officer
 Chief Schools Officer

Organizational Chart



SCHOOL BOARD STRATEGIC FRAMEWORK

While the 2014/15 school year served as a year of transition for the school division, VBCPS continued building student success in and out of the classroom. Superintendent Aaron C. Spence assumed leadership of the division on June 23, 2014, and, after receiving input from teachers, students, parents and community members, developed both an entry and post-entry plan to move the school division forward.

A draft of the new strategic framework, including the logo, goals, strategies and potential indicators, was presented to the School Board for information in October 2014 and made available on the school division website. The strategic framework, *Compass to 2020: Charting the Course*, was unanimously adopted by the School Board on Dec. 16, 2014. *Compass to 2020* sets the vision and guides the work of VBCPS for the next five years and 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

While working to develop the strategic framework, it became evident that the division's core values needed to be revisited. The School Board affirmed a new set of five core values for VBCPS staff. Along with these core values and definitions are the meaningful behaviors that exhibit the values, as well as reflection questions, which allows for self-evaluation in how one is applying the values in his or her own life.

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:

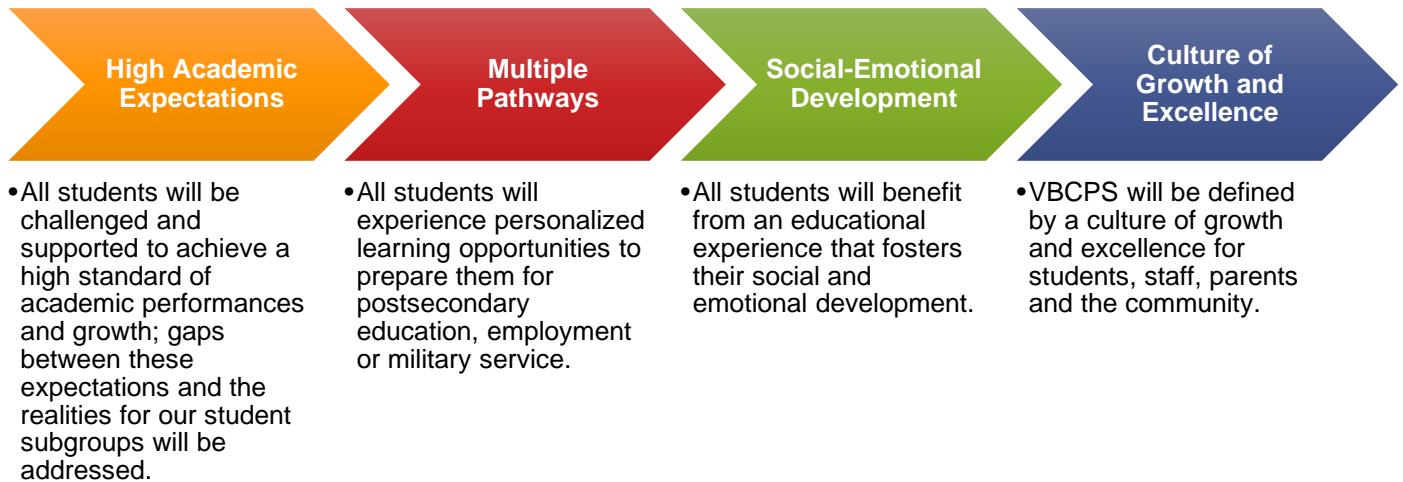
Collaboration - Working together and building partnerships that will benefit our students, division and community. We ask ourselves: *How and where am I working with others to improve my work and the work of the school division?*

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?*

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.



In January 2015, Dr. Spence released a post-entry executive summary and plan highlighting priorities for moving forward with the implementation of VBCPS' strategic framework. Five key leverage points emerged from the considerable amount of stakeholder input and data collected throughout the transition.

- **High Quality Teaching and Learning** – All VBCPS students will have access to a high-performing school and will graduate with the skills needed for career or college.
- **Talent Management** – VBCPS will recruit, select, orient, deploy, develop and retain top talent in order to build strong relationships with students, parents and community members and to increase student achievement.
- **Student-Centered Culture** – VBCPS will provide every student the opportunity to engage with his or her world in ways that ignite their curiosity and passion.
- **Culture of Respect** – VBCPS will maintain an educational environment where students want to come learn, staff want to come work and parents want to send their children.
- **Community Engagement** – VBCPS will continue its work with parents, businesses and community leaders to collaborate and improve the lives of Virginia Beach students.

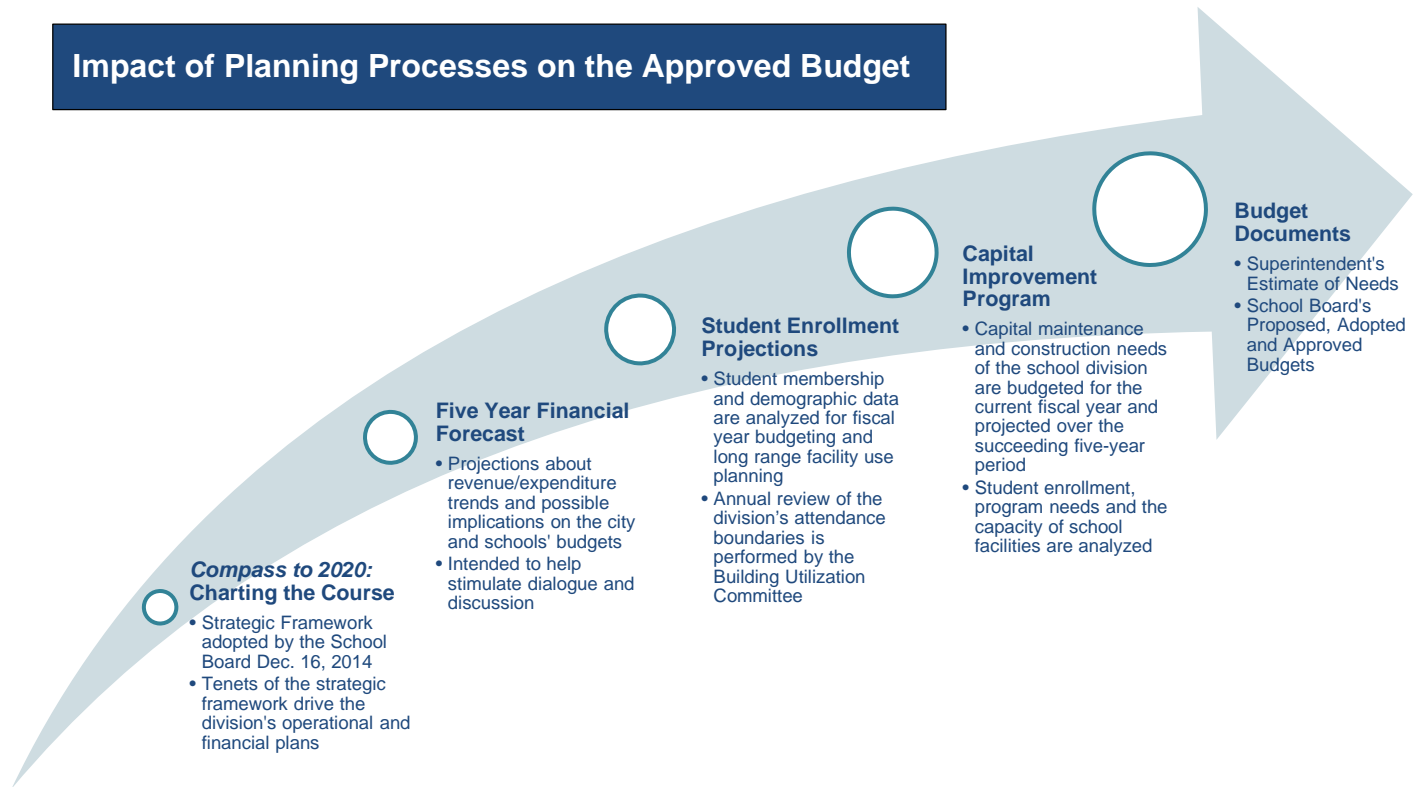
Anyone interested in additional information is encouraged to visit the [website for *Compass to 2020*](#) to view the framework in its entirety and see updates on how the school division is putting this framework into practice in the classrooms, hallways and schools across the city.

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 FY 15/16 School Board Approved 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.

Impact of Planning Processes on the Approved Budget



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. For FY 2015/16 through FY 2019/20, the forecast focuses on the city General fund and the division's School Operating fund. 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 was that the slow growth in the economy will continue over the next several years. With the potential for a second round of federal sequestration cuts and the slow growth in the regional economy, overall revenues in the forecast period are projected to grow approximately 1.5 percent between FY 2014/15 and FY 2015/16 and roughly 2 percent every year thereafter.

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 capital projects resulting from this assessment provides a clear statement of school facility requirements. Actual completion dates for CIP projects depend on cash flow and debt service limitations. At a joint meeting of the City Council and the School Board on Oct. 21,

2014, staff from the division's Facilities Planning and Construction Office briefed the two boards on the effects of decreased funding for the capital program in recent years and discussed the potential impacts of increasing funding for the School Modernization Program.

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. 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. 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.

Budget Development Overview

SCHOOL OPERATING BUDGET

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

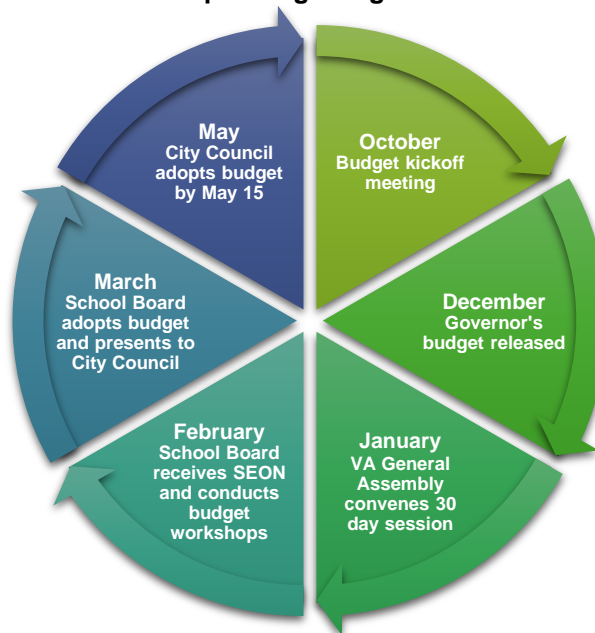
Groundwork for the annual process begins in September when staff from the Office of Budget Development prepare and publish a budget calendar that outlines key dates associated with the development, presentation, approval and appropriation of funds for school use. The chief financial officer (CFO) works 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.

School Operating Budget Timeline



Also in January, VBCPS departmental requests are summarized and presented to the superintendent and his 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 multiple 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 the 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 over 50.9 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 beginning July 1. 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 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 explained in greater detail later in this section. Amendments to the School Operating budget are made in accordance with School Board Policy 3-10, which governs the transfer of funds and is outlined with other relevant policies later in this section. 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 2015/16 Operating Budget and FY 2015/16 - FY 2020/21 Capital Improvement Program

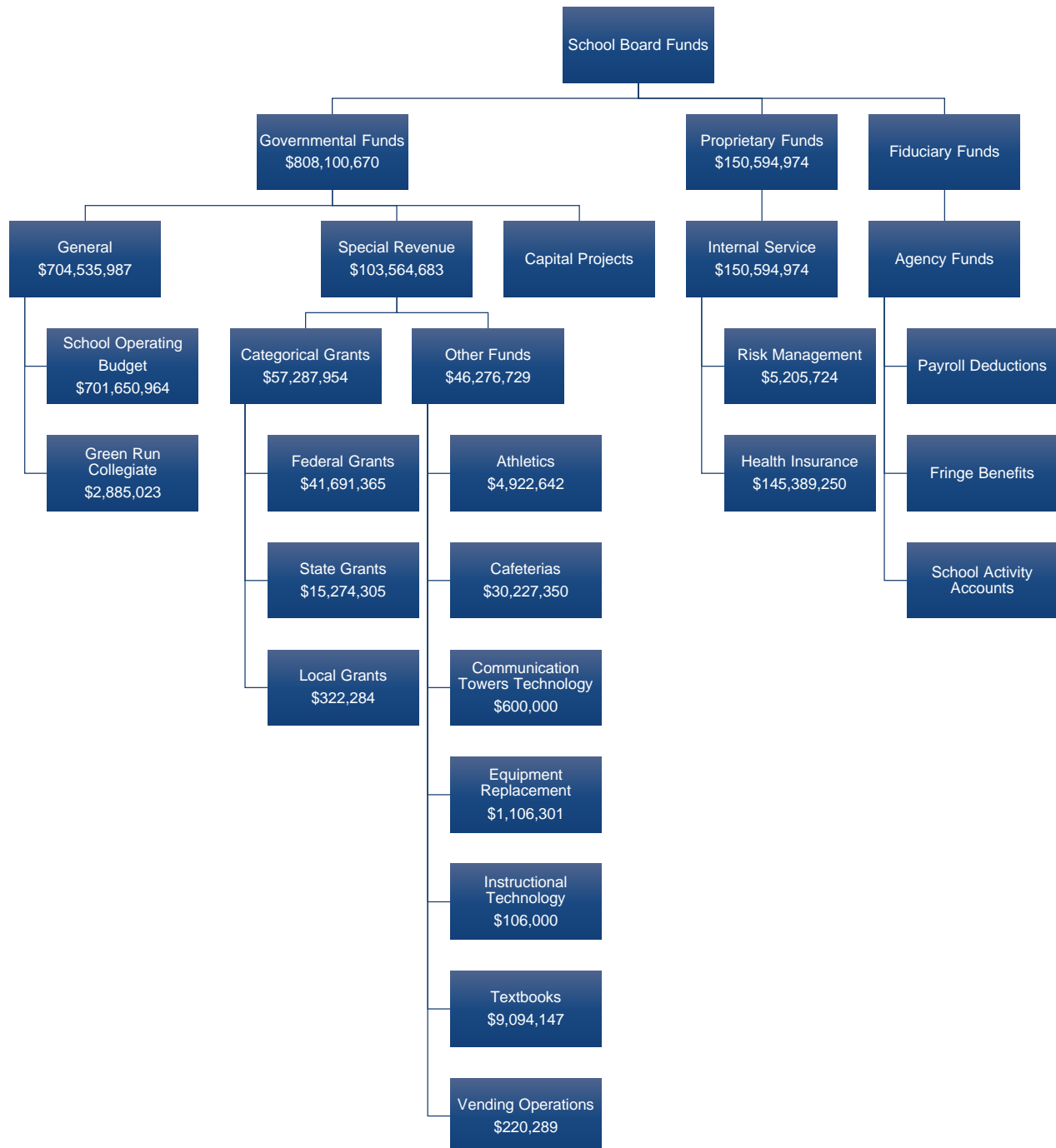
The following calendar of events further outlines activities that contribute to the budget development and approval process.

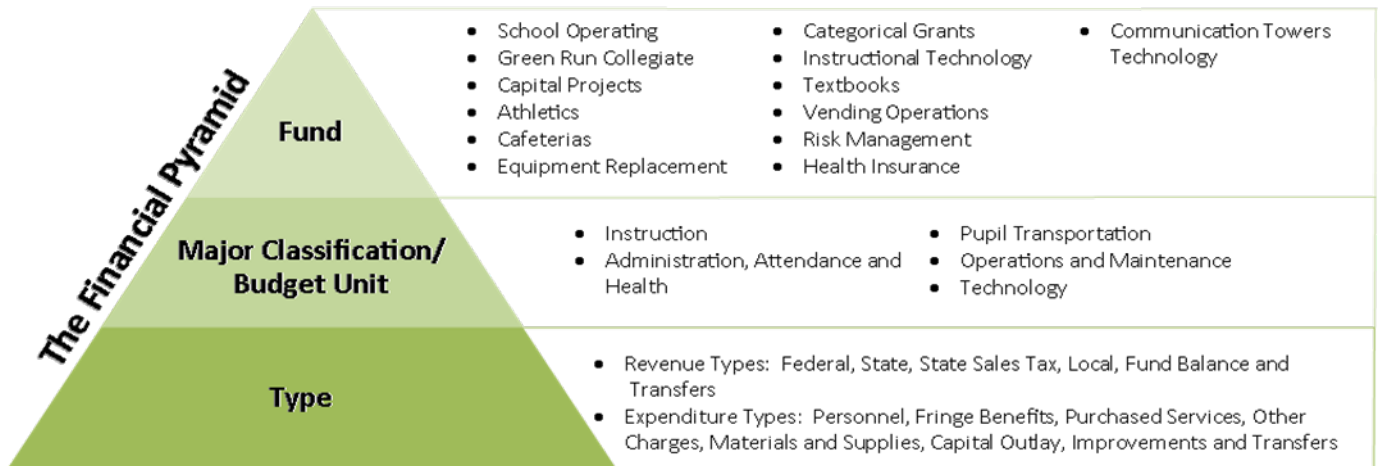
2014	
September	Develop Budget Calendar
Oct. 7	Present Budget Calendar to School Board for information
Oct. 14	Conduct Budget Kickoff Meeting: Budget instructions, assumptions and processes are communicated to senior staff, leadership support team and budget managers
Oct. 21	Present Budget Calendar to School Board for action
Oct. 21-Dec. 5	Senior staff, leadership support team and budget managers: Submit budget requests to the Budget Office
Nov. 18	Present to School Board and City Council: Five Year Forecast
Dec. 2	Conduct Public Hearing
Dec. 6	Human Resources: Submit recommendation of part-time hourly rate increases to the Budget Office
Dec. 16	Draft CIP prepared for superintendent's review
Dec.	Department of Education: Release state revenue estimates
2015	
Jan. 2-9	Budget Office: Review, refine, and summarize budget requests
Jan. 12	Present to superintendent and senior staff: Recommendation of Operating Budget and CIP
Jan. 13	Budget Forum for Staff #1: 4:30-5:30 p.m. (location: Kempsville High School)
Jan. 21	Budget Forum for Staff #2: 4:30-5:30 p.m. (location: Landstown High School)
Jan. 26	Budget Forum for Staff #3: 4:30-5:30 p.m. (location: Princess Anne High School)
Jan. 28	Budget Forum for Staff #4: 4:30-5:30 p.m. (location: Cox High School)
Feb. 3	Budget Forum for Staff #5: 4:30-5:30 p.m. (location: Ocean Lakes High School)
Feb. 3	Present to the School Board: SEON and Proposed CIP Budget
Feb. 10	School Board Budget Workshop #1: 5-8 p.m.
Feb. 17	School Board Budget Workshop #2: 2-5 p.m.
Feb. 17	Conduct Public Hearing
Feb. 24	School Board Budget Workshop #3: 5-8 p.m. (if needed)
March 3	School Board Budget Workshop #4: 2-5 p.m. (if needed)
March 3	School Board Budget Adoption
March 10	School Board Budget Workshop #5: 2:00-5:00 p.m. (if needed)
March 10	School Board Budget Adoption (if not adopted March 1)
March 17	Provide School Board Proposed Budget to city staff
April	Present School Board Approved Budgets to the City Council
By May 15	City Council: Approve and adopt Operating and CIP budgets

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 categories (by type) 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 classification/budget unit (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type. Information presented below and on the following page illustrates the budgetary levels that will be addressed in this document.





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, and facsimile and copy machines.

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 (online and print) 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.

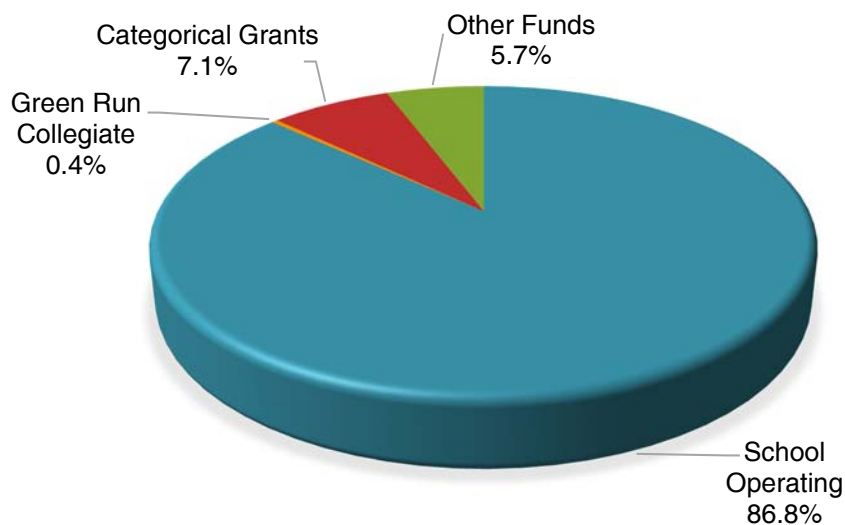
Risk Management: The Risk Management fund provides for the administration of the workers' compensation program, the centralization of self-insurance accounts for liability and the purchase of commercial insurance.

FY 2015/16 BUDGET AT A GLANCE

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 2015/16 overall budget, including General funds, Categorical Grants and Other funds, totals \$808,100,670. This is a decrease of \$7,739,322, or 0.95 percent, from the FY 2014/15 budget which totaled \$815,839,992. The following chart shows that the majority of total FY 2015/16 revenues and expenditures for VBCPS can be accounted for in the School Operating budget. The additional tables provide detailed data by major source and category. A table summarizing total budgets and position allocations by fund is shown on the following page.

Total FY 2015/16 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	355,633,293	2,885,023	-	-	192,550	260,000	12,693,006	322,284	110,000	504,000	372,600,156
State Revenue	250,039,573	-	-	-	-	-	500,000	12,123,343	3,900,602	-	266,563,518
State Sales Tax	71,783,907	-	-	-	-	-	-	-	-	-	71,783,907
Federal Revenue	12,476,532	-	-	-	-	-	16,254,782	41,625,326	-	-	70,356,640
Fund Balance	-	-	1,106,301	106,000	27,739	340,000	779,562	-	5,083,545	-	7,443,147
Transfer(s) from Other Funds	-	-	-	-	-	-	-	3,217,001	-	4,418,642	7,635,643
Other Local Revenue	3,418,341	-	-	-	-	-	-	-	-	-	3,418,341
School Reserve (reversion)	8,299,318	-	-	-	-	-	-	-	-	-	8,299,318
Total Revenue	701,650,964	2,885,023	1,106,301	106,000	220,289	600,000	30,227,350	57,287,954	9,094,147	4,922,642	808,100,670
PERCENT OF TOTAL	86.83%	0.36%	0.14%	0.01%	0.03%	0.07%	3.74%	7.09%	1.13%	0.61%	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	438,234,278	1,650,880	-	-	-	-	9,152,685	24,661,819	71,794	2,920,458	476,691,914
Fringe Benefits	161,834,911	591,008	-	-	-	-	4,379,524	7,868,796	27,995	223,415	174,925,649
Purchased Services	43,040,398	27,047	-	-	-	-	358,323	9,193,753	1,500	763,728	53,384,749
Other Charges	24,200,976	363,094	-	-	135,804	-	82,673	517,327	-	214,750	25,514,624
Materials and Supplies	24,885,488	252,994	-	106,000	9,651	600,000	15,474,583	14,985,165	8,992,858	611,300	65,918,039
Capital Outlay	1,578,969	-	1,106,301	-	74,834	-	279,562	61,094	-	188,991	3,289,751
Transfer(s) to Other Funds	7,635,643	-	-	-	-	-	-	-	-	-	7,635,643
Land, Structures and Improvements	240,301	-	-	-	-	-	500,000	-	-	-	740,301
Total Expenditure	701,650,964	2,885,023	1,106,301	106,000	220,289	600,000	30,227,350	57,287,954	9,094,147	4,922,642	808,100,670
PERCENT OF TOTAL	86.83%	0.36%	0.14%	0.01%	0.03%	0.07%	3.74%	7.09%	1.13%	0.61%	100.00%

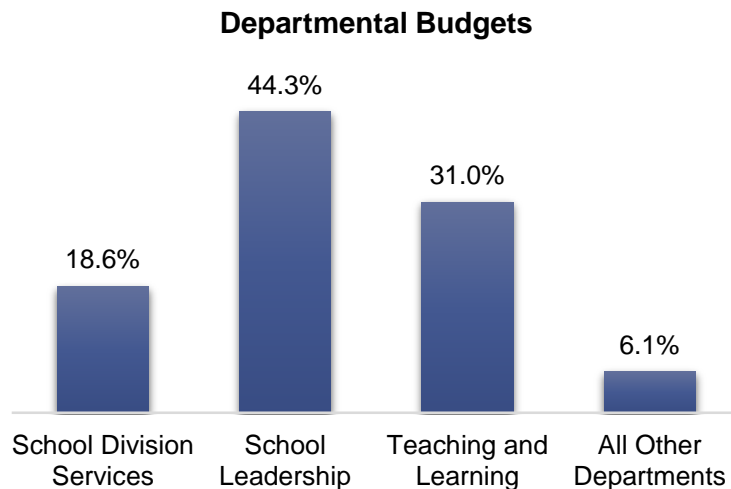
BUDGET AND POSITION ALLOCATION COMPARISON BY FUND

	FY 2014/15	FY 2015/16	Variance
School Operating			
Budget	703,355,073	701,650,964	(1,704,109)
Positions	9,206.83	9,019.03	(187.80)
Green Run Collegiate			
Budget	2,446,879	2,885,023	438,144
Positions	24.80	32.90	8.10
Athletics			
Budget	4,922,642	4,922,642	-
Positions	-	-	-
Cafeterias			
Budget	30,278,999	30,227,350	(51,649)
Positions	490.89	490.89	-
Categorical Grants			
Budget	63,534,234	57,287,954	(6,246,280)
Positions	484.50	478.50	(6.00)
Communication Towers Technology			
Budget	600,000	600,000	-
Positions	-	-	-
Equipment Replacement			
Budget	369,641	1,106,301	736,660
Positions	-	-	-
Health Insurance			
Positions	6.50	6.50	-
Instructional Technology			
Budget	159,700	106,000	(53,700)
Positions	-	-	-
Risk Management			
Positions	5.00	5.00	-
Textbooks			
Budget	9,952,535	9,094,147	(858,388)
Positions	1.50	1.50	-
Vending Operations			
Budget	220,289	220,289	-
Positions	-	-	-
Total			
Budget	815,839,992	808,100,670	(7,739,322)
Positions	10,220.02	10,034.32	(185.70)

Note: Budgets for Risk Management fund 614 and Health Insurance funds 615 and 617 are excluded from this statement.

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% 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
<i>Superintendent</i>	
School Operating	2,552,364
Superintendent Total	2,552,364
<i>Budget and Finance</i>	
School Operating	7,590,132
Categorical Grants	7,200,000
Equipment Replacement	1,106,301
Vending	220,289
Budget and Finance Total	16,116,722
<i>Human Resources</i>	
School Operating	5,434,462
Human Resources Total	5,434,462
<i>Media and Communications</i>	
School Operating	1,885,894
Media and Communications Total	1,885,894
<i>Planning, Innovation and Accountability</i>	
School Operating	5,155,993
Categorical Grants	401,901
Planning, Innovation and Accountability Total	5,557,894
<i>School Division Services</i>	
School Operating	120,200,700
Cafeterias	30,227,350
School Division Services Total	150,428,050
<i>School Leadership</i>	
School Operating	348,352,561
Green Run Collegiate	2,885,023
Athletics	4,922,642
Categorical Grants	1,839,758
School Leadership Total	357,999,984
<i>Teaching and Learning</i>	
School Operating	197,888,463
Categorical Grants	43,669,501
Textbooks	9,094,147
Teaching and Learning Total	250,652,111
<i>Technology</i>	
School Operating	12,590,395
Categorical Grants	4,176,794
Communication Towers Technology	600,000
Instructional Technology	106,000
Technology Total	17,473,189
Total	808,100,670

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. The strategic framework, *Compass to 2020: Charting the Course*, was unanimously adopted by the School Board on Dec. 16, 2014, following nearly a year's worth of work and community input. This framework provides, through well-articulated goals and strategies, a true heading to guide the work of educators. Meeting the expectations of our community and achieving the goals outlined in *Compass to 2020* requires that VBCPS allocate resources both thoughtfully 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.
- **Employee Compensation** – In support of goal four 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 four of *Compass to 2020* is to provide a competitive compensation and benefit plan for employees. VBCPS currently ranks No. 3 in the Hampton Roads region for entry-level compensation. There are also approximately 2,300 employees who remain eligible for an internal equity adjustment to address compression issues identified in the Unified Pay Scale (which encompasses non-instructional employees). In recent years VBCPS has budgeted funds, as available, to take incremental steps toward adjusting the scale. Additional funding is required to address all equity and compression issues to the full extent needed.
- **Employee Benefits** – The state budget decreased the employer contribution rate for the Virginia Retirement System (VRS) from 14.5 percent to 14.06 percent for FY 2015/16. However, the employer contribution rate is projected to increase significantly in FY 2016/17 because state legislation requires that employer contributions reach 100 percent of the actuarially-determined rate by July 1, 2018. The rate is projected to increase to 16.35 percent for FY 2016/17 and FY 2017/18, and then increase to 17 percent beginning in FY 2019/20 and beyond. These increases are due in large part to the previous underfunding of the VRS plan during the economic downturn. Retirement is a salary-sensitive benefit. Even with the lower employer contribution rate for FY 2015/16, related expenses can 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. The budget adopted by the 2015 Virginia General Assembly would provide VBCPS with one-time incentive funding of \$2.8 million to implement salary increases of a minimum average of 1.5 percent for both instructional and support employees. 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 funded. The FY 2015/16 budget proposed by the School Board stressed to the City Council the importance of improving employee salaries in a way that would allow VBCPS to access the additional \$2.8 million in state funding and enhance the school division's recruiting and hiring competitiveness.
- **Lagging State Funding** – Public education policy changes at the state level significantly and routinely underfund education. The impact of these structural changes has been understated due to one-time funding policies utilized by the state to offset permanent reductions. This is most visible in incentive funding. For FY 2014/15, the statewide education funding level was \$5.2 billion, which represents a cut of more than \$400 million, absent inflation, since 2009. State basic aid has decreased 17 percent since FY 2008/09 when VBCPS received \$3,088 per pupil. In 2014/15, that number was \$2,568. The School Board has cut and contained costs without negatively impacting classroom instruction. In fact, the school system has implemented considerable cost-saving strategies over recent years. These have included: eliminating 43 central office positions, closing a school, ending five year-round school programs, reducing departmental

budgets by a cumulative 13 percent, extending the school bus replacement cycle, ending an after-school program and increasing class sizes twice in the past seven years.

- **Structurally Flawed Operating Budget** – The FY 2015/16 budget marks the sixth consecutive year VBCPS has had to rely on one-time reversion funds to augment our 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. The School Board is committed to reducing reliance on reversion funds so VBCPS is not in the position of plugging holes in its baseline budget from year-to-year. 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.

Proposed School Operating Budget Summary for FY 2015/16

The School Operating budget provides for the day-to-day operations and maintenance of the division. Since more than 86 percent of the total FY 2015/16 budget is appropriated in the School Operating fund, additional details about the fund's activities are warranted and outlined below. The FY 2015/16 VBCPS Proposed Operating 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 and balanced at \$689.6 million. With an initial budget shortfall of \$17.1 million, the following cost saving strategies were used to balance the School Operating budget for submission to the City Council.

- Adjusted for lower Virginia Retirement System (VRS) employer contribution rates from the previous fiscal year based on the Governor's budget for a savings of over \$1.3 million.
- Eliminated eight central office administrative positions through attrition and reassignments for a savings of \$650,000. This brought the total reduction of administrative positions to 43 since FY 2008/09.
- Increased class size at all levels by one student for an estimated savings of \$12.1 million, based on an overall reduction of nearly 170 teaching positions. Another 44.8 teaching positions were eliminated as a result of a projected decrease in student enrollment (825). The loss of positions was addressed entirely by attrition.
- Decreased the baseline budget \$3 million by accounting for expenditure reductions associated with the implementation of additional efficiencies.
- Utilized \$12.3 million in School Reserve funding (end-of-year reversion). This figure represented a substantial decrease from the previous fiscal year when VBCPS used \$16 million of this one-time funding source to balance the School Operating budget.
- Diverted \$2 million of Sandbridge Tax Increment Financing (TIF) funds to the School Operating budget.

Balancing the FY 2015/16 School Operating Budget

The School Board Proposed Operating Budget submitted to the City Council limited funding to the local contribution based on the Revenue Sharing Formula (RSF) calculation. The city budget development process also occurs in stages, requiring the School Operating budget to be reconciled with the city's budget ordinances and resolutions in May to account for any adjustments. To balance the FY 2015/16 School Operating budget, the following steps were taken:

Step 1: The Governor's Introduced 2014-2016 Biennial Budget was used to determine state funding for FY 2015/16. The city shared information about local revenue contributions and debt service. Other sources of revenue were analyzed for use in developing a balanced budget.

Step 2: With the Proposed School Operating Budget resolution, the School Board included a request for additional funding. The additional funds requested by the School Board totaled \$20.3 million above and beyond what would be provided by applying the agreed upon RSF. The purpose of the additional funding was to: provide an additional salary increase of 3.66 percent (in addition to the 1.34 percent VRS offset); provide \$4 million to reduce the School Board's reliance on one-time revenues to balance the operating budget; and provide \$2 million for further equity adjustments to the Unified Pay Scale. In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funding must be brought forward to the City Council. The School Board's adopted budget resolution included language indicating that the School Board would support an increase in the real estate tax rate or any other local tax if the City Council determined such a tax increase was necessary.

Step 3: The City Council approved a 6 cents real estate tax increase (from 93 cents to 99 cents per \$100 of assessed valuation), allocated 2.31 cents to the school division and held the remainder of the increase for city budget purposes. This revised tax revenue dedication provided nearly \$7 million of additional local funding to

VBCPS, allowing the division to give employees a 4 percent salary increase, implemented in two stages. First, a 1.34 percent salary adjustment will be made effective July 1 to offset the required employee contribution to VRS. Second, an additional 2.66 percent increase will be effective Oct. 1, matching the pay increase recommended for city employees.

Step 4: The state budgeted compensation supplement payments equivalent to a 1.5 percent salary increase, effective Aug. 16, 2015, for funded SOQ instructional and support positions. To receive the supplemental funding, school divisions were required to certify to the Virginia Department of Education (VDOE) that salary increases of a minimum average of 1.5 percent would be provided by Jan. 1, 2016, to instructional and support personnel. Any increase provided solely to offset the cost of required member contributions to VRS could not count toward this certification. The state added that this funding must be matched by the local government based on the Local Composite Index (LCI). The salary increase referenced in Step 3 improved employee salaries in a way that allowed VBCPS to access an additional \$2.8 million of this state compensation supplement funding.

Step 5: The city approved a portion of the School Board budget request for additional funds outlined in Step 2, providing \$2 million to continue addressing pay inequity within the Unified Pay Scale and \$4 million of additional funding to reduce the school system's reliance on year-end reversion funds.

Step 6: Adjustments were made to the division's baseline budget by reducing, reprioritizing and realigning budget line items. Accounts linked to operational efficiencies were reevaluated to generate additional savings.

Step 7: One-time reversion funds in the amount of \$8,299,318 have been included in the FY 2015/16 budget as a source of revenue.

Balancing the FY 2015/16 School Operating Budget

	FY 2015/16 Proposed	FY 2015/16 Approved	Change
Revenue			
Federal	12,476,532	12,476,532	-
State	247,192,020	250,039,573	2,847,553
State Sales Tax	71,783,907	71,783,907	-
Local Contribution (RSF)	342,408,715	355,633,293	13,224,578
Other Local	3,418,341	3,418,341	-
Additional Funds (School Reserve fund)	12,299,318	8,299,318	(4,000,000)
Sandbridge TIF Reallocation	-	-	-
	689,578,833	701,650,964	12,072,131
City Adjustments and Reconciliation			
	Amount		Balance
Additional local funding from the city to provide a 4 percent pay raise, or a net 2.66 percent after the VRS offset	6,998,578		5,073,553
Additional state funding for compensation supplement	2,847,553		2,226,000
Additional local funding for Unified Pay Scale adjustments	2,000,000		226,000
Additional local funding to reduce reliance on reversion funds	4,000,000		(3,774,000)
Reduction in reversion funds (will remain in the School Reserve fund)	(4,000,000)		226,000
Baseline adjustments in School Operating budget for pay raise	(700,000)		926,000
School redirection of funds for pay raise	700,000		226,000
Reduction in debt service (net increase to RSF)	226,000		-

Note: Includes School Operating fund 115 only; does not include RSF funds appropriated directly to GRC fund 104.

The FY 2015/16 School Operating fund 115 totals \$701,650,964. This is a decrease of \$1,704,109, or 1 percent, from FY 2014/15.

Approved FY 2015/16 Operating Budget Summary

For FY 2015/16, the School Board has cut and contained costs to balance the School Operating budget without negatively impacting classroom instruction.

REVENUE HIGHLIGHTS

In the FY 2015/16 budget, local contributions calculated using an approved RSF continue to be the most substantial source of revenue for VBCPS, accounting for 50.9 percent of General fund revenue. The Commonwealth of Virginia provides the next largest source of revenue to VBCPS through state aid and sales tax

revenues, totaling 45.7 percent for FY 2015/16. The remaining revenues are obtained from federal aid, tuition, fees and other sources.

- The FY 2015/16 local contribution (generated through the RSF and other local contributions) totals \$361,936,657, an increase of \$12,769,005, or approximately 3.7 percent, over the FY 2014/15 amount of \$349,167,652. This includes funding for GRC charter school.
- 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 2015/16 is estimated at \$44,756,843, which represents a decrease of \$273,015 compared to the FY 2014/15 amount of \$45,029,858.
- State revenue for FY 2015/16 decreased by \$2,552,897 when compared to the FY 2014/15 budget of \$252,592,470. The FY 2015/16 total is \$250,039,573. State sales tax increased nearly 2.5 percent, from \$70,065,298 in the prior fiscal year to \$71,783,907 for FY 2015/16.
- For FY 2015/16, federal revenue is anticipated to decrease by \$3.5 million, from \$15,976,532 to \$12,476,532, primarily as a result of reduced Impact Aid payments.
- For FY 2015/16, approximately \$8.3 million in one-time School Reserve (reversion) funding will be used to balance the General fund budget. That is \$7.7 million lower than the amount used in FY 2014/15, reflecting a decrease of nearly 48 percent. No Sandbridge TIF funding will be diverted to the School Operating budget for FY 2015/16. Instead, \$2 million will be allocated to the FY 2015/16 CIP from the Sandbridge TIF, bringing the total for that funding source to \$3,591,000 in the Capital Projects fund.

EXPENDITURE HIGHLIGHTS

As mentioned previously, the City Council approved a 6 cents real estate tax increase as part of the FY 2015/16 budget development process. With the additional support from the city, VBCPS is able to include funds in the FY 2015/16 budget to:

- Provide a 4 percent salary increase for all employees, implemented in two stages on July 1 and Oct. 1, 2015. This increase improves employee salaries in a way that allows VBCPS to access an additional \$2.8 million in state funding and enhance the school division's recruiting and hiring competitiveness.
- Continue to work on addressing pay inequity within the Unified Pay Scale by dedicating \$2 million within the School Operating budget for adjustments to focus on compression and other equity issues.
- Address the structural flaw in the School Operating budget by reducing our reliance on reversion funds. The FY 2015/16 School Operating budget uses \$8.3 million of School Reserve (reversion) funds (down from the \$16 million budgeted for FY 2014/15).

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.

UNMET CAPITAL NEEDS

Capital Item Description (not in priority order)	Amount
Replace 6,000 instructional computers annually	3,690,000
Select and implement a learning management system to support a program of personalized learning	2,700,000
Upgrade distance learning labs in middle schools	2,000,000
Upgrade core network equipment (routers and switches) that provide data distribution across the wide area network (WAN)	1,520,000
Upgrade WAN Edge and distribution switches that provide connection from schools and administrative sites to the core network	2,100,000
Create additional distance learning labs in schools	1,443,200
Add additional access points for all elementary schools	933,000
Upgrade the telephone system districtwide to utilize more up-to-date technology	2,800,000
Capital Items Total	17,186,200

UNMET OPERATING NEEDS

Operating Item Description (not in priority order)	Amount
Provide additional collaborative planning days for elementary schools	500,000
Provide additional substitute days to cover high school professional development	55,000
Replace 32 buses; each bus costs approximately \$90,000	2,880,000
Provide additional collaborative planning days for secondary schools	24,000
Expand the swim program	12,000
Provide additional math and reading coaches for high school	706,040
Provide additional math and reading coaches for middle school	260,000
Develop an academy within Kempsville High School	106,500
Replace projectors annually	958,000
Provide in-school SAT testing for all high schools	253,000
Provide additional substitute days to cover assistant principal high school professional development	57,000
Expand the Measures of Academic Progress (MAP) assessments	50,000
Apex Learning® Recovery Course. Cost includes computer program, 40 computers, four core teachers and one classified employee	332,500
Require volunteer background checks	274,850
Organization for Economic Co-operation and Development (OECD) test (bi-annual cost)	100,000
Reorganize the assistant principal support program	1,200,000
Expand implementation for Positive Behavior Interventions and Support (PBIS) by providing professional development to teachers	86,550
Increase allowances and supplements, and move selected positions from the Unified Scale to the Instructional Scale	4,560,000
Operating Items Total	12,415,440

The following items were not built into the FY 2015/16 budget, but will be funded with one-time reversion funds from FY 2014/15.

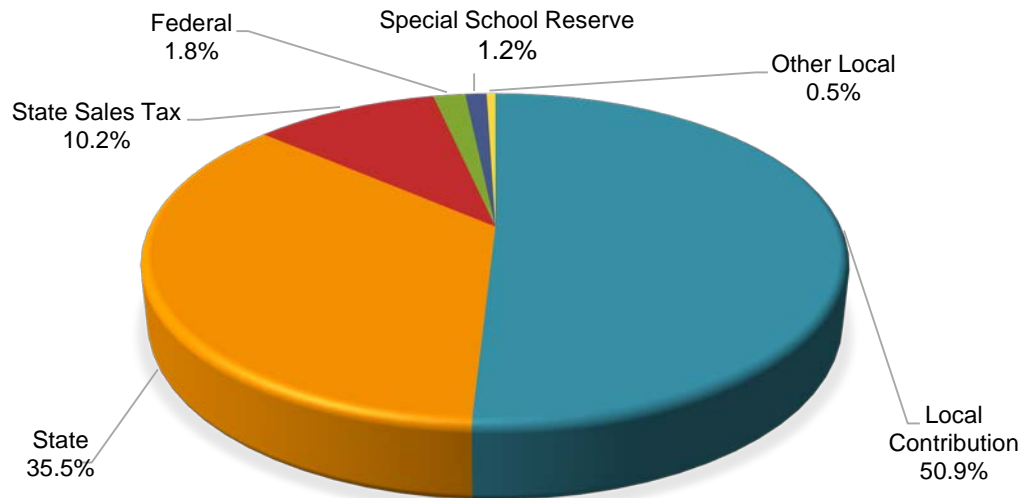
- Replacement school buses
- Bus garage fleet replacement vehicles
- White fleet replacement vehicles
- Upgrades to the WAN Edge and Distribution switches
- SOL improvement and collaboration planning time for teachers

GENERAL FUND BUDGET SUMMARY

General Fund Revenue Sources

General fund revenues are classified by type based on the funding source. The FY 2015/16 General fund revenue budget totals \$704,535,987, a decrease of \$1.3 million, or 0.18 percent, from the FY 2014/15 budget.

Local revenue contributions from the city continue to be the most substantial source of revenue for the General fund, making up 50.9 percent of the FY 2015/16 budget. As state funding declines, localities are increasingly providing additional funding for school divisions. The budget for local revenue for VBCPS in FY 2015/16 is projected to total approximately \$362 million, an increase of \$12.8 million, or nearly 3.7 percent from the previous fiscal year.



Funding from the state provides approximately 35.5 percent of total General fund revenue. The remaining revenues are obtained from federal aid, special school reserve funds and other local contributions.

Federal.....\$12,476,532

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 nearly 82 percent of the federal revenue funding projected for VBCPS in FY 2015/16. The budget for Impact Aid reflects a reduction in this revenue of \$3.5 million for the next fiscal year.

State\$250,039,573

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. 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 higher a locality's LCI, the less state funding it receives. For the 2014 - 2016 biennium, the LCI for Virginia Beach is .4034, the highest of the surrounding cities in the Hampton Roads region. State revenue, which accounts for 35.5 percent of the schools' funding in the FY 2015/16 budget, is projected to decrease \$2.6 million, or 1 percent, from FY 2014/15. The most significant changes to this revenue are in the SOQ Programs which decreased \$6 million from the previous year.

State Sales Tax\$71,783,907

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 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. The projected sales tax revenue for VBCPS in FY 2015/16 is \$71.8 million, an increase of \$1.7 million, or 2.5 percent, compared to the FY 2014/15 Approved Budget.

Local Contribution.....\$358,518,316

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/School Revenue Sharing Policy provides a stable source of local funding for VBCPS as a discretionary local match. The policy allocates local tax revenues to the division using the RSF and a real estate tax dedication. The City Council appropriates funding to the school division by major classification/budget unit 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 2015/16 is \$358.5 million, an increase of \$13.5 million, or 3.9 percent, compared to the FY 2014/15 Approved Budget.

Other Local\$3,418,341

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 2015/16 is \$3.4 million, a decrease of \$36,745, or 1.1 percent, compared to the FY 2014/15 Approved Budget.

Additional Funds (non-recurring)\$8,299,318

School Reserve (reversion)

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 2015/16, VBCPS is beginning to address the structural flaw in the School Operating budget by reducing the reliance on reversion funds by \$9.7 million. VBCPS will use \$8.3 million of this one-time revenue source to balance the FY 2015/16 School Operating budget, down from \$18 million accessed in FY 2014/15.

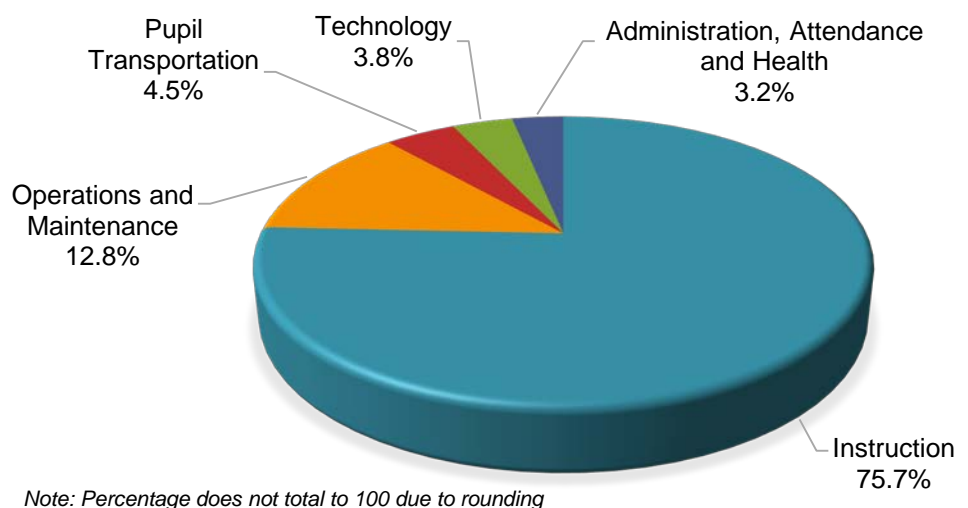
OTHER SUSTAINABLE SOURCES OF LOCAL REVENUE

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, 2015, there were 2,014 Partners in Education working with schools throughout the division. Thousands of individuals serve as volunteers in our schools each year. In fact, during the 2014/15 school year, 23,284 volunteers and partners in education donated 657,935 hours of service, which emphasizes the value of community outreach efforts. The value of the donated volunteer hours is estimated at \$15,178,560 (based on the \$23.07 per hour estimated value of volunteer time for 2014 published by the Independent Sector organization). A host of individual volunteer opportunities are available on the VBCPS website.

General Fund Expenditures by Major Classification and Category/Type

Within the General fund, expenditures are categorized by major classification and type. Brief descriptions of the major classifications and types of budgeted expenditures are provided below.

As expected, the majority of the General fund budget is allocated to instructional programs. This is illustrated by the fact that proposed expenditures for instruction represent 75.7 percent of the FY 2015/16 budget.



Expenditures for instruction are expected to total approximately \$533.5 million for FY 2015/16, a decrease of \$3.1 million from the previous year's budget for instruction in the General fund. Employee compensation is comprised of salaries and employee benefits. For FY 2015/16, the combined amount budgeted for salaries and benefits totals 85.5 percent of the General fund expenditures.

MAJOR CLASSIFICATION

Instruction	\$533,457,332
<i>Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students</i>	
Administration, Attendance and Health	\$22,791,437
<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.....	\$31,485,354
<i>Includes: activities concerned with transporting students to and from school as mandated by state and federal law</i>	
Operations and Maintenance	\$89,874,414
<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	\$26,927,450
<i>Includes: technology-related expenditures as required by the General Assembly</i>	

CATEGORY/TYPE

Personnel Services.....	\$439,885,158
<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.....	\$162,425,919
<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.....	\$43,067,445
<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	\$24,564,070
<i>Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges</i>	
Materials and Supplies	\$25,138,482
<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	\$1,578,969
<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	\$240,301
<i>Includes: expenditures of a project that is less than \$1 million in estimated cost</i>	
Transfers to Other Funds	\$7,635,643
<i>Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse</i>	

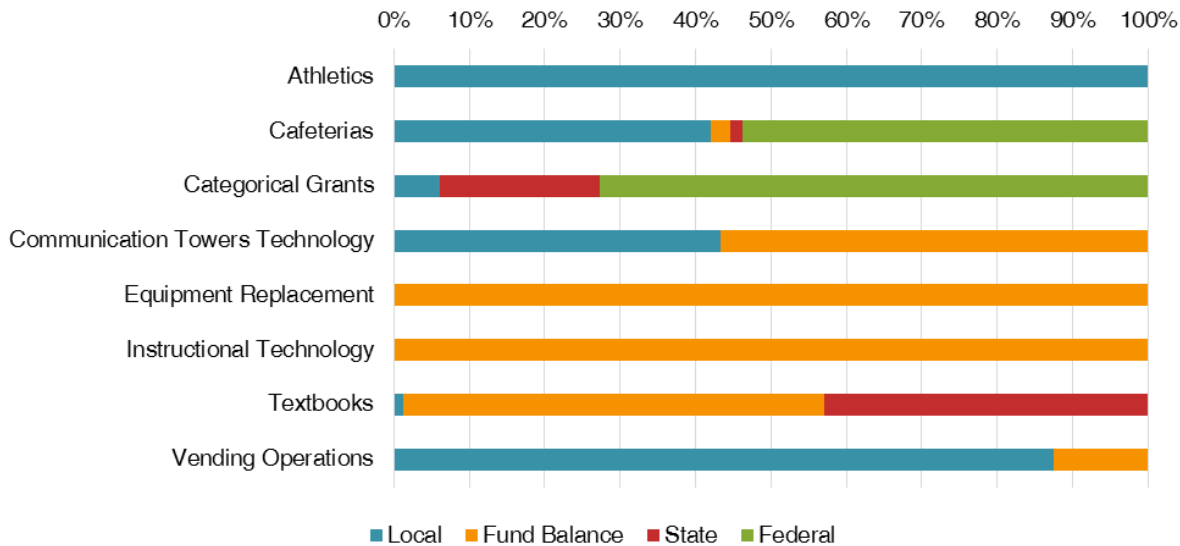
SPECIAL REVENUE FUNDS BUDGET SUMMARY

Although the majority of the total FY 2015/16 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 approximately \$103.4 million, or 12.8 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.

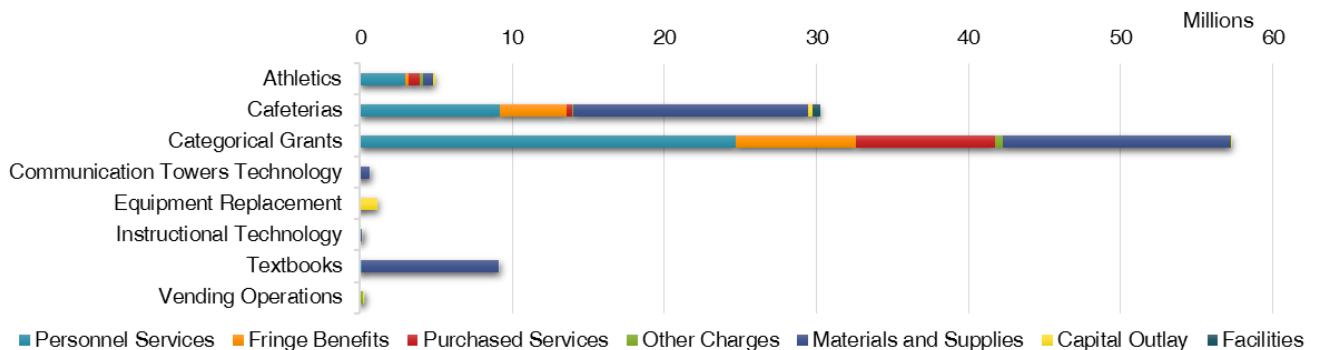
The FY 2015/16 budget for all special revenue funds is expected to decrease by nearly \$6.5 million from FY 2014/15. The majority of the decline can be attributed to the Categorical Grants fund, primarily as a result of less than anticipated carryover funding.

	FY 2014/15	FY 2015/16	Variance
Athletics	4,922,642	4,922,642	-
Cafeterias	30,278,999	30,227,350	(51,649)
Categorical Grants	63,534,234	57,287,954	(6,246,280)
Communication Towers Technology	600,000	600,000	-
Equipment Replacement	369,641	1,106,301	736,660
Instructional Technology	159,700	106,000	(53,700)
Textbooks	9,952,535	9,094,147	(858,388)
Vending Operations	220,289	220,289	-
Total	110,038,040	103,564,683	(6,473,357)

Revenue Sources for Categorical Grants and Other Funds

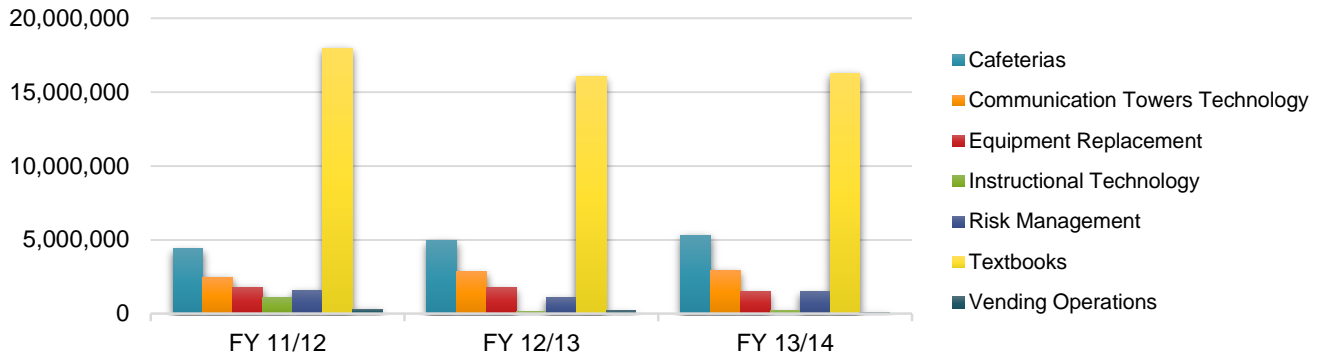


Expenditure Categories for Categorical Grants and Other Funds



The charts below represent the ending fund balances as of June 30, 2014. 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 schools' strategic framework and the projected expenditures for each of these funds.

Three-Year Actuals



Actuals and Projections Based on the Spending Plan

	Actual			Projected	
	2011/12	2012/13	2013/14	2014/15	2015/16
Athletics	-	-	-	-	-
Cafeterias	4,375,496	4,956,651	5,316,007	4,536,445	3,756,883
Communication Towers Technology	2,482,499	2,859,283	2,962,977	2,622,977	2,282,977
Equipment Replacement	1,810,166	1,780,158	1,475,942	1,106,301	-
Instructional Technology	1,086,203	159,700	232,235	72,535	(33,465)
Risk Management	1,600,000	1,100,000	1,500,000	-	-
Textbooks	17,964,543	16,044,853	16,265,486	10,382,540	5,298,995
Vending Operations	307,508	198,236	88,886	61,147	33,408

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 more than 68,000 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 December 2013. 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

Median household income is down in the city since 2010. Fortunately, Virginia Beach families benefit from the lowest real estate and personal property tax rates in the region, making the tax burden for Virginia Beach families lower than anywhere else in Hampton Roads. This means that Virginia Beach residents get to keep more of their income than residents in Norfolk, Chesapeake, Portsmouth, Suffolk, Hampton and Newport News.

The city's FY 2015/16 Operating budget reduces some services and increases a few rates and fees to support remaining services. As the table on the right illustrates, Virginia Beach has the lowest expenditures as measured on a per person basis; 6.1 percent as opposed to the other Hampton Roads communities. The real estate taxes paid to the city, measured as a percentage of median household income, are also the lowest in the region.

The city's FY 2015/16 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. Tax increases are required to do all of this. Increased tax revenue, coupled with the shifting of existing funds from traditional programs to higher priorities, allows the city and school division to maintain the services that citizens value: quality public schools, public safety, beautiful parks, 10 public libraries and seven recreation centers (three of them less than 5 years old). This increase in taxes will affect families differently, depending upon their individual circumstances. The table below illustrates the impact city taxes may have on families.

Tax Burden

City	Per Capita Expenditures as a % of Per Capita Income	Real Estate Taxes as a % of Median Household Income
Virginia Beach	6.1%	3.1%
Chesapeake	7.2%	3.3%
Norfolk	8.6%	3.5%
Portsmouth	9.1%	3.5%
Suffolk	8.1%	3.9%
Hampton	8.3%	3.9%
Newport News	9.1%	3.3%

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

Typical Family Tax Impact

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Real Estate Tax	2,308.66	2,201.86	2,110.19	2,054.12	2,089.05	2,001.36	2,054.37	2,230.47
Personal Property Tax	210.90	155.76	160.99	193.05	236.01	238.29	287.03	308.79
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	70.68	70.68	72.12	73.68	73.92	74.64	75.24	75.24
Water Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Restaurant Tax	146.63	143.77	140.31	143.44	147.95	147.95	140.86	140.86
Admissions Tax	18.54	18.30	17.55	18.15	15.41	15.10	15.10	15.10
Vehicle License Decal	50.00	50.00	50.00	50.00	50.00	50.00	50.00	60.00
Storm Water Utility Fee	73.37	80.67	87.97	115.34	133.59	151.84	158.05	158.05
Residential Refuse Fee	-	-	-	60.00	120.00	256.32	256.32	256.32
Water & Sewer	556.92	578.88	604.92	635.88	668.76	703.56	740.16	740.16
Total Tax Impact	3,543.70	3,407.91	3,352.05	3,451.66	3,642.70	3,747.06	3,885.12	4,092.98
Annual Change	-	(155.70)	(45.28)	92.00	187.03	108.27	149.20	205.00

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 (Adopted) FY 2015/16

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. 18, 2014.

VBCPS Five Year Forecast

	FY 2015/16 Forecast	FY 2016/17 Forecast	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast
REVENUE CATEGORY:					
Local (RSF)	392,431,342	398,323,326	404,554,049	410,969,162	417,592,011
Other Local	2,668,383	2,668,383	2,668,383	2,668,383	2,668,383
State	253,537,166	254,485,395	255,437,170	256,392,505	257,351,413
State Sales Tax	72,518,495	72,881,087	73,245,493	73,611,720	73,979,779
Federal	12,453,899	12,453,899	12,453,899	12,453,899	12,453,899
School Reserve (reversion)	-	-	-	-	-
Sandbridge TIF	-	-	-	-	-
Transfer(s) from other funds	-	-	-	-	-
Revenue Total	733,609,285	740,812,090	748,358,994	756,095,669	764,045,485
EXPENDITURE CATEGORY:					
Personnel Services	442,351,562	448,279,072	448,279,072	448,279,072	448,279,072
Fringe Benefits	169,018,541	179,694,704	185,032,834	200,126,721	206,717,781
Purchased Services	43,166,078	43,166,078	43,166,078	43,166,078	43,166,078
Other Charges	57,111,608	57,111,608	57,111,608	57,111,608	57,111,608
Materials and Supplies	-	-	-	-	-
Capital Outlay	1,590,815	1,590,815	1,590,815	1,590,815	1,590,815
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Debt Service	48,757,648	49,679,692	49,296,912	48,154,201	49,687,276
Expenditure Total	761,996,252	779,521,969	784,477,319	798,428,495	806,552,630
Expenditures Variance	(28,386,967.00)	(38,709,879.00)	(36,118,325.00)	(42,332,826.00)	(42,507,145.00)

REVENUE ASSUMPTIONS

Overall, local revenues are projected to increase an average of 1.5 percent each year over the next five years as the local economy continues to improve. This will help support key services for Virginia Beach residents. State shared sales tax and state direct aid revenue projections include a 0.5 percent annual increase. Federal revenue assumptions include a \$4 million net decrease in Impact Aid payments from FY 2014/15 to FY 2015/16 and remain flat for the remaining forecast period.

EXPENDITURE ASSUMPTIONS

Personnel services expenditures include a 1.34 percent salary increase in FY 2015/16 and FY 2016/17 and then remain flat for the remaining forecast period. The 1.34 percent represents a "hold harmless" adjustment for staff provided annually through FY 2016/17 to offset the required increase employees must pay into VRS. The VRS costs assume no change in the number of full-time equivalent (FTE) employees over the five year forecast period. Based on state projections, the forecast assumes a 2 percent increase in the VRS rates for FY 2016/17 and FY 2018/19. The forecast for fringe benefits assumes an annual increase of 0.5 percent for life insurance costs and an 8 percent increase annually for employer paid health insurance expenses. From the FY 2014/15 budget to FY 2019/20, the last year of the forecast period, debt service is projected to increase by 9.2 percent. This projection does not factor in the possibility of additional debt service from any increase to support the School Modernization Program. Other operating costs are projected to change minimally during the forecast period.

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 their 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 2015/16 - 2020/21 CIP is the financial plan for capital projects beginning July 1, 2015, through June 30, 2021. The budget encompasses anticipated revenues and expenditures for FY 2015/16 (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 \$36.5 million for FY 2015/16 and just over \$223 million for the entire six-year capital program through 2021. For FY 2015/16, \$642,448 in PAYGO funding has been earmarked for project 1-008 Instructional Technology II. This project will implement the second phase of the division's Instructional Technology project with the purchase of additional technology devices moving toward the goal of having a "one device to one student" ratio in several schools. No Sandbridge TIF funding will be diverted to the School Operating budget for FY 2015/16. Instead, \$2 million will be allocated to the FY 2015/16 CIP from the Sandbridge TIF, bringing the total for that funding source to \$3,591,000 in the Capital Projects fund.

FY 2015/16 - FY 2020/21 CIP Project Costs

CIP #	Project Title	Total Project Cost	Total Programmed Costs	Prior Years' Funding	Year 1 FY 2015/16	Year 2 FY 2016/17	Year 3 FY 2017/18	Year 4 FY 2018/19	Year 5 FY 2019/20	Year 6 FY 2020/21
1-003	Renovations and Replacements Energy Management Phase II	8,675,000	8,675,000	750,000	800,000	1,325,000	1,000,000	1,500,000	1,600,000	1,700,000
1-004	Tennis Court Renovations Phase II	1,000,000	1,000,000	200,000	200,000	200,000	200,000	200,000	-	-
1-005	Green Run High School Collegiate Renovations	516,300	516,300	516,300	-	-	-	-	-	-
1-008	Instructional Technology Phase II	642,448	642,448	-	642,448	-	-	-	-	-
1-035	John B. Dey Elementary School Modernization	23,289,241	23,289,241	2,000,000	4,887,000	14,402,241	2,000,000	-	-	-
1-043	Thoroughgood Elementary School Replacement	28,270,000	28,270,000	-	-	4,438,759	10,000,000	8,000,000	5,831,241	-
1-056	Princess Anne Middle School Replacement	81,000,000	49,782,759	-	-	3,100,000	11,491,000	9,216,000	10,634,759	15,341,000
1-099	Renovations and Replacements Grounds Phase II	14,750,000	14,750,000	7,300,000	800,000	1,175,000	1,250,000	1,325,000	1,400,000	1,500,000
1-103	Renovations and Replacements HVAC Phase II	65,817,724	65,817,724	28,842,724	5,300,000	5,625,000	5,700,000	6,350,000	6,750,000	7,250,000
1-104	Renovations and Replacements Reroofing Phase II	49,685,639	49,685,639	24,551,639	3,009,000	3,975,000	4,000,000	4,450,000	4,700,000	5,000,000
1-105	Renovations and Replacements Various Phase II	20,785,000	20,785,000	10,110,000	1,350,000	1,650,000	1,750,000	1,850,000	1,975,000	2,100,000
1-107	Princess Anne High School Replacement	105,000,000	15,000,000	-	-	-	-	5,000,000	5,000,000	5,000,000
1-233	Kemps Landing and Old Donation Center	63,615,000	63,615,000	44,070,000	19,545,000	-	-	-	-	-
Total		463,046,352	341,829,111	118,340,663	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

FY 2015/16 - FY 2020/21 CIP Funding Sources

Funding Sources	Year 1 FY 2015/16	Year 2 FY 2016/17	Year 3 FY 2017/18	Year 4 FY 2018/19	Year 5 FY 2019/20	Year 6 FY 2020/21
Charter/Revenue Bonds	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000
PAYGO	642,448	1,000,000	1,500,000	2,000,000	2,000,000	2,000,000
Sandbridge TIF	3,591,000	2,591,000	3,591,000	3,591,000	3,591,000	3,591,000
State Contribution	-	-	-	-	-	-
Interest on Deposits	-	-	-	-	-	-
Sale of Property	-	-	-	-	-	-
Total	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

VBCPS Use of Fund Balance for School Operating and CIP Expenditures

Fiscal Year	School Operating Budget	Capital Improvement Program	Total*
2010/11	13,000,000	3,116,978	16,116,978
2011/12	22,593,767	-	22,593,767
2012/13	22,200,000	1,116,978	23,316,978
2013/14	17,116,978	-	17,116,978
2014/15	18,000,000	1,591,000	19,591,000
2015/16	8,299,318	4,233,448	12,532,766

*Includes the use of School Reserve (reversion) funds, Fund Balance and Sandbridge TIF

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

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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Budget
Debt Service	44,337,710	44,747,986	42,537,774	45,029,858	44,756,843

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

BOND RATING AND MARKET CONDITIONS

For the sixth 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 city has consistently taken advantage of the favorable interest rate environment to refund previously issued debt. Much of the city's bonds have already been refunded. The bond market conditions will ultimately determine if refunding is feasible. The city regularly consults with financial advisors to project future use of debt, ensuring these activities will not negatively impact the city's excellent standing in the bond market.

Regional Bond Ratings

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

Source: City of Virginia Beach Department of Budget and Management Services, Comparative Indicators to Other Hampton Roads' Cities, Jan. 15, 2015

PROJECTED DEBT

The total outstanding debt for the city is projected to be \$1.37 billion by June 30, 2016, as summarized in the following table. The schools' portion is \$352.5 million, or 25.71 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, 2015

Purpose	Amount	Percent
Schools	352,534,210	25.71%
General Government	792,386,946	57.78%
Utilities	226,418,647	16.51%
Total Projected Debt	1,371,339,803	100.00%

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

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
2010/11	669,514,476	5,507,046	323,367,500	998,389,022	1.8%	2,271
2011/12	727,803,047	4,750,000	363,387,004	1,095,940,051	2.0%	2,244
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%	2,253
2014/15	716,612,342	2,875,000	405,725,325	1,125,212,667	2.0%	2,254

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016

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 2015/16, the city's assessed value of real property is estimated at \$52.1 billion. By the end of the fiscal year, the city's projected debt amount will only be 1.8 percent of the total assessed value.

Legal Debt Margin Information

	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Debt Limit	5,290,291,119	5,144,671,623	4,978,183,783	4,962,666,499	5,145,277,575
Less: Total Net Debt Applicable to limit	713,387,034	716,177,198	685,988,698	712,384,323	697,079,775
Legal Debt Margin	4,576,904,085	4,428,494,425	4,292,195,085	4,250,282,176	4,448,197,800
Total Net Debt Applicable To Limit as a Percentage of Debt Limit	13.48%	13.92%	13.78%	14.35%	13.55%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015

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 VBCPS 2014/15 actual Sept. 30 student membership for K-12 was 68,430. This amount is 429 students, or 0.63 percent, below student membership from the same period in 2013/14.

The FY 2015/16 School Operating budget was developed using a student membership projection of 67,949. This is slightly lower than the ADM of 67,949.2 used in the development of the Governor's Introduced 2016-2018 Biennial Budget and slightly lower than the Office of Demographics and Planning's projection of 68,146.

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.

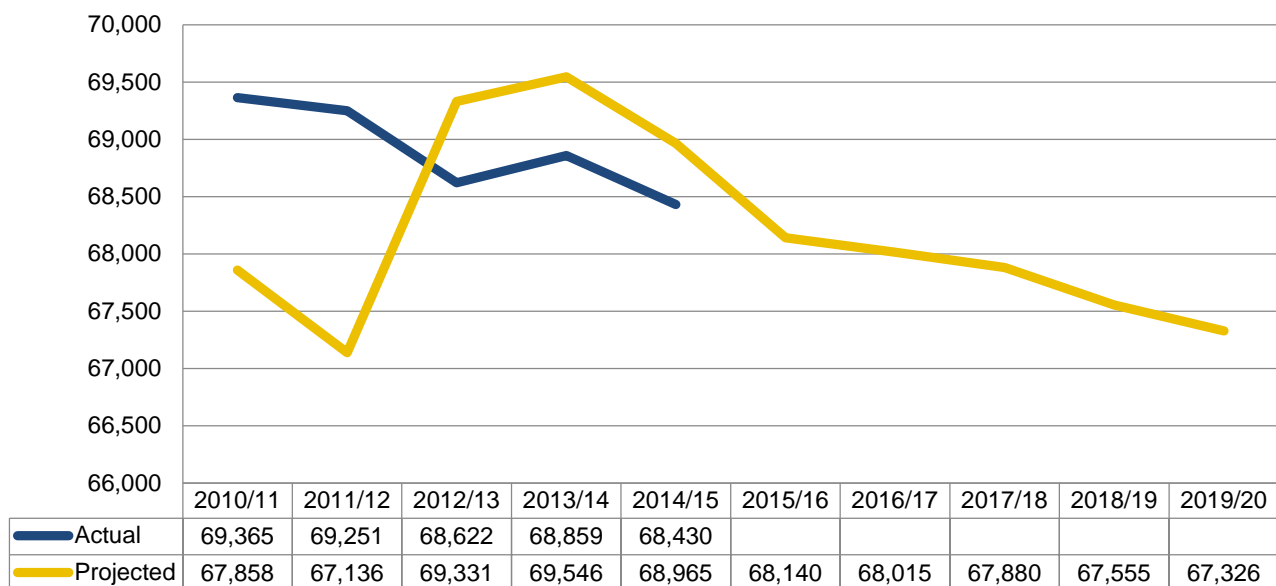
For the past several years, data from the Office of Demographics and Planning have demonstrated how recent economic conditions have had a significant impact on the division's student membership. Factors such as the increasing number of students in shared housing and homeless situations, fluctuations 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 2010/11 and FY 2014/15, VBCPS student enrollment declined by nearly 1.4 percent, from 69,365 to 68,430. 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. In fact, only 31 percent of Virginia localities experienced increases in student enrollment between 2008 and 2013.

2015/16 Number of Students by Grade*	
Kindergarten	4,654
Grade 1	5,212
Grade 2	5,317
Grade 3	5,358
Grade 4	5,468
Grade 5	5,314
Grade 6	5,338
Grade 7	5,171
Grade 8	5,220
Grade 9	5,814
Grade 10	5,329
Grade 11	5,137
Grade 12	4,808
TOTAL	68,140

*Projected enrollment

The graph and table below show the actual and projected enrollment in the division for fiscal years 2010/2011 through 2019/2020.

Projected and Actual Student Enrollment



Source: VBCPS Department of School Division Services, Sept. 30 Historical Student Membership and FINAL Sept. 30, 2015 to 2019 Student Membership Projections

Student Membership

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Elementary										
K	4,739	5,047	4,810	4,914	4,697	4,654	4,707	4,728	4,527	4,675
1	5,401	5,476	5,587	5,397	5,376	5,212	5,145	5,215	5,239	5,016
2	5,309	5,359	5,336	5,523	5,346	5,317	5,131	5,092	5,161	5,184
3	5,202	5,248	5,298	5,384	5,498	5,358	5,335	5,142	5,103	5,172
4	5,368	5,208	5,196	5,326	5,299	5,468	5,330	5,307	5,115	5,076
5	5,401	5,355	5,163	5,210	5,315	5,314	5,475	5,332	5,309	5,117
Total	31,420	31,693	31,390	31,754	31,531	31,323	31,123	30,816	30,453	30,239
Change from previous year	296	273	-303	364	-223	-208	-200	-307	-363	-214
% change from previous year	0.95%	0.87%	-0.96%	1.16%	-0.70%	-0.66%	-0.64%	-0.99%	-1.18%	-0.70%
Middle										
6	5,232	5,427	5,344	5,239	5,168	5,338	5,318	5,493	5,350	5,327
7	5,251	5,284	5,437	5,347	5,225	5,171	5,344	5,313	5,488	5,344
8	5,379	5,256	5,231	5,422	5,343	5,220	5,189	5,335	5,303	5,478
Total	15,862	15,967	16,012	16,008	15,736	15,729	15,851	16,141	16,141	16,149
Change from previous year	-138	105	45	-4	-272	-7	122	290	0	8
% change from previous year	-0.86%	0.66%	0.28%	-0.02%	-1.70%	-0.04%	0.78%	1.83%	0.00%	0.05%
High										
9	5,995	5,869	5,740	5,781	5,818	5,814	5,700	5,651	5,810	5,776
10	5,588	5,452	5,372	5,304	5,396	5,329	5,398	5,294	5,249	5,396
11	5,470	5,207	5,212	5,128	5,023	5,137	5,107	5,133	5,034	4,990
12	5,030	5,063	4,896	4,884	4,926	4,808	4,835	4,846	4,870	4,776
Total	22,083	21,591	21,220	21,097	21,163	21,088	21,041	20,924	20,962	20,938
Change from previous year	296	-492	-371	-123	66	-75	-47	-117	38	-24
% change from previous year	-1.31%	-2.23%	-1.72%	-0.58%	0.31%	-0.35%	-0.22%	-0.56%	0.18%	-0.11%
Division										
Total	69,365	69,251	68,622	68,859	68,430	68,140	68,015	67,880	67,555	67,326
Change from previous year	-134	-114	-629	237	-429	-290	-125	-135	-325	-229
% change from previous year	-1.31%	-0.16%	-0.91%	0.35%	-0.62%	-0.42%	-0.18%	-0.20%	-0.48%	-0.34%

Source: VBCPS Department of School Division Services, Sept. 30 Historical Student Membership and FINAL Sept. 30, 2015 to 2019 Student Membership Projections

Budgeted Expenditures Per Pupil

Virginia Code §22.1-92 requires each school division to provide notification of its estimated per pupil cost for public education for the coming school year. The Code further mandates that the notification shall include actual per pupil state and local education expenditures for the previous school year. The chart below meets that legal requirement. When comparing fiscal years, it is important to note that one is actual and the other is an estimate based on an approved budget. Typically when the actual costs for an estimated year are finalized, they are lower than the estimate originally provided.

Virginia Beach City Public Schools Average Per Pupil Expenditures for Operations*

	FY 2013**			
Sources of Financial Support	State Average (Actual)	VBCPS (Actual)	FY 2014 (Estimated) VBCPS	FY 2015*** (Approved) VBCPS
State	\$ 3,652	\$ 3,600	\$ 3,787	\$ 3,922
Sales Tax	954	991	1,034	1,016
Federal	875	1,004	1,149	1,108
Local****	5,776	5,237	5,492	5,573
Total	\$ 11,257	\$ 10,832	\$ 11,462	\$ 11,619

*Includes regular day school, school food services, summer school, adult education, athletics, textbooks and other educational functions; however, excludes certain expenditures (e.g., facilities, debt service, capital outlay additions, pre-kindergarten program)

**Commonwealth of Virginia, Superintendent's Annual Report for Virginia Beach City Public Schools, FY 2012/13

***Based on the approved School Board Operating Budget and approved by City Council

****Includes the City of Virginia Beach and other local sources (e.g., rental of facilities, summer school tuition, adult education fees and cafeteria service charges), along with the following adjustments and qualifications:

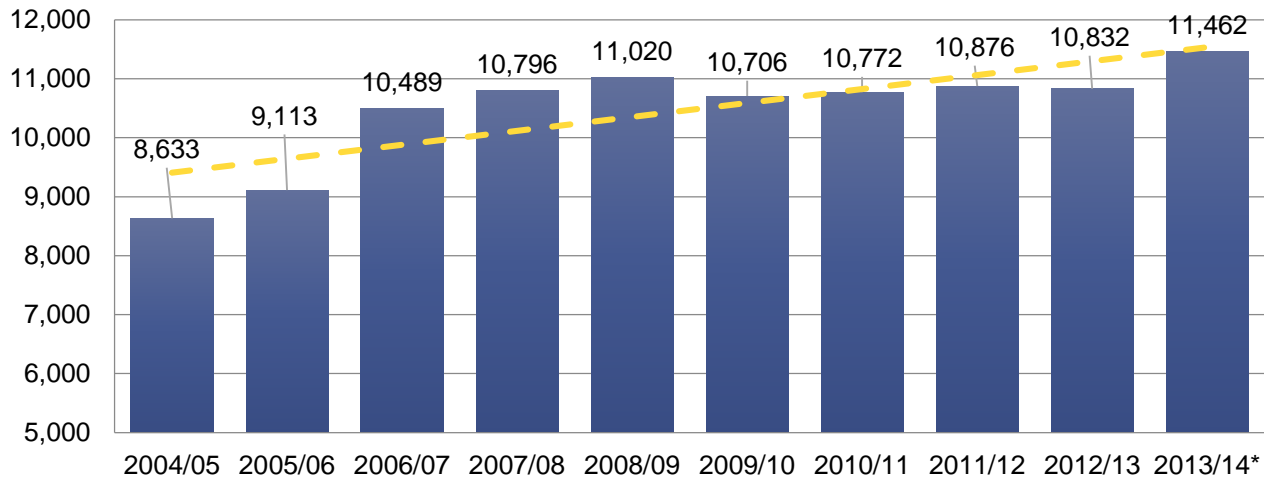
FY 2012/13 (Actual) and FY 2013/14 (Estimated) – Includes expenditures of carryover encumbrances and appropriated fund balances, excludes certain operating transfers, net of city reversion (i.e., actual/estimated unexpended balance)

returned to the city), and other necessary adjustments that can cause, along with other factors, fluctuations in the local average per pupil expenditures from one fiscal year to another.

FY 2014/15 (Approved) – Based on the School Board Approved Operating Budget and approved by City Council; however, it does not include certain adjustments necessary to compute the FY 2012/13 (Actual) and FY 2013/14 (Estimated) local average per pupil expenditures and, therefore, it will affect the comparability of the FY 2014/15 (Approved) local average per pupil expenditures amount to the FY 2012/13 (Actual) and FY 2013/14 (Estimated) amounts.

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

Historical Average Per Pupil Expenditures for Operations



* Estimated expenditures for FY 2013/14; all other figures represent actual data.

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

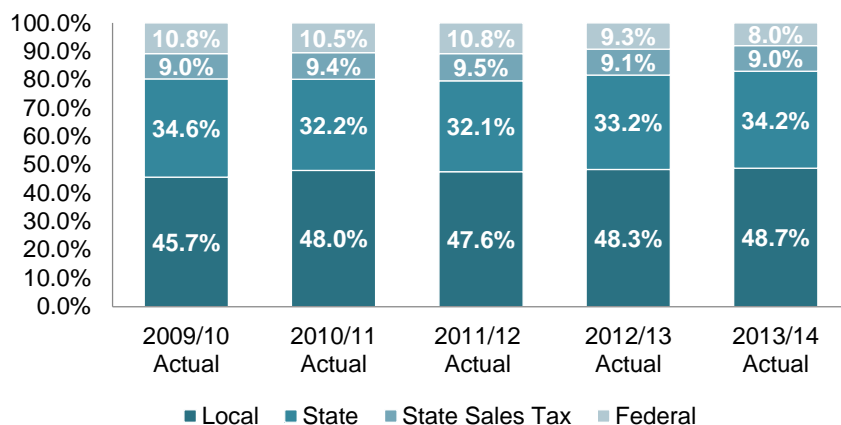
Per Pupil Financial Support Comparison

Average Per Pupil Total Expenditures for Operations	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual
Virginia Beach Cost Per Pupil	10,706	10,772	10,876	10,832	10,825
State Cost Per Pupil	11,020	10,793	10,969	11,257	11,242
ADM for Determining Cost Per Pupil	69,549	69,458	69,856	69,512	69,441

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

According to a report on state education spending released by Joint Legislative Audit and Review Commission (JLARC), the Commonwealth of Virginia spent about \$5.27 billion on SOQ programs in FY 2013/14. This equated to about \$4,290, on average, for each of the 1.2 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, 2015

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 offers students a variety of unique 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.

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
Kings 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
Kemps Landing/Old Donation School	2509 Seaboard 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

PERSONNEL RESOURCE ALLOCATIONS

Staffing Allocation Summary

As one of the largest employers in Hampton Roads, VBCPS staffs 14,684 full-time, part-time, temporary and substitute positions. For FY 2015/16, VBCPS expects to employ 10,034.32 FTE positions, a decrease of 185.7 from the FY 2014/15 budget. Allocations in the School Operating budget are down by 187.8 FTEs from the previous budget year, 174.8 of which fall into the instructional category.

One of the strategies used to balance the FY 2015/16 budget was to increase class size at all levels by one student for a savings of \$12.1 million, resulting in a reduction of 169.9 positions. Additionally, another 44.8 teaching positions were eliminated as a result of projected decreases in student enrollment. The loss of all these positions will be addressed entirely through attrition.

GRC charter school will be in the third year of a phased-in implementation for FY 2015/16. Each year an additional grade of students will be added until the school is serving ninth through 12th grades. The additional staffing allocations required at GRC for FY 2015/16 equate to 8.1 FTE positions.

Other significant position changes for FY 2015/16 can be attributed to a realignment of technology staff. The computer resource specialist position historically managed both instructional and technical support for schools. A new model was designed to split the responsibilities into two positions (instructional technology specialists and technology support technicians) for implementation in FY 2015/16. The instructional technology specialists will serve as technology program managers, instructional technology leaders and instructional technology partners/coaches for teachers across all content areas. Technology support technicians will serve as advisers to school staff for general technical issues including: troubleshooting and minor repairs; device setup; software installation; account access issues; and logistical support. This change will impact multiple departments and budget units.

Along with the instructional position adjustments, a net of four central office administrative positions were reduced; a net of one FTE was reduced in the pupil transportation category; and a net of 10 operations and maintenance positions were added for custodial services. The table below provides historical staffing information and illustrates the net position changes from FY 2014/15 to FY 2015/16 by funding source and category. Additional tables that follow show detailed staffing comparisons.

Budgeted Positions for All School Board Funds

	FY 2011/12 Budget	FY 2012/13 Budget	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Approved	Variance
General Fund						
Fund 115 - School Operating						
Instruction	6,931.95	6,959.70	6,848.10	6,911.40	6,736.60	(174.80)
Administration, Attendance and Health	281.30	278.80	278.80	280.80	276.80	(4.00)
Pupil Transportation	667.13	667.13	667.13	667.13	666.13	(1.00)
Operations and Maintenance	1,156.50	1,139.50	1,146.50	1,159.50	1,169.50	10.00
Technology	-	-	188.00	188.00	170.00	(18.00)
School Operating Fund Total	9,036.88	9,045.13	9,128.53	9,206.83	9,019.03	(187.80)
Fund 104 – Green Run Collegiate	-	-	-	24.80	32.90	8.10
General Fund Total	9,036.88	9,045.13	9,128.53	9,231.63	9,051.93	(179.70)
Categorical Grants and Other Funds						
Fund 106 – Technology*	187.00	187.00	-	-	-	-
Fund 114 – Cafeterias	492.89	492.89	492.89	490.89	490.89	-
Fund 116 – Categorical Grants	659.50	588.50	563.50	484.50	478.50	(6.00)
Fund 117 – Textbooks	1.50	1.50	1.50	1.50	1.50	-
Fund 614 – Risk Management	5.00	5.00	5.00	5.00	5.00	-
Funds 615/617 – Health Insurance	4.50	6.50	6.50	6.50	6.50	-
Other Funds Total	1,350.39	1,281.39	1,069.39	988.39	982.39	(6.00)
TOTAL BUDGET	10,387.27	10,326.52	10,197.92	10,220.02	10,034.32	(185.70)

*All technology category financial activities previously reported in fund 106 are reported in the School Operating fund as of FY 2013/14.

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
2010/11	2,986	41,937	14	13.2
2011/12	2,923	42,251	14.5	13.2
2012/13	2,814	42,217	15	13.3
2013/14	2,714	42,156	15.5	13.2
2014/15	-	-	-	-

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
2010/11	2,184	27,091	12.4	12.1
2011/12	2,069	26,357	12.7	12.2
2012/13	1,976	26,082	13.2	12.2
2013/14	1,924	26,088	13.6	12.4
2014/15	-	-	-	-

- 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: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

SELECTED MEASURES OF SCHOOL FUNDING AND PERFORMANCE

	2010/11	2011/12	2012/13	2013/14	2014/15
Educational Resources					
Student Enrollment (as of September 30)	69,365	69,251	68,622	68,859	68,430
Elementary School Pupil-Teacher Ratios (excluding resource teachers)	19:01	22:1	21:1	20:1	19:1
Secondary School Average Class Size	22.5	23.4	24.0	23.0	23.1
Number of Portables (overall)	258	249	236	232	207
Percentage of Students Receiving Special Education Services (September 30: K to 12 Count)	10.90%	10.60%	10.20%	10.20%	10.00%
Percentage of Students Receiving Special Education Services (December 1: Pre-K to 12 Responsible Count)	12.60%	12.20%	11.80%	11.30%	11.30%
Percentage of Gifted Program Student Membership	12.00%	11.80%	11.70%	12.00%	12.00%
Financial					
Per Pupil Expenditure (total)	\$ 10,772	\$ 10,876	\$ 10,832	\$ 10,825	-
Per Pupil Expenditure (local)	\$ 5,167	\$ 5,172	\$ 5,237	\$ 5,277	-
Percentage of General Fund Expenditures by Category					
Instruction	72.80%	72.70%	75.00%	75.10%	75.80%
Administration, Attendance and Health	2.80%	2.90%	3.00%	3.00%	3.10%
Pupil Transportation	5.10%	4.50%	4.60%	4.70%	4.30%
Operations and Maintenance	13.00%	13.40%	12.60%	12.70%	12.40%
Technology	5.90%	6.00%	4.40%	3.90%	4.00%
Transfers	0.40%	0.50%	0.40%	0.60%	0.40%
Federally Connected Students	30.41%	29.72%	29.14%	-	-
Testing Data and Scores					
ACT Composite Scores	22.1	22.1	21.9	21.9	22.2
Advanced Placement Scores (Percent of exams with scores 3 or higher)	57.00%	59.00%	59.00%	59.00%	58.00%
SAT Participation and Mean Scores					
Number of Students Tested in Virginia Beach	3,232	3,323	3,122	3,110	-
Critical Reading	501	499	505	508	-
Mathematics	504	509	509	505	-
Writing	482	482	487	483	-
Standards of Learning Pass Rate (All Grades)					
Reading	90.99%	92.09%	77.98%	79.69%	78.70%
Writing	92.22%	91.20%	78.31%	75.36%	75.40%
Mathematics	85.28%	66.94%	72.45%	77.37%	77.40%
Science	92.69%	92.58%	83.49%	82.06%	82.10%
History & Social Science	85.67%	85.50%	85.27%	85.32%	85.30%
Demographics					
Attendance Rates	95.60%	96.00%	95.60%	95.50%	95.70%
On-Time Graduation Rate	86.70%	86.80%	88.00%	88.5%	89.80%
Promotion Rate	96.60%	97.00%	98.20%	98.20%	-
Percentage of High School Graduates Continuing Education	84.90%	83.40%	85.90%	86.10%	85.70%
Dropout Rate	1.37%	0.98%	1.00%	1.05%	-
Cohort Dropout Rate	6.19%	5.62%	4.89%	4.81%	5.27%
Work Force					
Average Salary for Principals	\$ 91,608	\$ 87,953	\$ 89,420	\$ 95,502	\$ 98,787
Average Salary for Assistant Principals	\$ 71,981	\$ 70,984	\$ 71,188	\$ 71,832	\$ 74,852
Average Salary for Teaching Positions	\$ 52,701	\$ 53,172	\$ 54,839	\$ 56,018	\$ 56,096
Percentage of Core Courses Taught by Highly Qualified Teachers	99.82%	98.78%	99.60%	99.79%	99.34%
Percentage of Highly Qualified Teacher Assistants	82.68%	82.91%	82.44%	82.69%	83.30%
Number of Professional Development Courses Offered	3,645	2,826	3,400	3,167	3,036
Average Years of Teaching Experience	15.2	15.2	14.9	14.9	14.7
Percentage of Teachers With Graduate Degrees	54%	52%	53%	53%	54%
Number of Teachers With National Board Certification	93	101	114	135	143
Number of Teachers With the Division Designation of Career Teacher	1,224	1,376	1,327	1,276	1,169
Recognition of Diversity					
Percentage of Minority Staff (overall)	24.99%	24.91%	25.23%	25.97%	26.29%
Percentage of Minority Instructional Staff	14.99%	14.91%	14.96%	15.52%	15.75%
Number of Student Diversity Ambassadors	110	192	286	364	290
Number of Faculty Diversity Advisors	35	71	80	118	103
Percentage of Employees Completing Online Diversity Awareness Training (full- and part-time)	97.90%	98.00%	96.00%	98.80%	97.00%
Use of Technology					
Ratio of Students to Instructional Computers	1.5:1	1.4:1	1.3:1	1.3:1	0.9:1*
Number of Distance Learning Classes Broadcasted	99	106	96	106	107
Number of Online Courses Taken by Students	891	978	960	1,092	1,220
Standards of Learning Subject Area Tests Administered Online	28	31	34	34	29

	2010/11	2011/12	2012/13	2013/14	2014/15
Safe Schools					
Dollars Spent on Security Infrastructure	\$ 1,446,645	\$ 1,446,173	\$ 1,642,535	\$ 957,955	\$ 1,047,203
Number of School Security Assistants/Night Security	205	205	211	206	208
Number of School Resource Officers	29	29	29	27	28
Percentage of Students, Teachers, Building Administrators and Parents Indicating That Schools Are a Safe and Orderly Place to Learn	87.80%	-	89.0%	-	87.5%
Percentage of Students Referred for Discipline Infractions	20.20%	19.80%	17.70%	17.50%	16.20%
Number of OSHA Incidents Per 100 VBCPS Employees	3.2	3.2	2.6	2.5	2.5
Workers' Compensation Costs**	\$ 958,308	\$ 1,268,594	\$ 1,321,595	\$ 1,014,566	\$ 1,062,175
Number of Student Safety Incidents	567	586	537	472	379
Number of Vehicle Crashes Per 100 Vehicles in Service	15.4	18.3	18.2	14.5	17.3
Community Involvement					
PTA/PTSA Membership	38,362	35,828	33,838	30,479	31,431
Number of Volunteers in Education	22,268	24,918	26,769	22,164	23,284
Partners in Education	1,744	1,871	2,014	2,031	2,014
Schoolwide and Teacher Grants Awarded by Virginia Beach Education Foundation	\$ 100,000	\$ 100,000	\$ 75,000	\$ 70,000	\$ 98,000
Scholarships Awarded by Virginia Beach Education Foundation	\$ 34,926	\$ 29,200	\$ 17,000	\$ 16,400	\$ 17,500
Number of ACCESS College Foundation Scholarships Granted	206	218	231	234	282
Dollar Value of ACCESS College Foundation Scholarships	\$ 162,377	\$ 157,089	\$ 495,225	\$ 213,211	\$ 314,000

* 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.

Notes: - Information not available.

Sources: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for FY Ended June 30, 2015; VBCPS Department of Planning, Innovation and Accountability; Virginia Department of Education, Superintendent's Annual Report

Departmental Responsibilities by Performance Measure

Performance Measure

Educational Resources

Department of Planning, Innovation and Accountability
Department of School Division Services

Financial

Department of Budget and Finance

Testing Data and Scores

Department of Planning, Innovation and Accountability

Demographics

Department of Planning, Innovation and Accountability

Workforce

Department of Human Resources
Department of Planning, Innovation and Accountability

Recognition of Diversity

Department of Human Resources
Department of School Division Services
Department of School Leadership

Use of Technology

Department of Planning, Innovation and Accountability
Department of Technology

Safe Schools

Department of Planning, Innovation and Accountability
Department of School Division Services

Community Involvement

Department of Media and Communications
Department of Teaching and Learning

This page intentionally left blank

Organizational

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

DIVISION ORGANIZATION

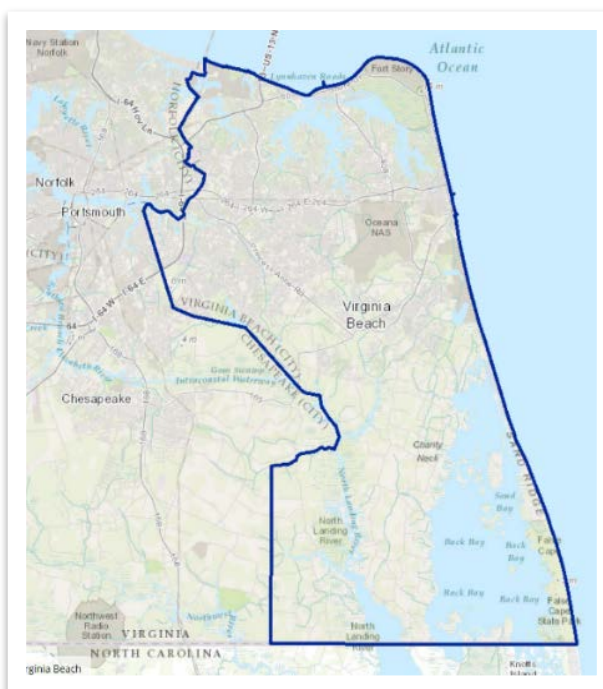
Overview

Virginia Beach City Public Schools (VBCPS) is ranked as the No. 4 largest school division in Virginia with a school enrollment of more than 68,000 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 more than 455,000 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
Source: City of Virginia Beach

2015/16 Number of Students by Grade*	
Kindergarten	4,654
Grade 1	5,212
Grade 2	5,317
Grade 3	5,358
Grade 4	5,468
Grade 5	5,314
Grade 6	5,338
Grade 7	5,171
Grade 8	5,220
Grade 9	5,814
Grade 10	5,329
Grade 11	5,137
Grade 12	4,808
TOTAL	68,140

*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 68,140 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 chairman \$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.

Daniel D. "Dan" Edwards, Chairman, District 2-Kempsville



Daniel D. "Dan" Edwards was first elected to the School Board in 1998. He is serving his 15th term as School Board chairman. 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 director of youth programs for the Tidewater Striders Running Club and serves as the treasurer of the Road Runners Club of America. He is a board member and treasurer for the Virginia Beach Crime Solvers and serves on the boards of the Tidewater College Access Foundation and the Virginia Beach Education Foundation (VBEF). He is also a past president of the Virginia Beach Rotary Club and president of the Kempsville Ruritan Club. He has been an active member of the VBCPS Parent Teacher Association (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 & Mary. Both his children are graduates of VBCPS.

Beverly M. Anderson, Vice Chair, At-Large



Beverly M. Anderson was elected to the School Board in November 2012. She retired from VBCPS in June 2012 after a 36-year career as an elementary school teacher. Throughout Anderson's years with VBCPS, she served as: president of the Nimitz Officers' Wives Club; vice president of the Pembroke Elementary PTA; secretary, board member and faculty representative for the Virginia Beach Education Association (VBEA); board member of the Atlantic Soccer Club and board member of the Hampton Roads Sand Soccer Council. Over the years she volunteered with the PTA at Alanton and Trantwood Elementary Schools and Lynnhaven Middle School. Anderson also volunteers for Relay for Life and the Noble Women of Virginia Beach. She graduated from Concord University with a bachelor's degree in education. She and her husband, William, have two sons who graduated from 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.

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.

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.

Elizabeth E. "Betsy" Taylor, At-Large

Elizabeth E. "Betsy" Taylor was elected to the School Board in November 2012. She retired from VBCPS in February 2009 with 40 years of experience as a teacher, assistant principal, principal and assistant superintendent of elementary school education. She is a past president and secretary of the Virginia Beach Association of Elementary School Principals and the Tidewater Zone Director and board member for the Virginia Association of Elementary School Principals. A long-time participant in the PTA, Taylor received the PTA Lifetime Membership Award, the PTA Distinguished Service Award and the PTA President's Honor Award. Taylor is a certified pet therapy dog handler who visits libraries and schools with her dog, Beaufort, to emphasize the importance of reading to children. Taylor has a bachelor's degree in elementary education from ODU and a master's degree in supervision and human relations from George Washington University. Taylor is married to Henry W. Taylor, Jr., who is retired from the United States Marine Corps.

Leonard C. Tengco, District 1-Centerville

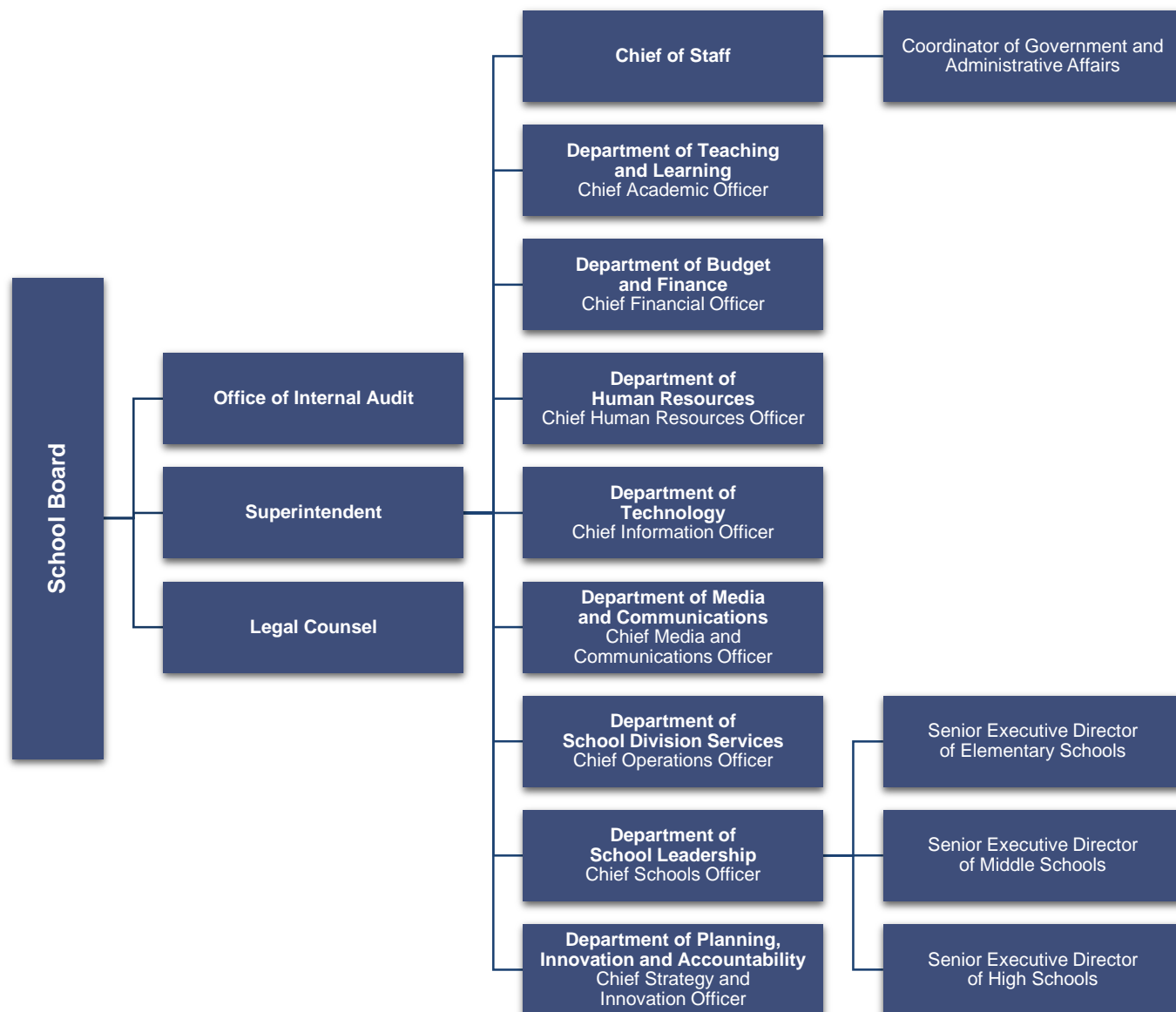
Leonard C. Tengco was elected to the School Board in November 2012. He is a practicing attorney. Tengco is a product of VBCPS, having attended Centerville Elementary School, Brandon Middle School and Tallwood High School. He attended James Madison University where he earned a bachelor's degree in political science and a bachelor's degree in economics in 2004. Before earning his Juris Doctor at Michigan State University College of Law in 2007, Tengco was elected to serve as vice president of the National Asian Pacific American Law Student Association. He has served as the law clerk for the Third Judicial Circuit Court of Virginia, assistant commonwealth's attorney for the city of Portsmouth, and assistant appellate defender in Richmond. Tengco is also designated by the U.S. Green Building Council as a Leadership in Energy and Environmental Design (LEED) Accredited Professional. In 2011, Tengco was selected for class membership to the Sorensen Institute for Political Leadership at the University of Virginia's flagship Political Leaders Program. In 2012, he was recognized for significant service by the Virginia State Bar Young Lawyer's Conference for his role as chair of the Hampton Roads Minority Pre-Law Conference. Tengco remains an active leader in various community organizations throughout Hampton Roads.

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 C. Spence assumed the leadership of VBCPS in June 2014. As superintendent, he oversees the operation of 86 schools and centers (serving over 68,000 students), as well as all administrative support functions for the school division. Dr. Spence is a proud graduate of Green Run High School in Virginia Beach. He returned to Virginia from having served most recently 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 in this endeavor, moving Moore County Public Schools up 20 places in state rankings. Before his service in Moore County, Dr. Spence was chief high school officer of the Houston Independent School District, an organization ranked as the No. 8 largest school district in the country. He helped decrease Houston Independent School District's drop-out rate and increased the graduation rate to a historical high. The district's science and math scores and the number of students participating in advanced courses also increased dramatically during his tenure. Dr. Spence began his career in Virginia as a French teacher and photojournalism teacher. Prior to leaving Virginia, he served as an assistant principal and later as a principal in Henrico County Public Schools. He also served as chief academic officer and director of curriculum and instruction for Chesterfield County Public Schools.



Senior Staff

The superintendent works closely with members of his 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

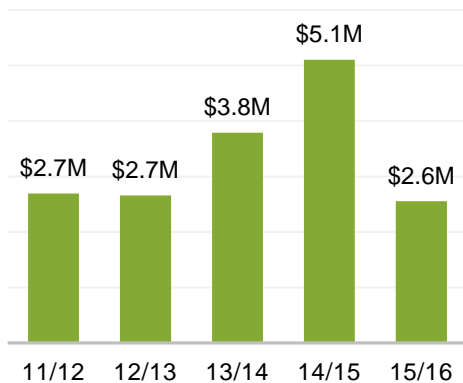
Superintendent: Aaron C. Spence, Ed.D.

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.

FY 2015/16 Budget Detail:

Fund 115 – School Operating Fund	
Board, Legal and Government	1,008,899
Office of the Superintendent	1,105,218
Internal Audit	438,247
Total Budget	2,552,364

Historical Totals



Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures

- 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

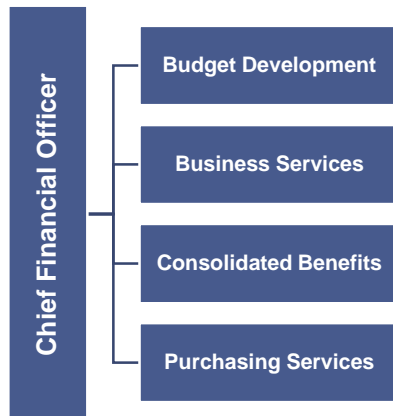
Office of the Chief of Staff

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

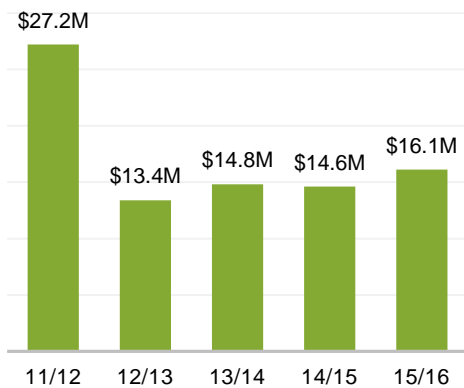
Chief Financial Officer: Farrell E. Hanzaker



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, management of revenues and expenditures, Impact Aid data collection and reporting, accounting, accounts payable, payroll, employee benefits (health and dental insurance, flexible benefits, group legal, vision, employee assistance program, wellness and prevention), and purchasing for VBCPS. The department provides information and services to various groups, which may include employees, School Board members, school and city staffs, citizens, government agencies, private organizations and others.

FY 2015/16 Budget Detail:

Historical Totals



Fund 115 – School Operating Fund

Benefits	2,036,634
Budget and Finance	4,501,600
Purchasing Services	1,051,898
Total	7,590,132

Fund 116 – Categorical Grants

Reserve for Contingency (State)	2,700,000
Reserve for Contingency (Federal)	4,500,000
Total	7,200,000

Other Funds

Fund 107, Equipment Replacement Fund	1,106,301
Fund 109, Vending Operations Fund	220,289
Total	1,326,590

Total Budget	16,116,722
---------------------	-------------------

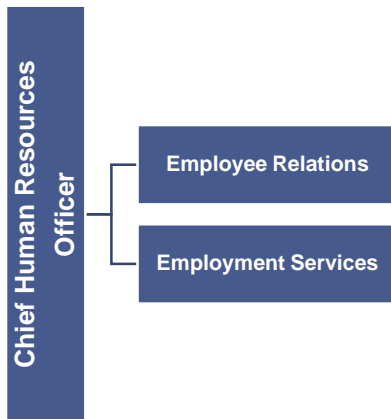
Note: Significant budget shifts are primarily related to the elimination of one-time state and federal funding.

Goals/Performance Measures:

- 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
- Ensure schools and departments are online with BuySpeed software
- Maintain a procurement card program
- 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
- Maintain the Health Savings Account
- 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

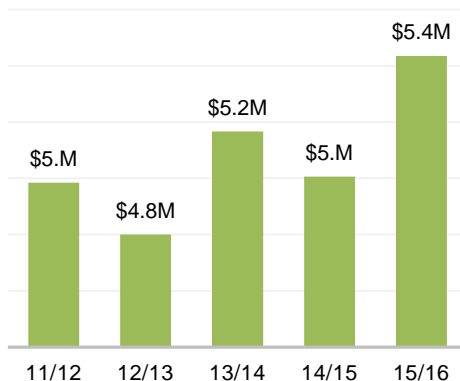


The mission of the Department of Human Resources is to partner with the division administration by providing quality comprehensive human resource services and information which will result in the efficient, effective and rewarding deployment of the division's most valuable asset, its employees. Additionally,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

FY 2015/16 Budget Detail:

Fund 115 – School Operating Fund	
Human Resources	5,434,462
Total Budget	5,434,462

Historical Totals



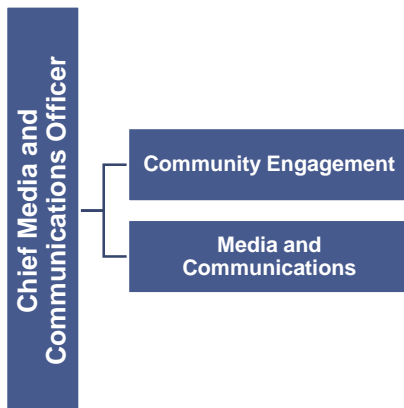
Note: Significant budget shifts are primarily related to the elimination of one-time state and federal funding.

Goals/Performance Measures

- 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
- Utilize and expand the usage of the Electronic Records Management System
- Expand the usage of the Applicant Tracking System
- Enhance the Employee Self Service module in the Web Integrated System for Employees (WISE)

Department of Media and Communications

Chief Media and Communications Officer: Eileen M. Cox

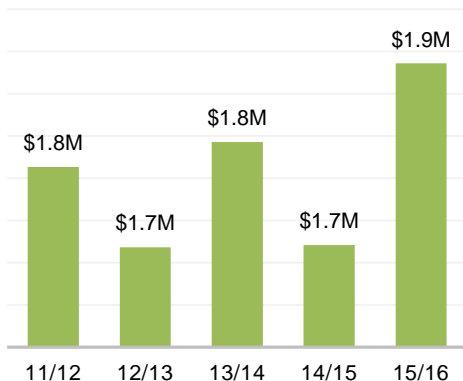


The Department of Media and Communications serves as an advocate to strengthen involvement with the public by communicating and supporting the goals of the Virginia Beach school division.

FY 2015/16 Budget Detail:

Fund 115 – School Operating Fund	
Media and Communications	1,885,894
Total Budget	1,885,894

Historical Totals



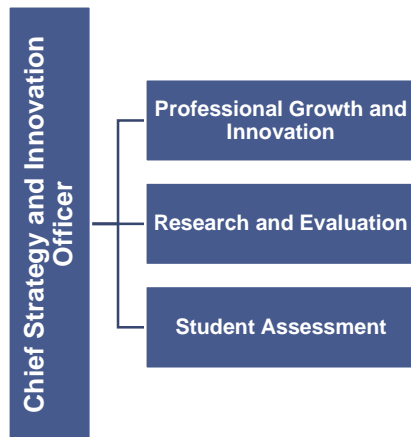
Note: Significant budget shifts are primarily related to the elimination of one-time state and federal funding.

Goals/Performance Measures

- 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

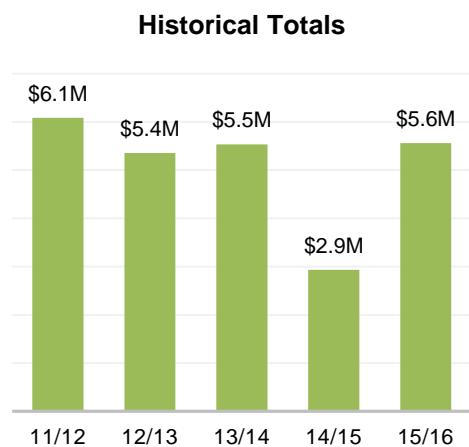
Department of Planning, Innovation and Accountability

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.

FY 2015/16 Budget Detail:



Fund 115 – School Operating Fund

Instructional Professional Growth and Innovation	1,371,524
Planning, Innovation and Accountability	3,098,002
Professional Growth and Innovation	686,467
Total	5,155,993

Fund 116 – Categorical Grants

Career Switcher Program Mentor Reimbursement	11,000
National Board Teacher Stipends	352,500
New Teacher Mentor Program	38,401
Total	401,901

Total Budget	5,557,894
---------------------	------------------

Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures

- 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

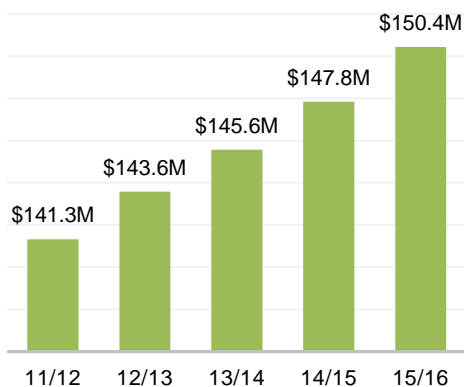
Chief Operations Officer: Dale R. Holt



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 over 68,000 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.

FY 2015/16 Budget Detail:

Historical Totals



Fund 115 – School Operating Fund

Custodial Services	29,402,565
Distribution Services	1,677,384
Facilities Planning and Construction	813,221
Grounds Services	3,884,352
Management	2,268,817
Monitoring Services	2,858,499
Safety and Loss Control	7,360,030
School Plant	44,443,289
Vehicle Maintenance	3,127,775
Vehicle Operations	18,082,855
Vehicle Operations – Special Education	5,237,355
Vehicle Services	1,044,558
Total	120,200,700

Other Funds

Fund 114, Cafeterias	30,227,350
----------------------	------------

Total Budget 150,428,050

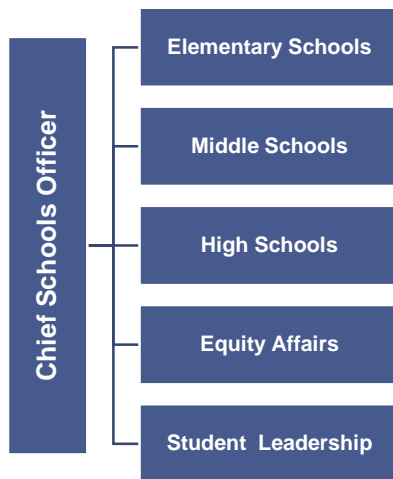
Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures

- 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

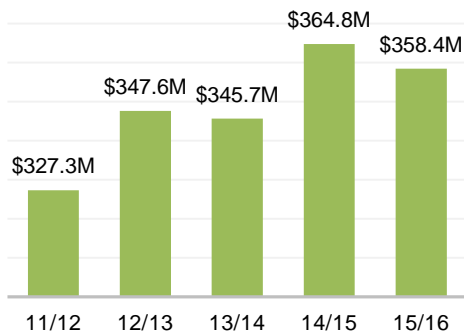
Chief Schools Officer: Rashard J. Wright



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.

FY 2015/16 Budget Detail:

Historical Totals



Fund 115 – School Operating Fund

Alternative Education	1,561,786
Alternative Education - Renaissance Academy	6,834,209
Elementary Classroom	142,391,805
Equity Affairs (Diversity)	77,279
General Adult Education	1,915,817
Health Services	7,342,324
Homebound Services	448,939
Middle School Classroom	58,169,678
Office of the Principal, Elementary	25,550,926
Office of the Principal, Middle School	9,963,941
Office of the Principal, Senior High	11,137,727
School Leadership	1,834,826
Senior High Classroom	72,612,669
Student Activities	7,585,005
Student Leadership	1,374,569
Total	348,801,500

Fund 116 – Categorical Grants

Adult Basic Education	415,113
General Adult Education	34,586
ISAP	62,869
Juvenile Detention Home	730,996
MYCAA - ALC Courses	5,000
MYCAA - LPN Program	10,000
Opportunity, Inc. - Adult Learning Center	101,792
Race to GED	64,188
Title I, Part D - Subpart 1	5,000
Title I, Part D - Subpart 2	410,214
Total	1,839,758

Other Funds

Fund 104, Green Run Collegiate Charter School	2,885,023
Fund 119, Athletics	4,922,642
Total	7,807,665

Total Budget 358,448,923

Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures:

Elementary Schools

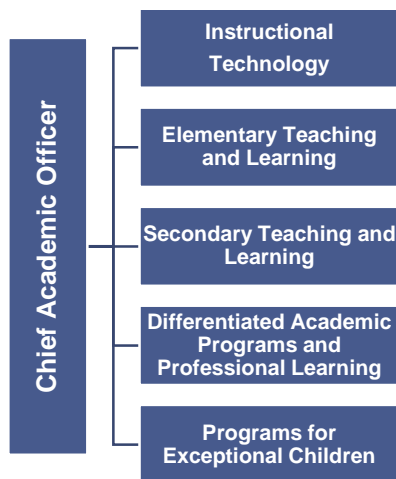
- Ensure achievement of Virginia SOL objectives
- Ensure strategies are in place to narrow the achievement gaps among various groups of students and to increase learning for all students
- Ensure achievement of Annual Measurable Objectives (AMO)
- Allocate instructional staff to meet division and state standards
- Ensure all schools have the materials, supplies and equipment necessary to meet the SOLs, AMOs and the Standards of Accreditation
- Collaborate with the Department of Teaching and Learning to maximize delivery of the curriculum

Secondary Schools

- Implement rigorous instructional programs for all secondary school students that emphasize the skills of reading, writing, critical thinking and computing, and foster maximum development of each student's intellectual, physical, social and emotional abilities
- Offer advanced program options which enable students to meet the advanced diploma graduation requirements
- Ensure achievement of AMOs

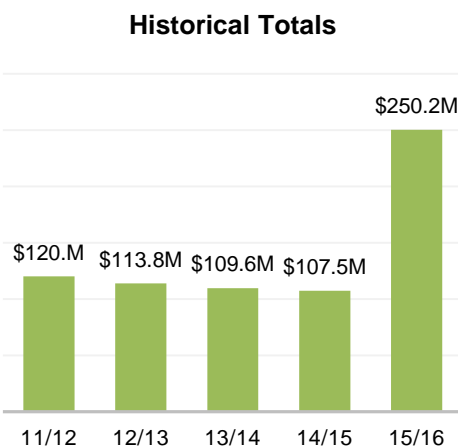
Department of Teaching and Learning

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. This department includes Instructional Technology, the Offices of Elementary and Secondary Teaching and Learning; the Office of Differentiated Academic Programs and Professional Learning; and the Office of Programs for Exceptional Children.

FY 2015/16 Budget Detail:



Fund 115 – School Operating Fund

Audiological Services	442,932
Gifted Education and Academy Programs	13,800,015
Gifted Education and Academy Programs Support	2,225,026
Guidance Services	16,185,337
Instructional Technology	10,143,169
Media Services Support	13,406,962
Office of the Principal, Technical and Career Education	641,604
Psychological Services	3,597,093
Remedial Education	7,592,978
Social Work Services	3,220,675
Special Education	87,973,615
Special Education Support	3,046,031
Summer School	2,009,257
Teaching and Learning Support	14,050,873
Technical and Career Education	18,172,946
Technical and Career Education Support	931,011
Total	197,439,524

Fund 116 – Categorical Grants	
Advanced Placement Fee Program	57,180
Algebra Readiness	868,082
Technical and Career Education (Equipment)	88,427
Carl Perkins	873,706
DnA Building Blocks for Middle School Literacy	38,749
DoDEA MCASP	244,139
DoDEA MCASP Operation Pride	1,272,700
DoDEA S-FLEP	61,015
DoDEA Special Education	356,153
Dual Enrollment - TCC	275,918
Early Reading Intervention	1,296,817
Industry Certification Examinations	78,176
Jail Education Program	236,551
McKinney-Vento Homeless	105,001
Opportunity, Inc. - STEM	220,492
Preschool Incentive	657,812
Startalk	89,289
Title I, Part A	13,893,969
Title II, Part A	2,551,332
Title III, Part A, Immigrant and Youth	45,993
Title III, Part A, Language Acquisition	197,415
Title IV, Part B 21st CCLC Green Run Collegiate	273,988
Title IV, Part B 21st CCLC Williams ES	68,772
Title VI, Part B	15,558,825
Virginia Initiative for At-Risk Four-Year-Olds	4,224,000
Virginia Middle School Teacher Corps	35,000
	43,669,501
Other Funds	
Fund 117, Textbooks	9,094,147
Total Budget	250,203,172

Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures:

Elementary Teaching and Learning

- 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, K-5
- Oversee the development and execution of federal, state and local grants awarded to the division

Secondary Teaching and Learning

- 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
- 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, 6-12
- Improve educational opportunities through the refinement of academy academic programs

Differentiated Academic Programs and Professional Learning

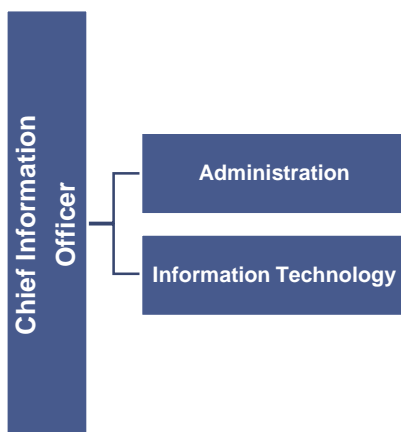
- Improve educational opportunities through the refinement of gifted, academy and advanced academic programs
- Improve marketing and recruitment methods to increase participation of underrepresented populations in gifted programs
- Provide a systematic identification process that reflects the delivery of services
- Provide continuous professional development for all instructional staff on the identification and education of gifted students
- 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, K-12

Programs for Exceptional Children

- 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)

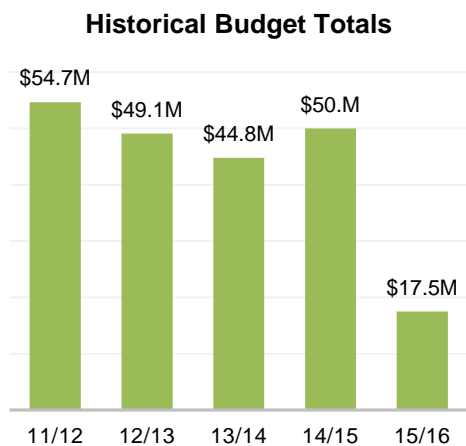
Department of Technology

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.

FY 2015/16 Budget Detail:



Fund 115 – School Operating Fund

Office of Technology	943,239
Telecommunications	1,075,450
Technology Maintenance	10,571,706
Total	12,590,395

Fund 116 – Categorical Grants

Technology Initiative	3,490,394
VA e-Learning Backpack Initiative, Bayside HS	267,696
VA e-Learning Backpack Initiative, Green Run HS	212,784
VA e-Learning Backpack Initiative, Kempsville HS	205,920
Total	4,176,794

Other Funds

Fund 108, Instructional Technology	106,000
Fund 112, Communication Towers Technology	600,000
Total	706,000

Total Budget 17,473,189

Note: Significant budget shifts are primarily related to organizational changes/realignments within the division.

Goals/Performance Measures:

- 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	Communication										Total
	School Operating	Green Run Collegiate	Athletics	Cafeterias	Categorical Grants	Towers Technology	Equipment Replacement	Instructional Technology	Textbooks	Vending Operations	
Superintendent	2,552,364	-	-	-	-	-	-	-	-	-	2,552,364
Budget and Finance	7,590,132	-	-	-	7,200,000	-	1,106,301	-	-	220,289	16,116,722
Human Resources	5,434,462	-	-	-	-	-	-	-	-	-	5,434,462
Media and Communications	1,885,894	-	-	-	-	-	-	-	-	-	1,885,894
Planning, Innovation and Accountability	5,155,993	-	-	-	401,901	-	-	-	-	-	5,557,894
School Division Services	120,200,700	-	-	30,227,350	-	-	-	-	-	-	150,428,050
School Leadership	348,352,561	2,885,023	4,922,642	-	1,839,758	-	-	-	-	-	357,999,984
Teaching and Learning	197,888,463	-	-	-	43,669,501	-	-	-	9,094,147	-	250,652,111
Technology	12,590,395	-	-	-	4,176,794	600,000	-	106,000	-	-	17,473,189
Total	701,650,964	2,885,023	4,922,642	30,227,350	57,287,954	600,000	1,106,301	106,000	9,094,147	220,289	808,100,670

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
Kings 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

Location	Address	Phone
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
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
Kemps Landing/Old Donation School	2509 Seaboard 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

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, Landstown, Ocean Lakes, Salem and Tallwood high schools. Students interested in pursuing careers in 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, 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 SCHOOL

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. Eleven schools will serve as Digital Learning Anchor Schools for the 2015/16 school year: Kingston, Newtown, Rosemont, Strawbridge, Tallwood and Thoroughgood elementary schools; Corporate Landing and Great Neck middle schools; and Bayside, Green Run 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.

EARLY DISCOVERIES PRESCHOOL

Early Discoveries is a VBCPS program contracted through the YMCA of South Hampton Roads and is made possible through Virginia Preschool Initiative grant funding from the state. This program is designed to provide quality preschool services to at-risk four-year-old children who are not currently enrolled in a preschool program. Early Discoveries serves those 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. Selection into Early Discoveries is determined by specific eligibility criteria.

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.

FOREIGN LANGUAGE PARTIAL IMMERSION ACADEMY

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. 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.

GIFTED EDUCATION

Identified gifted students at the elementary and middle school levels may choose to apply for the full-time gifted program at Kemps Landing/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 Kemps Landing/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 Kemps Landing/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 Kemps Landing/Old Donation Center 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 Kemps Landing/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 Mid-Atlantic Region 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.

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

	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	Early Discoveries Preschool	English as a Second Language (ESL)	Foreign Language Partial Immersion Academy	Gifted Education (full-time or pull-out program)	International Baccalaureate	NJROTC Program	Special Education	Title I
Elementary Schools																	
Alanton Elementary											X	X				X	
Arrowhead Elementary											X					X	
Bayside Elementary											X					X	
Birdneck Elementary										X	X					X	X
Brookwood Elementary											X					X	X
Centerville Elementary											X					X	
Christopher Farms Elementary											X	X				X	
College Park Elementary										X	X					X	X
Cooke Elementary											X					X	
Corporate Landing Elementary											X					X	
Creeds Elementary											X					X	
Dey Elementary											X					X	
Diamond Springs Elementary											X					X	X
Fairfield Elementary											X					X	
Glenwood Elementary										X	X					X	
Green Run Elementary											X					X	X
Hermitage Elementary											X					X	
Holland Elementary										X	X					X	X
Indian Lakes Elementary											X					X	
Kempsville Elementary										X	X					X	
Kempsville Meadows Elementary											X					X	
Kings Grant Elementary											X					X	
Kingston Elementary							X				X					X	
Landstown Elementary											X					X	
Linkhorn Park Elementary											X					X	
Luxford Elementary											X					X	X
Lynnhaven Elementary										X	X					X	X
Malibu Elementary										X	X					X	
New Castle Elementary											X					X	
Newtown Elementary							X				X					X	X
North Landing Elementary											X					X	
Ocean Lakes Elementary											X					X	
Parkway Elementary											X					X	X
Pembroke Elementary											X					X	
Pembroke Meadows Elementary										X	X					X	
Point O'View Elementary										X	X					X	
Princess Anne Elementary											X					X	
Providence Elementary											X					X	
Red Mill Elementary											X					X	
Rosemont Elementary							X			X	X					X	X
Rosemont Forest Elementary											X					X	
Salem Elementary											X					X	
Seatack Elementary				X							X					X	X
Shelton Park Elementary										X	X					X	X
Strawbridge Elementary							X				X					X	

Elementary Schools

Tallwood Elementary
Thalia Elementary
Thoroughgood Elementary
Three Oaks Elementary
Trantwood Elementary
White Oaks Elementary
Williams Elementary
Windsor Oaks Elementary
Windsor Woods Elementary
Woodstock Elementary

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	Early Discoveries Preschool	English as a Second Language (ESL)	Foreign Language Partial Immersion Academy	Gifted Education (full-time or pull-out program)	International Baccalaureate	NJROTC Program	Special Education	Title I
						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	

Middle Schools

Bayside Middle
Bayside Sixth Grade Campus
Brandon Middle
Corporate Landing Middle
Great Neck Middle
Independence Middle
Kemps Landing/Old Donation
Kempsville Middle
Landstown Middle
Larkspur Middle
Lynnhaven Middle
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	

High Schools

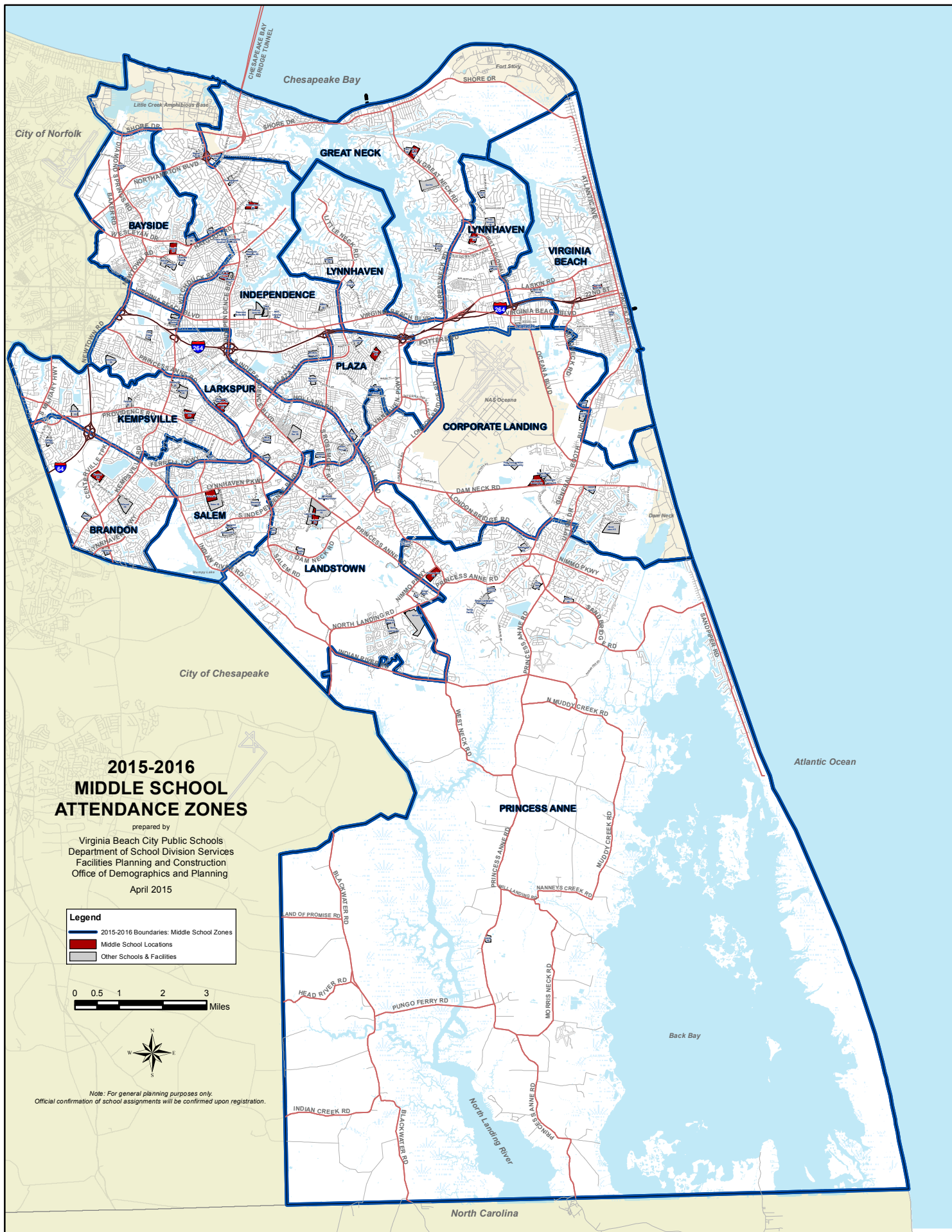
Bayside High
Cox High
First Colonial High
Green Run Collegiate
Green Run High
Kellam High
Kempsville High
Landstown High
Ocean Lakes High
Princess Anne High
Salem High
Tallwood High

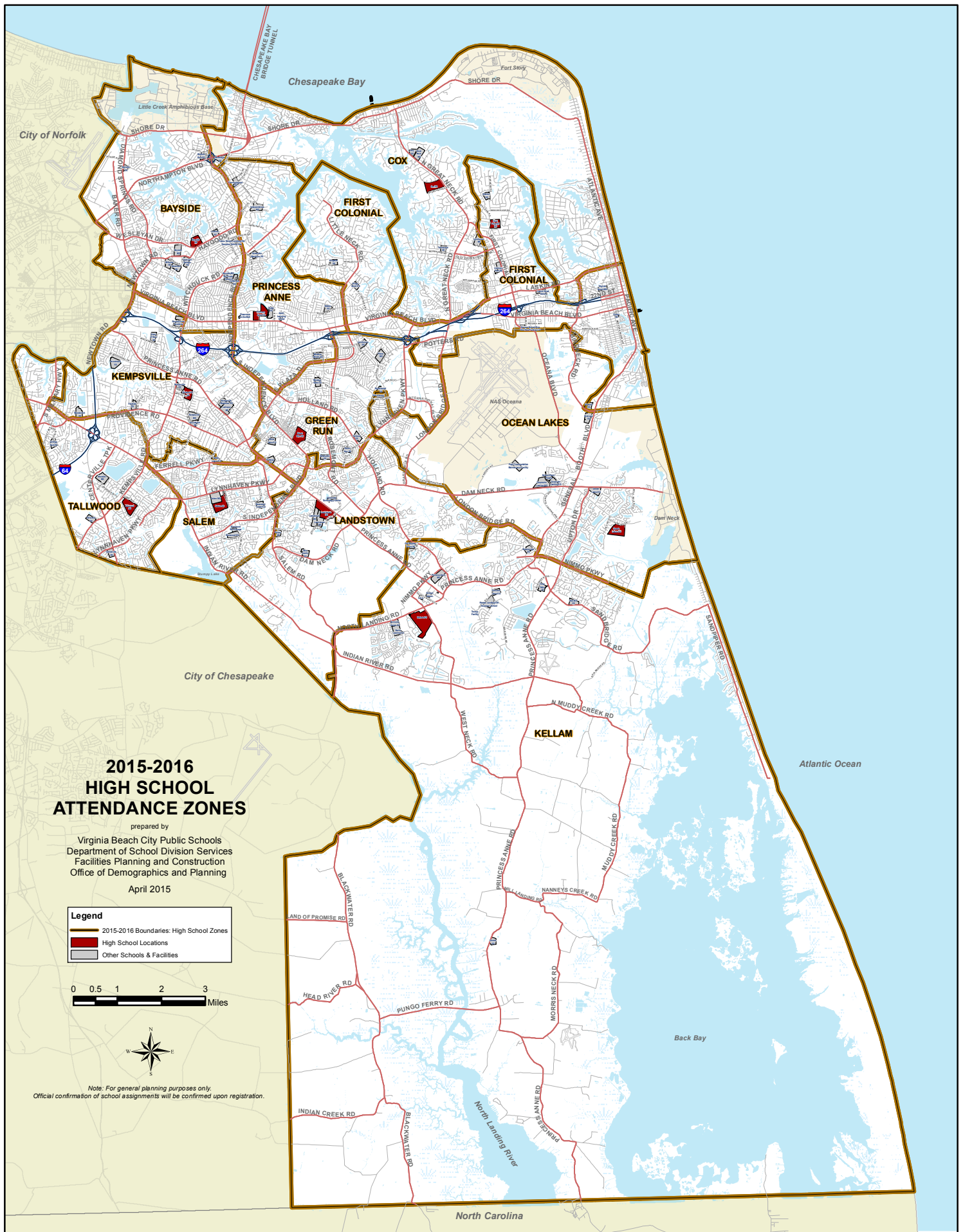
X				X		X	X	X							X	
				X			X	X							X	
X				X			X	X						X	X	
				X	X		X	X					X		X	
				X		X	X	X						X	X	
				X		X	X	X							X	
X				X			X	X						X	X	
X				X			X	X							X	
				X			X	X					X	X	X	
X				X			X	X						X	X	
X				X			X	X						X	X	

Centers

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

	X														X	
				X											X	
		X		X											X	
				X						X					X	





SCHOOL BOARD STRATEGIC FRAMEWORK

Dr. Aaron Spence assumed the role of superintendent for VBCPS in June 2014. At a School Board retreat in July 2014, Dr. Spence introduced his entry plan, *Charting the Course for Every Student, Every Day*. This transition plan served to outline the path for the first 120 days of the new administration, provide accountability to the School Board and community, and begin to chart the course forward. Draft goals were presented during the retreat and School Board members were given the opportunity to provide feedback. Minor revisions were made to the draft goals and design teams were convened throughout the month of August to identify potential indicators and division-level strategies for accomplishing the goals in the framework.

A draft of the new strategic framework, including the logo, goals, strategies and potential indicators, was presented to the School Board for information in October 2014 and made available on the school division website. The strategic framework, *Compass to 2020: Charting the Course*, was unanimously adopted by the School Board on Dec. 16, 2014. This strategic framework is the result of a collaborative effort on the part of more than 100 dedicated and knowledgeable individuals and was fully informed by input from thousands of stakeholders. *Compass to 2020* sets the vision and guides the work of VBCPS for the next five years and 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

While working to develop the strategic framework, it became evident that the division's core values needed to be revisited. The School Board affirmed a new set of five core values for VBCPS staff. Along with these core values and definitions are the meaningful behaviors that exhibit the values, as well as reflection questions, which allows for self-evaluation in how one is applying the values in his or her own life.

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:

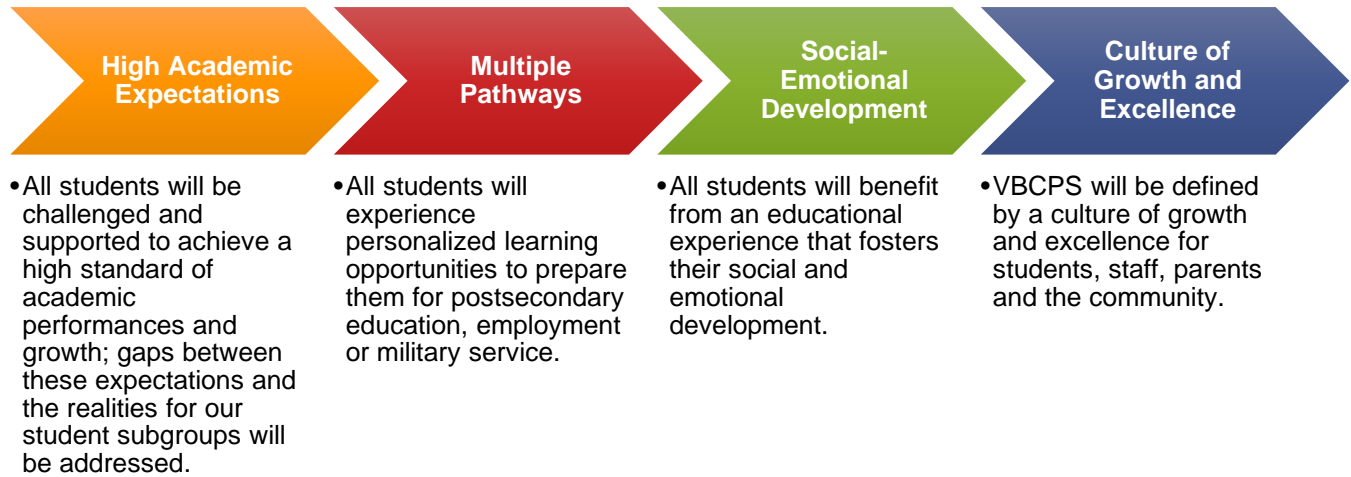
Collaboration - Working together and building partnerships that will benefit our students, division and community. We ask ourselves: *How and where am I working with others to improve my work and the work of the school division?*

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?*

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.



During the course of his first six months as superintendent, Dr. Spence visited 54 schools and met with numerous student, teacher, staff and community groups to hear what they had to say about what they wanted from our schools. In January 2015, as a result of this extensive listening tour, Dr. Spence released a post-entry executive summary report highlighting what he learned and priorities for moving forward. Five key leverage points emerged from the considerable amount of stakeholder input and data collected throughout the transition.

- **High Quality Teaching and Learning** – All VBCPS students will have access to a high-performing school and will graduate with the skills needed for career or college.
- **Talent Management** – VBCPS will recruit, select, orient, deploy, develop and retain top talent in order to build strong relationships with students, parents and community members and to increase student achievement.
- **Student-Centered Culture** – VBCPS will provide every student the opportunity to engage with his or her world in ways that ignite their curiosity and passion.
- **Culture of Respect** – VBCPS will maintain an educational environment where students want to come learn, staff want to come work and parents want to send their children.
- **Community Engagement** – VBCPS will continue its work with parents, businesses and community leaders to collaborate and improve the lives of Virginia Beach students.

In his post-entry plan, Dr. Spence also introduced the following administrative realignments in support of the work priorities outlined to address each of the leverage points:

- A chief of schools was hired to oversee the Department of School Leadership beginning March 2, 2015.
- The Office of Equity Affairs was reassigned to the Department of School Leadership.
- Instructional Technology (which includes all computer resource specialists and data support specialists) was shifted to the Department of Teaching and Learning at the close of the 2014/15 school year.
- The Center for Teacher Leadership joined a realigned office that focuses on organizational development and moved under the leadership of the Department of Planning, Innovation and Accountability at the close of the 2014/15 school year.

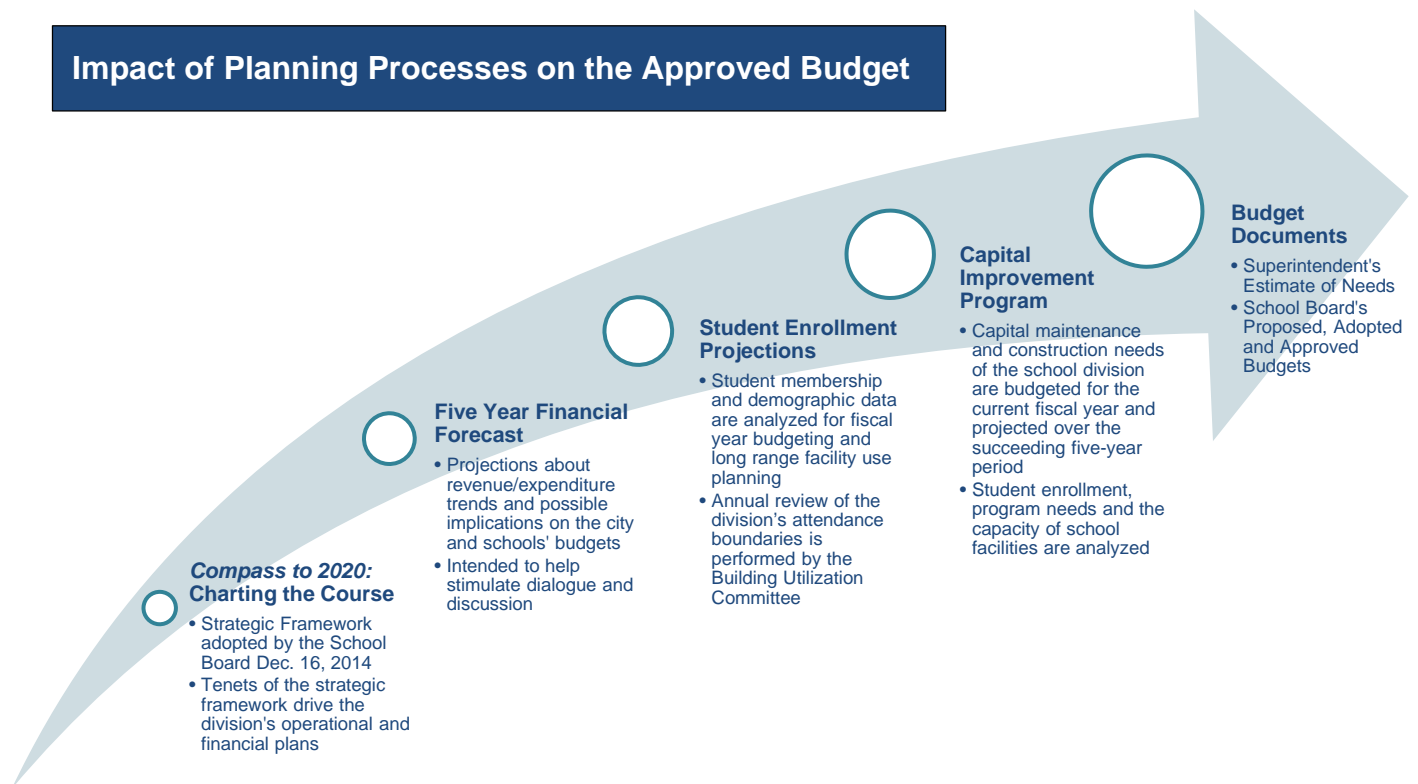
Anyone interested in additional information is encouraged to visit the [website for *Compass to 2020*](#) to view the framework in its entirety and see updates on how the school division is putting this framework into practice in the classrooms, hallways and schools across the city. For the purpose of this document, the strategic framework and the executive summary from the superintendent's post-entry plan are included in the Appendix.

BUDGET DEVELOPMENT PROCESS

Budget Planning

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.

Tenets of the School Board's strategic framework, *Compass to 2020: Charting the Course* drive the division's operational and financial plans. The Approved Operating 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. For FY 2015/16 through FY 2019/20, the forecast focuses on the city General fund and the division's School Operating fund. 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 was that the slow growth in the economy will continue over the next several years. With the potential for a second round of federal sequestration cuts and the slow growth in the regional economy, overall revenues in the forecast period are projected to grow approximately 1.5 percent between FY 2014/15 and FY 2015/16 and roughly 2 percent every year thereafter.

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. To accomplish this, 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. 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 capital projects resulting from this assessment provides a clear statement of school facility requirements. Actual completion dates for CIP projects depend on cash flow and debt service limitations. At a joint meeting of the City Council and the School Board on Oct. 21, 2014, staff from the division's Facilities Planning and Construction Office briefed the two boards on the effects of decreased funding for the capital program in recent years and discussed the potential impacts of increasing funding for the School Modernization Program to \$50 million, \$60 million or \$80 million annually. For the purposes of the Five Year Forecast, the \$60 million option was used. This option would require a nearly \$30 million increase each year through the use of debt which returns the program to its prerecession level. It would allow the school division to modernize or replace seven schools over the next seven years, instead of the four schools current funding would allow. This additional debt would begin in FY 2016/17 with an issuance of \$30 million.

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 the 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 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.

Budget Development Overview

SCHOOL OPERATING BUDGET

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

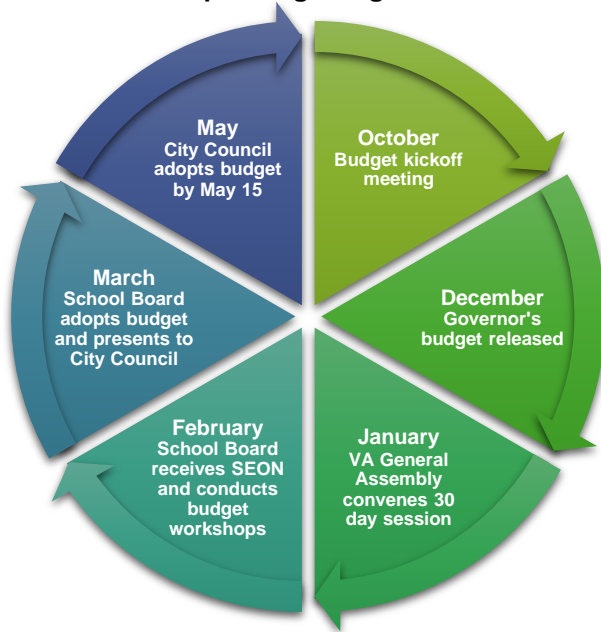
Groundwork for the annual process begins in September when staff from the Office of Budget Development prepare and publish a budget calendar that outlines key dates associated with the development, presentation, approval and appropriation of funds for school use. The chief financial officer (CFO) works 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.

School Operating Budget Timeline



Also in January, VBCPS departmental requests are summarized and presented to the superintendent and his 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 multiple 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 School Board 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 the 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 over 50.9 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 beginning July 1. 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 department and/or the division.

All local funding is appropriated by 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 explained in greater detail later in this section. Amendments to the School Operating budget are made in accordance with School Board Policy 3-10, which governs the transfer of funds and is outlined with other relevant policies later in this section. 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 2015/16 Operating Budget and FY 2015/16 - FY 2020/21 Capital Improvement Program

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

2014	
September	Develop Budget Calendar
Oct. 7	Present Budget Calendar to School Board for information
Oct. 14	Conduct Budget Kickoff Meeting: Budget instructions, assumptions and processes are communicated to senior staff, leadership support team and budget managers
Oct. 21	Present Budget Calendar to School Board for action
Oct. 21-Dec. 5	Senior staff, leadership support team and budget managers: Submit budget requests to the Budget Office
Nov. 18	Present to School Board and City Council: Five Year Forecast
Dec. 2	Conduct Public Hearing
Dec. 6	Human Resources: Submit recommendation of part-time hourly rate increases to the Budget Office
Dec. 16	Draft CIP prepared for superintendent's review
Dec.	Department of Education: Release state revenue estimates
2015	
Jan. 2-9	Budget Office: Review, refine, and summarize budget requests
Jan. 12	Present to superintendent and senior staff: Recommendation of Operating Budget and CIP
Jan. 13	Budget Forum for Staff #1: 4:30-5:30 p.m. (location: Kempsville High School)
Jan. 21	Budget Forum for Staff #2: 4:30-5:30 p.m. (location: Landstown High School)
Jan. 26	Budget Forum for Staff #3: 4:30-5:30 p.m. (location: Princess Anne High School)
Jan. 28	Budget Forum for Staff #4: 4:30-5:30 p.m. (location: Cox High School)
Feb. 3	Budget Forum for Staff #5: 4:30-5:30 p.m. (location: Ocean Lakes High School)
Feb. 3	Present to the School Board: SEON and Proposed CIP Budget
Feb. 10	School Board Budget Workshop #1: 5-8 p.m.
Feb. 17	School Board Budget Workshop #2: 2-5 p.m.
Feb. 17	Conduct Public Hearing
Feb. 24	School Board Budget Workshop #3: 5-8 p.m. (if needed)
March 3	School Board Budget Workshop #4: 2-5 p.m. (if needed)
March 3	School Board Budget Adoption
March 10	School Board Budget Workshop #5: 2:00-5:00 p.m. (if needed)
March 10	School Board Budget Adoption (if not adopted March 1)
March 17	Provide School Board Proposed Budget to city staff
April	Present School Board Approved Budgets to the City Council
By May 15	City Council: Approve and adopt Operating and CIP budgets

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. The strategic framework, *Compass to 2020: Charting the Course*, was unanimously adopted by the School Board on Dec. 16, 2014, following nearly a year's worth of work and community input. This framework provides, through well-articulated goals and strategies, a true heading to guide the work of educators. Meeting the expectations of our community and achieving the goals outlined in *Compass to 2020* requires that VBCPS allocate resources both thoughtfully 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.
- **Employee Compensation** – In support of goal four 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 four of *Compass to 2020* is to provide a competitive compensation and benefit plan for employees. VBCPS currently ranks No. 3 in the Hampton Roads region for entry-level compensation. There are also approximately 2,300 employees who remain eligible for an internal equity adjustment to address compression issues identified in the Unified Pay Scale (which encompasses non-instructional employees). In recent years VBCPS has budgeted funds, as available, to take incremental steps toward adjusting the scale. Additional funding is required to address all equity and compression issues to the full extent needed.
- **Employee Benefits** – The state budget decreased the employer contribution rate for the Virginia Retirement System (VRS) from 14.5 percent to 14.06 percent for FY 2015/16. However, the employer contribution rate is projected to increase significantly in FY 2016/17 because state legislation requires that employer contributions reach 100 percent of the actuarially-determined rate by July 1, 2018. The rate is projected to increase to 16.35 percent for FY 2016/17 and FY 2017/18, and then increase to 17 percent beginning in FY 2019/20 and beyond. These increases are due in large part to the previous underfunding of the VRS plan during the economic downturn. Retirement is a salary-sensitive benefit. Even with the lower employer contribution rate for FY 2015/16, related expenses can 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. The budget adopted by the 2015 Virginia General Assembly would provide VBCPS with one-time incentive funding of \$2.8 million to implement salary increases of a minimum average of 1.5 percent for both instructional and support employees. 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 funded. The FY 2015/16 budget proposed by the School Board stressed to the City Council the importance of improving employee salaries in a way that would allow VBCPS to access the additional \$2.8 million in state funding and enhance the school division's recruiting and hiring competitiveness.
- **Lagging State Funding** – Public education policy changes at the state level significantly and routinely underfund education. The impact of these structural changes has been understated due to one-time funding policies utilized by the state to offset permanent reductions. This is most visible in incentive funding. For FY 2014/15, the statewide education funding level was \$5.2 billion, which represents a cut of more than \$400 million, absent inflation, since 2009. State basic aid has decreased 17 percent since FY 2008/09 when VBCPS received \$3,088 per pupil. In 2014/15, that number was \$2,568. The School Board has cut and contained costs without negatively impacting classroom instruction. In fact, the school system has implemented considerable cost-saving strategies over recent years. These have included: eliminating 43 central office positions, closing a school, ending five year-round school programs, reducing departmental

budgets by a cumulative 13 percent, extending the school bus replacement cycle, ending an after-school program and increasing class sizes twice in the past seven years.

- **Structurally Flawed Operating Budget** – The FY 2015/16 budget marks the sixth consecutive year VBCPS has had to rely on one-time reversion funds to augment our 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. The School Board is committed to reducing reliance on reversion funds so VBCPS is not in the position of plugging holes in its baseline budget from year-to-year. 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.

Cost of Goals

At the conclusion of deliberations during multiple budget workshops, the School Board reached consensus that it must submit a balanced budget to the City Council; however, the School Board also agreed to submit a request for additional revenue. The FY 2015/16 VBCPS Proposed Operating 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 and balanced at \$689.6 million. Strategies used to balance the budget included an increase in class size at all levels by one student and the use of \$12.3 million of one-time reversion funding. The budget proposal sent to the city included only a 1.34 percent “hold harmless” salary increase for all eligible employees to offset the required increase employees must contribute to VRS. This proposed salary increase did not meet the requirement for accessing \$2.8 million in state compensation funding.

The School Board approved and forwarded a resolution to the city manager that outlined its intentions to adopt a \$689.6 million School Operating budget. In the resolution, the School Board also included a request for additional funding. The additional funds requested totaled \$20.3 million above and beyond what would be provided by applying the agreed upon City/School Revenue Sharing Formula (RSF). The purpose of the additional funding was to: 1) provide an additional salary increase of 3.66 percent (in addition to the 1.34 percent VRS offset); 2) provide \$4 million to reduce the School Board's reliance on one-time revenues to balance the operating budget; and 3) provide \$2 million for further equity adjustments to the Unified Pay Scale. In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funding must be brought forward to the City Council. The School Board's adopted budget resolution included language indicating that the School Board would support an increase in the real estate tax rate or any other local tax if the City Council determined such a tax increase is necessary.

As part of the city's budget development process, the City Council approved a 6 cents real estate tax increase (from 93 cents to 99 cents per \$100 of assessed valuation). The city's portion of the increase is 3.69 cents and the school division will receive 2.31 cents. Based on the additional local revenue, the FY 2015/16 School Operating fund for VBCPS is \$701.6 million, \$12 million more than the \$689.6 million budget request submitted to the City Council. The approved budget provides a 4 percent salary increase for employees that will be implemented in two stages. First, effective July 1, a 1.34 percent adjustment will occur that will offset the required employee contribution to VRS. Second, an additional 2.66 percent increase will be effective Oct. 1. This matches the pay increase recommended for city employees. Additional funding totaling \$4 million was provided to reduce the school system's reliance on year-end reversion funds. Also, an additional \$2 million was allocated for the purpose of addressing equity issues on the Unified Pay Scale.

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 Standards of Learning (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 Virginia Department of Education (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 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 percent to these employees beginning July 1, 2012, 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 2015/16 is the fourth year of the phased-in VRS offset. 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 budget adopted by the 2015 General Assembly provided VBCPS with one-time incentive funding of \$2.8 million to implement salary increases of a minimum average of 1.5 percent for both instructional and support employees. In order to meet the minimum requirement, a recurring cost of approximately \$13.8 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 2015/16 Approved Budget includes a 1.34 percent salary increase for all employees effective July 1 for the VRS offset. Additionally, a 2.66 percent increase follows on Oct. 1 for all eligible employees. Combined, the increases exceed the minimum requirement mandated by the state to receive the 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 2015/16, the unfunded cost for VBCPS is estimated at \$2.7 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 \$3.8 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. 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 \$1.2 million for FY 2015/16.

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 2015, almost 1,700 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 \$585,000 for the 2014/15 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. Each school year, baseline tests are purchased and administered with recurring costs of approximately \$14,400. 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 school. Athletic training services for all VBCPS middle and high schools costs approximately \$478,000 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, CPR and the use of an automated external defibrillator 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 financial impact of 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 per year. The cost of providing training to students beginning in FY 2016/17 is expected to be significant.

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. However, federal funding only covers approximately 18.4 percent of VBCPS' costs for special education and related services, a shortfall of more than \$21.9 million in FY 2014/15. During 2014/15, approximately 11.6 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 \$600,000 annually.

Elementary and Secondary Education Act

School divisions receiving funds from the Elementary and Secondary Education Act (ESEA) of 1965, reauthorized by the No Child Left Behind (NCLB) Act of 2001, must follow certain federal laws and administrative regulations with respect to student achievement, accountability, teacher quality, parental options and other requirements. This act placed significant administrative and fiscal burdens on local school divisions. On June 29, 2012, the United States Education Department (USED) approved the VBOE's application for a waiver from certain provisions of NCLB. Under the terms of the waiver, Virginia established AMOs in reading and mathematics for reducing proficiency gaps between students in the commonwealth's lowest-performing and highest-performing schools. These objectives replaced the Adequate Yearly Progress (AYP) targets that schools were previously required to meet under the federal education law. Revised AMOs culminate with all students and student subgroups achieving pass rates of at least 78 percent in reading and 73 percent in mathematics by 2016/17. The methodology sets ambitious but achievable goals that require greater rates of annual progress for subgroups that are further behind. The financial impact of this new accountability model has not yet been assessed.

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. Virginia ranks in the top 10 states in the nation for Impact Aid payments to support federally connected students. Impact Aid has not been fully funded for decades. Federal funding for Impact Aid payments had 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. With the recent growth and recovery of the economy, the federal government anticipates it will be caught up on delayed payments as of FY 2015/16. The VBCPS budget for Impact Aid reflects a reduction in this revenue of \$3.5 million for next year, accounting only for projected FY 2015/16 payments.

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.

Unmet Capital Needs

Capital Item Description (not in priority order)	Amount
Replace 6,000 instructional computers annually	3,690,000
Select and implement a learning management system to support a program of personalized learning	2,700,000
Upgrade distance learning labs in middle schools	2,000,000
Upgrade core network equipment (routers and switches) that provide data distribution across the wide area network (WAN)	1,520,000
Upgrade WAN Edge and distribution switches that provide connection from schools and administrative sites to the core network	2,100,000
Create additional distance learning labs in schools	1,443,200
Add additional access points for all elementary schools	933,000
Upgrade the telephone system districtwide to utilize more up-to-date technology	2,800,000
Capital Items Total	17,186,200

Unmet Operating Needs

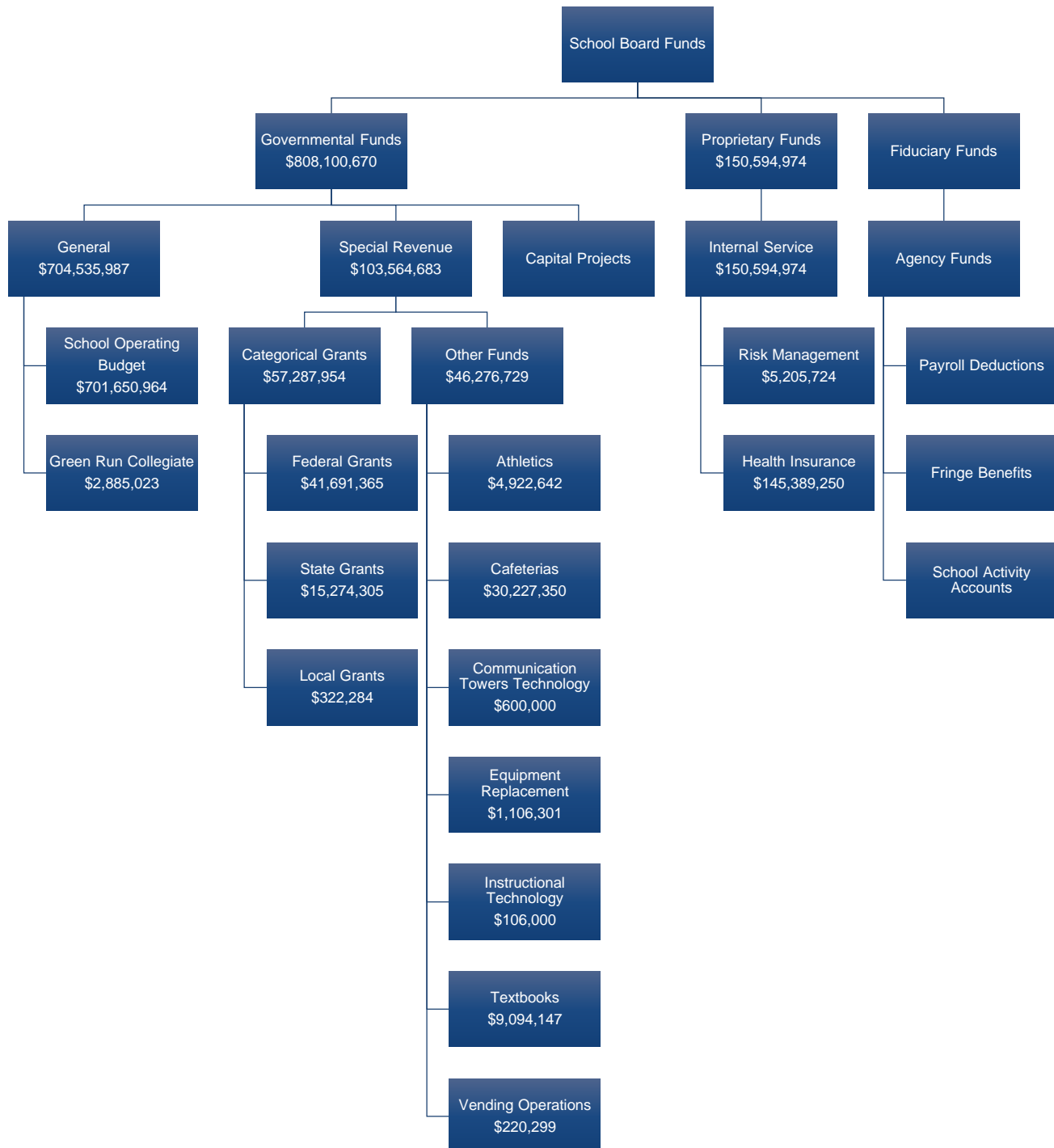
Operating Item Description (not in priority order)	Amount
Provide additional collaborative planning days for elementary schools	500,000
Provide additional substitute days to cover high school professional development	55,000
Replace 32 buses; each bus costs approximately \$90,000	2,880,000
Provide additional collaborative planning days for secondary schools	24,000
Expand the swim program	12,000
Provide additional math and reading coaches for high school	706,040
Provide additional math and reading coaches for middle school	260,000
Develop an academy within Kempsville High School	106,500
Replace projectors annually	958,000
Provide in-school SAT® testing for all high schools	253,000
Provide additional substitute days to cover assistant principal high school professional development	57,000
Expand the Measures of Academic Progress (MAP) assessments	50,000
Apex Learning® Recovery Course. Cost includes computer program, 40 computers, four core teachers and one classified employee	332,500
Require volunteer background checks	274,850
Organization for Economic Co-operation and Development (OECD) test (bi-annual cost)	100,000
Reorganize the assistant principal support program	1,200,000
Expand implementation for Positive Behavior Interventions and Support (PBIS) by providing professional development to teachers	86,550
Increase allowances and supplements, and move selected positions from the Unified Scale to the Instructional Scale	4,560,000
Operating Items Total	12,415,440

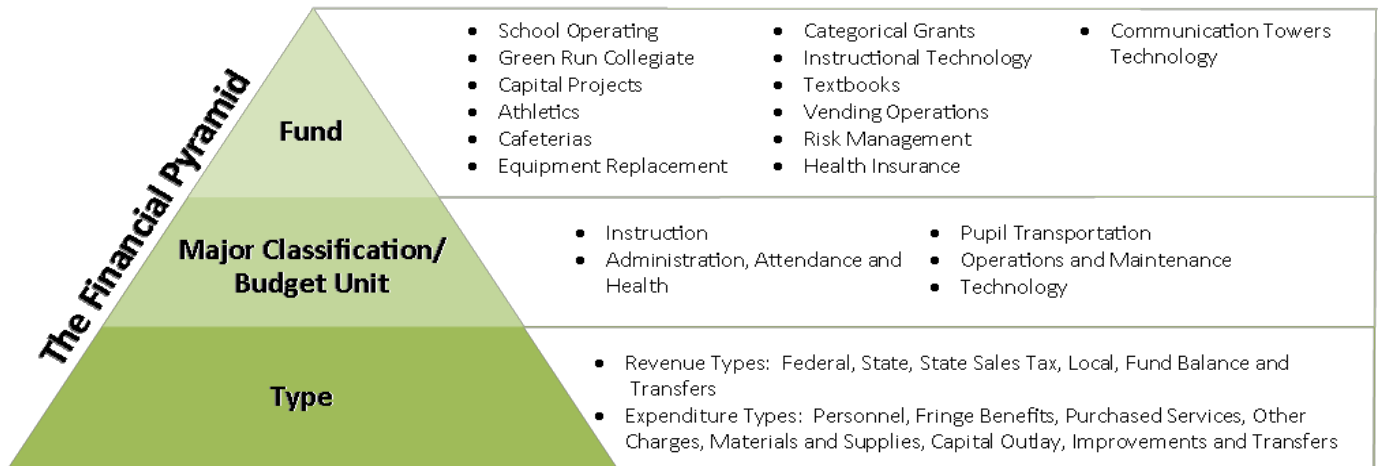
The following items were not built into the FY 2015/16 budget, but will be funded with one-time reversion funds.

- Replacement school buses
- Bus garage fleet replacement vehicles
- White fleet replacement vehicles
- Upgrades to the WAN Edge and Distribution switches
- SOL improvement and collaboration planning time for teachers

SCHOOL BOARD FUNDS

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 categories (by type) 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 classification/budget unit (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type. Information presented below and on the following page illustrates the budgetary levels that will be addressed in this document.





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 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 Communication Towers Technology Equipment Replacement Categorical Grants 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, and facsimile and copy machines.

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 (online and print) 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.

General Fund Revenue Sources

The FY 2015/16 General fund revenue budget totals \$704,535,987, a decrease of \$1.3 million, or 0.18 percent, from the FY 2014/15 budget. Local revenue contributions from the city continue to be the most substantial source of revenue for the General fund, making up 50.9 percent of the FY 2015/16 budget. Funding from the state provides approximately 35.5 percent of total General fund revenue. The remaining revenues are obtained from federal aid, School Reserve (reversion) funds and other local contributions.

Federal.....\$12,476,532

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 nearly 82 percent of the federal revenue funding projected for VBCPS in FY 2015/16. The budget for Impact Aid reflects a reduction in this revenue of \$3.5 million for the next fiscal year.

State\$250,039,573

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 35.5 percent of the schools' funding in the FY 2015/16 budget, is projected to decrease \$2.6 million, or 1 percent, from FY 2014/15. The most significant changes to this revenue are in the SOQ Programs which decreased \$6 million from the previous year.

State Sales Tax\$71,783,907

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 sales tax revenue for VBCPS in FY 2015/16 is \$71.8 million, an increase of \$1.7 million, or 2.5 percent, compared to the FY 2014/15 Approved Budget.

Local Contribution.....\$358,518,316

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 2015/16 is \$358.5 million, an increase of \$13.5 million, or 3.9 percent, compared to the FY 2014/15 Approved Budget.

Other Local\$3,418,341

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 2015/16 is \$3.4 million, a decrease of \$36,745, or 1.1 percent, compared to the FY 2014/15 Approved Budget.

Additional Funds (non-recurring)\$8,299,318

School Reserve (reversion)

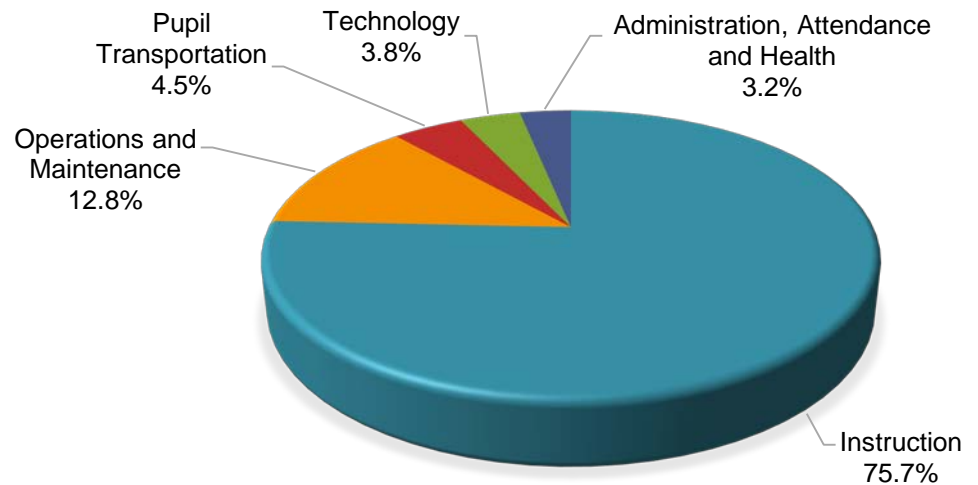
In prior years, VBCPS has relied on fund balance or reversion funds to maintain critical services in response to the recession and significant losses of state funding. For FY 2015/16, VBCPS is beginning to address the structural flaw in the School Operating budget by reducing the reliance on reversion funds by \$9.7 million. VBCPS will use \$8.3 million of this one-time revenue source to balance the FY 2015/16 School Operating budget, down from \$18 million accessed in FY 2014/15.

General Fund Expenditures by Major Classification and Category/Type

Within the General fund, expenditures are categorized by major classification and type. Brief descriptions of the major classifications and types of budgeted expenditures are provided below. As expected, the majority of the General fund 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 2015/16 budget.

Employee compensation is comprised of salaries and employee benefits. For FY 2015/16, the combined amount budgeted for salaries and benefits totals 85.5 percent of the General fund expenditures.



MAJOR CLASSIFICATION

Instruction\$533,457,332

Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students

Administration, Attendance and Health\$22,791,437

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.....\$31,485,354

Includes: activities concerned with transporting students to and from school as mandated by state and federal law

Operations and Maintenance\$89,874,414

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\$26,927,450

Includes: technology-related expenditures as required by the General Assembly

CATEGORY/TYPE

Personnel Services.....\$439,885,158

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.....\$162,425,919

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.....\$43,067,445

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\$24,564,070

Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges

Materials and Supplies	\$25,138,482
<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	\$1,578,969
<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	\$240,301
<i>Includes: expenditures of a project that is less than \$1 million in estimated cost</i>	
Transfers to Other Funds	\$7,635,643
<i>Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse</i>	

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, 2015, there were 2,014 Partners in Education working with schools throughout the division. Thousands of individuals serve as volunteers in our schools each year. In fact, during the 2014/15 school year, 23,284 volunteers and partners in education donated 657,935 hours of service, which emphasizes the value of community outreach efforts. The value of the donated volunteer hours is estimated at \$15,178,560 (based on the \$23.07 per hour estimated value of volunteer time for 2014 published by the Independent Sector organization). A host of individual volunteer opportunities are available on the VBCPS website.

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 2014/15 Model Partnerships are outlined below.

- Pungo Strawberry Festival Board and Advanced Technology Center
- 11th Transportation Battalion, 119th ITC Company and Alanton Elementary School
- Simon Family Jewish Community Center and Bayside Tri-Campus
- Beach Church and Cooke Elementary School
- VBCPS Office of Facilities, Planning and Construction and Kemps Landing/Old Donation School
- Keystone Education Services and Landstown High School
- Landstown Middle School PTSA and Landstown Middle School
- Virginia Beach SPCA and Providence Elementary School
- New Jerusalem Ministries and Rosemont Elementary School
- Virginia Wesleyan College Marlins Read and Shelton Park Elementary School
- Community Relations Council of the United Jewish Federation of Tidewater and Tallwood High School
- Virginia Beach Fire Department, Station 5 and Technical and Career Education Center
- Virginia Air and Space Center and Woodstock Elementary School

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.

Schoolwide Projects	\$22,587.74
Sustainability Impact Projects	\$4,000.00
Innovative Learning Projects	\$70,713.09

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 \$700,000
- 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.

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, the 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 division'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; and
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; and
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.

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 (city of Virginia Beach) 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 Commonwealth 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 program 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 the 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. Any expenditure of funds in the Reserve fund shall require a resolution adopted by eight School Board members (two-thirds majority of the members of the 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 government-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 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 \$250,000 per occurrence); Boiler and Machinery is \$10,000 per occurrence; School Leaders Liability (errors and omissions) is \$350,000 per occurrence; Employee Dishonesty is \$1,000 per occurrence; General Liability is \$350,000 per occurrence; Vehicle Liability is \$350,000 per occurrence; Vehicle Catastrophic Fleet Damage is \$60,000 per occurrence; and Workers' Compensation is \$500,000 per occurrence.

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 \$500,000.

This page intentionally left blank

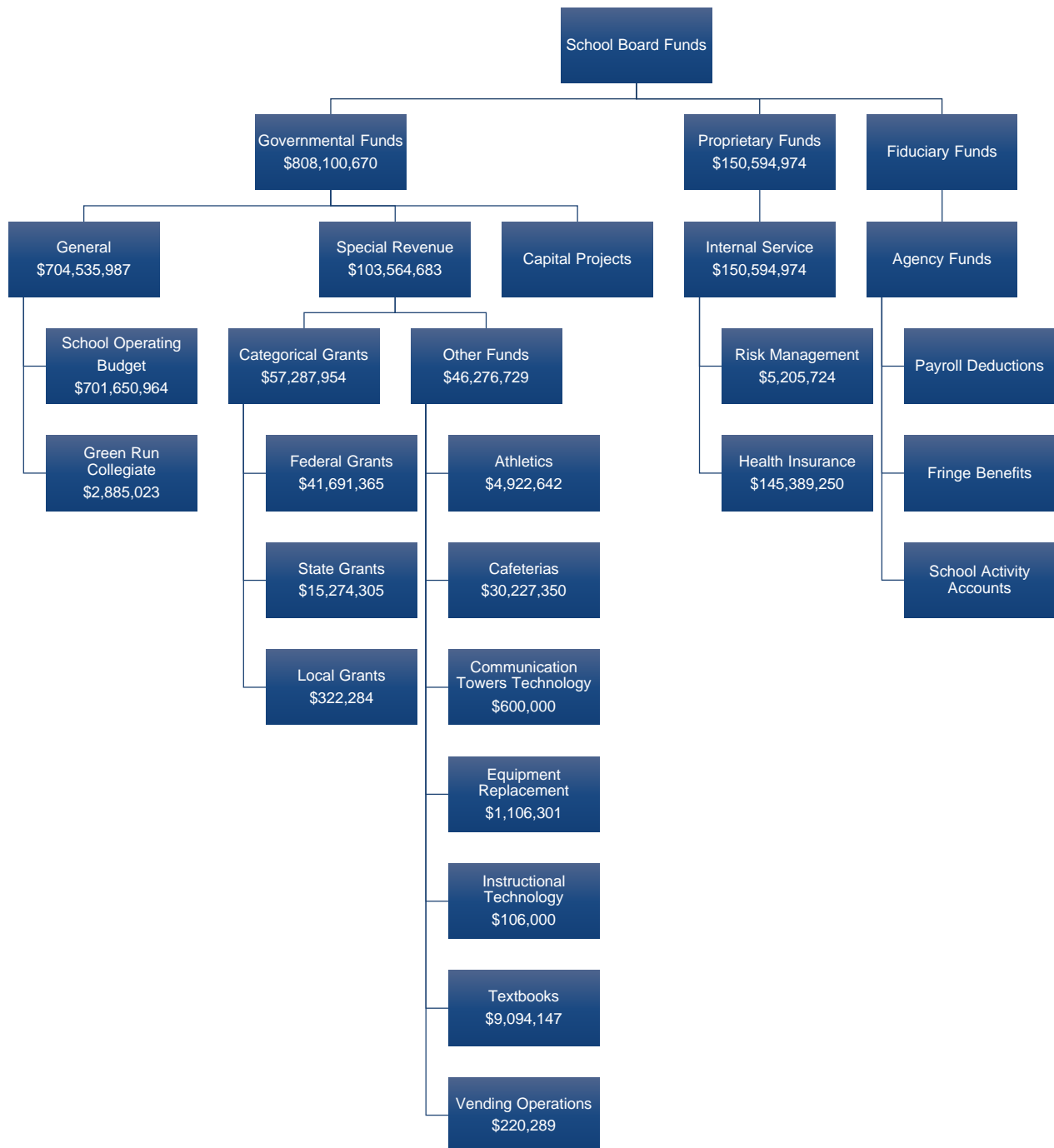
Financial

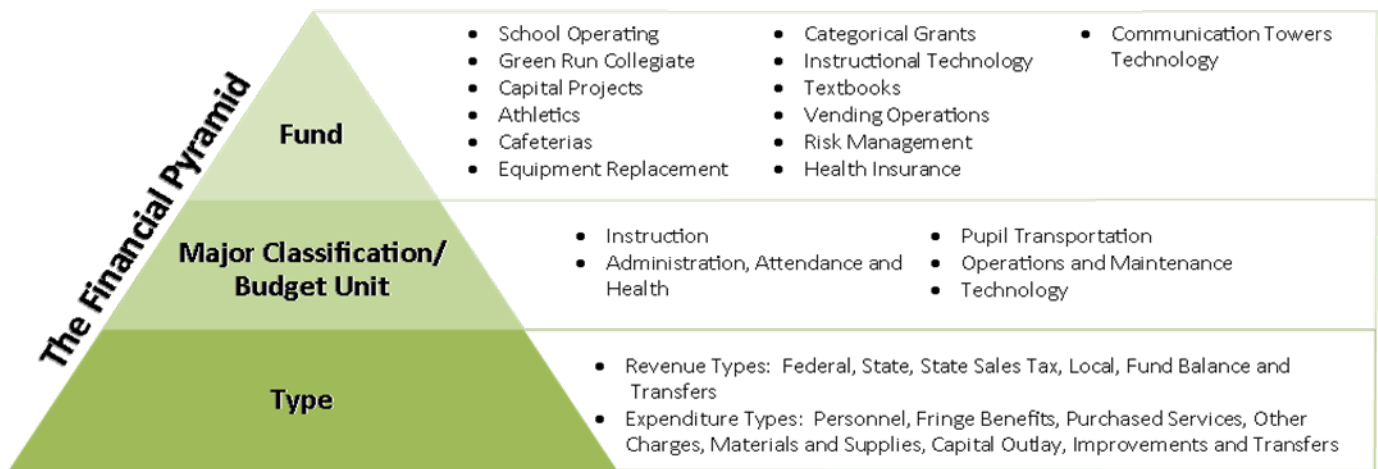
School Board Funds • FY 2015/16 Budget at a Glance • General Fund
Special Revenue Funds • Internal Service Funds • Fund Balance
Capital Improvement Program • Debt Service • Other Postemployment Benefit

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 categories (by type) 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 classification/budget unit (Instruction; Administration, Attendance and Health; Pupil Transportation; Operations and Maintenance; and Technology). Revenue and expenditures are then budgeted by type. Information presented below and on the following page illustrates the budgetary levels that will be addressed in this document.





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, and facsimile and copy machines.

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 (online and print) 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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local (RSF)	337,706,745	325,813,499	326,746,963	345,712,566	358,518,316
Local (categorical grants and other funds)	14,281,442	13,779,388	13,712,478	13,811,205	14,081,840
Other Local	4,412,103	3,687,329	3,901,360	3,455,086	3,418,341
State	242,915,698	249,629,791	258,714,425	273,073,108	266,563,518
State Sales Tax	72,266,667	68,889,270	67,915,112	70,065,298	71,783,907
Federal	83,142,732	70,775,507	61,880,069	76,445,172	70,356,640
School Reserve (reversion)	13,300,000	11,000,000	14,000,000	16,000,000	8,299,318
Sandbridge TIF	-	-	-	2,000,000	-
Transfer(s) from other funds	16,245,581	7,595,095	7,678,757	7,717,969	7,635,643
Revenue Total	784,270,968	751,169,879	754,549,164	808,280,404	800,657,523
EXPENDITURE CATEGORY:					
Personnel Services	462,054,969	448,600,829	448,807,449	475,019,454	476,691,914
Fringe Benefits	138,246,146	166,682,204	160,463,155	181,490,465	174,925,649
Purchased Services	56,308,660	53,498,621	51,851,123	53,501,504	53,384,749
Other Charges	23,230,384	22,616,915	23,843,643	24,248,526	25,514,624
Materials and Supplies	68,557,477	55,001,885	51,943,559	70,446,559	65,918,039
Capital Outlay	3,446,228	4,437,942	8,053,625	2,612,967	3,289,751
Land, Structures and Improvement	1,801,439	303,010	628,306	740,301	740,301
Transfer(s) to Other Funds	10,191,829	6,950,569	7,501,662	7,780,216	7,635,643
Expenditure Total	763,837,131	758,091,974	753,092,521	815,839,992	808,100,670
Net Change in Fund Balance	(18,679,811)	(2,204,564)	581,401	(7,559,588)	(7,443,147)
Fund Balance July 1	46,974,112	28,294,300	26,089,736	26,671,137	19,111,549
Fund Balance June 30	28,294,300	26,089,736	26,671,137	19,111,549	11,668,402

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. Fiscal year 2013/14 was the first year of operation for GRC charter school. FY 2011/12 and FY 2012/13 include the Technology fund 106. As of FY 2013/14, all technology category financial activities previously reported in fund 106 are reported in the School Operating fund 115.

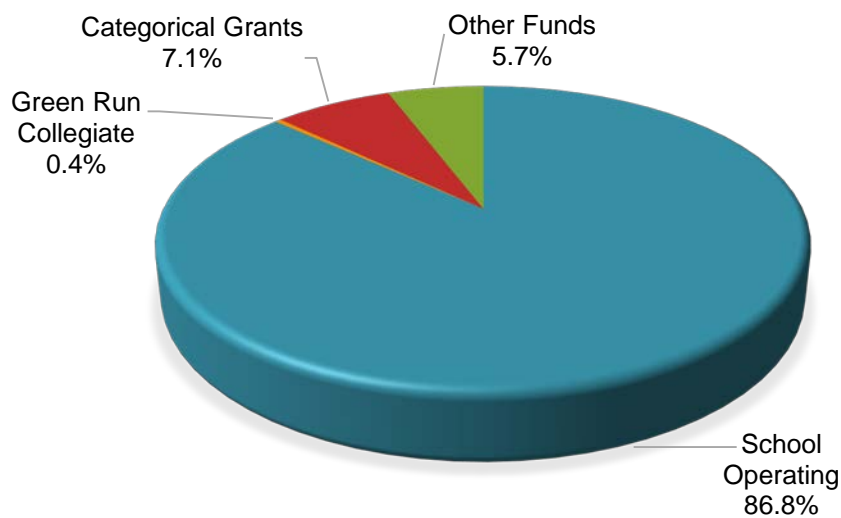
In accordance with the requirements of the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government (the city of Virginia Beach) and its component units which are legally separate organizations for which the City Council is financially accountable (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 2015/16 BUDGET AT A GLANCE

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 VBCPS FY 2015/16 overall budget, including General funds, Categorical Grants and Other funds, totals \$808,100,670. This is a decrease of \$7,739,322, or 0.95 percent, from the FY 2014/15 budget which totaled \$815,839,992. The following chart shows that the majority of total FY 2015/16 revenues and expenditures for VBCPS can be accounted for in the School Operating budget. The additional tables provide detailed data by major source and category.

Total FY 2015/16 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	355,633,293	2,885,023	-	-	192,550	260,000	12,693,006	322,284	110,000	504,000	372,600,156
State Revenue	250,039,573	-	-	-	-	-	500,000	12,123,343	3,900,602	-	266,563,518
State Sales Tax	71,783,907	-	-	-	-	-	-	-	-	-	71,783,907
Federal Revenue	12,476,532	-	-	-	-	-	16,254,782	41,625,326	-	-	70,356,640
Fund Balance	-	-	1,106,301	106,000	27,739	340,000	779,562	-	5,083,545	-	7,443,147
Transfer(s) from Other Funds	-	-	-	-	-	-	-	3,217,001	-	4,418,642	7,635,643
Other Local Revenue	3,418,341	-	-	-	-	-	-	-	-	-	3,418,341
School Reserve (reversion)	8,299,318	-	-	-	-	-	-	-	-	-	8,299,318
Total Revenue	701,650,964	2,885,023	1,106,301	106,000	220,289	600,000	30,227,350	57,287,954	9,094,147	4,922,642	808,100,670
PERCENT OF TOTAL	86.83%	0.36%	0.14%	0.01%	0.03%	0.07%	3.74%	7.09%	1.13%	0.61%	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	438,234,278	1,650,880	-	-	-	-	9,152,685	24,661,819	71,794	2,920,458	476,691,914
Fringe Benefits	161,834,911	591,008	-	-	-	-	4,379,524	7,868,796	27,995	223,415	174,925,649
Purchased Services	43,040,398	27,047	-	-	-	-	358,323	9,193,753	1,500	763,728	53,384,749
Other Charges	24,200,976	363,094	-	-	135,804	-	82,673	517,327	-	214,750	25,514,624
Materials and Supplies	24,885,488	252,994	-	106,000	9,651	600,000	15,474,583	14,985,165	8,992,858	611,300	65,918,039
Capital Outlay	1,578,969	-	1,106,301	-	74,834	-	279,562	61,094	-	188,991	3,289,751
Transfer(s) to Other Funds	7,635,643	-	-	-	-	-	-	-	-	-	7,635,643
Land, Structures and Improvements	240,301	-	-	-	-	-	500,000	-	-	-	740,301
Total Expenditure	701,650,964	2,885,023	1,106,301	106,000	220,289	600,000	30,227,350	57,287,954	9,094,147	4,922,642	808,100,670
PERCENT OF TOTAL	86.83%	0.36%	0.14%	0.01%	0.03%	0.07%	3.74%	7.09%	1.13%	0.61%	100.00%

Proposed School Operating Budget Summary for FY 2015/16

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 Approved School Board Operating Budget document is drafted using final revenue data from the city and 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 School Operating budget provides for the day-to-day operations and maintenance of the division. Since more than 86 percent of the total FY 2015/16 budget is appropriated in the School Operating fund, additional details about the fund's activities are warranted and outlined below. The FY 2015/16 VBCPS Proposed Operating 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 and balanced at \$689.6 million. With an initial budget shortfall of \$17.1 million, the following cost saving strategies were used to balance the School Operating budget for submission to the City Council.

- Adjusted for lower Virginia Retirement System (VRS) employer contribution rates from the previous fiscal year based on the Governor's budget for a savings of over \$1.3 million.
- Eliminated eight central office administrative positions through attrition and reassignments for a savings of \$650,000. This brought the total reduction of administrative positions to 43 since FY 2008/09.
- Increased class size at all levels by one student for an estimated savings of \$12.1 million, based on an overall reduction of nearly 170 teaching positions. Another 44.8 teaching positions were eliminated as a result of a projected decrease in student enrollment (825). The loss of positions was addressed entirely by attrition.
- Decreased the baseline budget \$3 million by accounting for expenditure reductions associated with the implementation of additional efficiencies.
- Utilized \$12.3 million in School Reserve funding (end-of-year reversion). This figure represented a substantial decrease from the previous fiscal year when VBCPS used \$16 million of this one-time funding source to balance the School Operating budget.
- Diverted \$2 million of Sandbridge Tax Increment Financing (TIF) funds to the School Operating budget.

Balancing the FY 2015/16 School Operating Budget

The School Board Proposed Operating Budget submitted to the City Council limited funding to the local contribution based on the Revenue Sharing Formula (RSF) calculation. The city budget development process also occurs in stages, requiring the School Operating budget to be reconciled with the city's budget ordinances and resolutions in May to account for any adjustments. To balance the FY 2015/16 School Operating budget, the following steps were taken:

Step 1: The Governor's Introduced 2014-2016 Biennial Budget was used to determine state funding for FY 2015/16. The city shared information about local revenue contributions and debt service. Other sources of revenue were analyzed for use in developing a balanced budget.

Step 2: With the Proposed School Operating Budget resolution, the School Board included a request for additional funding. The additional funds requested by the School Board totaled \$20.3 million above and beyond what would be provided by applying the agreed upon RSF. The purpose of the additional funding was to: provide an additional salary increase of 3.66 percent (in addition to the 1.34 percent VRS offset); provide \$4 million to reduce the School Board's reliance on one-time revenues to balance the operating budget; and provide \$2 million for further equity adjustments to the Unified Pay Scale. In this type of situation, the City/School Revenue Sharing Policy stipulates that a formal request for additional funding must be brought forward to the City Council. The School Board's adopted budget resolution included language indicating that the School Board would support an increase in the real estate tax rate or any other local tax if the City Council determined such a tax increase was necessary.

Step 3: The City Council approved a 6 cents real estate tax increase (from 93 cents to 99 cents per \$100 of assessed valuation), allocated 2.31 cents to the school division and held the remainder of the increase for city budget purposes. This revised tax revenue dedication provided nearly \$7 million of additional local funding to

VBCPS, allowing the division to give employees a 4 percent salary increase, implemented in two stages. First, a 1.34 percent salary adjustment will be made effective July 1 to offset the required employee contribution to VRS. Second, an additional 2.66 percent increase will be effective Oct. 1, matching the pay increase recommended for city employees.

Step 4: The state budgeted compensation supplement payments equivalent to a 1.5 percent salary increase, effective Aug. 16, 2015, for funded Standards of Quality (SOQ) instructional and support positions. To receive the supplemental funding, school divisions were required to certify to the Virginia Department of Education (VDOE) that salary increases of a minimum average of 1.5 percent would be provided by Jan. 1, 2016, to instructional and support personnel. Any increase provided solely to offset the cost of required member contributions to VRS could not count toward this certification. The state added that this funding must be matched by the local government based on the Local Composite Index (LCI). The salary increase referenced in Step 3 improved employee salaries in a way that allowed VBCPS to access an additional \$2.8 million of this state compensation supplement funding.

Step 5: The city approved a portion of the School Board budget request for additional funds outlined in Step 2, providing \$2 million to continue addressing pay inequity within the Unified Pay Scale and \$4 million of additional funding to reduce the school system's reliance on year-end reversion funds.

Step 6: Adjustments were made to the division's baseline budget by reducing, reprioritizing and realigning budget line items. Accounts linked to operational efficiencies were reevaluated to generate additional savings.

Step 7: One-time reversion funds in the amount of \$8,299,318 have been included in the FY 2015/16 budget as a source of revenue.

Balancing the FY 2015/16 School Operating Budget

	FY 2015/16 Proposed	FY 2015/16 Approved	Change
Revenue			
Federal	12,476,532	12,476,532	-
State	247,192,020	250,039,573	2,847,553
State Sales Tax	71,783,907	71,783,907	-
Local Contribution (RSF)	342,408,715	355,633,293	13,224,578
Other Local	3,418,341	3,418,341	-
Additional Funds (School Reserve fund)	12,299,318	8,299,318	(4,000,000)
Sandbridge TIF Reallocation	-	-	-
	689,578,833	701,650,964	12,072,131
		Amount	Balance
City Adjustments and Reconciliation			
Additional local funding from the city to provide a 4 percent pay raise, or a net 2.66 percent after the VRS offset		6,998,578	5,073,553
Additional state funding for compensation supplement		2,847,553	2,226,000
Additional local funding for Unified Pay Scale adjustments		2,000,000	226,000
Additional local funding to reduce reliance on reversion funds		4,000,000	(3,774,000)
Reduction in reversion funds (will remain in the School Reserve fund)		(4,000,000)	226,000
Baseline adjustments in School Operating budget for pay raise		(700,000)	926,000
School redirection of funds for pay raise		700,000	226,000
Reduction in debt service (net increase to RSF)		226,000	-

Note: Includes School Operating fund 115 only; does not include RSF funds appropriated directly to GRC fund 104.

The FY 2015/16 School Operating fund 115 totals \$701,650,964. This is a decrease of \$1,704,109, or 1 percent, from FY 2014/15.

Approved FY 2015/16 Operating Budget Summary

The School Board has cut and contained costs without negatively impacting classroom instruction. In fact, the school system has implemented considerable cost-saving strategies over recent years. These have included: eliminating 43 central office positions, closing a school, ending five year-round school programs, reducing departmental budgets by a cumulative 13 percent, extending the school bus replacement cycle, ending an after-school program and increasing class sizes twice in the past seven years. VBCPS has also relied on end-of-year reversion funds to reduce budget shortfalls. This approach is problematic as relying on one-time dollars for ongoing expenses is not a sustainable budget strategy.

REVENUE HIGHLIGHTS

In the FY 2015/16 budget, local contributions calculated using an approved RSF continue to be the most substantial source of revenue for VBCPS, accounting for 50.9 percent of General fund revenue. The Commonwealth of Virginia provides the next largest source of revenue to VBCPS through state aid and sales tax revenues, totaling 45.7 percent for FY 2015/16. The remaining revenues are obtained from federal aid, tuition, fees and other sources.

- The FY 2015/16 local contribution (generated through the RSF and other local contributions) totals \$361,936,657, an increase of \$12,769,005, or approximately 3.7 percent, over the FY 2014/15 amount of \$349,167,652. This includes funding for GRC charter school.
- 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 2015/16 is estimated at \$44,756,843, which represents a decrease of \$273,015 compared to the FY 2014/15 amount of \$45,029,858.
- State revenue for FY 2015/16 decreased by \$2,552,897 when compared to the FY 2014/15 budget of \$252,592,470. The FY 2015/16 total is \$250,039,573. State sales tax increased nearly 2.5 percent, from \$70,065,298 in the prior fiscal year to \$71,783,907 for FY 2015/16.
- For FY 2015/16, federal revenue is anticipated to decrease by \$3.5 million, from \$15,976,532 to \$12,476,532, primarily as a result of reduced Impact Aid payments. 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.
- For FY 2015/16, approximately \$8.3 million in one-time School Reserve (reversion) funding will be used to balance the General fund budget. That is \$7.7 million lower than the amount used in FY 2014/15, reflecting a decrease of nearly 48 percent. No Sandbridge TIF funding will be diverted to the School Operating budget for FY 2015/16. Instead, \$2 million will be allocated to the FY 2015/16 CIP from the Sandbridge TIF, bringing the total for that funding source to \$3,591,000 in the Capital Projects fund.

EXPENDITURE HIGHLIGHTS

As mentioned previously, the City Council approved a 6 cents real estate tax increase as part of the FY 2015/16 budget development process. With the additional support from the city, VBCPS is able to include funds in the FY 2015/16 budget to:

- Provide a 4 percent salary increase for all employees, implemented in two stages on July 1 and Oct. 1, 2015. This increase improves employee salaries in a way that allows VBCPS to access an additional \$2.8 million in state funding and enhance the school division's recruiting and hiring competitiveness.
- Continue to work on addressing pay inequity within the Unified Pay Scale by dedicating \$2 million within the School Operating budget for adjustments to focus on compression and other equity issues.
- Address the structural flaw in the School Operating budget by reducing our reliance on reversion funds. The FY 2015/16 School Operating budget uses \$8.3 million of School Reserve (reversion) funds (down from the \$16 million budgeted for FY 2014/15).

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.

Unmet Operating Needs

Operating Item Description (not in priority order)	Amount
Provide additional collaborative planning days for elementary schools	500,000
Provide additional substitute days to cover high school professional development	55,000
Replace 32 buses; each bus costs approximately \$90,000	2,880,000
Provide additional collaborative planning days for secondary schools	24,000
Expand the swim program	12,000
Provide additional math and reading coaches for high school	706,040
Provide additional math and reading coaches for middle school	260,000
Develop an academy within Kempsville High School	106,500
Replace projectors annually	958,000
Provide in-school SAT testing for all high schools	253,000
Provide additional substitute days to cover assistant principal high school professional development	57,000
Expand the Measures of Academic Progress (MAP) assessments	50,000
Apex Learning® Recovery Course. Cost includes computer program, 40 computers, four core teachers and one classified employee	332,500
Require volunteer background checks	274,850
Organization for Economic Co-operation and Development (OECD) test (bi-annual cost)	100,000
Reorganize the assistant principal support program	1,200,000
Expand implementation for Positive Behavior Interventions and Support (PBIS) by providing professional development to teachers	86,550
Increase allowances and supplements, and move selected positions from the Unified Scale to the Instructional Scale	4,560,000
Operating Items Total	12,415,440

Unmet Capital Needs

Capital Item Description (not in priority order)	Amount
Replace 6,000 instructional computers annually	3,690,000
Select and implement a learning management system to support a program of personalized learning	2,700,000
Upgrade distance learning labs in middle schools	2,000,000
Upgrade core network equipment (routers and switches) that provide data distribution across the wide area network (WAN)	1,520,000
Upgrade WAN Edge and distribution switches that provide connection from schools and administrative sites to the core network	2,100,000
Create additional distance learning labs in schools	1,443,200
Add additional access points for all elementary schools	933,000
Upgrade the telephone system districtwide to utilize more up-to-date technology	2,800,000
Capital Items Total	17,186,200

The following items were not built into the FY 2015/16 budget, but will be funded with one-time reversion funds from FY 2014/15.

- Replacement school buses
- Bus garage fleet replacement vehicles
- White fleet replacement vehicles
- Upgrades to the WAN Edge and Distribution switches
- SOL improvement and collaboration planning time for teachers

GENERAL FUND

General Fund Statement

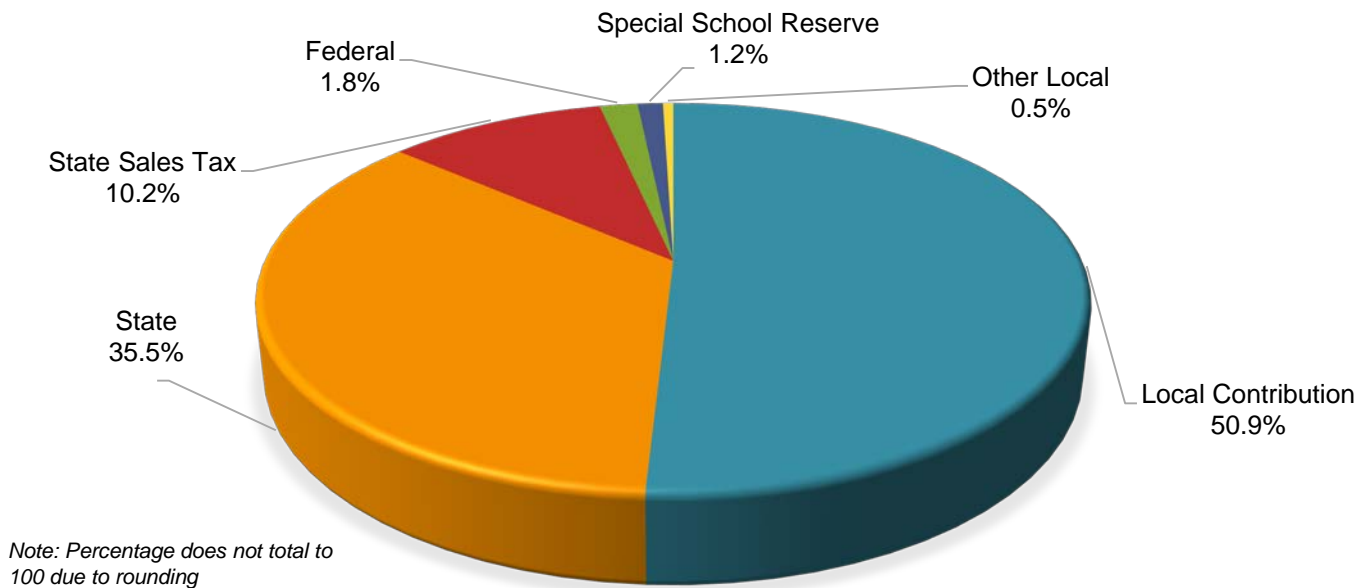
Within the General fund, revenue is classified by funding source and expenditures are categorized by major classification/budget unit and type.

General Fund - Statement of Revenues and Expenditures

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local (RSF)	337,706,745	325,813,499	326,746,963	345,712,566	358,518,316
Other Local	4,412,103	3,687,329	3,901,360	3,455,086	3,418,341
State	233,276,203	238,513,521	243,244,524	252,592,470	250,039,573
State Sales Tax	72,266,667	68,889,270	67,915,112	70,065,298	71,783,907
Federal	13,660,046	20,486,105	12,316,895	15,976,532	12,476,532
School Reserve (reversion)	13,300,000	11,000,000	14,000,000	16,000,000	8,299,318
Sandbridge TIF	-	-	-	2,000,000	-
Transfer(s) from other funds	9,293,767	-	-	-	-
Revenue Total	683,915,531	668,389,724	668,124,854	705,801,952	704,535,987
EXPENDITURE CATEGORY:					
Personnel Services	409,841,985	413,587,434	414,170,613	436,502,429	439,885,158
Fringe Benefits	125,524,150	155,082,673	149,492,707	167,567,858	162,425,919
Purchased Services	46,170,600	44,067,124	42,811,875	43,166,078	43,067,445
Other Charges	22,243,680	21,755,903	23,019,048	23,456,065	24,564,070
Materials and Supplies	31,169,175	28,264,931	25,182,652	25,498,190	25,138,482
Capital Outlay	1,652,792	3,095,611	4,442,749	1,590,815	1,578,969
Land, Structures and Improvement	1,801,439	303,010	628,306	240,301	240,301
Transfer(s) to Other Funds	6,398,062	6,950,569	7,501,662	7,780,216	7,635,643
Expenditure Total	644,801,883	673,107,255	667,249,612	705,801,952	704,535,987

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. 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. Fiscal years 2011/12 and 2012/13 include the Technology fund 106. As of FY 2013/14, all technology category financial activities previously reported in fund 106 are reported in the School Operating fund 115.

General Fund Revenue for FY 2015/16



Federal.....	\$12,476,532
<i>General funds and categorical funds (primarily Impact Aid revenue)</i>	
State	\$250,039,573
<i>SOQ payments, incentive funds, lottery proceeds and categorical amounts established by the General Assembly on a biennial basis</i>	
State Sales Tax	\$71,783,907
<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.....	\$358,518,316
<i>Appropriation from the city of Virginia Beach calculated using the RSF</i>	
Other Local	\$3,418,341
<i>Miscellaneous sources of revenue such as rental of facilities, summer school tuition and non-resident tuition</i>	
Additional Funds (non-recurring)	\$8,299,318
<i>School Reserve (reversion/savings)</i>	

General Fund Revenue Budget Comparison

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved	Percent of Total	Variance
Public Law 874 (Impact Aid)	8,428,119	15,191,212	7,050,734	13,711,723	10,211,723	1.45%	(3,500,000)
Department of Defense	2,265,205	2,314,789	2,048,697	1,500,000	1,500,000	0.21%	-
Rebates and Refunds (NJROTC)	320,318	324,891	317,898	100,000	100,000	0.01%	-
Other Federal Funds	2,646,404	2,655,213	2,899,566	664,809	664,809	0.09%	-
Federal Revenue Total	13,660,046	20,486,105	12,316,895	15,976,532	12,476,532	1.77%	(3,500,000)
Basic School Aid	165,011,640	166,739,680	167,421,241	177,241,022	172,797,329	24.53%	(4,443,693)
State Sales Tax	72,266,667	68,889,270	67,915,112	70,065,298	71,783,907	10.19%	1,718,609
Foster Home Children	532,717	244,380	219,095	229,378	278,407	0.04%	49,029
Gifted and Talented	1,843,745	1,859,032	1,857,803	1,934,117	1,905,304	0.27%	(28,813)
Special Education	19,379,803	18,388,246	18,497,259	18,188,926	17,877,423	2.54%	(311,503)
Special Education (Homebound)	54,338	92,709	82,129	86,033	97,163	0.01%	11,130
Special Education (Regional Tuition)	8,027,638	8,353,821	8,612,358	8,608,309	9,106,315	1.29%	498,006
Remedial Summer School	1,130,920	299,770	325,958	366,598	434,254	0.06%	67,656
Prevention, Intervention and Remediation	2,786,103	3,313,926	3,311,736	4,073,990	4,013,299	0.57%	(60,691)
Vocational Education	3,031,935	2,505,651	2,503,996	2,139,874	2,107,995	0.30%	(31,879)
Vocational Education (Categorical)	348,222	287,278	168,059	287,278	251,471	0.04%	(35,807)
Social Security	10,038,165	10,022,605	10,015,983	10,329,005	10,175,132	1.44%	(153,873)
Virginia Retirement System	9,095,806	16,731,284	16,720,230	21,151,828	20,188,110	2.87%	(963,718)
State Employee Insurance	368,749	646,620	646,192	699,574	648,614	0.09%	(50,960)
Enrollment Loss	92,729	28,608	-	-	-	0.00%	-
English as a Second Language	558,275	556,287	520,114	564,188	595,615	0.08%	31,427
At-Risk Initiative	1,605,895	1,945,431	1,945,240	2,358,729	2,321,931	0.33%	(36,798)
Class Size Initiative	2,337,996	3,010,285	3,092,809	4,295,554	4,355,747	0.62%	60,193
Supplemental State Support	-	-	3,442,748	-	-	0.00%	-
Industry Credentials for Students	-	8,680	-	-	-	0.00%	-
Maintenance Reserves	5,310,804	3,479,228	-	-	-	0.00%	-
Composite Index Hold Harmless	1,720,723	-	-	-	-	0.00%	-
Compensation Supplement	-	-	3,861,573	-	2,847,553	0.40%	2,847,553
Additional Instructional Positions	-	-	-	-	-	0.00%	-
Math/Reading Instructional Specialists	-	-	-	38,067	37,911	0.01%	(156)
State Revenue Total	305,542,870	307,402,791	311,159,636	322,657,768	321,823,480	45.68%	(834,288)
Local Contributions (RSF)	337,706,745	325,813,499	326,746,963	345,712,566	358,518,316	50.89%	12,805,750
Additional Local Contributions	662,283	662,283	635,538	722,283	635,538	0.09%	(86,745)
Rental of Facilities	332,257	175,637	383,359	450,000	450,000	0.06%	-
Summer School Tuition	649,790	628,201	583,781	700,000	700,000	0.10%	-
General Adult Education Tuition	305,942	287,925	211,925	142,839	142,839	0.02%	-
Vocational Adult Education Tuition	81,593	50,014	30,870	169,750	169,750	0.02%	-
Non-Resident Tuition	178,038	164,327	137,819	100,000	100,000	0.01%	-
Driver Education Tuition	339,732	304,394	287,926	322,125	322,125	0.05%	-
Licensed Practical Nursing Tuition	19,750	17,908	15,437	25,575	25,575	0.00%	-
Renaissance Academy Tuition	21,434	19,500	7,950	20,811	20,811	0.00%	-
Sale of School Vehicles	221,578	16,715	5,411	15,000	15,000	0.00%	-
Sale of Salvage Equipment	502,523	150,673	322,743	12,000	12,000	0.00%	-
Other Funds	392,984	536,311	629,632	224,703	224,703	0.03%	-
Indirect Costs of Grants	704,199	673,441	648,969	550,000	600,000	0.09%	50,000
Local Revenue Total	342,118,848	329,500,828	330,648,323	349,167,652	361,936,657	51.37%	12,769,005
Revenue Total	661,321,764	657,389,724	654,124,854	687,801,952	696,236,669	98.82%	8,434,717
Instructional Technology Fund Balance Transfer	3,793,767	-	-	-	-	0.00%	-
School Risk Management Fund Balance Transfer	5,500,000	-	-	-	-	0.00%	-
School Reserve (reversion)	13,300,000	11,000,000	14,000,000	16,000,000	8,299,318	1.18%	(7,700,682)
Sandbridge TIF Reallocation	-	-	-	2,000,000	-	0.00%	(2,000,000)
Additional Funds Total	22,593,767	11,000,000	14,000,000	18,000,000	8,299,318	1.18%	(9,700,682)
General Fund Revenue Total	683,915,531	668,389,724	668,124,854	705,801,952	704,535,987	100.00%	(1,265,965)

General Fund Revenue Sources

The FY 2015/16 General fund revenue budget totals \$704,535,987, a decrease of nearly \$1.3 million, or 0.18 percent, from the FY 2014/15 budget. Local revenue contributions from the city continue to be the most substantial source of revenue for the General fund, making up 50.9 percent of the FY 2015/16 budget. Funding from state direct aid and state sales tax combined provide approximately 45.7 percent of total General fund revenue. The remaining revenues are obtained from federal aid, other local contributions and school reserve (reversion) funds.

FEDERAL 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. 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. Virginia ranks No. 10 in the nation for Impact Aid payments to support federally connected students. Impact Aid has not been fully funded for decades. Federal funding for Impact Aid payments had been declining since 2011, which prompted the United States Education Department (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. With the recent growth and recovery of the economy, the federal government anticipates it will be current on delayed payments as of FY 2015/16. The VBCPS budget for Impact Aid reflects a reduction in this revenue of \$3.5 million for next year, accounting only for projected FY 2015/16 payments.

VBCPS Federal Revenue Budget Comparison

	FY 2014/15	FY 2015/16	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 (Impact Aid Program)	13,711,723	10,211,723	(3,500,000)
Other Federal Funds	664,809	664,809	-
Federal Revenue Total	15,976,532	12,476,532	(3,500,000)

Federally Connected Students

	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13
Military - Special Education					
Living on base	416	372	368	331	315
Living off base	1,540	1,475	1,422	1,334	1,245
Military - Regular Education					
Living on base	1,986	1,992	1,924	1,805	1,823
Living off base	11,403	11,435	11,338	10,924	10,763
All others	5,870	6,089	6,160	6,151	6,039
Federally Connected Students Total	21,215	21,363	21,212	20,545	20,185

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.

Public education policy changes at the state level significantly and routinely underfund education. The impact of these structural changes has been understated due to one-time funding policies utilized by the state to offset permanent reductions. This is most visible in incentive funding. For FY 2014/15, the statewide education funding level was \$5.2 billion, representing a cut of more than \$400 million, absent inflation, since 2009. State basic aid has decreased by 17 percent since FY 2008/09, at which time VBCPS received \$3,088 per pupil. In 2014/15, that figure was \$2,568. State revenue, which accounts for 35.5 percent of VBCPS' funding, is projected to decrease

\$2.6 million, or 1 percent from FY 2014/15. The most significant changes for this revenue source are the SOQ programs which decreased \$6 million from the previous year.

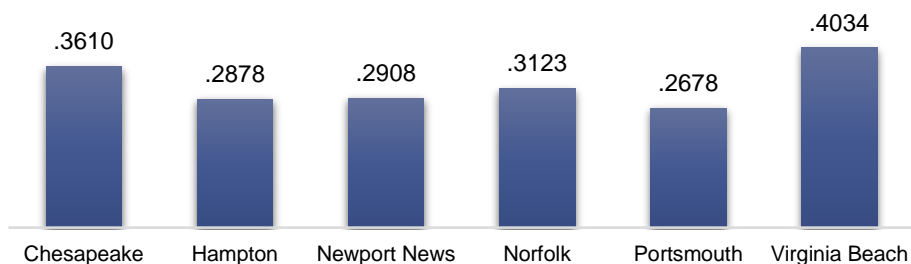
Standards of Quality Programs

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 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 average daily membership (ADM) and population. The LCI is calculated every two years for the state's biennium budget. The state will recalculate the LCI for FY 2016/17 which may result in a loss of state funding for VBCPS if the LCI is increased. 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 2014 - 2016 biennium, the LCI for Virginia Beach is .4034, the highest of the surrounding cities in the Hampton Roads region.

Historical Comparison of VBCPS' Local Composite Index

State Biennium	
1996 - 1998	.3425
1998 - 2000	.3466
2000 - 2002	.3523
2002 - 2004	.3394
2004 - 2006	.3353
2006 - 2008	.3492
2008 - 2010	.3704
2010 - 2012	.4060
2012 - 2014	.4100
2014 - 2016	.4034

**LCI for Virginia Beach and Surrounding Cities
2014 - 2016 Biennium**



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

The largest SOQ account is basic aid which provides funding for personnel, instructional materials and program management. In FY 2015/16, basic aid is budgeted at approximately \$172.8 million, representing a 2.5 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, the total budget for SOQ program accounts decreased by almost \$6 million from FY 2014/15.

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 2015/16 budget includes a \$2.8 million compensation supplement incentive payment that requires divisions to provide a 1.5 percent salary increase to all instructional and support personnel by Jan. 1, 2016. VBCPS approved a 1.34 percent increase on July 1 and an additional 2.66 percent increase on Oct. 1 to meet this requirement. The budget also includes an incentive payment of \$37,911 for math/reading specialists. This program provides the state share of the cost for one additional reading or math specialist in underperforming schools. Eligible schools include those that have been denied accreditation or were accredited with warning for the third consecutive year.

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 \$97,163 for this categorical program in the FY 2015/16 budget, slightly higher than the FY 2014/15 amount of \$86,033.

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 to approximately \$16.9 million for FY 2015/16, or 3.5 percent over the last fiscal year.

VBCPS State Revenue Budget Comparison

	FY 2014/15	FY 2015/16	Variance
<i>Standards of Quality Programs</i>			
Basic Aid	177,241,022	172,797,329	(4,443,693)
Vocational Education	2,139,874	2,107,995	(31,879)
Gifted Education	1,934,117	1,905,304	(28,813)
Special Education	18,188,926	17,877,423	(311,503)
Prevention, Intervention and Remediation	4,073,990	4,013,299	(60,691)
VRS Retirement (Includes RHCC)	21,151,828	20,188,110	(963,718)
Social Security	10,329,005	10,175,132	(153,873)
Group Life	699,574	648,614	(50,960)
Remedial Summer School	366,598	434,254	67,656
Standards of Quality Programs Total	236,124,934	230,147,460	(5,977,474)
<i>Incentive Programs</i>			
Compensation Supplement	-	2,847,553	2,847,553
Math/Reading Instructional Specialists	38,067	37,911	(156)
Incentive Programs Total	38,067	2,885,464	2,847,397
<i>Categorical Programs</i>			
Special Education - Homebound	86,033	97,163	11,130
Categorical Programs Total	86,033	97,163	11,130
<i>Lottery-Funded Programs</i>			
Foster Care	229,378	278,407	49,029
At-Risk	2,358,729	2,321,931	(36,798)
K-3 Primary Class Size Reduction	4,295,554	4,355,747	60,193
Special Education - Regional Tuition	8,608,309	9,106,315	498,006
Career and Technical Education	287,278	251,471	(35,807)
English as a Second Language (ESL)	564,188	595,615	31,427
Lottery-Funded Programs Total	16,343,436	16,909,486	566,050
State Revenue Total	252,592,470	250,039,573	(2,552,897)

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 2015/16 is nearly \$71.8 million, an increase of \$1.7 million, or 2.5 percent, compared to the FY 2014/15 Approved Budget.

VBCPS State Sales Tax Revenue Budget Comparison

	FY 2014/15	FY 2015/16	Variance
State Sales Tax Total	70,065,298	71,783,907	1,718,609

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 December 2013. 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 32.37 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. It also includes the proposed increase of two additional cents.

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 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 2015/16, General fund local revenue (net of debt service and PAYGO) totals \$358.5 million, an increase of \$13.5 million, or 3.9 percent, compared to the FY 2014/15 Approved Budget.

VBCPS Local Revenue Budget Comparison

	FY 2014/15	FY 2015/16	Variance
Revenue Sharing Formula	390,742,424	403,917,608	13,900,184
Less: Debt Service	(45,029,858)	(44,756,843)	273,015
Less: PAYGO	-	(642,448)	(642,448)
Local General fund Revenue Total	345,712,566	358,518,317	13,530,751

OTHER LOCAL REVENUE

Other local revenue is comprised of miscellaneous revenue sources such as rental of facilities, tuition and sale of salvage materials. Other local revenue for FY 2015/16 is budgeted at \$3.4 million, a decrease of \$36,745 compared to the FY 2014/15 Approved Budget.

VBCPS Other Local Revenue Budget Comparison

	FY 2014/15	FY 2015/16	Variance
Consolidated Benefits	722,283	635,538	(86,745)
Indirect Costs (Grants)	550,000	600,000	50,000
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	3,455,086	3,418,341	36,745

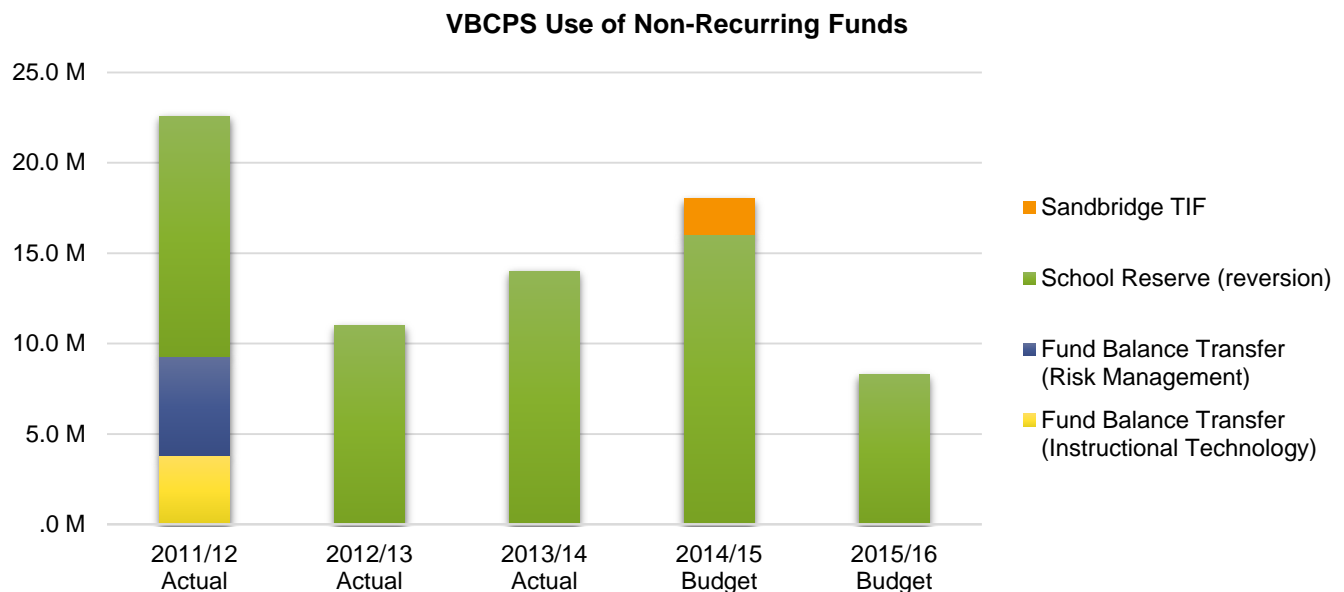
ADDITIONAL FUNDS (NON-RECURRING)

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 2015/16, VBCPS is beginning to address the structural flaw in the School Operating budget by reducing the reliance on these one-time reversion funds by \$9.7 million. The budget for FY 2015/16 does not divert any funds from the Sandbridge TIF to the School Operating budget.

VBCPS Additional Funds Budget Comparison

	FY 2014/15	FY 2015/16	Variance
Sandbridge TIF	2,000,000	-	(2,000,000)
School Reserve (reversion)	16,000,000	8,299,318	(7,700,682)
Additional Funds Total	18,000,000	8,299,318	(9,700,682)

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

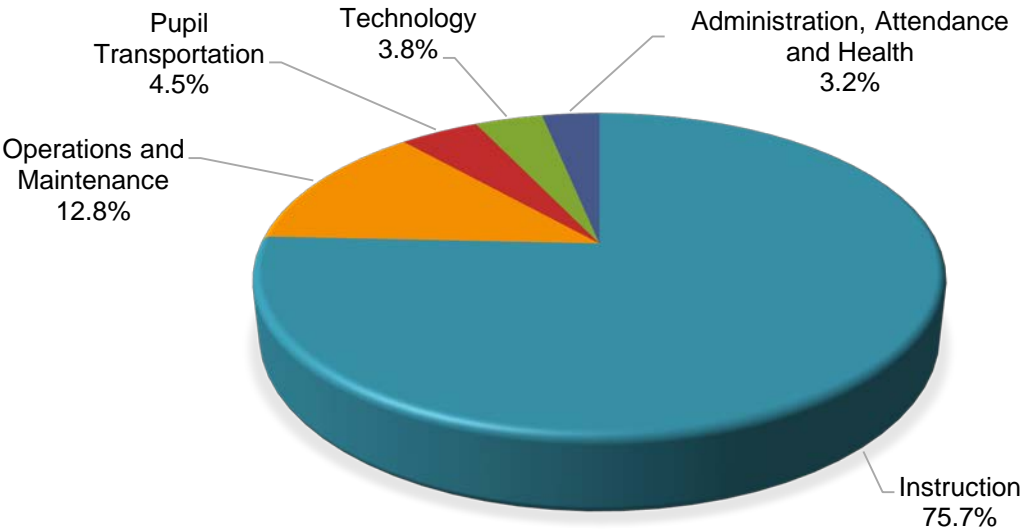


General Fund Expenditures by Major Classification for FY 2015/16

Within the General fund, expenditures are categorized by major classification/budget unit and type. Brief descriptions of the major classifications and types of budgeted expenditures are provided below each chart.

As expected, the majority of the General fund 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 2015/16 budget.

Employee compensation is comprised of salaries and employee benefits. The chart on the following page highlights that the majority of the FY 2015/16 budget is used to fund employee compensation costs. The combined amount budgeted for salaries and benefits totals 85.5 percent of General fund expenditures.



MAJOR CLASSIFICATION

Instruction\$533,457,332
Includes: activities that deal directly with the interaction between teachers, aides or classroom assistants and students

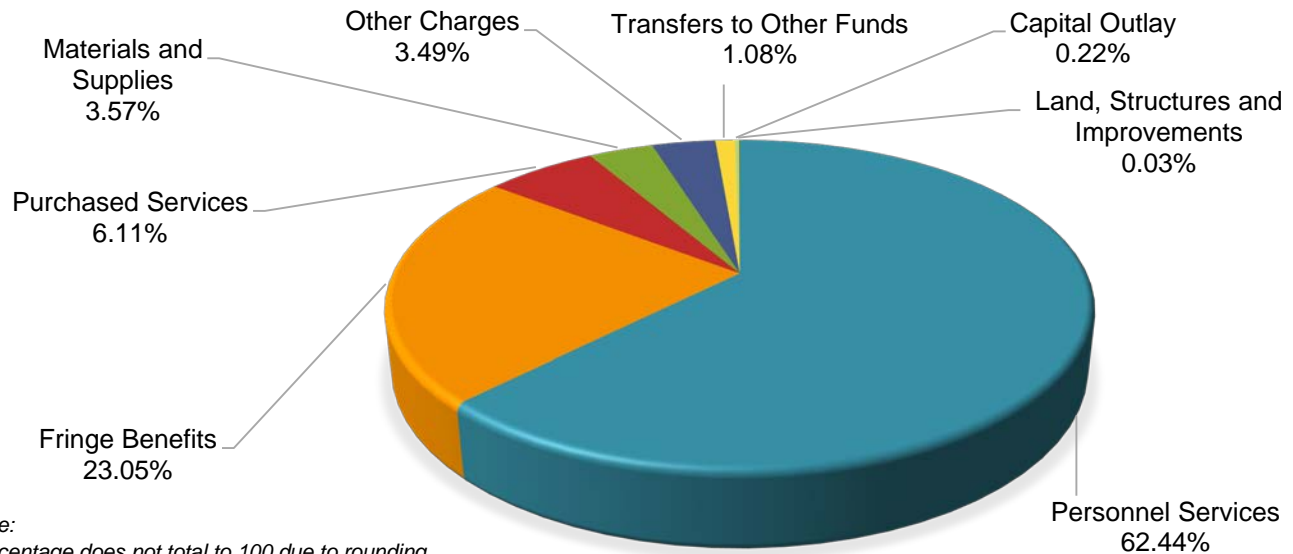
Administration, Attendance and Health\$22,791,437
Includes: activities concerned with establishing and administering policy for operating the division and activities whose primary purpose is the promotion and improvement of children’s attendance at school

Pupil Transportation.....\$31,485,354
Includes: activities concerned with transporting students to and from school as mandated by state and federal law

Operations and Maintenance\$89,874,414
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\$26,927,450
Includes: technology-related expenditures as required by the General Assembly

General Fund Expenditures by Category/Type for FY 2015/16



CATEGORY/TYPE

Personnel Services.....\$439,885,158

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.....\$162,425,919

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.....\$43,067,445

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\$24,564,070

Includes: payments of utilities, postage, telecommunications, insurance, rentals, travel and other miscellaneous charges

Materials and Supplies\$25,138,482

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\$1,578,969

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\$240,301

Includes: expenditures of projects that are less than \$1 million in estimated cost

Transfers to Other Funds\$7,635,643

Includes: the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbooks) without recourse

General Fund Expenditures Budget Comparison

		FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved	Percent of Total	Variance
50100	Elementary Classroom	124,983,030	137,176,162	135,229,384	146,441,511	141,291,960	20.05%	(5,149,551)
50200	Senior High Classroom	69,123,035	72,767,205	70,828,987	76,008,860	71,955,100	10.21%	(4,053,760)
50300	Technical and Career Education	16,502,697	16,940,802	17,063,818	17,223,831	17,993,028	2.55%	769,197
50400	Gifted Education and Academy Programs	12,043,455	12,789,685	12,875,301	13,388,992	13,704,944	1.95%	315,952
50500	Special Education	79,212,398	82,758,607	82,988,958	86,455,799	87,753,107	12.46%	1,297,308
50600	Summer School	2,735,388	1,504,455	1,493,939	1,998,296	1,998,296	0.28%	-
50700	General Adult Education	1,698,237	1,736,576	1,683,761	1,853,017	1,876,684	0.27%	23,667
50800	Alternative Education - Renaissance	5,914,787	6,294,631	6,070,603	6,596,059	6,834,209	0.97%	238,150
50900	Student Activities	6,288,700	6,876,445	7,268,899	7,491,567	7,583,512	1.08%	91,945
51000	Office of the Principal - Elementary	21,813,480	23,188,224	23,529,288	24,425,940	25,496,312	3.62%	1,070,372
51100	Office of the Principal - Senior High	9,039,890	9,434,058	9,650,672	10,781,038	11,115,510	1.58%	334,472
51200	Office of the Principal - Technical and Career Education	484,471	519,387	521,516	575,837	641,093	0.09%	65,256
51300	Guidance Services	14,665,271	15,635,775	15,554,267	16,065,071	16,177,984	2.30%	112,913
51400	Social Work Services	2,871,818	2,996,418	3,235,987	3,164,359	3,208,933	0.46%	44,574
51500	Media and Communications	1,455,882	1,443,265	1,501,355	1,670,825	1,716,938	0.24%	46,113
51700	Teaching and Learning Support	13,235,030	12,765,517	12,730,970	13,618,211	13,851,458	1.97%	233,247
51710	Instructional Professional Growth and Innovation	1,211,561	1,249,000	1,130,489	1,369,384	1,364,061	0.19%	(5,323)
51720	Equity Affairs	3,980	10,093	8,504	9,775	72,624	0.01%	62,849
51800	Special Education Support	2,462,503	2,777,144	2,506,062	3,026,625	3,035,882	0.43%	9,257
51900	Gifted Education and Academy Programs Support	1,935,350	2,083,275	1,951,041	2,236,771	2,213,000	0.31%	(23,771)
52000	Media Services Support	11,711,695	12,420,293	12,290,950	12,568,751	12,886,079	1.83%	317,328
52100	Planning, Innovation and Accountability	2,371,729	2,296,714	2,398,395	2,935,677	2,922,155	0.41%	(13,522)
52200	Middle School Classroom	52,203,677	56,262,242	54,880,585	58,678,497	57,739,677	8.20%	(938,820)
52300	Remedial Education	8,873,746	9,289,761	8,506,218	7,408,366	7,589,351	1.08%	180,985
52400	Office of the Principal - Middle School	7,741,365	8,244,275	8,459,900	8,769,136	9,947,079	1.41%	1,177,943
52500	Homebound Services	515,949	462,894	374,002	403,189	407,977	0.06%	4,788
52600	Technical and Career Education Support	885,297	899,566	837,920	957,731	928,000	0.13%	(29,731)
52700	Student Leadership	1,175,793	1,226,633	1,233,882	1,278,705	1,370,950	0.19%	92,245
52800	Psychological Services	3,179,488	3,284,692	3,247,257	3,575,996	3,579,714	0.51%	3,718
52900	Audiological Services	348,507	354,407	382,485	425,974	442,357	0.06%	16,383
53100	School Leadership	860,546	876,251	1,306,678	1,537,232	1,804,537	0.26%	267,305
53200	Alternative Education	1,156,451	1,213,647	1,191,930	1,388,531	1,446,292	0.21%	57,761
Instruction Total		478,705,206	507,778,099	502,934,003	534,329,553	530,948,803	75.36%	(3,380,750)
54100	Board, Legal and Governmental Services	828,002	925,642	965,745	1,005,751	1,006,142	0.14%	391
54200	Office of the Superintendent	1,008,116	1,125,089	1,034,032	1,551,959	1,096,644	0.16%	(455,315)
54300	Budget and Finance	3,162,397	3,234,362	3,387,053	3,834,427	4,258,303	0.60%	423,876
54400	Human Resources	4,374,870	4,468,099	4,596,664	5,005,687	5,062,853	0.72%	57,166
54500	Internal Audit	339,618	382,917	389,240	421,425	436,063	0.06%	14,638
54600	Purchasing Services	873,091	1,028,894	999,008	1,047,954	1,012,206	0.14%	(35,748)
54700	Professional Growth and Innovation	406,468	429,834	482,084	553,415	564,960	0.08%	11,545
55000	Benefits	1,734,754	1,808,826	1,704,623	1,932,102	2,012,781	0.29%	80,679
55200	Health Services	6,337,601	6,754,359	6,707,115	7,344,273	7,341,485	1.04%	(2,788)
Administration, Attendance and Health Total		19,064,917	20,158,022	20,265,564	22,696,993	22,791,437	3.23%	94,444
56100	Management	1,815,986	1,924,795	1,968,353	2,202,034	2,204,125	0.31%	2,091
56200	Vehicle Operations	17,351,409	17,901,245	18,443,202	17,724,223	18,082,173	2.57%	357,950
56250	Vehicle Operations - Special Education	5,033,918	5,365,961	5,473,574	5,209,757	5,237,355	0.74%	27,598
56300	Vehicle Maintenance	2,730,529	2,841,371	2,825,073	3,004,168	3,103,202	0.44%	99,034
56400	Monitoring Services	2,646,282	2,816,792	2,782,483	2,915,403	2,858,499	0.41%	(56,904)
Pupil Transportation Total		29,578,124	30,850,164	31,492,685	31,055,585	31,485,354	4.47%	429,769
57100	Facilities Planning and Construction	677,043	712,785	734,850	757,961	770,187	0.11%	12,226
57200	School Plant	47,518,516	43,928,628	43,295,124	43,328,734	44,358,591	6.30%	1,029,857
57300	Distribution Services	1,474,395	1,508,913	1,516,450	1,616,943	1,622,458	0.23%	5,515
57400	Grounds Services	3,751,950	3,751,950	3,564,352	3,884,352	3,884,352	0.55%	-
57500	Custodial Services	26,066,185	26,485,010	26,842,827	29,027,014	29,398,920	4.17%	371,906
58100	Safety and Loss Control	6,227,602	6,681,189	6,707,263	6,837,477	7,355,785	1.04%	518,308
58200	Vehicle Services	1,539,551	1,013,472	1,060,041	1,054,344	1,042,597	0.15%	(11,747)
58300	Telecommunications	1,071,747	1,143,107	1,185,290	1,056,744	1,065,030	0.15%	8,286
Operations and Maintenance Total		88,326,989	85,225,054	84,906,197	87,563,569	89,497,920	12.70%	1,934,351
60000	Technology	-	-	26,433,626	27,709,373	26,927,450	3.82%	(781,923)
Technology Total		-	-	26,433,626	27,709,373	26,927,450	3.82%	(781,923)
School Operating Fund Total		615,675,236	644,011,339	666,032,075	703,355,073	701,650,964	99.59%	(1,704,109)
Green Run Collegiate Instruction		-	-	1,071,910	2,233,351	2,508,529	0.36%	275,178
Green Run Collegiate Administration, Attendance and Health		-	-	-	8,000	-	0.00%	(8,000)
Green Run Collegiate Pupil Transportation		-	-	120,741	159,128	-	0.00%	(159,128)
Green Run Collegiate Operations and Maintenance		-	-	-	21,400	376,494	0.05%	355,094
Green Run Collegiate Technology		-	-	24,885	25,000	-	0.00%	(25,000)
Green Run Collegiate Fund Total		-	-	1,217,536	2,446,879	2,885,023	0.41%	438,144
General Fund Total		615,675,236	644,011,339	667,249,611	705,801,952	704,535,987	100%	(1,265,965)

Notes: 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. Fiscal years 2011/12 and 2012/13 include the Technology fund 106. As of FY 2013/14, all technology category financial activities previously reported in fund 106 are reported in the School Operating fund 115.

SCHOOL OPERATING EXPENDITURES BY MAJOR CLASSIFICATION AND CATEGORY FOR FY 2015/16

	Instruction	Administration, Attendance and Health	Pupil Transportation	Operations and Maintenance	Technology	Total	Percent of Total Budget
Personnel Services	359,912,215	14,187,992	17,983,783	34,367,179	11,783,109	438,234,278	62.46%
Fringe Benefits	130,679,232	5,829,981	7,247,623	14,083,099	3,994,976	161,834,911	23.06%
Purchased Services	22,405,586	1,950,094	217,908	12,660,642	5,806,168	43,040,398	6.13%
Other Charges	1,225,161	395,852	852,435	21,494,461	233,067	24,200,976	3.45%
Materials and Supplies	8,314,452	427,518	5,183,605	6,427,640	4,532,273	24,885,488	3.55%
Capital Outlay	1,350,194	-	-	224,598	4,177	1,578,969	0.23%
Land, Structures and Improvements	-	-	-	240,301	-	240,301	0.03%
Transfers to Other Funds	7,061,963	-	-	-	573,680	7,635,643	1.09%
School Operating Fund Total	530,948,803	22,791,437	31,485,354	89,497,920	26,927,450	701,650,964	100%
Percent of Total	75.67%	3.25%	4.49%	12.76%	3.84%	100.00%	

GREEN RUN COLLEGIATE EXPENDITURES BY MAJOR CLASSIFICATION AND CATEGORY FOR FY 2015/16

	Instruction	Administration, Attendance and Health	Pupil Transportation	Operations and Maintenance	Technology	Total	Percent of Total Budget
Personnel Services	1,650,880	-	-	-	-	1,650,880	57.22%
Fringe Benefits	591,008	-	-	-	-	591,008	20.49%
Purchased Services	18,647	-	-	8,400	-	27,047	0.94%
Other Charges	5,000	-	-	358,094	-	363,094	12.59%
Materials and Supplies	242,994	-	-	10,000	-	252,994	8.77%
Capital Outlay	-	-	-	-	-	-	0.00%
Land, Structures and Improvements	-	-	-	-	-	-	0.00%
Transfers to Other Funds	-	-	-	-	-	-	0.00%
Green Run Collegiate Fund Total	2,508,529	-	-	376,494	-	2,885,023	100%
Percent of Total	86.95%	0.00%	0.00%	13.05%	0.00%	100.00%	

GENERAL FUND TOTAL EXPENDITURES BY MAJOR CLASSIFICATION AND CATEGORY FOR FY 2015/16

	Instruction	Administration, Attendance and Health	Pupil Transportation	Operations and Maintenance	Technology	Total	Percent of Total Budget
Personnel Services	361,563,095	14,187,992	17,983,783	34,367,179	11,783,109	439,885,158	62.44%
Fringe Benefits	131,270,240	5,829,981	7,247,623	14,083,099	3,994,976	162,425,919	23.05%
Purchased Services	22,424,233	1,950,094	217,908	12,669,042	5,806,168	43,067,445	6.11%
Other Charges	1,230,161	395,852	852,435	21,852,555	233,067	24,564,070	3.49%
Materials and Supplies	8,557,446	427,518	5,183,605	6,437,640	4,532,273	25,138,482	3.57%
Capital Outlay	1,350,194	-	-	224,598	4,177	1,578,969	0.22%
Land, Structures and Improvements	-	-	-	240,301	-	240,301	0.03%
Transfers to Other Funds	7,061,963	-	-	-	573,680	7,635,643	1.08%
General Fund Total	533,457,332	22,791,437	31,485,354	89,874,414	26,927,450	704,535,987	100%
Percent of Total	75.72%	3.23%	4.47%	12.76%	3.82%	100.00%	

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. 18, 2014.

Five Year Forecast

	FY 2015/16 Forecast	FY 2016/17 Forecast	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast
REVENUE CATEGORY:					
Local (RSF)	392,431,342	398,323,326	404,554,049	410,969,162	417,592,011
Other Local	2,668,383	2,668,383	2,668,383	2,668,383	2,668,383
State	253,537,166	254,485,395	255,437,170	256,392,505	257,351,413
State Sales Tax	72,518,495	72,881,087	73,245,493	73,611,720	73,979,779
Federal	12,453,899	12,453,899	12,453,899	12,453,899	12,453,899
School Reserve (reversion)	-	-	-	-	-
Sandbridge TIF	-	-	-	-	-
Transfer(s) from other funds	-	-	-	-	-
Revenue Total	733,609,285	740,812,090	748,358,994	756,095,669	764,045,485
EXPENDITURE CATEGORY:					
Personnel Services	442,351,562	448,279,072	448,279,072	448,279,072	448,279,072
Fringe Benefits	169,018,541	179,694,704	185,032,834	200,126,721	206,717,781
Purchased Services	43,166,078	43,166,078	43,166,078	43,166,078	43,166,078
Other Charges	57,111,608	57,111,608	57,111,608	57,111,608	57,111,608
Materials and Supplies	-	-	-	-	-
Capital Outlay	1,590,815	1,590,815	1,590,815	1,590,815	1,590,815
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Debt Service	48,757,648	49,679,692	49,296,912	48,154,201	49,687,276
Expenditure Total	761,996,252	779,521,969	784,477,319	798,428,495	806,552,630
Expenditures Variance	(28,386,967.00)	(38,709,879.00)	(36,118,325.00)	(42,332,826.00)	(42,507,145.00)

REVENUE ASSUMPTIONS

Overall, local revenues are projected to increase an average of 1.5 percent each year over the next five years as the local economy continues to improve. This will help support key services for Virginia Beach residents. State shared sales tax and state direct aid revenue projections include a 0.5 percent annual increase. Federal revenue assumptions include a \$4 million net decrease in Impact Aid payments from FY 2014/15 to FY 2015/16 and remain flat for the remaining forecast period.

EXPENDITURE ASSUMPTIONS

Personnel services expenditures include a 1.34 percent salary increase in FY 2015/16 and FY 2016/17 and then remain flat for the remaining forecast period. The 1.34 percent represents a "hold harmless" adjustment for staff provided annually through FY 2016/17 to offset the required increase employees must pay into VRS. The VRS costs assume no change in the number of full-time equivalent (FTE) employees over the five year forecast period. Based on state projections, the forecast assumes a 2 percent increase in the VRS rates for FY 2016/17 and FY 2018/19. The forecast for fringe benefits assumes an annual increase of 0.5 percent for life insurance costs and an 8 percent increase annually for employer paid health insurance expenses. From the FY 2014/15 budget to FY 2019/20, the last year of the forecast period, debt service is projected to increase by 9.2 percent. This projection does not factor in the possibility of additional debt service from any increase to support the School Modernization Program. Other operating costs are projected to change minimally during the forecast period.

SPECIAL REVENUE FUNDS

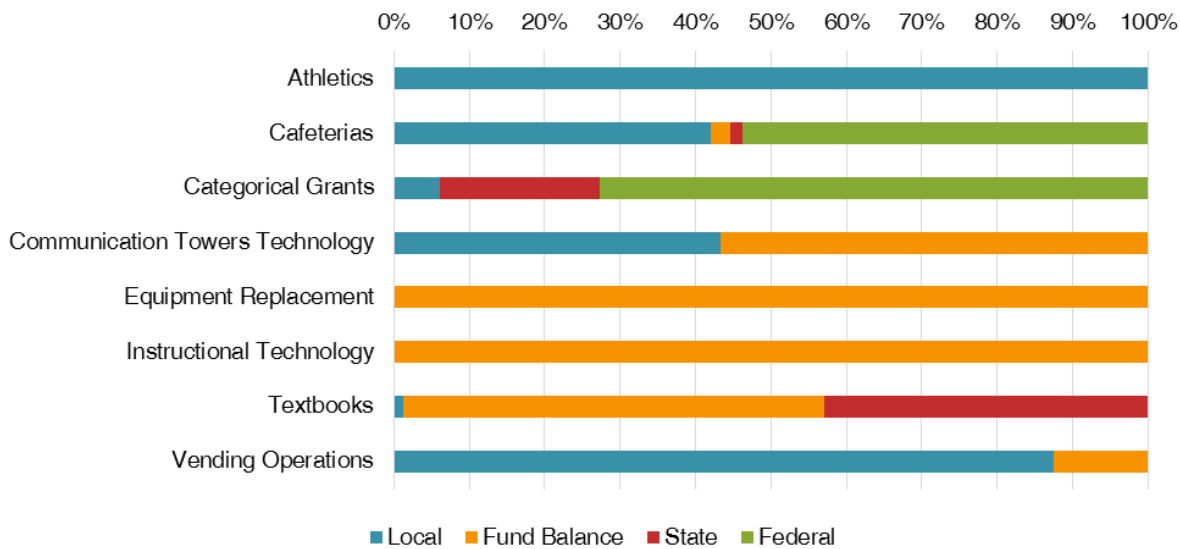
Although the majority of the total FY 2015/16 School Board Approved Budget is accounted for in the General fund and intended to support day-to-day activities, Special Revenue funds function to supplement the School

Operating budget and equate to approximately \$103.4 million, or 12.8 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.

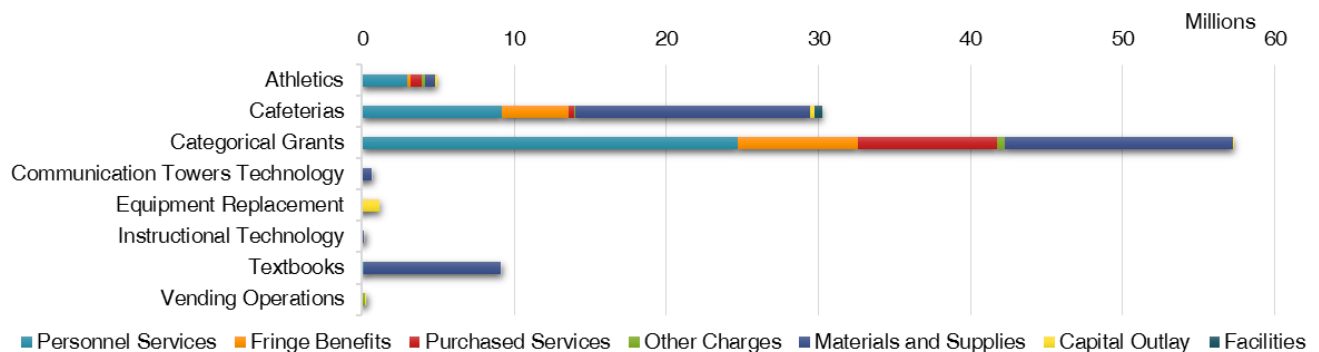
The FY 2015/16 budget for all special revenue funds is expected to decrease by nearly \$6.5 million from FY 2014/15. The majority of the decline can be attributed to the Categorical Grants fund, primarily as a result of less than anticipated carryover funding.

	FY 2014/15	FY 2015/16	Variance
Athletics	4,922,642	4,922,642	-
Cafeterias	30,278,999	30,227,350	(51,649)
Categorical Grants	63,534,234	57,287,954	(6,246,280)
Communication Towers Technology	600,000	600,000	-
Equipment Replacement	369,641	1,106,301	736,660
Instructional Technology	159,700	106,000	(53,700)
Textbooks	9,952,535	9,094,147	(858,388)
Vending Operations	220,289	220,289	-
Total	110,038,040	103,564,683	(6,473,357)

Revenue Sources for Categorical Grants and Other Funds



Expenditure Categories for Categorical Grants and Other Funds



Categorical Grants and Other Funds Revenue for FY 2015/16

	Local	Fund Balance	State	Federal	Total
Adult Basic Education Funds	66,039	-	-	349,074	415,113
Advanced Placement Fee Program	-	-	-	57,180	57,180
Carl D. Perkins Vocational and Technical Education Act	-	-	-	873,706	873,706
DNA Building Blocks for Middle School Science	-	-	-	38,749	38,749
DoDEA MCASP	-	-	-	244,139	244,139
DoDEA MCASP Operation Pride	-	-	-	1,272,700	1,272,700
DoDEA S-FLEP	-	-	-	61,015	61,015
DoDEA Special Education	-	-	-	356,153	356,153
McKinney-Vento Homeless Assistance Act	-	-	-	105,001	105,001
MYCAA ALC Courses	-	-	-	5,000	5,000
MYCAA LPN Program	-	-	-	10,000	10,000
Preschool Incentive	-	-	-	657,812	657,812
Reserve For Contingency - Federal	-	-	-	4,500,000	4,500,000
Startalk	-	-	-	89,289	89,289
Title I, Part A	-	-	-	13,893,969	13,893,969
Title I, Part D - Subpart 1	-	-	-	5,000	5,000
Title I, Part D - Subpart 2	-	-	-	410,214	410,214
Title II, Part A	-	-	-	2,551,332	2,551,332
Title III, Part A - Immigrant and Youth	-	-	-	45,993	45,993
Title III, Part A - Language Acquisition	-	-	-	197,415	197,415
Title IV, Part B 21st CCLC - Williams ES	-	-	-	68,772	68,772
Title IV, Part B 21st CCLC - GRC	-	-	-	273,988	273,988
Title VI, Part B (IDEA)	-	-	-	15,558,825	15,558,825
Federal Grants Total	66,039	-	-	41,625,326	41,691,365
Algebra Readiness Initiative	350,184	-	517,898	-	868,082
Career and Tech Education State Equipment Allocation	-	-	88,427	-	88,427
Career Switcher New Teacher Mentor Program	-	-	11,000	-	11,000
Dual Enrollment - TCC	-	-	275,918	-	275,918
Early Intervention Reading Initiative (PALS)	523,136	-	773,681	-	1,296,817
General Adult Education	-	-	34,586	-	34,586
Industry Certification Examinations	-	-	78,176	-	78,176
ISAEF	-	-	62,869	-	62,869
Jail Education Program	-	-	236,551	-	236,551
Juvenile Detention Home	-	-	730,996	-	730,996
National Board Certification Incentive	-	-	352,500	-	352,500
New Teacher Mentor Program	-	-	38,401	-	38,401
Race to GED®	-	-	64,188	-	64,188
Reserve for Contingency - State	-	-	2,700,000	-	2,700,000
Technology Initiative	436,400	-	3,053,994	-	3,490,394
VA eLearning Backpack - Bayside HS	53,539	-	214,157	-	267,696
VA eLearning Backpack - Green Run HS	42,557	-	170,227	-	212,784
VA eLearning Backpack - Kempsville HS	41,184	-	164,736	-	205,920
VA Initiative for At-Risk Four-Year-Olds	1,703,962	-	2,520,038	-	4,224,000
Virginia Middle School Teacher Corps	-	-	35,000	-	35,000
State Grants Total	3,150,962	-	12,123,343	-	15,274,305
Opportunity, Inc. - Adult Learning Center	101,792	-	-	-	101,792
Opportunity, Inc. - STEM	220,492	-	-	-	220,492
Local Grants Total	322,284	-	-	-	322,284
Categorical Grants Total	3,539,285	-	12,123,343	41,625,326	57,287,954
Athletics	4,922,642	-	-	-	4,922,642
Cafeterias	12,693,006	779,562	500,000	16,254,782	30,227,350
Communication Towers Technology	260,000	340,000	-	-	600,000
Equipment Replacement	-	1,106,301	-	-	1,106,301
Instructional Technology	-	106,000	-	-	106,000
Textbooks	110,000	5,083,545	3,900,602	-	9,094,147
Vending Operations	192,550	27,739	-	-	220,289
Other Funds Total	18,178,198	7,443,147	4,400,602	16,254,782	46,276,729
Categorical Grants and Other Funds Total	21,717,483	7,443,147	16,523,945	57,880,108	103,564,683

Categorical Grants and Other Funds Expenditures for FY 2015/16

	Personnel Services	Fringe Benefits	Purchased Services	Other Charges	Materials and Supplies	Capital Outlay	Facilities	Improv. and Transfers	Total
Adult Basic Education Funds	327,167	64,130	17,891	-	5,925	-	-	-	415,113
Advanced Placement Fee Program	-	-	57,180	-	-	-	-	-	57,180
Carl D. Perkins Vocational and Technical Education Act	31,900	2,440	319,140	168,600	290,532	61,094	-	-	873,706
DNA Building Blocks for Middle School Science	34,273	2,623	-	-	1,853	-	-	-	38,749
DoDEA MCASP	18,225	4,373	132,269	3,100	86,172	-	-	-	244,139
DoDEA MCASP Operation Pride	230,327	76,837	622,080	90,448	253,008	-	-	-	1,272,700
DoDEA SFLEP	44,995	11,220	-	3,272	1,528	-	-	-	61,015
DoDEA Special Education	196,574	39,548	25,000	2,500	92,531	-	-	-	356,153
McKinney-Vento Homeless Assistance Act	61,310	4,691	-	23,250	15,750	-	-	-	105,001
MYCAA ALC Courses	-	-	5,000	-	-	-	-	-	5,000
MYCAA LPN Program	-	-	10,000	-	-	-	-	-	10,000
Preschool Incentive	457,529	168,661	20,450	-	11,172	-	-	-	657,812
Reserve For Contingency - Federal	-	-	-	-	4,500,000	-	-	-	4,500,000
Startalk	39,136	2,993	26,907	5,951	14,302	-	-	-	89,289
Title I, Part A	7,211,163	2,619,943	1,350,381	105,872	2,606,610	-	-	-	13,893,969
Title I, Part D - Subpart 1	4,645	355	-	-	-	-	-	-	5,000
Title I, Part D - Subpart 2	265,958	86,816	47,660	-	9,780	-	-	-	410,214
Title II, Part A	1,512,241	554,461	461,687	-	22,943	-	-	-	2,551,332
Title III, Part A - Immigrant and Youth	-	-	45,993	-	-	-	-	-	45,993
Title III, Part A - Language Acquisition	145,452	47,757	4,206	-	-	-	-	-	197,415
Title IV, Part B 21st CCLC - GRC	209,866	16,080	18,160	5,896	23,986	-	-	-	273,988
Title IV, Part B 21st CCLC - Williams ES	53,476	4,091	5,000	-	6,205	-	-	-	68,772
Title VI, Part B (IDEA)	11,019,057	3,775,057	623,833	15,000	125,878	-	-	-	15,558,825
Federal Grants Total	21,863,294	7,482,076	3,792,837	423,889	8,068,175	61,094	-	-	41,691,365
Algebra Readiness Initiative	220,325	14,699	429,306	-	203,752	-	-	-	868,082
Career and Tech Education State Equipment Allocation	-	-	-	-	88,427	-	-	-	88,427
Career Switcher New Teacher Mentor Program	11,000	-	-	-	-	-	-	-	11,000
Dual Enrollment - TCC	-	-	275,918	-	-	-	-	-	275,918
Early Intervention Reading Initiative (PALS)	1,124,801	104,823	3,000	1,500	62,693	-	-	-	1,296,817
General Adult Education	32,128	2,458	-	-	-	-	-	-	34,586
Industry Certification Examinations	-	-	78,176	-	-	-	-	-	78,176
ISAEF	32,733	2,504	18,000	500	9,132	-	-	-	62,869
Jail Education Program	189,410	39,091	750	1,300	6,000	-	-	-	236,551
Juvenile Detention Home	495,080	187,604	17,362	5,250	25,700	-	-	-	730,996
National Board Certification Incentive	352,500	-	-	-	-	-	-	-	352,500
New Teacher Mentor Program	38,401	-	-	-	-	-	-	-	38,401
Race to GED	54,239	4,149	5,800	-	-	-	-	-	64,188
Reserve for Contingency - State	-	-	-	-	2,700,000	-	-	-	2,700,000
Technology Initiative	74,936	5,734	191,920	75,724	3,142,080	-	-	-	3,490,394
VA eLearning Backpack - Bayside HS	3,730	285	6,692	2,677	254,312	-	-	-	267,696
VA eLearning Backpack - Green Run HS	2,965	227	5,320	2,128	202,144	-	-	-	212,784
VA eLearning Backpack - Kempsville HS	2,870	220	5,148	2,059	195,623	-	-	-	205,920
VA Initiative for At-Risk Four-Year-Olds	-	-	4,224,000	-	-	-	-	-	4,224,000
Virginia Middle School Teacher Corps	35,000	-	-	-	-	-	-	-	35,000
State Grants Total	2,670,118	361,794	5,261,392	91,138	6,889,863	-	-	-	15,274,305
Opportunity, Inc. - Adult Learning Center	54,389	4,160	40,374	2,300	569	-	-	-	101,792
Opportunity, Inc. - STEM	74,018	20,766	99,150	-	26,558	-	-	-	220,492
Local Grants Total	128,407	24,926	139,524	2,300	27,127	-	-	-	322,284
Categorical Grants Total	24,661,819	7,868,796	9,193,753	517,327	14,985,165	61,094	-	-	57,287,954
Athletics	2,920,458	223,415	763,728	214,750	611,300	188,991	-	-	4,922,642
Cafeterias	9,152,685	4,379,524	358,323	82,673	15,474,583	279,562	500,000	-	30,227,350
Communication Towers Technology	-	-	-	-	600,000	-	-	-	600,000
Equipment Replacement	-	-	-	-	-	1,106,301	-	-	1,106,301
Instructional Technology	-	-	-	-	106,000	-	-	-	106,000
Textbooks	71,794	27,995	1,500	-	8,992,858	-	-	-	9,094,147
Vending Operations	-	-	-	135,804	9,651	74,834	-	-	220,289
Other Funds Total	12,144,937	4,630,934	1,123,551	433,227	25,794,392	1,649,688	500,000	-	46,276,729
Categorical Grants and Other Funds Total	36,806,756	12,499,730	10,317,304	950,554	40,779,557	1,710,782	500,000	-	103,564,683

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 Athletic 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 Athletic fund. Disbursements from the Athletic 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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	489,776	499,097	533,481	504,000	504,000
Transfer(s) from Other Funds	3,403,863	4,391,098	4,491,481	4,418,642	4,418,642
Revenue Total	3,893,639	4,890,195	5,024,962	4,922,642	4,922,642
EXPENDITURE CATEGORY:					
Personnel Services	2,895,696	2,861,047	2,793,092	2,920,458	2,920,458
Fringe Benefits	221,623	218,974	213,958	223,415	223,415
Purchased Services	589,508	582,039	708,159	763,728	763,728
Other Charges	164,671	182,580	179,349	214,750	214,750
Materials and Supplies	803,629	1,037,529	748,681	611,300	611,300
Capital Outlay	154,471	185,057	142,975	188,991	188,991
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	4,829,599	5,067,226	4,786,213	4,922,642	4,922,642

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.

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 35 cents for paid students, \$2.75 for reduced lunch students and \$3.15 for free eligible students.

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 25 cents for FY 2015/16.

Paid Lunch Prices for Virginia Beach and Surrounding Divisions (FY 2014/15)

Chesapeake	\$2.30
Hampton	\$1.70
Newport News	\$2.15
Norfolk	\$1.80
Portsmouth	\$1.45
Virginia Beach	\$2.50

Source: Virginia Department of Education

Over the last decade, the number of VBCPS students eligible for free and reduced-price meals has grown by approximately 29 percent. This student demographic is expected to continue to trend higher in future fiscal years.

Student Meal Prices Comparison

Fee/Assessment	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16
Breakfast:						
Paid	1.15	1.15	1.15	1.15	1.15	1.40
Reduced	0.30	0.30	0.30	0.30	0.30	0.30
Lunch:						
Paid	2.15	2.20	2.30	2.40	2.50	2.75
Reduced	0.40	0.40	0.40	0.40	0.40	0.40

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

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

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	12,781,424	12,202,712	12,059,166	12,744,655	12,693,006
State	489,788	507,862	479,200	500,000	500,000
Federal	13,867,218	14,373,628	16,266,517	16,254,782	16,254,782
Revenue Total	27,138,430	27,084,202	28,804,882	29,499,437	29,447,788
EXPENDITURE CATEGORY:					
Personnel Services	8,185,594	7,945,555	8,072,068	9,091,375	9,152,685
Fringe Benefits	3,384,692	3,591,291	3,514,453	4,524,211	4,379,524
Purchased Services	374,704	206,062	257,726	358,323	358,323
Other Charges	68,033	68,316	62,828	82,673	82,673
Materials and Supplies	14,426,470	14,357,502	16,351,533	15,442,855	15,474,583
Capital Outlay	40,786	334,320	186,919	279,562	279,562
Land, Structures and Improvement	-	-	-	500,000	500,000
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	26,480,280	26,503,047	28,445,527	30,278,999	30,227,350
Net Change in Fund Balance	658,151	581,155	359,356	(779,562)	(779,562)
Fund Balance July 1	3,717,345	4,375,496	4,956,651	5,316,007	4,536,445
Fund Balance June 30	4,375,496	4,956,651	5,316,007	4,536,445	3,756,883

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 2014/15 are used to project program funding estimates for anticipated FY 2015/16 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 will be 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 2015/16, \$7.2 million is budgeted as a reserve for contingency. The projected FY 2015/16 budget for the Categorical Grants fund is \$57,287,954 and includes 478.50 FTE positions. This is a reduction of \$6,246,280, or 9.8 percent, from the FY 2014/15 Approved budget which totaled \$63,534,234. Categorical grant funds are projected to account for 7.1 percent of the total FY 2015/16 budget.

Two federal projects, Title VI, Part B, Individuals with Disabilities Education Act of 2004 (IDEA), (\$15,558,825) and Title I, Part A, (\$13,893,969) account for 51.4 percent of the Categorical Grants fund revenue. Title I, Part A, provides financial assistance through state educational agencies to school divisions and public schools with high numbers 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 Local Educational Agency (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.

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. As required by the USED, the FY 2015/16 indirect cost rate will be calculated using the 2014 Annual School Report (ASR) expenditure data. The FY 2014/15 indirect cost rate for VBCPS is 2.2 percent.

Categorical Grants Fund - Statement of Revenues and Expenditures

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	151,829	274,391	220,507	-	322,284
State	7,487,879	6,982,084	11,366,773	16,021,049	12,123,343
Federal	55,615,467	35,915,774	33,296,657	44,213,858	41,625,326
Transfer(s) from Other Funds	3,547,951	3,203,997	3,187,275	3,299,327	3,217,001
Revenue Total	66,803,127	46,376,246	48,071,212	63,534,234	57,287,954
EXPENDITURE CATEGORY:					
Personnel Services	41,056,748	24,141,384	23,693,928	26,436,430	24,661,819
Fringe Benefits	9,095,413	7,764,453	7,212,663	9,147,516	7,868,796
Purchased Services	8,037,343	8,090,110	7,746,723	9,211,875	9,193,753
Other Charges	452,745	308,860	281,163	359,234	517,327
Materials and Supplies	6,965,746	5,569,523	6,463,192	18,270,055	14,985,165
Capital Outlay	1,195,132	501,916	2,673,544	109,124	61,094
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	66,803,127	46,376,246	48,071,212	63,534,234	57,287,954

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, and training, facsimile and copy machines.

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

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	448,859	472,497	544,780	260,000	260,000
Revenue Total	448,859	472,497	544,780	260,000	260,000
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	121,055	17,960	31,214	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	129,071	77,752	109,889	600,000	600,000
Capital Outlay	12,080	-	299,983	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	262,206	95,712	441,086	600,000	600,000
Net Change in Fund Balance	186,653	376,784	103,694	(340,000)	(340,000)
Fund Balance July 1	2,295,846	2,482,499	2,859,283	2,962,977	2,622,977
Fund Balance June 30	2,482,499	2,859,283	2,962,977	2,622,977	2,282,977

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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	4,963	3,891	3,239	-	-
Revenue Total	4,963	3,891	3,239	-	-
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	-	-	-	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	-	-	-	-	-
Capital Outlay	-	33,899	307,454	369,641	1,106,301
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	-	33,899	307,454	369,641	1,106,301
Net Change in Fund Balance	4,963	(30,008)	(304,216)	(369,641)	(1,106,301)
Fund Balance July 1	1,805,204	1,810,166	1,780,158	1,475,942	1,106,301
Fund Balance June 30	1,810,166	1,780,158	1,475,942	1,106,301	-

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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	74,609	52,783	72,535	-	-
Revenue Total	74,609	52,783	72,535	-	-
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	1,015,450	299,825	-	-	-
Other Charges	-	-	-	-	-
Materials and Supplies	9,280,879	392,322	-	159,700	106,000
Capital Outlay	358,721	287,139	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	3,793,767	-	-	-	-
Expenditure Total	14,448,818	979,286	-	159,700	106,000
Net Change in Fund Balance	(14,374,209)	(926,503)	72,535	(159,700)	(106,000)
Fund Balance July 1	15,460,412	1,086,203	159,700	232,235	72,535
Fund Balance June 30	1,086,203	159,700	232,235	72,535	(33,465)

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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	136,571	81,051	86,048	110,000	110,000
State	1,661,828	3,626,324	3,623,928	3,959,589	3,900,602
Revenue Total	1,798,399	3,707,375	3,709,976	4,069,589	4,010,602
EXPENDITURE CATEGORY:					
Personnel Services	74,946	65,410	77,749	68,762	71,794
Fringe Benefits	20,268	24,813	29,374	27,465	27,995
Purchased Services	-	235,500	295,426	1,500	1,500
Other Charges	-	-	-	-	-
Materials and Supplies	5,781,592	5,301,342	3,086,794	9,854,808	8,992,858
Capital Outlay	-	-	-	-	-
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	5,876,805	5,627,065	3,489,343	9,952,535	9,094,147
Net Change in Fund Balance	(4,078,406)	(1,919,690)	220,633	(5,882,946)	(5,083,545)
Fund Balance July 1	22,042,950	17,964,543	16,044,853	16,265,486	10,382,540
Fund Balance June 30	17,964,543	16,044,853	16,265,486	10,382,540	5,298,995

Vending Operations Fund

The Vending Operations 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 by schools to support student and staff activities.

Vending Operations Fund - Statement of Revenues, Expenditures and Changes in Fund Balance

	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Approved
REVENUE CATEGORY:					
Local	193,410	192,966	192,723	192,550	192,550
Revenue Total	193,410	192,966	192,723	192,550	192,550
EXPENDITURE CATEGORY:					
Personnel Services	-	-	-	-	-
Fringe Benefits	-	-	-	-	-
Purchased Services	-	-	-	-	-
Other Charges	301,255	301,255	301,255	135,804	135,804
Materials and Supplies	914	983	818	9,651	9,651
Capital Outlay	32,245	-	-	74,834	74,834
Land, Structures and Improvement	-	-	-	-	-
Transfer(s) to Other Funds	-	-	-	-	-
Expenditure Total	334,413	302,238	302,073	220,289	220,289
Net Change in Fund Balance	(141,003)	(109,272)	(109,350)	(27,739)	(27,739)
Fund Balance July 1	448,511	307,508	198,236	88,886	61,147
Fund Balance June 30	307,508	198,236	88,886	61,147	33,408

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, 2015.

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, 2015, is \$8,528,000 (undiscounted).

2014 Plan Year Benefit Participants

Health Plan	
Active City Employees	5,317
Active School Employees	8,071
City and School Retirees	1,609
Dental Plan	
Active City Employees	4,857
Active School Employees	6,781
City and School Retirees	2,757
COBRA Enrollments	
Health (average monthly enrollment)	78
Dental (average monthly enrollment)	49

Source: Consolidated Benefits Office, 2014 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

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

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. Consequently, the effects of ACA implementation will not be known until the FY 2016/17 budget cycle.

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
- Vehicle Liability - \$350,000 per occurrence
- Vehicle Catastrophic Fleet Damage - \$60,000 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 2015/6 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, 2015, is \$8,590,000 (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

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

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, Sedgwick Claims Management Services, Inc. (Sedgwick), to manage VBCPS' workers' compensation program. Services provided by Sedgwick include investigating claims, establishing loss reserves, processing payment, reporting to the Commission and recovering funds. The contract with Sedgwick will expire on June 30, 2016.

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 2013/14 SURPLUS FUNDS

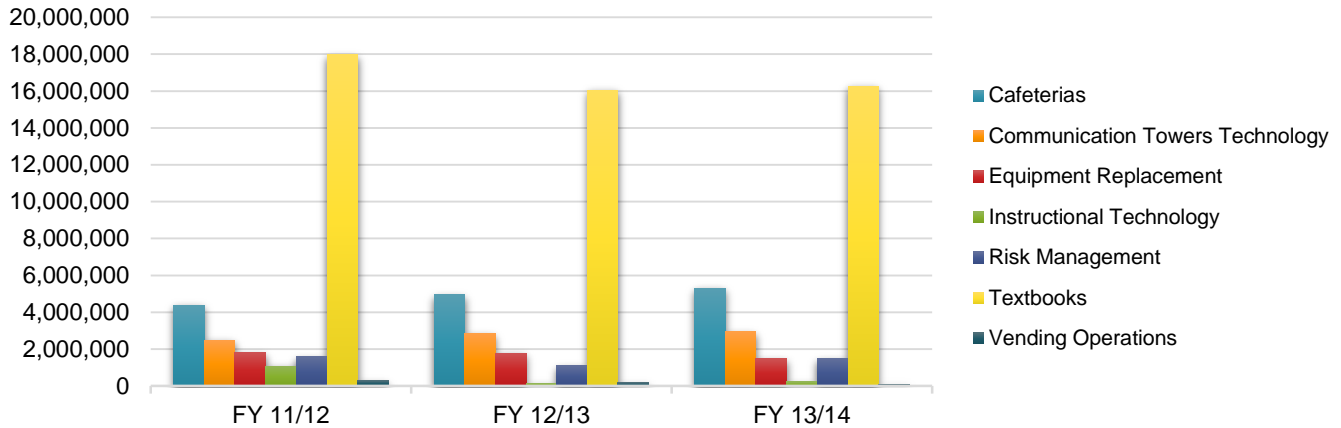
On Nov. 18, 2014, the School Board adopted a resolution requesting the City Council to appropriate \$12.2 million in surplus funds that lapsed and reverted at the end of FY 2013/14. On Dec. 2, 2014, the City Council approved the resolution for the amounts and purposes outlined below.

- \$516,300 for CIP 1-005 Green Run Collegiate Renovations
- \$11,682,443 to the School Reserve (reversion) fund to address an anticipated budget shortfall in FY 2015/16 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, 2014. 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 schools' strategic framework and the projected expenditures for each of these funds.

Three-Year Actuals



Actuals and Projections Based on the Spending Plan

	Actual			Projected	
	2011/12	2012/13	2013/14	2014/15	2015/16
Athletics	-	-	-	-	-
Cafeterias	4,375,496	4,956,651	5,316,007	4,536,445	3,756,883
Communication Towers Technology	2,482,499	2,859,283	2,962,977	2,622,977	2,282,977
Equipment Replacement	1,810,166	1,780,158	1,475,942	1,106,301	-
Instructional Technology	1,086,203	159,700	232,235	72,535	(33,465)
Risk Management	1,600,000	1,100,000	1,500,000	-	-
Textbooks	17,964,543	16,044,853	16,265,486	10,382,540	5,298,995
Vending Operations	307,508	198,236	88,886	61,147	33,408

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 their 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 2015/16 - 2020/21 CIP is the financial plan for capital projects beginning July 1, 2015, through June 30, 2021. The budget encompasses anticipated revenues and expenditures for FY 2015/16 (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 \$36.5 million for FY 2015/16 and just over \$223 million for the entire six-year capital program through 2021. For FY 2015/16, \$642,448 in PAYGO funding has been earmarked for project 1-008 Instructional Technology II. This project will implement the second phase of the division's Instructional Technology project with the purchase of additional technology devices moving toward the goal of having a "one device to one student" ratio in several schools. No Sandbridge TIF funding will be diverted to the School Operating budget for FY 2015/16. Instead, \$2 million will be allocated to the FY 2015/16 CIP from the Sandbridge TIF, bringing the total for that funding source to \$3,591,000 in the Capital Projects fund.

There are three facilities programmed for modernization and/or replacement in the six-year plan:

- Project 1-233, Kemps Landing and Old Donation School, is currently under construction and scheduled to open for students in 2017. The project funds the replacement and consolidation of Old Donation Center, originally built in 1965, and Kemps Landing Magnet school, which was constructed in 1957. Due to age, size and condition, these facilities can no longer adequately house 21st century academic programs. The total project cost is budgeted at \$63.6 million.
- 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 \$23.3 million. Educational programming/preliminary design has started and this project is on schedule to begin construction in 2017.
- 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.

Initial funding is also included in the six-year plan for project 1-056 Princess Anne Middle School Replacement and project 1-107 Princess Anne High School Replacement. These projects are not fully funded in the six-year CIP and therefore completion dates are 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 modernization 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 2015/16 - 2020/21 CIP total project cost, including appropriations to date, is \$463 million. Project sheets with additional details are included later in this section.

FY 2015/16 - FY 2020/21 CIP Project Costs

CIP #	Project Title	Total Project Cost	Total Programmed Costs	Prior Years' Funding	Year 1 FY 2015/16	Year 2 FY 2016/17	Year 3 FY 2017/18	Year 4 FY 2018/19	Year 5 FY 2019/20	Year 6 FY 2020/21
1-003	Renovations and Replacements Energy Management Phase II	8,675,000	8,675,000	750,000	800,000	1,325,000	1,000,000	1,500,000	1,600,000	1,700,000
1-004	Tennis Court Renovations Phase II	1,000,000	1,000,000	200,000	200,000	200,000	200,000	200,000	-	-
1-005	Green Run High School Collegiate Renovations	516,300	516,300	516,300	-	-	-	-	-	-
1-008	Instructional Technology Phase II	642,448	642,448	-	642,448	-	-	-	-	-
1-035	John B. Dey Elementary School Modernization	23,289,241	23,289,241	2,000,000	4,887,000	14,402,241	2,000,000	-	-	-
1-043	Thoroughgood Elementary School Replacement	28,270,000	28,270,000	-	-	4,438,759	10,000,000	8,000,000	5,831,241	-
1-056	Princess Anne Middle School Replacement	81,000,000	49,782,759	-	-	3,100,000	11,491,000	9,216,000	10,634,759	15,341,000
1-099	Renovations and Replacements Grounds Phase II	14,750,000	14,750,000	7,300,000	800,000	1,175,000	1,250,000	1,325,000	1,400,000	1,500,000
1-103	Renovations and Replacements HVAC Phase II	65,817,724	65,817,724	28,842,724	5,300,000	5,625,000	5,700,000	6,350,000	6,750,000	7,250,000
1-104	Renovations and Replacements Reroofing Phase II	49,685,639	49,685,639	24,551,639	3,009,000	3,975,000	4,000,000	4,450,000	4,700,000	5,000,000
1-105	Renovations and Replacements Various Phase II	20,785,000	20,785,000	10,110,000	1,350,000	1,650,000	1,750,000	1,850,000	1,975,000	2,100,000
1-107	Princess Anne High School Replacement	105,000,000	15,000,000	-	-	-	-	5,000,000	5,000,000	5,000,000
1-233	Kemps Landing and Old Donation Center	63,615,000	63,615,000	44,070,000	19,545,000	-	-	-	-	-
Total		463,046,352	341,829,111	118,340,663	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

FY 2015/16 - FY 2020/21 CIP Funding Sources

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Funding Sources	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Charter/Revenue Bonds	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000
PAYGO	642,448	1,000,000	1,500,000	2,000,000	2,000,000	2,000,000
Sandbridge TIF	3,591,000	2,591,000	3,591,000	3,591,000	3,591,000	3,591,000
State Contribution	-	-	-	-	-	-
Interest on Deposits	-	-	-	-	-	-
Sale of Property	-	-	-	-	-	-
Total	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

VBCPS Use of Fund Balance for School Operating and CIP Expenditures

Fiscal Year	School Operating Budget	Capital Improvement Program	Total*
2010/11	13,000,000	3,116,978	16,116,978
2011/12	22,593,767	-	22,593,767
2012/13	22,200,000	1,116,978	23,316,978
2013/14	17,116,978	-	17,116,978
2014/15	18,000,000	1,591,000	19,591,000
2015/16	8,299,318	4,233,448	12,532,766

*Includes the use of School Reserve (reversion) funds, Fund Balance and Sandbridge TIF

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

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. This modernization and replacement schedule 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. The funding has decreased from its peak of approximately \$60 million to \$36.5 million in the current year. The remaining school facilities in need of modernization or replacement are provided limited funding for maintenance, repairs and upgrades through the School Operating budget until additional funding becomes available.

School Modernization/Replacement Program and Proposed Schedule

Completed Projects

Construction Started	School (R) Replacement (M) Modernization	Original Opening Date	Construction Complete	Variance (Years)	Total Project Cost (Millions)
1996	Linkhorn Park ES (R)	1955	1998	43	12.3
1997	WT Cooke ES (R)	1906	1999	93	8.9
1998	Seatack ES (R)	1952	2000	48	9.1
1999	Bayside ES (R)	1941	2000	59	8.9
1999	Creeds ES (M)	1939	2001	62	6.9
1999	Shelton Park ES (M)	1954	2001	47	7.4
1999	Thalia ES (M)	1956	2001	45	8.6
2000	Luxford ES (M)	1961	2002	41	7.8
2001	Kempsville Meadows ES (R)	1959	2002	43	9.6
2001	Woodstock ES (R)	1957	2002	45	10.2
2001	Kempsville ES (M)	1961	2003	42	8.8
2001	Malibu ES (M)	1962	2003	41	7.4
2002	Pembroke ES (M)	1962	2004	42	8.1
2002	Lynnhaven ES (M)	1963	2004	41	8.1
2002	Trantwood ES (M)	1963	2004	41	8.7
2003	Hermitage ES (R)	1964	2005	41	11.1
2003	Arrowhead ES (R)	1965	2005	40	10.8
2004	Pembroke Meadows ES (M)	1969	2006	37	9.7
2005	School Plant/Supply (R)	1938	2007	69	17.4
2006	Windsor Woods ES (R)	1966	2007	41	15.8
2006	Brookwood ES (R)	1968	2007	39	15
2006	Newtown Road ES (R)	1970	2008	38	18
2008	Windsor Oaks ES (R)	1970	2009	39	17.1
2007	Renaissance Academy (R)	1938-1960	2010	72/50	66.2
2007	Virginia Beach MS (R)	1952	2010	58	51.6
2009	School Bus Garage (R)	1936	2010	74	21.8
2009	Great Neck MS (R)	1961	2011	50	46.5
2010	College Park ES (R)	1973	2011	38	22.1
2011	Kellam High School (R)	1962	2014	52	102
Average/Total				47	555.90

Source: VBCPS Department of School Division Services

Projects Under Construction

Construction Started	School (R) Replacement (M) Modernization	Original Opening Date	Construction Complete	Variance (Years)	Total Project Cost (Millions)
2014	Kemps Landing/Old Donation School (R)	1957/1965	2017	60/52	63.4
Average/Total				56	63.40

Source: VBCPS Department of School Division Services

Projects Under Design

Construction Started	School (R) Replacement (M) Modernization	Original Opening Date	Construction Complete	Variance (Years)	Total Project Cost (Millions)
2017	John B. Dey ES (M)	1956	2019	63	23.3
	Average/Total			56	63.40

Source: VBCPS Department of School Division Services

Projects Under Study

Construction Started	School (R) Replacement (M) Modernization	Original Opening Date	Proposed Construction Complete	Variance (Years)
TBD	Thoroughgood ES (R)	1958	2020	62
TBD	Princess Anne MS (R)	1974	TBD	TBD
TBD	Princess Anne HS (R)	1954	TBD	TBD
TBD	Kempsville HS	1966	TBD	TBD
TBD	Kempsville MS	1969	TBD	TBD
TBD	B. F. Williams ES	1961	TBD	TBD
TBD	Princess Anne ES	1956	TBD	TBD
TBD	First Colonial HS	1966	TBD	TBD
TBD	King's Grant ES	1960	TBD	TBD
TBD	Plaza MS	1969	TBD	TBD
TBD	North Landing ES	1975	TBD	TBD
TBD	Bayside HS	1964	TBD	TBD
TBD	Lynnhaven MS	1974	TBD	TBD
TBD	Green Run ES	1975	TBD	TBD
TBD	Green Run HS	1979	TBD	TBD
TBD	Independence MS	1974	TBD	TBD
TBD	Fairfield ES	1976	TBD	TBD
TBD	Kingston ES	1965	TBD	TBD
TBD	Bayside MS	1969	TBD	TBD
TBD	Alanton ES	1966	TBD	TBD
TBD	Tech Center	1972	TBD	TBD
TBD	Holland ES	1968	TBD	TBD
TBD	Point O' View ES	1969	TBD	TBD
TBD	White Oaks ES	1978	TBD	TBD
TBD	Indian Lakes ES	1979	TBD	TBD

Source: VBCPS Department of School Division Services

School Facility Information for FY 2014/15

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
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	650	662	699	681	681
Enrollment	629	592	599	642	659
Arrowhead Elementary (Opened Sep 1964; Replaced Sep 2003)					
Square Feet	79,480	79,480	79,480	79,480	79,480
Program Capacity	540	524	525	547	547
Enrollment	454	466	473	497	490
Bayside Elementary (Opened Sep 1941; Replaced Dec 2000)					
Square Feet	77,428	77,428	77,428	77,428	77,428
Program Capacity	527	536	587	547	547
Enrollment	453	488	468	501	534
Birdneck Elementary (Opened Sep 1986)					
Square Feet	137,250	137,250	137,250	137,250	137,250
Program Capacity	753	815	757	818	818
Enrollment	722	631	668	665	631
Brookwood Elementary (Opened Sep 1967; Replaced Sep 2007)					
Square Feet	80,065	80,065	80,065	80,065	80,065
Program Capacity	689	647	661	626	631
Enrollment	710	784	715	701	746
Centerville Elementary (Opened Sep 1984)					
Square Feet	67,082	67,082	67,082	67,082	67,082
Program Capacity	695	687	660	639	678
Enrollment	668	650	714	720	704
Christopher Farms Elementary (Opened Sep 1997)					
Square Feet	78,740	78,740	78,740	78,740	78,740
Program Capacity	752	716	737	724	724
Enrollment	714	706	663	678	642
College Park Elementary (Opened Sep 1973; Gym Added Sep 1982; Replaced Sep 2011)					
Square Feet	58,743	94,861	94,861	94,861	94,861
Program Capacity	450	476	431	438	438
Enrollment	402	388	392	428	471
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	587	575	581	536	536
Enrollment	660	687	545	586	558
Corporate Landing Elementary (Opened Sep 1993)					
Square Feet	96,620	96,620	96,620	96,620	96,620
Program Capacity	642	698	655	642	642
Enrollment	543	570	545	523	452
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	425	373	360	360	360
Enrollment	297	320	296	297	301
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	821	838	860	860	860
Enrollment	817	849	842	868	826
Diamond Springs Elementary (Opened Sep 2007)					
Square Feet	97,000	97,000	97,000	97,000	97,000
Program Capacity	482	512	550	519	519
Enrollment	475	559	562	558	566
Fairfield Elementary (Opened Sep 1976)					
Square Feet	58,280	58,280	58,280	58,280	58,280
Program Capacity	526	547	503	526	526
Enrollment	499	491	474	506	520
Glenwood Elementary (Opened Sep 1990)					
Square Feet	139,600	139,600	139,600	139,600	139,600
Program Capacity	1,024	1,036	993	1,001	1,001
Enrollment	900	867	880	887	884

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Green Run Elementary (Opened Sep 1976; Addition Sep 2005)					
Square Feet	58,275	58,275	58,275	58,275	58,275
Program Capacity	451	459	412	420	420
Enrollment	494	508	448	491	427
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	637	663	633	640	640
Enrollment	622	620	641	656	635
Holland Elementary (Opened Sep 1967; Addition Sep 1995)					
Square Feet	73,956	73,956	73,956	73,956	73,956
Program Capacity	480	503	526	503	503
Enrollment	527	537	536	532	536
Indian Lakes Elementary (Opened Sep 1979)					
Square Feet	66,816	66,816	66,816	66,816	66,816
Program Capacity	529	598	569	526	526
Enrollment	528	567	537	527	534
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	542	558	563	586	586
Enrollment	457	475	490	455	472
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	514	585	518	512	512
Enrollment	502	515	504	470	528
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	616	679	666	648	648
Enrollment	609	638	596	598	632
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	581	566	591	641	641
Enrollment	521	555	572	574	551
Landstown Elementary (Opened Sep 1993)					
Square Feet	81,634	81,634	81,634	81,634	81,634
Program Capacity	838	838	854	868	868
Enrollment	724	731	804	788	751
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	747	762	719	728	728
Enrollment	798	789	772	753	732
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	536	495	495	506	506
Enrollment	522	476	497	524	531
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	472	472	494	494	494
Enrollment	437	444	446	471	441
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	423	402	437	437	437
Enrollment	319	313	353	366	380
New Castle Elementary (Opened Sep 1999)					
Square Feet	87,060	87,060	87,060	87,060	87,060
Program Capacity	847	846	831	853	853
Enrollment	793	783	802	771	796
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	466	436	436	482	482
Enrollment	470	467	460	517	524
North Landing Elementary (Opened Mar 1975; Gym Added Sep 1990)					
Square Feet	60,280	60,280	60,280	60,280	60,280
Program Capacity	545	505	483	455	455
Enrollment	527	515	507	482	462

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Ocean Lakes Elementary (Opened Sep 1989)					
Square Feet	69,917	69,917	69,917	69,917	69,917
Program Capacity	647	607	658	649	649
Enrollment	516	570	574	568	552
Old Donation Center (Opened Jan 1965; Gym Added Sep 1994; Relocated to Princess Anne Middle with Kemps Landing Sep 2014)					
Square Feet	59,827	59,827	59,827	59,827	57,774
Program Capacity	393	393	393	393	495
Enrollment	501	504	506	495	503
Parkway Elementary (Opened Sep 1987)					
Square Feet	67,840	67,840	67,840	67,840	67,840
Program Capacity	473	496	476	514	514
Enrollment	514	511	507	561	527
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	680	663	626	617	617
Enrollment	528	533	514	486	476
Pembroke Meadows Elementary (Opened Sep 1969; Modernized Oct 2006)					
Square Feet	75,926	75,926	75,926	75,926	75,926
Program Capacity	513	504	473	430	430
Enrollment	429	445	433	447	453
Plaza Elementary (Opened Sep 1961; Gym Added Sep 1990; Addition Dec 1999; Closed Jun 2009; used for administrative offices)					
Square Feet	-	-	-	-	-
Program Capacity	-	-	-	-	-
Enrollment	-	-	-	-	-
Point O'View Elementary (Opened Sep 1969; Addition Sep 1999)					
Square Feet	75,219	75,219	75,219	75,219	75,219
Program Capacity	581	628	628	772	772
Enrollment	530	522	584	631	666
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	635	659	585	586	586
Enrollment	529	511	498	502	519
Providence Elementary (Opened Sep 1981)					
Square Feet	61,831	61,831	61,831	61,831	61,831
Program Capacity	554	590	572	617	617
Enrollment	534	516	559	585	559
Red Mill Elementary (Opened Sep 1989; Addition Sept 2006)					
Square Feet	69,788	69,788	69,788	69,788	69,788
Program Capacity	708	687	663	694	694
Enrollment	682	658	653	676	676
Rosemont Elementary (Opened Sep 1981)					
Square Feet	63,667	63,667	63,667	63,667	63,667
Program Capacity	421	404	423	423	423
Enrollment	327	376	380	403	414
Rosemont Forest Elementary (Opened Jan 1987)					
Square Feet	69,788	69,788	69,788	69,788	69,788
Program Capacity	590	592	606	583	583
Enrollment	510	513	540	513	509
Salem Elementary (Opened Sep 1988)					
Square Feet	66,890	66,890	66,890	66,890	66,890
Program Capacity	482	520	559	559	559
Enrollment	442	426	431	453	467
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	395	462	447	410	410
Enrollment	404	418	388	381	387
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	418	437	437	410	410
Enrollment	383	394	369	399	373
Strawbridge Elementary (Opened Sep 1991)					
Square Feet	84,948	84,948	84,948	84,948	84,948
Program Capacity	746	746	782	716	716
Enrollment	756	745	691	697	678

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Tallwood Elementary (Opened Sep 1989; Addition Jan 2006)					
Square Feet	69,988	69,988	69,988	69,988	69,988
Program Capacity	606	625	620	620	620
Enrollment	598	601	593	546	527
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	692	728	771	779	779
Enrollment	667	634	637	595	585
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	598	604	646	613	713
Enrollment	630	662	698	710	734
Three Oaks Elementary (Opened Sep 2005)					
Square Feet	92,210	92,210	92,210	92,210	92,210
Program Capacity	765	811	811	842	842
Enrollment	765	784	798	768	746
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	542	555	556	556
Enrollment	506	502	493	504	487
White Oaks Elementary (Opened Sep 1978)					
Square Feet	77,333	77,333	77,333	77,333	77,333
Program Capacity	680	741	705	648	648
Enrollment	740	730	670	683	673
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	513	518	518	518	518
Enrollment	437	436	404	431	418
Windsor Oaks Elementary (Opened Jul 1968; Replaced Sep 2009)					
Square Feet	88,340	88,340	88,340	88,340	88,340
Program Capacity	621	635	690	601	601
Enrollment	633	641	617	600	583
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	429	459	437	463	463
Enrollment	403	392	376	362	385
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	735	723	687	687	687
Enrollment	663	688	676	736	718
Middle Schools					
Bayside Middle (Opened Sep 1969; Addition Sep 2004)					
Square Feet	180,134	180,134	180,134	180,134	180,134
Program Capacity	1,070	1,046	1,176	1,112	892
Enrollment	977	1,006	996	992	657
Bayside 6th (Opened Sep 2014; Formerly Kemps Landing Magnet; 6th grade previously housed at Bayside Middle)					
Square Feet	-	-	-	-	56,516
Program Capacity	-	-	-	-	504
Enrollment	-	-	-	-	351
Brandon Middle (Opened Aug 1978)					
Square Feet	190,586	190,586	190,586	190,586	190,586
Program Capacity	1,205	1,247	1,328	1,308	1,232
Enrollment	1,237	1,254	1,237	1,189	1,130
Corporate Landing Middle (Opened Sep 1997)					
Square Feet	235,093	235,093	235,093	235,093	235,093
Program Capacity	1,370	1,370	1,436	1,408	1,432
Enrollment	1,328	1,347	1,307	1,294	1,285
Great Neck Middle (Opened Sep 1961; Addition Sep 1963; Replaced Jan 2012)					
Square Feet	126,034	219,370	219,370	219,370	219,370
Program Capacity	1,200	1,200	1,360	1,360	1,360
Enrollment	1,106	1,106	1,085	1,097	1,147

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Independence Middle (Opened Sep 1974; Addition Sep 1996)					
Square Feet	137,656	137,656	137,656	137,656	137,656
Program Capacity	1,216	1,290	1,332	1,276	1,312
Enrollment	1,234	1,278	1,244	1,289	1,280
Kemps Landing Magnet (Opened Sep 1957; Gym Added Sep 1992; Relocated to Aragona Elem Oct 2001; Relocated to Princess Anne Middle School Sep 2014)					
Square Feet	54,516	54,516	54,516	54,516	80,939
Program Capacity	600	600	600	672	672
Enrollment	596	577	594	595	595
Kempsville Middle (Opened Sep 1969)					
Square Feet	136,287	136,287	136,287	136,287	136,287
Program Capacity	798	781	828	828	828
Enrollment	860	856	841	831	789
Landstown Middle (Opened Sep 1992)					
Square Feet	201,000	201,000	201,000	201,000	201,000
Program Capacity	1,513	1,494	1,692	1,628	1,552
Enrollment	1,477	1,477	1,482	1,516	1,485
Larkspur Middle (Opened Nov 1994)					
Square Feet	247,264	247,264	247,264	247,264	247,264
Program Capacity	1,551	1,593	1,684	1,684	1,776
Enrollment	1,530	1,527	1,584	1,632	1,620
Lynnhaven Middle (Opened Sep 1974; Addition Sep 1995)					
Square Feet	140,099	140,099	140,099	140,099	140,099
Program Capacity	1,205	1,116	1,138	1,092	1,160
Enrollment	1,213	1,131	1,060	962	866
Plaza Middle (Opened Sep 1969)					
Square Feet	157,869	157,869	157,869	157,869	157,869
Program Capacity	1,033	1,073	1,172	1,172	1,165
Enrollment	1,073	1,066	1,083	1,095	1,066
Princess Anne Middle (Opened Sep 1974; Addition Sep 1995; Relocated to Floyd E. Kellam HS Apr 2014; Bldg. occupied by Old Donation Center and Kemps Landing Magnet Sep 2014; See respective schools for info.)					
Square Feet	13,592	13,592	13,592	13,592	-
Program Capacity	1,299	1,332	1,456	1,474	-
Enrollment	1,365	1,382	1,414	1,467	-
Salem Middle (Opened Sep 1988)					
Square Feet	217,500	217,500	217,500	217,500	217,500
Program Capacity	999	999	1,072	1,044	1,016
Enrollment	1,042	1,057	1,026	1,009	1,034
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	847	923	968	968	968
Enrollment	740	767	899	917	873
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	1,708	1,895	1,895	1,895	1,905
Enrollment	1,860	1,803	1,803	1,801	1,824
Frank W. Cox High (Opened Sep 1961; Replaced Sep 1983)					
Square Feet	236,744	236,744	236,744	236,744	236,744
Program Capacity	1,740	1,937	1,937	1,937	1,939
Enrollment	1,932	1,947	1,947	1,894	1,858
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	1,601	1,808	1,808	1,818	1,810
Enrollment	1,947	1,908	1,908	1,993	2,004
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	1,714	1,927	1,927	1,910	1,946
Enrollment	1,631	1,636	1,636	1,689	1,497
Floyd E. Kellam High (Opened Sept 1962; Addition Sept 1967; Modernized Sep 1990; Addition Sep 1996; Replaced Jan 2014) Occupied by Princess Anne Middle School Apr 2014 (see Princess Anne Middle School above)					
Square Feet	222,571	222,571	222,571	222,571	222,571
Program Capacity	1,762	1,762	1,961	1,961	1,563
Enrollment	1,843	1,799	1,833	1,826	1,459

Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15
Floyd E. Kellam High (Opened Jan 2014)					
Square Feet	-	-	-	336,410	349,350
Program Capacity	-	-	-	2,000	1,861
Enrollment	-	-	-	1,838	1,986
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	1,786	1,793	2,009	1,985	1,971
Enrollment	1,734	1,712	1,648	1,559	1,522
Landstown High (Opened Sep 2001; Addition Jan 2007)					
Square Feet	308,924	308,924	308,924	308,924	308,924
Program Capacity	2,068	2,072	2,332	2,332	2,368
Enrollment	2,330	2,304	2,196	2,195	2,195
Ocean Lakes High (Opened Sep 1994; Addition Jan 2007)					
Square Feet	330,525	330,525	330,525	330,525	330,525
Program Capacity	2,269	2,239	2,501	2,501	2,570
Enrollment	2,367	2,291	2,211	2,177	2,157
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	1,534	1,539	1,652	1,675	1,704
Enrollment	1,934	1,842	1,850	1,822	1,780
Salem High (Opened Sep 1989)					
Square Feet	260,889	260,889	260,889	260,889	260,889
Program Capacity	1,766	1,749	1,932	1,932	1,930
Enrollment	1,854	1,794	1,782	1,774	1,766
Tallwood High (Opened Sep 1992)					
Square Feet	294,457	294,457	294,457	294,457	294,457
Program Capacity	2,028	2,020	2,237	2,237	2,219
Enrollment	2,095	1,981	1,950	1,931	1,942
Renaissance Academy - Middle/High Campuses (Opened Dec 2009)					
Square Feet	284,968	284,968	284,968	284,968	284,968
Program Capacity	1,435	1,215	1,232	1,226	1,236
Enrollment	558	634	616	556	510
Green Run Collegiate Public Charter School (Opened Sep 2014; located at Green Run High School)					
Square Feet	-	-	-	10,500	10,500
Program Capacity	-	-	-	400	400
Enrollment	-	-	-	123	221

Note: Program Capacity is the maximum capacity of the school building for a particular school year and particular student population, taking into account the number of first seats in the building (without counting portables currently on site).

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

Building Utilization

Schools	Modernization/ Replacement Completion Date	Membership Sept. 30, 2014	Optimum Capacity 2014/15	Number Over/(Under) Capacity	Percent Over/(Under) Capacity	Total Portables On Site
<i>Elementary Schools</i>						
Alanton		659	681	-22	-3.2%	0
Arrowhead	2004	490	547	-57	-10.4%	0
Bayside	2000	534	547	-13	-2.4%	0
Birdneck		631	818	-187	-22.9%	2
Brookwood	2007	746	631	115	18.2%	5
Centerville		704	678	26	3.8%	6
Christopher Farms		642	724	-82	-11.3%	1
College Park	2011	471	438	33	7.5%	0
Cooke	1999	558	536	22	4.1%	0
Corporate Landing		452	642	-190	-29.6%	0
Creeds	2001	301	360	-59	-16.4%	0
John B. Dey	Projected 2019/20	826	860	-34	-4.0%	6
Diamond Springs	2008	566	519	47	9.1%	0
Fairfield		520	526	-6	-1.1%	0
Glenwood		884	1,001	-117	-11.7%	0
Green Run		427	420	7	1.7%	7
Hermitage	2005	635	640	-5	-0.8%	0
Holland		536	503	33	6.6%	3
Indian Lakes		534	526	8	1.5%	0
Kempsville	2003	472	586	-114	-19.5%	0
Kempsville Meadows	2002	528	512	16	3.1%	0
King's Grant		632	648	-16	-2.5%	0
Kingston		551	641	-90	-14.0%	1
Landstown		751	868	-117	-13.5%	0
Linkhorn Park	1998	732	728	4	0.5%	4
Luxford	2002	531	506	25	4.9%	0
Lynnhaven	2004	441	494	-53	-10.7%	0
Malibu	2003	380	437	-57	-13.0%	0
New Castle		796	853	-57	-6.7%	0
Newtown	2008	524	482	42	8.7%	0
North Landing		462	455	7	1.5%	4
Ocean Lakes		552	649	-97	-14.9%	0
Parkway		527	514	13	2.5%	6
Pembroke	2004	476	617	-141	-22.9%	0
Pembroke Meadows	2006	453	430	23	5.3%	0
Point O'View		666	772	-106	-13.7%	0
Princess Anne		519	586	-67	-11.4%	0
Providence		559	617	-58	-9.4%	4
Red Mill		676	694	-18	-2.6%	1
Rosemont		414	423	-9	-2.1%	0
Rosemont Forest		509	583	-74	-12.7%	0
Salem		467	559	-92	-16.5%	0
Seatack	1999	387	410	-23	-5.6%	3
Shelton Park	2001	373	410	-37	-9.0%	0
Strawbridge		678	716	-38	-5.3%	0
Tallwood		527	620	-93	-15.0%	1
Thalia	2001	585	778	-194	-24.9%	0
Thoroughgood	TBD	734	713	21	2.9%	5
Three Oaks		746	842	-96	-11.4%	0
Trantwood	2004	487	556	-69	-12.4%	0
White Oaks		673	648	25	3.9%	4
Williams		418	518	-100	-19.3%	1
Windsor Oaks	2009	583	601	-18	-3.0%	0
Windsor Woods	2007	385	463	-78	-16.8%	0
Woodstock	2002	718	687	31	4.5%	0
Elementary Schools Total		31,028	33,214	-2,186	-6.6%	64

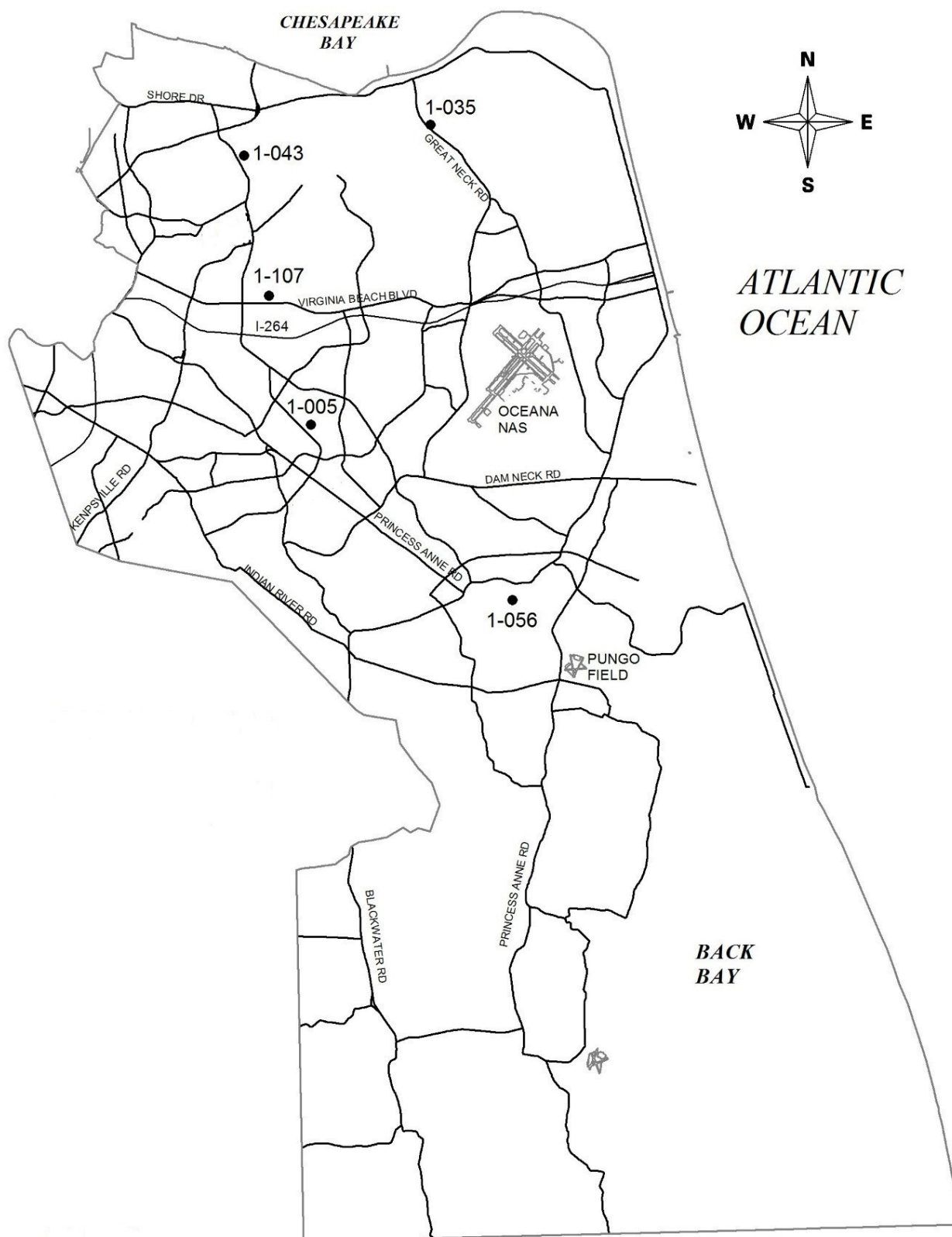
Schools	Modernization/ Replacement Completion Date	Membership Sept. 30, 2014	Optimum Capacity 2014/15	Number Over/(Under) Capacity	Percent Over/(Under) Capacity	Total Portables On Site
<i>Middle Schools</i>						
Bayside		657	892	-235	-26.3%	0
Bayside 6th		351	504	-153	-30.4%	6
Brandon		1,130	1,232	-102	-8.3%	3
Corporate Landing		1,285	1,432	-147	-10.3%	0
Great Neck	2011	1,147	1,360	-213	-15.7%	0
Independence		1,280	1,312	-32	-2.4%	5
Kempsville		789	828	-39	-4.7%	7
Landstown		1,485	1,552	-67	-4.3%	2
Larkspur		1,620	1,776	-156	-8.8%	0
Lynnhaven		866	1,160	-294	-25.3%	0
Plaza		1,066	1,165	-99	-8.5%	7
Princess Anne	TBD	1,459	1,563	-104	-6.7%	0
Salem		1,034	1,016	18	1.8%	1
Virginia Beach	2010	873	968	-95	-9.8%	0
Middle Schools Total		15,042	16,760	-1,718	-10.3%	31
<i>High Schools</i>						
Bayside		1,824	1,905	-81	-4.3%	11
Cox		1,858	1,939	-81	-4.2%	7
First Colonial		2,004	1,810	194	10.7%	22
Green Run		1,718	1,946	-228	-11.7%	9
Kellam	2014	1,986	1,861	125	6.7%	0
Kempsville		1,522	1,971	-449	-22.8%	4
Landstown		2,195	2,368	-173	-7.3%	0
Ocean Lakes		2,157	2,570	-413	-16.1%	0
Princess Anne	TBD	1,780	1,704	76	4.5%	16
Salem		1,766	1,930	-164	-8.5%	17
Tallwood		1,942	2,219	-277	-12.5%	9
High Schools Totals		20,752	22,223	-1,471	-6.6%	95
<i>Alternative Schools</i>						
Kemps Landing/Old Donation		1,098	1,178	-80	-6.8%	10
Middle School		99	485	-386	-79.6%	0.0%
High School		411	751	-340	-45.3%	0
Alternative Schools Total		1,608	2,414	-806	-33.4%	10
Division Totals		68,430	74,611	-6,181	-8.3%	200

10% or more over capacity

-10% or more under capacity

Source: VBCPS Department of School Division Services


2015/16 - 2020/21 CIP Citywide Project Map



Source: VBCPS Department of School Division Services

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 Capital Improvement Program

Project: 1005000		Title: Green Run High School Collegiate Renovations				Status: Approved		
Category: Schools				Department: Public Education				
Project Type					Project Location			
Project Type: Rehabilitation/Replacement					District: Rose Hall			
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2016	Non-Appropriated Programmed CIP Funding				Future Funding	
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
516,300	516,300	0	0	0	0	0	0	0
Description and Scope								
This project is for interior renovations to Green Run High School to accommodate year three of the Green Run Collegiate Program.								
Purpose and Need								
The current Green Run High School facility cannot support the School Board approved expansion of the Green Run Collegiate Program without the proposed renovations.								
History and Current Status								
This project established by City Council action on December 2, 2014.								
Operating Budget Impacts								
Not applicable.								



Project Activities	From - To	Amount
Inspections and Support	06/15 - 12/15	10,000
Design	12/14 - 12/15	60,000
Construction	06/15 - 12/15	377,500
Furniture and Fixtures	06/15 - 09/15	50,000
Contingencies	12/14 - 12/15	18,800
Total Budgetary Cost Estimate:		516,300

Means of Financing	
Funding Subclass	Amount
Local Funding	516,300
Total Funding:	516,300

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 Capital Improvement Program								
Project: 1008000		Title: Instructional Technology II				Status: Approved		
Category: Schools				Department: Public Education				
Project Type				Project Location				
Project Type: Equipment				District: Citywide				
Programmed Funding								
Programmed Funding	Appropriated To Date	Budgeted FY 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
642,448	0	642,448	0	0	0	0	0	0
Description and Scope								
This project will implement Phase II of the school division's instructional technology project resulting in the purchase of technology-related devices, thus moving towards a "one device to one student" arrangement in several schools.								
Purpose and Need								
This project will allow the division to begin to implement the next phase of the instructional technology project.								
History and Current Status								
This represents a new project for FY 2015-16 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;"> NO MAP REQUIRED </div>	Project Activities	From - To
	Equipment	07/15 - 12/16
	Total Budgetary Cost Estimate:	642,448
	Means of Financing	
	Funding Subclass	Amount
	Local Funding	642,448
	Total Funding:	642,448

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
23,289,241	2,000,000	4,887,000	14,402,241	2,000,000	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 25 to 30 years.								
History and Current Status								
This project first appeared in the FY 2004-05 CIP.								
Operating Budget Impacts								
Not Applicable.								

Project Map



Schedule of Activities

Project Activities	From - To	Amount
Inspections and Support	03/17 - 09/19	150,000
Design	07/15 - 09/19	2,000,000
Construction	03/17 - 09/19	19,112,497
Furniture and Fixtures	06/19 - 09/19	500,000
Contingencies	07/15 - 09/19	1,526,744

Total Budgetary Cost Estimate: 23,289,241

Means of Financing

Funding Subclass	Amount
Local Funding	23,289,241

Total Funding: 23,289,241

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 Capital Improvement Program

Project: 1233000		Title: Kemps Landing and 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
63,615,000	44,070,000	19,545,000	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 40 to 50 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	3,000,000
Contingencies	11/11 - 09/17	2,689,889

Total Budgetary Cost Estimate: 63,620,000

Means of Financing

Funding Subclass	Amount
Interest on Deposits - School Capital Proj Fund	190,073
Local Funding	63,429,927

Total Funding: 63,620,000

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016
		Non-Appropriated Programmed CIP Funding
		FY 2017
		FY 2018
		FY 2019
		FY 2020
		FY 2021
		Future Funding
15,000,000	0	0
0	0	0
5,000,000	5,000,000	5,000,000
5,000,000	5,000,000	5,000,000
5,000,000	5,000,000	5,000,000
90,000,000		

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 40 to 50 years.

History and Current Status

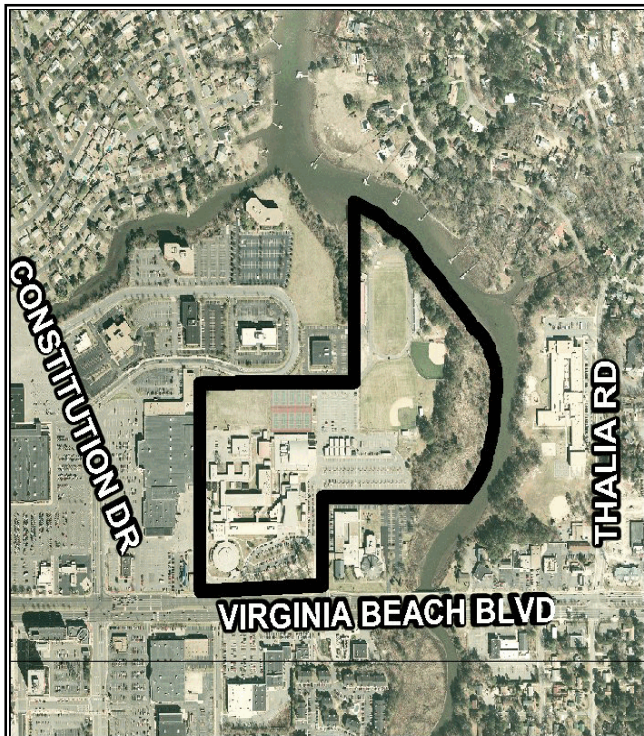
This project first appeared in the FY 2008-09 CIP. This project was unfunded and completion date delayed by the School Board on March 15, 2011. In the FY 2014-15 CIP, first year funding was shifted to FY 2018-19.

Operating Budget Impacts

Not Applicable.

Project Map

Schedule of Activities



Project Activities

From - To

Amount

Inspections and Support	07/23 - 09/25	350,000
Design	07/18 - 09/25	6,443,333
Construction	07/23 - 09/25	85,911,111
Furniture and Fixtures	12/24 - 09/25	8,000,000
Contingencies	07/20 - 09/25	4,295,556

Total Budgetary Cost Estimate: 105,000,000

Means of Financing

Funding Subclass

Amount

Local Funding	15,000,000
---------------	------------

Total Funding: 15,000,000

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
49,782,759	0	0	3,100,000	11,491,000	9,216,000	10,634,759	15,341,000	31,217,241

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 40 to 50 years.

History and Current Status

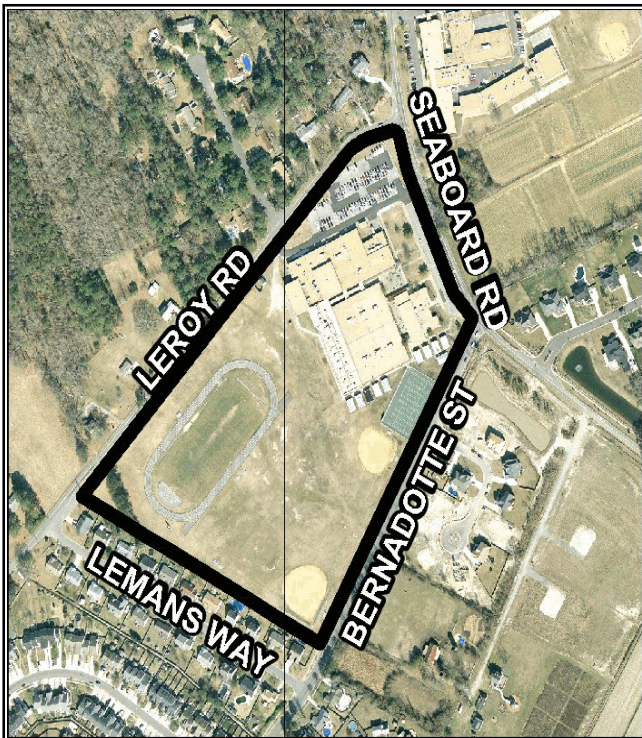
This project first appeared in the FY 2005-06 CIP. This project was originally scheduled as a modernization. A modernization study completed in 2005 recommended that this facility be torn down and replaced on the same site. The project's name was changed in the FY 2006-07 CIP to reflect the increased scope.

Operating Budget Impacts

Not Applicable.

Project Map

Schedule of Activities



Project Activities	From - To	Amount
Inspections and Support	07/17 - 12/23	250,000
Design	07/16 - 12/23	5,083,334
Construction	07/20 - 12/23	67,777,778
Furniture and Fixtures	09/23 - 12/23	4,500,000
Contingencies	07/16 - 12/23	3,388,888

Total Budgetary Cost Estimate: 81,000,000

Means of Financing

Funding Subclass	Amount
Local Funding	49,782,759

Total Funding: 49,782,759

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 Capital Improvement Program								
Project: 1003000		Title: Renovation and Replacement Energy Management 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
8,675,000	750,000	800,000	1,325,000	1,000,000	1,500,000	1,600,000	1,700,000	0
Description and Scope								
This project was created to identify maintenance-related projects, which have the potential to generate energy savings. This project will include ceiling and lighting improvements and window replacements.								
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
	Inspections and Support	07/14 - 06/21
	Design	07/14 - 06/21
	Construction	07/14 - 06/21
	Contingencies	07/14 - 06/21
Total Budgetary Cost Estimate:		8,675,000
Means of Financing		
Funding Subclass	Amount	
Local Funding	8,675,000	
Total Funding:		8,675,000

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
14,750,000	7,300,000	800,000	1,175,000	1,250,000	1,325,000	1,400,000	1,500,000	0
Description and Scope								
This project provides for the renovation and replacement of school grounds infrastructure, including but not limited to, parking lot and play area resurfacing, sidewalk replacements, basketball goal replacements, outdoor track resurfacing, and storm drainage repairs at several 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 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 style="border: 2px solid black; padding: 20px; text-align: center; width: 100%;"> <h2>NO MAP REQUIRED</h2> </div>	<table border="1"> <thead> <tr> <th>Project Activities</th> <th>From - To</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Inspections and Support</td> <td>07/06 - 06/21</td> <td>500,000</td> </tr> <tr> <td>Design</td> <td>07/06 - 06/21</td> <td>700,000</td> </tr> <tr> <td>Construction</td> <td>07/06 - 06/21</td> <td>13,050,000</td> </tr> <tr> <td>Contingencies</td> <td>07/06 - 06/21</td> <td>500,000</td> </tr> <tr> <td colspan="2">Total Budgetary Cost Estimate:</td> <td>14,750,000</td> </tr> </tbody> </table>	Project Activities	From - To	Amount	Inspections and Support	07/06 - 06/21	500,000	Design	07/06 - 06/21	700,000	Construction	07/06 - 06/21	13,050,000	Contingencies	07/06 - 06/21	500,000	Total Budgetary Cost Estimate:		14,750,000
	Project Activities	From - To	Amount																
	Inspections and Support	07/06 - 06/21	500,000																
	Design	07/06 - 06/21	700,000																
	Construction	07/06 - 06/21	13,050,000																
	Contingencies	07/06 - 06/21	500,000																
	Total Budgetary Cost Estimate:		14,750,000																
	<table border="1"> <thead> <tr> <th colspan="2">Means of Financing</th> </tr> <tr> <th>Funding Subclass</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Interest on Deposits - School Capital Proj Fund</td> <td>900,000</td> </tr> <tr> <td>Sale of Property</td> <td>850,000</td> </tr> <tr> <td>Local Funding</td> <td>13,000,000</td> </tr> <tr> <td>Total Funding:</td> <td>14,750,000</td> </tr> </tbody> </table>	Means of Financing		Funding Subclass	Amount	Interest on Deposits - School Capital Proj Fund	900,000	Sale of Property	850,000	Local Funding	13,000,000	Total Funding:	14,750,000						
	Means of Financing																		
	Funding Subclass	Amount																	
Interest on Deposits - School Capital Proj Fund	900,000																		
Sale of Property	850,000																		
Local Funding	13,000,000																		
Total Funding:	14,750,000																		

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
65,817,724	28,842,724	5,300,000	5,625,000	5,700,000	6,350,000	6,750,000	7,250,000	0
Description and Scope								
Inventory and analysis of school facilities have identified several school sites in need of upgrades or replacements of heating, ventilation or air conditioning systems.								
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 provides resources to insure that adequate heating, cooling, and ventilation is available in school sites through projects to provide improved or upgraded systems in schools throughout the city.								
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 style="border: 1px solid black; height: 300px; display: flex; align-items: center; justify-content: center;"> <p>NO MAP REQUIRED</p> </div>	<table border="1"> <thead> <tr> <th>Project Activities</th> <th>From - To</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Inspections and Support</td> <td>07/07 - 06/21</td> <td>1,250,000</td> </tr> <tr> <td>Design</td> <td>07/06 - 06/21</td> <td>5,000,000</td> </tr> <tr> <td>Construction</td> <td>07/06 - 06/21</td> <td>57,067,724</td> </tr> <tr> <td>Contingencies</td> <td>07/06 - 06/21</td> <td>2,500,000</td> </tr> <tr> <td colspan="2">Total Budgetary Cost Estimate:</td> <td>65,817,724</td> </tr> </tbody> </table>	Project Activities	From - To	Amount	Inspections and Support	07/07 - 06/21	1,250,000	Design	07/06 - 06/21	5,000,000	Construction	07/06 - 06/21	57,067,724	Contingencies	07/06 - 06/21	2,500,000	Total Budgetary Cost Estimate:		65,817,724
	Project Activities	From - To	Amount																
	Inspections and Support	07/07 - 06/21	1,250,000																
	Design	07/06 - 06/21	5,000,000																
	Construction	07/06 - 06/21	57,067,724																
	Contingencies	07/06 - 06/21	2,500,000																
	Total Budgetary Cost Estimate:		65,817,724																
	<table border="1"> <thead> <tr> <th colspan="2">Means of Financing</th> </tr> <tr> <th>Funding Subclass</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Local Funding</td> <td>63,349,711</td> </tr> <tr> <td>State Contribution</td> <td>2,119,991</td> </tr> <tr> <td>Interest on Deposits - School Capital Proj Fund</td> <td>78,354</td> </tr> <tr> <td>Sale of Property</td> <td>269,668</td> </tr> <tr> <td>Total Funding:</td> <td>65,817,724</td> </tr> </tbody> </table>	Means of Financing		Funding Subclass	Amount	Local Funding	63,349,711	State Contribution	2,119,991	Interest on Deposits - School Capital Proj Fund	78,354	Sale of Property	269,668	Total Funding:	65,817,724				
	Means of Financing																		
	Funding Subclass	Amount																	
Local Funding	63,349,711																		
State Contribution	2,119,991																		
Interest on Deposits - School Capital Proj Fund	78,354																		
Sale of Property	269,668																		
Total Funding:	65,817,724																		

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
49,685,639	24,551,639	3,009,000	3,975,000	4,000,000	4,450,000	4,700,000	5,000,000	0
Description and Scope								
Inventory and analysis of school facilities has identified 28 school sites in need of major roof repairs or replacements within the CIP period. This project provides resources for those identified renovations and replacements.								
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. This project provides for roof replacements and major renovations, as appropriate, at all identified 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
	Inspections and Support	07/06 - 06/21
	Design	07/06 - 06/21
	Construction	07/06 - 06/21
	Contingencies	07/06 - 06/21
	Total Budgetary Cost Estimate:	
		49,685,639
Means of Financing		
Funding Subclass	Amount	
State Contribution	400,471	
Interest on Deposits - School Capital Proj Fund	4,234,000	
Sale of Property	2,138,776	
Local Funding	42,912,392	
Total Funding:		49,685,639

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016
		Non-Appropriated Programmed CIP Funding
		FY 2017
		FY 2018
		FY 2019
		FY 2020
		FY 2021
		Future Funding
20,785,000	10,110,000	1,350,000
		1,650,000
		1,750,000
		1,850,000
		1,975,000
		2,100,000
		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 our children. 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

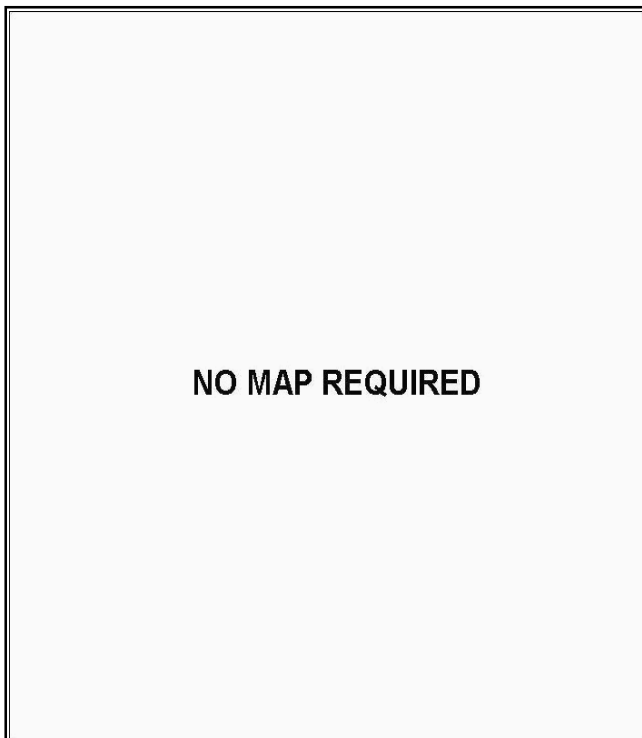
This project first appeared in the FY 2006-07 CIP.

Operating Budget Impacts

Not Applicable.

Project Map

Schedule of Activities



NO MAP REQUIRED

Project Activities

From - To

Amount

Inspections and Support	07/06 - 06/21	800,000
Design	07/06 - 06/21	1,750,000
Construction	07/06 - 06/21	16,985,000
Contingencies	07/06 - 06/21	1,250,000

Total Budgetary Cost Estimate: 20,785,000

Means of Financing

Funding Subclass

Amount

Local Funding	18,614,000
Interest on Deposits - School Capital Proj Fund	1,200,000
Sale of Property	971,000

Total Funding: 20,785,000

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
1,000,000	200,000	200,000	200,000	200,000	200,000	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: 2px solid black; height: 300px; display: flex; align-items: center; justify-content: center; font-size: 24px; font-weight: bold;">NO MAP REQUIRED</div>	<table border="1"> <thead> <tr> <th>Project Activities</th> <th>From - To</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Design</td> <td>07/14 - 06/20</td> <td>75,000</td> </tr> <tr> <td>Construction</td> <td>07/14 - 06/20</td> <td>850,000</td> </tr> <tr> <td>Contingencies</td> <td>07/14 - 06/20</td> <td>75,000</td> </tr> <tr> <td colspan="2">Total Budgetary Cost Estimate:</td> <td>1,000,000</td> </tr> </tbody> </table>	Project Activities	From - To	Amount	Design	07/14 - 06/20	75,000	Construction	07/14 - 06/20	850,000	Contingencies	07/14 - 06/20	75,000	Total Budgetary Cost Estimate:		1,000,000
	Project Activities	From - To	Amount													
	Design	07/14 - 06/20	75,000													
	Construction	07/14 - 06/20	850,000													
	Contingencies	07/14 - 06/20	75,000													
	Total Budgetary Cost Estimate:		1,000,000													
	<table border="1"> <thead> <tr> <th colspan="2">Means of Financing</th> </tr> <tr> <th>Funding Subclass</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Local Funding</td> <td>1,000,000</td> </tr> </tbody> </table>	Means of Financing		Funding Subclass	Amount	Local Funding	1,000,000									
	Means of Financing															
	Funding Subclass	Amount														
	Local Funding	1,000,000														
<div style="display: flex; justify-content: space-between;"> <div>Total Funding:</div> <div>1,000,000</div> </div>																

City of Virginia Beach, Virginia Fiscal Years 2016 through 2021 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 2016	Non-Appropriated Programmed CIP Funding					Future Funding
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	
28,270,000	0	0	4,438,759	10,000,000	8,000,000	5,831,241	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 40 to 50 years.

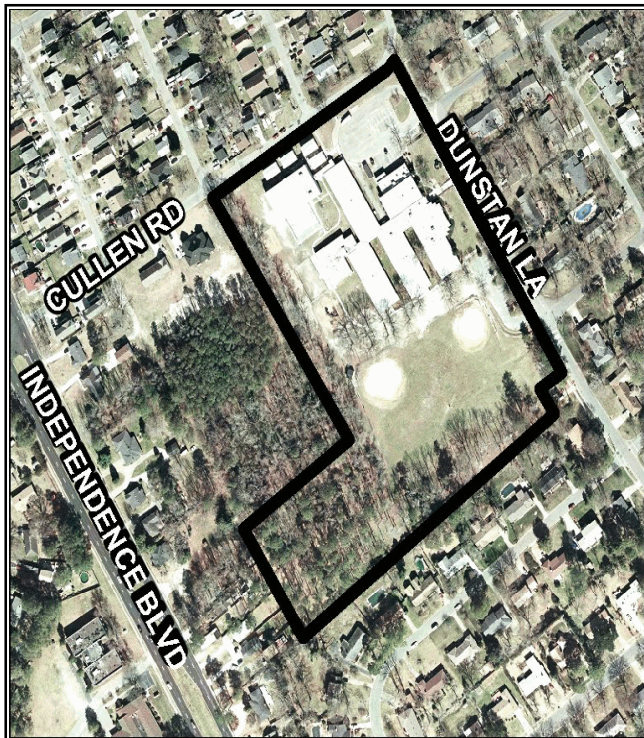
History and Current Status

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	24,573,333
Furniture and Fixtures	12/19 - 09/20	450,000
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 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 Budget
Debt Service	44,337,710	44,747,986	42,537,774	45,029,858	44,756,843

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

Bond Rating and Market Conditions

For the sixth 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 city has consistently taken advantage of the favorable interest rate environment to refund previously issued debt. Much of the city's bonds have already been refunded. The bond market conditions will ultimately determine if refunding is feasible. The city regularly consults with financial advisors to project future use of debt, ensuring these activities will not negatively impact the city's excellent standing in the bond market.

Regional Bond Ratings

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

Source: City of Virginia Beach Department of Budget and Management Services, Comparative Indicators to Other Hampton Roads' Cities, Jan. 15, 2015

Projected Debt

The total outstanding debt for the city is projected to be \$1.37 billion by June 30, 2016, as summarized in the following table. The schools' portion is \$352.5 million, or 25.71 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, 2015

Purpose	Amount	Percent
Schools	352,534,210	25.71%
General Government	792,386,946	57.78%
Utilities	226,418,647	16.51%
Total Projected Debt	1,371,339,803	100.00%

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

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
2010/11	669,514,476	5,507,046	323,367,500	998,389,022	1.8%	2,271
2011/12	727,803,047	4,750,000	363,387,004	1,095,940,051	2.0%	2,244
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%	2,253
2014/15	716,612,342	2,875,000	405,725,325	1,125,212,667	2.0%	2,254

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016

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 2015/16, the city's assessed value of real property is estimated at \$52.1 billion. By the end of the fiscal year, the city's projected debt amount will only be 1.8 percent of the total assessed value.

Legal Debt Margin Information

	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Debt Limit	5,290,291,119	5,144,671,623	4,978,183,783	4,962,666,499	5,145,277,575
Less: Total Net Debt Applicable to limit	713,387,034	716,177,198	685,988,698	712,384,323	697,079,775
Legal Debt Margin	4,576,904,085	4,428,494,425	4,292,195,085	4,250,282,176	4,448,197,800
Total Net Debt Applicable To Limit as a Percentage of Debt Limit	13.48%	13.92%	13.78%	14.35%	13.55%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015

OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The city and the School Board Other Postemployment Benefit (OPEB) plans are each a single-employer, defined benefit plan. The plans are administered by the city and the School Board in accordance with state and city statutes. Section 15.2-1500 of the Virginia State Code stipulates 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 health care and other nonpension benefits (as defined in Section 15.2-1545 of the Virginia Code) to retirees, their spouses and eligible dependents. VBCPS employees who retire with at least 25 years of service, as well as those who retire on a work-related disability compensable under the Workers' Compensation Act before age 65, are eligible for access to health insurance coverage. This benefit is payable until the retiree becomes eligible for Medicare.

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 has joined the Virginia Pooled OPEB Trust Fund which invests funds contributed by each participating employer. The trust does not administer the retiree health benefits of each participating employer. Deposits to this trust are irrevocable and are held solely for the payment of OPEB benefits for the School Board.

Funding Policy

Contribution requirements of the 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 PAYGO financing requirements with an additional amount to prefund benefits. For the period ending June 30, 2015, the School Board contributed \$5,832,200 to the fund. Plan members from each organization contributed \$105.80 per month for retiree-only point of services coverage. The School Board retirees with coverage for their spouses will contribute \$365.58 per month to age 65. Retirees who participate in the Wellness for Life program will receive reduced retiree rates. The School Board has determined that all current employees and retirees must contribute to the cost of their health care coverage and no level of benefit will be provided free of charge. The retiree contribution rate will be based on the experience of the plan, the School Board's annual contribution amount and the remaining premium cost.

Annual OPEB Cost and Contribution.

The School Board's OPEB cost for FY 2014/15 totaled \$6,404,200 and exceeded its annual required contribution (ARC) of \$5,832,200 by \$572,000. This overage was withdrawn from the School Board Trust Account and returned to the School Board. The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2015 is presented below.

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%	-

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016

The funded status of the plan as of Jan. 1, 2015, was as follows:

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, 2015	\$23,164,800	\$65,951,300	\$42,786,500	35.12%	\$421,065,100	10.16%

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2016

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.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan 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.

In the Jan. 1, 2014, actuarial valuation for the years ending June 30, 2014, and 2015, the projected unit credit method was used. The actuarial assumptions included a 7.5 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend assumption of 5.9 percent initially, graded to 4.5 percent over 83 years with no projected salary increase assumed. An inflation rate assumption of 2.5 percent was incorporated in the actuarial valuation. Employer and retiree contributions are assumed to increase at the same rate as the medical cost trend assumptions. There were no additional postretirement benefit increases assumed. Unfunded actuarial accrued liabilities are being amortized as a level dollar amount over an open 30-year period. The remaining amortization period is 30 years.

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. 37 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 455,000 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. For the third consecutive year, Virginia Beach has ranked among the top 10 park systems in the United States. 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.

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 5.5 million people visit Virginia Beach for an overnight stay, along with an additional 6.8 million day visitors. These visitors spend a record \$1.0 billion 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 combined population of approximately 1.7 million people and a civilian workforce of about 846,000. A locality within the Hampton Roads MSA, Virginia Beach is home to nearly 455,000 people who form 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. Major components of the city's economic base include the following: 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 city 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. Virginia Beach continues to experience “significant growth,” according to the city’s Department of Economic Development. In fiscal year (FY) 2013/14, the department was successful in locating 24 new companies and expanding 26 existing companies, assisting with the creation of 940 new jobs, retaining 1,200 jobs through expansion of existing businesses and directly adding \$111 million in new capital investment to the city’s tax base. In FY 2014/15, the city attracted more than \$58 million in private investment. These companies created 2,197 new jobs and retained more than 5,566 jobs through existing industry expansions. Consistent with efforts to support economic diversity and create a sustainable economy, the city’s Department of Economic Development reports that 38 percent of all new jobs in FY 2014/15 were in the technology sector.

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.

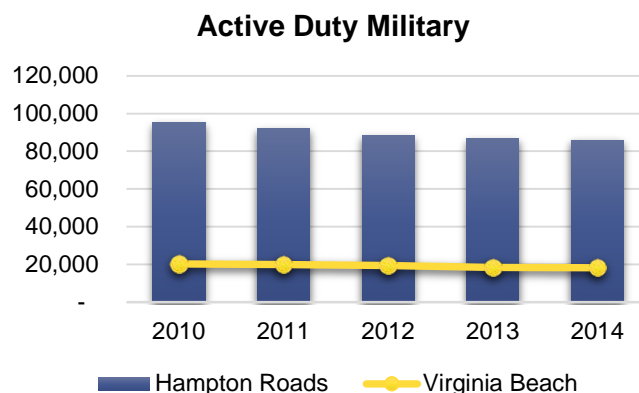
Comparing Virginia Beach to Virginia, Hampton Roads and the U.S.

	Virginia Beach	Hampton Roads	Virginia	United States
<i>Income</i>				
Median family income	\$74,621	\$67,614	\$75,524	\$64,030
Percent of people below the poverty level	8.8%	13.0%	11.7%	15.8%
<i>Labor force (population 16 years and over)</i>				
Percent of civilian labor force unemployed	4.1%	4.9%	4.3%	5.3%
Percent in the Armed Forces	5.4%	5.1%	1.6%	.4%
Percent in Management, Business, Science and Art occupations	39.2%	36.8%	42.2%	36.3%
<i>Educational attainment (population 25 years and over)</i>				
Percent of people with at least a high school diploma	94.8%	90.7%	88.4%	86.6%
Percent of people with a bachelor's degree or higher	34.7%	29.6%	36.1%	29.6%
<i>Median household information</i>				
Value of owner-occupied units	\$259,200	\$229,700	\$239,300	\$173,900
Gross rent	\$1,214	\$1,052	\$1,086	\$905
<i>Social characteristics</i>				
Percent of population over 5 years who speak a language other than English at home	12.3%	8.9%	14.9%	20.8%
Percent of households with a broadband Internet subscription	84.2%	78.2%	75.8%	73.4%

Source: U.S. Census Bureau, 2013 American Community Survey, 1-Year Estimate

As shown in the chart above, the 4.1 percent unemployment rate in Virginia Beach is lower than the regional, state and national rates. An estimated 63.5 percent of workers in Virginia Beach are employed by private companies; 5.6 percent work for private, not-for-profit organizations; 22.4 percent are federal, state or local government employees; and 3.8 percent are self-employed in their own incorporated business. The chart also illustrates that 39.2 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 18,474 active duty military jobs reported by the Bureau of Economic Analysis in 2013. That number is down 1,837 from 2010, 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	Civilian Employees
City of Virginia Beach/Schools	Local government	17,860
Joint Expeditionary Base Little Creek/Fort Story	Military base	6,000
Sentara Healthcare	Medical and surgical hospitals	5,189
Naval Air Station Oceana/Dam Neck	Military base	3,600
General Growth Properties (Lynnhaven Mall)	Retail trade	2,600
Gold Key PHR Hotels and Resorts	Developer, owner and operator of hotels	2,365
GEICO General Insurance Company	Auto and other vehicle insurance carriers	2,300
STIHL Incorporated	Headquarters; power tools manufacturer	2,067
AMERIGROUP (Wellpoint)	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: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for FY Ended June 30, 2015

The population in Virginia Beach has been steadily rising, from 435,001 in FY 2005/06 to an estimated 454,247 in FY 2014/15. The city's population is estimated to be 49 percent male and 51 percent female with a median age of 35. Almost 35 percent of the city population ages 25 and older have a bachelor's degree and 11.9 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. According to the U.S. Census Bureau's American Community Survey in 2013, the median family income for Virginia Beach residents was \$74,621, compared to \$67,614 for the Hampton Roads region, \$75,524 for Virginia and \$64,030 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 30.5 percent of the student population in FY 2009/10 to 37.6 percent in FY 2014/15.

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 2013 American Community Survey.

Demographic Highlights for FY 2015/16

Demographic Characteristic	1980	1990	2000	2013
<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%	23.1%
65 and Over	4.5%	5.9%	8.4%	11.8%
Peak Earning Years (Age 35-54)	23.1%	24.9%	30.5%	26.9%
Median Age	26.9	28.9	32.7	35.0
Dependency Population (Under 18 & 65 and over)	35.2%	33.9%	35.9%	34.9%
<i>Race</i>				
White	86.5%	80.5%	71.4%	68.4%
Black/African American	10.0%	13.9%	19.0%	18.9%
American Indian/Alaskan Native	0.2%	0.4%	0.4%	0.3%
Asian/Hawaiian/Pacific Islander	2.5%	4.3%	5.0%	6.8%
Other Race	0.7%	0.9%	1.5%	1.1%
Two or More Races*	-	-	2.7%	4.5%
Hispanic**	2.0%	3.1%	4.2%	7.5%
<i>Households</i>				
Family Household	79.2%	75.4%	71.8%	68.9%
Married Couple Family	66.6%	62.9%	55.7%	49.7%
Female Householder	10.3%	9.5%	12.4%	14.6%
Non-Family Household	20.9%	24.6%	28.2%	31.1%
Household with Children under 18	-	44.8%	42.1%	34.8%
Housing Occupancy: Owner	64.2%	62.5%	65.6%	62.8%
Housing Occupancy: Renter	35.8%	37.5%	34.4%	37.2%
Average Household Size	2.97	2.82	2.70	2.65
Average Family Size	3.35	3.21	3.21	3.16
<i>Health Insurance</i>				
Percent with Health Insurance Coverage	-	-	-	88.4%
<i>Marital Status</i>				
Single, Never Married	26.5%	24.7%	25.5%	31.9%
Married	61.0%	58.4%	57.1%	48.7%
Separated	3.0%	5.4%	3.2%	2.9%
Widowed	4.0%	4.0%	4.7%	4.8%
Divorced	5.5%	7.6%	9.5%	11.6%
<i>Median Household Income</i>				
	20,203	36,271	48,705	62,855
<i>Median Family Income</i>				
	21,809	39,112	53,242	74,621
<i>Per Capita Income</i>				
	10,836	20,652	30,633	49,898
<i>Poverty</i>				
Persons	8.9%	5.9%	6.5%	8.8%
Families	7.7%	4.3%	5.1%	6.1%
Children Under 18	13.0%	7.6%	8.6%	13.0%
60 and Over	10.3%	8.0%	4.7%	7.2%
Female Householder	38.9%	20.2%	18.9%	17.9%
Female Householder with Children	45.8%	26.5%	23.1%	24.5%

Demographic Characteristic	1980	1990	2000	2013
<i>Housing Expenses</i>				
Owner Expenses Exceeding 30% of Income	26.3%	30.7%	27.4%	31.4%
Renter Expenses Exceeding 30% of Income	37.8%	39.0%	37.9%	53.1%
Percent of Mortgage-Free Homeowners	11.1%	11.4%	13.9%	22.5%
<i>Education Attainment</i>				
High School Graduate	80.0%	88.0%	90.4%	94.8%
College Graduate	22.4%	25.5%	28.1%	34.7%
<i>Labor Force</i>				
Civilian Labor Force Population Rate	58.3%	62.5%	63.2%	65.7%
Civilian Female Participation Rate	54.6%	63.5%	62.9%	62.2%
Percent of Labor Force in Armed Forces	18.2%	18.6%	13.3%	5.4%
Percent Unemployed	5.3%	4.7%	4.1%	4.1%
<i>Percent Who Drive Alone</i>	67.5%	78.4%	82.0%	81.3%
<i>Percent Who Carpool</i>	21.2%	12.0%	10.8%	8.6%
<i>Percent Who Use Public Transportation</i>	1.7%	0.8%	0.7%	0.9%
<i>Percent Who Work at Home</i>	1.1%	3.3%	2.8%	4.7%
<i>Mean Travel Time (in minutes)</i>	21.9	22.7	23.9	23.6

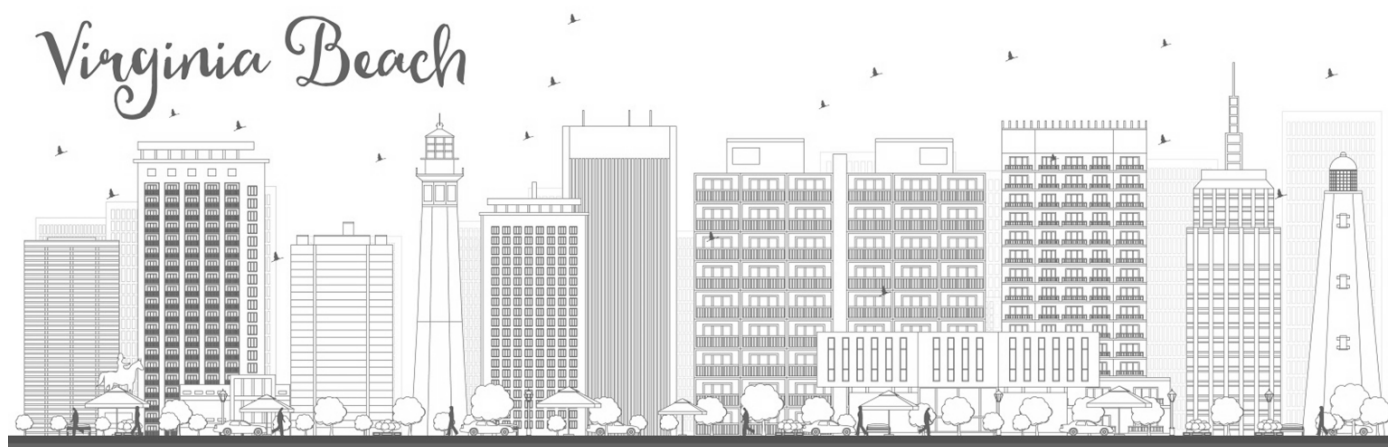
* New category in 2000

** Can be of any race

- No information provided

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

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16



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 more than 68,000 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 2015/16 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 2015/16 totals \$358.5 million. The information below includes excerpts from the City of Virginia Beach Resource Management Plan Operating Budget (Adopted) FY 2015/16; the City of Virginia Beach Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2015; and the School Board of the City of Virginia Beach CAFR for the Fiscal Year Ended June 30, 2015.

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. 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. A revised RSF was adopted in December 2013 and 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 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 32.37 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. It also includes the proposed increase of an additional 2 cents.

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 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

Median household income is down since 2010. Fortunately, Virginia Beach families benefit from the lowest real estate and personal property tax rates in the region, making the tax burden for Virginia Beach families lower than anywhere else in Hampton Roads. This means that Virginia Beach residents get to keep more of their income than residents in Norfolk, Chesapeake, Portsmouth, Suffolk, Hampton and Newport News.

The city's FY 2015/16 Operating budget reduces some services and increases a few rates and fees to support remaining services. As the table on the right illustrates, Virginia Beach has the lowest expenditures as measured on a per person basis; 6.1 percent as opposed to the other Hampton Roads communities. The real estate taxes paid to the city, measured as a percentage of median household income, are also the lowest in the region.

The city's FY 2015/16 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. Tax increases are required to do all of this. Increased tax revenue, coupled with the shifting of existing funds from traditional programs to higher priorities, allows the city and school division to maintain the services that citizens value: quality public schools, public safety, beautiful parks, 10 public libraries and seven recreation centers (three of them less than 5 years old). This increase in taxes will affect families differently, depending upon their individual circumstances. The table below illustrates the impact city taxes may have on families.

Tax Burden

City	Per Capita Expenditures as a % of Per Capita Income	Real Estate Taxes as a % of Median Household Income
Virginia Beach	6.1%	3.1%
Chesapeake	7.2%	3.3%
Norfolk	8.6%	3.5%
Portsmouth	9.1%	3.5%
Suffolk	8.1%	3.9%
Hampton	8.3%	3.9%
Newport News	9.1%	3.3%

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

Typical Family Tax Impact

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Real Estate Tax	2,308.66	2,201.86	2,110.19	2,054.12	2,089.05	2,001.36	2,054.37	2,230.47
Personal Property Tax	210.90	155.76	160.99	193.05	236.01	238.29	287.03	308.79
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	70.68	70.68	72.12	73.68	73.92	74.64	75.24	75.24
Water Utility Tax	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00
Restaurant Tax	146.63	143.77	140.31	143.44	147.95	147.95	140.86	140.86
Admissions Tax	18.54	18.30	17.55	18.15	15.41	15.10	15.10	15.10
Vehicle License Decal	50.00	50.00	50.00	50.00	50.00	50.00	50.00	60.00
Storm Water Utility Fee	73.37	80.67	87.97	115.34	133.59	151.84	158.05	158.05
Residential Refuse Fee	-	-	-	60.00	120.00	256.32	256.32	256.32
Water & Sewer	556.92	578.88	604.92	635.88	668.76	703.56	740.16	740.16
Total Tax Impact	3,543.70	3,407.91	3,352.05	3,451.66	3,642.70	3,747.06	3,885.12	4,092.98
Annual Change	-	(155.70)	(45.28)	92.00	187.03	108.27	149.20	205.00

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 (Adopted) FY 2015/16

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 2014/15, the real property tax rate was 93 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 15.94 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 78 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 49 cents on each \$100 of assessed valuation thereof. The personal property rate was \$3.70 per \$100 of assessed valuation (100 percent of fair market value) until Jan. 1, 2015 when the rate increased to \$4. 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 Actual Value of Taxable Property

Fiscal Year	Real Property					Personal Property					Total Estimated Actual Taxable Property Value
	Assessed Value			Total Taxable Assessed Value	Direct Tax Rate	Assessed Value		Total Taxable Assessed Value	Direct Tax Rate		
	Residential	Commercial	Public Service			Residential	Commercial				
2004/05	25,956,007,302	5,325,837,162	624,562,746	31,906,407,210	1.1964	2,707,998,050	661,169,653	3,369,167,703	3.70	35,275,574,913	
2005/06	32,231,908,260	6,147,104,498	530,465,288	38,909,478,046	1.0239	2,935,301,133	775,663,085	3,710,964,218	3.70	42,620,442,264	
2006/07	39,343,218,144	6,778,924,250	545,140,581	46,667,282,975	0.9900	2,918,848,554	869,072,522	3,787,921,076	3.70	50,455,204,051	
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*	-	-	-	-	0.9900	-	-	-	4.00	-	

*Assessed values are not available for the proposed budget year or future forecast years.

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

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 2015/16. After five consecutive years of decline, residential assessments are projected to increase for a second consecutive year. Local funding provided to VBCPS for FY 2015/16 includes \$32.3 million of dedicated real estate tax. Real estate revenues are the city's single largest revenue source and comprised 39.3 percent of total revenues received for FY 2014/15.

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.

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	-	-

*Tax rate per \$100 of assessed value.

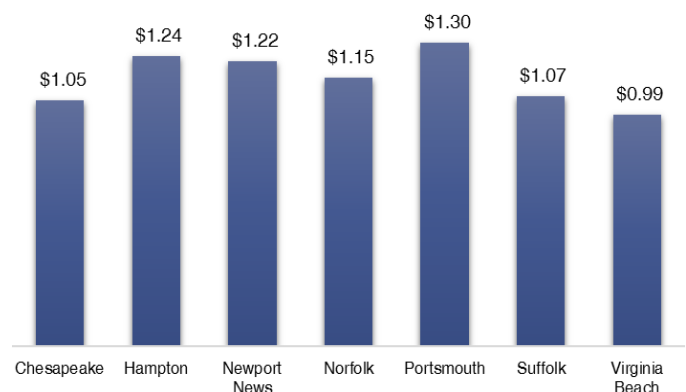
- Information not available.

Source: City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015

Beginning in 2005, the city experienced four years of unprecedented double-digit housing appreciation (averaging 19 percent annually) followed by one year of below-trend growth (2.6 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. In FY 2014/15, the city experienced positive real estate assessment growth for the second year in a row. Overall assessments increased 2.9 percent. The average assessment change for residential properties was 1.84 percent; for commercial/ industrial property, the average change was 3.85 percent. Residential units comprised 83.1 percent of the total tax base and commercial/industrial properties made up the remaining 16.9 percent, representing a 0.1 percent increase in the commercial proportion of real estate.

The city's FY 2015/16 Operating budget raises the real estate tax rate 6 cents – from 93 cents to 99 cents per \$100 of assessed value. This would still be the lowest real estate tax rate in the region. Virginia Beach has the lowest expenditures as measured on a per person basis, 6.1 percent as opposed to the other Hampton Roads communities. The real estate taxes paid to the city, measured as a percentage of median household income, are also the lowest in the region. This real estate tax rate increase would provide approximately half the funding requested by the School Board, allowing both city and school employees to receive a 4 percent pay increase with 1 percent dedicated to required Virginia Retirement System (VRS) mandates and help close the \$42 million deficit in the school and city budgets identified in the Five Year Forecast.

Regional Real Estate Tax Rates for FY 2015/16



Source: City of Virginia Beach, Office of the Real Estate Assessor

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 3.8 percent while unemployment peaked at 3.4 percent. Demonstrating the magnitude of the most recent recession, unemployment climbed to 6.4 percent and new vehicle sales decreased 24.6 percent. The average age of a vehicle in the city's tax base exceeds 10 years, which follows the national trend. While this is certainly economically driven, the increased vehicle quality also supports maintaining vehicle ownership for longer periods. Growth in the average age leveled off remaining at 11.4 years in 2014 when compared to 2013. When individuals retain their vehicles for a longer period of time, the result is a shortened supply of used vehicles in the market. 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 1.5 percent in 2014. As a result of consumers' vehicle retention, used vehicles currently comprise a larger percentage of the city's personal property assessment base than in the past.

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 2015/16 Operating budget proposes a state relief amount of 52.5 percent, down from 55 percent in FY 2014/15. Vehicles valued between \$1,001 and \$20,000 will be taxed at 47.5 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 and over 80 percent is collected in June. The FY 2014/15 rate change from \$3.70 to \$4 per \$100 assessed value was effective as of Jan. 1, 2015 and has yet to be fully collected. 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. It performed exceptionally well during the housing boom, rising 10.9 percent and 6.4 percent in FY 2003/04 and FY 2004/05 respectively, back-to-back levels not experienced since FY 1986/87. The appreciation of home values and the ability to monetize it through refinancing and home equity loans allowed homeowners to withdraw cash from their homes. A 2004 Federal Reserve study indicated that home owners withdrew equity in their homes equivalent to 7 percent of their disposable income and a study by Goldman Sachs Group suggested that homeowners spent over two-thirds of these monies on consumer goods. As home prices declined, equity extraction halted. This revenue stream began to rebound again when it improved to 2.9 percent annual growth for FY 2010/11, 3.2 percent growth for FY 2011/12 and 3 percent for FY 2012/13. Year-to-date sales tax collections remain positive, tracking about 3.1 percent ahead of the same period last year, but the rate of growth has slowed a bit. After the end of the recession, general sales tax revenue did not establish a growth trend that parallels the long-term annual average for two years; however, there is not an expectation that the city will return to the 6.6 percent average annual growth experienced from FY 2003/04 through FY 2007/08. Some modifications to the reductions in federal spending have tempered the effects for the region and, thus far, the impacts have been seen in a slowing of growth rates in consumer-driven revenues. The city has not experienced and does not anticipate negative year-over-year growth in the general sales tax revenue streams at this time.

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 to consider are the reduction in federal spending within the region and the impact it is having on 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 in FY 2013/14 was \$544,000, up from \$296,000 in FY 2012/13. 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 7.5 percent on average. However, for FY 2011/12, collections only increased 2 percent and 3.3 percent for FY 2012/13. The city is currently beginning the process of renegotiating the two franchise agreements.

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. Included in the city's FY 2015/16 Operating budget is an increase in the vehicle license fee of \$5, raising the fee from \$25 to \$30. This is dedicated revenue and will be collected to support the city and school operating budgets and the CIP.

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, 18.5 percent of Virginians were smokers in 2010 compared to 24.8 percent in 1996. 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. FY 2012/13 was the highest grossing year in the city's history; however, the recovery in hotel tax revenue was delayed in comparison to general sales and meals taxes. Beginning in FY 2010/11, growth in hotel revenue eclipsed those of the aforementioned taxes. The Economic Forecasting Project at Old Dominion University (ODU) is noting a shift in the regions' hotel revenue away from the "Historic Triangle" (Williamsburg, Jamestown and Yorktown) and more toward the southern peninsula localities, of which Virginia Beach is benefitting the most. 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 \$25,000; and the percentage of population between the ages of 25 and 44. 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

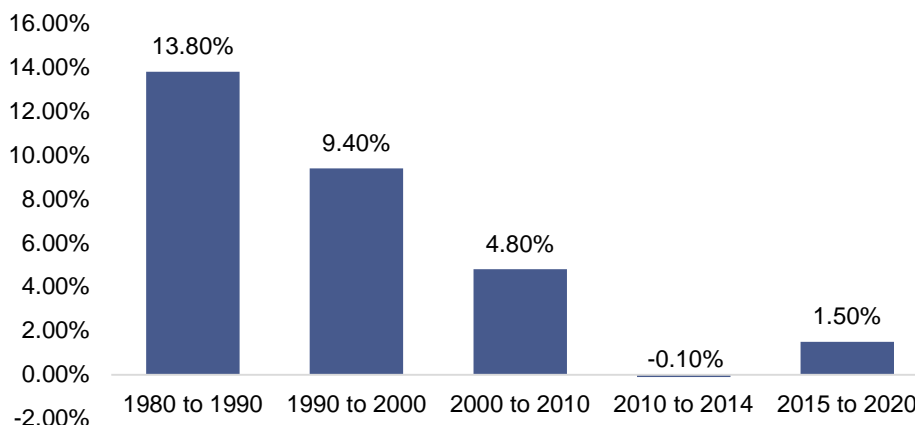
As the graph below illustrates, growth in city revenue (excluding enterprise funds and fund balance) has been declining since 1980. The city was growing rapidly in the 1980s and municipal revenues were increasing by double digits each year. A part of that growth carried over into the next decade, but it is clear that increases due to rapid growth were slowing. Late into the 1980s and early in the 1990s, several voter referendums, which added 16.7 cents to the real estate tax, were approved to support schools, road maintenance, and the construction and maintenance of city recreation centers.

In recent years the annual growth rates have been impacted by the recession and the slow economic recovery. Going forward it is expected that the lack of growth in revenues, without rate adjustments or significant economic growth, will make it extremely difficult to maintain the depth of services currently offered to the community.

As revenue growth declined, both the city and the school division have worked to improve efficiencies, reduced staff and relied heavily on fund balance to try and preserve services. Since 1980, the budget has remained flat when adjusted for inflation and population, until the last several years, where it has declined.

A central component of the city's revenue decline since 2000 has been the change in the relationship between the state, federal and local governments. This shift is not unique to Virginia Beach, or even Virginia, but has happened across the country. As both the state and federal governments have seen reduced revenues, the cost burden for programs and mandates has shifted to localities.

Average Annual Revenue Growth Rates



For Virginia Beach, the state eliminated shared revenue funds, such as profits from the sale of

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

liquor and wine, and substantially cut funding for education. In addition, the state shifted the responsibility for programs started and traditionally run by the state to the city. Program expenses such as line of duty payments to injured public safety officers and burials for citizens classified as indigent have all been shifted to the city to administer and fund.

Coupled with the loss of state revenues, these additional costs have compounded the city budget shortfall by \$91 million each year. These reductions by the state required the City Council to increase the real estate tax rate by 4 cents for education and 2 cents for transportation and line of duty in FY 2012/13. Given that the state has not increased funding, these rate increases are maintained in the city's Operating Budget (Adopted) FY 2015/16. This year's budgeted revenue is highlighted in the table below. State and federal revenues decline by \$9.3 million or roughly 2 cents on the real estate tax rate.

City of Virginia Beach Budgeted Revenue Comparison

Revenue Source	FY 2014/15 Adjusted Budget	FY 2015/16 City Budget	FY 2015/16 Schools' Budget	FY 2015/16 Total City & Schools' Budget	Percent Change
Real Estate Tax	481,041,656	495,950,037	32,340,300	528,290,337	9.80%
Personal Property Tax	137,161,976	143,202,520	-	143,202,520	4.40%
General Sales Tax	60,016,191	59,780,905	-	59,780,905	-0.40%
Utility Tax	25,150,998	25,579,267	-	25,579,267	1.70%
VA Telecommunications Tax	19,744,161	18,225,052	-	18,225,052	-7.70%
Business Licensure Tax	47,600,886	46,842,468	-	46,842,468	-1.60%
Cable Franchise Tax	7,400,000	8,146,171	-	8,146,171	10.10%
Restaurant Tax	59,622,821	60,768,863	-	60,768,863	1.90%
Amusement Tax	5,836,125	6,443,446	-	6,443,446	10.40%
Hotel Room Tax	27,870,331	29,860,146	-	29,860,146	7.10%
Cigarette Tax	13,083,160	12,474,084	-	12,474,084	-4.70%
Revenue Sharing Formula	-	(370,934,859)	370,934,859	-	0.00%
General Fund Balance	3,116,978	5,166,556	-	5,166,556	65.80%
Other Fund Balance	26,916,938	5,739,743	15,742,465	21,482,208	-20.20%
Utility Fee	154,677,502	155,255,632	-	155,255,632	0.40%
Other Revenue	150,695,393	123,493,392	25,135,824	148,629,216	-1.40%
Waste Collection Fee	31,098,000	30,886,560	-	30,886,560	-0.70%
State Revenue	460,794,524	119,323,219	338,347,425	457,670,644	-0.70%
Federal Revenue	119,695,425	42,701,671	70,824,306	113,525,977	-5.20%
Total City Operating Budget	1,831,523,065	1,018,904,873	853,325,179	1,872,230,052	2.20%

Notes: 6.31 cents of the real estate tax rate is dedicated to education. Schools' budget total includes debt service.

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

The majority of the loss is represented by state revenues that support education. Virginia's state aid to public education has been declining since the 2009 recession. FY 2013/14 state direct aid education appropriations for K-12 were \$5.2 billion from the General fund compared to \$5.6 billion in FY 2008/09. The Joint Legislative Audit Review Commission's (JLARC) 2014 comparison of states reports that Virginia ranks No. 39 in state expenditures per student. In addition, federal funds have been reduced due to cuts caused by sequestration and the loss of Impact Aid funding.

Even as the city and school division are seeing reduced support from the state and federal governments due to the recession, citizens' demands for services have increased dramatically, in part due to the impact of the economic

downturn on families. As the table shows, household income growth has decreased since the recession. Although household income rose from \$20,203 in 1980 to \$62,855 in 2013, in real terms, income growth has slowed and is declining when adjusted for inflation. It takes funding to meet the demands for services. To meet these demands, the city must reduce or eliminate services and/or try to replace lost revenues. Unfortunately, efficiency efforts to reduce some expenses are not sufficient to cover rising costs. Efforts to maintain quality schools and the municipal services desired by the community prompted a reliance on the city and school fund balances, which is not a sustainable long-term budget strategy.

Annual Average Income Growth Rates

City	1980 to 1990	1990 to 2000	2000 to 2010	2010 to 2013
Median Household Income	6.3%	2.7%	2.8%	-0.7%
Adjusted for Inflation	1.5%	-0.1%	0.4%	-2.9%

Sources: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

During the Five Year Forecast presentation in November 2014, members of the City Council and the School Board were briefed that expenditures were anticipated to exceed revenues (without rate increases) by \$42 million. Revenue growth of 2 percent simply cannot cover rising costs for either system. City services, such as schools, public safety and road maintenance, are necessities. The strategy of balancing the budget solely on reduced services has never proven popular. Citizens would not tolerate the magnitude of service reductions necessary to balance the budget through cuts alone. Both the city and schools constantly reevaluate programs in terms of need and cost.

To help maintain the quality of educational programs that the community requires, the city is again forced to step in and replace these revenues with local funds beyond the minimum match required by the state's SOQ. The city's commitment to education over this required match is now \$234.5 million or 239.9 percent more than mandatory. In addition to maintaining existing programs, these local funds will provide teacher pay increases, address pay concerns within the Unified Pay Scale and replace the use of School Reserve (reversion) funds for ongoing expenses with \$4 million in ongoing revenue.

City of Virginia Beach Tax Revenue Summary

Revenue Source	FY 2005/06 Actual*	FY 2006/07 Actual*	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 Budget**
Real Estate Taxes	397,431,699	462,221,198	499,241,014	515,768,880	504,334,961	474,474,648	461,480,333	476,217,120	464,439,667	481,774,192	528,290,337
Personal Property Taxes	129,482,648	124,098,407	128,475,060	123,593,895	113,226,394	119,356,403	73,705,379	74,723,035	78,678,322	90,898,635	143,202,520
Total General Property Taxes	526,914,347	586,319,605	627,716,074	639,362,775	617,561,355	593,831,051	535,185,712	550,940,155	543,117,989	572,672,827	671,492,857
Other Local Taxes:											
General Sales	51,391,606	53,962,203	54,071,427	51,439,533	50,263,545	51,743,905	53,375,318	54,978,531	56,431,418	58,164,569	59,780,905
Utility	40,876,918	39,741,626	42,071,272	45,764,804	46,662,622	45,129,301	45,254,169	44,623,292	44,050,182	43,308,157	43,804,319
Business Licenses	40,611,370	39,931,411	41,801,475	41,047,807	38,092,610	41,281,806	41,129,895	44,224,356	44,027,381	44,586,110	46,842,468
Franchise Taxes	4,863,393	5,178,485	5,487,236	5,891,384	6,256,632	6,827,422	6,962,320	7,192,940	7,531,593	7,939,584	8,146,171
Automobile Licenses	8,935,321	8,815,226	8,945,576	8,962,613	8,654,625	9,018,142	8,970,535	9,437,635	9,346,971	9,225,176	11,459,845
Bank Stock	1,623,110	1,520,710	2,261,296	2,071,296	2,667,046	3,029,323	2,615,883	2,354,647	2,151,058	2,739,645	2,348,972
City Tax on Deeds	12,339,628	10,501,703	8,803,558	6,492,325	6,218,098	5,796,601	6,203,751	7,458,847	6,297,952	6,970,299	6,878,623
City Tax on Wills	57,044	159,186	88,725	77,086	65,742	67,623	80,884	71,622	79,882	74,659	79,882
Cigarette	11,024,720	11,040,079	11,503,774	11,786,853	12,468,847	12,063,516	12,182,212	11,953,020	11,693,536	13,707,486	12,474,084
Amusement	4,648,949	4,881,693	5,020,312	5,422,767	5,226,534	5,314,873	5,472,204	5,482,948	6,015,026	5,902,807	6,443,446
Hotel Taxes	20,982,033	22,616,459	23,623,107	22,955,423	22,801,413	24,169,996	25,003,788	26,049,027	26,643,369	27,914,212	29,860,146
Restaurant Meals	45,025,727	46,743,465	48,069,618	48,304,462	48,442,376	50,594,181	53,254,313	55,122,465	56,872,794	59,968,375	60,768,863
Transient Occupancy Taxes	616,730	748,209	861,559	920,264	934,382	1,122,301	1,106,769	1,178,742	761,557	771,695	-
Total Other Local Taxes	249,897,709	252,456,783	260,197,924	251,136,617	248,754,472	256,158,990	261,612,041	270,128,072	271,902,719	281,272,774	288,887,724

*Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2015

**Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

The recession has had a significant impact on Virginia Beach families and the local government. As the community struggles to recover from the recession, there have been decreases in several revenue streams and city revenues overall have declined. In order to maintain community services and address projects that are critical

to the city's future economic health and expansion, this budget includes several recommendations for tax rate increases. Adopted is a 6 cents increase in the real estate tax; an additional 5 cents per pack on the cigarette tax; a \$5 increase in the vehicle license fee; and an increase of \$1 per hotel room night beginning Jan. 1, 2016, and lasting through December 2020.

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. 18, 2014.

ECONOMIC INDICATORS

It is no secret that while the national economy is improving, this improvement has been very modest, especially when considering how the country has emerged from previous periods of recession. While most of the national economic indicators are trending in a positive direction, they certainly are not reaching the levels that had been hoped for, and even projected in previous forecasts. Local economists agree that, while there are many factors that contribute to our local and regional economy, the number one driver is the national economy. This section will explore national, regional and local economic indicators.

Change in Gross Domestic Product

The Gross Domestic Product (GDP) is one of the primary indicators 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. In the most recent report from the Bureau of Economic Analysis, GDP grew by 4.2 percent. The recent uptick in GDP was mainly driven by increases in exports, inventories and an acceleration in consumer spending. Additionally, state and local spending and business investments increased. According to an article in the Oct. 14 edition of The Kiplinger Letter, there is pent-up demand from consumers. According to Kiplinger, after adjusting for inflation, total wage and salary income has doubled real consumer spending. In other words, for every \$2 that consumers are earning, they are only spending \$1. This variation should help raise consumer spending, adding about \$327 billion to the GDP. While GDP growth of about 1.5 percent is projected for 2014, the growth is expected to accelerate to over 3 percent in the first two years of the forecast. By the end of the forecast period, GDP is anticipated to grow by just over 2 percent annually.

National Consumer Price Index

The National Consumer Price Index (CPI) is defined as a measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services, and is the most cited inflation indicator. The decline in energy prices (the second consecutive decrease) kept the growth of the CPI minimal in the current year. The Congressional Budget Office is projecting CPI to grow slowly over the forecast period.

Consumer Confidence Index

The United States Consumer Confidence Index (CCI) is an economic indicator defined as the degree of optimism on the state of the economy that consumers are expressing through their activities of saving and spending. The index is based on a survey of 5,000 households. The Federal Reserve looks at the CCI when determining interest rate changes, and it also affects stock market prices. A CCI above 90 indicates a stable economy, while levels below 50 indicate a contracting economy. Consumer confidence has greatly increased since 2008; however, declines in September of 2011 and 2013 can be attributed to political discussions concerning the federal budget. After a second consecutive reading of over 90 in August (90.9), the CCI in September 2014 dipped to 83.7.

Estimated Defense Spending in Hampton Roads

Due to Department of Defense (DOD) spending, the recession in Hampton Roads was not as severe when compared to the rest of the nation. Between 2000 and 2011, DOD spending increased an average of 6.1 percent annually and kept the unemployment rate well below the national average (8.2 percent compared to 9.9 percent). In 2012, this growth was halted and actually shrunk 1.8 percent by 2013 due to federal budget reductions. It is anticipated that by the end of 2014, spending will not surpass 2012 numbers. Further reductions are possible due to a potential second round of sequestration cuts in 2016.

Unemployment Rate

While the national unemployment rate for August 2014 declined as compared to 2013, the rate in Virginia Beach and in the state rose a tenth of a percent. The local rate continues to remain below both the state and federal rates. The impacts of sequestration could be to blame for the city and state rates not declining at or near the same rate as the national unemployment rate. Some economists are projecting that unemployment nationally will decline toward 5.5 percent by the end of 2014.

Median Household Income

After steadily increasing through 2008, median household income in Virginia Beach has fluctuated for the past five years hovering around \$61,000. In 2013 the median household income rose to \$62,855 from \$61,626 in 2012. This slight growth comes after a decline between 2011 and 2012.

Residents Receiving Supplemental Nutrition Assistance Program Benefits

Since the early 2000s, the number of people in the city receiving Supplemental Nutrition Assistance Program benefits has more than tripled. The greatest rates in growth can be attributed to the change in the length of eligibility for these benefits in the spring of 2009. In October 2013, more stringent requirements to participate in the program took effect, and there has since been a slight decrease in the amount of people enrolled in the program, from 36,642 to 34,892 in September 2014. This represents 8 percent of the city's population.

SCHOOL OPERATING FUND REVENUE ASSUMPTIONS

Spreading out risk offers the best opportunity for greater overall growth in the future. The need to diversify revenue sources is something very well known to the city of Virginia Beach where the real estate tax revenue represented nearly 40 percent of the city's total local revenue in FY 2014/15.

Overall, School Operating fund revenues are anticipated to grow at just over 1 percent given anticipated reductions in federal support. Local funding is growing at roughly 1.6 percent through the RSF. This comes at a time when expenditures such as health care, pensions and unfunded mandates continue to drive expenditures at rates beyond the anticipated revenue growth. Factoring in the impacts of the state budget struggles and a possible second round of federal sequestration cuts explains why both the city and the school division are facing what can only be described as structural budget deficits. The schools have been forced to rely on reversion funds in an effort to compensate for significant reductions in state K-12 funding resources since 2009. These funds have been utilized to maintain core programs throughout VBCPS. Employees of both systems are caught in the middle with pay increases that are barely covering inflation.

School Operating Fund Revenue

Revenue	FY 2010/11 Amended	FY 2011/12 Adopted	FY 2012/13 Adopted	FY 2013/14 Adopted	FY 2014/15 Adopted	FY 2015/16 Forecast	FY 2016/17 Forecast	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast
Local (RSF)*	365,762,238	350,295,314	375,600,000	378,981,176	390,017,424	392,431,342	398,323,326	404,554,049	410,969,162	417,592,011
Schools Use of Sandbridge TIF	-	-	2,000,000	3,116,978	2,000,000	-	-	-	-	-
Transfer(s) from Other Funds	-	9,293,767	-	-	-	-	-	-	-	-
Fund Balance - General Fund	-	-	9,200,000	-	-	-	-	-	-	-
City General Fund Outside RSF	-	3,793,767	645,180	-	725,000	-	-	-	-	-
From the Use of Money and Property	465,000	465,000	465,000	465,000	465,000	465,000	465,000	465,000	465,000	465,000
Charges for Services	2,691,652	2,159,938	2,183,837	2,203,383	2,203,383	2,203,383	2,203,383	2,203,383	2,203,383	2,203,383
Miscellaneous Revenue	672,000	657,000	657,000	657,000	786,703	-	-	-	-	-
State Sales Tax	67,116,477	72,311,348	69,064,589	70,522,688	70,065,298	72,518,495	72,881,087	73,245,493	73,611,720	73,979,779
State	240,022,578	235,353,367	241,055,084	240,866,735	252,592,470	253,537,166	254,485,395	255,437,170	256,392,505	257,351,413
Federal	16,636,723	16,636,723	17,141,085	17,141,085	16,453,899	12,453,899	12,453,899	12,453,899	12,453,899	12,453,899
School Reserve (reversion)	13,000,000	13,300,000	11,000,000	14,000,000	16,000,000	-	-	-	-	-
Total	706,366,668	704,266,224	729,011,775	727,954,045	751,309,177	733,609,285	740,812,090	748,358,994	756,095,669	764,045,485
Percent Change from Previous Year (in total)		-0.297%	3.514%	-0.145%	3.208%	-2.356%	0.982%	1.019%	1.034%	1.051%

*Schools' budget total includes debt service.

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

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

Both residential and commercial assessments increased in FY 2014/15 for the first time in six years. Foreclosures are down significantly from their recessionary high, meaning that distressed sales are not dragging down overall real estate values. Although there is growth, it is considerably lower than the historic norm. There are few signs of change in these trends and both residential and commercial real estate assessments are expected to grow at 2.5 percent each year over the forecasted period.

Change in Real Estate Revenue FY 2014/15 to FY 2015/16

	FY 2014/15	FY 2015/16	Difference
City Operations	223,482,553	254,582,997	31,100,444
Schools	217,430,452	232,211,633	14,781,181
Parks and Recreation	19,617,550	20,218,575	601,025
Sandbridge Special Service District	628,909	669,999	41,090
Agriculture Reserve Program	4,474,353	2,869,337	-1,605,016
Sandbridge TIF District	8,139,025	8,960,059	821,034
Central Business District TIF	5,367,921	6,377,444	1,009,523
Town Center Special Service District	1,548,564	1,800,494	251,930
Dredging Special Service Districts	382,648	599,799	217,151
Total	481,071,975	528,290,337	47,218,362

Source: City of Virginia Beach, Resource Management Plan Operating Budget (Adopted) FY 2015/16

Real estate tax assessments are projected to increase by 2.9 percent over the FY 2014/15 budget. For FY 2015/16, real estate revenues are projected to total \$528,290,337 across all funds, including Tax Increment Financing (TIF) districts and SSDs. TIFs and SSDs were established by the City Council to serve unique functions and often have additional tax rates or assessment bases for their geographical region. Included within this projection are current taxes, public service, delinquencies and interest. The increased assessments combined with a 6 cents rate increase will generate

\$47.2 million in additional revenue to support city and school programming along with capital projects. Of this tax rate increase, the city is retaining 1.89 cents, the school division is receiving 2.31 cents, and the remaining 1.8 cents is being dedicated within the multimodal fund for future use. The table above identifies how this additional revenue is distributed to the various City Council dedications. The \$30.7 million generated by the 6 cents tax rate increase will be dedicated to schools, various capital projects and to support city programs. The remaining revenue from assessment growth is distributed to a variety of other programs and projects such as recreation centers and TIF for SSDs. Without the rate increase, neither the city nor the schools could provide any pay increase or maintain current services.

Estimated Property Tax Revenue

For FY 2015/16, personal property taxes are estimated to be \$143,202,521, a 4.4 percent increase over the FY 2014/15 estimates. Over three-fourths of the increase is attributable to the rate increase effective Jan. 1, 2015. An assessment base growth rate of 1 percent was assumed when forecasting this revenue. Recent literature indicates the potential of previously leased vehicles flooding the market soon, which will drive down the value of used vehicles. Also driving the conservative forecast is that this revenue has been erratic and difficult to forecast over time.

Estimated General Sales Tax Revenue

For FY 2015/16, estimated revenue for general sales tax is expected to be \$59,780,905. This represents a slight decrease of less than 1 percent when compared to the budgeted FY 2014/15 general sales tax revenues. FY 2014/15 revenue estimates assumed a significant bump from the time Amazon began remitting sales tax in September 2012. However, Amazon only remits sales tax from orders filled by their company, not other vendors, so this revenue has slightly underperformed.

Estimated Utility Tax Revenue

For FY 2015/16, estimated revenue for utility taxes is expected to be \$25,579,267, which is essentially flat from the previous year's budget.

Estimated Virginia Telecommunications Tax Revenue

For FY 2015/16, this revenue is projected to be \$18,225,052. 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 FY 2015/16, estimated revenue for BPOL is projected to be \$46,842,468 and represents a slight decrease when compared to the previous budget. In FY 2013/14, actual collections declined from the previous year,

indicating a downward trend. It has been two years since the implementation of the two-year business exemption program, which means some businesses will begin remitting BPOL taxes in FY 2014/15 for the first time with additional new businesses anticipated to pay for the first time in FY 2015/16. This revenue is anticipated to grow in FY 2015/16, but not to the level budgeted for FY 2014/15 which appears to have been overstated.

Estimated Cable Franchise Tax Revenue

For FY 2015/16, cable franchise revenues are projected to be \$8,146,171, an increase of 10 percent over the previous year's budget. Collections for FY 2013/14 exceeded the FY 2014/15 budget estimate. Using FY 2013/14 actuals as a revised base, the projected growth rate is closer to the historical norm of over 7 percent.

Estimated Automobile License Fee Revenue

For FY 2015/16, revenue from automobile license fees is projected to be \$11,459,845. This is an increase of \$1,832,514, or 19 percent when compared to the previous year's budget. The FY 2014/15 budgeted revenue appears to be slightly overstated. Correcting for this overstatement results in a slight decline in this revenue base; however, the fee increase of \$5 results in an overall net increase of \$1,832,514 projected for FY 2015/16.

Estimated Cigarette Tax Revenue

For FY 2015/16, total cigarette tax revenues are projected to be \$12,474,084. This is an overall decline of \$609,076 when compared to the previous year's budget, despite the tax increase of 5 cents per pack. Without this increase, cigarette tax revenue was anticipated to decline by a total of \$1,440,683. Note that a portion of these taxes are earmarked for the Tourism Investment Program (TIP); therefore, due to the Governmental Accounting Standards Board (GASB) Statement No. 54, \$934,511 in revenues are recorded in that fund.

Estimated Hotel Tax Revenue

Total hotel taxes are estimated to be \$29,860,146, or 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 \$1 per room night in addition to the aforementioned tax rate. Growth in revenue generated through the hotel tax rate is anticipated to increase by 5 percent when compared to last year's budget. The hotel flat tax is anticipated to increase by 3 percent as a result of an additional \$1 per room night flat tax being established as a part of the city's FY 2015/16 Operating Budget (Adopted). This flat tax will be dedicated to the TIP fund. The combined result in the overall growth rate for both revenue sources is 7 percent. Due to GASB Statement No. 54, these revenues are recorded in the respective funds in which they are dedicated.

Estimated Restaurant Meal Tax Revenue

For FY 2015/16, meal taxes (not including penalties) are expected to be \$60,768,863, or 3.3 percent above the previous year's budget. The meal tax rate for FY 2015/16 is unchanged from last year's rate of 5.5 percent. Of the total meal tax estimate, the city and school division retain \$38,725,640, or 3.72 percent of the rate. The remainder of the tax rate is dedicated to the Open Space fund (0.22 percent), TIP fund (1.06 percent) and Tourism Advertising Program (0.5 percent). Due to GASB Statement No. 54, these revenues are recorded in the respective funds.

State Revenue

State revenue to the School Operating fund has increased over the past four fiscal years. This trend is anticipated to continue over the forecast period. Schools were not impacted by the last state budget reduction; however, we do anticipate a decline in some state revenues. In fact, if it were not for the anticipated increase in the state shared sales tax, the division's anticipated revenue from the state would have declined between FY 2014/15 and FY 2015/16.

Federal Revenue

Federal revenue in the School Operating fund has fluctuated over the past four fiscal years. VBCPS is anticipating a \$3.5 million reduction in federal Impact Aid in FY 2015/16. For the remainder of the forecast period, federal revenue in the School Operating fund is expected to remain flat.

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. The forecast period has not automatically assumed the use of school reversion funds from FY 2013/14 to support either the School Operating budget or the CIP.

SCHOOL OPERATING FUND EXPENDITURE ASSUMPTIONS

The fiscal forecast for FY 2015/16 through FY 2019/20 is based on the FY 2014/15 School Board Approved Budget. In total, school expenditures grew by 6.4 percent, almost \$45 million, between FY 2010/11 and FY 2014/15. Overall, total school division expenditures are projected to increase by \$55.2 million, or 7.4 percent, between FY 2014/15 and FY 2019/20, the last year of the forecast period. If all other variables remain constant, expenditures will exceed revenues by \$28.4 million in FY 2015/16. In the remaining forecast years, projected deficits range from \$36.1 million to \$42.5 million.

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 2015/16 deficit could be reduced to \$16.2 million, down by \$12.2 million from its projected shortfall of \$28.4 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.

School Operating Fund Expenditures

Expenditures	FY 2010/11 Amended	FY 2011/12 Adopted	FY 2012/13 Adopted	FY 2013/14 Adopted	FY 2014/15 Adopted	FY 2015/16 Forecast	FY 2016/17 Forecast	FY 2017/18 Forecast	FY 2018/19 Forecast	FY 2019/20 Forecast
Personnel Services	435,264,460	427,919,676	425,485,491	427,435,361	436,502,429	442,351,562	448,279,072	448,279,072	448,279,072	448,279,072
VRS	39,954,556	47,869,409	66,182,178	62,645,617	69,711,679	66,224,452	71,594,651	71,594,651	80,560,232	80,560,232
Health Insurance	43,798,006	44,806,361	52,226,764	52,829,141	56,929,189	61,483,524	66,402,206	71,714,383	77,451,533	83,647,656
Life Insurance	1,146,727	1,131,359	4,785,832	4,821,218	5,138,978	5,164,673	5,190,496	5,216,449	5,242,531	5,268,744
All Other Fringe Benefits	36,686,387	35,450,262	34,765,320	35,180,232	35,788,012	36,145,892	36,507,351	36,507,351	36,872,425	37,241,149
Contractual Services	42,791,336	42,720,174	42,293,724	42,366,595	43,166,078	43,166,078	43,166,078	43,166,078	43,166,078	43,166,078
Other Charges	54,163,635	50,999,350	49,758,264	50,248,259	48,954,255	57,111,608	57,111,608	57,111,608	57,111,608	57,111,608
Capital Outlay	1,443,900	1,281,658	1,243,774	1,578,969	1,590,815	1,590,815	1,590,815	1,590,815	1,590,815	1,590,815
Land, Structures and Improvements	166,630	108,110	252,948	-	240,301	-	-	-	-	-
PAYGO	-	-	-	-	-	-	-	-	-	-
Debt Service Charges	43,859,978	44,812,083	44,747,986	43,094,767	45,507,225	48,757,648	49,679,692	49,296,912	48,154,201	49,687,276
Transfer(s) to Other Funds	7,091,053	7,167,782	7,269,494	7,753,886	7,780,216	-	-	-	-	-
Total	706,366,668	704,266,224	729,011,775	727,954,045	751,309,177	761,996,252	779,521,969	784,477,319	798,428,495	806,552,630
Percent Change from Previous Year (in total)	-	-0.297%	3.514%	-0.145%	3.208%	1.422%	2.300%	0.636%	1.778%	1.018%
Expenditure Variance by Fiscal Year	-	-	-	-	-	(28,386,967)	(38,709,879)	(36,118,325)	(42,332,826)	(42,507,145)

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

Personnel Services

From FY 2014/15 to FY 2019/20, the last year of the forecast period, personnel services expenditures are expected to increase by 2.7 percent, or \$11.8 million, adjusting solely for two remaining years of a 1.34 percent "hold harmless" salary adjustment to offset the required increase employees must pay into VRS.

Fringe Benefits

Between FY 2010/11 and FY 2014/15, expenses tied to fringe benefits increased by 37.8 percent. One contributing factor was a significant increase in the VRS employer rate for both professional and non-professional staff between FY 2011/12 and FY 2012/13. The VRS employer rate for professional VBCPS staff increased from 9.53 percent in FY 2011/12 to 16.77 percent in FY 2012/13 as the state adjusted the artificial rate set during the recession. Similarly, the VRS rate for non-professional staff increased from 12.53 percent in FY 2011/12 to 14.23 percent in FY 2012/13. From FY 2014/15 to FY 2019/20, fringe benefits are projected to increase by 23.4 percent, the highest rate of all of the expenditure categories. The Five Year Forecast assumes that there will be a VRS rate increase of 2 percent in the first year of the next two biennial budgets. Health insurance costs are expected to continually increase throughout the forecast period at the rate of medical inflation, or 8 percent.

Debt Service

Debt service is projected to increase by 9.2 percent. This projection does not factor in the possibility of additional debt service from any increase to support the School Modernization Program.

Other Operating Costs

Operating costs are projected to change minimally between FY 2014/15 and FY 2019/20.

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.

Debt Service

At a joint meeting of the City Council and the School Board on Oct. 21, 2014, staff from VBCPS Facilities Planning and Construction Office briefed the two boards on the results of this lower level of funding and discussed the potential impacts of increasing funding to the School Modernization Program to \$50 million, \$60 million or \$80 million annually. No request for a specific amount was made at the briefing, so for the purposes of the Five Year Forecast presentation, the \$60 million option was selected. This option would require nearly \$30 million of increased funding each year through the use of debt and return the program to its prerecession level. It would enable the division to modernize or replace seven schools over the next seven years, instead of the four schools current funding would allow. This additional debt would begin in FY 2016/17 with an issuance of \$30 million.

Bond Amortization

For the sixth 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 2014/15, the city's assessed value of real property was \$51.4 billion, making the city's debt less than the current debt limitation of \$5.1 billion. The amortization schedule that follows represents bonds issued for school division capital projects.

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.

Bond Amortization Schedule

Issue Description	Original Issue Amount	Principal Outstanding as of 6/30/2015	Interest Outstanding as of 6/30/2015	Principal Additions FY 2015/16	Principal Due FY 2015/16	Principal Deferred FY 2015/16	Interest Due FY 2015/16	Total Payment Due FY 2015/16	Principal Outstanding as of 6/30/16	Interest Outstanding as of 6/30/16
1995A Virginia Public School Authority (VPSA) - Larkspur MS Technology	2,096,324.00	123,720.00	3,154.86	-	123,720.00	-	3,154.86	126,874.86	-	-
1996 State Literary Fund - Corporate Landing ES	2,500,000.00	125,000.00	3,750.00	-	125,000.00	-	3,750.00	128,750.00	-	-
1996 State Literary Fund - Ocean Lakes HS	2,500,000.00	125,000.00	3,750.00	-	125,000.00	-	3,750.00	128,750.00	-	-
1996A VPSA - Corporate Landing MS Technology	4,151,083.00	489,297.00	25,703.79	-	242,007.00	-	19,243.34	261,250.34	247,290.00	6,460.45
2002 State Literary Fund - W.T. Cooke ES	7,500,000.00	2,625,000.00	315,000.00	-	375,000.00	-	78,750.00	453,750.00	2,250,000.00	236,250.00
2004B General Obligation Public Improvement (GOPI) Refunding	114,855,000.00	34,540,735.50	1,130,099.51	-	10,663,245.00	23,877,490.50	1,130,099.51	11,793,344.51	-	-
2005 GOPI	80,000,000.00	988,800.00	49,440.00	-	988,800.00	-	49,440.00	1,038,240.00	-	-
2007 GOPI	75,000,000.00	3,534,000.00	167,865.00	-	1,767,000.00	-	123,690.00	1,890,690.00	1,767,000.00	44,175.00
2008 GOPI	90,000,000.00	6,932,250.00	508,365.00	-	2,310,750.00	-	277,290.00	2,588,040.00	4,621,500.00	231,075.00
2008A GOPI Refunding	51,625,000.00	1,250,010.00	21,875.18	-	1,250,010.00	-	21,875.18	1,271,885.18	-	-
2008B VPSA - Virginia Beach MS Technology	6,350,705.00	4,599,175.00	1,753,323.32	-	295,567.00	-	231,307.97	526,874.97	4,303,608.00	1,522,015.35
2009 GOPI	72,000,000.00	12,810,240.00	854,683.20	-	1,601,280.00	6,405,120.00	406,324.80	2,007,604.80	4,803,840.00	448,358.40
2009A GOPI Refunding	20,755,000.00	11,511,738.00	2,453,208.38	-	41,356.00	-	525,368.90	566,724.90	11,470,382.00	1,927,639.48
2009B GOPI Refunding	78,875,000.00	30,000,240.00	5,361,874.12	-	1,093,275.00	-	1,332,264.43	2,425,539.43	28,906,965.00	4,029,609.68
2010A1 & 2010A2 GOPI	60,000,000.00	20,079,000.00	7,867,621.50	-	1,338,600.00	-	969,146.40	2,307,746.40	18,740,400.00	6,898,475.10
2010-1 VPSA Qualified School Construction Bond (QSCB)	4,875,000.00	3,450,000.00	1,195,546.50	-	285,000.00	-	183,195.00	468,195.00	3,165,000.00	1,012,351.50
2011A GOPI	90,000,000.00	26,344,800.00	9,057,671.55	-	1,646,550.00	-	1,062,024.75	2,708,574.75	24,698,250.00	7,995,646.80
2012A GOPI	65,000,000.00	23,028,200.00	9,509,292.00	-	1,354,600.00	-	1,090,453.00	2,445,053.00	21,673,600.00	8,418,839.00
2012B GOPI Refunding	19,630,000.00	8,949,317.00	3,209,194.08	-	-	-	447,465.85	447,465.85	8,949,317.00	2,761,728.23
2013A GOPI	22,885,000.00	21,745,000.00	7,436,400.00	-	1,140,000.00	-	784,050.00	1,924,050.00	20,605,000.00	6,652,350.00
2013B GOPI Refunding	33,795,000.00	5,652,228.00	1,991,678.04	-	-	-	235,420.92	235,420.92	5,652,228.00	1,756,257.12
2014A GOPI	85,055,000.00	38,898,060.00	16,885,998.00	-	2,048,520.00	-	1,781,211.96	3,829,731.96	36,849,540.00	15,104,786.04
2015A GOPI	51,295,000.00	7,075,000.00	3,000,463.19	-	350,000.00	-	269,463.19	619,463.19	6,725,000.00	2,731,000.00
2015B GOPI Refunding	56,530,000.00	27,394,438.00	11,985,936.48	-	-	-	1,200,933.30	1,200,933.30	27,394,438.00	10,785,003.19
2016A GOPI	61,255,000.00	-	-	38,095,000.00	-	-	-	-	38,095,000.00	15,490,417.78
2016B GOPI Refunding	50,430,000.00	-	-	29,168,712.00	-	-	-	-	29,168,712.00	4,665,382.00
General Obligation (GO) Bonds and Loans Total		292,271,248.50	84,791,893.69	67,263,712.00	29,165,280.00	30,282,610.50	12,229,673.35	41,394,953.35	300,087,070.00	92,718,020.11
2010A PFRB	17,000,000.00	2,499,850.00	232,486.05	-	499,970.00	-	80,495.17	580,465.17	1,999,880.00	151,990.88
2012-A PFRB	22,580,000.00	388,119.96	135,410.74	-	21,562.22	-	15,848.23	37,410.45	366,557.74	119,562.51
2013A PFRB	20,960,000.00	3,385,109.20	620,543.77	-	420,401.08	-	104,167.73	524,568.81	2,964,708.12	516,376.04
2014A PFRB	44,975,000.00	3,805,475.24	1,445,860.89	-	232,123.24	-	169,258.82	401,382.06	3,573,352.00	1,276,602.07
2015A PFRB	48,245,000.00	15,295,000.00	5,942,483.54	-	760,000.00	-	422,052.29	1,182,052.29	14,535,000.00	5,520,431.25
Public Facility Revenue Bonds (PFRB) Total		25,373,554.40	8,376,785.00	-	1,934,056.54	-	791,822.25	2,725,878.79	23,439,497.86	7,584,962.75
Total Schools Debt Service		317,644,802.90	93,168,678.68	67,263,712.00	31,099,336.54	30,282,610.50	13,021,495.60	44,120,832.14	323,526,567.86	100,302,982.85

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 in modernizing and replacing aging schools and facilities, the effects of the recession have reduced considerably the available funding on the local and state level. The funding available has decreased from its peak of approximately \$60 million to \$36.5 million in the FY 2015/16. The remaining school facilities in need of modernization or replacement are provided limited funding for maintenance/repairs and upgrades (e.g., technological) through the School Operating budget until funding becomes available through the city's CIP budget process.

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.

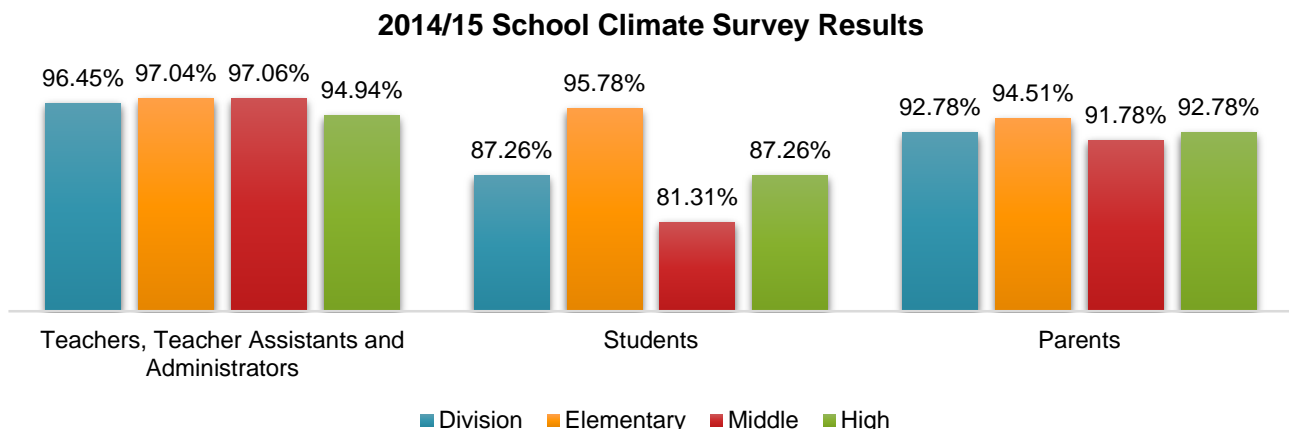
Inconsistencies are eliminated wherever possible, but readers should be aware that some still exist. As such, analysis and comparisons should not be done without consideration for the data and the dates for which each variable was recorded.

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 staff.
- Student Survey: Administered to students in grades five, eight and 12.
- Parent Survey: Administered to parents/guardians of students in grades one through 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, Annual School Report Card

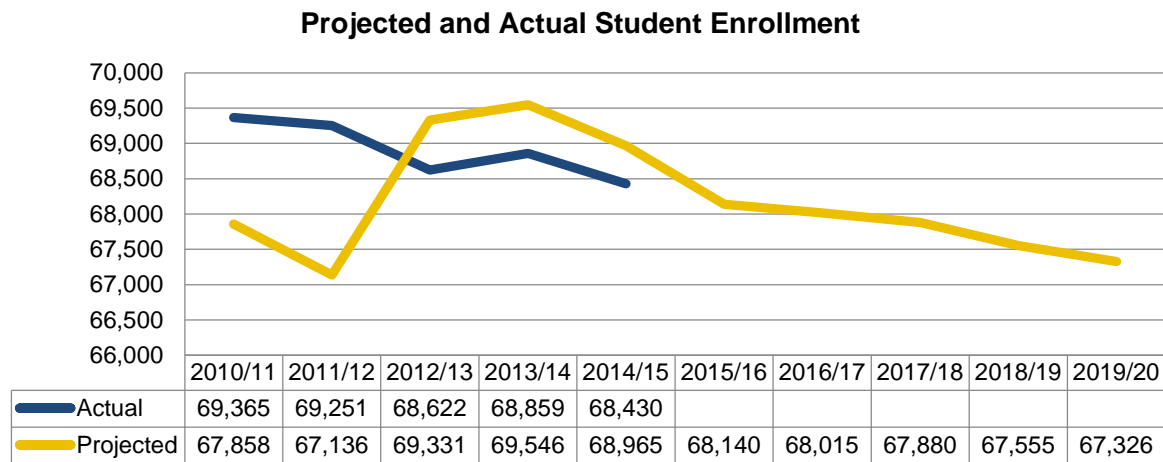
Student Enrollment

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 2010/11 and FY 2014/15, VBCPS student enrollment declined by nearly 1.4 percent, from 69,365 to 68,430. 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. 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 2010/2011 through 2019/2020.



Source: VBCPS Department of School Division Services, Sept. 30 Historical Student Membership and FINAL Sept. 30, 2015 to 2019 Student Membership Projections

Student Membership

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
Elementary										
K	4,739	5,047	4,810	4,914	4,697	4,654	4,707	4,728	4,527	4,675
1	5,401	5,476	5,587	5,397	5,376	5,212	5,145	5,215	5,239	5,016
2	5,309	5,359	5,336	5,523	5,346	5,317	5,131	5,092	5,161	5,184
3	5,202	5,248	5,298	5,384	5,498	5,358	5,335	5,142	5,103	5,172
4	5,368	5,208	5,196	5,326	5,299	5,468	5,330	5,307	5,115	5,076
5	5,401	5,355	5,163	5,210	5,315	5,314	5,475	5,332	5,309	5,117
Total	31,420	31,693	31,390	31,754	31,531	31,323	31,123	30,816	30,453	30,239
Change from previous year	296	273	-303	364	-223	-208	-200	-307	-363	-214
% change from previous year	0.95%	0.87%	-0.96%	1.16%	-0.70%	-0.66%	-0.64%	-0.99%	-1.18%	-0.70%
Middle										
6	5,232	5,427	5,344	5,239	5,168	5,338	5,318	5,493	5,350	5,327
7	5,251	5,284	5,437	5,347	5,225	5,171	5,344	5,313	5,488	5,344
8	5,379	5,256	5,231	5,422	5,343	5,220	5,189	5,335	5,303	5,478
Total	15,862	15,967	16,012	16,008	15,736	15,729	15,851	16,141	16,141	16,149
Change from previous year	-138	105	45	-4	-272	-7	122	290	0	8
% change from previous year	-0.86%	0.66%	0.28%	-0.02%	-1.70%	-0.04%	0.78%	1.83%	0.00%	0.05%
High										
9	5,995	5,869	5,740	5,781	5,818	5,814	5,700	5,651	5,810	5,776
10	5,588	5,452	5,372	5,304	5,396	5,329	5,398	5,294	5,249	5,396
11	5,470	5,207	5,212	5,128	5,023	5,137	5,107	5,133	5,034	4,990
12	5,030	5,063	4,896	4,884	4,926	4,808	4,835	4,846	4,870	4,776
Total	22,083	21,591	21,220	21,097	21,163	21,088	21,041	20,924	20,962	20,938
Change from previous year	296	-492	-371	-123	66	-75	-47	-117	38	-24
% change from previous year	-1.31%	-2.23%	-1.72%	-0.58%	0.31%	-0.35%	-0.22%	-0.56%	0.18%	-0.11%
Division										
Total	69,365	69,251	68,622	68,859	68,430	68,140	68,015	67,880	67,555	67,326
Change from previous year	-134	-114	-629	237	-429	-290	-125	-135	-325	-229
% change from previous year	-1.31%	-0.16%	-0.91%	0.35%	-0.62%	-0.42%	-0.18%	-0.20%	-0.48%	-0.34%

Source: VBCPS Department of School Division Services, Sept. 30 Historical Student Membership and FINAL Sept. 30, 2015 to 2019 Student Membership Projections

Student Demographics and Characteristics

Divisionwide Student Characteristics

Students Grades K-12*	2010/11**	2011/12	2012/13	2013/14	2014/15
Ethnic Background					
African American	24.60%	24.10%	23.80%	23.90%	23.80%
American Indian/Alaska Native	0.40%	0.30%	0.30%	0.30%	0.30%
Asian	5.60%	5.60%	5.60%	5.70%	5.60%
Caucasian	53.10%	52.70%	52.10%	51.30%	50.80%
Hispanic/Latino	8.80%	9.30%	9.80%	10.20%	10.50%
Native Hawaiian/Pacific Islander	0.50%	0.50%	0.50%	0.50%	0.50%
Multiracial	7.10%	7.50%	7.90%	8.10%	8.50%
Gender					
Female	48.90%	48.90%	48.80%	49.00%	49.00%
Male	51.10%	51.10%	51.20%	51.00%	51.00%
Additional Characteristics					
Economically Disadvantaged***	29.90%	34.60%	33.30%	36.10%	36.30%
Gifted	12.00%	11.80%	11.70%	12.00%	12.00%
Limited English Proficiency	1.60%	2.00%	1.80%	1.90%	1.90%
Migrant	<0.1%	<0.1%	<0.1%	<0.1%	<0.1%
Students with Disabilities	10.90%	10.60%	10.20%	10.20%	10.00%
Students with Disabilities****	12.60%	12.20%	11.80%	11.30%	11.30%

*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.

**Beginning with the 2010/2011 school year, racial/ethnic categories were revised to reflect United States Department of Education (USDOE) reporting requirements.

***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 12th grade 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
2010/11	95.8%	95.8%	95.1%	94.3%	95.6%	95.2%
2011/12	96.4%	96.1%	95.3%	94.4%	96.0%	95.5%
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%

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
2010/11	183	42,184	40,433	27,337	26,011	69,521	66,444
2011/12	183	42,519	40,984	26,796	25,544	69,315	66,528
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

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

VDOE National School Lunch Program Free and Reduced Price Eligibility

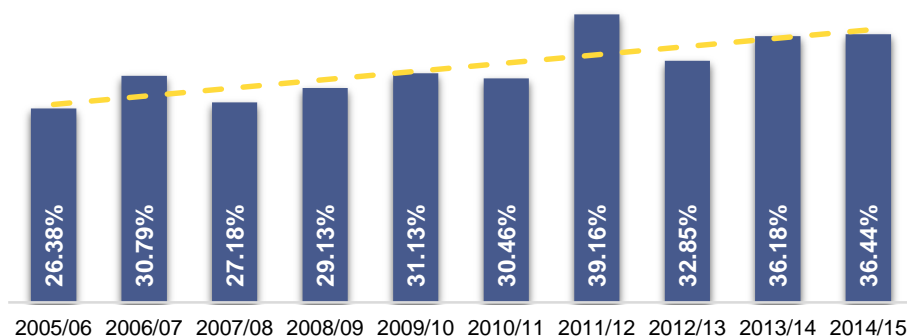
Families qualifying for free and reduced-price meals must meet established federal guidelines for income and household size. Over the last decade, the number of VBCPS students eligible for free and reduced-price meals has grown by approximately 29 percent, from 19,781 in FY 2005/06 to 25,542 in FY 2014/15. The number of students eligible as a percentage of the total student population increased from 31.13 percent in FY 2009/10 to 36.44 percent in FY 2014/15. This student demographic is expected to continue to trend higher in future fiscal years.

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
2009/10	71,097	16,067	22.60%	6,067	8.53%	22,134	31.13%
2010/11	71,034	16,704	23.52%	4,932	6.94%	21,636	30.46%
2011/12	70,723	20,796	29.40%	6,898	9.75%	27,694	39.16%
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	70,091	20,044	28.60%	5,498	7.84%	25,542	36.44%

Note: The number of students living in poverty is reported by divisions based on the number of students qualifying for free or reduced price lunch through the National School Lunch Program.

Source: Virginia Department of Education

Total Percentage of Students Qualifying for Free and Reduced Price Lunch



Source: Virginia Department of Education

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.

Divisionwide Accomplishments

- All 11 VBCPS high schools were ranked in the top 9 percent of nationwide by *The Washington Post* newspaper.
- *Newsweek* ranked the top 2,000 high schools in the country that best prepare students for college and all VBCPS high schools made the list.
- Eleven VBCPS schools earned one of Governor Terry McAuliffe and the State Board of Education's Virginia Index of Performance awards which are given to schools that exceed state and federal accountability guidelines and achieve the excellence goals established by the Governor and the Board.
- VBCPS was awarded the title "District of Distinction" by District Administration magazine in regards to its work in sustainability and creating 21st century learning environments for students.
- A release by the College Board® showed that VBCPS continues to increase the number of students taking rigorous Advanced Placement® (AP®) courses and earning qualifying scores on AP® exams. During the 2013/14 school year, VBCPS students took more than 8,850 AP® exams, an increase of approximately 200 exams from the previous year. Of those exams, nearly 5,200 had qualifying scores of 3, 4, or 5. In addition, 1,209 VBCPS students were designated as 2014 AP® Scholars for completing three or more AP® exams with scores of 3 or higher. Of those students, 76 earned the prestigious title of National AP® scholar for earning an average score of 4 or higher on eight or more AP® exams.
- Community involvement in and support of the mission of VBCPS remained ever-present. More than 23,000 volunteers and 2,014 community partners lent their expertise to our schools last year. The estimated value of their efforts was approximately \$15.2 million.
- Green Run Collegiate (GRC) charter school has been formally named an International Baccalaureate (IB) World School. As an IB World School, GRC is able to offer the International Diploma Program. The addition of this program enables students to participate in international conferences and allows teachers to work with their peers internationally.
- Hermitage Elementary School was named a 2014 National Blue Ribbon School by the USDOE. The school earned this prestigious distinction for the second time in less than a decade and was one of only 10 schools in Virginia to achieve the honor in 2014.
- Kemps Landing Magnet School was awarded the 2014 Governor's Award of Educational Excellence for the seventh year in a row and was one of only five schools in Virginia to receive the honor.
- Rosemont Elementary School was selected as a Title I Distinguished School by the VDOE. To earn the honor, schools have to meet all state and federal accountability requirements for two consecutive years and achieve reading and mathematics Standards of Learning (SOL) pass rates at the 60th percentile or higher. Rosemont was one of 36 schools in the Commonwealth recognized as a Title I Distinguished School.
- Seatack Elementary School opened An Achievable Dream Academy, where more than 200 students are now receiving additional instruction throughout the week as well as a focus on their social development.
- VBCPS students earned 10,404 Technical and Career Education (TCE) credentials in 2014/15. Students earned these credentials through a total of 111 different assessments administered, making the division a leader in the state.
- VBCPS has been selected as a first place winner in the American School Board Journal's 2014 Magna Awards program for its Parent Connection outreach.
- VBCPS was among 376 school divisions nationally to earn the distinction as one of the 2014 Best Communities for Music Education by the National Association of Music Merchants Foundation. VBCPS was one of eight Virginia communities earning the designation.
- VBCPS won first place in the 2014 Virginia School Boards Association's Green Schools challenge and ranked No. 1 in school divisions with a student population of more than 10,000. This competition rates implementations of specific environmental policies and practical actions that reduce the carbon emissions generated by both the local school division and the broader community.

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. This section highlights results from some of the tests used to measure student achievement. 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. The data presented show that the division continues to place an emphasis on student outcomes which extend beyond traditional assessment results.

VIRGINIA STANDARDS OF LEARNING AND ACCREDITATION

The Virginia Board of Education (VBOE) utilizes curricular requirements called the Standards of Learning (SOL). Under the Commonwealth's requirements, Virginia SOL tests are given in reading and mathematics to all students in third through eighth grades; science tests to students in fifth through eighth grades; writing tests to students in eighth and eleventh grades; and history tests to students in fourth and eighth grades. In high school, SOL tests in English, mathematics, science and history are administered when students complete specific courses. Individual student results are used as one measure to make educational decisions. Summary results are used as a measure to guide school improvement actions. Students in high school must pass a certain number of SOL tests in order to graduate. In addition to being a graduation requirement, the SOL tests are tied to the accreditation process for each school through the Standards of Accreditation.

Standards of Learning Scores

In spring 2013, all schools administered all SOL tests online. In spring 2015, five SOL tests were eliminated by the VBOE. These tests included grade three science, grade five writing, and third, sixth and seventh grade history.

When looking at the overall division passing rates by grade level/test and by subgroup, passing rates for reading and writing decreased in 2012/13 (the year the new reading assessments were administered); however, increases were shown across most grade levels/tests and in most subgroups each of the past two years. Passing rates for mathematics decreased in 2011/12 (the year the new mathematics assessments were administered); however, increases were shown across most grade levels/tests and by all subgroups over the past three years. History passing rates remained relatively stable over the past five years. Passing rates for science decreased in 2012/13 (the year the new science assessments were administered); however, increases were shown across most grade levels/tests by all subgroups over the past two years.

The following figures show the adjusted overall combined division passing rates for SOL assessments (including alternate and alternative assessments) administered in third through eighth grades and at the high school level over the last five years. Each percentage represents the overall passing rate for that school year.

Standards of Learning Division Results for Pass Percentage

	2010/11	2011/12	2012/13	2013/14	2014/15
English: Reading	91%	92%	78%*	79%	83%
English: Writing	92%	91%	78%*	75%	80%
History and Social Science	86%	86%	85%	85%	88%
Mathematics	85%*	67%	72%	77%	84%
Science	93%	93%*	84%	82%	85%

*Denotes year in which a standards change went into effect, causing a decrease in the pass rate.

Source: VBCPS Department of Planning, Innovation and Accountability, Standards of Learning Assessment Program Annual Division Highlights Assessment Brief

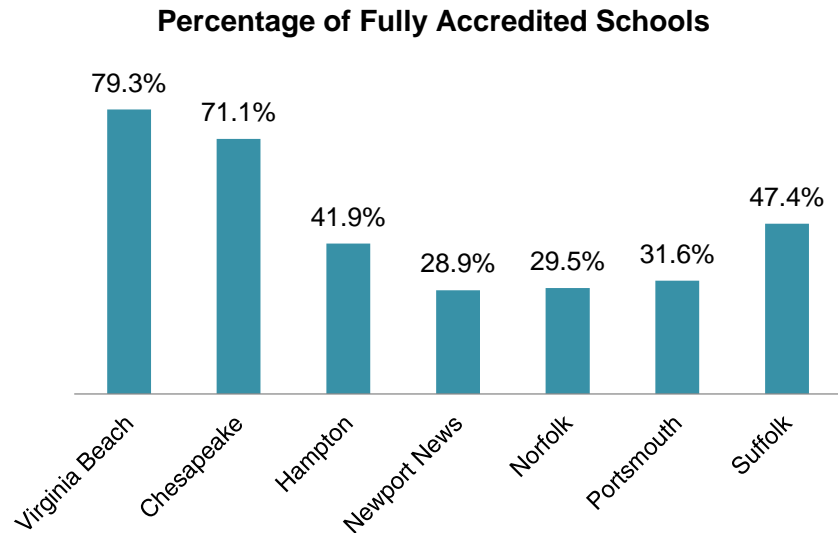
Accreditation

For a school to earn full accreditation, at least 75 percent of students must pass reading and writing SOL tests, and at least 70 percent must pass state assessments in mathematics, science and history. For full accreditation, high schools must also meet an accountability standard based on a graduation and completion index (GCI) of 85 or higher. A provisional accreditation for a GCI between 83-84 is available until 2015/16. After 2015/16, high schools with a GCI of less than 85 will be Accredited with Warning. Accreditation ratings also may reflect credit earned by schools that successfully remediate students who failed reading or mathematics tests during the previous year. Adjustments also may be made for students identified as Limited English Proficient (LEP) and for students who have recently transferred into a Virginia public school.

Based on these scores, schools can receive one of the following ratings from the VDOE:

- Fully Accredited
- Provisionally Accredited (given to high schools if students achieve adjusted pass rates of 75 percent or more in English and 70 percent or more in mathematics, science and history and a GCI from 83 to 84 points); schools with a rating of Provisionally Accredited are subject to an academic review; elementary and middle schools are not eligible for provisional accreditation
- Accredited with Warning (given if the adjusted pass rates are below the level required for full accreditation)
- Accreditation Denied (given if a school fails to meet accreditation requirements for four consecutive years)
- Conditionally Accredited (given if a school is new or has just been reorganized by the VDOE)

Based on the Virginia SOL tests administered during the 2013/14 school year, 79 percent of schools in the division earned full accreditation from VDOE. VBCPS has the highest percentage of fully accredited schools compared to other public school divisions in Hampton Roads. Individual school accreditation results for VBCPS can be found in the Appendix of this document and online.



Source: Virginia Department of Education

Virginia Beach City Public Schools Historical Accreditation

	Based on 2009/10 Scores for 2010/11 Accreditation	Based on 2010/11 Scores for 2011/12 Accreditation	Based on 2011/12 Scores for 2012/13 Accreditation	Based on 2012/13 Scores for 2013/14 Accreditation	Based on 2013/14 Scores for 2014/15 Accreditation
Accredited with Warning	0	1	2	12	15
Conditionally Accredited	0	0	0	1	2
Fully Accredited	81	80	79	69	65
Partially Accredited: Approaching Benchmark-Pass Rate	0	0	0	0	0
Partially Accredited: Improving School Pass Rate	0	0	0	0	0
Partially Accredited Reconstituted School	0	0	0	0	0
Partially Accredited Warned School	0	0	0	0	0
Total Schools	81	81	81	82	82

Source: Virginia Department of Education

SAT® SCORES

At the end of the 19th century, several of the top universities in the United States formed the College Entrance Examination Board to establish a means to determine whether students were adequately prepared for college. Subsequently, the precursor to the SAT® was administered in 1901. Twenty-five years later, about 8,000 students

took the College Board's first multiple-choice SAT®. Since that time, the SAT® has seen many changes, including an official name change to its acronym in 1994, and has been administered to millions of students both nationally and internationally.

The mean scores for Virginia Beach seniors have been higher on all three sections of the SAT® than the mean scores of seniors in every other school division in Hampton Roads for at least 10 years. Although the number of senior SAT® test takers in the Commonwealth of Virginia decreased for the third consecutive year, the 2014/15 school year saw an increase from the previous year in the number of VBCPS seniors who took the SAT®. Virginia Beach's mean scores for the three SAT® sections continued to lag behind the mean scores of public school students across the state; however, the VBCPS critical reading mean score (507) was 12 points higher than the reading mean score for all of the seniors who were administered the SAT at a domestic or foreign test center. Compared with the two other SAT® mean scores of the total group, the Virginia Beach mathematics mean score (504) was 4 points lower and the writing mean score (484) was the same as all of the seniors who were administered the SAT® at a domestic or foreign test center.

SAT® Mean Scores for Hampton Roads School Divisions

School Division	2014/15 Critical Reading Score	2014/15 Mathematics Score	2014/15 Writing Score	2014/15 Total Score
Virginia Beach City Public Schools	507	504	484	1495
Chesapeake Public Schools	504	502	483	1489
Hampton City Schools	457	449	430	1336
Newport News City Public Schools	465	454	440	1359
Norfolk Public Schools	468	452	443	1363
Portsmouth Public Schools	429	416	412	1257
Suffolk Public Schools	469	456	451	1376

Source: VBCPS Department of Teaching and Learning and Department of Planning Innovation and Accountability, SAT® Results for the Graduating Class of 2015 Assessment Brief

Approximately 54 percent of VBCPS graduates in the class of 2015 scored at or above the SAT® college readiness benchmark in critical reading, while 52 percent met the mathematics benchmark and another 52 percent reached the benchmark in writing. SAT® College and Career Readiness Benchmark indicates a 65 percent chance of first-year college success. Of the VBCPS students who took the SAT® in 2014/15, 42 percent met or surpassed the benchmark. While Virginia Beach's score was less than the Virginia public score in critical reading and mathematics, they met or beat the national score in every area.

Percent of 2014/15 Seniors at or Above College and Career Readiness Benchmark

Level	Critical Reading	Mathematics	Writing	Overall
Division	54%	52%	52%	42%
State	56%	55%	47%	45%
National	49%	54%	44%	42%

Source: VBCPS Department Teaching and Learning and Department of Planning Innovation and Accountability, SAT® Results for the Graduating Class of 2015 Assessment Brief

AMERICAN COLLEGE TEST SCORES

The American College Test (ACT®) is an optional test taken by high school students and used by many colleges and universities as part of the admissions process. The ACT® assesses students' general education development and their ability to complete college-level work. The test assesses English, mathematics, reading and science. Scores on each section of the ACT® range from one to 36. The composite score is the average of the four test scores.

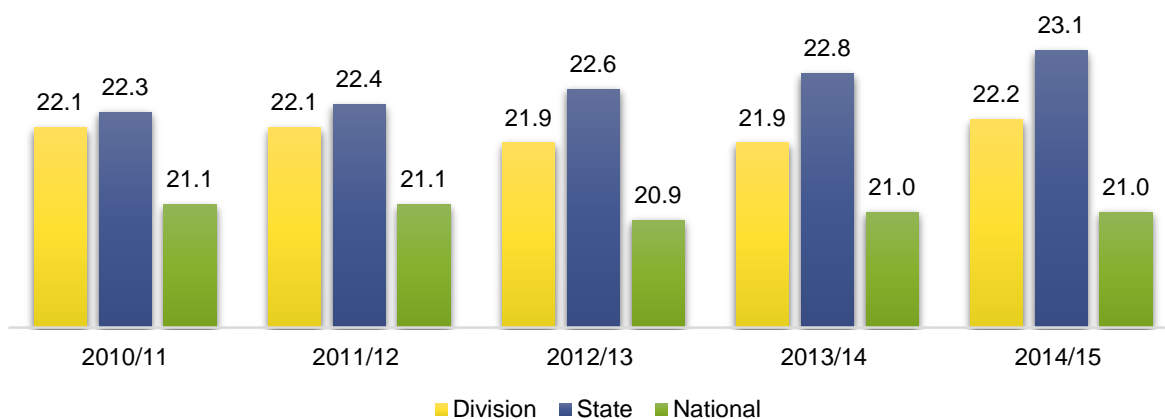
Since 2012, more students have taken the ACT® than have taken the SAT®. Nationally, over 1.9 million graduates in the class of 2015 took the ACT® at least once during their high school careers. The increased popularity of the ACT® is further demonstrated by the fact that well over half of all United States high school graduates take the ACT® and all four-year colleges and universities accept ACT® scores.

The number of seniors who took the ACT® and graduated from a Virginia Beach high school during the 2014/15 school year increased by more than 100 students from the senior class of 2013/14. For the first time, over 20 percent of a VBCPS graduating class took the ACT® at some point while they were in high school. The average ACT® composite score increased by three-tenths of a point from 2014 to 2015.

The percentage of VBCPS students who met or surpassed the ACT® College Readiness Benchmarks in English, mathematics and reading indicated that the majority of ACT® test-taking seniors in the class of 2014/15 were adequately prepared for college courses in corresponding subjects during their freshman year. In science, nearly half of Virginia Beach's ACT® test takers scored at or above the college readiness benchmark. The percentage of VBCPS graduates who met the benchmarks on all four subject area tests was 36 percent.

Compared with ACT® results for seniors in the graduating class of 2015 across the nation, Virginia Beach's ACT® results were much better and in many cases, quite impressive. Despite the positive gains made on the ACT® by the most recent VBCPS graduating class, the division's average ACT® scores still lagged somewhat behind the average ACT® scores at the state level.

ACT® Composite Scores



Source: VBCPS Department of Planning, Innovation and Accountability

ADVANCED PLACEMENT® TESTS

The AP® program is a cooperative educational endeavor between secondary schools and colleges/universities. Through the program, students enroll in rigorous courses developed by the College Board and have the potential to earn college credit while enrolled in high school. Some colleges and universities award college credit to students who earn a 3, 4 or 5 on the AP® exams given in the spring.

There was substantial growth in the AP® program in VBCPS from the 2013/14 school year to the 2014/15 school year. Enrollment in AP® courses increased by 8 percent, and the number of AP® exams taken increased by 5 percent from the previous year. A total of 6,441 students took 12,110 AP® courses at the 11 comprehensive VBCPS high schools and GRC. This total included 40 percent of all high school sophomores, juniors and seniors in Virginia Beach. Of the 37 AP® courses offered by the College Board, VBCPS students participated in 32 of them. Of the 9,316 AP® exams administered in Virginia Beach, 58 percent received scores of 3 or higher, meaning that these examinees were qualified to receive college credit or advanced placement in college coursework.

AP® Testing Numbers

	2010/11	2011/12	2012/13	2013/14	2014/15
AP® Course Enrollment	9,274	9,967	11,012	11,220	12,110
Number of AP® Exams Taken	7,554	7,995	8,671	8,861	9,316
Number of Exams with Scores of 3 to 5	4,291	4,691	5,124	5,198	5,403

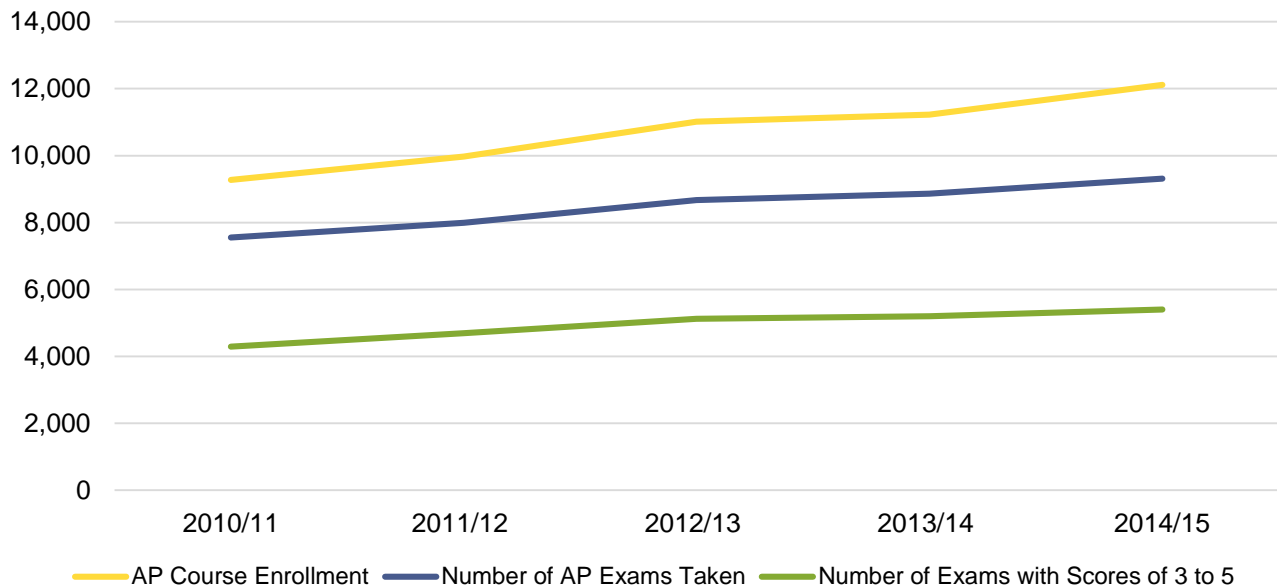
Source: VBCPS Department of Planning, Innovation and Accountability

AP® Scores Potentially Eligible for College Credit

	2010/11	2011/12	2012/13	2013/14	2014/15
Percent of Total Exams	57%	59%	59%	59%	58%

Source: VBCPS Department of Planning, Innovation and Accountability

AP® Course Enrollment and Number of AP® Exams Taken



Source: VBCPS Department of Planning, Innovation and Accountability

Other Measures of High Academic Achievement

PSAT/NATIONAL MERIT SCHOLARSHIP QUALIFYING TEST®

The PSAT/National Merit Scholarship Qualifying Test (NMSQT)® is a standardized, multiple-choice test that includes three sections: reading, mathematics, and writing and language. The test provides practice for the SAT® and allows students the opportunity to enter National Merit scholarship programs. Individual PSAT/NMSQT® results are helpful for advising and counseling students. At the high school and division levels, PSAT/NMSQT® results are used to evaluate instructional effectiveness and plan curriculum.

VBCPS Students in Grade 10 and 11 Meeting or Exceeding the College and Career Readiness Benchmark of the PSAT/NMSQT®

	2010/11	2011/12	2012/13	2013/14	2014/15
Critical Reading	28%	30%	25%	51%*	49%
Math	36%	36%	34%	42%*	47%
Writing	26%	24%	26%	44%*	40%

* Represents a change in benchmarks. Data cannot be compared to previous years.

Source: VBCPS Key Academic Measures

INTEGRATED PERFORMANCE TASK

The Integrated Performance Tasks (IPT) involve real-life problems and related documents that a student must analyze before writing responses to a few open-ended questions known as prompts. Each IPT situation involves a decision that the student must make based primarily upon relevant information in the documents. While they are taking the IPT, students are asked to evaluate the credibility of information, decide if any additional information is needed, compare the pros and cons of different alternatives, make a final decision and provide reasons that support their decision.

All VBCPS students who take classroom assessments (including students with allowable accommodations) in fourth and seventh grades at every elementary and middle school are administered an IPT in the fall and again in the spring. Students in fourth and seventh grades take different age-appropriate IPTs. The fall IPT is a low-stakes, diagnostic assessment. The purposes of the fall IPT are to familiarize students with a new type of assessment and provide teachers with information about their students' abilities in critical thinking, problem solving and written communication. The fall IPT results allow teachers and schools to make instructional decisions.

Since it is a diagnostic assessment, parents do not receive fall IPT results. The spring IPT is a summative assessment that provides parents and teachers information about each student's performance. Similar to the fall IPT, the spring IPT results allow schools to evaluate instructional effectiveness and make modifications. Additionally, VBCPS uses the aggregate results of the spring IPT to determine if the division is effectively teaching and assessing some of the skills our students need to thrive as 21st century learners, workers and citizens.

The IPT scenarios are updated each year. Due to the nature of the skills assessed by this test, it is not prudent to compare data from year to year, as the difficulty level may vary between tasks. Therefore, each year's data should be analyzed separately.

IPT for the 2013/14 School Year - Percent Scoring at Emerging Level or Higher

	Group	Fourth Grade	Seventh Grade
Critical Thinking	All Students	75.4%	60.7%
	African American	63.3%	45.3%
	American Indian	<	77.8%
	Asian	85.7%	69.3%
	Caucasian	80.4%	67.4%
	Hispanic	71.8%	58.0%
	Native Hawaiian	92.3%	66.7%
	Multiracial	75.3%	62.6%
Critical Thinking II	All Students	-	50.4%
	African American	-	35.0%
	American Indian	-	44.4%
	Asian	-	57.1%
	Caucasian	-	57.0%
	Hispanic	-	48.4%
	Native Hawaiian	-	66.7%
	Multiracial	-	53.4%

	Group	Fourth Grade	Seventh Grade
Problem Solving	All Students	92.7%	90.6%
	African American	86.1%	84.0%
	American Indian	<	94.4%
	Asian	95.1%	94.8%
	Caucasian	95.2%	93.3%
	Hispanic	92.1%	89.0%
	Native Hawaiian	96.2%	96.3%
	Multiracial	94.4%	92.7%
Written Communication	All Students	84.9%	48.4%
	African American	75.4%	29.0%
	American Indian	<	50.0%
	Asian	92.9%	62.7%
	Caucasian	88.9%	57.3%
	Hispanic	80.6%	39.0%
	Native Hawaiian	96.2%	63.0%
	Multiracial	85.3%	52.4%

< Data not reported for less than 10 students.

- No data, Critical Thinking II portion of the test not given to fourth graders.

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

SCHOLASTIC READING INVENTORY

The Scholastic Reading Inventory (SRI) *College & Career*™ is a multiple-choice, computer adaptive reading assessment administered to middle school students in sixth through eighth grades at different times during the year. This assessment provides teachers and parents with information related to their student's reading comprehension and growth that can be used to track student progress. Using a student's Lexile Framework® level (the numeric representation of a student's reading ability), this assessment also allows teachers to tailor instruction and assign each student appropriate reading materials based on his or her ability. The numbers reported below represent the percent of students at all VBCPS middle schools who were reading on grade level at the beginning of the year and at the end of the year in 2013/14.

SRI - Percent Reading on Grade Level

	Group	Beginning of Year	End of Year
Sixth Grade	All Students	72.0%	83.2%
	African American	58.0%	71.4%
	American Indian	54.5%	81.8%
	Asian	83.0%	87.1%
	Caucasian	78.2%	89.0%
	Hispanic	66.5%	81.5%
	Native Hawaiian	83.3%	91.7%
	Multiracial	74.0%	82.6%
Seventh Grade	All Students	76.2%	86.1%
	African American	59.7%	74.4%
	American Indian	77.8%	83.3%
	Asian	83.3%	91.3%
	Caucasian	83.5%	91.3%
	Hispanic	71.5%	82.6%
	Native Hawaiian	84.6%	82.1%
	Multiracial	81.2%	90.4%

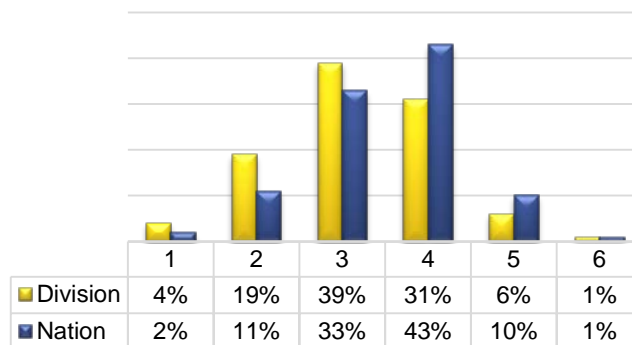
	Group	Beginning of Year	End of Year
Eighth Grade	All Students	78.6%	87.1%
	African American	65.6%	75.9%
	American Indian	94.1%	100.0%
	Asian	82.5%	86.9%
	Caucasian	85.0%	92.3%
	Hispanic	70.3%	83.9%
	Native Hawaiian	80.0%	87.5%
	Multiracial	83.6%	90.9%
All Grades	All Students	75.6%	85.5%
	African American	61.1%	73.9%
	American Indian	78.3%	88.6%
	Asian	82.9%	88.3%
	Caucasian	82.3%	90.9%
	Hispanic	69.4%	82.7%
	Native Hawaiian	82.7%	86.8%
	Multiracial	79.5%	87.9%

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

COLLEGE AND WORK READINESS ASSESSMENT

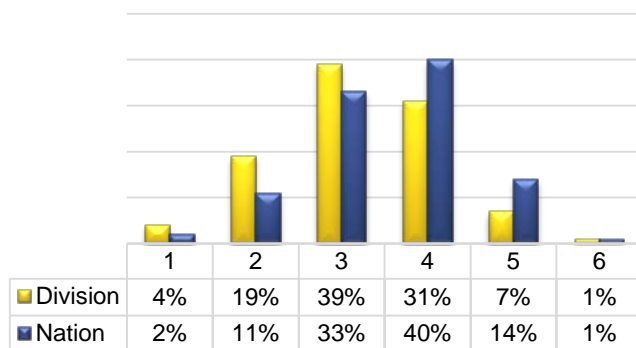
The College and Work Readiness Assessment (CWRA+) is administered each year to high school juniors. It is designed to measure essential skills for success in college and work. The CWRA+ is an online assessment that includes a performance task and 25 selected-response items. The performance task measures analytic reasoning, problem solving and written communication. The selected-response questions are designed to assess students' ability to reason quantitatively and scientifically, read critically and evaluate information, and critique faulty arguments.

Analysis and Problem Solving



Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

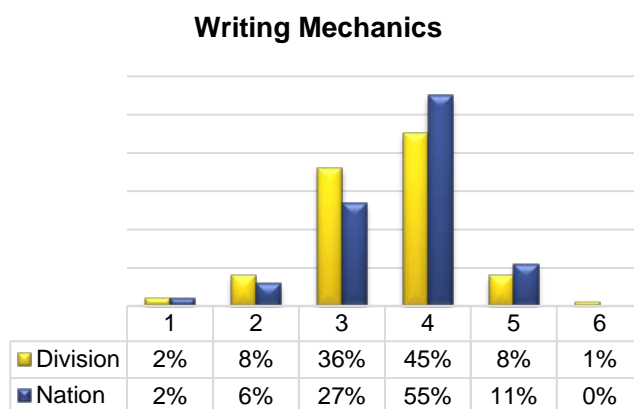
Writing Effectiveness



Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

Each performance task presents an engaging, real-world scenario and a set of accompanying documents. Students are asked to choose among possible actions to address a problem, determine the most likely cause of a problem or classify items based on their significant features. The selected-response section presents students with a realistic document - such as a blog post, debate transcript, political speech or newspaper editorial - and a set of accompanying questions.

The 2013/14 results from the CWRA+ also allow for an evaluation of students' higher order thinking skills including analysis and problem solving, writing effectiveness, and writing mechanics. The graphs in this section represent the percentage of students scoring at each level on the performance task section in the division and across the nation in the three skill areas. The scores range from 1 to 6 with a higher score indicating better performance in the various areas. Additionally, the performance levels are categorized as Emerging (1-2), Developing (3-4) and Mastering (5-6) to indicate how well students demonstrate their ability in the three areas.



Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

As illustrated by the graphs, the score distributions for VBCPS are very similar to the national scores. Nine VBCPS high schools scored within the proficient mean mastery level. Fifty-six percent of the students were proficient and 3 percent were advanced. The highest percent of students scoring in the advanced mastery level was at Princess Anne High School with 10 percent, followed by Ocean Lakes High School with 5 percent.

CWRA+ Mean Scores 2013/14

	Mean Score
Division's Mean CWRA+ Score	1006
Nation's Mean CWRA+ Score	1012

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

The mean CWRA+ scores for VBCPS ranged from 800 to 1070. These mean scores were higher at all schools than the mean CWRA+ scores for juniors from the 2012/13 school year. Although the overall performance on the CWRA+ of the VBCPS junior cohort was below the performance of the 2013/14 national high school junior and senior samples, this was expected. The differences in mean scores can be attributed in part to the relatively high proportion of students represented in the national samples who attended private schools.

TECHNICAL AND CAREER EDUCATION

Industry credentialing is part of an overarching vision and effort for VBCPS to provide students with relevant workplace skills and student-selected verified credit opportunities. VBCPS is at the forefront of the Commonwealth of Virginia in teaching and assessing these skills. Since 2002, 56,844 students have earned at least one industry credential.

Compared to the previous school year, nearly 500 more students earned Microsoft IT Academy credentials, 199 more students earned the Workplace Readiness Skills credential and 349 more credentials were earned in the area of program content certifications during the 2014/15 school year. This totals 1,050 more credentials earned in 2014/15 than in 2013/14. The data for school year 2014/15 show that 12,810 industry credential assessments were administered from among 111 different credential assessments available. The divisionwide industry credential pass rate for 2014/15 was 81.2 percent which is an increase of 0.7 percent from the previous year, resulting in 10,404 earned credentials. Also noteworthy is that over 10 percent of Virginia's industry credential figures last year came from VBCPS.

Students in VBCPS high schools are taking advantage of the opportunity to earn multiple credentials and prepare themselves for the future. Of the graduating Class of 2015, 4,161 members earned a total of 8,576 industry credentials. This represents almost 85 percent of all Virginia Beach's high school graduates, up from 48 percent of graduates in the Class of 2014. The Class of 2015 earned 3,631 more credentials than the previous class, with 1,998 graduates earning multiple credentials. Five VBCPS seniors walked across the stage with 15 or more earned credentials and one graduate earned 22 credentials.

TCE Student Performance

	Type	2012/13	2013/14	2014/15
National Occupational Competency Testing Institute (NOCTI) Assessments	Division	640	557	467
	State	4,577	5,024	3,971
State Licensures	Division	32	50	26
	State	673	905	1,673
Industry Certification	Division	2,903	6,360	7,351
	State	39,658	69,321	89,541
Workplace Readiness	Division	1,597	1,713	1,912
	State	22,127	28,349	33,665
Total Credentials Earned	Division	5,172	8,680	9,756
	State	67,035	103,599	128,850
Students Earning One or More Credentials	Division	3,951	6,809	7,233
	State	56,904	86,257	104,867
Career and Technical Education Completers	Division	2,106	2,166	2,138
	State	40,761	41,924	39,291

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

ON-TIME GRADUATION RATE

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	2010/11	2011/12	2012/13	2013/14	2014/15
Virginia Beach	86.7%	86.8%	88.0%	88.5%	89.8%
State of Virginia	86.6%	88.0%	89.1%	89.9%	90.5%

Source: VBCPS Department of Planning, Innovation and Accountability

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)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of Virginia Beach Dropouts	447	451	319	322	337	-
Virginia Beach	1.34%	1.37%	0.98%	1.00%	1.05%	-
State of Virginia	1.49%	1.63%	1.37%	1.26%	1.23%	-

- Information is not yet available

Source: VBCPS Department of Planning, Innovation and Accountability

COHORT DROPOUT RATE (HIGH SCHOOL ONLY)

A cohort is a group of first-time ninth grade students followed over the course of their four-year high school career. The cohort dropout rate reflects the percentage of students in this group who left high school permanently over the course of four years or who cannot be accounted for elsewhere. The cohort dropout rate is higher than the annual dropout rate because the denominator is based only on the cohort of first-time ninth graders who entered in a given year.

Cohort Dropout Rate (Ninth through 12th Grades)

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Virginia Beach	6.82%	6.19%	5.62%	4.89%	4.81%	5.27%
State of Virginia	7.79%	7.13%	6.56%	5.89%	5.41%	5.24%

Source: VBCPS Department of Planning, Innovation and Accountability

DIPLOMAS AND CERTIFICATES

Graduation Requirements

In addition to requiring students to attain established SOL benchmarks, the VBOE also mandates that students attain specific high school graduation requirements before they may be awarded one of the following options at the completion of their studies. Beginning in 2013/14, the modified standard diploma was blended with the standard diploma, and credit accommodations are made for students with disabilities:

- Standard Diploma
 - For students entering ninth grade in school year 2011/12 and 2012/13, this diploma requires 22 credits. Of the 22 credits, six must be verified credits as follows: two English, one math, one science, one social studies and one student-selected test to graduate.
 - For students entering ninth grade in school year 2013/14 and beyond, this diploma requires 22 credits, completion of one virtual course as well as successful completion of a career and technical industry certification. Of the 22 credits, six must be verified credits as follows: two English, one math, one science, one social studies and one student-selected test to graduate.
- Advanced Studies Diploma
 - For students entering ninth grade in school year 2011/12 and 2012/13, this diploma requires 26 credits. Of the 26 credits, nine must be verified credits as follows: two English, two math, two science, two social studies and one student-selected test to graduate.
 - For students entering ninth grade in school year 2013/14 and beyond, this diploma requires 26 credits and completion of one virtual course. Of the 26 credits, nine must be verified credits as follows: two English, two math, two science, two social studies and one student-selected test to graduate.
- Modified Standard Diploma - This diploma program is intended for certain students who have a disability and are unlikely to meet the credit requirements for a Standard Diploma. This diploma requires 20 standard credits but no verified credits. Students seeking a Modified Standard Diploma must either pass or meet the literacy and numeracy cut scores on the eighth grade SOL tests in both reading and mathematics. Students may also fulfill this requirement by passing the 11th grade reading SOL test and any mathematics SOL given at the high school level. The Modified Standard Diploma is being phased out, but will remain the same for students who entered ninth grade before school year 2013/14.
- Applied Studies Diploma - This diploma is available to students with disabilities who complete the requirements of their Individualized Education Program (IEP) and who do not meet the requirements of other diplomas.
- Special Diploma - Students with disabilities who complete the requirements of their IEP and do not meet the requirements for other diplomas are awarded Special Diplomas. As of July 1, 2015, state legislation eliminated the term "Special Diploma." In lieu of this language, the term "Applied Studies Diploma" will be used.
- General Achievement Adult High School Diploma - This diploma is intended for individuals who are at least 18 years of age and not enrolled in public school or not otherwise meeting the compulsory school attendance requirements set forth in the Code of Virginia.
- General Education Development (GED®) Certificate - The 2014 four-part GED test is administered by states and jurisdictions to measure skills and knowledge similar to a high school course of study.
- Individual Student Alternative Education Plan (ISAEP) - The ISAEP is a Commonwealth of Virginia GED options initiative to provide an opportunity for students ages 16 to 17 to work toward a GED credential and a vocational/career skill without dropping out of school. Students must be referred and must qualify to be admitted to the program. This program will be considered only after all measures to maintain students in a diploma program have been exhausted.

Most Virginia students earn either an Advanced Studies Diploma or a Standard Diploma. Both of these diplomas require students to pass required and elective courses and verify their achievement by passing SOL tests in English, mathematics and other subject areas. A verified unit of credit is awarded for a course in which the student earns a standard unit of credit and achieves a passing score on a corresponding end-of-course SOL test or a substitute assessment approved by the VBOE.

Diploma/Certificate Types

Percent of Diploma Graduates and Completers

		2009/10	2010/11	2011/12	2012/13	2013/14
Standard Diploma	Virginia Beach	37.0%	35.7%	35.5%	36.1%	37.0%
	State of Virginia	41.0%	40.6%	39.8%	39.5%	39.2%
Advanced Studies Diploma*	Virginia Beach	54.3%	55.8%	55.7%	56.9%	56.5%
	State of Virginia	50.4%	51.7%	52.4%	53.5%	54.4%
Modified Standard Diploma	Virginia Beach	0.5%	0.8%	0.7%	0.5%	0.7%
	State of Virginia	2.0%	1.9%	2.0%	1.7%	1.8%
Applied Studies Diploma**	Virginia Beach	4.0%	3.4%	2.9%	2.8%	3.2%
	State of Virginia	2.8%	2.6%	2.6%	2.5%	2.6%
Certificate of Program Completion	Virginia Beach	<0.1%	0.1%	0.2%	0.1%	0.1%
	State of Virginia	0.3%	0.3%	0.3%	0.3%	0.4%
GED Certificate	Virginia Beach	1.3%	0.9%	1.1%	0.7%	0.4%
	State of Virginia	1.1%	0.9%	1.0%	0.8%	0.5%
General Achievement Diploma (GAAHSD)	Virginia Beach	0.0%	0.0%	<0.1%	0.0%	0.0%
	State of Virginia	<0.1%	<0.1%	<0.1%	<0.1%	<0.1%
ISAEP GED Certificate	Virginia Beach	2.9%	3.2%	3.9%	2.9%	2.1%
	State of Virginia	2.4%	2.0%	2.0%	1.7%	1.1%

*IB included in Advanced Studies

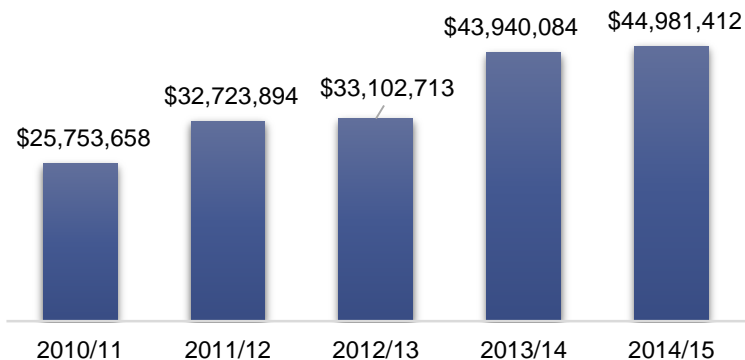
**As of July 1, 2015, state legislation eliminated the term "Special Diploma." In lieu of this language, the term "Applied Studies Diploma" will be used. This diploma is available to students with disabilities who complete the requirements of their IEP and who do not meet the requirements of other diplomas.

Source: VBCPS Department of Planning, Innovation and Accountability

SCHOLARSHIPS ACCEPTED

VBCPS' Class of 2015 was awarded \$44,981,412* in scholarships as reported by graduating seniors to high school guidance offices. This amount accounts only for the scholarships accepted by graduates. The total amount of scholarships offered to the Class of 2015 is reported to be \$70,302,596. Both scholarship totals are the highest amounts for any VBCPS graduating class. Scholarships granted by in-state and out-of-state institutions to students from all 11 VBCPS high schools are represented in this total.

Scholarships Accepted by VBCPS Class of 2015 Graduates



*The dollar value of scholarships accepted is reported. The amount of renewable scholarships is multiplied by four. The dollar value of ROTC scholarships and military academy appointments is included. However, the dollar value of Pell grants, work study and loans accepted by graduates has not been included.

Source: VBCPS Department of Planning, Innovation and Accountability

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 2014/15 actual Sept. 30 student membership for K-12 was 68,430. This amount is 429 students, or 0.63 percent, below student membership from the same period in 2013/14.

The FY 2015/16 School Operating budget was developed using a student membership projection of 67,949. This is slightly lower than the Average Daily Membership (ADM) of 67,949.2 used in the development of the Governor's Introduced 2016-2018 Biennial Budget and slightly lower than the Office of Demographics and Planning's projection of 68,146.

Budgeted Expenditures per Pupil

Virginia Code §22.1-92 requires each school division to provide notification of its estimated per pupil cost for public education for the coming school year. The Code further mandates that the notification shall include actual per pupil state and local education expenditures for the previous school year. The chart below meets that legal requirement. When comparing fiscal years, it is important to note that one is actual and the other is an estimate based on an approved budget. Typically when the actual costs for an estimated year are finalized, they are lower than the estimate originally provided.

Virginia Beach City Public Schools Average Per Pupil Expenditures for Operations*

Sources of Financial Support	FY 2013**		FY 2014 (Estimated) VBCPS	FY 2015*** (Approved) VBCPS
	State Average (Actual)	VBCPS (Actual)		
State	\$ 3,652	\$ 3,600	\$ 3,787	\$ 3,922
Sales Tax	954	991	1,034	1,016
Federal	875	1,004	1,149	1,108
Local****	5,776	5,237	5,492	5,573
Total	\$ 11,257	\$ 10,832	\$ 11,462	\$ 11,619

*Includes regular day school, school food services, summer school, adult education, athletics, textbooks and other educational functions; however, excludes certain expenditures (e.g., facilities, debt service, capital outlay additions, pre-kindergarten program)

**Commonwealth of Virginia, Superintendent's Annual Report for Virginia Beach City Public Schools, FY 2012/13

***Based on the approved School Board Operating Budget and approved by City Council

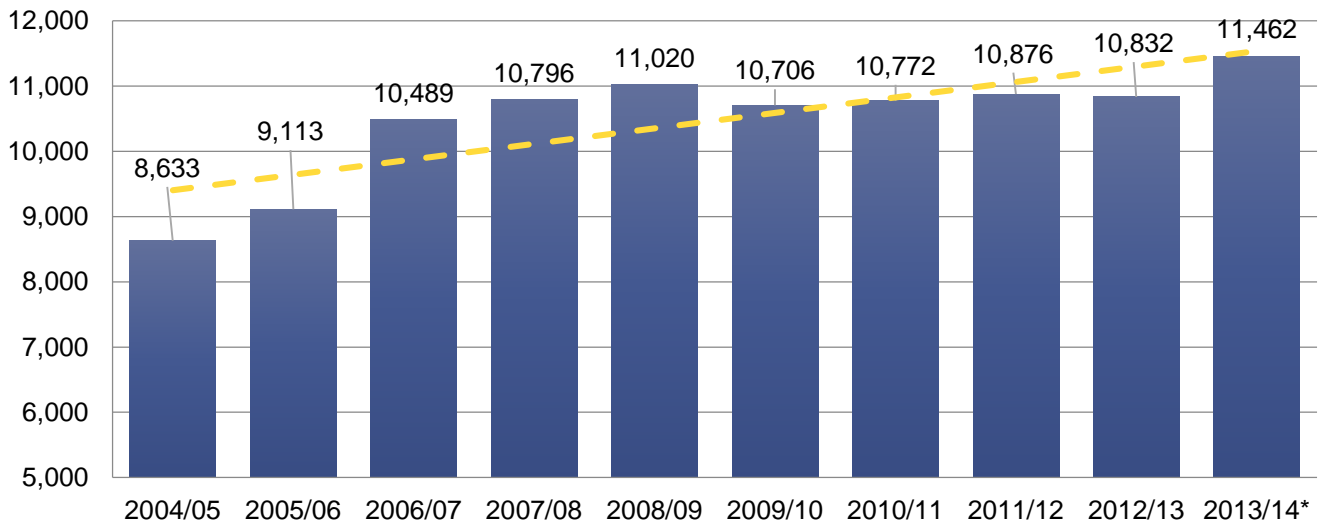
****Includes the City of Virginia Beach and other local sources (e.g., rental of facilities, summer school tuition, adult education fees and cafeteria service charges), along with the following adjustments and qualifications:

FY 2012/13 (Actual) and FY 2013/14 (Estimated) – Includes expenditures of carryover encumbrances and appropriated fund balances, excludes certain operating transfers, net of city reversion (i.e., actual/estimated unexpended balance returned to the city), and other necessary adjustments that can cause, along with other factors, fluctuations in the local average per pupil expenditures from one fiscal year to another.

FY 2014/15 (Approved) – Based on the School Board Approved Operating Budget and approved by City Council; however, it does not include certain adjustments necessary to compute the FY 2012/13 (Actual) and FY 2013/14 (Estimated) local average per pupil expenditures and, therefore, it will affect the comparability of the FY 2014/15 (Approved) local average per pupil expenditures amount to the FY 2012/13 (Actual) and FY 2013/14 (Estimated) amounts.

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

Historical Average Per Pupil Expenditures for Operations



* Estimated expenditures for FY 2013/14; all other figures represent actual data.

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

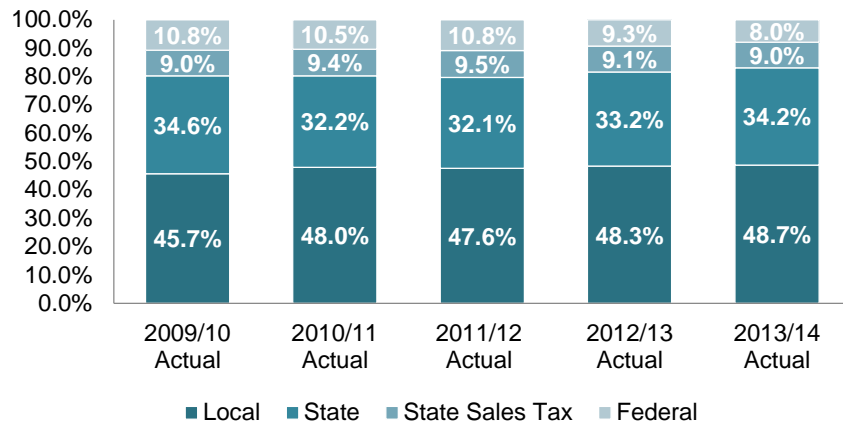
Per Pupil Financial Support Comparison

Average Per Pupil Total Expenditures for Operations	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual
Virginia Beach Cost Per Pupil	10,706	10,772	10,876	10,832	10,825
State Cost Per Pupil	11,020	10,793	10,969	11,257	11,242
ADM for Determining Cost Per Pupil	69,549	69,458	69,856	69,512	69,441

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

According to a report on state education spending released by JLARC, the Commonwealth of Virginia spent about \$5.27 billion on SOQ programs in FY 2013/14. This equated to about \$4,290, on average, for each of the 1.2 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, 2015

PERSONNEL RESOURCE ALLOCATIONS

Staffing Allocation Summary

For FY 2015/16, VBCPS expects to employ 10,034.32 full-time equivalent (FTE) positions, a decrease of 185.7 from the FY 2014/15 budget. Allocations in the School Operating budget are down by 187.8 FTEs from the previous budget year, 174.8 of which fall into the instructional category.

One of the strategies used to balance the FY 2015/16 budget was to increase class size at all levels by one student for a savings of \$12.1 million, resulting in a reduction of 169.9 positions. Additionally, another 44.8 teaching positions were eliminated as a result of projected decreases in student enrollment. The loss of all these positions will be addressed entirely through attrition.

GRC charter school will be in the third year of a phased-in implementation for FY 2015/16. Each year an additional grade of students will be added until the school is serving ninth through 12th grades. The additional staffing allocations required at GRC for FY 2015/16 equate to 8.1 FTE positions.

Other significant position changes can be attributed to a realignment of technology staff. The computer resource specialist position historically managed both instructional and technical support for schools. A new model was designed to split the responsibilities into two positions (instructional technology specialists and technology support technicians) for implementation in FY 2015/16. The instructional technology specialists will serve as technology program managers, instructional technology leaders and instructional technology partners/coaches for teachers across all content areas. Technology support technicians will serve as advisers to school staff for general technical issues including: troubleshooting and minor repairs; device setup; software installation; account access issues; and logistical support. This change will impact multiple departments and budget units.

Along with the instructional position adjustments, a net of four central office administrative positions were reduced; a net of one FTE was reduced in the pupil transportation category; and a net of 10 operations and maintenance positions were added for custodial services. The table below provides historical staffing information and illustrates the net position changes from FY 2014/15 to FY 2015/16 by funding source and category. Additional tables that follow show detailed staffing comparisons.

Budgeted Position Comparisons

Budgeted Positions for All School Board Funds

	FY 2011/12 Budget	FY 2012/13 Budget	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Approved	Variance
General Fund						
Fund 115 - School Operating						
Instruction	6,931.95	6,959.70	6,848.10	6,911.40	6,736.60	(174.80)
Administration, Attendance and Health	281.30	278.80	278.80	280.80	276.80	(4.00)
Pupil Transportation	667.13	667.13	667.13	667.13	666.13	(1.00)
Operations and Maintenance	1,156.50	1,139.50	1,146.50	1,159.50	1,169.50	10.00
Technology	-	-	188.00	188.00	170.00	(18.00)
School Operating Fund Total	9,036.88	9,045.13	9,128.53	9,206.83	9,019.03	(187.80)
Fund 104 – Green Run Collegiate	-	-	-	24.80	32.90	8.10
General Fund Total	9,036.88	9,045.13	9,128.53	9,231.63	9,051.93	(179.70)
Categorical Grants and Other Funds						
Fund 106 – Technology*	187.00	187.00	-	-	-	-
Fund 114 – Cafeterias	492.89	492.89	492.89	490.89	490.89	-
Fund 116 – Categorical Grants	659.50	588.50	563.50	484.50	478.50	(6.00)
Fund 117 – Textbooks	1.50	1.50	1.50	1.50	1.50	-
Fund 614 – Risk Management	5.00	5.00	5.00	5.00	5.00	-
Funds 615/617 – Health Insurance	4.50	6.50	6.50	6.50	6.50	-
Other Funds Total	1,350.39	1,281.39	1,069.39	988.39	982.39	(6.00)
TOTAL BUDGET	10,387.27	10,326.52	10,197.92	10,220.02	10,034.32	(185.70)

*All technology category financial activities previously reported in fund 106 are reported in the School Operating fund as of FY 2013/14.

General Fund Budgeted Positions

	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	
	Budget	Budget	Budget	Budget	Approved	Variance
50100 Elementary Classroom	2,065.40	2,115.10	2,084.60	2,162.90	2,049.90	(113.00)
50200 Senior High Classroom	1,007.60	1,022.20	982.60	985.80	926.60	(59.20)
50300 Technical and Career Education	254.90	225.40	211.45	216.35	216.35	-
50400 Gifted Education and Academy Programs	156.00	156.00	156.00	157.00	157.50	0.50
50500 Special Education	1,178.00	1,178.00	1,178.00	1,178.00	1,177.60	(0.40)
50700 General Adult Education	22.00	20.00	20.00	20.00	20.00	-
50800 Alternative Education - Renaissance	96.60	96.60	96.60	93.60	92.60	(1.00)
50900 Student Activities	30.50	30.50	30.50	30.50	30.50	-
51000 Office of the Principal - Elementary	343.00	337.00	336.00	336.00	332.00	(4.00)
51100 Office of the Principal - Senior High	127.50	124.00	122.00	127.00	137.00	10.00
51200 Office of the Principal - Technical and Career Education	7.00	7.00	7.00	7.00	8.00	1.00
51300 Guidance Services	215.40	209.40	209.60	206.60	205.20	(1.40)
51400 Social Work Services	31.25	31.00	31.00	31.00	31.00	-
51500 Media and Communications	15.00	15.00	15.00	15.00	15.00	-
51700 Teaching and Learning Support	57.00	51.00	51.00	47.00	47.00	-
51710 Instructional Professional Growth and Innovation	7.00	8.00	8.00	8.00	8.00	-
51800 Special Education Support	32.00	32.00	32.00	32.00	32.00	-
51900 Gifted Education and Academy Programs Support	19.00	19.50	20.00	20.00	20.00	-
52000 Media Services Support	199.50	200.50	196.50	196.50	196.50	-
52100 Planning, Innovation, and Accountability	19.00	19.00	19.00	19.00	18.00	(1.00)
52200 Middle School Classroom	746.40	761.40	740.75	753.65	724.85	(28.80)
52300 Remedial Education	104.50	104.50	106.50	70.50	73.00	2.50
52400 Office of the Principal - Middle Schools	115.00	115.00	112.00	112.00	130.00	18.00
52500 Homebound Services	1.00	1.00	1.00	1.00	1.00	-
52600 Technical and Career Education Support	8.40	8.60	9.00	9.00	9.00	-
52700 Student Leadership	7.00	7.00	7.00	9.00	9.00	-
52800 Psychological Services	38.00	38.00	38.00	38.00	38.00	-
52900 Audiological Services	4.00	4.00	4.00	4.00	4.00	-
53100 School Leadership	9.00	8.00	8.00	10.00	11.00	1.00
53200 Alternative Education	15.00	15.00	15.00	15.00	16.00	1.00
Instruction Total	6,931.95	6,959.70	6,848.10	6,911.40	6,736.60	(174.80)
54100 Board, Legal, and Governmental Services	13.00	12.00	12.00	12.00	12.00	-
54200 Office of the Superintendent	7.00	7.00	7.00	8.50	5.50	(3.00)
54300 Budget and Finance	43.00	43.00	43.00	43.00	43.00	-
54400 Human Resources	47.30	47.30	47.30	47.30	46.30	(1.00)
54500 Internal Audit	4.00	4.00	4.00	4.00	4.00	-
54600 Purchasing Services	13.00	13.00	13.00	13.00	12.00	(1.00)
54700 Professional Growth and Innovation	8.00	6.00	6.00	5.50	5.50	-
55000 Benefits	15.00	15.50	15.50	16.50	16.50	-
55200 Health Services	131.00	131.00	131.00	131.00	132.00	1.00
Administration, Attendance and Health Total	281.30	278.80	278.80	280.80	276.80	(4.00)
56100 Management	26.00	27.00	27.00	27.00	27.00	-
56200 Vehicle Operations	354.69	354.69	354.69	354.69	353.69	(1.00)
56250 Vehicle Operations - Special Education	122.56	122.56	122.56	122.56	122.56	-
56300 Vehicle Maintenance	57.00	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	667.13	667.13	666.13	(1.00)
57100 Facilities Planning and Construction	6.00	6.00	6.00	6.00	6.00	-
57200 School Plant	197.00	197.00	197.00	197.00	197.00	-
57300 Distribution Services	23.50	23.50	23.50	23.50	22.50	(1.00)
57500 Custodial Services	726.00	709.00	716.00	728.00	738.00	10.00
58100 Safety and Loss Control	197.00	197.00	197.00	198.00	199.00	1.00
58200 Vehicle Services	4.00	4.00	4.00	4.00	4.00	-
58300 Telecommunications	3.00	3.00	3.00	3.00	3.00	-
Operations and Maintenance Total	1,156.50	1,139.50	1,146.50	1,159.50	1,169.50	10.00
61600 Instructional Technology	-	-	110.00	110.00	92.00	(18.00)
64900 Office of Technology	-	-	7.00	7.00	6.00	(1.00)
68400 Technology Maintenance	-	-	71.00	71.00	72.00	1.00
Technology Total	-	-	188.00	188.00	170.00	(18.00)
School Operating Fund Total	9,036.88	9,045.13	9,128.53	9,206.83	9,019.03	(187.80)
Green Run Collegiate Instruction	-	-	-	24.80	32.90	8.10
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	8.10
General Fund Total	9,036.88	9,045.13	9,128.53	9,231.63	9,051.93	(179.70)

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	Variance
<i>General Fund</i>			
Fund 115 - School Operating			
Assistant Principal	129.00	127.00	(2.00)
Bus Assistants	106.88	106.88	-
Bus Drivers	473.75	472.25	(1.50)
Clinic Assistants	38.00	38.00	-
Coordinator Administration	46.00	46.00	-
Coordinator Instruction	69.00	66.00	(3.00)
Custodians	722.00	731.00	9.00
Directors	34.00	33.00	(1.00)
Executives	11.00	11.00	-
Instructional Support	933.40	908.90	(24.50)
Interns	5.00	5.00	-
Interpreters	32.20	32.20	-
Maintenance	177.00	177.00	-
Mechanics	50.00	50.00	-
Nurses	91.00	91.00	-
Occupational/Physical Therapists	39.20	38.20	(1.00)
Paraprofessionals	37.00	37.00	-
Principals	81.00	81.00	-
Professional Staff	55.00	54.00	(1.00)
Professional Support	585.90	525.40	(60.50)
School Board	11.00	11.00	-
Security	197.00	200.00	3.00
Specialists	194.50	197.50	3.00
Superintendent	1.00	1.00	-
Supply	27.50	26.50	(1.00)
Teachers	4,980.90	4,790.60	(190.30)
Technical Staff	73.00	156.00	83.00
Travel Bell	5.60	5.60	0.00
School Operating Fund Total	9,206.83	9,019.03	(187.80)
Fund 104 - Green Run Collegiate	0.00	0.00	-
Coordinator Instruction	0.00	1.00	1.00
Instructional Support	1.00	1.00	-
Principals	1.00	1.00	-
Professional Support	2.00	2.00	-
Specialists	1.00	0.00	(1.00)
Teachers	19.80	27.90	8.10
Green Run Collegiate Fund Total	24.80	32.90	8.10
General Fund Total	9,231.63	9,051.93	(179.70)

Categorical Grants and Other Funds Budgeted Positions

	FY 2011/12 Budget	FY 2012/13 Budget	FY 2013/14 Budget	FY 2014/15 Budget	FY 2015/16 Approved	Variance
Adult Basic Education Funds	5.00	5.00	5.00	5.00	5.00	-
DoDEA MCASP	-	-	3.50	4.00	-	(4.00)
DoDEA MCASP Operation Pride	-	-	-	3.00	3.00	-
DoDEA SFLEP	-	-	1.00	2.00	-	(2.00)
DoDEA Special Education	-	-	-	-	1.00	1.00
Education Jobs Fund	85.00	-	-	-	-	-
MTSS-B Impact Evaluation Study	-	-	-	-	-	-
Preschool Incentive	5.00	5.00	5.00	5.00	5.00	-
Title I, Part A	133.00	141.00	123.00	118.00	116.00	(2.00)
Title I, Part D - Subpart 1	1.00	1.00	0.50	0.50	-	(0.50)
Title I, Part D - Subpart 2	2.00	2.00	1.00	1.00	1.00	-
Title II, Part A	40.00	34.00	28.00	24.50	26.00	1.50
Title III, Part A - Language Acquisition	1.00	1.00	1.00	1.00	1.00	-
Title VI, Part B (IDEA)	374.50	385.50	381.50	306.50	306.50	-
Federal Grants Total	646.50	574.50	549.50	470.50	464.50	(6.00)
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	-	-	-	-	-	-
State Grants Total	13.00	13.00	13.00	13.00	13.00	-
Opportunity, Inc. - STEM	-	1.00	1.00	1.00	1.00	-
Local Grants Total	-	1.00	1.00	1.00	1.00	-
Categorical Grants Total	659.50	588.50	563.50	484.50	478.50	(6.00)
Cafeterias	492.89	492.89	492.89	490.89	490.89	-
Health Insurance	4.50	6.50	6.50	6.50	6.50	-
Risk Management	5.00	5.00	5.00	5.00	5.00	-
Technology*	187.00	187.00	-	-	-	-
Textbooks	1.50	1.50	1.50	1.50	1.50	-
Other Funds Total	690.89	692.89	505.89	503.89	503.89	-
Categorical Grants and Other Funds Total	1,350.39	1,281.39	1,069.39	988.39	982.39	(6.00)

*All technology category financial activities previously reported in fund 106 are reported in the School Operating fund as of FY 2013/14.

Categorical Grants and Other Funds Budgeted Positions by Employee Group

	2014/15 Budget	2015/16 Budget	Variance
<i>Categorical Grants and Other Funds</i>			
Fund 114 - Cafeterias			
Cafeterias Staff	474.89	474.89	-
Directors	1.00	1.00	-
Professional Staff	9.00	9.00	-
Professional Support	6.00	6.00	-
Cafeterias Fund Total	490.89	490.89	-
Fund 116 - Categorical Grants			
Coordinator Administration	2.00	2.00	-
Coordinator Instruction	5.00	5.00	-
Instructional Support	179.00	177.00	(2.00)
Principals	1.00	1.00	-
Professional Staff	1.00	1.00	-
Professional Support	4.00	3.00	(1.00)
Specialists	26.50	25.50	(1.00)
Teachers	266.00	264.00	(2.00)
Categorical Grants Fund Total	484.50	478.50	(6.00)

Categorical Grants and Other Funds Budgeted Positions by Employee Group (continued)

	2014/15 Budget	2015/16 Budget	Variance
Fund 117 - Textbooks			
Supply Staff	1.50	1.50	-
Textbooks Fund Total	1.50	1.50	-
Fund 614 - Risk Management			
Directors	1.00	1.00	-
Professional Staff	1.00	1.00	-
Professional Support	3.00	3.00	-
Risk Management Fund Total	5.00	5.00	-
Funds 615/617 - Health Insurance			
Professional Staff	3.00	3.00	-
Professional Support	3.50	3.50	-
Health Insurance Fund Total	6.50	6.50	-
Other Funds Total	988.39	982.39	(6.00)
Total Budget	10,220.02	10,034.32	(185.70)

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	2009/10 Actual	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Actual
Full-Time Staff					
Office/Admin/Managers	38.00	40.00	40.00	43.00	43.00
Principals	86.00	86.00	86.00	87.00	87.00
Assistant Principals	155.00	151.00	150.00	147.00	153.00
Elementary Classroom Teachers	2,117.00	2,087.00	2,101.00	2,068.00	2,108.00
Secondary Classroom Teachers	2,513.00	2,466.00	2,395.00	2,353.00	2,359.00
Other Classroom Teachers	326.00	339.00	334.00	316.00	318.00
Guidance	175.00	179.00	174.00	175.00	174.00
Psychological	70.00	79.00	83.00	75.00	75.00
Librarians/AV	104.00	105.00	105.00	106.00	106.00
Supervisory	68.00	77.00	82.00	83.00	90.00
Other Professionals	378.00	377.00	375.00	371.00	378.00
Teacher Aides	1,138.00	1,154.00	1,126.00	1,121.00	1,113.00
Technicians	110.00	112.00	108.00	111.00	111.00
Clerical/Secretarial	579.00	586.00	584.00	578.00	596.00
Service Workers	1,099.00	1,100.00	1,092.00	1,072.00	1,058.00
Skilled Crafts	236.00	231.00	238.00	234.00	234.00
Total Full-Time Staff	9,192.00	9,169.00	9,073.00	8,940.00	9,003.00
Part-Time Staff					
Professional/Instructional	239.00	201.00	193.00	170.00	153.00
Other	1,143.00	1,103.00	1,082.00	1,073.00	1,095.00
Total Part-Time Staff	1,382.00	1,304.00	1,275.00	1,243.00	1,248.00

Source: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

Staff Demographics and Characteristics

As one of the largest employers in Hampton Roads, VBCPS staffs 14,684 full-time, part-time, temporary and substitute positions. Of more than 10,000 FTE allocated positions, nearly 75 percent are categorized as instructional.

Instructional Staff by Ethnic Group

	2013/14	2014/15
Caucasian	74.19%	73.72%
African American	18.87%	18.81%
Asian	3.81%	3.60%
Hispanic/Latino	2.63%	2.83%
American Indian	0.50%	0.50%
Multiracial	-	0.50%
Number of Teachers	5,213	5,248

- Not Available.

Source: VBCPS Department of Media and Communications

Instructional Staff Characteristics

Elementary School Instructional Staff	2010/11	2011/12	2012/13	2013/14	2014/15
Female	92.3%	92.5%	92.6%	93.0%	93.0%
Male	7.7%	7.5%	7.4%	7.0%	7.0%
Average years of teaching experience	15.2	15.2	14.8	14.9	14.8
Percentage with graduate degrees	52.2%	52.9%	54.2%	55.3%	56.2%
Percentage new to the system	4.9%	5.6%	6.7%	4.7%	8.4%
Percentage of core courses not taught by highly qualified teachers	0%^	0%^	1%^	0%^	0%^
Percentage of teachers with provisional credentials	2%^	2%^	2%^	3%^	2%^
Middle School Instructional Staff	2010/11	2011/12	2012/13	2013/14	2014/15
Female	77.3%	76.5%	76.5%	76.4%	75.5%
Male	22.7%	23.5%	23.5%	23.6%	24.5%
Average years of teaching experience	15.3	15.1	15.1	14.7	14.3
Percentage with graduate degrees	53.5%	53.1%	53.1%	53.3%	52.9%
Percentage new to the system	4.3%	7.3%	7.3%	6.0%	7.0%
Percentage of core courses not taught by highly qualified teachers	0%^	1%^	1%^	0%^	0%^
Percentage of teachers with provisional credentials	2%^	2%^	2%^	3%^	2%^
High School Instructional Staff	2010/11	2011/12	2012/13	2013/14	2014/15
Female	65.8%	66.3%	65.6%	65.7%	66.1%
Male	34.2%	33.7%	34.4%	34.3%	33.9%
Average years of teaching experience	15.0	15.0	15.0	14.7	14.6
Percentage with graduate degrees	49.6%	50.4%	50.6%	50.5%	50.8%
Percentage new to the system	6.3%	4.7%	3.9%	4.0%	6.7%
Percentage of core courses not taught by highly qualified teachers	0%^	1%^	1%^	0%^	0%^
Percentage of teachers with provisional credentials	2%^	2%^	2%^	3%^	2%^

^ Entire Division

Source: VBCPS Department of Planning, Innovation and Accountability, Annual School Report Card

AVERAGE TEACHER SALARIES

At a presentation to the School Board, staff from the Department of Human Resources outlined how Virginia Beach ranks in the Hampton Roads region when examining teacher salaries. VBCPS ranks No. 3 in our region for entry-level compensation and No. 4 in the region when teachers reach five years of experience. We do not rise to the No. 1 rank until a teacher has 25 and 30 years of service.

2014/15 Teacher Salary Comparisons

Experience		Entry Level		5 Years		10 Years		15 Years		20 Years		25 Years		30 Years
Portsmouth	1	42,134	2	42,929	2	46,526	3	50,518	3	54,852	3	58,552	4	60,487
Norfolk	2	41,724	5	42,120	4	44,912	4	47,654	6	49,580	6	54,182	7	55,798
Virginia Beach	3	41,362	4	42,324	3	46,202	2	51,198	2	56,135	1	61,101	1	66,067
Chesapeake	4	41,149	1	43,433	1	46,916	1	51,798	1	57,189	2	60,689	2	65,004
Newport News	5	40,500	3	42,557	5	44,023	5	46,959	5	50,588	4	54,498	5	58,708
Hampton	6	40,000	6	41,834	6	43,353	7	45,629	7	48,422	7	51,005	6	56,733
Suffolk	7	39,290	7	41,285	7	41,810	6	46,525	4	52,402	5	57,890	3	60,798

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
2010/11	2,986	41,937	14	13.2
2011/12	2,923	42,251	14.5	13.2
2012/13	2,814	42,217	15	13.3
2013/14	2,714	42,156	15.5	13.2
2014/15	-	-	-	-

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
2010/11	2,184	27,091	12.4	12.1
2011/12	2,069	26,357	12.7	12.2
2012/13	1,976	26,082	13.2	12.2
2013/14	1,924	26,088	13.6	12.4
2014/15	-	-	-	-

- 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: School Board of the City of Virginia Beach, Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015

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
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
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
SRI - Scholastic Reading Inventory
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.

Early Discoveries Preschool - Program to provide quality preschool services to at-risk-four-year-old children who are not currently enrolled in a preschool program. VBCPS currently contracts with the YMCA of South Hampton Roads to provide these services with the Virginia Preschool Initiative funding from the state.

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, FY16 began July 1, 2015, and ends June 30, 2016.

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.

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.

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 third 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

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.

Scholastic Reading Inventory (SRI) - 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 SRI uses authentic passages of literature and non-fiction texts for its selections. The Lexiles reported in the SRI assessment provide teachers, students and parents with incremental information with band ranges related to their students' reading growth.

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.

This page intentionally left blank

Appendix

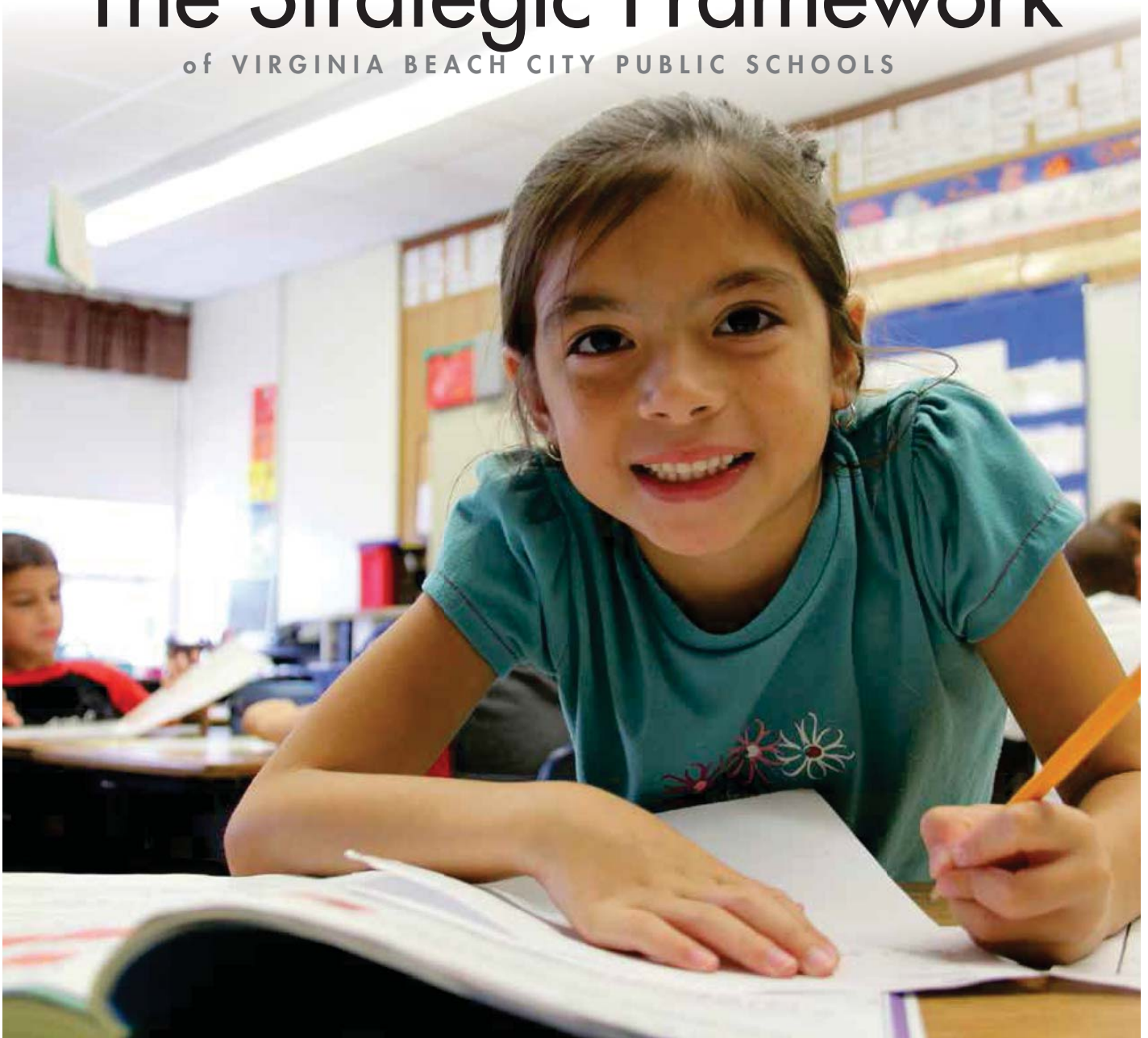
**The Strategic Framework • Student Achievement • Compensation
Staffing Standards and Guidelines • School Financial Allocations
Budget Manager and Signature Authority • Proposed Budget Resolutions
Revenue Sharing Policy**



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, Readiness Step 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 H E A D O F T H E C U R V E

vbschools.com

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

Produced by the Department of Media and Communications for the Department of Planning, Innovation and Accountability. For further information, please call (757) 263-1030.

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) 263-1880, 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.

No part of this publication may be produced or shared in any form without giving specific credit to Virginia Beach City Public Schools. May 2015



Charting the Course

For Every Student, Every Day

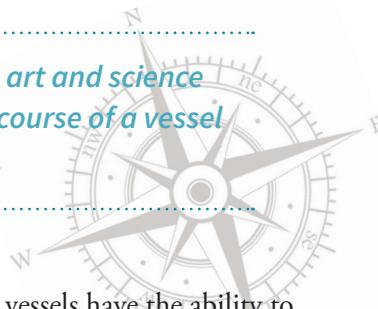
Superintendent's Post-Entry Plan Executive Summary

Virginia Beach City Public Schools
Aaron C. Spence, Ed.D.



Charting the Course, Setting Direction

Navigation (*nav-i-gey-shun'*)- noun. *The art and science of plotting, ascertaining, and directing the course of a vessel toward a chosen destination (Dictionary.com).*



In nautical terms, the officers and crew of seagoing vessels have the ability to choose a destination for a voyage that is different from where the ship might naturally drift. They then use all means available — sails, rudder, the stars, maps, GPS satellites — to move toward that chosen destination. Likewise, a fundamental attribute of effective leadership is the ability to intentionally choose a desired future state from a number of alternatives and move purposefully to cause that choice to become reality. Plainly put, for Virginia Beach City Public Schools (VBCPS), skillful direction setting is the first and best tool to ensure success for every student, every day.

To determine that direction and the course that follows, Dr. Aaron Spence spent his first six months as superintendent meeting with a wide range of both internal and external stakeholders, conducting an extensive analysis of student data and reviewing critical division documents, processes and practices. At the same time, VBCPS was in the midst of an input process to develop its recently-adopted strategic plan, ***Compass to 2020: Charting the Course***. This strategic framework is the directional beacon for teaching and learning across the school division, with its focus on ensuring that every student is challenged and supported to reach his or her full potential. It describes a worthy destination and provides thorough, well-articulated goals and strategies — a true heading to guide the work of educators and the deployment of resources.



COMPASS to 2020
Charting the Course

Aligned to the *Compass to 2020* strategic framework are this post-entry plan's five leverage points that emerged from the considerable stakeholder input, leadership insight and data Dr. Spence collected throughout his transition. The leverage points — **High Quality Teaching and Learning; Talent Management; Student-Centered Culture; Culture of Respect and Community Engagement** — all represent areas where VBCPS has considerable available capacity and/or potential.

However, similar to navigating a ship, no matter how skillful and thoughtful the direction setting may be, it does not guarantee arrival at a chosen destination. It is the captain's and crews' moment-by-moment actions that make the difference as they adjust the sails and rudder to keep the ship heading in the right direction. The superintendent, along with leaders at all levels of the organization will continue to engage staff, students and the community in the design/innovation process around these five promising pathways.

High Quality Teaching and Learning

Of all the variables that affect student achievement, none has a higher impact than quality instruction—a great teacher in every classroom makes an incredible difference for students. As VBCPS increases its capacity to select and develop high quality instructional practices, it creates a culture of professionalism and performance that assists in the recruitment and retention of high quality staff. This cyclical process ensures every student has access to a world-class learning experience.

WORK PRIORITIES

- Focus on early intervention with a laser-like concentration on struggling readers and students with limited numeracy skills.
- Use diagnostic, formative, interim, and summative assessment data to inform instruction.
- Create a common lexicon of research-based instructional practices and expectations across the division to eliminate opportunity and achievement gaps.
- Increase access to rigorous coursework for all students.
- Evaluate and refine curriculum to ensure each student is engaged in rigorous, relevant and concept-based learning that creates multiple pathways to success.
- Conduct a curriculum audit to ensure the intended, taught, and tested curriculum is aligned and meeting our expectations for students.
- Form a task force to explore grading practices throughout the division with the goal of placing an emphasis on student learning.
- Adopt a system-wide framework for what constitutes effective teaching and learning that is aligned with “Future Ready Learning Skills” and focuses on graduating students who are college and career ready.

Talent Management

VBCPS is uniquely positioned to attract and retain top teaching and leadership talent. The community provides high levels of public support for education, and the surrounding economic and social demographics are well suited for recruiting top talent. In addition to a nationally-recognized school division in which to work, Virginia Beach offers an excellent lifestyle—as our Mayor has been known to say, this is the greatest city in the world! If having the best professional talent in every school and classroom makes a difference for children, VBCPS is well positioned to take advantage of this leverage point.

WORK PRIORITIES

- Refine procedures, practices and processes to ensure top talent is recruited, selected, oriented, deployed, coached/developed and retained.
- Ensure internal and external stakeholder engagement in the talent selection process.
- Examine the current application/selection process, identify areas for improvement, and deploy an improvement plan for minority recruitment and selection.
- Examine organizational effectiveness and efficiency of the central office to include a realignment of positions and roles.
- Develop a teacher leadership and career lattice.
- Engage and rally the community around respecting, supporting and honoring teachers and other staff.
- Revisit the need for a single point of service for organizational development.
- Provide principals and other administrators with opportunities to enhance their instructional pedagogy while refining their ability to quickly observe and provide coaching feedback to teachers about their instructional practices.
- Refine the existing “Grow Your Own Leaders” program to prepare committed educators for administrative positions.

Student-Centered Culture

Placing students squarely at the center of the VBCPS strategic framework provides a client-centered approach that celebrates student success, studies student attributes, innovates around student outcomes and places student learning in first place with respect to school and division priorities.

WORK PRIORITIES

- Establish a division-wide culture in which the primary focus of decisions at all levels is the best interest of every student every day.
- Ensure teachers and administrators have access to crucial data (diagnostic, formative, interim, summative) in a timely and efficient manner and format in order to better serve all students.
- Identify achievement targets and yearly benchmark measures for all subgroups.
- Review current learning management systems for adequacy and effectiveness.
- Foster student-staff relationships where students feel valued as partners in their own education.
- Provide opportunities for student feedback regarding learning experiences and teacher relationships.
- Remove barriers to achievement by engaging all students in rigorous meaningful instruction that supports their aspirations and future readiness.
- Conduct specific reviews on each of the following areas: grading practices, school schedules, achievement data, discipline data, attendance data, and class-size data to determine the degree to which we are supporting or impeding student growth and development and then use results to adjust/strengthen/replace current practices.
- Implement a task force of stakeholder groups to review issues of poverty, race, and diversity in order to prepare recommendations for improved discipline and academic achievement.
- Strengthen supports for special education and general education students to ensure social, emotional, and academic needs are being met.
- Increase access to honors, CTE pathways, dual enrollment, advanced placement, IB programs, and academy/advanced academic programs.
- Create a work group to study, make recommendations, and create a multi-year phase-in plan that focuses on the technology infrastructure, device and access needs of VBCPS and the community, and professional development support needed to ensure equal access to technology for every student every day.



Culture of Respect

School and division culture are the invisible but powerful forces that determine individual behavior throughout the organization. Strong organizations manifest excellence through strong cultural forces, not expansive policy manuals or written edicts. Culture is a powerful lever for organizational improvement. Focusing on the division's interpersonal relationships by cultivating a culture of respect promises to create the conditions where professional talent is expected and nurtured and high performance is expected from every child, every day.

WORK PRIORITIES

- Reexamine and communicate core values, beliefs, and willingness to be a servant leader.
- Define, communicate, and implement common expectations for mutual respect between and among students, parents, teachers, staff, administration, and the community which results in an environment where each person has a voice and feels valued.
- Communicate expectations to both internal and external groups to develop an understanding of the division's beliefs and common practices through the lens of equity, diversity, and poverty to ensure that everyone is treated in a culture of respect.
- Ensure that Central Office views its roles as one of central support and servant leadership to reflect a close and rich connection with the schools.

Community Engagement

Schools are an integral part of the community, and they succeed or fail along with the broader community. Fortunately, community support is already very strong in Virginia Beach. We now have the opportunity to leverage that support and to think about how to truly engage our community in the process of making our schools the places we aspire for them to be.

Each of these leverage points is well aligned to the division's strategic framework and each passes muster with respect to leverage and capacity. The superintendent, along with leaders at all levels of the organization will continue to engage staff, students, and community in the design/innovation process around these five promising pathways.

WORK PRIORITIES

- Harness the power of the community to advocate for the resources needed to provide rigorous, innovative, and real world learning opportunities for students.
- Evaluate and conduct a needs-assessment among schools to determine the community support needed to enhance student learning opportunities.
- Evaluate current volunteer efforts and partnerships to determine opportunities for future growth and alignment to our strategic work.
- Collaborate with the community to expand student learning beyond the traditional classroom setting to include internships, mentorships, work experiences, and development within the chosen profession.
- Collaborate with the community in the development of clear career pathways in regionally important employment fields to ensure our students have career opportunities within our local communities.



.....

*“To become **the** premier school division in the nation, we must embrace the hard work of developing our capacity to have and to meet high expectations for every student, every day. I am genuinely excited about what tomorrow holds for the thousands of children in our community. Moving forward, this post-entry plan report and our strategic framework, Compass to 2020: Charting the Course, will provide direction for our school division over the next several years. I believe by working together, we can accomplish our hopes and dreams for our children.”*

Aaron C. Spence, Ed.D.
Superintendent

.....

Read the full **Charting the Course For Every Student, Every Day** post-entry plan report on **vbschools.com**. Continue to follow the journey with Dr. Spence on Twitter @BeachSupe.

vbschools.com
your virtual link to Hampton Roads' largest school system

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 Media and Communications for the Office of the Superintendent.
For further information, please call (757) 263-1333.

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 Barbara Thompson, Virginia Beach City Public Schools, 2512 George Mason Drive, P.O. Box 6038, Virginia Beach, VA 23456-0038. Telephone 263-1007 (voice); fax 263-1397; 263-1240 (TDD) or email her at Barbara.Thompson@vbschools.com.



No part of this publication may be produced or shared in any form without giving specific credit to Virginia Beach City Public Schools.

VIRGINIA BEACH CITY PUBLIC SCHOOLS

Key Academic Measures

STRATEGIC GOAL: Recognizing that the long range goal of the VBCPS is the successful preparation and graduation of every student, the near term goal is that by 2015, 95 percent or more of VBCPS students will graduate having mastered the skills that they need to succeed as 21st century learners, workers, and citizens.

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Strategic Goal Attainment (Five-Year Cohort Completion Rate)	92%	93%	93%	95%	94%	---

OUTCOMES FOR STUDENT SUCCESS: The primary focus of Compass to 2015 is on teaching and assessing those skills our students need to thrive as 21st century learners, workers, and citizens. All VBCPS students will be academically proficient; effective communicators and collaborators; globally aware, independent, responsible learners and citizens; and critical and creative thinkers, innovators and problem solvers.

		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Stanford 10 national percentile rank	Total Reading	---	55	54	55	No Longer Administered	
	Total Math		54	56	56		
Percent of students continuously enrolled in grades 3 through 5 who enrolled in an advanced course in grade 6		67%	65%	60%	56%	54%	54%
Percent of students completing Algebra I and also passing the Algebra I SOL test by the end of 8th grade		45%	48%	49%	58%	54%	52%
Percent of middle school students enrolled in advanced courses		62%	64%	61%	61%†	56%†	55%
Percent of 8th grade students earning high school credit		71%	73%	75%	78%	75%	71%
Percent of students completing Algebra II and also passing the Algebra II SOL test by the end of 11th grade		58%	59%	53%	52%	57%	61%
Percent of high school students enrolled in Advanced Placement (AP) or International Baccalaureate (IB) courses		25%	26%	28%	30%	31%	33%
Percent of Advanced Placement exams with a score of 3 or higher		57%	57%	59%	59%	59%	58%
Percent of 8th grade students meeting or exceeding the college and career readiness benchmark on the Readiness	Critical Reading	The Readiness replaced the discontinued EXPLORE assessment in 2014-2015					49%
	Mathematics						51%
Percent of 10th and 11th grade students meeting or exceeding the college and career readiness benchmark on the PSAT	Critical Reading	26%	28%	30%	25%	51%††	49%
	Mathematics	31%	36%	36%	34%	42%††	47%
Percent of students meeting or exceeding the college and career readiness benchmark on the SAT	Critical Reading	53%	52%	54%	55%	57%	56%
	Mathematics	57%	54%	57%	56%	55%	56%
Percent of students meeting or exceeding the ACT college readiness benchmarks	English	73%	74%	72%	72%	72%	76%
	Mathematics	52%	55%	56%	53%	55%	59%
	Reading	58%	58%	59%	49%††	56%	60%
	Science	36%	36%	40%	42%††	47%	55%
Percent of students graduating with a GPA of 3.0 or higher		38%	39%	38%	44%	47%	50%
Percent of students graduating in four years (On-time graduation rate)		85%	87%	87%	88%	89%	90%
Number of Technical and Career Education (TCE) industry certifications earned by students		4,164	4,541	5,314	5,802	9,354	10,404
Percent of TCE industry certifications successfully completed by students		73%	75%	74%	76%	80%	81%
Percent of students graduating with advanced diplomas		54%	56%	56%	57%	56%	58%
Percent of students with disabilities graduating with a standard or advanced diploma		50%	56%	56%	60%	56%	60%
Percent of graduates accepting scholarships		16%	15%	17%	18%	20%	23%
Percent of graduates enrolling in a postsecondary institution within one year following graduation		63%	63%	63%	63%	63%	---
Dropout rate percentage (Annual rate)		1.34%	1.37%	0.98%	1.00%	1.05%	1.24%
Percent of students reading on grade level by the beginning of grades 6 and 9 and end of grades 3, 6, and 9 based on the Scholastic Reading Inventory (SRI)	3rd Grade: End	---	---	73%	74%	73%	74%††
	6th Grade: Beginning/End	---	---	73% / 87%	70% / 80%	72% / 83%	49% / 66%††
	9th Grade: Beginning/End	---	---	74% / 85%	74% / 83%	73% / 82%	65% / 77%††
Increase in the percent of students reading on grade level from beginning to end of grades 6 and 9 based on the SRI	6th Grade	---	---	14	10	11	17
	9th Grade	---	---	11	9	9	12
Standards of Learning (SOL) passing rate	English	91%	90%	92%	77%†††	78%	82%
	Mathematics	88%	84%	65%†††	70%	74%	81%
	Science	91%	91%	92%	82%†††	80%	83%
	Social Studies	89%	84%	83%	83%	83%	85%

--- Data not available

† Recalculated to include Algebra I courses identified as advanced in 2014-2015.

†† Represents a change in benchmarks. Data cannot be compared to previous years.

††† Denotes a change in the test. Data cannot be compared to previous years.

			2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Effective Communicators and Collaborators	Percent of students at the emerging level or higher on the Integrated Performance Task (IPT) in the area of written communication	4th Grade	---	63%*	89%	90%	85%	81%
		7th Grade	---	56%*	50%	53%	48%	74%
	Percent of 5th and 8th grade students who agree that they are learning to work together with others who think differently than themselves	5th Grade	---	87%	---	90%	---	88%
		8th Grade	---	72%	---	74%	---	73%
	SOL writing passing rates	5th Grade	90%	91%	89%	74%†††	71%	No Longer Assessed
		8th Grade	94%	91%	90%	71%†††	72%	73%
		End-of-Course	94%	94%	94%	88%†††	80%	83%
		All Students	93%	92%	91%	78%†††	74%	78%
	Percent of 8th grade students meeting or exceeding the college and career readiness benchmark on the Readiness Writing section		The Readiness replaced the discontinued EXPLORE assessment in 2014-2015					38%
	Percent of 10th and 11th grade students meeting or exceeding the college and career readiness benchmark on the PSAT Writing section		25%	26%	24%	26%	44%††	40%
	Percent of students meeting or exceeding the college and career readiness benchmark on the SAT Writing section		45%	45%	45%	46%	47%	47%
	Percent of 12th grade students who agree that their experience in VBCPS has helped them to develop their ability to work collaboratively with others who may have different points of view		---	79%	---	74%	---	78%
Globally Aware, Independent, Responsible Learners and Citizens	Percent of students scoring at the developing level or higher on the College and Work Readiness Assessment (CWRA+) Writing Effectiveness and Writing Mechanics subsections	Writing Effectiveness	---	62%	58%**	54%	77%†††	72%
		Writing Mechanics	---	71%	73%**	69%	90%†††	89%
	Percent of elementary students scoring "satisfactory" or above for citizenship		88%	93%	94%	94%	No Longer Available	
	Percent of students in grades 1 through 5 who were proficient or above in all three citizenship standards during Quarter 4		---	---	---	---	84%	81%
	Percent of seniors earning three or more high school credits in world languages		67%	68%	69%	71%	72%	70%
	Percent of graduating seniors earning a Civics seal on their diploma		7%	8%	7%	8%	8%	10%
	Percent of high school completers planning to continue their education		84%	85%	83%	86%	86%	86%
	Percent of students reporting participating in school-based community service projects	Local	---	44%	---	41%	---	38%
		Non-Local	---	29%	---	26%	---	25%
	Percent of students reporting volunteer hours for community service projects		---	51%	---	47%	---	46%
	Attendance rate		96%	96%	96%	96%	96%	96%
	Number of students actively participating in environmental clubs		---	1,005	1,873	1,473	1,876	2,345
Critical and Creative Thinkers, Innovators, and Problem Solvers	Percent of 4th grade students at the emerging level or higher on the Integrated Performance Task (IPT) in the areas of critical thinking and problem solving	Critical Thinking: Analyzing Credibility	---	54%*	63%	62%	75%	83%
		Critical Thinking: Analyzing Sufficiency	---	35%*	42%	39%	No Longer Assessed	
		Problem Solving	---	79%*	89%	94%	93%	89%
	Percent of 7th grade students at the emerging level or higher on the Integrated Performance Task (IPT) in the areas of critical thinking and problem solving	Critical Thinking: Analyzing Credibility	---	74%*	77%	71%	61%	66%
		Critical Thinking: Analyzing Sufficiency	---	60%*	83%	60%	50%	No Longer Assessed
		Problem Solving	---	79%*	93%	89%	91%	89%
	Percent of 5th and 8th grade students who agree that they are learning to be creative and to find new ways to do things	5th Grade	---	91%	---	92%	---	88%
		8th Grade	---	72%	---	74%	---	65%
	Percent of students scoring at the developing level or higher on the College and Work Readiness Assessment (CWRA+) Analytic Reasoning and Problem Solving subsections	Analytic Reasoning	---	58%	59%**	57%	77%†††	74%
		Problem Solving	---	60%	51%**	47%		
	Percent of 12th grade students who agree that their experience in VBCPS has helped them develop their creative and innovative thinking skills		---	73%	---	68%	---	63%

--- Data not available

*2010-11 was the first year the IPT was administered and comparisons are cautioned.

††Represents a change in benchmarks. Data cannot be compared to previous years.

†††Denotes a change in the test. Data cannot be compared to previous years.

**Change in test administration from seniors (2010-11) to juniors (2011-12).

Academically Proficient	Why This Matters
Stanford 10 national percentile rank	Stanford 10 test results allow parents, students, teachers, and school administrators to compare the achievement of Virginia Beach students and schools with that of students and schools throughout the country.
Percent of students continuously enrolled in grades 3 through 5 who enrolled in an advanced course in grade 6	Participation and the successful completion of rigorous courses are important for laying a foundation for future achievement.
Percent of students completing Algebra I and also passing the Algebra I SOL test by the end of 8th grade	Basic Algebra is the first in a series of higher-level math classes students need to succeed in college and life.
Percent of middle school students enrolled in advanced courses	Participation and the successful completion of rigorous courses are important for laying a foundation for future achievement.
Percent of 8th grade students earning high school credit	
Percent of students completing Algebra II and also passing the Algebra II SOL test by the end of 11th grade	Algebra II-level mathematics is included in the SAT and ACT, which students often take during their junior year.
Percent of high school students enrolled in Advanced Placement (AP) or International Baccalaureate (IB) courses	Participation and the successful completion of rigorous courses is important for laying a foundation for future achievement in postsecondary education and employment after graduation.
Percent of Advanced Placement exams with a score of 3 or higher	
Percent of 8th grade students meeting or exceeding the college and career readiness benchmarks on the ReadinessStep	The ReadinessStep measures the knowledge and skills that students need to be on track for success in high school, college, and beyond.
Percent of 10th and 11th grade students meeting or exceeding the college and career readiness benchmark on the PSAT	The Preliminary SAT (PSAT) is a standardized test that provides hands-on practice for the SAT that is used to identify students who may be successful in advanced course work and helps to predict performance on the SAT.
Percent of students meeting or exceeding the college and career readiness benchmark on the SAT	The SAT is an optional test designed to assess many of the skills that are important for students' success in college and is used by many colleges and universities as part of their admissions process.
Percent of students meeting or exceeding the ACT college readiness benchmarks	The ACT is an optional test taken by high school students and used by many colleges and universities as part of their admissions process. The ACT assesses students' general educational development and their ability to complete college-level work.
Percent of students graduating with a GPA of 3.0 or higher	High school grade-point average is a significant predictor of college enrollment.
Percent of students graduating in four years (On-time graduation rate)	Students who do not graduate high school greatly reduce their earning potential compared to students who graduate.
Number of Technical and Career Education (TCE) industry certifications earned by students	Completing TCE industry certifications allows students to apply academic and employability skills.
Percent of TCE industry certifications successfully completed by students	
Percent of students graduating with advanced diplomas	Research suggests that students earning advanced degrees enroll in four-year colleges at rates higher than students who earn standard diplomas.
Percent of students with disabilities graduating with a standard or advanced diploma	This indicator is used to measure whether students with disabilities are successfully completing high school.
Percent of graduates accepting scholarships	Jobs in the 21st century are requiring more and more college-level training, meanwhile the cost of a postsecondary education continues to rise and proves to be a major obstacle for high school graduates.
Percent of graduates enrolling in a postsecondary institution within one year following graduation	Obtaining a postsecondary education provides students with an advantage in an increasingly competitive job market. A college degree also significantly improves an individual's earning potential over their lifetime.
Dropout rate percentage (Annual rate)	Students who do not graduate high school greatly reduce their earning potential compared to students who graduate.
Percent of students reading on grade level by the beginning of grades 6 and 9 and end of grades 3, 6, and 9 based on the Scholastic Reading Inventory (SRI)	Assessing student literacy early and often is critical. Students who do not read proficiently by third grade often remain poor readers through high school and are less likely to graduate.
Increase in the percent of students reading on grade level from beginning to end of grades 6 and 9 based on the SRI	
Standards of Learning (SOL) passing rate	By passing the SOL assessments, students demonstrate they are able to meet statewide expectations for what all students should know and be able to accomplish.

Effective Communicators and Collaborators	Why This Matters
Percent of students at the emerging level or higher on the Integrated Performance Task (IPT) in the area of written communication	Focusing on 21st century skills requires the use of assessments that move beyond a multiple-choice format and measure what students know and can do. The IPT is a locally developed performance assessment that measures students' abilities in the following areas: analyzing sufficiency, quality, and relevance (critical thinking); problem solving; and written communication. The scores for each area include 1 (Novice), 2 (Emerging), 3 (Proficient), and 4 (Advanced).
Percent of 5th and 8th grade students who agree that they are learning to work together with others who think differently than themselves	Collaboration and teamwork skills are among the top skills that employers often seek in new hires and are skills that should be nurtured at an early age. In addition, asking students to report on their experiences helps them recognize that they are valued stakeholders in the educational process.
SOL writing passing rates	Effective communication skills are often the top skills that employers indicate are needed to be successful in the workplace and are a necessary skill for postsecondary education.
Percent of 8th grade students meeting or exceeding the college readiness benchmark on the Readiness Writing section	
Percent of 10th and 11th grade students meeting or exceeding the college and career readiness benchmark on the PSAT Writing section	
Percent of students meeting or exceeding the college readiness benchmark on the SAT Writing section	
Percent of 12th grade students who agree that their experience in VBCPS has helped them to develop their ability to work collaboratively with others who may have different points of view	Collaboration and teamwork skills are among the top skills that employers often seek in new hires and are skills that should be nurtured at an early age. In addition, asking students to report on their experiences helps them recognize that they are valued stakeholders in the educational process.
Percent of students scoring at the developing level or higher on the College and Work Readiness Assessment (CWRA+) Writing Effectiveness and Writing Mechanics subsections	Focusing on 21st century skills requires the use of assessments that move beyond a multiple-choice format and measure what students know and can do. The CWRA is a nationally normed performance assessment that measures analytic reasoning, problem solving, written effectiveness, and writing mechanics. The scores for each section range from 1 to 6. Students obtaining a score of 1 or 2 are considered at the Emerging Level, 3 or 4 are at the Developing Level, and 5 or 6 are at the Mastering Level.
Globally Aware, Independent, Responsible Learners, and Citizens	Why This Matters
Percent of elementary students scoring "satisfactory" or above for citizenship	High marks in citizenship demonstrate that students take responsibility for their actions as well as their learning.
Percent of students in grades 1 through 5 who were proficient or above in all three citizenship standards during Quarter 4	
Percent of seniors earning three or more high school credits in world languages	Increased globalization means an increased demand for the ability to effectively communicate in a variety of languages.
Percent of graduating seniors earning a Civics seal on their diploma	Students earning a Civics seal from the state have demonstrated a willingness to be responsible learners and citizens by completing 50 hours of voluntary participation in community service or extracurricular activities.
Percent of high school completers planning to continue their education	Obtaining a postsecondary education provides students with an advantage in an increasingly competitive job market. A college degree also significantly improves an individual's earning potential over their lifetime.
Percent of students reporting participating in school-based community service projects	Community service and volunteering is an effective way to increase student responsibility and global awareness while at the same time keeping students engaged in school. Participation in these projects also instills students with a sense of responsibility to others in the community.
Percent of students reporting volunteer hours for community service projects	
Attendance rate	Attendance is positively correlated with academic achievement and improved school success. By being in the classroom every day, students are more likely to benefit from the learning opportunities that are provided.
Number of students actively participating in environmental clubs	VBCPS is committed to developing a culture of sustainability. By encouraging participation in environmental clubs, students learn how to conserve, recycle, and preserve our planet for their future.
Critical and Creative Thinkers, Innovators, and Problem Solvers	Why This Matters
Percent of 4th grade students at the emerging level or higher on the Integrated Performance Task (IPT) in the areas of critical thinking and problem solving	Focusing on 21st century skills requires the use of assessments that move beyond a multiple-choice format and measure what students know and can do. The IPT is a locally developed performance assessment that measures students' abilities in the following areas: analyzing sufficiency, quality, and relevance (critical thinking); problem solving; and written communication. The scores for each area include 1 (Novice), 2 (Emerging), 3 (Proficient), and 4 (Advanced).
Percent of 7th grade students at the emerging level or higher on the Integrated Performance Task (IPT) in the areas of critical thinking and problem solving	
Percent of 5th and 8th grade students who agree that they are learning to be creative and to find new ways to do things	Jobs of the future require adaptability and creativity. In addition, asking students to report on their experiences helps them recognize that they are valued stakeholders in the educational process.
Percent of students scoring at the developing level or higher on the College and Work Readiness Assessment (CWRA+) Analytic Reasoning and Problem Solving subsections	Focusing on 21st century skills requires the use of assessments that move beyond a multiple-choice format and measure what students know and can do. The CWRA is a nationally normed performance assessment that measures analytic reasoning, problem solving, written effectiveness, and writing mechanics. The scores for each section range from 1 to 6. Students obtaining a score of 1 or 2 are considered at the Emerging Level, 3 or 4 are at the Developing Level, and 5 or 6 are at the Mastering Level.
Percent of 12th grade students who agree that their experience in VBCPS has helped them develop their creative and innovative thinking skills	Jobs of the future require adaptability and creativity. In addition, asking students to report on their experiences helps them recognize that they are valued stakeholders in the educational process.

Virginia Beach City Public Schools
Master Accreditation List
2005-2006 to Present

School	Level	Based on 2004-2005 Scores Accreditation	Based on 2005-2006 Scores Accreditation	Based on 2006-2007 Scores Accreditation	Based on 2007-2008 Scores Accreditation	Based on 2008-2009 Scores Accreditation	Based on 2009-2010 Scores Accreditation	Based on 2010-2011 Scores Accreditation	Based on 2010-2011 Scores Accreditation	Based on 2011-2012 Scores Accreditation	Based on 2012-2013 Scores Accreditation	Based on 2013-2014 Scores Accreditation	Based on 2014-2015 Scores Accreditation	Based on 2014-2015 Scores for *2015-2016 Accreditation
Alanton	ES	FA	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	FA
Bayside	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	FA	FA
Birdneck	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	PA-Approaching (English)	PA-Approaching (English)
Brookwood	ES	FA	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	FA
Christopher Farms	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
College Park	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math and English)	AW (Math, English, and Science)	PA-Warned (English, Math, History, and Science)	PA-Warned (English, Math, History, and Science)
Cooke	ES	FA	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	FA
Creeds	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Dey	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Diamond Springs	ES	N/A	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	FA
Glenwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Green Run	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	PA- Improving (English)	PA- Improving (English)
Hermitage	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Holland	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA
Indian Lakes	ES	FA	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	FA
Kempsville Meadows	ES	FA	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	FA
Kingston	ES	FA	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	FA
Linkhorn Park	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Luxford	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA
Lynnhaven	ES	FA	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	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
Master Accreditation List
2005-2006 to Present

School	Level	Based on 2004-2005 Scores Accreditation	Based on 2005-2006 Scores Accreditation	Based on 2006-2007 Scores Accreditation	Based on 2006-2007 Scores Accreditation	Based on 2007-2008 Scores Accreditation	Based on 2008-2009 Scores Accreditation	Based on 2009-2010 Scores Accreditation	Based on 2010-2011 Accreditation	Based on 2010-2011 Scores Accreditation	Based on 2011-2012 Scores Accreditation	Based on 2012-2013 Scores Accreditation	Based on 2013-2014 Scores Accreditation	Based on 2014-2015 Scores Accreditation	Based on 2014-2015 Scores for *2015-2016 Accreditation
New Castle	ES	FA	FA	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	FA	FA
North Landing	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Ocean Lakes	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Old Donation Center	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	N/A	FA	FA
Parkway	ES	FA	FA	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	FA	FA
Pembroke Meadows	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Point O'View	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	PA-Warned (English)	PA-Warned (English)
Princess Anne	ES	FA	FA	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	FA	FA
Red Mill	ES	FA	FA	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	FA	FA
Rosemont Forest	ES	FA	FA	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	FA	FA
Seatack	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math, English, and Science)	PA-Warned (English and Science)	PA-Warned (English and Science)
Shelton Park	ES	FA	FA	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	FA	FA
Tallwood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Thalia	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (English)	FA	FA
Thoroughgood	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Three Oaks	ES	N/A	FA	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	FA	FA
White Oaks	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	FA	FA
Williams	ES	FA	FA	FA	FA	AW (History)	FA	FA	FA	FA	AW (Math)	AW (Math and Science)	AW (English and Science)	PA -Reconstituted School	PA -Reconstituted School
Windsor Oaks	ES	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (English)	PA-Approaching (English)	PA-Approaching (English)

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
Master Accreditation List
2005-2006 to Present**

School	Level	Based on 2004-2005 Scores Accreditation	Based on 2005-2006 Scores Accreditation	Based on 2006-2007 Scores Accreditation	Based on 2007-2008 Scores Accreditation	Based on 2008-2009 Scores Accreditation	Based on 2009-2010 Scores Accreditation	Based on 2010-2011 Scores Accreditation	Based on 2011-2012 Scores Accreditation	Based on 2012-2013 Scores Accreditation	Based on 2013-2014 Scores Accreditation	Based on 2014-2015 Scores Accreditation	Based on 2015-2016 Scores Accreditation
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
Kemps Landing/Old Donat	MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	FA	FA	FA
Bayside Grade 6 Campus	MS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CA	CA	FA
Bayside MS (7/8)	MS	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (Math)	CA	CA	PA-Reconstituted School
Brandon	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Corporate Landing	MS	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	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	FA	N/A	FA	FA
Kempville	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	FA	AW (English)	FA	FA
Lynnhaven	MS	FA	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	FA	FA
Plaza	MS	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	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	FA	AW (Math)	AW (Math)	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	FA	AW (Math)	FA	FA	PA-Approaching (Math)
Green Run Collegiate	HS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	CA	FA	FA	FA
Kellam	HS	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA	FA
Kempville	HS	FA	FA	FA	FA	FA	FA	FA	FA	AW (Math)	AW (Math)	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

2014-2015 Mobility Indices

All Schools (N=84)

Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Schools
Alanton Elementary	153	0.2318	62
Arrowhead Elementary	85	0.1728	41
Bayside 6th Grade	220	0.3333	81
Bayside Elementary	144	0.2692	72
Bayside High	363	0.1993	52
Bayside Middle	90	0.2579	69
Bettie F. Williams Elementary	128	0.3062	76
Birdneck Elementary	251	0.3978	82
Brandon Middle	162	0.1431	25
Brookwood Elementary	170	0.2279	61
Centerville Elementary	112	0.1591	33
Christopher Farms Elementary	109	0.1698	40
College Park Elementary	106	0.2260	60
Corporate Landing Elementary	90	0.1991	51
Corporate Landing Middle	200	0.1556	32
Creeds Elementary	17	0.0565	2
Diamond Springs Elementary	137	0.2420	66
Fairfield Elementary	94	0.1808	47
First Colonial High	325	0.1638	35
Frank W. Cox High	215	0.1173	17
Glenwood Elementary	135	0.1527	29
Great Neck Middle	165	0.1439	26
Green Run Collegiate	34	0.1538	30
Green Run Elementary	141	0.3294	79
Green Run High	443	0.2959	74
Hermitage Elementary	210	0.3302	80
Holland Elementary	141	0.2631	70
Independence Middle	194	0.1513	28
Indian Lakes Elementary	109	0.2041	54
John B. Dey Elementary	115	0.1391	23
Kellam High	127	0.0644	3
Kemps Landing/ODC	32	0.0291	1
Kempsville Elementary	77	0.1628	34
Kempsville High	253	0.1664	39
Kempsville Meadows Elementary	88	0.1664	38
Kempsville Middle	111	0.1407	24
King's Grant Elementary	140	0.2205	57
Kingston Elementary	43	0.0779	5
Landstown Elementary	112	0.1489	27
Landstown High	253	0.1236	19
Landstown Middle	168	0.1131	13
Larkspur Middle	284	0.1753	44
Linkhorn Park Elementary	165	0.2245	59
Luxford Elementary	125	0.2354	63
Lynnhaven Elementary	109	0.2477	68
Lynnhaven Middle	188	0.2176	56
Malibu Elementary	51	0.1342	21
New Castle Elementary	68	0.0853	7

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

All Schools (N=84)

Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Schools
Newtown Elementary	166	0.3174	78
North Landing Elementary	43	0.0931	8
Ocean Lakes Elementary	67	0.1214	18
Ocean Lakes High	249	0.1160	15
Parkway Elementary	92	0.1746	43
Pembroke Elementary	79	0.1660	37
Pembroke Meadows Elementary	88	0.1943	50
Plaza Middle	164	0.1538	30
Point O'View Elementary	149	0.2224	58
Princess Anne Elementary	60	0.1156	14
Princess Anne High	175	0.0995	10
Princess Anne Middle	102	0.0699	4
Providence Elementary	97	0.1735	42
Red Mill Elementary	72	0.1065	11
Renaissance Academy (6-8)	258	2.6061	84
Renaissance Academy (9-12)	880	2.1359	83
Rosemont Elementary	126	0.3029	75
Rosemont Forest Elementary	93	0.1827	48
Salem Elementary	89	0.1906	49
Salem High	237	0.1347	22
Salem Middle	120	0.1162	16
Seatack Elementary	94	0.2429	67
Shelton Park Elementary	90	0.2406	64
Strawbridge Elementary	56	0.0826	6
Tallwood Elementary	106	0.2011	53
Tallwood High	317	0.1638	36
Thalia Elementary	105	0.1792	46
Thoroughgood Elementary	95	0.1291	20
Three Oaks Elementary	72	0.0964	9
Trantwood Elementary	52	0.1066	12
Virginia Beach Middle	188	0.2153	55
W. T. Cooke Elementary	148	0.2652	71
White Oaks Elementary	212	0.3150	77
Windsor Oaks Elementary	159	0.2727	73
Windsor Woods Elementary	68	0.1766	45
Woodstock Elementary	175	0.2410	65

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

Elementary Schools (N=55)

School Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Elementary Schools
Alanton Elementary	153	0.2318	38
Arrowhead Elementary	85	0.1728	21
Bayside Elementary	144	0.2692	47
Bettie F. Williams Elementary	128	0.3062	50
Birdneck Elementary	251	0.3978	55
Brookwood Elementary	170	0.2279	37
Centerville Elementary	112	0.1591	16
Christopher Farms Elementary	109	0.1698	20
College Park Elementary	106	0.2260	36
Corporate Landing Elementary	90	0.1991	30
Creeds Elementary	17	0.0565	1
Diamond Springs Elementary	137	0.2420	42
Fairfield Elementary	94	0.1808	26
Glenwood Elementary	135	0.1527	15
Green Run Elementary	141	0.3294	53
Hermitage Elementary	210	0.3302	54
Holland Elementary	141	0.2631	45
Indian Lakes Elementary	109	0.2041	32
John B. Dey Elementary	115	0.1391	13
Kempsville Elementary	77	0.1628	17
Kempsville Meadows Elementary	88	0.1664	19
King's Grant Elementary	140	0.2205	33
Kingston Elementary	43	0.0779	2
Landstown Elementary	112	0.1489	14
Linkhorn Park Elementary	165	0.2245	35
Luxford Elementary	125	0.2354	39
Lynnhaven Elementary	109	0.2477	44
Malibu Elementary	51	0.1342	12
New Castle Elementary	68	0.0853	4
Newtown Elementary	166	0.3174	52
North Landing Elementary	43	0.0931	5
Ocean Lakes Elementary	67	0.1214	10
Parkway Elementary	92	0.1746	23
Pembroke Elementary	79	0.1660	18
Pembroke Meadows Elementary	88	0.1943	29
Point O'View Elementary	149	0.2224	34
Princess Anne Elementary	60	0.1156	9
Providence Elementary	97	0.1735	22
Red Mill Elementary	72	0.1065	7
Rosemont Elementary	126	0.3029	49
Rosemont Forest Elementary	93	0.1827	27
Salem Elementary	89	0.1906	28
Seatack Elementary	94	0.2429	43
Shelton Park Elementary	90	0.2406	40
Strawbridge Elementary	56	0.0826	3
Tallwood Elementary	106	0.2011	31
Thalia Elementary	105	0.1792	25
Thoroughgood Elementary	95	0.1291	11
Three Oaks Elementary	72	0.0964	6

Department of Planning, Innovation and Accountability, Office of Research and Evaluation

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

Elementary Schools (N=55)

School Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Elementary Schools
Trantwood Elementary	52	0.1066	8
W. T. Cooke Elementary	148	0.2652	46
White Oaks Elementary	212	0.3150	51
Windsor Oaks Elementary	159	0.2727	48
Windsor Woods Elementary	68	0.1766	24
Woodstock Elementary	175	0.2410	41

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

Combined Schools (N=1)

School Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Combined Schools
Kemps Landing/ODC	32	0.0291	1

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

Middle Schools (N=15)

School Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All Middle Schools
Bayside 6th Grade	220	0.3333	14
Bayside Middle	90	0.2579	13
Brandon Middle	162	0.1431	5
Corporate Landing Middle	200	0.1556	9
Great Neck Middle	165	0.1439	6
Independence Middle	194	0.1513	7
Kempsville Middle	111	0.1407	4
Landstown Middle	168	0.1131	2
Larkspur Middle	284	0.1753	10
Lynnhaven Middle	188	0.2176	12
Plaza Middle	164	0.1538	8
Princess Anne Middle	102	0.0699	1
Renaissance Academy (6-8)	258	2.6061	15
Salem Middle	120	0.1162	3
Virginia Beach Middle	188	0.2153	11

VIRGINIA BEACH CITY PUBLIC SCHOOLS

2014-2015 Mobility Indices

High Schools (N=13)

School Name	Number of Entries and Withdraws	Mobility Index 2014-2015	Rank Among All High Schools
Bayside High	363	0.1993	11
First Colonial High	325	0.1638	8
Frank W. Cox High	215	0.1173	4
Green Run Collegiate	34	0.1538	7
Green Run High	443	0.2959	12
Kellam High	127	0.0644	1
Kempsville High	253	0.1664	10
Landstown High	253	0.1236	5
Ocean Lakes High	249	0.1160	3
Princess Anne High	175	0.0995	2
Renaissance Academy (9-12)	880	2.1359	13
Salem High	237	0.1347	6
Tallwood High	317	0.1638	9

2014-2015 SCHOOL CLIMATE SURVEY TEACHER AND ADMINISTRATOR RESULTS

DIVISION - ALL SCHOOLS
Overall Response Rate = 50.43%
N = 3187

TEACHERS, TEACHER ASSISTANTS, AND ADMINISTRATORS						
Years of Experience (n = 3181)			Years at School (n = 3171)			
1 to 5 Years	14.59%	16 to 20 Years	18.80%	1 to 5 Years	41.22%	16 to 20 Years
6 to 10 Years	16.72%	20+ Years	31.19%	6 to 10 Years	23.49%	20+ Years
11 to 15 Years	18.70%			11 to 15 Years	16.78%	

Instructional Program and Academic Support Agreement Responses		n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
The teachers at this school care about how well their students do in school.		3157	71.65%	27.49%	0.60%	0.25%	99.14%	99.14%
This school provides students with a high-quality education.		3158	57.54%	38.92%	3.07%	0.47%	96.45%	96.45%
Teachers at this school expect all students to do well.		3147	54.62%	40.13%	4.80%	0.44%	94.76%	94.76%
Students at this school want to learn.		3153	24.10%	64.07%	10.18%	1.65%	88.17%	88.17%
Students actively participate in classroom activities.		3143	29.91%	61.44%	7.99%	0.67%	91.35%	91.35%
Teachers give students extra help when needed.		3142	61.30%	36.76%	1.65%	0.29%	98.06%	98.06%
In this school, students are learning to use computer technology.		3143	53.36%	41.27%	4.61%	0.76%	94.62%	94.62%
This school provides students with the things they need to learn (e.g., books and computers).		3102	53.90%	39.49%	5.74%	0.87%	93.39%	93.39%
This school provides high-quality instruction and services in the area of... Reading		2872	59.12%	36.98%	3.41%	0.49%	96.10%	96.10%
This school provides high-quality instruction and services in the area of... Writing		2848	53.65%	39.47%	6.11%	0.77%	93.12%	93.12%
This school provides high-quality instruction and services in the area of... Mathematics		2844	60.41%	36.71%	2.29%	0.60%	97.12%	97.12%
This school provides high-quality instruction and services in the area of... Social Studies		2673	53.46%	42.01%	4.04%	0.49%	95.47%	95.47%
This school provides high-quality instruction and services in the area of... Science		2669	53.39%	41.63%	4.65%	0.34%	95.02%	95.02%
This school provides high-quality instruction and services in the area of... Music		2438	59.06%	37.41%	3.12%	0.41%	96.47%	96.47%
This school provides high-quality instruction and services in the area of... Art		2459	61.69%	35.42%	2.44%	0.45%	97.11%	97.11%
This school provides high-quality instruction and services in the area of... Health		2228	49.24%	43.13%	6.28%	1.35%	92.37%	92.37%
This school provides high-quality instruction and services in the area of... Physical Education		2409	56.41%	38.85%	3.86%	0.87%	95.27%	95.27%
This school provides high-quality instruction and services in the area of... Foreign Language		1550	45.74%	30.84%	12.06%	11.35%	76.58%	76.58%
This school provides high-quality instruction and services in the area of... Technical and Career Education		1520	47.83%	34.14%	11.38%	6.64%	81.97%	81.97%
This school provides high-quality instruction and services in the area of... Gifted Education		2358	52.76%	39.10%	6.74%	1.40%	91.86%	91.86%
This school provides high-quality instruction and services in the area of... Special Education		2588	53.32%	38.83%	6.14%	1.70%	92.16%	92.16%
This school provides high-quality instruction and services in the area of... English as a Second Language		1809	40.24%	43.95%	12.27%	3.54%	84.19%	84.19%
This school provides high-quality instruction and services in the area of... Guidance Services		2534	47.36%	40.73%	8.96%	2.96%	88.08%	88.08%

2014-2015 SCHOOL CLIMATE SURVEY TEACHER AND ADMINISTRATOR RESULTS - DIVISION - ALL SCHOOLS

Interpersonal Relationships Agreement Responses		<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
Students enjoy coming to school.		3127	34.41%	58.59%	6.36%	0.64%	93.00%	93.00%
Students treat one another with respect.		3118	20.08%	63.57%	14.24%	2.12%	83.64%	83.64%
Students treat teachers with respect.		3120	22.88%	61.09%	13.27%	2.76%	83.97%	83.97%
Teachers treat students with respect.		3124	47.98%	49.97%	1.92%	0.13%	97.95%	97.95%
Students feel a sense of belonging at this school.		3117	41.29%	51.68%	6.35%	0.67%	92.97%	92.97%
This school respects diversity and welcomes all cultures.		3121	54.95%	41.20%	3.27%	0.58%	96.16%	96.16%
Teachers and students at this school care about each other.		3114	44.44%	49.52%	5.43%	0.61%	93.96%	93.96%
There is an overall positive feeling in this school.		3111	34.97%	47.16%	12.95%	4.92%	82.13%	82.13%

Communication, Collaboration, and Involvement Agreement Responses		<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school encourages parents to be involved with their child's learning.		3107	46.64%	47.89%	4.89%	0.58%	94.53%	94.53%
In this school, important information is effectively communicated to teachers.		3095	36.09%	45.75%	14.35%	3.81%	81.84%	81.84%
Teachers have opportunities to provide input about school-related issues.		3076	32.31%	46.94%	15.86%	4.88%	79.26%	79.26%
This school gives students a chance to participate in activities (e.g., clubs, athletics, or school events).		3101	58.11%	39.73%	1.77%	0.39%	97.84%	97.84%
School events are scheduled to encourage parent participation.		3078	46.72%	47.17%	5.56%	0.55%	93.89%	93.89%
Teachers and administrators work well together.		3069	36.40%	43.01%	14.83%	5.77%	79.41%	79.41%
The Principal's Advisory Committee (PAC) provides an effective method for teachers to share concerns for maintaining high staff morale.		3034	31.84%	42.98%	18.23%	6.95%	74.82%	74.82%
I am kept informed about the meetings, activities, and accomplishments of the PAC.		3080	38.41%	47.14%	11.40%	3.05%	85.55%	85.55%
Teachers serving on the PAC work effectively with the principal on issues addressed by the PAC.		2932	35.91%	45.63%	14.29%	4.16%	81.55%	81.55%

Safety and Discipline Agreement Responses		<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
Students know what behavior is expected of them at this school.		3105	45.60%	45.70%	6.96%	1.74%	91.30%	91.30%
This school provides a safe and orderly place for students to learn.		3095	49.27%	44.04%	5.36%	1.32%	93.31%	93.31%
Students know the consequences for misbehaving at this school.		3096	36.60%	44.64%	15.28%	3.49%	81.23%	81.23%
Rules for behavior apply equally to all students.		3091	34.39%	38.18%	20.87%	6.57%	72.57%	72.57%
There are high expectations for student behavior at this school.		3087	41.59%	43.21%	12.02%	3.17%	84.81%	84.81%
The consequences for breaking the rules are the same for all students in this school.		3079	30.76%	38.36%	23.48%	7.41%	69.11%	69.11%

2014-2015 SCHOOL CLIMATE SURVEY TEACHER AND ADMINISTRATOR RESULTS - DIVISION - ALL SCHOOLS

Physical School Environment Agreement Responses		<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school is attractive.		3096	42.83%	43.86%	10.92%	2.39%	86.69%	86.69%
This school is kept clean.		3095	48.43%	42.52%	7.30%	1.74%	90.95%	90.95%
This school is well-maintained and kept in good repair.		3091	41.25%	46.07%	10.19%	2.49%	87.32%	87.32%
This school's facilities are sufficient to support student learning.		3094	41.56%	47.83%	7.82%	2.78%	89.40%	89.40%

**2014-2015 SCHOOL CLIMATE SURVEY
STUDENT RESULTS**

DIVISION - ALL SCHOOLS

Overall Response Rate = 82.05%

N = 12696

Demographic Information							
<i>Gender (n = 12584)</i>		<i>Ethnicity (n = 12549)</i>					
Male	50.45%	African American	22.23%	Native American	2.40%		
Female	49.55%	Asian	7.72%	Native Hawaiian	0.60%		
		Caucasian	46.55%	Other	12.69%		
		Hispanic	7.81%				
Instructional Program and Academic Support Agreement Responses							
	<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
My teachers care about how well I do in school.	12656	42.00%	50.21%	5.67%	2.12%	92.21%	92.21%
This school provides students with a high-quality education.	12696	30.27%	56.99%	10.21%	2.54%	87.26%	87.26%
Teachers at this school expect all students to do well.	12600	36.25%	47.65%	13.33%	2.78%	83.90%	83.90%
Students at this school want to learn.	12583	7.49%	54.11%	30.52%	7.88%	61.60%	61.60%
Students actively participate in classroom activities.	12527	11.26%	58.27%	26.80%	3.67%	69.53%	69.53%
My teachers give me extra help when I need it.	12552	33.68%	51.90%	11.23%	3.19%	85.59%	85.59%
My teachers let me know how I can do better in school.	12596	30.92%	50.17%	15.76%	3.15%	81.09%	81.09%
This school provides students with the things they need to learn (for example, books and computers).	12567	49.05%	44.23%	4.81%	1.92%	93.28%	93.28%
In this school, I am learning to use computer technology.	12553	24.21%	48.00%	21.84%	5.94%	72.21%	72.21%
This school provides high-quality instruction and services in the area of... Reading	12402	43.16%	48.75%	6.09%	2.00%	91.91%	91.91%
This school provides high-quality instruction and services in the area of... Writing	12419	43.77%	47.97%	6.30%	1.96%	91.74%	91.74%
This school provides high-quality instruction and services in the area of... Mathematics	12403	53.83%	36.86%	6.33%	2.98%	90.70%	90.70%
This school provides high-quality instruction and services in the area of... Social Studies	12406	48.79%	44.00%	4.85%	2.35%	92.79%	92.79%
This school provides high-quality instruction and services in the area of... Science	12254	48.58%	43.39%	5.69%	2.34%	91.97%	91.97%
This school provides high-quality instruction and services in the area of... Music	9487	39.60%	43.25%	11.11%	6.04%	82.85%	82.85%
This school provides high-quality instruction and services in the area of... Art	9536	44.30%	43.16%	8.39%	4.15%	87.46%	87.46%
This school provides high-quality instruction and services in the area of... Health	10099	33.98%	50.70%	10.39%	4.93%	84.68%	84.68%
This school provides high-quality instruction and services in the area of... Physical Education	11049	46.03%	43.33%	6.99%	3.65%	89.37%	89.37%
This school provides high-quality instruction and services in the area of... World Languages	7945	31.54%	43.59%	14.75%	10.12%	75.13%	75.13%
This school provides high-quality instruction and services in the area of... Technical & Career Education	5280	31.44%	48.67%	13.37%	6.52%	80.11%	80.11%
This school provides high-quality instruction and services in the area of... Guidance Services	10531	41.56%	41.14%	10.18%	7.12%	82.70%	82.70%

2014-2015 SCHOOL CLIMATE SURVEY STUDENT RESULTS - DIVISION - ALL SCHOOLS

Interpersonal Relationships Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
I enjoy going to school.	12574	21.03%	42.81%	19.95%	16.22%	63.84%	63.84%
Students treat one another with respect.	12541	7.68%	38.56%	35.05%	18.71%	46.24%	46.24%
Students treat teachers with respect.	12539	13.74%	46.25%	28.73%	11.28%	59.99%	59.99%
Teachers treat students with respect.	12573	32.42%	47.12%	13.69%	6.77%	79.54%	79.54%
I feel a sense of belonging at this school.	12569	25.00%	46.10%	18.94%	9.97%	71.10%	71.10%
This school respects diversity and welcomes all cultures.	12548	43.43%	43.58%	8.30%	4.69%	87.02%	87.02%
Teachers and students at this school care about each other.	12572	21.25%	50.05%	21.23%	7.47%	71.30%	71.30%
There is an overall positive feeling in this school.	12556	18.24%	49.24%	23.44%	9.09%	67.47%	67.47%

Communication, Collaboration, and Involvement Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school encourages my parents to be involved in my learning.	12540	22.34%	45.76%	23.20%	8.71%	68.09%	68.09%
School events are scheduled so that my parents can attend.	12499	19.91%	50.34%	22.02%	7.73%	70.25%	70.25%
This school shares important information with students.	12567	25.66%	52.06%	16.08%	6.19%	77.73%	77.73%
Students have chances to provide input (thoughts and opinions) about school-related issues.	12541	17.73%	43.20%	25.36%	13.70%	60.94%	60.94%
This school gives students a chance to participate in activities (for example, clubs, athletics, or school events).	12533	49.24%	43.84%	4.27%	2.66%	93.07%	93.07%

Safety and Discipline Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
I know what behavior is expected of me at this school.	12568	49.10%	45.07%	3.76%	2.08%	94.17%	94.17%
This school provides a safe and orderly place for students to learn.	12539	32.28%	51.13%	11.36%	5.22%	83.41%	83.41%
I know the consequences for misbehaving at this school.	12543	46.24%	45.67%	5.32%	2.77%	91.92%	91.92%
Rules for behavior apply equally to all students.	12550	34.50%	34.80%	18.72%	11.98%	69.31%	69.31%
There are high expectations for student behavior at this school.	12536	36.06%	48.67%	11.28%	4.00%	84.72%	84.72%
The consequences for breaking the rules are the same for all students in this school.	12550	29.95%	35.27%	21.86%	12.92%	65.22%	65.22%

Physical School Environment Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school is attractive.	12523	19.35%	40.25%	22.59%	17.82%	59.59%	59.59%
This school is kept clean.	12547	22.39%	44.72%	20.21%	12.68%	67.11%	67.11%
This school is well-maintained and kept in good repair.	12552	23.91%	47.51%	18.59%	9.99%	71.41%	71.41%

**2014-2015 SCHOOL CLIMATE SURVEY
PARENT RESULTS**

DIVISION - ALL SCHOOLS

Overall Response Rate = 8.16%

N = 6192

Demographic Information						
Gender (n = 5048)		Ethnicity (n = 4871)				
Male	20.52%	African American	13.90%	Native American	0.94%	
Female	79.48%	Asian	7.25%	Native Hawaiian	0.23%	
		Caucasian	72.12%	Other	0.00%	
		Hispanic	5.56%			
Instructional Program and Academic Support Agreement Responses						
	#	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement
						Entire Division Agreement
Teachers at this school care about how well my child does in school.	5427	48.09%	45.99%	4.88%	1.03%	94.09%
This school provides students with a high-quality education.	5440	46.29%	46.49%	6.10%	1.12%	92.78%
Teachers at this school expect all students to do well.	5412	44.86%	47.67%	6.47%	1.00%	92.54%
Students at this school want to learn.	5392	36.65%	56.86%	5.80%	0.69%	93.51%
Teachers give my child extra help when needed.	5394	42.77%	44.86%	10.18%	2.19%	87.63%
This school provides students with the things they need to learn (e.g., books and computers).	5416	47.58%	46.05%	5.17%	1.20%	93.63%
In this school, my child is learning to use computer technology.	5285	45.56%	46.91%	6.55%	0.98%	92.47%
This school provides high-quality instruction and services in the area of ... Reading	5023	47.74%	46.03%	5.10%	1.13%	93.77%
This school provides high-quality instruction and services in the area of ... Writing	5064	43.62%	47.00%	7.82%	1.56%	90.62%
This school provides high-quality instruction and services in the area of ... Mathematics	5211	47.15%	44.87%	5.93%	2.05%	92.02%
This school provides high-quality instruction and services in the area of ... Social Studies	5036	45.47%	49.13%	4.31%	1.09%	94.60%
This school provides high-quality instruction and services in the area of ...Science	5039	45.92%	48.16%	4.76%	1.15%	94.09%
This school provides high-quality instruction and services in the area of ... Music	3849	47.44%	45.67%	5.27%	1.61%	93.12%
This school provides high-quality instruction and services in the area of ... Art	3778	46.66%	47.54%	4.47%	1.32%	94.20%
This school provides high-quality instruction and services in the area of ... Health	4329	41.30%	52.51%	4.97%	1.22%	93.81%
This school provides high-quality instruction and services in the area of ... Physical Education	4658	44.31%	49.40%	4.81%	1.48%	93.71%
This school provides high-quality instruction and services in the area of ... Foreign Language	3004	33.62%	42.34%	13.81%	10.22%	75.97%
This school provides high-quality instruction and services in the area of ... Technical & Career Education	2210	32.17%	44.66%	15.02%	8.14%	76.83%
This school provides high-quality instruction and services in the area of ... Guidance Services	3641	40.32%	43.81%	10.52%	5.36%	84.13%
This school provides high-quality instruction and services in the area of ... Gifted Education	2692	44.24%	42.01%	10.44%	3.31%	86.26%
This school provides high-quality instruction and services in the area of ... Special Education	1665	36.46%	49.91%	9.37%	4.26%	86.37%
This school provides high-quality instruction and services in the area of ... English as a Second Language	1201	26.81%	51.21%	14.82%	7.16%	78.02%

2014-2015 SCHOOL CLIMATE SURVEY PARENT RESULTS - DIVISION - ALL SCHOOLS

Interpersonal Relationships Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
My child enjoys going to school.	5257	41.51%	46.40%	9.55%	2.55%	87.90%	87.90%
Students treat one another with respect.	5227	25.48%	55.31%	15.44%	3.77%	80.79%	80.79%
Students treat teachers with respect.	5218	33.17%	57.03%	7.99%	1.80%	90.21%	90.21%
Teachers treat students with respect.	5226	38.83%	51.93%	7.21%	2.03%	90.76%	90.76%
My child feels a sense of belonging at this school.	5230	41.63%	45.95%	9.06%	3.37%	87.57%	87.57%
This school respects diversity and welcomes all cultures.	5173	43.94%	50.78%	3.60%	1.68%	94.72%	94.72%
Teachers and students at this school care about each other.	5169	38.56%	51.02%	8.38%	2.05%	89.57%	89.57%
There is an overall positive feeling in this school.	5194	41.34%	47.48%	8.28%	2.91%	88.81%	88.81%

Communication, Collaboration, and Involvement Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school encourages parents to be involved with their child's learning.	5187	37.48%	47.25%	12.20%	3.07%	84.73%	84.73%
This school effectively communicates important information to parents.	5186	40.15%	43.64%	11.99%	4.22%	83.78%	83.78%
Parents have opportunities to provide input about school-related issues.	5105	29.29%	48.48%	17.77%	4.47%	77.77%	77.77%
This school gives students a chance to participate in activities (e.g., clubs, athletics, or school events).	5161	45.79%	47.55%	5.19%	1.47%	93.33%	93.33%
School events are scheduled to encourage parent participation.	5122	37.84%	48.09%	11.40%	2.67%	85.92%	85.92%

Safety and Discipline Agreement Responses	n	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
My child knows what behavior is expected of him or her at this school.	5181	63.83%	35.07%	0.71%	0.39%	98.90%	98.90%
This school provides a safe and orderly place for students to learn.	5161	49.93%	44.10%	4.42%	1.55%	94.03%	94.03%
My child knows the consequences for misbehaving at this school.	5171	60.14%	38.21%	1.20%	0.44%	98.36%	98.36%
Rules for behavior apply equally to all students.	5112	44.74%	40.81%	10.07%	4.38%	85.54%	85.54%
There are high expectations for student behavior at this school.	5134	48.07%	43.69%	6.54%	1.69%	91.76%	91.76%
The consequences for breaking the rules are the same for all students in this school.	5053	41.66%	42.57%	11.00%	4.77%	84.23%	84.23%

2014-2015 SCHOOL CLIMATE SURVEY PARENT RESULTS - DIVISION - ALL SCHOOLS

Physical School Environment Agreement Responses		<i>n</i>	Strongly Agree	Agree	Disagree	Strongly Disagree	Group Division Agreement	Entire Division Agreement
This school is attractive.		5156	39.14%	45.13%	12.51%	3.22%	84.27%	84.27%
This school is kept clean.		5153	48.05%	47.93%	2.83%	1.18%	95.98%	95.98%
This school is well-maintained and kept in good repair.		5136	43.83%	48.40%	6.37%	1.40%	92.23%	92.23%
This school's facilities are sufficient to support student learning.		5145	43.23%	49.27%	5.62%	1.89%	92.50%	92.50%

GRADE 3

GRADE 3 ENGLISH						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	85.75	87.80	76.19	74.00	79.98	3.79
Caucasian	90.89	91.73	82.77	81.64	86.22	3.44
African American	74.00	79.74	60.48	56.83	64.57	4.08
Hispanic	84.25	85.11	73.27	71.40	77.76	4.50
SWD	62.40	60.20	46.50	39.61	45.56	-0.95
POV	77.44	82.49	65.09	62.69	70.41	5.33
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	16.89	11.99	22.29	24.80	21.65	-0.64
Cauc vs Hispanic	6.64	6.62	9.51	10.23	8.46	-1.05
Non-SWD vs SWD	26.05	30.59	33.03	38.11	38.20	5.17
Non-POV vs POV	13.02	8.44	17.89	19.12	16.60	-1.29

GRADE 3 HISTORY						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	86.97	88.76	87.61	84.13	N/A	N/A
Caucasian	92.07	92.61	91.55	88.51	N/A	N/A
African American	75.26	79.83	75.97	73.38	N/A	N/A
Hispanic	87.39	85.56	88.00	82.30	N/A	N/A
SWD	60.00	63.16	64.30	52.20	N/A	N/A
POV	77.99	81.28	79.87	75.29	N/A	N/A
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	16.81	12.78	15.58	15.13	N/A	N/A
Cauc vs Hispanic	4.68	7.06	3.55	6.21	N/A	N/A
Non-SWD vs SWD	30.16	28.51	25.92	35.37	N/A	N/A
Non-POV vs POV	14.06	11.91	12.43	14.84	N/A	N/A

GRADE 4

GRADE 4 ENGLISH						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	88.48	90.33	71.38	73.23	79.56	8.18
Caucasian	93.29	94.04	79.99	82.18	86.19	6.20
African American	77.42	81.97	53.24	53.80	64.30	11.07
Hispanic	86.22	88.58	64.60	65.87	77.22	12.62
SWD	65.64	63.58	40.19	43.84	43.93	3.73
POV	79.83	84.25	58.16	60.41	69.34	11.18
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	15.86	12.07	26.75	28.39	21.89	-4.86
Cauc vs Hispanic	7.06	5.46	15.39	16.31	8.97	-6.42
Non-SWD vs SWD	25.39	29.89	34.76	32.87	39.73	4.97
Non-POV vs POV	13.52	9.57	21.12	21.26	17.12	-4.00

GRADE 3 MATHEMATICS						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	89.40	59.42	71.87	74.10	80.46	8.59
Caucasian	93.02	67.70	79.24	80.59	87.18	7.94
African American	80.59	41.62	52.25	58.62	64.21	11.96
Hispanic	88.60	52.72	68.20	71.33	76.80	8.60
SWD	65.98	33.14	43.98	40.16	48.11	4.12
POV	82.45	45.74	61.05	62.48	70.65	9.60
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	12.43	26.07	26.99	21.98	22.96	-4.02
Cauc vs Hispanic	4.42	14.98	11.04	9.27	10.37	-0.67
Non-SWD vs SWD	26.15	29.25	31.03	37.57	35.87	4.85
Non-POV vs POV	10.89	21.79	17.44	19.57	17.00	-0.43

GRADE 3 SCIENCE						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	92.93	90.87	84.59	83.50	N/A	N/A
Caucasian	96.25	93.96	90.66	89.70	N/A	N/A
African American	84.53	82.64	68.15	68.66	N/A	N/A
Hispanic	93.81	90.22	83.76	81.27	N/A	N/A
SWD	75.00	67.71	57.58	51.89	N/A	N/A
POV	86.96	85.52	75.56	74.13	N/A	N/A
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	11.72	11.32	22.51	21.04	N/A	N/A
Cauc vs Hispanic	2.44	3.73	6.90	8.43	N/A	N/A
Non-SWD vs SWD	20.06	25.78	30.03	35.04	N/A	N/A
Non-POV vs POV	9.33	8.50	14.49	15.73	N/A	N/A

GRADE 4 MATHEMATICS						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	86.60	70.04	76.02	82.97	88.32	12.30
Caucasian	91.65	78.10	82.36	88.95	92.46	10.10
African American	74.84	49.56	60.42	67.21	79.03	18.61
Hispanic	82.42	68.66	72.62	80.94	86.85	14.23
SWD	62.03	34.49	44.76	50.81	56.24	11.48
POV	77.17	56.50	65.07	73.70	80.96	15.89
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	16.81	28.54	21.94	21.74	13.43	-8.51
Cauc vs Hispanic	9.23	9.44	8.01	5.61	-4.13	-3.63
Non-SWD vs SWD	27.36	39.86	34.81	35.97	35.76	0.96
Non-POV vs POV	14.73	21.33	17.48	15.39	12.32	-5.16

GRADE 5

GRADE 5 ENGLISH: READING							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	89.20	93.83	75.06	78.73	82.86	7.80	-6.34
Caucasian	93.75	96.48	83.65	85.78	89.71	6.06	-4.04
African American	78.94	86.84	57.00	63.19	66.69	9.69	-12.24
Hispanic	85.81	94.71	71.93	74.34	79.26	7.33	-6.55
SWD	63.26	74.14	38.74	50.60	42.28	3.54	-20.98
POV	80.85	89.17	59.23	66.89	73.02	13.78	-7.84
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	14.81	9.63	26.65	22.59	23.02	-3.63	8.20
Cauc vs Hispanic	7.94	1.76	11.72	11.44	10.45	-1.27	2.51
Non-SWD vs SWD	28.83	21.88	40.49	31.26	45.31	4.82	16.47
Non-POV vs POV	12.61	7.36	25.28	19.47	16.24	-9.05	3.63

GRADE 5 MATHEMATICS							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	86.35	65.74	74.04	79.38	83.31	9.27	-3.04
Caucasian	91.59	73.10	80.46	86.04	89.93	9.48	-1.65
African American	73.45	47.52	57.04	63.46	66.93	9.89	-6.51
Hispanic	82.59	60.35	73.37	75.60	80.32	6.95	-2.26
SWD	62.15	29.94	30.86	42.57	44.40	13.55	-17.75
POV	76.34	51.52	61.58	68.03	73.01	11.43	-3.33
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	18.14	25.58	23.42	22.58	23.00	-0.41	4.86
Cauc vs Hispanic	9.00	12.75	7.08	10.44	9.61	2.53	0.61
Non-SWD vs SWD	26.94	39.89	48.12	40.88	43.42	-4.70	16.48
Non-POV vs POV	15.14	22.52	19.90	18.64	16.97	-2.93	1.83

GRADE 5 ENGLISH: WRITING							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	90.98	88.91	73.68	70.61	N/A	N/A	N/A
Caucasian	93.58	92.20	80.47	78.96	N/A	N/A	N/A
African American	83.96	79.61	57.13	50.26	N/A	N/A	N/A
Hispanic	88.91	86.46	72.50	64.74	N/A	N/A	N/A
SWD	59.58	55.43	26.89	25.15	N/A	N/A	N/A
POV	85.59	81.96	60.36	55.24	N/A	N/A	N/A
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	9.62	12.59	23.34	28.70	N/A	N/A	N/A
Cauc vs Hispanic	4.67	5.75	7.97	14.22	N/A	N/A	N/A
Non-SWD vs SWD	34.90	37.31	51.93	50.62	N/A	N/A	N/A
Non-POV vs POV	8.07	10.89	21.16	25.13	N/A	N/A	N/A

GRADE 5 HISTORY							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	90.92	89.86	87.52	85.70	87.18	-0.34	-3.74
Caucasian	94.42	93.89	92.59	91.00	93.15	0.56	-1.27
African American	82.24	79.60	75.83	71.97	71.68	-4.15	-10.56
Hispanic	89.50	87.69	86.75	83.92	86.51	-0.23	-2.98
SWD	70.24	68.40	57.75	57.60	52.79	-4.96	-17.45
POV	83.76	82.23	78.58	75.38	77.73	-0.85	-6.04
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	12.18	14.29	16.76	19.03	21.47	4.71	9.29
Cauc vs Hispanic	4.92	6.20	5.84	7.08	6.64	0.79	1.71
Non-SWD vs SWD	23.05	23.92	33.16	31.22	38.39	5.23	15.33
Non-POV vs POV	10.82	12.07	14.28	16.94	15.58	1.30	4.76

GRADE 5 SCIENCE							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	88.99	88.35	75.90	72.71	79.43	3.53	-9.56
Caucasian	94.22	94.46	84.56	83.12	88.63	4.07	-5.60
African American	77.26	73.20	57.09	49.27	57.34	0.25	-19.92
Hispanic	84.38	87.28	74.34	66.87	74.45	0.11	-9.93
SWD	58.30	63.50	36.78	35.46	39.37	2.59	-18.93
POV	80.19	79.69	61.29	57.89	66.97	5.69	-13.21
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	16.96	21.26	27.47	33.84	31.29	3.82	14.33
Cauc vs Hispanic	9.85	7.18	10.22	16.25	14.18	3.96	4.33
Non-SWD vs SWD	34.18	27.67	43.57	41.36	44.68	1.11	10.50
Non-POV vs POV	13.31	13.70	23.37	24.30	20.51	-2.85	7.20

GRADE 6

GRADE 6 ENGLISH							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	89.49	91.52	73.81	77.04	81.71	7.90	-7.78
Caucasian	93.43	94.93	82.51	85.05	88.78	6.27	-4.65
African American	79.43	83.31	54.90	59.71	64.88	9.98	-14.55
Hispanic	88.08	90.24	67.47	76.61	82.05	14.58	-6.02
SWD	60.12	61.08	35.56	40.69	42.58	7.03	-17.54
POV	81.29	84.78	58.74	65.11	71.14	12.40	-10.15
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	14.00	11.62	27.60	25.35	23.90	-3.71	9.90
Cauc vs Hispanic	5.36	4.69	15.04	8.44	6.73	-8.31	1.37
Non-SWD vs SWD	32.61	33.64	42.66	40.46	43.58	0.91	10.97
Non-POV vs POV	12.32	10.29	23.86	19.67	17.40	-6.46	5.08

GRADE 6 HISTORY

PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	86.92	84.02	84.65	84.18	N/A	N/A	N/A
Caucasian	90.27	88.56	89.91	90.17	N/A	N/A	N/A
African American	78.10	72.30	71.42	69.58	N/A	N/A	N/A
Hispanic	87.50	81.72	84.10	83.91	N/A	N/A	N/A
SWD	60.93	52.13	50.00	51.73	N/A	N/A	N/A
POV	78.24	72.40	73.64	74.14	N/A	N/A	N/A
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	12.17	16.27	18.50	20.59	N/A	N/A	N/A
Cauc vs Hispanic	2.77	6.84	5.81	6.27	N/A	N/A	N/A
Non-SWD vs SWD	28.93	35.33	38.65	36.11	N/A	N/A	N/A
Non-POV vs POV	13.04	17.78	17.43	16.55	N/A	N/A	N/A

GRADE 7

GRADE 7 MATHEMATICS							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	57.65	41.40	51.13	65.54	71.43	20.30	13.78
Caucasian	67.70	49.07	60.13	72.19	77.37	17.23	9.67
African American	44.90	27.67	34.72	51.62	58.87	24.15	13.97
Hispanic	53.22	38.86	44.44	65.02	69.75	25.31	16.53
SWD	33.68	18.50	24.70	34.60	28.54	3.85	-5.14
POV	49.63	30.13	38.74	54.79	60.51	21.76	10.88
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	22.80	21.39	25.42	20.57	18.50	-6.92	-4.30
Cauc vs Hispanic	14.48	10.21	15.69	7.17	7.62	-8.07	-6.87
Non-SWD vs SWD	29.47	27.24	30.52	35.39	48.58	18.06	19.11
Non-POV vs POV	14.79	19.47	21.46	19.34	19.60	-1.87	4.80

GRADE 6 MATHEMATICS							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	52.92	59.00	66.93	69.70	84.74	17.81	31.82
Caucasian	61.57	69.12	75.46	76.83	89.80	14.34	28.23
African American	36.07	42.72	52.05	55.51	73.49	21.43	37.41
Hispanic	53.38	51.96	65.74	68.92	87.05	21.31	33.67
SWD	24.55	29.23	35.48	34.71	52.47	16.99	27.92
POV	41.55	47.20	55.75	60.40	77.97	22.21	36.42
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	25.50	26.40	23.41	21.32	16.32	-7.09	-9.18
Cauc vs Hispanic	8.19	17.16	9.73	7.91	2.75	-6.97	-5.44
Non-SWD vs SWD	33.79	35.25	36.98	40.44	37.05	0.07	3.26
Non-POV vs POV	19.78	20.96	20.53	17.24	12.37	-8.16	-7.41

GRADE 7

GRADE 7 ENGLISH: READING							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	90.73	91.78	77.25	79.80	83.66	6.41	-7.07
Caucasian	95.08	94.99	84.81	86.76	90.33	5.51	-4.76
African American	81.48	84.14	59.07	64.18	68.33	9.25	-13.16
Hispanic	88.32	90.67	72.28	75.70	83.76	11.48	-4.56
SWD	60.55	66.07	37.18	48.73	42.03	4.85	-18.53
POV	82.42	85.52	63.39	69.04	73.21	9.82	-9.21
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	13.60	10.85	25.74	22.58	22.00	-3.74	8.40
Cauc vs Hispanic	6.76	4.32	12.53	11.06	6.56	-5.97	-0.20
Non-SWD vs SWD	33.24	28.53	44.36	34.43	45.96	1.61	12.73
Non-POV vs POV	12.21	9.53	21.33	17.44	17.04	-4.28	4.83

GRADE 7 HISTORY							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	84.76	81.86	83.15	82.56	N/A	N/A	N/A
Caucasian	89.26	88.33	89.27	89.42	N/A	N/A	N/A
African American	73.22	66.40	67.64	66.26	N/A	N/A	N/A
Hispanic	81.15	80.88	82.34	80.52	N/A	N/A	N/A
SWD	54.27	47.93	49.81	47.36	N/A	N/A	N/A
POV	74.02	70.63	71.15	71.75	N/A	N/A	N/A
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	16.04	21.93	21.62	23.16	N/A	N/A	N/A
Cauc vs Hispanic	8.11	7.45	6.93	8.90	N/A	N/A	N/A
Non-SWD vs SWD	33.82	37.86	36.94	39.02	N/A	N/A	N/A
Non-POV vs POV	15.81	17.12	18.50	17.51	N/A	N/A	N/A

GRADE 8

GRADE 8 ENGLISH: READING							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	94.75	92.02	73.27	77.15	79.84	6.57	-14.91
Caucasian	96.90	95.79	81.29	84.49	88.63	7.34	-8.27
African American	88.13	84.22	55.08	59.51	60.09	5.02	-28.04
Hispanic	95.03	87.78	69.46	74.95	75.97	6.51	-19.06
SWD	80.22	64.72	30.40	40.66	35.85	5.45	-44.38
POV	89.16	85.12	57.46	63.38	67.38	9.92	-21.79
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	8.77	11.57	26.21	24.98	28.53	2.32	19.76
Cauc vs Hispanic	1.87	8.01	11.83	9.54	12.66	0.82	10.79
Non-SWD vs SWD	15.93	30.04	47.48	40.17	48.46	0.99	32.54
Non-POV vs POV	7.95	10.27	23.43	21.67	19.88	-3.55	11.93

GRADE 8 MATHEMATICS							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	82.02	56.34	58.57	65.06	77.35	18.77	-4.67
Caucasian	86.51	66.45	67.67	74.55	84.65	16.98	-1.85
African American	68.90	33.70	38.49	43.63	62.24	23.75	-6.66
Hispanic	79.15	46.34	50.75	59.17	74.52	23.77	-4.63
SWD	60.95	25.99	22.88	30.88	35.78	12.90	-25.17
POV	71.07	39.63	42.18	48.31	65.18	23.00	-5.89
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	17.61	32.75	29.19	30.91	22.42	-6.77	4.81
Cauc vs Hispanic	7.35	20.11	16.92	15.38	10.13	-6.79	2.78
Non-SWD vs SWD	22.62	34.09	40.59	38.95	47.74	7.15	25.12
Non-POV vs POV	15.73	25.94	24.90	27.99	21.12	-3.78	5.39

GRADE 8 ENGLISH: WRITING							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	90.91	89.51	70.59	71.36	72.42	1.82	-18.49
Caucasian	93.59	92.54	78.09	79.60	80.15	2.06	-13.44
African American	82.98	80.65	53.69	50.77	53.14	-0.55	-29.84
Hispanic	88.29	89.15	65.37	68.38	68.04	2.67	-20.25
SWD	54.04	48.20	22.31	23.12	20.29	-2.02	-33.75
POV	83.43	81.17	56.32	54.63	57.71	1.39	-25.72
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	10.61	11.89	24.40	28.83	27.01	2.61	16.40
Cauc vs Hispanic	5.30	3.39	12.72	11.22	12.11	-0.61	6.81
Non-SWD vs SWD	41.23	45.59	53.41	53.23	57.51	4.10	16.28
Non-POV vs POV	10.62	12.40	20.82	26.11	23.24	2.42	12.62

GRADE 8 HISTORY							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	88.09	85.63	86.79	86.08	91.02	4.23	2.93
Caucasian	92.23	91.01	91.42	91.76	95.46	4.04	3.23
African American	78.02	73.90	76.74	71.75	81.25	4.50	3.23
Hispanic	83.81	80.87	84.62	83.79	87.94	3.33	4.14
SWD	64.72	49.27	54.07	51.88	57.45	3.38	-7.27
POV	78.75	74.58	76.20	75.67	83.68	7.48	4.92
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	14.21	17.11	14.68	20.01	14.22	-0.47	0.01
Cauc vs Hispanic	8.42	10.13	6.81	7.97	7.52	0.71	-0.90
Non-SWD vs SWD	26.06	40.17	36.21	37.66	36.97	0.76	10.91
Non-POV vs POV	13.34	16.48	15.72	16.34	11.68	-4.04	-1.65

GRADE 8 SCIENCE							
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11
Total Passing	94.26	94.19	79.17	78.33	83.38	4.21	-10.88
Caucasian	97.21	97.42	88.30	88.33	91.82	3.52	-5.39
African American	86.99	88.17	58.31	55.05	65.20	6.89	-21.79
Hispanic	92.69	91.08	73.09	73.23	79.88	6.79	-12.81
SWD	75.18	72.65	42.97	40.25	40.99	-1.98	-34.20
POV	88.75	88.32	63.88	63.73	71.77	7.89	-16.98
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11
Cauc vs Afr American	10.22	9.24	29.99	33.29	26.62	-3.37	16.40
Cauc vs Hispanic	4.52	6.34	15.21	15.10	11.94	-3.27	7.43
Non-SWD vs SWD	21.30	23.86	40.13	42.13	46.69	6.56	25.39
Non-POV vs POV	7.85	9.01	22.66	23.04	18.66	-4.00	10.81

END-OF-COURSE MATHEMATICS

ALGEBRA I									
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	96.80	70.02	64.94	78.47	84.21	19.27	-12.58		
Caucasian	98.03	74.27	69.85	82.69	87.34	17.49	-10.69		
African American	93.33	56.29	49.50	66.06	74.44	24.94	-18.89		
Hispanic	96.11	66.86	61.04	75.74	80.49	19.45	-15.62		
SWD	81.01	33.08	31.88	48.48	54.79	22.92	-26.22		
POV	94.63	58.64	52.09	66.58	75.92	23.82	-18.71		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	4.71	17.98	20.34	16.63	12.90	-7.44	8.19		
Cauc vs Hispanic	1.92	7.41	8.81	6.95	6.85	-1.96	4.93		
Non-SWD vs SWD	17.16	39.66	35.63	32.37	31.84	-3.79	14.68		
Non-POV vs POV	2.86	15.89	18.59	17.70	12.47	-6.12	9.61		

GEOMETRY									
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	86.16	66.15	76.50	77.70	77.70	1.20	-8.46		
Caucasian	90.22	73.58	82.82	80.50	83.75	0.94	-6.47		
African American	73.48	43.67	56.38	59.11	61.12	4.75	-12.35		
Hispanic	83.52	67.21	74.21	70.42	72.04	-2.17	-11.48		
SWD	60.90	31.59	46.08	33.92	39.76	-6.31	-21.14		
POV	78.35	49.93	66.72	65.97	66.64	-0.08	-11.71		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	16.74	29.91	26.44	21.39	22.63	-3.81	5.89		
Cauc vs Hispanic	6.70	6.37	8.60	10.08	11.71	3.11	5.01		
Non-SWD vs SWD	27.33	38.18	32.33	44.29	40.46	8.14	13.13		
Non-POV vs POV	10.33	21.71	13.08	13.54	15.49	2.41	5.16		

END-OF-COURSE SCIENCE

EARTH SCIENCE									
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	88.75	90.17	80.05	79.03	79.48	-0.57	-9.28		
Caucasian	95.28	95.73	88.59	88.65	88.66	0.07	-6.62		
African American	73.80	77.23	63.18	56.99	58.61	-4.56	-15.18		
Hispanic	86.07	86.72	73.53	74.52	74.90	1.36	-11.18		
SWD	62.37	70.00	45.65	49.49	47.37	1.72	-15.00		
POV	78.09	80.39	67.52	63.34	65.31	-2.21	-12.78		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	21.48	18.50	25.41	31.66	30.04	4.63	8.57		
Cauc vs Hispanic	9.20	9.01	15.05	14.13	13.76	-1.29	4.56		
Non-SWD vs SWD	29.20	22.24	37.74	32.54	35.40	-2.35	6.20		
Non-POV vs POV	14.80	13.96	18.55	24.21	21.97	3.43	7.17		

END-OF-COURSE ENGLISH

ENGLISH: READING						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	93.92	94.87	86.99	87.56	89.16	2.17
Caucasian	96.61	96.78	91.49	92.70	93.33	1.84
African American	87.68	88.42	75.02	74.31	79.01	3.98
Hispanic	93.89	96.05	85.53	84.40	88.14	2.61
SWD	68.73	70.88	50.62	51.08	51.42	0.80
POV	88.02	90.05	75.55	76.61	81.25	5.70
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	8.93	8.36	16.46	18.40	14.32	-2.14
Cauc vs Hispanic	2.73	0.73	5.96	8.30	5.19	-0.77
Non-SWD vs SWD	27.36	26.01	39.06	39.23	40.50	1.44
Non-POV vs POV	7.62	6.28	15.08	15.23	11.21	-3.87

ENGLISH: WRITING						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	94.45	94.96	88.31	82.28	85.06	-3.26
Caucasian	96.40	96.35	92.53	87.94	89.71	-2.83
African American	89.30	90.13	76.34	66.35	72.54	-3.80
Hispanic	95.25	96.51	88.63	79.26	83.02	-5.61
SWD	68.13	68.68	53.85	35.57	40.19	-13.66
POV	90.13	91.53	77.90	68.51	74.41	-3.49
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	7.10	6.23	16.19	21.59	17.16	10.06
Cauc vs Hispanic	1.15	-0.16	3.90	8.68	6.68	2.78
Non-SWD vs SWD	28.59	28.49	37.04	50.42	48.14	11.10
Non-POV vs POV	5.52	4.42	13.57	19.08	14.87	1.31

END-OF-COURSE SOCIAL STUDIES

WORLD GEOGRAPHY						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	88.42	85.92	91.28	92.16	94.70	3.42
Caucasian	94.68	90.80	95.87	96.42	97.42	1.55
African American	73.63	72.55	76.05	81.59	84.62	8.56
Hispanic	81.90	81.25	94.24	89.03	94.74	0.49
SWD	46.77	50.79	65.22	57.41	83.33	18.12
POV	77.78	72.19	82.82	83.01	86.73	3.92
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	21.05	18.25	19.82	14.84	12.80	-7.02
Cauc vs Hispanic	12.78	9.55	1.63	7.39	2.68	1.06
Non-SWD vs SWD	43.65	36.76	26.89	35.90	11.64	-15.25
Non-POV vs POV	13.89	18.35	11.09	12.64	10.77	-0.32

WORLD HISTORY I						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	71.01	75.34	72.00	76.87	80.23	8.24
Caucasian	78.65	82.05	80.37	84.55	85.69	5.32
African American	52.07	55.90	52.99	58.82	65.77	12.78
Hispanic	68.52	77.50	67.72	74.64	80.65	12.92
SWD	44.21	50.56	41.90	47.79	55.04	13.14
POV	55.62	59.34	57.86	64.54	69.77	11.92
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	26.59	26.15	27.38	25.73	19.92	-7.46
Cauc vs Hispanic	10.13	4.55	12.65	9.91	5.05	-7.60
Non-SWD vs SWD	29.63	27.27	33.06	32.20	27.60	-5.46
Non-POV vs POV	21.41	22.85	21.15	19.23	16.36	-4.79

WORLD HISTORY II						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	76.02	74.85	77.10	79.58	73.94	-3.15
Caucasian	83.48	81.30	82.69	84.90	80.10	-2.59
African American	55.22	58.59	59.97	63.26	55.51	-4.46
Hispanic	71.81	69.18	75.24	79.61	74.77	-0.47
SWD	53.99	50.66	64.07	53.02	54.04	-10.03
POV	60.06	62.19	64.89	70.84	61.55	-3.34
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	28.26	22.71	22.72	21.65	24.59	1.87
Cauc vs Hispanic	11.67	12.12	7.45	5.30	5.33	-2.12
Non-SWD vs SWD	23.18	25.32	13.71	27.81	20.92	7.21
Non-POV vs POV	20.24	16.80	16.47	12.40	17.67	1.20

VIRGINIA AND US HISTORY						
PASSING RATES	2011	2012	2013	2014	2015	'15-'11
Total Passing	78.06	80.50	75.37	80.62	82.06	6.69
Caucasian	84.51	85.88	82.13	86.65	88.27	6.13
African American	63.46	66.12	58.26	64.19	66.26	8.00
Hispanic	75.17	77.63	71.89	77.90	82.44	10.55
SWD	47.62	50.81	45.53	53.82	48.55	3.02
POV	63.65	67.69	60.03	67.76	70.68	10.65
GAPS	2011	2012	2013	2014	2015	'15-'11
Cauc vs Afr American	21.05	19.76	23.87	22.46	22.01	-1.87
Cauc vs Hispanic	9.34	8.25	10.24	8.75	5.82	-4.42
Non-SWD vs SWD	33.20	32.18	32.21	28.85	36.09	3.88
Non-POV vs POV	18.76	16.79	20.47	18.07	16.36	-4.11

END-OF-COURSE MATHEMATICS

ALGEBRA I									
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	96.80	70.02	64.94	78.47	84.21	19.27	-12.58		
Caucasian	98.03	74.27	69.85	82.69	87.34	17.49	-10.69		
African American	93.33	56.29	49.50	66.06	74.44	24.94	-18.89		
Hispanic	96.11	66.86	61.04	75.74	80.49	19.45	-15.62		
SWD	81.01	33.08	31.88	48.48	54.79	22.92	-26.22		
POV	94.63	58.64	52.09	66.58	75.92	23.82	-18.71		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	4.71	17.98	20.34	16.63	12.90	-7.44	8.19		
Cauc vs Hispanic	1.92	7.41	8.81	6.95	6.85	-1.96	4.93		
Non-SWD vs SWD	17.16	39.66	35.63	32.37	31.84	-3.79	14.68		
Non-POV vs POV	2.86	15.89	18.59	17.70	12.47	-6.12	9.61		

GEOMETRY									
PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	86.16	66.15	76.50	75.54	77.70	1.20	-8.46		
Caucasian	90.22	73.58	82.82	80.50	83.75	0.94	-6.47		
African American	73.48	43.67	56.38	59.11	61.12	4.75	-12.35		
Hispanic	83.52	67.21	74.21	70.42	72.04	-2.17	-11.48		
SWD	60.90	31.59	46.08	33.92	39.76	-6.31	-21.14		
POV	78.35	49.93	66.72	65.97	66.64	-0.08	-11.71		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	16.74	29.91	26.44	21.39	22.63	-3.81	5.89		
Cauc vs Hispanic	6.70	6.37	8.60	10.08	11.71	3.11	5.01		
Non-SWD vs SWD	27.33	38.18	32.33	44.29	40.46	8.14	13.13		
Non-POV vs POV	10.33	21.71	13.08	13.54	15.49	2.41	5.16		

ALGEBRA II

PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	83.29	56.37	65.73	75.38	82.01	16.28	-1.29		
Caucasian	86.57	60.00	68.37	78.03	83.45	15.08	-3.11		
African American	72.84	42.34	52.51	63.76	75.44	22.93	2.60		
Hispanic	81.59	47.99	66.16	72.70	78.28	12.12	-3.31		
SWD	63.83	37.17	39.58	55.56	66.37	26.79	2.54		
POV	74.80	41.90	55.58	68.21	79.65	24.07	4.85		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	13.73	17.66	15.87	14.28	8.02	-7.85	-5.71		
Cauc vs Hispanic	4.97	12.01	2.21	5.33	5.17	2.96	0.20		
Non-SWD vs SWD	20.09	19.72	27.01	20.31	16.08	-10.92	-4.01		
Non-POV vs POV	10.57	18.25	12.92	9.50	3.16	-9.76	-7.41		

END-OF-COURSE SCIENCE

EARTH SCIENCE

PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	88.75	90.17	80.05	79.03	79.48	-0.57	-9.28		
Caucasian	95.28	95.73	88.66	88.66	88.66	0.07	-6.62		
African American	73.80	77.23	63.18	56.99	58.61	-4.56	-15.18		
Hispanic	86.07	86.72	73.53	74.52	74.90	1.36	-11.18		
SWD	62.37	70.00	45.65	49.49	47.37	1.72	-15.00		
POV	78.09	80.39	67.52	63.34	65.31	-2.21	-12.78		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	21.48	18.50	25.41	31.66	30.04	4.63	8.57		
Cauc vs Hispanic	9.20	9.01	15.05	14.13	13.76	-1.29	4.56		
Non-SWD vs SWD	29.20	22.24	37.74	32.54	35.40	-2.35	6.20		
Non-POV vs POV	14.80	13.96	18.55	24.21	21.97	3.43	7.17		

BIOLOGY

PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	91.03	91.73	78.32	73.54	81.76	3.45	-9.26		
Caucasian	95.52	95.27	86.42	82.46	89.48	3.06	-6.05		
African American	78.58	81.11	56.97	55.18	65.11	8.14	-13.47		
Hispanic	89.68	89.14	73.99	64.83	77.66	3.67	-12.02		
SWD	67.40	70.30	44.29	33.69	45.19	0.90	-22.22		
POV	84.33	84.01	62.97	59.98	67.82	4.85	-16.51		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	16.94	14.16	29.45	27.29	24.37	-5.08	7.43		
Cauc vs Hispanic	5.84	6.13	12.42	17.64	11.81	-0.61	5.97		
Non-SWD vs SWD	25.83	23.23	37.12	43.09	39.79	2.66	13.96		
Non-POV vs POV	8.93	10.40	21.28	20.23	20.80	-0.48	11.87		

CHEMISTRY

PASSING RATES	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Total Passing	92.22	88.31	83.16	81.66	83.80	0.64	-8.41		
Caucasian	94.06	90.82	85.94	84.77	87.89	1.95	-6.17		
African American	86.16	81.12	72.13	70.02	71.01	-1.12	-15.15		
Hispanic	91.05	85.40	79.03	79.81	80.25	1.22	-10.80		
SWD	82.95	76.47	68.52	68.97	68.85	3.34	-14.10		
POV	88.15	82.11	77.07	73.33	74.88	-2.18	-13.26		
GAPS	2011	2012	2013	2014	2015	'15-'13	'15-'11		
Cauc vs Afr American	7.90	9.70	13.81	14.76	16.89	3.07	8.98		
Cauc vs Hispanic	3.01	5.42	6.91	4.97	7.64	0.73	4.63		
Non-SWD vs SWD	9.48	12.05	18.05	12.91	15.22	-2.83	5.74		
Non-POV vs POV	5.00	7.66	7.57	10.68	11.80	4.23	6.80		

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.

INSTRUCTIONAL PAY SCALE SY 2015 - 2016 Effective: <u>October 1, 2015 - June 30, 2016</u>					
Creditable Years of	Standard Teaching	10-month Extended	11-month	12-month	ALC
0	42,810	45,175	47,090	51,371	29,990
1	43,016	45,393	47,317	51,619	30,135
2	43,226	45,615	47,548	51,871	30,282
3	43,437	45,837	47,780	52,124	30,430
4	43,863	46,287	48,248	52,635	30,728
5	43,972	46,402	48,369	52,766	30,804
6	44,016	46,448	48,416	52,818	30,835
7	44,082	46,518	48,489	52,898	30,882
8	44,950	47,434	49,445	53,940	31,490
9	45,985	48,526	50,581	55,179	32,214
10	47,016	49,614	51,717	56,418	32,937
11	48,050	50,704	52,853	57,658	33,661
12	49,082	51,794	53,989	58,898	34,384
13	50,117	52,886	55,126	60,138	35,109
14	51,149	53,975	56,261	61,376	35,832
15	52,182	55,065	57,399	62,616	36,555
16	53,215	56,155	58,535	63,856	37,279
17	54,248	57,245	59,672	65,096	38,003
18	55,281	58,335	60,807	66,335	38,727
19	56,314	59,425	61,944	67,574	39,450
20	57,347	60,516	63,080	68,814	40,174
21	58,380	61,606	64,217	70,055	40,898
22	59,413	62,696	65,353	71,293	41,621
23	60,446	63,786	66,489	72,533	42,345
24	61,479	64,876	67,626	73,774	43,069
25	62,511	65,965	68,761	75,011	43,791
26	63,545	67,056	69,898	76,253	44,516
27	64,578	68,146	71,034	77,492	45,240
28	65,611	69,236	72,170	78,732	45,963
29	66,643	70,325	73,305	79,971	46,686
30	67,677	71,416	74,443	81,211	47,411
31	68,710	72,507	75,580	82,451	48,134
32	69,743	73,597	76,716	83,690	48,858
33	70,775	74,686	77,851	84,929	49,581
34	71,809	75,777	78,988	86,169	50,305
35	72,842	76,867	80,124	87,409	51,029
Top of Scale	73,818	77,896	81,199	88,580	51,713



Unified Pay Scale SY 2015-2016 Effective: October 1, 2015 - June 30, 2016				
<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	102,724	178,838	49.3869	85.9801
27	95,871	166,906	46.0920	80.2434
26	89,474	155,770	43.0167	74.8898
25	83,500	145,370	40.1447	69.8897
24	77,934	135,679	37.4684	65.2304
23	72,725	126,610	34.9642	60.8707
22	67,875	118,166	32.6324	56.8106
21	63,350	110,288	30.4568	53.0234
20	59,117	102,921	28.4218	49.4814
19	55,178	96,064	26.5283	46.1847
18	51,484	89,630	24.7521	43.0918
17	48,050	83,652	23.1012	40.2174
16	44,843	78,069	21.5596	37.5336
15	41,848	72,855	20.1193	35.0266
14	39,064	68,008	18.7808	32.6963
13	36,461	63,476	17.5294	30.5175
12	34,018	59,224	16.3551	28.4735
11	31,756	55,286	15.2674	26.5801
10	29,639	51,601	14.2498	24.8086
9	27,654	48,145	13.2954	23.1471
8	25,815	44,943	12.4113	21.6073
7	24,090	41,939	11.5821	20.1632
6	22,479	39,135	10.8073	18.8153
5	20,981	36,527	10.0874	17.5611
4	19,581	34,091	9.4144	16.3900
3	18,279	31,823	8.7884	15.2998

Unified Pay Scale - Grade Assignments
SY 2015 - 2016

Grade	Job Titles	Grade	Job Titles
28	Chief of Staff	22	Coordinator Instructional Media Service
		22	Coordinator Instructional Technology
27	Chief Academic Officer, Teaching and Learning	22	Coordinator International Baccalaureate
27	Chief Financial Officer	22	Coordinator Language Arts
27	Chief Human Resources Officer	22	Coordinator Student Leadership
27	Chief Information Officer	22	Coordinator Legal Academy
27	Chief Media and Communications Officer	22	Coordinator Library Services
27	Chief Operations Officer for Division Services	22	Coordinator Math/Science Academy
27	Chief Schools Officer	22	Coordinator Mathematics
27	Chief Strategy and Innovation Officer	22	Coordinator Middle Years Program
		22	Coordinator Military Connected & Academic Support Program
26	Senior Executive Director Elementary Schools	22	Coordinator Planetarium
26	Senior Executive Director High Schools	22	Coordinator Psychological Services
26	Senior Executive Director Middle Schools	22	Coordinator Public Relations
		22	Coordinator Professional Learning
25	Director Elementary Schools	22	Coordinator School/Community Partnerships
25	Director Equity Affairs	22	Coordinator Science
25	Director Facilities Planning & Construction	22	Coordinator Social Studies
25	Director Office of Programs for Exceptional Children	22	Coordinator Social Work Services
25	Director School Plant	22	Coordinator Special Education
25	Director Technical & Career Education	22	Coordinator Student Activities
25	Director Transportation	22	Coordinator Student Conduct/Services
25	Executive Director Differentiated Academic Programs	22	Coordinator Technical and Career Education
25	Executive Director Elementary Teaching and Learning	22	Coordinator Technology Academy
25	Executive Director Secondary Teaching and Learning	22	Coordinator Telecommunications
25	Principal HS	22	Coordinator Title I
		22	Coordinator Visual and Performing Arts
24	Director Administrator Learning and Leadership	22	Coordinator World Languages
24	Director Adult Learning Center	22	Database Administrator
24	Director Benefits	22	Dean of Students (HS)
24	Director Business Services	22	Specialist Assessment
24	Director Teacher Learning and Leadership	22	Specialist Employee Relations
24	Director Employee Relations	22	Specialist Human Resources
24	Director Employment Services	22	Specialist Program Evaluation
24	Director Food Services	22	Specialist Research
24	Director Guidance	22	Specialist Testing
24	Director Innovation & Strategic Planning		
24	Director Instructional Technology	21	Payroll Supervisor
24	Director Purchasing Services	21	Project Manager - Information Services
24	Director Student Leadership	21	Staff Architect
24	Director Technical & Career Education Center	21	Systems Engineer - Supervisor
24	Director Technology	21	Assistant Director Environ/Energy
24	Founding Head of School (Green Run Collegiate)	21	Assistant Director School Plant
24	Principal MS	21	Assistant Principal MS
		21	Coordinator Food Services
23	Coordinator Government & Administrative Affairs	21	Coordinator Purchasing
23	Coordinator Information Services	21	Coordinator Security & Safe Schools
23	Coordinator Technical Services	21	Coordinator Technical Applications
23	Director Advanced Technology Center	21	Coordinator Transportation
23	Director Communications and Community Engagement	21	Dean of Students (MS)
23	Director Custodial Services	21	Demographer/GIS Manager
23	Director Distribution Services	21	Neuropsychologist
23	Director Internal Audit		
23	Director Research, Evaluation, and Assessment	20	Assistant Principal ES
23	Director Safety and Loss Control	20	Educational Data Specialist
23	Director Testing	20	Financial Management Specialist
23	Principal ES	20	Grants Manager
		20	HR Information Systems Specialist
22	Academic Dean	20	Occupational Safety/Loss Control Specialist
22	Administrative Coordinator	20	Programmer/Analyst - Senior
22	Assistant Director Advanced Technology Center	20	Project Manager - Construction
22	Assistant Principal HS	20	Student Information Systems Specialist
22	Coordinator Academic Support Programs K-12	20	Sustainability Officer
22	Coordinator Accounting	20	Systems Analyst
22	Coordinator Adult Academic Programs	20	Transportation Systems Specialist
22	Coordinator Alternative Education		
22	Coordinator Athletics	19	Accountant - Principal
22	Coordinator Budget Development	19	Accounts Payable Supervisor
22	Coordinator Business & Information Technology	19	Assistant Payroll Supervisor
22	Coordinator Distance Learning	19	Benefits Program Specialist
22	Coordinator Educational Foundation	19	Coordinator Maintenance
22	Coordinator Elementary Curriculum	19	Coordinator Mechanical Systems
22	Coordinator English	19	Coordinator Special Projects
22	Coordinator English Language Learners	19	Coordinator Distribution Services
22	Coordinator Entrepreneurship & Business Academy	19	Food Services Operations Supervisor
22	Coordinator Family and Consumer Sciences	19	Fleet Manager
22	Coordinator Fine Arts	19	Instructional Specialist
22	Coordinator Gifted Education	19	Internal Auditor
22	Coordinator Global Studies Academy	19	Occupational Therapist
22	Coordinator Grants Development	19	Physical Therapist
22	Coordinator Guidance	19	Procurement Specialist II
22	Coordinator Health Academy	19	School-to-Work Transition Supervisor
22	Coordinator Health Services	19	Specialist, Professional Learning
22	Coordinator Health/Physical Education	19	Student Activities Coordinator (HS)

Unified Pay Scale - Grade Assignments SY 2015 - 2016			
Grade	Job Titles	Grade	Job Titles
19	Supervisor Construction	13	Customer Support Technician II
19	Systems Administrator	13	Electronics Craftsman II
19	Systems Engineer	13	Executive Office Associate I
		13	Food Services Craftsman II
18	Audiologist	13	Data Management Analyst
18	Case Management Specialist	13	HVAC Craftsman II
18	Computer Security Specialist	13	Interpreter I (EIPA 2.5 - 2.9)
18	Grant Writer	13	Machinist Craftsman II
18	Guidance Department Chair	13	Plumbing Craftsman II
18	Multi-Tiered System of Support for Behavior (MTSS-B) Coach	13	Procurement Assistant III
18	Occupational Safety and Health Specialist	13	Testing Assistant
18	Programmer/Analyst	13	Warehouse Manager - School Plant
18	Psychologist	13	Warehouse and Distribution Technician
18	School Improvement Specialist (HS)		
18	School Nurse	12	Administrative Office Associate II
18	School Social Worker	12	Benefits Assistant
18	Student Activities Coordinator (MS)	12	Bookkeeper - HS
18	Transportation Area Supervisor	12	Building Operations Supervisor
18	Visiting Teacher	12	Carpentry Craftsman II
18	Webmaster	12	Fleet Technician III
		12	General Maintenance Craftsman II
17	Accountant - Sr.	12	Interpreter
17	Budget Analyst	12	Inventory Technician
17	Geographic Information Systems (GIS) Analyst	12	Licensure Analyst
17	Interpreter Specialist	12	Loss Control Associate
17	Network Administrator	12	Painter Craftsman II
17	Procurement Specialist I	12	Payroll Assistant
17	School Improvement Specialist (MS)	12	Research, Evaluation & Assessment (REA) Assistant
17	Senior Construction Inspector	12	School Administrative Associate II (HS)
17	Student Support Specialist	12	Substitute Associate
17	Supervisor Carpentry	12	Technology Support Technician
17	Supervisor Electrical		
17	Supervisor Electronics	11	Administrative Office Associate I
17	Supervisor HVAC	11	Assistant Warehouse Manager - School Plant
17	Supervisor Maintenance	11	Fleet Technician II
17	Supervisor Night Crew	11	Bookkeeper - MS
17	Supervisor Plumbing	11	Cafeteria Manager II
		11	Customer Support Technician I
16	Accounts Payable Systems Specialist	11	Data Processing Specialist
16	Construction Inspector	11	Electrical Craftsman I
16	Data Operations Supervisor	11	Electronics Craftsman I
16	Educational Data Analyst	11	Employee Relations Associate
16	Executive Office Associate III	11	Financial Assistant
16	Food Services Program Analyst	11	Food Services Craftsman I
16	Fleet Supervisor	11	Human Resources Associate
16	HVAC Specialist	11	HVAC Craftsman I
16	Interpreter III (EIPA 3.5 - 3.9)	11	Library Cataloger
16	Network Technician II	11	Machinist Craftsman I
16	Nutritional/Training Coordinator	11	Pest Control Technician
16	Procurement Systems Specialist	11	Plumbing Craftsman I
16	Technical Contract Manager	11	Procurement Assistant II
		11	School Administrative Associate I
15	Assistant Accounts Payable Supervisor	11	Teacher Production Center Technician
15	Fleet Foreman	11	Web Page Design Technician
15	Custodial Supervisor		
15	Custodial Supplies Supervisor	10	Cafeteria Manager I
15	Electrical Craftsman III	10	Carpentry Craftsman I
15	Electronics Craftsman III	10	Clinic Assistant - LPN
15	Food Services Craftsman III	10	General Maintenance Craftsman I
15	HVAC Craftsman III	10	Painter Craftsman I
15	Machinist Craftsman III	10	School Rental Assistant
15	Occupational Health and Safety Technician	10	Special Education Assistant - BD
15	Occupational Therapy Assistant (COTA)		
15	Physical Therapy Assistant (LPTA)	09	Student Residency Verifier
15	Plumbing Craftsman III	09	ALC General Assistant - BD
15	Secretary & Clerk to Board	09	Bus Driver
15	Special Project Support	09	Clinic Assistant - EMT
15	Supervising Cafeteria Manager	09	Custodian IV
15	Warehouse Supervisor	09	Distance Learning Assistant - BD
		09	Distribution Driver
14	Accountant	09	Duplication Technician
14	Assistant Warehouse Supervisor	09	Fleet Technician I
14	Benefits Specialist I	09	General Assistant - BD
14	Carpentry Craftsman III	09	ISS Coordinator
14	Executive Office Associate II	09	Kindergarten Assistant - BD
14	General Maintenance Craftsman III	09	Library / Media Assistant - BD
14	Graphic Designer	09	PE Assistant - BD
14	Interpreter II (EIPA 3.0 - 3.4)	09	Pre-Kindergarten Assistant
14	Network Technician I	09	Procurement Assistant I
14	Painter Craftsman III	09	Ropes & Initiative Assistant - BD
14	School Business Assistant	09	Security Assistant - BD

Unified Pay Scale - Grade Assignments SY 2015 - 2016			
Grade	Job Titles	Grade	Job Titles
09	Security Officer	04	Fleet Shop Helper
09	Special Education Assistant - AD	04	Cafeteria Assistant
09	Title I Assistant - BD	04	Custodian I
09	Transportation Dispatcher		
08	ALC General Assistant - AD		
08	Assistant Cafeteria Manager		
08	Circulation Clerk		
08	Clinic Assistant - CNA		
08	Distance Learning Assistant - AD		
08	Drivers Education Instructor		
08	Fiscal Technician		
08	General Assistant - AD		
08	Kindergarten Assistant - AD		
08	Library / Media Assistant - AD		
08	Office Associate II		
08	PE Assistant - AD		
08	Pre-Kindergarten Assistant		
08	Ropes & Initiative Assistant - AD		
08	School Office Associate II		
08	School Office Associated II - Data Technicians		
08	Security Assistant - AD		
08	Special Education Assistant - HQ		
08	Title I Assistant - AD		
07	ALC General Assistant - HQ		
07	Custodian III		
07	Distance Learning Assistant - HQ		
07	General Assistant - HQ		
07	Kindergarten Assistant - HQ		
07	Library / Media Assistant - HD/HQ		
07	Library Technician		
07	PE Assistant - HQ		
07	Pre-Kindergarten Assistant		
07	Ropes & Initiative Assistant - HQ		
07	Security Assistant - HQ		
07	Special Education Assistant - HD		
07	Title I Assistant - HQ		
07	Warehouse Technician		
06	ALC General Assistant - HD		
06	Distance Learning Assistant - HD		
06	General Assistant - HD		
06	Kindergarten Assistant - HD		
06	PE Assistant - HD		
06	Pre-Kindergarten Assistant		
06	Ropes & Initiative Assistant - HD		
06	Security Assistant - HD		
05	Bus Assistant		
05	Custodian II		

Part-Time/Temporary Hourly Rates
SY 2015 - 2016
Effective: July 1 - September 30, 2015 and October 1, 2015 - June 30, 2016

Position	July 1, 2015 Rates	October 1, 2015 Rates	Comments
SUBSTITUTES			
Bus Assistants	\$ 9.88	\$ 10.09	Entry rate for Bus Driver Asst.
Bus Assistants (summer only)	\$ 9.88	\$ 10.09	Entry rate for Bus Driver Asst.
Bus Assistants subbing for bus driver (employee must substitute a minimum of one-hour)	\$ 4.49	\$ -	Additional per Hour
Bus Drivers	\$ 13.02	\$ 13.30	Entry Rate for Bus Driver
Bus Drivers (summer only)	\$ 13.02	\$ 13.30	Entry rate for Bus Driver
Cafeteria Manager	\$ 13.95	\$ 14.25	Entry Rate for Cafeteria Mgr. I
Cafeteria Assistant	\$ 9.21	\$ 9.41	Entry Rate for Cafeteria Asst.
Cafeteria Assistant subbing for Cafeteria Manager (employee must substitute a minimum of one-hour)	\$ 4.49	\$ -	Additional per Hour
Clerical	\$ 12.15	\$ 12.41	Entry Rate for Office Assoc. II
Long Term	\$ 13.02	\$ 13.30	Entry Rate for Grade 9
Custodian	\$ 9.21	\$ 9.41	Entry Rate for Custodian I
Driver Ed Instructor	\$ 12.15	\$ 12.41	Entry Rate for Drivers Ed. Inst.
Interpreter	\$ 17.16	\$ 17.53	Entry Rate for Interpreter I
ISS Coordinator	\$ 13.02	\$ 13.30	Entry Rate for ISS Coordinator
Library/Media Assistant	\$ 11.34	\$ 11.58	Entry Rate for Library Media Asst.
Library/Media Assistant subbing for Library/Media Specialist (employee must substitute a minimum of one-hour)	\$ 4.49	\$ -	Additional per Hour
Nurse Assistant	\$ 12.15	\$ 12.41	Entry Rate for Clinic Asst.
Nurse Assistant subbing for the Nurse (employee must substitute a minimum of one-hour)	\$ 4.49	\$ -	Additional per Hour
OT/PT	\$ 25.97	\$ 26.53	Entry Rate for OT/PT
OT/PT Assistant	\$ 19.70	\$ 20.12	Entry Rate for OT/PT Asst.
Security Assistant	\$ 10.58	\$ 10.81	Entry Rate for Security Asst.
Teacher Assistant	\$ 10.58	\$ 10.81	Entry Rate for Teacher Asst.
Long Term	\$ 11.34	\$ 11.58	Entry Rate for Teacher Asst HQ
Teacher Assistant subbing for Teacher (employee must substitute a minimum of one-hour)	\$ 4.49	\$ -	Additional per Hour
SUBSTITUTE DAILY RATES FOR TEACHERS and NURSES			
Teacher Daily Substitute (Non-Licensed)	\$ 89.00	\$ 89.00	Must have earned a minimum of 60 college credits
Teacher Daily Substitute (Licensed)	\$ 99.00	\$ 99.00	Must have a valid active V A teacher license
Teacher Long-Term Substitute (Licensed)	\$ 124.32	\$ 124.32	Must hold or be eligible for an active Va. teaching license with an endorsement in the subject area
Site Assigned Designated Subs - (Non-Licensed)	\$ 91.50	\$ 91.50	Must have earned a minimum of 60 college credits
Site Assigned Designated Subs - (Licensed)	\$ 99.00	\$ 99.00	Must have a valid active VA teacher license
School Nurse, RN - Daily	\$ 175.33	\$ 175.33	Must be a registered nurse
SUMMER SCHOOL EMPLOYEES			
Building Supervisor	\$ 13.02	\$ 13.30	Entry Rate for Custodian IV
Bus Assistants	\$ 9.88	\$ 10.09	Entry Rate for Bus Driver Asst.
Bus Drivers	\$ 13.02	\$ 13.30	Entry Rate for Bus Driver
Clerical	\$ 12.50		
Custodian	\$ 9.21	\$ 9.41	Entry Rate for Custodian I
Driver Ed Teacher-Behind the Wheel (Licensed)	\$ 30.00		Summer School Teacher Rate
Driver Ed Parapro - Behind the Wheel (Non - Licensed)	\$ 15.60		
Driver Ed Teacher-Classroom	\$ 30.00		Summer School Teacher Rate
Interpreter	\$ 17.16	\$ 17.53	Entry Rate for Interpreter I
Library/Media Assistant	\$ 12.50		
Nurse (RN)	\$ 175.33	\$ 175.33	Daily Rate for School Nurse
Nurse Assistant	\$ 12.50		
OT/PT	\$ 25.97	\$ 26.53	
OT/PT Assistant	\$ 19.70	\$ 20.12	Entry Rate for OT/PT Asst.
Security Assistant	\$ 12.50		
Summer Feeding Program (Manager)	\$ 12.30		Grant Funds
Summer Feeding Program (Worker)	\$ 9.32		Grant Funds

Part-Time/Temporary Hourly Rates
SY 2015 - 2016
Effective: July 1 - September 30, 2015 and October 1, 2015 - June 30, 2016

Position	July 1, 2015 Rates	October 1, 2015 Rates	Comments
SUMMER SCHOOL EMPLOYEES (continued)			
Teacher Assistant subbing for Teacher <i>(applies to non-VBCPS employees working summer school only)</i>	\$ 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	\$ 27.83-66.00	\$ 28.42-68.68	<i>Superintendent or designee approval required (Grade 20-midpoint of 28)</i>
Alternate Chief Examiner - Adult Learning Center (ALC)	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
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 - 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	\$ 9.21	\$ 9.41	<i>Entry Rate for Cafeteria Asst.</i>
Clerical Support	\$ 12.15-17.16	\$ 12.41-17.53	<i>Clerical entry rates for grades 8-13</i>
Computer Lab Facilitator-Technician (ALC)	\$ 14.62	\$ 14.94	
Curriculum Development/Textbook Adoption	\$ 25.00		
Evening Administrator	\$ 31.95	\$ 32.63	<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		
Hearing Officer - Student Discipline	\$ 45.00 per		
Hearing Officer - Case Cancelled	\$ 15.00 per		
Homebound Teacher - Certified	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Homebound Teacher - Non-Certified Teacher	\$ 23.16	\$ 23.65	<i>Adj. by same % and Entry Level-Teacher</i>
Homework Hotline - Non Certified Teacher	\$ 23.16	\$ 23.65	<i>Adj. by same % and Entry Level-Teacher</i>
Homework Hotline - Certified Teacher	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Interpreter - After School Activities - (EIPA 2.5-2.9)	\$ 17.16	\$ 17.53	<i>Entry Rate for grade 13 interpreter</i>
Interpreter - After School Activities - (EIPA 3.0-3.4)	\$ 18.39	\$ 18.78	<i>Entry Rate for grade 14 interpreter</i>
Interpreter - After School Activities - (EIPA 3.5-3.9)	\$ 21.11	\$ 21.56	<i>Entry Rate for grade 16 interpreter</i>
IPT/VGLA Testing & Scoring	\$ 25.00	\$ 25.00	
Jail Education Program - Social Worker	\$ 40.00		
Jail Education Program - Psychologist	\$ 60.00		
Jail Education Program - Teacher	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Leadership Camp Counselor	\$ 8.61	\$ 8.79	<i>Entry Rate for Grade 3 - Unified Scale</i>
Music Clinicians/Judges	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Occupation Therapy Assistant (Certified)	\$ 19.70	\$ 20.12	<i>Entry Rate for OT/PT Asst.</i>
Occupation Therapist	\$ 34.25		
PALS Instructor (HD)	\$ 12.80	\$ 13.07	
PALS Instructor (BD)	\$ 15.35	\$ 15.68	
PALS Instructor (Certified)	\$ 17.34	\$ 17.71	
Physical Therapist	\$ 34.25		
Physical Therapy Assistant (Licensed)	\$ 19.70	\$ 20.12	<i>Entry Rate for OT/PT Asst.</i>
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	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Project Support Staff	\$ 11.34-66.00	\$ 11.58-67.68	<i>Superintendent or designee approval required (Grade 7-midpoint of 28)</i>

Part-Time/Temporary Hourly Rates
SY 2015 - 2016
Effective: July 1 - September 30, 2015 and October 1, 2015 - June 30, 2016

Position	July 1, 2015 Rates	October 1, 2015 Rates	Comments
MISCELLANEOUS HOURLY AND/OR DAILY RATES (continue)			
Project Support Staff - PIA - Clerical	\$ 12.15	\$ 12.41	<i>Entry Rate for Office Assoc. II</i>
Project Support Staff - Materials Asst.	\$ 13.02	\$ 13.30	<i>Entry Rate for Grade 9 Procurement Asst.</i>
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	\$ 9.80	\$ 10.04	
Special Education Job Coach - HD	\$ 13.10	\$ 13.38	
Special Education Job Coach - BD	\$ 15.28	\$ 15.61	
Specialty Camp Coach	\$ 13.64	\$ 13.93	
Student Workers	\$ 8.61	\$ 8.79	<i>Entry Rate for Grade 3 - Unified Scale</i>
Teacher - Academic Programs	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Teacher - After Hours (approval required)	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Teacher - ALC	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Teacher - Community Service Programs - 6 Students (ALC)	\$ 14.24	\$ 14.54	
Teacher - Community Service Programs - 7 Students (ALC)	\$ 16.27	\$ 16.61	
Teacher - Community Service Programs - 8 Students (ALC)	\$ 18.31	\$ 18.70	
Teacher - Community Service Programs - 9+ Students (ALC)	\$ 20.34	\$ 20.77	
Teacher - Workforce Development Training - 6 Students (ALC)	\$ 15.82	\$ 16.16	
Teacher - Workforce Development Training - 7 Students (ALC)	\$ 18.08	\$ 18.47	
Teacher - Workforce Development Training - 8 Students (ALC)	\$ 20.34	\$ 20.77	
Teacher - Workforce Development Training - 9+ Students (ALC)	\$ 22.60	\$ 23.08	
Teacher - Transition Program (Grant)	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Test Examiner	\$ 18.77	\$ 19.17	
Test Proctor	\$ 12.15	\$ 12.41	<i>Entry Rate for Office Assoc. II</i>
TSIP Test Proctor	\$ 16.20		
Tutor - AVID Program	\$ 17.63		
Tutor - Certified	\$ 28.60	\$ 29.20	<i>Entry Rate for a Teacher</i>
Tutor - Non-certified	\$ 23.16	\$ 23.65	<i>Adj. by same % as Entry Level-Teacher</i>
Workshop Participants - Classified	\$ 8.30	\$ 8.50	<i>50% of Grade 8 midpoint (TA)</i>
Workshop Participants - Teacher	\$ 18.37	\$ 18.85	<i>50% of the Teacher Scale for 18 years of exp.</i>

TABLE OF ALLOWANCES SY 2015-2016 Effective: July 1, 2015		
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
ZALW7096	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 7398	Military Leave Differential Allowance - (<i>Based on the individual's assignment</i>)	Varies
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>)	23,660.00
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
2015-2016	*Tuition Reimbursement Rate (<i>Per Policy 4-39</i>)	625.00

* Denotes allowances that are not subject to VRS

Staffing Standards and Guidelines

FY 2015/16

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, 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 after the assistant superintendent/directors receive 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 2015/16 are 1 student above the VDOE school-wide 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
 6 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

- (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 EDK FTE assigned per school; additional FTE based on established eligibility criteria.

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*
Physical Education/Grades 1-5	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]; .20 additional RRS for each 100 students in membership after 500 (VBCPS) (.50 Kemps Landing/ODC)
Library Media Specialist	1 per school
Guidance	1 per school;.20 additional guidance 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)	For the 2015-2016 school year there are a total of 84 ITS positions. These positions are allocated according to the projected enrollment bands as listed below.

Minimum Enrollment	Maximum Enrollment	Allocation
	500	0.5
501	1,000	1.0
1,001	2,000	1.5
2,001		2.0

Strings	Itinerant based on enrollment and levels
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 Kemps Landing/ODC); additional nurse assigned on a special needs basis
Clinic Assistant	Special needs basis

Teacher Assistant Allocations (VBCPS)

Kindergarten	1 per kindergarten teacher
Physical Education	1 for each 6 classes exceeding the P.E. teacher's initial 6 classes; 1 assistant per 6 additional classes*
General Assistants	1 500 students (excluding Kemps Landing/ODC) 1.5 650 students 2 800 students 2.5 950 students Special needs basis (Additional FTE for Christopher Farms Spanish Immersion Program as needed)

*Physical Education Teacher Assistants (Grades 1-5)

7-9 classes	0.5 FTE
10-12 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 Allocations

School Administrative Associate I/12 mo.	1 per school (excluding Kemps Landing/ODC)
School Office Associate II/12 mo.	1 per school and special education centers
School Office Associate II/10 mo.	1 per school (excluding Kemps Landing/ODC)
Technical Support Specialist (TST)/12 mo.	1 per school (excluding Kemps Landing/ODC)
Library Media Assistant/10 mo.	1 per school (.50 Creeds Elementary and excluding Kemps Landing/ODC)
Extra Secretarial Days	7 per school 20 per new school

Administrative Allocations

Principal	1 per school (excluding Kemps Landing/ODC)
Assistant Principal	1 300-899 students

2 900-1,499 students

3 1,500 students

Other School Administrator Allocations

Coordinators Assigned to special programs

Administrative Assistant Special needs basis

Custodian 1 per 17,000 square feet

Staffing Standards and Guidelines

FY 2015/16

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: 22:1
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, SOL improvement specialists, and computer resource 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 assistant superintendent 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 with 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
(Kemps Landing/Old Donation School, Bayside 6th Grade Campus and Bayside Middle School are staffed using appropriate modifications to all established standards.)

Instructional Technology Specialist

Assigned to schools according to the following.

Enrollment	Allocation
Up to 500	0.5
501 to 1,000	1.0
1,001 to 2,000	1.5
2,001 +	2.0

Technical Support Technician

1 per school

Distance Learning

.20 per school (for schools that send transmissions)

Gifted Education

1 per school (excluding Kemps Landing/Old Donation School. Bayside 6th Grade Campus 0.4 and Bayside Middle School 0.6)

Student Activities

1 per school (.50 to Kemps Landing/Old Donation School. Bayside 6th Grade Campus and Bayside MS will share)

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)

Reading Specialist	1 per school (.50 to Kemps Landing/Old Donation School and 2.0 to Bayside MS)
English as a Second Language	Itinerant based on number of students and level of proficiency [Federal Standard]

Paraprofessional Allocation

In-School Suspension	1 per school (excluding Kemps Landing/Old Donation School. Bayside 6 th Grade Campus staffed with a TEA.)
----------------------	--

VBCPS Non-Instructional - Secretarial/Clerical Allocations

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
School Office Assoc. II/Discipline Secretary/10 mo.	1 for 1,000 students
School Office Associate II/10 mo.	2 for 1,600 students
School Office Associate II/10 mo.	3 for 2,200 students
School Office Associate II/12 mo./Data Tech	1 per school (excluding Bayside 6 th Grade Campus)
Library Media Assistant	1 per school (750 enrollment) [SOQ]
School Office Assoc. II/Guidance Secretary/12 mo.	1 per school (excluding Bayside 6 th Grade Campus/ staffed with a TEA)
Additional Secretarial Days	21 per school (7 for Kemps Landing/Old Donation School and shared between Bayside 6 and Bayside MS)

Security Assistant Allocations

Security	3 per school; additional staff is based on special need (excluding Kemps Landing/Old Donation School and Bayside 6 th Grade Campus which has 2)
----------	--

Distance Learning Teacher Assistant Allocations

Teacher Assistant	1 per school (excluding Kemps Landing/Old Donation School)
-------------------	--

General Assistant Allocations

General Assistant	Kemps Landing/Old Donation School (1)
-------------------	---------------------------------------

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
	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 17,000 square feet

Staffing Standards and Guidelines

FY 2015/16

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, Education for Employment, NJROTC, special education, guidance counselors, library media specialists, testing specialists, computer resource specialists, and student activity coordinators.

(b) Courses not meeting minimums may be dropped. Waivers may be granted by the assistant superintendent, 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, 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 assistant superintendent 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, Special Education, and Guidance Counselors Allocations

Distance Learning	.20 per school (for schools that send transmissions)
Gifted Education	1 per school excluding Renaissance Academy
Student Activities	1 per school (with interscholastic program)
Library Media Specialist	1 library media specialist per school with an additional library media specialist when enrollment exceed 1,000. (SOQ requirement)

Instructional Technology Specialist

Assigned to schools with the exception of the Advanced Technology Center and Career and Technical and Center according to the following.

Enrollment	Allocation
Up to 500	0.5
501 to 1,000	1.0
1,001 to 2,000	1.5
2,001 +	2.0
Renaissance Academy	1.0

Technical Support Technician	1 per school
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]

Reading Specialist

1 per school; exceptions include Renaissance Academy (2)
and Technical and Career Education Center (0)

Paraprofessional Allocations

In-School Suspension

1 per school

Non-Instructional - Secretarial/Clerical 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 1,000 students

School Office Assoc II/12 mo.

2 1,600 students [State]

School Office Assoc II/10 mo.

3 2,200 students [State]

School Office Assoc II/12 mo. (Data Tech)

1 per school

Library Media Assistant

1 per school (750 students) [SOQ]

School Office Assoc II/12 mo. (Guidance)

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

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 [State]

Assistant Principal

2 below 1,200 students
3 1,200 students

4 1,800 students

Other School Administrator Allocations

Coordinators Assigned to special programs

Administrative Assistant Special needs basis

Custodial Allocations

Custodian 1 per 17,000 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. Funds may be transferred between the categories with certain account restrictions and no more than two times per fiscal year. The principal is responsible for the management of all allocated 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 \$8,080
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 (Restricted Account) - 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 (Restricted Account) - 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 - The Instructional, Special Education, and Computer Supplies school financial allocation accounts are subject to transfer restrictions. Funds may be transferred into any of these accounts; however, once funds are transferred into a restricted account, they cannot be transferred out for any purpose.

FY 2015/16 BUDGET MANAGER AND SIGNATURE AUTHORITY

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.

Budget Name		Senior Staff	Budget Manager(s)	Signature Authority
INSTRUCTION				
50100 60100	Elementary Classroom	Shirann Lewis	Shirann Lewis Sean Walker Kathleen Starr	Shirann Lewis Rashard Wright
	School Draw Account			Principal (Draw only)
50200 60200	Senior High Classroom	Rashard Wright	Rashard Wright	Rashard Wright Marc Bergin
	School Draw Account			Principal (Draw only)
50300 60300	Technical and Career Education	Amy Cashwell	Patrick Konopnicki	Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only)
50400 60400	Gifted Education and Academy Programs	Amy Cashwell	Veleka Gatling James Pohl	Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only)
50500 60500	Special Education	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only))
50600 60600	Summer School	Amy Cashwell	Veleka Gatling	Amy Cashwell Marc Bergin
50700 60700	General Adult Education	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
50800 60800	Alternative Education – Renaissance	Rashard Wright	Kay Thomas	Rashard Wright Marc Bergin
	School Draw Account			Principal (Draw only)
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
	School Draw Account			Principal (Draw only)
51100 61100	Office of the Principal – Senior High	Rashard Wright	Rashard Wright	Rashard Wright Marc Bergin
	School Draw Account			Principal (Draw only)
51200 61200	Office of the Principal – Technical and Career	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only)
51300 61300	Guidance Services	Amy Cashwell	Alveta Mitchell James Pohl	Amy Cashwell Marc Bergin
51400 61400	Social Work Services	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
51500 61500	Media and Communications	Kathleen O'Hara	Kathleen O'Hara	Kathleen O'Hara Eileen Cox
61600	Instructional Technology	Amy Cashwell	William Johnsen	William Johnsen Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only)

	Budget Name	Senior Staff	Budget Manager(s)	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 Center for Teacher Leadership	Donald Robertson	Donald Robertson	Donald Robertson Marc Bergin
51720 61720	Diversity	Jobynia Caldwell	Jobynia Caldwell	Jobynia Caldwell Rashard Wright
51800 61800	Special Education Support	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
51900 61900	Gifted Education and Academy Programs Support	Amy Cashwell	Amy Cashwell James Pohl Veleka Gatling	Amy Cashwell Marc Bergin
	School Draw Account			Principal (Draw only)
52000 62000	Media Services Support	Amy Cashwell	William Johnsen	Amy Cashwell William Johnsen Marc Bergin
	School Draw Account			Principal (Draw only)
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
	School Draw Account			Principal (Draw only)
52300 62300	Remedial Education	Amy Cashwell	Amy Cashwell Veleka Gatling	Amy Cashwell Marc Bergin
52400 62400	Office of the Principal – Middle School	Cheryl Woodhouse	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
	School Draw Account			Principal (Draw only)
52500 62500	Homebound Services	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
52600 62600	Technical and Career Education Support	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
52700 62700	Student Leadership	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
52800 62800	Psychological Services	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
52900 62900	Audiological Services	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
53100 63100	School Leadership	Rashard Wright	Rashard Wright Shirann Lewis	Rashard Wright Marc Bergin
53200 63200	Alternative Education	Rashard Wright	Kay Thomas Rashard Wright	Rashard Wright Marc Bergin
54100 64100	Board, Legal, and Governmental Services	Aaron Spence	Aaron Spence	Marc Bergin Aaron Spence
54200 64200	Office of the Superintendent	Aaron Spence	Aaron Spence	Marc Bergin Aaron Spence
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

	Budget Name	Senior Staff	Budget Manager(s)	Signature Authority
54500 64500	Internal Audit		Terrie Pyeatt	Terrie Pyeatt Farrell Hanzaker
54600 64600	Purchasing Services	Farrell Hanzaker	Kevin Beardsley	Kevin Beardsley Farrell Hanzaker John Manzella
54700 64700	Center for Teacher Leadership	Donald Robertson	Donald Robertson	Donald Robertson Marc Bergin
64900	Office of Technology	Ramesh Kapoor	Joseph Damus	Joseph Damus Ramesh Kapoor Marc Bergin
55000 65000	Benefits	Farrell Hanzaker	Linda Matkins	Linda Matkins Farrell Hanzaker Susan Scofield
55200 65200	Health Services	Rashard Wright	Michael McGee	Rashard Wright Marc Bergin
PUPIL TRANSPORTATION				
56100 66100	Management	Dale Holt	John Cotthaus	John Cotthaus Dale Holt Marc Bergin
56200 66200	Vehicle Operations	Dale Holt	John Cotthaus	John Cotthaus Dale Holt Marc Bergin
56250 66250	Vehicle Operations – Special Education	Dale Holt	John Cotthaus	John Cotthaus Dale Holt Marc Bergin
56300 66300	Vehicle Maintenance	Dale Holt	John Cotthaus	John Cotthaus Dale Holt Marc Bergin
56400 66400	Monitoring Services	Dale Holt	John Cotthaus	John Cotthaus Dale Holt Marc Bergin
OPERATIONS AND MAINTENANCE				
57100 67100	Facilities Planning and Construction	Dale Holt	Anthony Arnold	Dale Holt Marc Bergin
57200 67200	School Plant	Dale Holt	Brian Baxter	Brian Baxter Dale Holt
57300 67300	Distribution Services	Dale Holt	Eric Woodhouse	Eric Woodhouse Dale Holt
57400 67400	Grounds Services	Dale Holt	Steven Proffitt	Dale Holt Marc Bergin
57500 67500	Custodial Services	Dale Holt	Larry Ames	Larry Ames Dale Holt
58100 68100	Safety and Loss Control	Dale Holt	Richard Ponti	Dale Holt Farrell Hanzaker
58200 68200	Vehicle Services	Dale Holt	John Cotthaus	John Cotthaus Dale Holt
58300 68300	Telecommunications	Ramesh Kapoor	Ramesh Kapoor	Neha Patel Michael Combs Ramesh Kapoor
68400	Technology Maintenance	Ramesh Kapoor	Neha Patel	Neha Patel Ramesh Kapoor

	Budget Name	Senior Staff	Budget Manager(s)	Signature Authority
OTHER FUNDS				
104	Green Run Collegiate Charter School	Barbara Winn	Barbara Winn	Barbara Winn Rashard Wright
107	Equipment Replacement Fund	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
108	Instructional Technology Fund	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor and William Johnsen Farrell Hanzaker
109	Vending Operations Fund	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
112	Communication Towers Technology Fund	Ramesh Kapoor	Joseph Damus	Joseph Damus Ramesh Kapoor Farrell Hanzaker
114	Food Services Fund	Dale Holt	John Smith	John Smith Dale Holt Farrell Hanzaker
116	Categorical Grants (determined by the applicable Senior Staff)			

Department of School Leadership

	Adult Basic Education	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	General Adult Education (GAE)	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	ISAEP	Rashard Wright	Kay Thomas	Rashard Wright Marc Bergin
	Juvenile Detention Home	Rashard Wright	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
	MyCAA – ALC Courses	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	MyCAA – LPN Program	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	Opportunity Inc. – Adult Learning	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	Positive Behavior Interventions and Supports (PBIS)	Rashard Wright	Jobynia Caldwell	Jobynia Caldwell Rashard Wright
	Post 9/11 GI Bill	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	Race to GED	Rashard Wright	Paul Palombo	Rashard Wright Marc Bergin
	Title I Part D Subpart 1	Rashard Wright	Cheryl Woodhouse	Cheryl Woodhouse Rashard Wright
	Title I Part D Subpart 2	Rashard Wright	Kay Thomas	Rashard Wright Marc Bergin

Department of Media and Communications

LTR (Ret) H.G. Pete Taylor Partnership of Excellence	Kathleen O'Hara	Kathleen O'Hara Eileen Cox
---	-----------------	-------------------------------

Budget Name	Senior Staff	Budget Manager(s)	Signature Authority
<i>Department of Planning, Innovation, and Accountability</i>			
Career Switcher Program Mentor	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
<i>Office of Safety and Loss Control</i>			
Risk Management Grant Program	Dale Holt	Richard Ponti	Dale Holt Marc Bergin
School Security Equipment	Dale Holt	Richard Ponti	Dale Holt Marc Bergin
<i>Department of Teaching and Learning</i>			
Advanced Placement Fee Program	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Algebra Readiness	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Allstate Foundation Safe Teen	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Asia Society Confucius Classrooms	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
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
College Exposure Program	Amy Cashwell	Lesley Hughes	Amy Cashwell Marc Bergin
D 'n' A Building Blocks for Middle	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
DoDEA MCASP	Amy Cashwell	Alveta Mitchell Veleka Gatling	Amy Cashwell Marc Bergin
DoDEA-MCASP Operation PRIDE	Amy Cashwell	Alveta Mitchell Veleka Gatling	Amy Cashwell Marc Bergin
DoDEA S-FLEP	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
DoDEA Special Education	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Dominion Educational Partnership	Amy Cashwell	James Pohl	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

Budget Name	Senior Staff	Budget Manager(s)	Signature Authority
Governor's STEM Academy – Landstown HS Supplement	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Green Run Collegiate Charter School Support	Amy Cashwell	Barbara Winn Veleka Gatling	Amy Cashwell and Rashard Wright
Green Run Collegiate Support	Amy Cashwell	Barbara Winn Veleka Gatling	Amy Cashwell and Rashard Wright
Industry Certification Examinations	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
Jail Education Program	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Learning Enhanced Through the Nature of Science (LENS)	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
McKinney Homeless	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Opportunity Inc. - STEM	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin
Preschool Incentive	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Project HOPE – City Wide SCA	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
SPED Governor's STEM Academy – Landstown HS Supplement	Amy Cashwell	James Pohl	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	Veleka Gatling	Amy Cashwell Marc Bergin
Title IV Part B 21st CCLC GRC	Amy Cashwell	Barbara Winn Veleka Gatling	Amy Cashwell and Rashard Wright
Title IV Part B 21st CCLC Williams	Amy Cashwell	Veleka Gatling	Amy Cashwell
Title VI-B	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Virginia Incentive Program for	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Virginia Initiative for At Risk Four-Year-Olds	Amy Cashwell	Daisy Wood	Amy Cashwell Marc Bergin
Virginia Middle School Teacher Corps	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Virtual Virginia	Amy Cashwell	James Pohl	Amy Cashwell Marc Bergin
Workplace Readiness Skills for the Commonwealth Exam	Amy Cashwell	Patrick Konopnicki James Pohl	Amy Cashwell Marc Bergin

	Budget Name	Senior Staff	Budget Manager(s)	Signature Authority
<i>Department of Technology</i>				
	Technology Initiative (non-training)	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor Marc Bergin
	Technology Initiative (training)	Ramesh Kapoor	William Johnsen	William Johnsen and Ramesh Kapoor
	Virginia eLearning Backpack-Bayside HS	Ramesh Kapoor	William Johnsen	William Johnsen and Ramesh Kapoor
	Virginia eLearning Backpack-Green Run HS	Ramesh Kapoor	William Johnsen	William Johnsen and Ramesh Kapoor
	Virginia eLearning Backpack-Kempsville HS	Ramesh Kapoor	William Johnsen	William Johnsen and Ramesh Kapoor
117	Textbook Fund	Amy Cashwell	Amy Cashwell	Amy Cashwell Farrell Hanzaker
119	Athletic Fund	Rashard Wright	Michael McGee	Rashard Wright Farrell Hanzaker
614	Risk Management Fund	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
615/ 617	Health Insurance Fund	Farrell Hanzaker	Farrell Hanzaker Linda Matkins	Farrell Hanzaker Crystal Pate
CIP PROJECTS				
1008	Instructional Technology – Phase II	Ramesh Kapoor	William Johnsen	William Johnsen 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	William Johnsen and Ramesh Kapoor Farrell Hanzaker
1211	School Operating Budget Support (assigned by unit code)	As Assigned		
1237	Schools Human Resources Payroll System	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Crystal Pate
	All Other CIP Projects except those listed above	Dale Holt	Anthony Arnold	Anthony Arnold and Dale Holt

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

Daniel D. Edwards, District 2 – Kempsville, Chair
Beverly M. Anderson, At-Large, Vice Chair
Sharon R. Felton, District 6 – Beach
Dorothy M. Holtz, At-Large
Joel A. McDonald, District 3 – Rose Hall
Ashley K. McLeod, At-Large
Kimberly A. Melnyk, District 7 – Princess Anne
Carolyn T. Rye, District 5 – Lynnhaven
Elizabeth E. Taylor, At-Large
Leonard C. Tengco, District 1 – Centerville
Carolyn D. Weems, District 4 – Bayside
Aaron C. Spence, Ed.D., Superintendent

Budget Resolution – FY 2015/16

WHEREAS, due to inclement weather, the advertised public hearing on the budget scheduled for February 17, 2015 was cancelled and the School Board has now set a public hearing for March 17, 2015 to comply with statutory notice requirements; and

WHEREAS, the City Manager requires budget information from the School Board in order to complete his budget recommendation to the City Council prior to March 17, 2015; and

WHEREAS, to comply with statutory requirements regarding publication of notice of a public hearing on the School Board budget and to assist the City Manager in completing a budget recommendation that accurately reflects both the Schools' and the City's budgetary needs, the School Board resolves to pass this Resolution on March 3, 2015 for the purpose of assisting the City Manager in preparing his budget recommendation and then to hold a public hearing and to vote on a final budget request by the School Board on March 17, 2015; and

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 2015/16 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 32.37% 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 1.34 percent salary increase for school employees of which employees will have to pay 1 percent to the Virginia Retirement System leaving employees with a net increase of only 0.34 percent; and

WHEREAS, the total funds requested for FY 2015/16 from the City of Virginia Beach to the School Board of the City of Virginia Beach is \$390,919,029; and

School Board of the City of Virginia Beach
School Administration Building# 6, Municipal Center
2512 George Mason Dr., Virginia Beach, VA 23456

**Budget Resolution – FY 2015/16
(continued)**

WHEREAS, the debt service payment is estimated to be \$44,982,843 leaving a balance of \$345,936,186 to allocate between the Operating Budget, and the Capital Improvement Program (CIP); and

WHEREAS, that Local Revenues in the amount of \$2,885,023 shall be directly appropriated to Green Run Collegiate Charter School – Fund 104, leaving a balance of \$343,051,163 to be allocated to the Operating Budget; and

WHEREAS, the savings remaining in the School Reserve Special Revenue Fund is \$12,299,318, which would have normally been used for major one-time purchases and construction projects that have been deferred in anticipation of a budget shortfall, will now be budgeted to use for the FY 2015/16 Operating Budget; and

NOW, THEREFORE, BE IT

RESOLVED: That \$0.0 of the Sandbridge TIF be allocated to the Operating Budget bringing the Operating Budget total to \$343,051,163 and allocating \$3,591,000 to the Schools' PAYGO for the CIP; and be it

FURTHER RESOLVED: That \$642,448 be allocated to the Schools PAYGO leaving a balance of \$342,408,715 to the Operating Budget; and be it

FURTHER RESOLVED: That \$12,299,318 of the School Reserve Special Revenue Fund be added to the Operating Budget, bringing the total to \$354,708,033; and be it

FURTHER RESOLVED: That Federal Funds in the amount of \$12,476,532 along with State Funds in the amount of \$318,975,927 and Other Local Funds in the amount of \$3,418,341 be added to the Operating Budget bringing it to a total for FY 2015/16 of \$689,578,833; and be it

FURTHER RESOLVED: That the School Board requests a Lump Sum Appropriation of \$689,578,833 for FY 2015/16 from the City Council for the School Board FY 2015/16 Operating Budget; and be it

FURTHER RESOLVED: That the School Board requests an appropriation of \$106,449,706 for special grants and other special revenue funds comprised of Federal Grants in the amount of \$41,691,365, State Grants in the amount of \$15,274,305, Local Grants in the amount of \$322,284, and other special revenue funds in the amount of \$49,161,752 for the 2015/16 fiscal year and that the total of these funds be included in the Lump Sum Appropriation for a total of \$796,028,539; and be it

FURTHER RESOLVED: That the above parts of this Resolution relate to a balanced budget based on the projected revenues and expenses associated with the best estimates of the City's and School's budget staffs. However; a proposed balanced budget based on only those best estimates will not meet the needs of the school division as determined by the School Board; and be it



School Board of the City of Virginia Beach
School Administration Building# 6, Municipal Center
2512 George Mason Dr., Virginia Beach, VA 23456

**Budget Resolution – FY 2015/16
(continued)**

FURTHER 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 amount of \$390,919,029 shown above in the 9th WHEREAS statement; and be it

FURTHER RESOLVED: That the School Board requests additional funding in the amount of \$20.3 million; and be it

FURTHER RESOLVED: That the purpose for the additional funding is: 1) to provide an additional salary increases for School Board employees of 3.66% (in addition to the 1.34% VRS offset in the balanced budget) estimated to be \$14.3 million; 2) to provide \$4 million to reduce the School Board's reliance on one-time revenues to balance the Operating Budget; and 3) to provide \$2 million for the Unified Scale equity adjustments; and be it

FURTHER RESOLVED: That the School Board supports an increase in the real estate tax or any other local tax if the City Council determines that such a tax increase is necessary; 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 17th day of March 2015.

SEAL

Daniel D. Edwards, Chairman

Attest:

Dianne P. Alexander, Clerk of the Board

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

Daniel D. Edwards, District 2 – Kempsville, Chair
Beverly M. Anderson, At-Large, Vice Chair
Sharon R. Felton, District 6 – Beach
Dorothy M. Holtz, At-Large
Joel A. McDonald, District 3 – Rose Hall
Ashley K. McLeod, At-Large
Kimberly A. Melnyk, District 7 – Princess Anne
Carolyn T. Rye, District 5 – Lynnhaven
Elizabeth E. Taylor, At-Large
Leonard C. Tengco, District 1 – Centerville
Carolyn D. Weems, District 4 – Bayside
Aaron C. Spence, Ed.D., Superintendent

CIP RESOLUTION

FY 2015/16 --- FY 2020/21 Capital Improvement Program

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 Pay as You Go funds and the issuance of debt by the City; and

WHEREAS, the City Council Revenue Sharing Formula provides 32.37% of certain general fund revenues to meet obligations of the School Board of the City of Virginia Beach; and

WHEREAS, the City Council Revenue Sharing Formula 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.

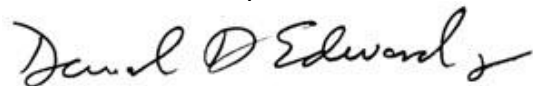
NOW, THEREFORE, BE IT

RESOLVED: That the School Board of the City of Virginia Beach adopts a CIP program of \$341,829,111 (as shown on the attached School Board Funding Summary dated March 3, 2015), and be it

FINALLY RESOLVED: That a copy of this resolution be spread across the official minutes of this Board, and the Clerk of the 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.

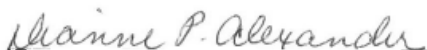
Adopted by the School Board of the City of Virginia Beach this 17th day of March 2015

SEAL



Daniel D. Edwards, Chairman

Attest:



Dianne P. Alexander, Clerk of the Board

Virginia Beach City Public Schools
Capital Improvement Program 2015-16/2020-21
March 3, 2015

Funding Sources	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Charter Bonds	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000	32,300,000
Sandbridge	3,591,000	2,591,000	3,591,000	3,591,000	3,591,000	3,591,000
Public Facility Revenue Bonds	0	0	0	0	0	0
PayGo	642,448	1,000,000	1,500,000	2,000,000	2,000,000	2,000,000
Interest/Sale of Property	0	0	0	0	0	0
Unencumbered Funds/ Completed Projects	0	0	0	0	0	0
State Construction Grants	0	0	0	0	0	0
Lottery Funds	0	0	0	0	0	0
Total	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000

School Board Funding Summary
Virginia Beach City Public Schools
Capital Improvement Program FY2015-2016/FY2020-2021
March 3, 2015

Project Category	Total Project Cost	Six Year Appropriations	Appropriations to Date	Year 1 2015-2016	Year 2 2016-2017	Year 3 2017-2018	Year 4 2018-2019	Year 5 2019-2020	Year 6 2020-2021
1-003 Renovations and Replacements - Energy Management Phase II	8,675,000	8,675,000	750,000	800,000	1,325,000	1,000,000	1,500,000	1,600,000	1,700,000
1-004 Tennis Court Renovations Phase II	1,000,000	1,000,000	200,000	200,000	200,000	200,000	200,000	0	0
1-005 Green Run High School Collegiate Renovations	516,300	516,300	516,300	0	0	0	0	0	0
1-008 Instructional Technology - Phase II	642,448	642,448	0	642,448	0	0	0	0	0
1-035 John B. Dey Elementary School Modernization	23,289,241	23,289,241	2,000,000	4,887,000	14,402,241	2,000,000	0	0	0
1-043 Thoroughgood Elementary School Replacement	28,270,000	28,270,000	0	0	4,438,759	10,000,000	8,000,000	5,831,241	0
1-056 Princess Anne Middle School Replacement	81,000,000	49,782,759	0	0	3,100,000	11,491,000	9,216,000	10,634,759	15,341,000
1-099 Renovations and Replacements - Grounds - Phase II	14,750,000	14,750,000	7,300,000	800,000	1,175,000	1,250,000	1,325,000	1,400,000	1,500,000
1-103 Renovations and Replacements - HVAC - Phase II	65,817,724	65,817,724	28,842,724	5,300,000	5,625,000	5,700,000	6,350,000	6,750,000	7,250,000
1-104 Renovations and Replacements - Reroofing - Phase II	49,685,639	49,685,639	24,551,639	3,009,000	3,975,000	4,000,000	4,450,000	4,700,000	5,000,000
1-105 Renovations and Replacements - Various - Phase II	20,785,000	20,785,000	10,110,000	1,350,000	1,650,000	1,750,000	1,850,000	1,975,000	2,100,000
1-107 Princess Anne High School Replacement	105,000,000	15,000,000	0	0	0	0	5,000,000	5,000,000	5,000,000
1-233 Kemps Landing/Old Donation School	63,615,000	63,615,000	44,070,000	19,545,000	0	0	0	0	0
		Total	Appropriations	Year 1 2015-2016	Year 2 2016-2017	Year 3 2017-2018	Year 4 2018-2019	Year 5 2019-2020	Year 6 2020-2021
GRAND TOTAL (all projects)	463,046,352	341,829,111	118,340,663	36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000
TARGETS				36,533,448	35,891,000	37,391,000	37,891,000	37,891,000	37,891,000
DIFFERENCE				0	0	0	0	0	0



City Council and School Board Policy

Title: City/School Revenue Sharing Policy		Index Number:
Date of Adoption: October 23, 2012	Date of Revision:	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 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.
- 2.3. "Local Tax Revenues" refers to all General Fund revenues generated by non-dedicated local taxes: real estate (less dedications such as the FY 2013 dedication for Schools and road construction, the Outdoor Initiative, the Agricultural Reserve Program, and the Recreation Centers); Personal Property; General

Sales; Utility; Utility-Consumption; Virginia Telecommunications; Business License (BPOL); Cable Franchise; Cigarette (less deduction for Economic Development Incentive Program (EDIP); Hotel Room; Restaurant Meals; Automobile License; Bank Net Capital; City Tax on Deeds; and City Tax on Wills.

- 2.4. “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 FY 2013 dedications to Schools (4 cents of the real estate tax) and Transportation (2 cents of the real estate tax); 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 at page 60 of the Executive Summary in the FY 2013 Budget and pages 1-39 and 1-40 of the FY 2013 Operating Budget.
- 2.5. “Revenue Sharing Formula” refers to the method of sharing Local Tax Revenues between the City and the Schools.
- 2.6. “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.
- 2.7. “Actual Local Tax Revenues” refers to the actual collected revenues reflected in the Comprehensive Annual Financial Report (CAFR).
- 2.8. “School Reversion Funds” refers to unused expenditure appropriations and end of the year adjustments to the Revenue Sharing Formula revenues based on actual collections.
- 2.9. “Discretionary Local Match” refers to the funding level set by the Revenue Sharing Formula and the FY 2013 real estate tax dedication.
- 2.10. “Required Local Match” refers to the City funding required by the SOQ.

3. Procedure to Calculate the Revenue Sharing Formula:

3.1. Initial Estimate

- 3.1.1. In October, Management Services will provide 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, 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. The formula component: Management Services will then allocate to Schools 32.37% of the remaining Local Tax Revenues.

3.1.3.2. The FY 2013 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 back 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, 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 - Management Services will then allocate to Schools the formula component (32.37% of the remaining estimated Local Tax Revenues) plus the FY 2013 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 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.

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 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, 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 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 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 at its discretion after consultation with the School Board.

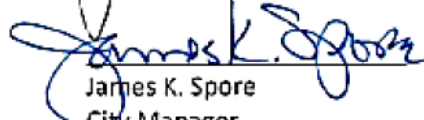
- 7.3. If no other action is taken by the City Council and School Board, this Policy shall remain effective until June 30th 2015 at which time it will be reviewed and considered for reauthorization.

Approved:

As to Content:



Dr. James G. Merrill
School Superintendent

11/28/12
Date


James K. Spore
City Manager

11/29/12
Date

As to Legal Sufficiency:


Mark D. Stiles
City Attorney

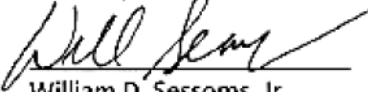
11/29/12
Date

Approved by School Board:


Daniel D. Edwards
School Board Chairman

11/25/2012
Date

Approved by City Council:


William D. Sessoms, Jr.
Mayor

12/3/2012
Date