

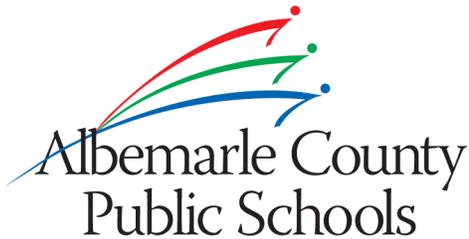
Overview

**The Overview provides summary information of the key points of the
Funding Request**

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What we do either opens or closes the
DOOR TO OPPORTUNITY
for our students.





Office of the School Board

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www.k12albemarle.org

Dear Members of the Albemarle County Community:

Thank you for your invaluable support of public education in our county this past year. Your investment continues to make a critical difference in the ability of our children to succeed in increasingly more challenging environments. Despite the economic difficulties our community has experienced for several years, you are making a measurable difference in the lives of our children.

Special thanks go to our Board of Supervisors. Without their equalization of the real property tax rate this year, it would have been necessary to make cuts to our school division budget that would have harmed the quality of education in our county.

Our vision for our schools is to have all learners believe in their power to embrace learning, to excel, and to own their future. Our mission remains to establish a community of learners and learning through relationships, relevance, and rigor, one student at a time. This budget supports our vision and mission.

Our 2012-13 budget of \$151.2 million represents a four percent increase over the 2011-12 school division budget, an increase largely driven by a new state mandate that required us to send substantially more money to the Virginia retirement system. In fact, our operating budget only now is reaching the level it was five years ago, when we were educating 500 fewer students. Improving efficiency in transportation and reductions in the central office allowed us to minimize cuts at the classroom level.

The great news is the continuing high level of student achievement. This past year, our Advanced Placement program placed Albemarle County Public Schools within the top three percent of all school divisions in the country. Our on-time graduation rates and the scores of our students on national SAT and state Standards of Learning tests were well above average. In addition to our Math, Engineering and Science Academy, we have added a second Center of Excellence, a Health and Medical Sciences Academy. These centers are elevating our efforts to prepare students for success in a highly demanding global economy.

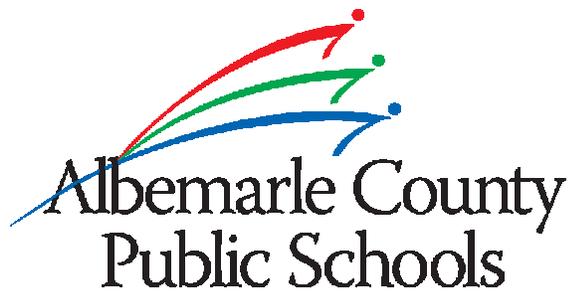


On behalf of our school board and every school division employee, we are grateful for your contributions to and support of the educational success of our children. We look forward to working with you to realize the exciting opportunities for even greater success in future years.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Koleszar". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen Koleszar
Chairman
Albemarle County School Board



Our Division

We serve more than 13,100 students (12,865 in K-12, 243 in pre-school, total of 13,108) in Albemarle County, Virginia, the sixth largest county by area in the Commonwealth and one of the nation's top places to raise a family, according to *Forbes* magazine. In a diverse locality, with rural, suburban and urban characteristics, Albemarle County Schools is proud to maintain community-based elementary schools, state-of-the-art secondary schools, and provide opportunities for our graduates to excel as citizens, in higher education and in the workforce.

Our community has a tradition of pride in our schools and consistently values public education as key to a well-educated citizenry, a prepared workforce, a vibrant local economy, and caring community servants.

Budget Development Web Site:
<http://www.k12albemarle.org/budget>

Fast Facts

Total 2012-2013 Funding Request:
\$151,723,495 million

Enrolled Students 2011-12:

243 in PK
12,865 in grades K-12
13,108 total enrollment

Revenue per Pupil FY 2011-12:

\$11,046

Schools: 27

16 elementary schools
5 middle schools
3 comprehensive high schools
2 charter schools
1 vocational technical center

Employees: 2,346

Schools Fully Accredited by Virginia

Department of Education: 26*

Advanced Studies Diploma: 68%

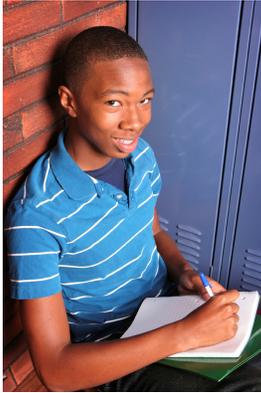
College Bound Students: 80%

On-Time Graduation: 93%

Drop-Out Rate: 3%

SAT Scores:

Math (ACPS/VA/US) **551**/509/514
Verbal (ACPS/VA/US) **556**/512/497
Writing (ACPS/VA/US) **538**/495/489



Executive Summary of Operations & Funding Request

Educating today's students for tomorrow's success

How do we prepare students for tomorrow's success? In Albemarle County Public Schools, we focus on *relationships*, *relevance*, and *rigor*, one child at a time. We achieve the necessary balance between aspirations and resources, and we are dedicated to establishing efficient operational systems aligned with strategic goals that meet the needs of every student.

Every student's success matters. It matters to our children, our families, our teachers, and our schools. It also matters to *you*, the citizens and taxpayers of Albemarle County. When we work every day to challenge every child – regardless of their capability, socioeconomic status or parental involvement – ***to embrace learning*** and ***to excel***, we are working to provide them with the skills, motivation and persistence ***to own their future*** and ours. Our future is bound with that of our community's schoolchildren. We want them to receive the highest quality education, one that is competitive with the nation's best, and one that prepares them for the world they will inherit.

Our students. Our decisions. Our future. When we established our strategic vision in 2005, we anchored it in *learners* and *learning*. This is supported by the Division's 12 *Lifelong-Learner Competencies* that set expectations for how students develop a wide variety of knowledge, understanding, and skills to prepare them for success. We are committed to developing students who graduate from high school on time, capable of acquiring new knowledge at all stages of life, and able to apply that knowledge to achieve career and personal goals. *Our aim is for every student in Albemarle County Public Schools to graduate citizenship, workforce and college ready with a set of skills that can positively impact our economy and our community.*

But we face some significant challenges. While our revenues continue to be lower than those adopted in FY 2007-2008, our student enrollment figures and expenses have increased. We have worked creatively and diligently to keep class sizes down, to provide our workforce with competitive compensation and benefits, to honor our community's value of small elementary schools, and to provide the highest quality education possible to our students. At the same time, amidst

Our Lifelong-Learning Competencies

1. Plan and conduct research.
2. Gather, organize, and analyze data, evaluate processes and products; and draw conclusions.
3. Think analytically, critically, and creatively to pursue new ideas, acquire new knowledge, and make decisions.
4. Understand and apply principles of logic and reasoning; develop, evaluate, and defend arguments.
5. Seek, recognize and understand systems, patterns, themes, and interactions.
6. Apply and adapt a variety of appropriate strategies to solve new and increasingly complex problems.
7. Acquire and use precise language to clearly communicate ideas, knowledge, and processes.
8. Explore and express ideas and opinions using multiple media, the arts, and technology.
9. Demonstrate ethical behavior and respect for diversity through daily actions and decision making.
10. Participate fully in civic life, and act on democratic ideals within the context of community and global interdependence.
11. Understand and follow a physically active lifestyle that promotes good health and wellness.
12. Apply habits of mind and metacognitive strategies to plan, monitor, and evaluate one's own work.

dwindling funds, we have increased opportunities for students. Today more than ever, our capacity to prepare our students for success relies on everyone – from the school board who sets our direction, to the leaders who champion our vision, to the teachers who deliver instruction and develop essential lifelong learning skills in students, to the bus drivers who transport them, to the staff members who clean and maintain our facilities and equipment, and to each employee who supports the operation of this school division. It involves our parents, our community partners, our volunteers, and our taxpayers. *It involves **all of us**.*

Using the Division’s strategic plan as the roadmap, our employees work every day to inspire, nurture and develop today’s students into tomorrow’s leaders and inventors. Student success is the core of our vision, the heart of our business, and the essence of what we do every day. Our decisions today shape their future...and ours. Investment in education today yields positive returns for all of us.

We are a community of learners and learning. Let’s take a look at how we are doing to ensure tomorrow’s success for our students.



Sharing Our Successes

A Few Highlights of Division Performance

- Our division earned an exclusive place on **The College Board's AP Honor Roll**, a distinction that only three percent of public school districts in the nation have earned. The honor roll recognizes those school districts that have increased access to Advanced Placement coursework among its students while also increasing the percentage of students who earn a score of three or above on AP exams. Most colleges will grant credits to high school students who earn at least a score of three on an AP exam.
- 15 teachers, representing 10 of our schools, were **certified by the prestigious National Board for Professional Teaching Standards**. We currently have 18 teachers in the process of earning their certification next year.
- Nine schools earned **Virginia Index of Performance (VIP)** awards for advanced learning and achievement. In announcing the awards, Virginia Governor Bob McDonnell noted that the incentive program recognizes those schools and divisions that have far exceeded state and federal accountability standards and have achieved goals for excellence set by the governor and the state board of education.
- In the past three years, the **dropout rate has declined** by 4 percentage points and the **on-time graduation rate has increased** by 5 percentage points, with 80% of graduates planning on attending a 2 or 4 year college.

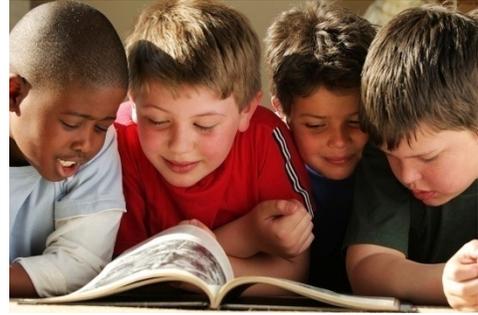


- **The Advancement Via Individual Determination (AVID) program has grown from an enrollment of 30 students 5 years ago to 266 students this year across grades 6-12.** Last year, **14 graduates of AVID** went on to enroll in post-secondary education. AVID's mission is to close the achievement gap by preparing *all* students for college readiness and success in a global society. AVID students usually are the first generation in their families to attend college.
- 94% of the **Math, Engineering, & Science Academy's (MESA)** first graduating class are attending college with a focus on obtaining a Science, Technology, Engineering, & Mathematics (STEM) related degree and career.
- Since the institution of **M³ (Math, Men, Mission – an Algebra Readiness Partnership)** in 2009, the percentage of African American middle school males enrolled in upper level math has increased from 32.5% to 52.5%.
- **239 students enrolled in at least one distance learning course** in the first semester. This includes virtual online courses that expand learning opportunities beyond the traditional school walls.
- The new construction at **Albemarle High School** and at **Brownsville Elementary School** has received LEED for Schools certification from the U.S. Green Building Council. *Only six other school facilities in the state have earned this recognition.* The LEED (Leadership in Energy & Environmental Design) certification is the nation's preeminent program for the

Albemarle County Public Schools Buildings that have Earned the Energy Star

Agnor-Hurt Elementary
 Albemarle High
 Baker-Butler Elementary
 Broadus Wood Elementary
 Brownsville Elementary
 Burley Middle
 Cale Elementary
 Crozet Elementary
 Greer Elementary
 Henley Middle
 Hollymead Elementary
 Jouett Middle
 Murray Elementary
 Red Hill Elementary
 Scottsville Elementary
 Stone-Robinson Elementary
 Stony Point Elementary
 Sutherland Middle
 Walton Middle
 Woodbrook Elementary
 Yancey Elementary

design, construction, and operation of high performance green buildings. The division also is seeking LEED certification for environmental improvements being made to existing facilities at **Henley Middle School**.



- Over 400 of our teachers and staff worked with **instructional coaches** in the current quarter, a method of skill development that has been proven through research to substantively change the adoption of new classroom techniques by teachers. This method was profiled in *The New Yorker* magazine, which focused on the success of a math teacher using instructional coaches at **Walton Middle School**.
- The Division successfully debuted an online pilot program that **increases opportunities for parents, guardians and students** to participate in the educational process. The program will allow for private real-time access by participants to grading practices and results, attendance records and course selection for students. All high schools and middle schools in the division will operate Parent Portals beginning in August and all schools will offer the program by the 2013-14 school year.
- **Burley Middle School's** young women's chorus, The Bearettes, won the **"National Grand Champion"** trophy from the Music Festivals, Inc. for the fourth time in five years. This company specializes in music festivals and competitions throughout the United States. At the end of the season, scores from all competitions are tabulated to determine national award winners. The Bearettes competed this year at Rowan University in Glassboro, NJ. They also won this national honor in 2007, 2009 and 2010.
- A **Monticello High School** junior won First Place for his performance at the Kenneth E. Behring **National History Day** Competition.
- Only about three percent of students participating in the National Merit

Scholarship Competition earn special recognition. This year, **Western Albemarle High School** had 9%, their largest number of students in five years in this category.

- The **Albemarle High School Marching Patriots** won the Jefferson Cup at the Jefferson Classic held at Monticello High School in October 2011. Marching bands from 13 schools participated in this annual regional event.
- This year, 60 students at **Jack Jouett Middle School** participated in the AVID program.
- **10 of our teachers** were awarded Shannon Foundation Excellence in Education Grants for 2011-12.
- **2 rising seniors** from the Division were among a select group of students across the Commonwealth chosen to take part in the Virginia Aerospace Science and Technology Scholars (VASTS) Academy held at NASA Langley Research Center in Hampton, VA. The academy was hosted by NASA Langley in a partnership with the Virginia Space Grant Consortium. The academy had four teams that worked together to plan a mission to Mars.
- **Scottsville Elementary School** students participated in a Math-A-Thon

to benefit St. Jude's Children's Hospital, raising more than \$6,000.00.



- The American Heart Association has recognized **Hollymead Elementary School** as one of the nation's top ten schools for their focus on wellness and

for the students' efforts in earning, through the Jump Rope and Hoops for Heart program, over \$20,000 for the Association.

- Sixth grade Language Arts and Social Studies students from **Burley and Walton** middle schools used Skype to discuss the events of September 11, 2001 with students from Godfrey-Lee Public Schools in Wyoming, Michigan. This real-time classroom experience connected schools in different locations into a larger whole-class experience.
- **Henley Middle School** has completed its renewable resource center, including a wind turbine, a data display, and a ground mounted solar panel for use in classrooms, affording students new opportunities for hands-on, project-based learning.
- **Brownsville Elementary School** has created a new technology centered learning space for all students, providing multiple learning tools, the concept of inquiry learning and the practical application of classroom knowledge.
- **CATEC students** earned nearly 200 industry certifications during the 2010-2011 school year and 63 students are now state-licensed Barbers, Cosmetologists, Certified Nursing Assistants, and Pharmacy Technicians.
- Twenty-seven fourth graders from **Agnor-Hurt Elementary School** have been invited to the Pentagon by the Under Secretary of Defense this spring where the students will discuss Sun Tzu's *The Art of War* and methods they created as part of the World Peace Game, Agnor-Hurt's geo-political simulation.
- **Albemarle High School's** Drama Department represented the United States at the Edinburgh Theatre



Festival, won a state championship at the Virginia Theatre Conference, and represented Virginia at the Southeastern Theatre Conference in Atlanta.



- At **Monticello High School**, more than 50 students are completing internships this year with organizations specializing in such career field areas as law, accounting, physical therapy and the arts.
- **Walton Middle School** is live-streaming all special events at the school, such as band concerts, to expand community outreach. Students at the school regularly use the same technology to expand the audience for work they produce in the classroom, such as when they read their compositions.
- **Red Hill Elementary School** has formed a partnership with two national educational leaders from the University of Virginia, working with teachers to enhance the delivery of instruction to fit individual student needs.
- All students at **Sutherland Middle School** are participating in case studies that are expanding their opportunities for project-based work and problem-solving that promote the division's strategic goal of providing students with Life-Long Learning skills.
- Fifth graders at **Woodbrook Elementary School** have been using QR (quick response) codes to make global connections through the connected classrooms community program. The most recent cultural exchange featured Woodbrook students embedding holiday greetings into personalized QR codes to students in Australia, Ireland, England, Canada, and several states in the U.S.

- **12 division students** were selected for Senior Regional Orchestra.
- Many of our secondary students actively participated in **high school sports** in the fall (875), winter (815), and spring (1,375), supporting a physically active lifestyle that promotes good health and wellness. Over 1,000 student athletes responding to a survey gave high marks to their coaches in areas of sportsmanship, ethics, mentorship, and communication. Our sports teams went on to qualify and win at regional and state levels.

Our graduates were accepted at these and other colleges for Fall 2011:

Alabama University	Coastal Carolina University	Ferrum College
Allegheny College	Colgate University	Florida Institute of Technology
American University	College of Charleston	Florida Southern College
Amherst College	College of William & Mary	Florida State University
Appalachian State University	College of Wooster	Fort Lewis College
Auburn University	Colorado College	Franciscan University
Averett University	Colorado School of Mines	Franklin and Marshall College
Barry University	Colorado State University	Furman University
Bates College	Columbia University	George Mason University
Baylor University	Concord University	George Washington University
Belmont	Coppin State University	Georgetown University
Boston College	Cornell University	Georgia Institute of Technology
Boston University	Dartmouth College	Germanna Community College
Bridgewater College	Davidson College	Gettysburg College
Brigham Young University-Idaho	Davis & Elkins College	Green Mountain College
Brown University	Denison University	Greensboro College
Bucknell University	DePaul University	Grove City College
California Polytechnic State University	Dickinson College	Guilford College
Calvin College	Drew University	Hampden-Sydney College
Campbell University	Drexel University	Hampshire College
Carleton College	Duke University	Hampton University
Carnegie Mellon University	Earlham College	High Point University
Case Western	East Carolina University	Hofstra University
Catawba College	Eastern Kentucky University	Hollins University
Cedarville University	Eastern Mennonite University	Holy Cross College
Chapman University	Eckerd University	Howard University
Christopher Newport University	Edinboro College	Humbolt State
Clarion Union-PA	Elon University	Indiana University
Clark University	Embry Riddle University	Ithaca College
Clarkson	Emory and Henry College	
Clemson University	Emory University	
	Erie Community College	
	Fairmont State University	

J. Sargeant Reynolds
Community College
James Madison University
Johns Hopkins University
Johnson and Wales
University
Johnson C. Smith
University
Juniata College
Kansas University
Kent State University
Kenyon College
Kings College
Lafayette University
Lee College
Lee McRae College
Lehigh University
LeTourneau University
Liberty University
Longwood University
Louisburg College
Louisiana State
Loyola Marymount
University
Lynchburg College
Macalester College
Manhattan College
Marquette University
Mars Hill College
Marshall University
Mary Baldwin College
Marymount Manhattan
College
Marymount University
Massachusetts College of
Pharmacy
McDaniel College
Meredith College
Meredith Manor
Equestrian Center
Miami University-Ohio
Middle Tennessee State
University
Montana State
New York University
New York University
Polytechnic
Norfolk State University
North Carolina AT&T
University
North Carolina Central
University

North Carolina State
University
Northeastern University
Notre Dame
NOVA Southeastern
University
Oberlin College
Ohio State University
Ohio Technical School
Ohio University
Old Dominion University
Pace University
Peabody Institute
Penn State University
Philadelphia University
Piedmont Virginia
Community College (PVCC)
Portland State University
Providence College
Purdue University
Radford University
Randolph College
Randolph-Macon College
Rensselaer Polytechnic
Institute
Rhodes College
Rice University
Rice University
Roanoke College
Rose Hulman
San Diego State University
Savannah College of Art
and Design
Sewanee: School of the
South
Shenandoah University
Shepherd University
Southern Virginia
University
Spelman College
St Lawrence University
St. Bonaventure
St. Joseph's University
St. Mary's College
St. Paul's College
Stony Brook University
SUNY Stony Brook
Susquehanna
Swarthmore College
Sweet Briar College
Syracuse University

Temple University
Towson University
Trinity College
Tufts University
Tulane University
United States Air Force
Academy
University of Alabama
University of Alaska
University of California,
Berkley
University of California,
Irvine
University of California,
Los Angeles (UCLA)
University of California,
Santa Barbara
University of Central
Florida
University of Chicago
University of Colorado
University of Connecticut
University of Dayton
University of Delaware
University of Florida
University of Georgia
University of Hawaii
University of Illinois
University of Kansas
University of Kentucky
University of Maine
University of Mary
Washington
University of Maryland
University of Maryland-
Baltimore
University of
Massachusetts
University of Miami-
Florida
University of Michigan
University of Mississippi
University of Missouri
University of North
Carolina – Chapel Hill
University of North
Carolina – Charlotte
University of North
Carolina – Greensboro
University of North
Carolina – Wilmington
University of North Florida
University of Notre Dame

University of Pennsylvania
University of Pittsburgh
University of Pittsburgh-
Greensboro
University of Rhode Island
University of Richmond
University of San Francisco
University of South
Alabama
University of South
Carolina
University of South Florida
University of Southern
Mississippi
University of Tennessee
University of Texas-Austin
University of the Science
University of Vermont
University of Virginia
University of Virginia's

College at Wise
University of Washington-
Seattle
University of Wisconsin
Ursinus College
US Merchant Marine
Academy
Vanderbilt University
Villanova University
Virginia Commonwealth
University
Virginia Military Institute
Virginia Polytechnic
Institute & State University
Virginia State University
Virginia Tech College of
Agriculture and Life
Sciences
Virginia Union University
Virginia Wesleyan College

Wagner College
Wake Forest University
Warren Wilson College
Washington & Lee
University
Washington and Jefferson
College
Washington College
Washington University of
St Louis
West Virginia University
Western Michigan
University
Wheaton College
Worcester Polytechnic
Institute
Xavier University
Yale University

Facing Our Challenges

While our revenues are still below adopted revenue levels from FY 2007-2008, our student enrollment figures and expenses have continued to rise. Over the past several years, we have been faced with tough decisions in order to maintain the high-quality education we expect for each and every student. In addition to sharing services with Albemarle County General Government such as School Resource Officers (shared with Albemarle County Police Department), Pre-School (shared with Bright Stars and Department of Social Services), Purchasing and Finance Operations, and Human Resources, we have also found new and creative ways to leverage efficiencies and wisely use money. These include:

- Implementing energy efficiency practices since 2010-2011 that are projected to save almost \$400K, enough to fund the salary and benefits costs for about six full-time teachers;
- Redesigning bus routes and reducing diesel fuel consumption in order to save money that can be used to support classrooms;
- Reducing the overall number of senior managers and directors in the Central Office;
- Moving to an Instructional Coaching Model in order to reduce the overall number of specialists and curriculum coordinators while shifting focus to a job-embedded approach to professional development for teachers;
- Budgeting to use an appropriate portion of our “rainy day fund” or “fund balance” of realized savings that is instrumental in weathering difficult budget seasons;
- Incentivizing early retirement and instituting hiring freezes.



The coming years bring continued challenges that we must face, including:

Current	Watch List	Future
<ul style="list-style-type: none">• VRS Increases• Shifting Enrollment Patterns• Competitive Compensation and Benefits• End of One-Time Funding	<ul style="list-style-type: none">• New Educational Legislation• Capital Improvement Program (CIP)• Composite Index• Building Capacity• Local Revenue• SOQ Funding• State Mandated Online Testing• School Bus Replacements	<ul style="list-style-type: none">• Assessment beyond VA SOLs• Staff Appraisal /Development• Growth Assessment Model



Our 2011-12 School Board Priorities

Priority 1.1

Develop Lifelong-Learner (LLL) competencies in all students.

Priority 2.1

Prepare all students for citizenship/workforce/college readiness.

Priority 3.1

Improve the organization's capacity to build and maintain a high-quality workforce.

Priority 4.1

Promote strategic alignment with the Vision, Mission, and Goals throughout the organization.

Priority 4.2

Expand two-way communication with and outreach to our stakeholders.

Priority 5.1

Identify opportunities for improved efficiencies in operational departments and instructional programs.

Priority 5.2

Implement the Division's Student Information System (SIS) and Parent Portal.



For more information: <http://www.k12albemarle.org/strategicplanning>

Advisory Groups Providing Budget Input

- AEA Exchange
- Classified Employee Advisory
- County Parent Council
- County Student Council
- Department of Accountability, Research, and Technology (DART) Advisory
- Division Leadership Team
- Gifted Advisory
- Quality Council
- School Health Advisory Council
- School Finance Advisory Council
- Special Education Advisory
- Superintendent's Budget Advisory Committee
- Teacher Advisory
- Community members through online budget feedback process



Albemarle County
Public Schools

About the School Finance Advisory Council

The School Finance Advisory Council was established to examine school budgeting practices from a business perspective. Good financial management practices have always been important in this School Division. Through the Wallace Foundation, the University of Virginia Darden School of Business, in conjunction with the Curry School of Education, provides funding opportunities for school district teams to learn principles of business leadership and management in an executive institute. An outcome of Albemarle's participation in this Darden-Curry sponsored Institute was the formation of the School Finance Advisory Council to advise the Superintendent and staff on an ongoing basis regarding budgeting practices and priorities. The Council is composed of business professionals with significant budgeting expertise. School Finance Advisory Council Members include:

Gregory Gartland is Principal and Managing Director of the SNL Center for Financial Education LLC, an affiliate of SNL Financial. He is a member of SNL's Senior Management Team, and he has spent his career in advisory and management roles at a range of companies - from startups to Fortune 10 multi-nationals.

Mark A. Meulenberg, CFA, is a portfolio manager for VNBTrust, N.A. a wholly owned subsidiary of Virginia National Bank. In this capacity, Mr. Meulenberg researches investment opportunities and manages portfolios for certain clients of VNBTrust.

Mary Margaret Frank, Ph.D., is Associate Professor of Business Administration at the University of Virginia Darden School of Business. Her current research focuses on the effects of regulated disclosure on the strategy of corporate management, investors and entrepreneurs.

Rick White, CPA, works for Keiter Stephens as a Tax Principal. He has 20 years of experience in public accounting providing tax and accounting services for rapidly growing privately-held businesses and individuals as well as 10 years of experience in the real estate development and construction industry.

Rich DeMong, Ph.D., CFA, is currently the Virginia Bankers Professor Emeritus for the University of Virginia McIntire School of Commerce. He specializes in home equity and subprime mortgage lending, bank investment strategies, and equity valuation.

Ken Eades, Ph.D., is the Paul Tudor Jones Research Professor of Business Administration and the Finance Area Coordinator for the University of Virginia Darden School of Business. His research involves corporation finance issues including dividend policy, mergers, firm valuation and defined benefit plans.

“Greatness is not a function of circumstance. Greatness is largely a matter of conscious choice, and discipline.”

Jim Collins, *Good to Great: Why Some Companies Make the Leap...and Others Don't*

Albemarle County Public Schools FY 2012-13 Compensation Summary

Market Findings

World at Work estimates a 3.0% Compensation Increase

Classified:

As an organization, overall salaries are currently 0.35% below FY 11/12 defined market
 Classified scale is 1% below defined market
 Certain positions may be below defined market
 Highly skilled and certain administrative positions are more competitive regionally

Teacher:

Achieved competitive position within the top quartile for our most experienced teachers
 Teacher salaries are improving when compared to VA averages
 Ability to hire teachers is improving, maintain competitive position
 Highly competitive at 10 years of experience
 Retention and competitive position within the top quartile needs to be future focus

Market Recommendations/Actions

Based upon staff recommendations, the Joint Boards adopted a 1% - 2% market adjustment

VRS required a 5% employee share with commensurate increase in employee compensation to offset

Classified:

~1% Classified pay increase (based on Joint Board discussion, meet market)
 Address position discrepancies identified as below defined market

Teacher:

Meet competitive market with scale
 Maintain anchor point on scale at 10 years of experience
 Approximately 0% to a 1.39% increase (including step) in salary

Benefits Summary

	<u>2011-12</u>	<u>2012-13</u>
Each Full-Time Participating Employee Will Receive:		
Contribution towards Health Insurance	\$7,045	\$6,745
Contribution towards Dental Insurance	\$279	\$301
In Addition, the Following Benefit Rates Apply:		
Social Security (FICA)	7.65%	7.65%
Virginia Retirement System (VRS)		
Professional Rate	12.76%	12.77%
Non-Professional Rate	12.60%	10.23%
Virginia Retirement System Group Life Insurance	0.28%	0.48%

School Board's Adopted Budget

<u>Expenses</u>	10/11 Actual	11/12 Adopted	12/13 Adopted	\$ Increase	% Increase	13/14 Projected
Instruction						
Staffing	\$90,925,635	\$98,566,376	\$104,484,816	\$5,918,440	6.00%	\$108,661,652
Operating	\$9,921,257	\$10,041,880	\$9,911,873	(\$130,007)	-1.29%	\$10,435,888
Capital	\$662,987	\$380,385	\$366,670	(\$13,715)	-3.61%	\$300,170
SB Reserve	\$0	\$75,000	\$75,000	\$0	0.00%	\$76,500
Subtotal Instruction	\$101,509,879	\$109,063,641	\$114,838,359	\$5,774,718	5.29%	\$119,474,210
Admin, Attendance and Health						
Staffing	\$8,217,467	\$5,625,040	\$5,839,666	\$214,626	3.82%	\$6,008,290
Operating	\$833,148	\$909,759	\$914,696	\$4,937	0.54%	\$916,428
Capital	\$42,358	\$29,249	\$40,922	\$11,673	39.91%	\$20,590
Subtotal Admin, Attendance a	\$9,092,972	\$6,564,048	\$6,795,284	\$231,236	3.52%	\$6,945,308
Transportation						
Staffing	\$6,994,651	\$6,843,658	\$6,958,664	\$115,006	1.68%	\$7,168,483
Operating	\$1,774,177	\$1,765,012	\$1,882,105	\$117,093	6.63%	\$1,918,245
Capital	\$145,969	\$0	\$0	\$0	0.00%	\$1,155
Subtotal Transportation	\$8,914,797	\$8,608,670	\$8,840,769	\$232,099	2.70%	\$9,087,883
Building Services						
Staffing	\$7,579,471	\$8,062,708	\$8,353,722	\$291,014	3.61%	\$8,574,406
Operating	\$6,044,281	\$5,764,333	\$5,882,550	\$118,217	2.05%	\$5,998,413
Capital	\$342,684	\$262,980	\$279,150	\$16,170	6.15%	\$284,733
Subtotal Building Services	\$13,966,437	\$14,090,021	\$14,515,422	\$425,401	3.02%	\$14,857,552
Technology						
Staffing	\$1,803,487	\$1,802,326	\$1,996,132	\$193,806	10.75%	\$2,041,096
Operating	\$396,649	\$408,180	\$417,743	\$9,563	2.34%	\$426,498
Capital	\$287,469	\$36,750	\$17,057	(\$19,693)	-53.59%	\$17,258
Subtotal Technology	\$2,487,605	\$2,247,256	\$2,430,932	\$183,676	8.17%	\$2,484,852
Transfers	\$6,369,166	\$3,917,548	\$3,829,140	(\$88,408)	-2.26%	\$3,907,469
Total School Fund Expenses	\$142,340,855	\$144,491,184	\$151,249,906	\$6,758,722	4.68%	\$156,757,274

<u>Revenues</u>	10/11 Actual	11/12 Adopted	12/13 Adopted	\$ Increase	% Increase	13/14 Projected
Local School Revenue	\$1,904,023	\$1,060,705	\$1,592,574	\$531,869	50.14%	\$1,568,834
State Revenue	\$39,862,875	\$39,756,487	\$42,950,045	\$3,193,558	8.03%	\$43,845,417
Federal Revenue	\$3,515,275	\$3,201,376	\$2,935,218	(\$266,158)	-8.31%	\$2,936,218
Local Revenue	\$96,057,504	\$97,245,582	\$100,106,298	\$2,860,716	2.94%	\$99,518,579
One-Time Use of Fund Balance	\$0	\$2,027,034	\$1,990,771	(\$36,263)	-1.79%	\$1,000,000
Recurring Use of Fund Balance	\$0	\$800,000	\$800,000	\$0	0.00%	\$800,000
CIP & Other Transfers	\$400,000	\$400,000	\$875,000	\$475,000	118.75%	\$875,000
Total Revenues:	\$141,739,677	\$144,491,184	\$151,249,906	\$6,758,722	4.68%	\$150,544,048

Balances of Revenues vs Expenses	\$0	(\$6,213,226)
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Self-Sustaining Funds:	\$21,775,609	\$20,545,906	\$18,345,434	(\$2,200,472)	-10.71%
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Initiative/Reduction Fund Location

2100 - K-12 INSTRUCTION-SALARIES

Add Staffing to Reduce Class Load in Grades 4 - 12 - (17.12 FTE)	\$1,125,738
Health & Medical Sciences Academy Staffing - (0.50 FTE)	\$32,885
FY 2012-13 Staffing Standards - Media Specialists - (0.20 FTE)	\$13,155
FY 2012-13 Staffing Standards - School Counselor - (0.50 FTE)	\$32,885
FY 2012-13 Staffing Standards - Elementary Art, Music, and Physical Education - (2.00 FTE)	\$131,544
Response to Intervention (RTI) - (3.00 FTE)	\$197,316
Administrative Office Assistant - Murray High School - (0.33 FTE)	\$0
Voluntary Early Retirement Incentive Plan (VERIP)	(\$10,915)

2100 - K-12 INSTRUCTION-SALARIES Total **\$1,522,608**

2102 - C.A.T.E.C

CATEC Increase	\$17,912
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2102 - C.A.T.E.C Total **\$17,912**

2112 - STUDENT SERVICES

Piedmont Regional Education Program (PREP) - Ivy Creek / Emotional Disturbance (ED) Program / Autism	\$87,940
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2112 - STUDENT SERVICES Total **\$87,940**

2115 - COMPUTER TECHNOLOGY

Continue Technology Client Service Support Initiative - (1.00 FTE)	\$65,010
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2115 - COMPUTER TECHNOLOGY Total **\$65,010**

2117 - PROFESSIONAL DEVELOPMENT

Professional Development in Support of Instructional Technology	\$65,000
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2117 - PROFESSIONAL DEVELOPMENT Total **\$65,000**

2410 - EXECUTIVE SERVICES

Legislative Liaison - (1.00 FTE)	\$65,010
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2410 - EXECUTIVE SERVICES Total **\$65,010**

2420 - HUMAN RESOURCES

Unemployment Insurance Increase	\$20,000
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2420 - HUMAN RESOURCES Total **\$20,000**

2431 - FISCAL SERVICES

Address projected increase to liability/auto insurance	\$5,000
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2431 - FISCAL SERVICES Total **\$5,000**

Initiative/Reduction Fund Location (continued)

2432 - TRANSPORTATION SERVICES

Fuel Cost for County Vehicle Operations	\$75,200
Reduce Bus Replacement	(\$37,374)

2432 - TRANSPORTATION SERVICES Total	\$37,826
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2433 - BUILDING SERVICES

Custodial Staff for Greer ES Classroom Addition - (0.50 FTE)	\$15,056
Line Item Increases for Utility Costs	\$96,582

2433 - BUILDING SERVICES Total	\$111,638
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2557 - LAPSE FACTOR ACCOUNT

Lapse Factor Increase	(\$100,000)
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2557 - LAPSE FACTOR ACCOUNT Total	(\$100,000)
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MULTIPLE FUNDS

Superintendent's Reductions to Meet Available Revenues	(\$209,954)
Dental Increase	\$35,970
Teacher Salary Increase 1%	\$509,646
Classified Increase 1%	\$322,885
Growth due to Enrollment - (6.93 FTE Teachers) - (6.93 FTE)	\$479,242
Increased Cost of the Virginia Retirement System and Group Life Insurance	\$395,975
Technical Adjustments for VRS	(\$88,850)
Health Insurance Savings	(\$504,369)
Salary Savings	(\$765,677)
Teacher Salary VRS Mandated 5% Increase	\$3,351,797
Classified Salary VRS Mandated 5% Increase	\$1,334,113

MULTIPLE FUNDS Total	\$4,860,778
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GRAND TOTAL	\$6,758,722
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Summary of Compensation, Growth, and Operational Increases/Reductions

Compensation and Benefits

Teacher Salary VRS Mandated 5% Increase	\$3,351,797
Classified Salary VRS Mandated 5% Increase	\$1,334,113
Classified Increase 1%	\$322,885
Teacher Salary Increase 1%	\$509,646
Dental Increase	\$35,970
Increased Cost of the Virginia Retirement System and Group Life Insurance	\$395,975
Voluntary Early Retirement Incentive Plan (VERIP)	(\$10,915)
Technical Adjustments for VRS	(\$88,850)
Salary Savings	(\$765,677)
Health Insurance Savings	(\$504,369)
Total Compensation and Benefits	\$4,580,575

Growth

Growth due to Enrollment - (6.93 FTE Teachers) - (6.93 FTE)	\$479,242
Custodial Staff for Greer ES Classroom Addition - (0.50 FTE)	\$15,056
Total Growth	\$494,298

Operational Increases/Reductions

CATEC Increase	\$17,912
Superintendent's Reductions to Meet Available Revenues	(\$209,954)
Unemployment Insurance Increase	\$20,000
Address projected increase to liability/auto insurance	\$5,000
Total Operational Increases/Reductions	(\$167,042)
Total Compensation, Benefits, Growth, & Operational Increases	\$4,907,831

Summary of New Recurring Initiatives

Piedmont Regional Education Program (PREP) - Ivy Creek / Emotional Disturbance (ED) Program / Autism	\$87,940
Professional Development in Support of Instructional Technology	\$65,000
FY 2012-13 Staffing Standards - Media Specialists - (0.20 FTE)	\$13,155
FY 2012-13 Staffing Standards - School Counselor - (0.50 FTE)	\$32,885
FY 2012-13 Staffing Standards - Elementary Art, Music, and Physical Education - (2.00 FTE)	\$131,544
Health & Medical Sciences Academy Staffing - (0.50 FTE)	\$32,885
Add Staffing to Reduce Class Load in Grades 4 - 12 - (17.12 FTE)	\$1,125,738
Response to Intervention (RTI) - (3.00 FTE)	\$197,316
Lapse Factor Increase	(\$100,000)
Legislative Liaison - (1.00 FTE)	\$65,010
Reduce Bus Replacement	(\$37,374)
Continue Technology Client Service Support Initiative - (1.00 FTE)	\$65,010
Fuel Cost for County Vehicle Operations	\$75,200
Line Item Increases for Utility Costs	\$96,582
Administrative Office Assistant - Murray High School - (0.33 FTE)	\$23,268
Total Recurring Initiatives	\$1,874,159

Initiatives/Reductions by Key Area

Instruction

Add Staffing to Reduce Class Load in Grades 4 - 12 - (17.12 FTE)	\$1,125,738
FY 2012-13 Staffing Standards - Elementary Art, Music, and Physical Education - (2.00 FTE)	\$131,544
FY 2012-13 Staffing Standards - School Counselor - (0.50 FTE)	\$32,885
FY 2012-13 Staffing Standards - Media Specialists - (0.20 FTE)	\$13,155
Health & Medical Sciences Academy Staffing - (0.50 FTE)	\$32,885
Response to Intervention (RTI) - (3.00 FTE)	\$197,316
Administrative Office Assistant - Murray High School - (0.33 FTE)	\$0
Instruction Total	\$1,533,523

Maintenance of Effort

Growth due to Enrollment - (6.93 FTE Teachers) - (6.93 FTE)	\$479,242
Piedmont Regional Education Program (PREP) - Ivy Creek / Emotional Disturbance (ED) Program / Autism	\$87,940
CATEC Increase	\$17,912
Legislative Liaison - (1.00 FTE)	\$65,010
Custodial Staff for Greer ES Classroom Addition - (0.50 FTE)	\$15,056
Unemployment Insurance Increase	\$20,000
Address projected increase to liability/auto insurance	\$5,000
Fuel Cost for County Vehicle Operations	\$75,200
Line Item Increases for Utility Costs	\$96,582
Maintenance of Effort Total	\$861,942

Market Competitiveness

Teacher Salary Increase 1%	\$509,646
Dental Increase	\$35,970
Increased Cost of the Virginia Retirement System and Group Life Insurance	\$395,975
Teacher Salary VRS Mandated 5% Increase	\$3,351,797
Classified Salary VRS Mandated 5% Increase	\$1,334,113
Classified Increase 1%	\$322,885
Market Competitiveness Total	\$5,950,386

Initiatives/Reductions by Key Area (continued)

Reduction

Superintendent's Reductions to Meet Available Revenues	(\$209,954)
Voluntary Early Retirement Incentive Plan (VERIP)	(\$10,915)
Technical Adjustments for VRS	(\$88,850)
Salary Savings	(\$765,677)
Health Insurance Savings	(\$504,369)
Reduce Bus Replacement	(\$37,374)
Lapse Factor Increase	(\$100,000)
Reduction Total	(\$1,717,139)

Technology

Professional Development in Support of Instructional Technology	\$65,000
Continue Technology Client Service Support Initiative - (1.00 FTE)	\$65,010
Technology Total	\$130,010
Total	\$6,758,722

Initiatives/Reductions by School Board Goals

Board Goal: 1

Prepare all students to succeed as members of a global community and in a global economy

Initiatives/Reductions Affecting this Goal

CATEC Increase	\$17,912
FY 2012-13 Staffing Standards - Media Specialists	\$13,155
FY 2012-13 Staffing Standards - Elementary Art, Music, and Physical Education	\$131,544
Growth due to Enrollment - (6.93 FTE Teachers)	\$479,242
Add Staffing to Reduce Class Load in Grades 4 - 12	\$1,125,738
Health & Medical Sciences Academy Staffing	\$32,885
Piedmont Regional Education Program (PREP) - Ivy Creek / Emotional Disturbance (ED) Program / Autism	\$87,940
FY 2012-13 Staffing Standards - School Counselor	\$32,885
Professional Development in Support of Instructional Technology	\$65,000

Board Goal: 1 Total **\$1,986,301**

Board Goal: 2

Eliminate the Achievement Gap

Initiatives/Reductions Affecting this Goal

Response to Intervention (RTI)	\$197,316
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Board Goal: 2 Total **\$197,316**

Board Goal: 3

Recruit, retain, and develop a diverse cadre of the highest quality teaching personnel, staff, and administrators.

Initiatives/Reductions Affecting this Goal

Increased Cost of the Virginia Retirement System and Group Life Insurance	\$395,975
Dental Increase	\$35,970
Classified Salary VRS Mandated 5% Increase	\$1,334,113
Teacher Salary VRS Mandated 5% Increase	\$3,351,797
Teacher Salary Increase 1%	\$509,646
Classified Increase 1%	\$322,885
Health Insurance Savings	(\$504,369)
Salary Savings	(\$765,677)
Superintendent's Reductions to Meet Available Revenues	(\$209,954)
Technical Adjustments for VRS	(\$88,850)
Voluntary Early Retirement Incentive Plan (VERIP)	(\$10,915)

Board Goal: 3 Total **\$4,370,621**

Initiatives/Reductions by School Board Goals (continued)

Board Goal: 5

Establish efficient systems for development, allocation, and alignment of resources to support the Division's vision, mission, and goals.

Initiatives/Reductions Affecting this Goal

Line Item Increases for Utility Costs	\$96,582
Fuel Cost for County Vehicle Operations	\$75,200
Administrative Office Assistant - Murray High School	\$0
Custodial Staff for Greer ES Classroom Addition	\$15,056
Legislative Liaison	\$65,010
Unemployment Insurance Increase	\$20,000
Address projected increase to liability/auto insurance	\$5,000
Continue Technology Client Service Support Initiative	\$65,010
Reduce Bus Replacement	(\$37,374)
Lapse Factor Increase	(\$100,000)
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Board Goal: 5 Total	\$204,484

GRAND TOTAL	\$6,758,722
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FY 2013/2014 Projected Initiatives and Reductions

Initiatives

Instructional Initiatives (14.70 FTE - 991,353)

Projected instructional initiatives based upon current year's budget approval.

Operational Increase of 2% (530,693 in Recurring Operational Costs) - Board Goal 1

Operational Increase of 2%.

Growth due to Enrollment - (14.62 FTE Teachers) (14.62 FTE - 985,958) - Board Goal 1

Increase due to growth in numbers of students from budget to budget.

Teacher Salary Increase (1,465,498) - Board Goal 3

Scale and Step adjustment according to market data.

Classified Increase (689,585) - Board Goal 3

Increase of 2.00 %.

Dental Increase (35,108) - Board Goal 3

It is anticipated that dental insurance costs will increase by 7%.

Health Insurance Increase (809,173) - Board Goal 3

Health insurance costs are anticipated to be \$7,217 per FTE.

Initiatives Total **\$5,507,368**