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Revenue Overview

The School Fund pays for ACPS' day-to-day operations. A variety of funding sources make up the total.

Local Revenues

\$147.7 million

ACPS receives the majority of its funding from local funds in the form of a transfer from Albemarle County government. Sixty (60%) percent of the increase or decrease in shared local revenues (general property taxes and other local taxes) is allocated to ACPS after certain transfers and expenditures are deducted. A portion of this category also includes fees for service and other transfers.

State Revenues

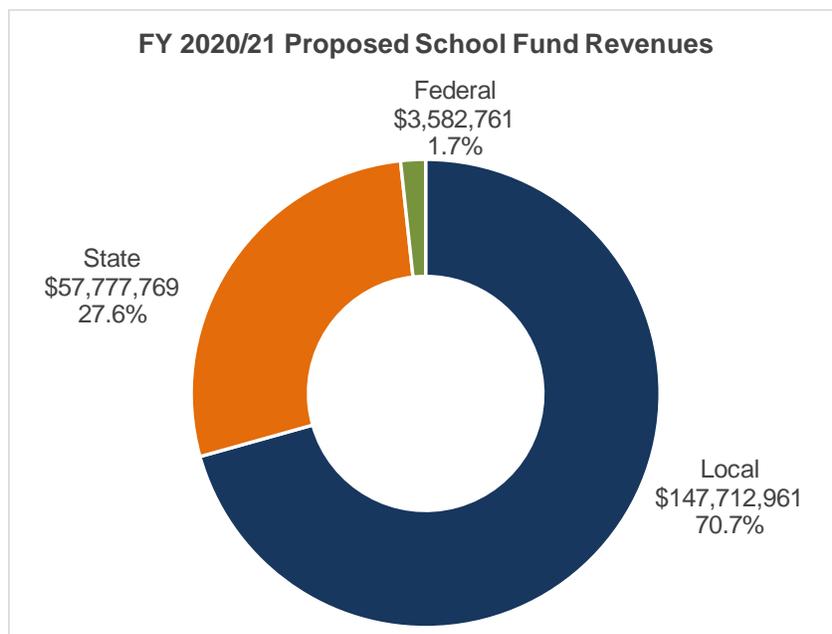
\$57.8 million

The Commonwealth of Virginia provides primarily two (2) types of revenue: state Basic Aid Standards of Quality (SOQ) funding and Sales Tax. School divisions receive the majority of state aid based on their Local Composite Index (LCI). The state uses the LCI to equalize direct aid payments so that counties and cities with a lower composite index receive more state funding and those with a higher index receive less. Sales tax revenue is distributed to school districts based on each locality's number of school-age children.

Federal Revenues

\$3.6 million

Federal money accounts for less than two (2%) percent of School Fund revenues and helps provide vital services in specific areas.



Revenue for the School Fund for FY 2020/21 is \$209,073,491. This represents a net increase of \$13.6 million, or 7.0 percent, over the FY 2019/20 Adopted budget.

School Fund Revenues

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed	Change over Prior Year	% Change over Prior Year
Local	122,015,343	127,409,400	134,148,021	141,950,502	147,712,961	5,762,459	4.1%
State	48,050,760	49,375,075	48,479,073	50,528,580	\$57,777,769	\$7,249,189	14.3%
Federal	3,049,389	3,024,150	3,033,921	2,999,523	\$3,582,761	\$583,238	19.4%
Total Revenues	\$173,115,492	\$179,808,625	\$185,661,016	\$195,478,605	\$209,073,491	\$13,594,886	7.0%
<i>Revenue Incr.</i>	4.3%	3.9%	3.3%	5.3%	7.0%		

Percent of Total School Fund Revenues

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Adopted	FY 2019/20 Adopted	FY 2020/21 Proposed	Change over Prior Year	% Change over Prior Year
Local	70.5%	70.9%	72.3%	72.6%	70.7%	-2.0%	
State	27.8%	27.5%	26.1%	25.8%	27.6%	1.8%	
Federal	1.8%	1.7%	1.6%	1.5%	1.7%	0.2%	
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%		

Per Pupil Summary

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Proposed	Change over Prior Year	% Change over Prior Year
Enrollment	13,407	13,578	13,636	13,733	14,236	503	3.7%
Cost Per Pupil	\$12,912	\$13,243	\$13,616	\$14,234	\$14,686	\$452	3.2%
<i>Cost Per Pupil Incr.</i>	4.0%	2.6%	2.8%	4.5%	3.2%		

Revenue Analysis

Revenues in this section are broken out in these categories:

- Local Government General Fund Transfer
- Local School Revenue
- State Revenue
- Federal Revenue
- Other Local Transfers and Fund Balance

Revenue Summary	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
SOURCES OF REVENUE						
Local Government Transfer	\$131,312,821	\$138,200,512	\$138,200,512	\$144,057,923	\$5,857,411	4.2%
Local School Revenue	\$2,407,725	\$2,010,867	\$2,080,265	\$2,115,551	\$104,684	5.2%
State Revenue	\$48,479,073	\$50,528,580	\$50,640,771	\$57,777,769	\$7,249,189	14.3%
Federal Revenue	\$3,033,921	\$2,999,523	\$2,999,523	\$3,582,761	\$583,238	19.4%
Other Local Transfers and Fund Balance	\$427,475	\$1,739,123	\$687,475	\$1,539,487	(\$199,636)	-11.5%
TOTAL	\$185,661,016	\$195,478,605	\$194,608,546	\$209,073,491	\$13,594,886	7.0%

Local Government Transfer

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Local Government Transfer</i>						
Local Government Transfer	\$131,312,821	\$138,150,208	\$138,150,208	\$144,057,923	\$5,907,715	4.3%
Western Albemarle HS Operating Cos	\$0	\$50,304	\$50,304	\$0	(\$50,304)	-100.0%
Total Local Government Transfer	\$131,312,821	\$138,200,512	\$138,200,512	\$144,057,923	\$5,857,411	4.2%

Albemarle County allocates 60% of the increase or decrease in shared revenues to the School Division after certain transfers and expenditures are deducted.

- Shared revenues include general property taxes, sales tax, consumer utility taxes, business license tax, vehicle registration, recordation tax, transient occupancy tax, food and beverage tax, and other local tax revenue sources. Though Personal Property Tax Relief (PPTR) is currently classified as State revenue, it is also included in the shared local tax revenue category since the 60/40 formula originated before the PPTR Act was enacted.
- Deducted transfers/revenues include 1) transfer to capital and debt service, 2) revenue sharing, 3) tax relief for the elderly and disabled, 4) tax refunds, 5) shared contingency reserves, 6) an estimated portion of telecommunications taxes dedicated for E-911 operations, which was previously collected and allocated separately by the state.

▲ The Local Government General Fund Transfer is increasing as a result of increased general property taxes.

Local School Revenue

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Local School Revenue</i>						
Use of Money						
General Property Rental	\$391,990	\$400,000	\$400,000	\$400,000	\$0	0.0%
Sale of Surplus Equipment	\$32,121	\$6,000	\$10,000	\$10,000	\$4,000	66.7%
Rent - PREP	\$0	\$120,597	\$120,597	\$120,597	\$0	0.0%
Rent - VIA Mobile Unit	\$0	\$10,000	\$10,000	\$10,000	\$0	0.0%
Royalties - Cable	<u>\$72,365</u>	<u>\$45,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$15,000</u>	<u>33.3%</u>
Total Use of Money	\$496,476	\$581,597	\$600,597	\$600,597	\$19,000	3.3%
Charges for Service						
Tuition - Employee Dep	\$0	\$30,000	\$20,000	\$30,000	\$0	0.0%
Activity Fee - Albemarle	\$110,242	\$62,000	\$62,000	\$62,000	\$0	0.0%
Activity Fee - Western	\$61,725	\$57,000	\$57,000	\$57,000	\$0	0.0%
Activity Fee - Monticello	\$77,088	\$55,000	\$55,000	\$55,000	\$0	0.0%
Employee Fingerprint Fees	\$6,924	\$9,000	\$7,000	\$7,000	(\$2,000)	-22.2%
Building Services Repairs	\$6,892	\$0	\$0	\$0	\$0	N/A
Total Charges for Service	\$262,871	\$213,000	\$201,000	\$211,000	(\$2,000)	-0.9%
Miscellaneous Revenue						
Dawson Fund	\$572	\$230	\$230	\$230	\$0	0.0%
Refunds and Rebates	\$108,872	\$65,400	\$100,000	\$90,000	\$24,600	37.6%
Donations & Miscellaneous Revenue	<u>\$641,917</u>	<u>\$372,202</u>	<u>\$400,000</u>	<u>\$400,000</u>	<u>\$27,798</u>	<u>7.5%</u>
Total Miscellaneous Revenue	\$751,361	\$437,832	\$500,230	\$490,230	\$52,398	12.0%
Recovered Costs						
Human Resources Department	\$544,165	\$552,681	\$552,681	\$587,967	\$35,286	6.4%
Health Insurance Fund	\$24,000	\$24,000	\$24,000	\$24,000	\$0	0.0%
Piedmont Regional Education Program	\$42,610	\$0	\$0	\$0	\$0	N/A
LED Lighting	\$265,291	\$189,257	\$189,257	\$189,257	\$0	0.0%
Prior Year Recovery & Other Recover	\$20,952	\$12,500	\$12,500	\$12,500	\$0	0.0%
Total Recovered Costs	\$897,017	\$778,438	\$778,438	\$813,724	\$35,286	4.5%

- ❖ Use of Money is revenue from the sale of property, the sale of surplus property, rental of facilities, and cable royalties.
 - ▲ Use of Money is increasing to reflect actual historical receipts.
- ❖ Charges for Service is revenue generated by services performed by School personnel.
 - ▼ Charges for Service is decreasing to reflect actual historical receipts.
- ❖ Miscellaneous Revenue are funds collected by the School Division that are not classified in any other category.
 - ▲ Miscellaneous Revenue is increasing to reflect actual historical receipts.

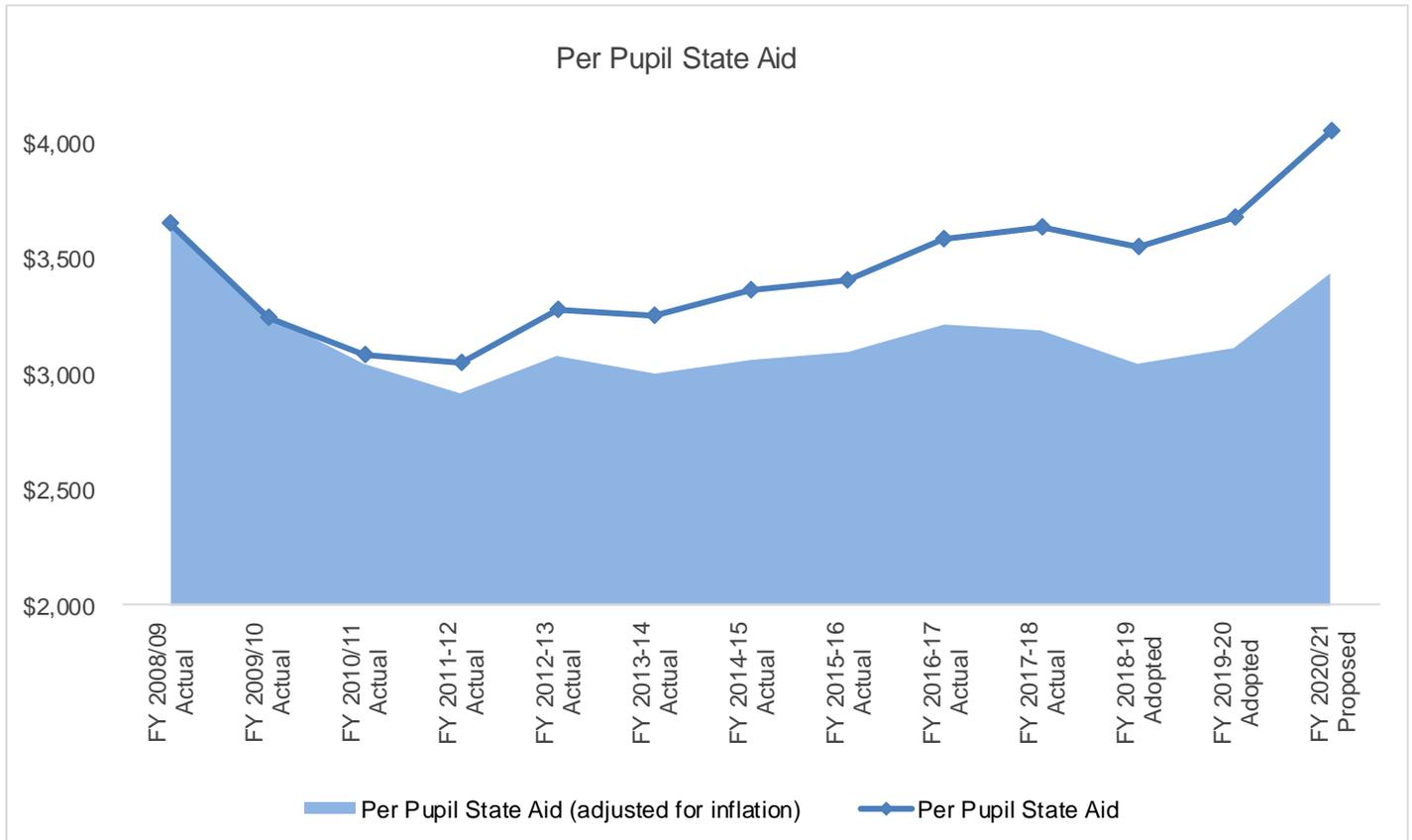
- ❖ Recovered Costs are reimbursements from other governmental entities including Albemarle County, insurance companies, and agencies for costs incurred by the School Division on its behalf.
 - ▲ The transfer from the Albemarle County Human Resources Department is increasing to reflect increased costs in compensation and benefits.

State Revenue

Revenues in this section are broken out in five categories, or state funding sources. Funding for certain programs can move between state categories each year. FY 2020/21 categories are used for historical years for comparative purposes and may not reflect actual historical categories.

- Standards of Quality (SOQ) Accounts
- Lottery Funded Programs
- Incentive Programs
- Categorical Programs
- Other State Revenue

Overall, state revenues fund 27.6% of the budget and is increasing \$7,249,189 or 14.3% over the FY 2019/20 Adopted budget. State revenues have grown in FY 2020/21 to a peak level of funding since the recession, on a per pupil basis. However, when adjusting for inflation since that time period¹, state aid per pupil continues to lag behind FY 2008/09 levels.



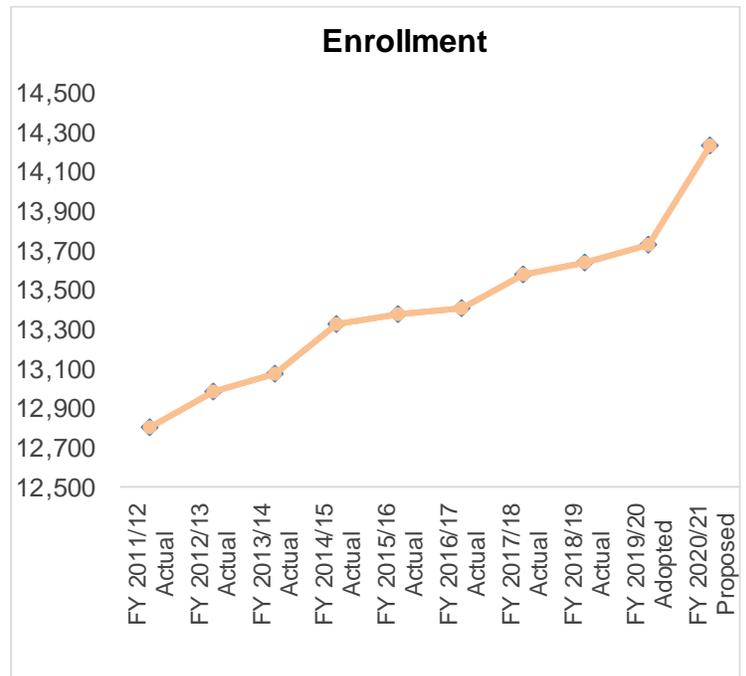
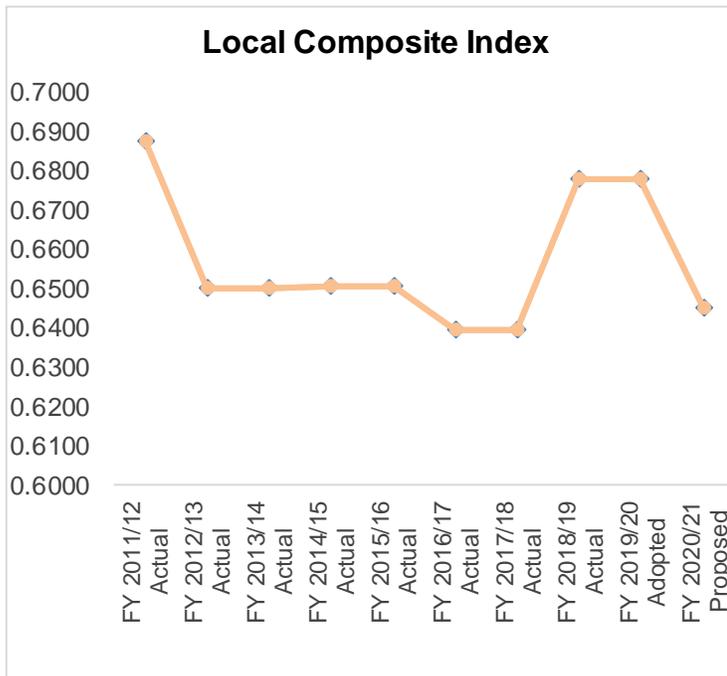
¹ Source: Bureau of Labor Statistics Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average.
Revenues: B-7

Standards of Quality (SOQ) Accounts

The SOQs prescribe the minimum that all public schools in Virginia must meet. Standards are set by the Virginia Board of Education, subject to revision only by the General Assembly. The State Constitution gives the General Assembly the responsibility to determine the manner in which state funds are distributed to school divisions for the cost of maintaining an education program that meets the SOQ.

Most SOQ funding is equalized based on local ability to pay as determined by the Local Composite Index (LCI). The LCI is calculated using three indicators of a locality's ability-to-pay: true value of real property (weighted 50%), adjusted gross income (weighted 40%), and taxable retail sales (weighted 10%). Each locality's index is adjusted to maintain an overall statewide local share of 45% and an overall state share of 55%. ACPS' detailed LCI calculation is included in Section H.

A historical summary of student enrollment and the LCI is provided in the following chart. For state aid formulas that incorporate enrollment, rising enrollment results in increased payments. For state aid programs that use the composite index to adjust projected payments, a higher LCI results in lower payments.



Standards of Quality (SOQ) Accounts

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Standards of Quality (SOQ) Accounts</i>						
Basic Aid	\$19,599,385	\$19,551,060	\$19,551,060	\$25,036,201	\$5,485,141	28.1%
Basic Aid Transfer for CIP Buses	(\$260,000)	(\$260,000)	(\$260,000)	(\$260,000)	\$0	0.0%
Sales Tax	\$16,894,486	\$17,452,465	\$17,452,465	\$17,872,405	\$419,940	2.4%
Special Education	\$2,871,996	\$2,879,885	\$2,879,885	\$3,379,200	\$499,315	17.3%
Prevention, Intervention, & Remediativ	\$440,838	\$442,722	\$442,722	\$568,229	\$125,507	28.3%
Gifted Education	\$213,872	\$214,786	\$214,786	\$261,486	\$46,700	21.7%
Vocational Education	\$308,136	\$306,837	\$306,837	\$412,343	\$105,506	34.4%
English as a Second Language	\$344,006	\$355,488	\$355,488	\$561,097	\$205,609	57.8%
Textbooks	\$439,485	\$441,363	\$441,363	\$540,421	\$99,058	22.4%
Total Standards of Quality (SOQ)	\$40,852,204	\$41,384,606	\$41,384,606	\$48,371,382	\$6,986,776	16.9%

Unless otherwise specified, the formula to calculate SOQ revenues is:

$$[\text{Per Pupil Amount} \times \text{Average Daily Membership (14,161)}] \times [1 - \text{Local Composite Index (0.6449)}]$$

❖ Basic Aid

▲ FY 2020/21 Per Pupil Amount: \$6,255

Includes funding for the basic instructional positions derived from minimum student to teacher ratios and other instructional position staffing standards required by the Standards of Quality (SOQ) for each school division with a minimum ratio of 51 instructional personnel for each 1,000 pupils; plus other support costs funded through the SOQ, including support salaries and benefits costs.

$$((PPA \times ADM) - \text{Sales Tax}^2) \times (1 - LCI)$$

State Basic Aid payments to local school divisions are intended to fund a basic educational program. These funds are designated for a variety of purposes such as driver education, teacher sick leave, special education, general administration, fixed charges, operation and maintenance, and other costs of programs. It is distributed on the basis of each locality's ability to provide the minimum required educational program, with less able localities receiving a higher proportion of the per pupil costs from state funds than the wealthier localities. For each locality, there is a required expenditure from local funds that is based on an index of local ability to pay.

² Sales tax estimate provided by the state.

❖ Basic Aid Transfer for CIP Buses

A portion of Basic Aid funding is dedicated for the purchase and replacement of school buses. This reflects the amount transferred to the Capital Improvement Program fund, which funds the School Bus and Equipment Replacement program.

❖ Sales Tax

A portion of net revenue from the state sales and use tax dedicated to public education (1.125%) is distributed to counties, cities, and towns in support of the Standards of Quality. The distributions are based on each locality's pro-rata share of school age population as based on the estimate of school-age population provided by the Weldon Cooper Center for Public Service at the University of Virginia.

▲ FY 2019-20 sales tax revenues are projected to increase as state sales and use taxes increase.

❖ Special Education

▲ *FY 2020/21 Per Pupil Amount: \$672*

Funding for special education provides for the state share of salary costs of instructional positions generated based on the staffing standards for special education. Each special education student is counted in the student's respective school for funding at either the resource or self-contained level of staffing based on the percentage of special education provided to the student each day.

These standards require the endorsement of special education teachers, per-class enrollment at or below specified levels, teacher assistants in certain classes, regulation of the type of classes offered, and development and retention of an Individualized Education Plan for each student.

❖ Prevention, Intervention, and Remediation (RTI)

▲ *FY 2020/21 Per Pupil Amount: \$113*

SOQ Prevention, Intervention, and Remediation funding provides remedial services to children who need additional instruction. Funding is disbursed to local school divisions to support the state share of additional professional instructional positions ranging from a pupil teacher ratio of 10:1 to 18:1 (on a sliding scale) based on the division-level failure rate on the SOL English and Math tests for all students at risk of educational failure (the three-year average free lunch eligibility data is used as a proxy for at risk students).

❖ Gifted Education

▲ *FY 2020/21 Per Pupil Amount: \$52*

Gifted education funding supports the state share of one full-time equivalent instructional position per 1,000 students in the adjusted ADM.

❖ Vocational Education (CTE)

▲ FY 2020/21 Per Pupil Amount: \$82

State funds are provided for career and technical education courses for students in grades 6-12. The funding supports the salary cost of instructional positions based on the class size maximums established by the Board of Education.

❖ English as a Second Language

▲ FY 2020/21 Projected Students: 1,101

State funds are provided to support local school divisions providing the necessary educational services to children not having English as their primary language. The funding supports the salary and benefits cost of instructional positions at a standard of 17 positions per 1,000 ESL students.

(17 teachers per 1,000 ESL students x Average salary and fringe benefits) x (1 - LCI)

❖ Textbooks (Learning Resources)

▲ FY 2020/21 Per Pupil Amount: \$107.47

State law requires that students attending public schools receive free textbooks. State funding is provided on a per pupil basis based on the funded per pupil amount for textbooks.

Standards of Quality (SOQ) Accounts – Fringe Benefits

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Fringe Benefits - Recovered Costs</i>						
VRS - Instructional	\$2,749,784	\$2,770,300	\$2,770,300	\$3,560,228	\$789,928	28.5%
FICA - Instructional	\$1,248,314	\$1,253,648	\$1,253,648	\$1,528,686	\$275,038	21.9%
Life Insurance - Instructional	\$82,930	\$83,284	\$83,284	\$105,600	\$22,316	26.8%
Total Fringe Benefits	\$4,081,028	\$4,107,232	\$4,107,232	\$5,194,514	\$1,087,282	26.5%

❖ Fringe Benefits

The state share of the cost of employer contributions for funded SOQ instructional positions.

- ▲ Social Security: Employer rate 7.65%, Per Pupil Amount \$304
- ▲ Group Life: Employer rate 0.54%, Per Pupil Amount \$21
- ▲ VRS Retirement: Employer VRS rate 17.83%, Per Pupil Amount: \$708

Lottery Funded Programs

Lottery profits are distributed to school divisions using formulas determined by the General Assembly in the Appropriation Act.

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Lottery Funded Programs⁽¹⁾</i>						
Career and Technical Education	\$14,454	\$15,910	\$15,910	\$14,454	(\$1,456)	-9.2%
Early Reading Intervention	\$177,592	\$178,669	\$178,669	\$261,313	\$82,644	46.3%
Foster Care	\$77,855	\$148,273	\$148,273	\$145,403	(\$2,870)	-1.9%
ISAEF	\$0	\$25,065	\$0	\$0	(\$25,065)	-100.0%
K-3 Primary Class Size Reduction	\$425,869	\$428,550	\$428,550	\$527,079	\$98,529	23.0%
Special Education Regional Tuition ⁽²⁾	\$899,117	\$994,329	\$1,131,585	\$634,927	(\$359,402)	-36.1%
Supplemental Lottery Per Pupil	\$1,589,419	\$1,615,423	\$1,615,423	\$1,589,412	(\$26,011)	-1.6%
Total Lottery Funded	\$3,184,306	\$3,406,219	\$3,518,410	\$3,172,588	(\$233,631)	-6.9%

(1) Beginning in FY 2019/20 At-Risk Education is split-funded by Lottery Funded Programs and Incentive Programs. The total amount is shown for all years in Incentive Program.

(2) Special Education Regional Tuition was an Incentive Program in FY 2019/20.

❖ Career and Technical Education – CATEC

▼ Vocational education equipment allocations are calculated using a base division allocation of \$2,000, with the remainder of funding distributed on the basis of student enrollment in secondary vocational-technical courses. State funds received for secondary vocational-technical equipment must be used to supplement, not supplant, any funds currently provided for secondary vocational-technical equipment within a locality.

❖ Early Reading Intervention

▲ The Early Reading Intervention program is designed to reduce the number of students needing remedial reading services. Program funds are used by local school divisions for: special reading teachers; trained aides; full-time early literacy tutors; volunteer tutors under the supervision of a certified teacher; computer-based reading tutorial programs; aides to instruct in class groups while the teacher provides direct instruction to the students who need extra assistance; or extended instructional time in the school day or year for these students.

❖ Foster Care

▼ Foster care funding provides reimbursement to localities for educating students in foster care that are not residents of their school division. State funds are provided for prior year local operations costs for each pupil not a resident of the school division providing their education if the student has been placed in foster care or other custodial care within the geographical boundaries of such school division by a Virginia agency, whether state or local, which is authorized under the laws of the Commonwealth to place children.

❖ **K-3 Primary Class Size Reduction**

▲ State funding is disbursed to school divisions as an incentive payment for reducing ratios and class sizes in grades kindergarten through three below the required SOQ standard of a 24:1 pupil-teacher ratio. Payments are based on the incremental cost of providing the lower ratios and class sizes based on the lower of the statewide average per pupil cost of all divisions or the actual division per pupil cost.

❖ **Special Education – Regional Tuition**

Regional tuition reimbursement funding provides for students with low-incidence disabilities who can be served more appropriately and less expensively in a regional program than in more restrictive settings. Reimbursement is in lieu of the per pupil basic operation cost and other state aid otherwise available.

▼ For the last 20 years, Albemarle County has worked with PREP to access funding through the Regional Reimbursement Rate Program through the Virginia Department of Education. Participating in the Reimbursement Rate Packages allowed Albemarle County Schools to receive financial assistance at a rate more favorable than that supplied by the Average Daily Membership rates. Beginning in FY 2020/21, changes include redefining eligible students with Emotional Disabilities, Autism or Multiple Disabilities that receive 85% or more special education services per week and only for direct services to the child.

The Division will not be able to submit any children for the Reimbursement Rate Package for students with Emotional Disabilities as they do not receive 85% or more special services in a week and the Division is expected to receive approximately 40% less reimbursement in the Reimbursement Rate Package (includes Ivy Creek Students).

❖ **Supplemental Lottery Per Pupil Allocation**

▼ *FY 2020/21 Per Pupil Amount: \$314.62*

School divisions are permitted to spend such funds on both recurring and nonrecurring expenses in a manner that best supports the needs of the school divisions.

Incentive Programs

Incentive programs are voluntary programs, but in order to receive state funds, school divisions must agree to meet additional requirements, such as certifying they will offer the specific program or meeting certain requirements.

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Incentive Programs</i>						
Compensation Supplement	\$0	\$1,243,855	\$1,243,855	\$0	(\$1,243,855)	-100.0%
At Risk Education ⁽¹⁾	\$260,252	\$284,303	\$284,303	\$570,594	\$286,291	100.7%
Games of Skill	\$0	\$0	\$0	\$360,146	\$360,146	N/A
Total Incentive	\$260,252	\$1,528,158	\$1,528,158	\$930,740	(\$597,418)	-39.1%

(1) Beginning in FY 2019/20 At-Risk Education is split-funded by Lottery Funded Programs and Incentive Programs. The total amount is shown for all years in Incentive Program

❖ Compensation Supplement

Compensation supplement funding covers the state share of the cost (including fringe benefits) for a percentage-based salary increase for funded SOQ instructional and support positions.

▼ Compensation supplement funding covers the state share of the cost (including fringe benefits) for a percentage-based salary increase for funded SOQ instructional and support positions. No compensation supplement will be provided in FY 2020/21.

❖ At Risk Education

State payments for at-risk students are disbursed to school divisions based on the estimated number of federal free lunch participants in each division to support programs for students who are educationally at-risk. Funding is provided as a percentage add-on to Basic Aid to support the additional costs of educating at-risk students. This is split funded by Lottery Programs.

▲ Projected FY 2018-19 and FY 2019-20 payments have fluctuated based upon actual and projected enrollment of students eligible for free and reduced lunch as well as changes in the funding formula.

❖ Games of Skill

▲ The Governor's introduced budget provides state funding of \$50.0 million in fiscal year 2021, or the state share of \$71.29 per pupil for the Games of Skill Per Pupil Amount. School divisions are permitted to spend these funds on both recurring and non-recurring expenditures and do not require a local match

Categorical Programs

Funding for programs beyond SOQs and are usually targeted to the particular needs of specific student populations. Typically, there is no required match.

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Categorical Programs</i>						
Special Education Homebound	\$16,283	\$16,365	\$16,365	\$23,545	\$7,180	43.9%
Total Categorical	\$16,283	\$16,365	\$16,365	\$23,545	\$7,180	43.9%

- ❖ **Special Education - Homebound:** In addition to providing state basic aid for special education, the state provides funding 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 students.

▲ Final payments will be based on actual expenditures, up to the projected state payment, subject to the availability of funds.

Other State Revenue

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Other State</i>						
Career Switcher	\$3,000	\$0	\$0	\$0	\$0	N/A
Miscellaneous	\$1,200	\$0	\$0	\$0	\$0	N/A
National Board Certification	\$85,000	\$86,000	\$86,000	\$85,000	(\$1,000)	-1.2%
Total Other State	\$89,200	\$86,000	\$86,000	\$85,000	(\$1,000)	-1.2%

- ❖ **National Board Certification:** A portion of costs for teacher certifications of National Board Standards are reimbursed by the state.

▼ Reimbursements are projected to decrease to reflect trends in new teacher participation rates.

Federal Revenue

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Federal Revenue</i>						
Special Education Flow Through	\$2,994,659	\$2,981,523	\$2,981,523	\$3,064,761	\$83,238	2.8%
Medicaid Reimbursement	<u>\$39,262</u>	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$518,000</u>	<u>\$500,000</u>	<u>2777.8%</u>
Total Federal	\$3,033,921	\$2,999,523	\$2,999,523	\$3,582,761	\$583,238	N/A

 ❖ **Special Education Flow Through**

The Individuals with Disabilities Education Act (IDEA) provides federal aid to ensure that all school-age children with disabilities are provided a free and appropriate public education. Federal funds are used only for the additional cost of educating students with disabilities. Funding is significantly below the original congressional promise of funding 40% of the cost of special education services under the Individuals with Disabilities Education Act.

▲ This is the projection for the IDEA Flow Through Grant for K-12 based on the activities of the current year.

 ❖ **Medicaid Reimbursement**

The Medicaid program allows school districts to seek reimbursement from Medicaid for the cost of the related services the school district provides to special education eligible students.

▲ ACPS is projected to receive new revenues of up to \$500,000 for Medicaid Reimbursements. These revenues were previously received and facilitated by the Piedmont Regional Education Program (PREP). Medicaid related expenditures will increase by a corresponding amount, resulting in a cost neutral shift within the School Fund.

Use of Fund Balance and Local Transfers

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Fund Balance</i>						
Use of Fund Balance - General	\$0	\$959,388	\$0	\$800,000	(\$159,388)	-16.6%
Use of Fund Balance - School Carryov	\$0	\$224,735	\$260,000	\$260,000	\$35,265	15.7%
<i>Transfers from Special Revenues Funds</i>						
Vehicle Maintenance Fund	\$0	\$105,000	\$0	\$139,512	\$34,512	32.9%
CFA Institute - Summer Rental	\$200,000	\$200,000	\$200,000	\$200,000	\$0	0.0%
Child Nutrition	\$112,500	\$112,500	\$112,500	\$112,500	\$0	0.0%
Extended Day Enrichment Program	\$87,500	\$87,500	\$87,500	\$0	(\$87,500)	-100.0%
Blue Ridge Juvenile Detention Center	\$27,475	\$50,000	\$27,475	\$27,475	(\$22,525)	-45.1%
Total Local Appropriations	\$427,475	\$1,739,123	\$687,475	\$1,539,487	(\$199,636)	-11.5%

❖ Fund Balance

Use of fund balance is budgeted each year to support operations. This is not tied to any specific initiative or project, but is a “recurring” amount that is absorbed by the fund. In addition, each school is permitted to carry over unspent amounts at the end of the year, up to 10% of its budget. This estimate is shown as the School Carryover budget amount.

▼ A one-time increase in the general use of fund balance was budgeted in FY 2019/20 to cover expenditures. This adjustment brings the projected budget down to historical levels of \$800,000.

▲ School Carryover amounts are increasing to reflect historical trends.

❖ Transfers from Special Revenues Funds

Transfers are budgeted into the School Operating Fund from Special Revenue Funds (described in detail in Section F). The transfers represent payments to the School Fund for utilities and administrative overhead for human resources, finance, and other management services. The CFA Institute – Summer Rental program and Vehicle Maintenance Fund transfer residual funds from the operations of the program.

▲ The Vehicle Maintenance Fund is expected to bring in revenue of \$139,512 from vehicle repair services provided to agencies outside of the School Division. In addition, net income from field trip services and fuel services provided to outside agencies is included in FY 2020/21.

▼ The \$87,500 transfer from Extended Day Enrichment Programs (EDEP) is eliminated as part of the Community Engagement: EDEP Accessibility proposal to make the program more accessible to low-income students.

Combined Revenue Detail

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Local Government Transfer</i>						
Local Government Transfer	\$131,312,821	\$138,150,208	\$138,150,208	\$144,057,923	\$5,907,715	4.3%
Western Albemarle HS Operating Cos	\$0	\$50,304	\$50,304	\$0	(\$50,304)	-100.0%
Total Local Government Transfer	\$131,312,821	\$138,200,512	\$138,200,512	\$144,057,923	\$5,857,411	4.2%
<i>Local School Revenue</i>						
<i>Use of Money</i>						
General Property Rental	\$391,990	\$400,000	\$400,000	\$400,000	\$0	0.0%
Sale of Surplus Equipment	\$32,121	\$6,000	\$10,000	\$10,000	\$4,000	66.7%
Rent - PREP	\$0	\$120,597	\$120,597	\$120,597	\$0	0.0%
Rent - VIA Mobile Unit	\$0	\$10,000	\$10,000	\$10,000	\$0	0.0%
Royalties - Cable	\$72,365	\$45,000	\$60,000	\$60,000	\$15,000	33.3%
Total Use of Money	\$496,476	\$581,597	\$600,597	\$600,597	\$19,000	3.3%
<i>Charges for Service</i>						
Tuition - Employee Dep	\$0	\$30,000	\$20,000	\$30,000	\$0	0.0%
Activity Fee - Albemarle	\$110,242	\$62,000	\$62,000	\$62,000	\$0	0.0%
Activity Fee - Western	\$61,725	\$57,000	\$57,000	\$57,000	\$0	0.0%
Activity Fee - Monticello	\$77,088	\$55,000	\$55,000	\$55,000	\$0	0.0%
Employee Fingerprint Fees	\$6,924	\$9,000	\$7,000	\$7,000	(\$2,000)	-22.2%
Building Services Repairs	\$6,892	\$0	\$0	\$0	\$0	N/A
Total Charges for Service	\$262,871	\$213,000	\$201,000	\$211,000	(\$2,000)	-0.9%
<i>Miscellaneous Revenue</i>						
Dawson Fund	\$572	\$230	\$230	\$230	\$0	0.0%
Refunds and Rebates	\$108,872	\$65,400	\$100,000	\$90,000	\$24,600	37.6%
Donations & Miscellaneous Revenue	\$641,917	\$372,202	\$400,000	\$400,000	\$27,798	7.5%
Total Miscellaneous Revenue	\$751,361	\$437,832	\$500,230	\$490,230	\$52,398	12.0%
<i>Recovered Costs</i>						
Human Resources Department	\$544,165	\$552,681	\$552,681	\$587,967	\$35,286	6.4%
Health Insurance Fund	\$24,000	\$24,000	\$24,000	\$24,000	\$0	0.0%
Piedmont Regional Education Program	\$42,610	\$0	\$0	\$0	\$0	N/A
LED Lighting	\$265,291	\$189,257	\$189,257	\$189,257	\$0	0.0%
Prior Year Recovery & Other Recover	\$20,952	\$12,500	\$12,500	\$12,500	\$0	0.0%
Total Recovered Costs	\$897,017	\$778,438	\$778,438	\$813,724	\$35,286	4.5%
<i>Standards of Quality (SOQ) Accounts</i>						
Basic Aid	\$19,599,385	\$19,551,060	\$19,551,060	\$25,036,201	\$5,485,141	28.1%
Basic Aid Transfer for CIP Buses	(\$260,000)	(\$260,000)	(\$260,000)	(\$260,000)	\$0	0.0%
Sales Tax	\$16,894,486	\$17,452,465	\$17,452,465	\$17,872,405	\$419,940	2.4%
Special Education	\$2,871,996	\$2,879,885	\$2,879,885	\$3,379,200	\$499,315	17.3%
Prevention, Intervention, and Remedie	\$440,838	\$442,722	\$442,722	\$568,229	\$125,507	28.3%
Gifted Education	\$213,872	\$214,786	\$214,786	\$261,486	\$46,700	21.7%
Vocational Education	\$308,136	\$306,837	\$306,837	\$412,343	\$105,506	34.4%
English as a Second Language	\$344,006	\$355,488	\$355,488	\$561,097	\$205,609	57.8%
Textbooks	\$439,485	\$441,363	\$441,363	\$540,421	\$99,058	22.4%
Total Standards of Quality (SOQ)	\$40,852,204	\$41,384,606	\$41,384,606	\$48,371,382	\$6,986,776	16.9%

Revenues: B-18

	FY 2018/19 Actual	FY 2019/20 Adopted	FY 2019/20 Projected	FY 2020/21 Proposed	\$ Change from Adopted	% Change from Adopted
<i>Fringe Benefits - Recovered Costs</i>						
VRS - Instructional	\$2,749,784	\$2,770,300	\$2,770,300	\$3,560,228	\$789,928	28.5%
FICA - Instructional	\$1,248,314	\$1,253,648	\$1,253,648	\$1,528,686	\$275,038	21.9%
Life Insurance - Instructional	<u>\$82,930</u>	<u>\$83,284</u>	<u>\$83,284</u>	<u>\$105,600</u>	<u>\$22,316</u>	<u>26.8%</u>
Total Fringe Benefits	\$4,081,028	\$4,107,232	\$4,107,232	\$5,194,514	\$1,087,282	26.5%
<i>Lottery Funded Programs⁽¹⁾</i>						
Career and Technical Education	\$14,454	\$15,910	\$15,910	\$14,454	(\$1,456)	-9.2%
Early Reading Intervention	\$177,592	\$178,669	\$178,669	\$261,313	\$82,644	46.3%
Foster Care	\$77,855	\$148,273	\$148,273	\$145,403	(\$2,870)	-1.9%
ISAP	\$0	\$25,065	\$0	\$0	(\$25,065)	-100.0%
K-3 Primary Class Size Reduction	\$425,869	\$428,550	\$428,550	\$527,079	\$98,529	23.0%
Special Education Regional Tuition ⁽²⁾	\$899,117	\$994,329	\$1,131,585	\$634,927	(\$359,402)	-36.1%
Supplemental Lottery Per Pupil	<u>\$1,589,419</u>	<u>\$1,615,423</u>	<u>\$1,615,423</u>	<u>\$1,589,412</u>	<u>(\$26,011)</u>	<u>-1.6%</u>
Total Lottery Funded	\$3,184,306	\$3,406,219	\$3,518,410	\$3,172,588	(\$233,631)	-6.9%
<i>Incentive Programs</i>						
Compensation Supplement	\$0	\$1,243,855	\$1,243,855	\$0	(\$1,243,855)	-100.0%
At Risk Education ⁽¹⁾	\$260,252	\$284,303	\$284,303	\$570,594	\$286,291	100.7%
Games of Skill	\$0	\$0	\$0	\$360,146	\$360,146	N/A
Total Incentive	\$260,252	\$1,528,158	\$1,528,158	\$930,740	(\$597,418)	-39.1%
<i>Categorical Programs</i>						
Special Education Homebound	\$16,283	\$16,365	\$16,365	\$23,545	\$7,180	43.9%
Total Categorical	\$16,283	\$16,365	\$16,365	\$23,545	\$7,180	43.9%
<i>Other State</i>						
Career Switcher	\$3,000	\$0	\$0	\$0	\$0	N/A
Miscellaneous	\$1,200	\$0	\$0	\$0	\$0	N/A
National Board Certification	<u>\$85,000</u>	<u>\$86,000</u>	<u>\$86,000</u>	<u>\$85,000</u>	<u>(\$1,000)</u>	<u>-1.2%</u>
Total Other State	\$89,200	\$86,000	\$86,000	\$85,000	(\$1,000)	-1.2%
<i>Federal Revenue</i>						
Special Education Flow Through	\$2,994,659	\$2,981,523	\$2,981,523	\$3,064,761	\$83,238	2.8%
Medicaid Reimbursement	<u>\$39,262</u>	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$518,000</u>	<u>\$500,000</u>	<u>2777.8%</u>
Total Federal	\$3,033,921	\$2,999,523	\$2,999,523	\$3,582,761	\$583,238	N/A
<i>Fund Balance</i>						
Use of Fund Balance - General	\$0	\$959,388	\$0	\$800,000	(\$159,388)	-16.6%
Use of Fund Balance - School Carryov	\$0	\$224,735	\$260,000	\$260,000	\$35,265	15.7%
<i>Transfers from Special Revenues Funds</i>						
Vehicle Maintenance Fund	\$0	\$105,000	\$0	\$139,512	\$34,512	32.9%
CFA Institute - Summer Rental	\$200,000	\$200,000	\$200,000	\$200,000	\$0	0.0%
Child Nutrition	\$112,500	\$112,500	\$112,500	\$112,500	\$0	0.0%
Extended Day Enrichment Program	\$87,500	\$87,500	\$87,500	\$0	(\$87,500)	-100.0%
Blue Ridge Juvenile Detention Center	<u>\$27,475</u>	<u>\$50,000</u>	<u>\$27,475</u>	<u>\$27,475</u>	<u>(\$22,525)</u>	<u>-45.1%</u>
Total Local Appropriations	\$427,475	\$1,739,123	\$687,475	\$1,539,487	(\$199,636)	-11.5%
SCHOOL FUND TOTAL REVENUES	\$185,665,216	\$195,478,605	\$194,608,546	\$209,073,491	\$13,594,886	7.0%

(1) Beginning in FY 2019/20 At-Risk Education is split-funded by Lottery Funded Programs and Incentive Programs. The total amount is shown for all years in Incentive Program

(2) Special Education Regional Tuition was an Incentive Program in FY 2019/20.

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