

School Board Biennial Operating Budget



FY 2008/09 - FY 2009/10

APPROVED MAY 20, 2008

 **VIRGINIA BEACH CITY PUBLIC SCHOOLS**
AHEAD OF THE CURVE
Virginia Beach, Virginia

School Board Biennial Operating Budget FY 2008/09 – FY 2009/10



Virginia Beach City Public Schools will provide services and programs to engage its clientele in an exciting learning environment. The school division will excel in all aspects of performance, enhance student achievement, bring recognition to the community, and establish itself as a premier leader in the education industry. With continuous improvement, the results of employee efforts will make VBCPS, “The School District of Choice.”

The Virginia Beach City Public Schools prohibits discrimination on the basis of race, religion, gender, national origin, age, disability, pregnancy, or marital status. School Board policies and supporting regulation (Policies 2-33, 4-4, 5-7, and 6-7 and Regulation 5-44.1) provide equal access to courses, programs, counseling services, physical education, athletics, vocational education, instructional materials, and extracurricular activities. Violations of these policies should be reported to the Director of Student Leadership at 263-2020 or the Assistant Superintendent of Human Resources at 263-1133.

Alternative formats of this publication, which may include a CD, Braille, or large print material, are available upon request for individuals with disabilities. Call or write Sandra Childress, Office of Budget Development, 2512 George Mason Drive, Virginia Beach, Virginia 23456-0038. Telephone (757) 263-1066; fax (757) 263-1173 or email SandraM.Childress@vbschools.com.

Table of Contents

Introduction

Virginia Beach City Public Schools' Division Structure	1
--	---

Budget Awards

Association of School Business Officials International (ASBO) Award	2
Government Finance Officers Association (GFOA) Award	2

Correspondence and Resolutions

Budget Resolution (May)	3
Capital Improvement Program (CIP) Resolution	4
Budget Resolution (March)	5
Ordinance Resolution	6
Chairman's Transmittal Letter to City Council	7
Superintendent's Budget Message	9

Budget-at-a-Glance	12
---------------------------------	----

Executive Summary

Budget Overview	13
Budget Development Overview	13
Balancing the Budget Between Revenue Growth and Expenditure Growth	13
Financial Overview - Operating Budget	13
Impact of the State Budget	14
Impact of the Local Budget	15
Personnel Adjustments	15
Non-Personnel Adjustments	15
Financial Overview - Total Budget	15
Financial Overview - Revenue	17
State Revenue	17
State Sales Tax	18
Local Revenue	19
Debt Service	20
Categorical Grant and Other Funds	21
Financial Overview - Expenditures	21
Expenditures by Category	22
Expenditures by Expenditure Type	23
Enrollment	25
Position Overview	26
Projected Changes in Fund Balance	26
Key Operating Measures	27
Per-Pupil Expenditure Statistical Data	29

Organizational Summary

Division Organizational Chart	30
Organizational Structure	31
Mission Statement, Vision Statement, and Core Values	36
School Board Program of Work and Status Report	37
Operating Budget Calendar and Capital Improvement Program Budget Calendar	42

Table of Contents

Reader's Guide to the Budget	44
Historical Information	44
School Board Composition and Responsibilities of the School Board and City Council	44
Accounting for School Board Funds	44
Sources of Revenue	45
Expenditure Categories	45
Section Explanation	46
Strategic Plan and Budget Development	46
Operating Budget Process	46
Budget Amendment Process	48
Reporting	48
Capital Budget Process	48
 School Board Funds	 49
 <u>Financial Summary</u>	
 Total Budget Summary	 50
Total Funds	50
 Projected Revenue Summary	
Revenue Overview	51
Operating Budget Funds	51
Federal Funds	52
State Funds	53
Local Funds	54
Categorical Grants and Other Funds	55
 Projected Expenditures Summary	 57
Expenditures by Category and Budget Unit Code	58
Expenditures by Category and Program	60
Personnel Services	61
Fringe Benefits	62
Purchased Services	63
Other Charges	64
Material and Supplies	65
Capital Outlay	66
Transfers and Improvements	66
Categorical Grants Fund by Category and Program	67
Other Funds by Category and Program	67
 Staffing Summary	
All Funds	70
Instructional Staff by School Level	71
 Additional Needs in Priority Order	 72
 Capital Improvement Program (CIP)	 73
Table 1 - Projects Funded	74
Table 2 - Funding Sources	75
Table 3 - Estimated Impact on the Operating Budget	75

Table of Contents

Information

A Snapshot of Virginia Beach City Public Schools' Outcome

Our Record of Excellence	76
--------------------------------	----

School Board/City of Virginia Beach Statistical Data

Miscellaneous School and City Statistical Data	78
Demographic Statistics of the City of Virginia Beach.....	80

Division Characteristics

Public Education Facilities/Programs	81
Instructional Staff.....	82
Students	83
September 30 th Student Membership by Grade Level.....	84
Student Characteristics	85

Parent - Student Satisfaction Results	86
---	----

Virginia Beach City Public Schools Statistical Data

Scholastic Assessment Test (SAT) - Verbal Mean Scores	87
Stanford Achievement Test (SAT) - Math Mean Scores.....	87
Stanford Achievement Test Series, 10 th Edition	88
Mobility Indices.....	91
Percentage of Graduates Continuing Education	93
Dropout Rate	93
Student Promotions	93

Strategic Goals for 2003-2009	94
-------------------------------------	----

Achievements Toward the Strategic Goals for 2003-2009	95
---	----

Salary Scales and Statistical Data

Compensation Philosophy	96
Instructional Salary Schedules	97
Unified Pay Plan.....	98
Grade Assignments.....	99
Part-Time/Temporary Rates	103
Table of Allowances	106
Average Salary of Virginia Beach Teachers	107
Comparison Ranking of Virginia Local School Systems' Salaries	107

Staffing Standards and Guidelines

Elementary	108
Middle School.....	111
High School.....	114

School Financial Allocations	117
---	-----

Projected Allocation Totals by Category	118
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Instructional Computer Allocation Guidelines	119
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Table of Contents

Revenue Sharing Formula Policy

Agenda Item - City of Virginia Beach.....	122
Resolution of Adoption	123
City Council Policy.....	124
Purpose	124
Definitions.....	124
Procedure to Accomplish the Policy.....	125
Additional Funding - Schools.....	126
Additional Funding - City	126
Tax Rate Decrease	127
Actual Revenues Deviate from Budgeted Revenues	127
Unanticipated Revenues	127
Revision to Policy	127
Appendix A - Formula Allocation 1997- 2008.....	129
Appendix B - Historical Information	130
Impact on the Average Family	131
Revenue Sources for Operation of Regular Day School	132
Long-Term Financial Objective	133
Five-Year Forecast	133
Enrollment	133
Average Daily Membership (ADM).....	133
Revenue	134
Expenditures	134
Five-Year Forecast Summary.....	136
Composite Index Comparison	138
Student Enrollment Trends	138
Staffing Allocations.....	138
Budget Manager and Signature Authority	139
School Location Maps	
Elementary Schools	142
Middle Schools	144
High Schools	146
Glossary	148
Additional Resource	154

Division Structure

The Virginia Beach School Board is an eleven-member group of citizens elected to serve four-year overlapping terms. The School Board has overall responsibility to ensure that the activities of the public schools are conducted according to law with the utmost efficiency.



MR. DANIEL D. "DAN" EDWARDS
CHAIRMAN
DISTRICT 1 - CENTERVILLE

MRS. RITA SWEET BELLITTO
VICE CHAIRMAN
AT-LARGE



MEMBERS



Ms. Sandra Smith-Jones
District 2 - Kempsville



Mr. Dan R. Lowe
District 4 - Bayside



Mr. Edward F. Fissinger, Sr.
At-Large



Mrs. Patricia G. Edmonson
District 6 - Beach



Mr. Michael W. Stewart
District 3 - Rose Hall



Mrs. Carolyn D. Weems
At-Large



Mrs. Emma L. Davis
District 5 - Lynnhaven



Mr. Todd C. Davidson
At-Large



Mr. William J. Brunke, IV
District 7 - Princess Anne



DR. JAMES G. MERRILL
SUPERINTENDENT

The Superintendent works closely with the Deputy Superintendent and the assistant superintendents who oversee the day-to-day operations of the schools and administrative departments.

ADMINISTRATIVE STAFF

The schools are supported by nine departments that provide services including curriculum development, payment for personnel, recruitment, hiring, computer services, building maintenance, and instructional materials.

Office of the Superintendent , Deputy Superintendent	Dr. Sheila S. Magula
Office of the Superintendent , Executive Assistant	Mr. Freddie P. Alarcon, Jr.
Curriculum and Instruction , Assistant Superintendent	Dr. Christine W. Caskey
School Administration , Elementary, Assistant Superintendent	Ms. Elizabeth E. Taylor
School Administration , Middle, Assistant Superintendent	Dr. Maynard E. Massey
School Administration , High, Assistant Superintendent	Dr. Hazel H. Jessee
Budget and Finance , Chief Financial Officer	Mr. Farrell E. Hanzaker
Human Resources , Assistant Superintendent	Mr. John A. Mirra
Technology , Chief Information Officer	Mr. Ramesh K. Kapoor
Research, Evaluation, and Assessment , Assistant Superintendent	Dr. Jared A. Cotton
Administrative Support Services , Assistant Superintendent	Mr. John S. Kalocay
Media and Communications , Assistant Superintendent	Ms. Kathleen E. O'Hara

Budget Awards

Association of School Business Officials International



ASBO Award

This Meritorious Budget Award has been presented to Virginia Beach City Public Schools for excellence in the preparation and issuance of its school system budget for the past nine consecutive years (beginning FY 1999-00).

This Meritorious Budget Award is presented to

Virginia Beach City Public Schools

for excellence in the preparation and issuance
of its school system budget
for the Fiscal Year 2007-2008.

The budget is judged to conform
to the principles and standards of the
ASBO International Meritorious Budget Awards Program.


President


Executive Director

GFOA Award

Virginia Beach City Public Schools has won this prestigious award for the past ten consecutive years (beginning 1998-99).



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

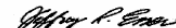
PRESENTED TO

Virginia Beach City Public Schools

For the Fiscal Year Beginning

July 1, 2007


President


Executive Director

Budget Resolution

SCHOOL BOARD

Daniel D. Edwards
Chairman
District 1 - Centerville
1513 Beachview Drive
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Carolyn D. Weems
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464-6674 (h)

SUPERINTENDENT

James G. Merrill, Ed.D.
2512 George Mason Drive
VA Beach, VA 23456
263-1007

WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with our entire community, is to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future; 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 School Operating Budget FY 2008/09 in view of state and federal requirements, additional demands for space and operations, the strategic plan, priorities, expectations, competitive compensation for employees and the best educational interests of its students; and

WHEREAS, the total funds available for FY 2008/09 from the City of Virginia Beach to Virginia Beach City Public Schools under the Revenue Sharing Policy is \$394,330,115; and

WHEREAS, the debt service payment is estimated to be \$41,154,429 leaving a balance of \$353,175,686 to allocate between the Operating Budget and the Capital Improvement Program; and

WHEREAS, the School Board Proposed Operating Budget has been reconciled to meet the funding provided by the City Council on May 14, 2008; and

Now, therefore, be it

RESOLVED: That the \$353,175,686 be allocated as follows: \$339,239,378 to the Operating Budget, and \$13,936,308 to the Capital Improvement Program (CIP); and be it

FURTHER RESOLVED: That City of Virginia Beach has also transferred \$4,617,000 from the Sandbridge TIF to the Schools PAYGO; and be it

FURTHER RESOLVED: That the Virginia Beach City School Board requests a lump sum appropriation of \$721,316,182 for FY 2008/09 from the City Council of Virginia Beach for the School Board Proposed Operating Budget FY 2008/09. For information, this includes the following categories:

Instruction	\$550,719,456
Administration, Attendance and Health	23,235,324
Pupil Transportation	30,954,363
Operations and Maintenance	92,403,639
Technology	24,003,400

and be it

FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests an appropriation of \$125,116,593 for special grants, and other special revenue funds, for the 2008/09 fiscal year; and be it

FURTHER 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 City Council, the City Manager, and the City Clerk.

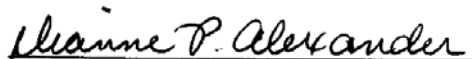
Adopted by the School Board this 20th day of May, 2008



Daniel D. Edwards, Chairman

S E A L

Attest:



Dianne Page Alexander, Clerk of the Board

CIP Resolution

FY 2008-09/FY 2013-14 Capital Improvement Program

SCHOOL BOARD

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WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with our entire community, is to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future; 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 are state lottery proceeds, state construction grants, school reversions, Pay as You Go funds, and the issuance of debt by the City; and

WHEREAS, the City Council Revenue Sharing Formula provides 51.3% of certain general fund revenues to meet obligations of the Virginia Beach Public Schools; and

WHEREAS, the Revenue Sharing Formula allocates funds first to Debt Service, then to Pay As You Go CIP funding and the balance is used for the Operating Budget; and

WHEREAS, the School Board has allocated \$13,936,308 in FY 2008/09 to Pay as You Go CIP funding; and

WHEREAS, the same commitment of Pay as You Go funding is planned for six year period of this proposed 2008/09 CIP; 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; and

WHEREAS, the budgetary impact relating to actions by the Virginia General Assembly are not fully known at this time and the School Board will be analyzing a new legislation and advise the City staff as soon as this analysis can be completed; and

WHEREAS, the School Board remains hopeful that the City of Virginia Beach will prove amenable to making requisite adjustments to address any unanticipated burdens placed on the school system by legislative action; and

Now, therefore, be it

RESOLVED: That the Virginia Beach School Board adopts a CIP program of \$675,658,256 (as shown on the attached funding summary dated March 11, 2008); and be it further

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 City Council, the City Manager, and the City Clerk.

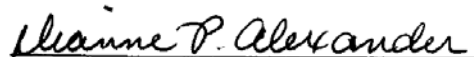
Adopted by the School Board this 11th day of March, 2008

S E A L



Daniel D. Edwards
Chairman

Attest:



Dianne Page Alexander
Clerk of the Board

School Administration Building ■ 2512 George Mason Drive ■ P.O. Box 6038 ■ Virginia Beach, VA 23456-0038

Budget Resolution

SCHOOL BOARD

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WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with our entire community, is to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future; 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 School Operating Budget FY 2008/09 and 2009/10 in view of state and federal requirements, additional demands for space and operations, the strategic plan, priorities, expectations, competitive compensation for employees and the best educational interests of its students; and

WHEREAS, the budgetary impact relating to actions by the Virginia General Assembly are not fully known at this time and the School Board will be analyzing new legislation and advise the City staff as soon as this analysis can be completed; and

WHEREAS, the School Board remains hopeful that the City of Virginia Beach will prove amenable to making requisite adjustments to address any unanticipated burdens placed on the school system by legislative action; and

WHEREAS, the total funds available for FY 2008/09 from the City of Virginia Beach to Virginia Beach City Public Schools under the Revenue Sharing Policy is \$394,740,697 and

WHEREAS, the debt service payment is estimated to be \$41,821,841 leaving a balance of \$352,918,856 to allocate between the Operating Budget and the Capital Improvement Program.

Now, therefore, be it

RESOLVED: That the \$352,918,856 be allocated as follows: \$338,982,548 to the Operating Budget, and \$13,936,308 to the Capital Improvement Program (CIP); and be it

FURTHER RESOLVED: That City of Virginia Beach has also transferred \$4,661,100 from the Sandbridge TIF to the Schools PAYGO; and be it

FURTHER RESOLVED: That the Virginia Beach City School Board requests a lump sum appropriation of \$723,925,090 for FY2008/09 from the City Council of Virginia Beach for the School Board Proposed Operating Budget FY2008/09. For information, this includes the following categories:

Instruction	\$565,720,682
Administration, Attendance and Health	24,213,109
Pupil Transportation	31,820,893
Operations and Maintenance	102,170,406

and be it

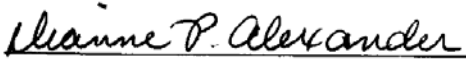
FURTHER RESOLVED: That the School Board of the City of Virginia Beach requests an appropriation of \$99,688,193 for special grants, and other special revenue funds, for the 2008/09 fiscal year; and be it


FURTHER 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 City Council, the City Manager, and the City Clerk.

Adopted by the School Board this 11th day of March 2008

S E A L

Attest:


Dianne Page Alexander, Clerk of the Board


Daniel D. Edwards, Chairman

Ordinance Resolution

SCHOOL BOARD

Daniel D. Edwards
Chairman
District 1 - Centerville
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263-1007

WHEREAS, the mission of the Virginia Beach City Public Schools, in partnership with our entire community, is to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future; 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, mandates of federal and state governments have created additional demands; and

WHEREAS, the School Board has studied the recommended School Operating Budget in view of state and federal requirements, additional demands for space and operations, the strategic plan, priorities, expectations, competitive compensation for employees and the best educational interests of its students; and

WHEREAS, the School Board Proposed Operating Budget FY 2008-09 of \$723,925,090 has been prepared using an unreduced Revenue Sharing Formula Operating Budget allocation of \$338,982,548; and

WHEREAS, the Section 1-182.1 of the Code of the City of Virginia Beach defines a "base budget" as using, among other sources of revenue, estimated real estate tax revenues, which shall be no more than the previous fiscal year's real estate tax levies, plus real estate revenues resulting from new development; and

WHEREAS, the base budget shall then be supplemented by adding any statutory requirements which must be funded; and

WHEREAS, requests for funding above the base budget amount must provide prioritized, incremental items that reflect increased costs of existing services, higher levels of programs and services, or new initiatives; provided, however, that each adjustment, service level, or new initiative shall clearly delineate the additional programs or services to be provided, the associated cost, recommended funding source and the required increased incremental real estate tax rate, if required, to fund each item; and

WHEREAS, the base budget amount for the School Operating Budget for FY 2008-09 is \$718,639,408 and the amount above the base budget is \$5,285,682; and

WHEREAS, each \$.01 of real estate tax rate provides approximately \$5,400,000 with 51.3 percent or \$2,770,200 provided to the School Board under the Revenue Sharing Formula.

Now, therefore, be it

RESOLVED: That the School Board of the City of Virginia Beach identifies the following item in the amount of above base:


- Increase in Total Compensation of \$5,285,682 with an equivalent tax rate of \$.018449 cents for a total real estate tax rate of \$.89;

and be it


FUTHER 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 City Council, the City Manager, and the City Clerk.

Adopted by the School Board this 11th day of March 2008

SEAL


Daniel D. Edwards, Chairman

Attest:


Dianne Page Alexander, Clerk of the Board



VIRGINIA BEACH CITY PUBLIC SCHOOLS

A H E A D O F T H E C U R V E

SCHOOL BOARD

Daniel D. Edwards
Chairman
District 1 - Centerville
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SUPERINTENDENT

James G. Merrill, Ed.D.
2512 George Mason Drive
VA Beach, VA 23456
263-1007

March 11, 2008

The Honorable Meyera Oberndorf, Mayor
Members of City Council
City of Virginia Beach
Municipal Center
Virginia Beach, VA 23456

Dear Mayor Oberndorf and Members of City Council:

It is with a sense of pride that I submit, on behalf of the Virginia Beach School Board, the 2008/09-2009/10 biennial operating budget for your consideration. The 2008-09 fiscal year proposal, which will be the subject of this communication, proved to be particularly challenging as it was shaped in the context of the smallest funding percentage increase experienced in 10 years. As a result, the School Board approached budget development with an important goal - striking the right balance between fiscal efficiency and improving services for children and compensation for employees.

I believe that we have accomplished that goal. Following is an overview of what our proposed \$723.9 million spending plan contains:

- Sixteen special education positions to better support the district's commitment to inclusion and to address the growing need for autism services. Also, a pool of funding to help implement recommendations from the special education audit that is under way. This is an area where both our internal and external customers are asking for meaningful change.
- Seven new Extended Day Kindergarten (EDK) classes. The specific schools that will receive these classes will be determined in the near future. Allocations will be made on a needs basis. An evaluation of the EDK program, which included expansion of services at the district's 39 non-Title I schools, has underscored the program's benefit to children. A lower percentage of children were retained after last school year and a lower percentage had to attend summer school for remediation.
- The addition of four positions for the Advancement Via Individual Determination (AVID) Program which will allow the district to expand to three additional high schools and provide full-time services to a high school that is now receiving part-time services. Research has indicated that AVID has been successful in helping close achievement gaps.
- Funding for a behavioral intervention program at the elementary level.
- A 3.5 percent salary increase for most employees. Those at the top of the Instructional and Unified Scales will receive a 2 percent adjustment.

I would like to underscore the fact that the above-listed initiatives are only possible because of the aggressive stance the district took this year relative to savings and efficiency strategies. These strategies included:

- Eliminating 64.10 positions in 2007-08 budget, prior to the tax cut requiring VBCPS to reduce its budget by \$10.4 million;
- Freezing 44.10 positions; eliminating another 34.10 positions; putting a more reasonable overtime policy into place; and implementing a summer energy savings. Totaled, these strategies saved taxpayers more than \$2.8 million.

It is important to reiterate that many of the strategies implemented will recoup monies each and every year. In fact, we are estimating that over a five-year period VBCPS will save more than \$16.5 million. This is a conservative estimate because it is reflected in 2008 dollars.

Unfortunately, there are needs that cannot be addressed. It is important to mention this because while funding is more constrained, the demands of our citizenry and potential employers of our students for top-notch education services continue to rise. In fact, at this writing Virginia Beach City Public Schools is in the midst of a comprehensive strategic planning process, called *Compass to 2015*. The end result of this process, which has included considerable community involvement, will be the development of a new six-year strategic plan that will guide our work. We hope to brief City Council in depth on the results of *Compass to 2015*.

In the meantime though, it is beneficial for City Council to be aware of what needs we cannot address in this spending plan. We will not be able to expand our preschool initiative, even though we have approximately 500 at-risk children whom we cannot serve. We will be unable to make market adjustments and internal equity adjustments for employees on our unified salary scale. As you may be aware, we have made extensive improvements to our instructional salary scale, but have been unable to provide funding to execute comparable adjustments to other categories of employees, many of whom fall in our lowest pay grades. Other pressing needs include more funding for replacement of school equipment. We remain hopeful that an improved economy will change our funding scenario in the next biennium.

In conclusion, schools operate in an environment of stringent state and federal requirements and expectations that we offer students choices. VBCPS has performed admirably in this climate. All of our schools are accredited and we have made Adequate Yearly Progress as a district. Individual schools have achieved a host of honors, from six of our high schools earning a ranking in *Newsweek* magazine's annual listing of top high schools in the country, to 62 of our 81 testing schools earning awards of excellence from Governor Timothy Kaine and the Virginia Board of Education. Of this number, five schools earned the highest honor, the Governor's Award for Educational Excellence. Public education in Virginia Beach has undeniably contributed not only to the economic vitality of this city, but also to its excellent quality of life in this city.

Sincerely,



Daniel D. Edwards
School Board Chairman

CC: Members, School Board, Virginia Beach City Public Schools
Dr. James G. Merrill, Superintendent, Virginia Beach City Public Schools
Mr. James K. Spore, City Manager, City of Virginia Beach



VIRGINIA BEACH CITY PUBLIC SCHOOLS

A H E A D O F T H E C U R V E

Office of the Superintendent

James G. Merrill, Ed.D.
Superintendent

February 5, 2008

Chairman Edwards and Members of the School Board:

It is my privilege to submit the proposed Biennial Operating Budget for FY 2008/09 & 2009/10. As you are aware, one of the most important responsibilities of a school board and superintendent is the development of an operating budget, because it is this spending plan that drives priorities and progress. In this Superintendent's Estimate of Needs, administration has worked diligently to strike that right balance between fiscal efficiency and continuous improvement of education services for our students.

I would like to begin with a strong statement: This school division has provided Virginia Beach taxpayers with an excellent return on their investment. Consider just a few of Virginia Beach City Public Schools' (VBCPS) accomplishments:

- 100 percent of our testing schools have met state accreditation standards;
- The school division has made Adequate Yearly Progress as defined by federal No Child Left Behind legislation;
- Virginia Beach City Public Schools' students have earned a record 3,130 industry certifications;
- The Class of 2007 was awarded more than \$19 million in scholarships; and, in addition,
- Individual schools have achieved a host of awards and honors, from six of our high schools earning a ranking in *Newsweek* magazine's annual listing of top high schools in the country to 62 of our 81 testing schools earning awards of excellence from Governor Timothy Kaine and the Virginia Board of Education. Of this number, five schools earned the highest honor, the Governor's Award for Educational Excellence.

Achievements such as these on both the district and individual school level make it apparent that this is a superb school system. Yet we must also acknowledge that there are many, many pressing challenges ahead; some of which will inevitably stretch and stress our human, fiscal and infrastructure resources. Many children are coming to us with needs that require intense assistance; achievement gaps among our subgroups have been narrowed but they persistently remain; competition for teachers in certain critical subject areas has become intense; and our infrastructure is aging as maintenance and building costs continue to escalate sharply. These are but a few of the challenges we face - challenges that indisputably call for considerable, even increased, resources. At the same time, we do acknowledge that we must engage in high-quality, strategic planning so these resources are leveraged to the maximum extent possible. In fact, we have done just that, and very successfully too.

Before I get into the particulars of the FY 2008/09 proposal, I would like once again to underscore the aggressive stance we took this year relative to savings and efficiency strategies. This is a message that bears repeating because most assuredly as competition for fiscal resources heightens, so does the discussion about "needs versus wants." It becomes tempting for some to step forward to lobby for additional budget reductions and/or reallocation of resources from schools to other areas of needs when resources become scarcer. School system leadership needs to remind our citizens of the concerted steps we took this past year to contain costs such as:

- Eliminating 64.10 positions in the current fiscal year budget, prior to the tax cut requiring VBCPS to reduce its budget by \$10.4 million;
- Freezing 44.10 positions; eliminating another 22.10 positions; putting a more reasonable overtime policy into place; and implementing a summer energy savings. All total these strategies saved taxpayers more than \$2.8 million

I believe it important to reiterate that many of the strategies implemented will recoup monies each and every year. In fact, we are estimating that over a five-year period VBCPS will save more than \$16.5 million. This is a conservative estimate because it is reflected in 2008 dollars.

Our proactive stance of cost savings has elicited an important vote of confidence. Recently we received an updated valuation of our GASB-45 liability from our actuary. As you know, GASB-45 has placed extensive requirements on the city and the schools to plan for the future financial obligations associated with benefits provided for retired employees. Last fiscal year, the actuarial projection required a \$9.2 million cash set aside for the 2008-09 fiscal year. After a recent meeting with our actuary, we were advised we could reduce that cash set aside to \$3.9 million, a reduction of \$5.3 million that we have been able to reprogram and put to use in this budget proposal.

We have been able to implement or take advantage of a number of additional cost-saving strategies including:

- A net reduction of 16.4 instructional positions from the base budget related to the decline in enrollment. This has resulted in a savings of \$1.1 million.
- A surplus in the health care fund which will enable us to keep our employer contribution at the current \$5,400 per eligible employees. This is the result of the Benefits Executive Committee's (BEC) revisions to health plan coverage over the past two years. The BEC will be evaluating other cost-saving measures including recommendations from both the City's and the Schools' employee health care committees. These recommendations will be shared with the School Board and City Council in the next few months.

In addition, the state has reduced the Virginia Retirement System multiplier for retirement and life insurance, essentially trimming about \$4 million off of expected costs.

These reductions to our base budget enable us to (1) provide a reasonable 3.5 percent salary increase for employees on the Instructional and Unified Salary Scales; (2) add 16 classroom special education positions to better support our commitment to inclusion and to address the growing need for autism services; (3) add four positions to the Advancement Via Individual Determination (AVID) program which will allow us to provide full-time services to a high school that currently has only part-time services, and to expand to three new schools in 2008/09. (Another four positions are planned for the second year of the biennium. As a reminder, a review of AVID data does indicate this program is both increasing student achievement and closing the achievement gap); (4) provide some inflationary increases to those areas of the budget most affected by increasing energy costs; and (5) transfer \$1 million in local monies to the Pay-As-You-Go funds (PAYGO) for our Capital Improvement Program (CIP). It would not have been possible for us to provide the funding for all of these if we had not taken the initiative to reduce our base budget expenses. This is even more remarkable given that the projected revenues for next year from state and local funds are projected to be the lowest percentage increase in the past 10 years. In addition, it is important to note that the state is providing no revenues for salary increases. Consequently, the entire responsibility for ensuring that VBCPS remains competitive in the employment marketplace rests on the shoulders of the school system and its city government.

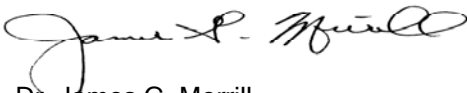
Looking at revenues, the proposed FY 2008/09 Operating Budget stands at \$724.8 million - an increase of \$17.7 million or 2.5 percent over FY 2007/08. This new revenue is the result of additional state and city funding. The source of revenues includes: \$340 million from city funding - an increase of \$4.2 million of which \$3.2 million (or less than 1 percent) is recommended for the operating budget, and \$1 million to PAYGO for the CIP. State revenue is projected at \$367.3 million - an increase of \$14.5 million or 4.1 percent; \$14.8 million from the federal government, which constitutes no increase over the current fiscal year; and \$2.3 million from other sources, which also amounts to no increase in funding. At this funding level, Virginia Beach City Public Schools can still continue its forward momentum in the framework of this operating budget which has been thoughtfully developed to address the School Board's Program of Work. Its progress is undoubtedly fueled by a highly competent work force, the support of city leaders, and the commitment of a community that understands that excellent public schools are essential to high quality of life.

Unfortunately, there are some things that we cannot address in this proposed budget. We cannot initiate or significantly expand new instructional programs beyond what is being recommended for special education and AVID. And while, we are able to recommend a salary increase for our employees, we cannot move ahead with strategic initiatives that address our competitiveness in the marketplace. As you are aware, a compensation study done by the Management Advisory Group (MAG) identified some significant market adjustments and internal equity adjustments for the Unified Salary Scale. In addition, an Allowances and Supplements Study was also undertaken that addressed a pressing need to update some of the school system's longstanding allowances and supplements. The estimated costs associated with these two compensation programs approaches \$13 million. This cost makes the adjustments, no matter how equitable, unrealistic at this time. Our ability to address these needs will hopefully improve in the next biennium beginning FY 2010/11 when the

economy is improved and the Composite Index adjusted in our favor. To give the School Board a firm grasp of the operational constraints associated with this budget, the Cabinet identified a next-tier of Priority Needs that is outlined in detail on page 60 of the budget document.

In closing, I would like to reiterate that this budget proposal, both in its current and expanded formats, has been developed on the foundation of a core philosophy - delivering quality services to children in a framework of fiscal responsibility. Ours is a noble mission and we must continue to advocate so that Virginia Beach City Public Schools receives the resources it needs to accomplish its mission. The children of this city depend upon and deserve our successful advocacy.

Sincerely,

A handwritten signature in cursive script, appearing to read "James G. Merrill".

Dr. James G. Merrill
Superintendent

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Budget-at-a-Glance

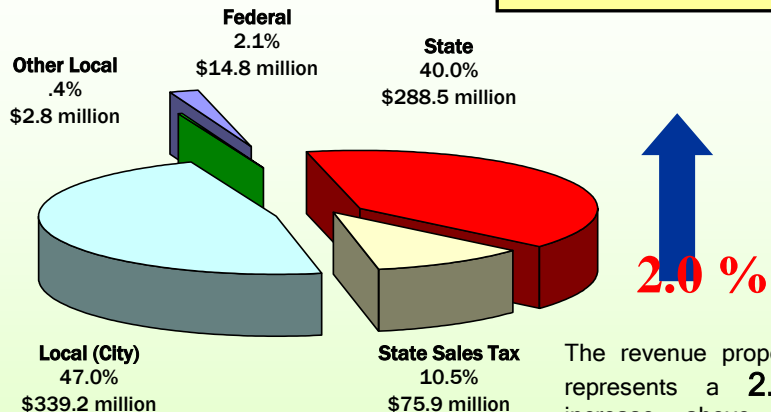
FY 2008/09 REVENUE
Total: \$721,316,182

Items that Affect the Budget:

- Small revenue growth
- Enrollment decrease
- Competitive teacher job market
- Composite Index increase
- New Technology category

Points of Focus:

- Compensation
- School Board Program of Work (Board Goals)
- Inflationary fuel and utility increases



The revenue proposal represents a **2.0%** increase above the previous fiscal year

FY 2008/09 Highlights

The School Board Approved FY 2008/09 Operating Budget totals \$721.3 million.

Revenue increased by \$14.2 million or 2.0% over the previous fiscal year.

Student enrollment is projected to be 69,771 for September 30, 2008, reflecting a decrease of 911 students from September 30, 2007, enrollment of 70,682.

\$17 million is included to increase employee salaries by 3.5% for all employees; employees at the top of the scales will receive a 2.0% increase.

\$5.3 million savings from the schools' annual cash contribution for GASB-45.

\$2.8 million savings through freezing 44.10 positions; eliminating another 34.10 positions; putting a more reasonable overtime policy into place; and implementing a summer energy savings.

Increases to address cost areas most impacted: utility and fuel costs.

\$1 million of local revenues designated for PAYGO CIP.

Implementation of the new notification system, *AlertNow*, to contact staff and parents with regard to school closing, inclement weather, bus delays, open house, testing dates, field trips, and more.

\$500,000 to support Special Education and Extended Day Kindergarten (EDK).

"New" major category, Technology, was added to the Accounting System.

The school division receives revenue from the following sources: state, local, and federal. The budget includes \$14.2 million in new funds. Of that, approximately \$12.1 million comes from the state and \$2.4 million from the city. (Totals may fluctuate slightly due to rounding.)

EXPENDITURES

Increases

- Compensation: \$17 million
- Utilities: \$1.3 million
- Microsoft License Contract fees
- Property and Liability Insurance

Decreases

- Debt Services: \$.2 million under FY 2007/08 Adjusted
- Reorganization of Central Office
- Position reductions due to Student Growth: \$2.4 million

Executive Summary

Budget Overview

The budget funds all educational programs and related services provided by the Virginia Beach School Board for more than 71,000 students enrolled in the Virginia Beach City Public Schools (VBCPS) system. The development, implementation, and maintenance process of the budget is a year-round process that involves a collaborative process among budget managers, department heads, administration, and the School Board.

Budget Development Overview

The state code requires that the School Board present a balanced budget, in which revenues equal expenditures, to the city on or before April 1. The state does not require budget development beyond one fiscal year. However, the City of Virginia Beach requests budget presentation and preparation to cover a fixed two-year period (called a biennial budget) on the same cycle as the State Biennial Budget. The biennial budget is adopted for the first year budget data and approved for the second year budget data. The budget for the second year of the fixed two-year period is adopted in the second year. This budget document covers the period of July 1, 2008 through June 30, 2010, and has been prepared upon the modified accrual basis of accounting.

The annual budget process begins in August with the development of the budget calendar. During the annual budget "kick-off" meeting, budget managers are provided a preliminary projection of funding levels, a review of the status of the current year budget, and a discussion of the many outside factors in order to provide a view of the larger picture to those with the responsibility for budget execution. Budget managers can access the Budget Development Manual online for specific instructions on completing budget requests. Budget requests are also solicited from School Board members to assist in budget development. From October through December, departmental budget requests are compiled and analyzed; meetings are scheduled with the budget managers to discuss requests, and proposals for new positions, expanded programs, and new initiatives. The *Superintendent's Estimate of Needs* is developed and presented to the School Board in February. Once the School Board approves the budget proposal, it is then brought before the City Council. The City Council must approve the appropriation for the school system no later than May 15. Changes are made throughout each phase and opportunities for public, administrative, and Board input are provided throughout the budget process. The budget is amended by authorization of the School Board. Fiscal accountability is managed throughout the school year at the unit code level. Transfers within the adopted budget are approved administratively through the Budget Office.

The Capital Improvement Process (CIP) closely follows the calendar/timeline of the Operating Budget. The CIP process begins in September with a preliminary meeting with the city staff and ends with the city adoption in May.

Balancing the Budget Between Revenue Growth and Expenditure Growth

Over the past several years, VBCPS has benefited financially from the booming economy and an exceptionally high growth rate in both assessed value and Real Estate Tax collection by the city. Many of the major revenue sources are largely driven by population such as Composite Index and Real Estate tax. One of the benefits of the high growth levels was larger amounts of operating revenues that enable VBCPS to fund many large projects and new initiatives. Now, due to a slowing economy and budget constraints at the state level, revenues are beginning to level out. Because funds have slowed dramatically, we must balance the budget accordingly. Foreseeing this decline, we began to look at and restructure the central office; commenced a hiring freeze; implemented new cost savings through emergency conservation measures and revised overtime policy; and conducted a more thorough and critical review/evaluation of new initiatives.

Financial Overview - Operating Budget

The budget process is driven by the School Board's vision, mission, core values, student achievement goals, and Program of Work, which is the division's Strategic Goals.

Strategic Goals

- Expanded instructional opportunities through data-driven curriculum
- Efficient use of resources
- Quality workforce - trained and accountable
- Recognition of diversity
- Safe schools and well-disciplined environment
- Meaningful involvement of community, parents, and partners

Resources are identified and aligned to promote those drivers. Many accomplishments were made in FY 2007/08. Some of the accomplishments were:

- 100 percent of our schools met state accreditation standards
- School division made Adequate Yearly Progress (AYP) as defined by the No Child Left Behind legislation
- VBCPS' students earned over 3,100 industry certifications
- Over \$19 million in scholarships were awarded to the Class of 2007

The School Board's Operating Budget objectives are to include the funding required to continue delivery of the same services provided in FY 2007/08, as well as, being able to incorporate cost-of-living, competitive compensation increase, and other points of focus.

The proposed Operating Budget for FY 2008/09 and FY 2009/10 is \$721.3 million and \$734.1 to support the day-to-day operations of the school division. This represents an increase of approximately \$14.2 million or 2 percent and \$26.9 million or 3.8 percent over the FY 2007/08 Adopt Budget.

	FY 2007/08 Budget	FY 2008/09 Budget	Variance from FY 2007/08 Budget		FY 2009/10 Forecast	Variance from FY 2008/09 Budget		Variance from FY 2007/08 Budget	
			Dollars	Percent		Dollars	Percent	Dollars	Percent
Revenue									
Local Revenue	\$ 336,870,685	\$ 339,239,378	\$ 2,368,693	0.70%	\$ 348,453,570	\$ 9,214,192	2.72%	\$ 11,582,885	3.44%
State Revenue	276,410,955	288,537,263	12,126,308	4.39%	288,221,591	(315,672)	-0.11%	11,810,636	4.27%
Sales Tax Revenue	76,410,762	75,934,465	(476,297)	-0.62%	79,779,642	3,845,177	5.06%	3,368,880	4.41%
Federal Revenue	14,771,131	14,771,131	-	0.00%	14,771,131	-	0.00%	-	0.00%
Other Revenue	2,698,594	2,833,945	135,351	5.02%	2,833,945	-	0.00%	135,351	5.02%
Total Revenue	\$ 707,162,127	\$ 721,316,182	\$ 14,154,055	2.00%	\$ 734,059,879	\$ 12,743,697	1.77%	\$ 26,897,752	3.80%
Expenditures									
Personnel Services	443,917,883	441,943,588	\$ (1,974,295)	-0.44%	454,717,378	\$ 12,773,790	2.89%	\$ 10,799,495	2.43%
Fringe Benefits	155,618,033	151,713,233	(3,904,800)	-2.51%	152,122,832	409,599	0.27%	(3,495,201)	-2.25%
Purchased Services	45,679,221	41,191,391	(4,487,830)	-9.82%	41,168,539	(22,852)	-0.06%	(4,510,682)	-9.87%
Other Charges	26,287,833	29,809,814	3,521,981	13.40%	29,037,001	(772,813)	-2.59%	2,749,168	10.46%
Materials and Supplies	25,081,719	22,126,188	(2,955,531)	-11.78%	22,150,375	24,187	0.11%	(2,931,344)	-11.69%
Capital Outlay	1,067,343	1,139,011	71,668	6.71%	1,139,011	-	0.00%	71,668	6.71%
Transfer to Other Funds	9,347,095	33,229,957	23,882,862	255.51%	33,561,743	331,786	1.00%	24,214,648	259.06%
Land, Structure, & Improvements	163,000	163,000	-	0.00%	163,000	-	0.00%	-	0.00%
Total Expenditures	\$ 707,162,127	\$ 721,316,182	\$ 14,154,055	2.00%	\$ 734,059,879	\$ 12,743,697	1.77%	\$ 26,897,752	3.80%

Impact of the State Budget

- Revised 2008 - 2010 Composite Index - Increase to .3704. This is a .0212 increase from 2006 - 2008, which reflects a \$10.1 million decrease of funds.
- Updated fringe benefit rates - Approximate \$6.4 savings in FY 2008/09. (Only rates that changed are shown.)

Fringe Benefit Rates	FY 2007/08	FY 2008/09
VRS (Does not include RCCH) (Employer Share)	10.3%	8.81%
Group Life (Employer Share)	.40%	.33%
(Employee Share)	.60%	.49%
Retiree Health Care Credit (RHCC)		
Professional	1.16%	1.08%
Non-Professional	7.48%	7.60%

- Updated sales tax projections - Department of Taxation's latest estimate indicates a decrease in the State Sales Tax received for each division; state-wide there is an \$18 million decrease in estimated revenue. This decrease is offset by the projected increase in Basic School Aid. The Basic Aid offset depends on the division's composite index. The combination of the two sources of revenue netted an increase of \$23.7 million in state resources projected for VBCPS.

Impact of the Local Budget

- Real estate assessments are projected to grow slightly, far less than previous years; resulting in a slight increase in the local contribution over FY 2007/08

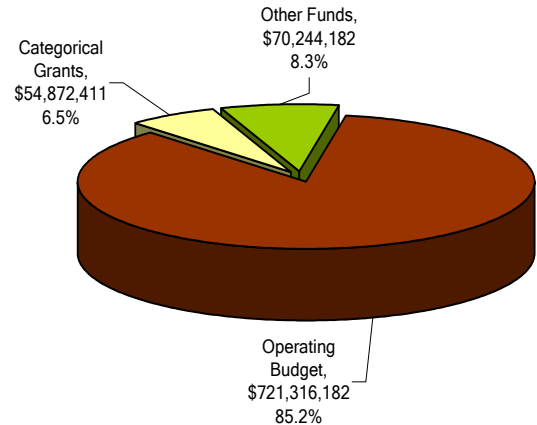
Over 85% of funds are budgeted in the Operating fund

Personnel Adjustments

Personnel Services and its related cost are \$593.7 million or a reduced amount of \$5.9 million less than the FY 2007/08 Personnel Services. \$15.8 million personnel services and related costs were moved from the FY 2008/09 - FY 2009/10 Operating Budgets and reallocated to the 'new' Technology Special Revenue fund added in FY 2008/09.

Non-Personnel Adjustments

The FY 2008/09 budget for Non-Personnel Services is \$127.7 million or \$20 million more than the FY 2007/08 Non-Personnel Services. The increase is largely in general maintenance and repairs, property insurance (increased after being under-funded in prior years), and the rising costs of utilities.



Financial Overview - Total Budget

In total, the School Board administers over \$846.4 million: \$721.3 million in Operating funds and \$125.1 million in Federal and State grants, as well as eight special revenue funds. This section provides a description and analysis of the proposed and forecasted budgets. It also includes summary comparisons between costs in the previous year, FY 2008/09, and FY 2009/10.

The budget is broken into funds. Each fund is a self-balancing set of accounts reflecting the activities operated through that fund. The funds in the budget are:

- Operating Budget
- Categorical Grants
- Other Funds

FY 2007/08 Budget				
	Operating Budget	Categorical Grants	Other Funds	Total
Local Revenue	\$ 336,870,685	\$ -	\$ 17,764,620	\$ 354,635,305
State Revenue	276,410,955	12,227,705	4,874,397	293,513,057
State Sales Tax	76,410,762	-	-	76,410,762
Federal Revenue	14,771,131	40,073,178	10,388,491	65,232,800
Fund Balance	-	-	10,136,017	10,136,017
Transfers from Other Funds	-	2,655,752	4,218,208	6,873,960
Other Local Revenue	2,698,594	-	-	2,698,594
Revenue Total	\$ 707,162,127	\$ 54,956,635	\$ 47,381,733	\$ 809,500,495
Percent of Total	87.36%	6.79%	5.85%	100.00%
Personnel Services	\$ 443,917,883	\$ 27,440,055	\$ 11,947,606	\$ 483,305,544
Fringe Benefits	155,618,033	9,204,275	4,689,693	169,512,001
Purchased Services	45,679,221	5,704,333	657,565	52,041,119
Other Charges	26,287,833	686,599	244,030	27,218,462
Materials and Supplies	25,081,719	11,875,546	27,708,387	64,665,652
Capital Outlay	1,067,343	45,827	2,109,452	3,222,622
Transfers to Other Funds	9,347,095	-	25,000	9,372,095
Land, Structure, & Improvements	163,000	-	-	163,000
Total Expenditures	\$ 707,162,127	\$ 54,956,635	\$ 47,381,733	\$ 809,500,495
Percent of Total	87.36%	6.79%	5.85%	100.00%

Total Budget - FY 2008/09

FY 2008/09 Budget				
	Operating Budget	Categorical Grants	Other Funds	Total
Revenue				
Local Revenue	\$ 339,239,378	\$ -	\$ 44,536,175	\$ 383,775,553
State Revenue	288,537,263	13,566,063	5,513,744	307,617,070
State Sales Tax	75,934,465	-	-	75,934,465
Federal Revenue	14,771,131	38,424,022	10,335,521	63,530,674
Fund Balance	-	-	6,336,889	6,336,889
Transfers from Other Funds	-	2,882,326	3,521,853	6,404,179
Other Local Revenue	2,833,945	-	-	2,833,945
Total	\$ 721,316,182	\$ 54,872,411	\$ 70,244,182	\$ 846,432,775
Percent of Total	85.22%	6.48%	8.30%	100.00%
Expenditures				
Personnel Services	\$ 441,943,588	\$ 25,818,927	\$ 24,225,754	\$ 491,988,269
Fringe Benefits	151,713,233	8,723,042	7,950,044	168,386,319
Purchased Services	41,191,391	5,394,949	4,713,064	51,299,404
Other Charges	29,809,814	477,330	532,580	30,819,724
Materials and Supplies	22,126,188	14,393,081	29,468,789	65,988,058
Capital Outlay	1,139,011	65,082	2,875,951	4,080,044
Transfers to Other Funds	33,229,957	-	478,000	33,707,957
Land, Structure, & Improvements	163,000	-	-	163,000
Total	\$ 721,316,182	\$ 54,872,411	\$ 70,244,182	\$ 846,432,775
Percent of Total	85.22%	6.48%	8.30%	100.00%

Total Budget - FY 2009/10

FY 2009/10 Forecast				
	Operating Budget	Categorical Grants	Other Funds	Total
Revenue				
Local Revenue	\$ 348,453,570	\$ -	\$ 45,083,886	\$ 393,537,456
State Revenue	288,221,591	12,171,950	5,463,864	305,857,405
State Sales Tax	79,779,642	-	-	79,779,642
Federal Revenue	14,771,131	35,774,472	10,585,716	61,131,319
Fund Balance	-	-	4,911,875	4,911,875
Transfers from Other Funds	-	2,874,362	3,521,853	6,396,215
Other Local Revenue	2,833,945	-	-	2,833,945
Total	\$ 734,059,879	\$ 50,820,784	\$ 69,567,194	\$ 854,447,857
Percent of Total	85.91%	5.95%	8.14%	100.00%
Expenditures				
Personnel Services	\$ 454,717,378	\$ 24,307,047	\$ 24,771,330	\$ 503,795,755
Fringe Benefits	152,122,832	8,081,346	8,146,990	168,351,168
Purchased Services	41,168,539	5,281,270	4,723,134	51,172,943
Other Charges	29,037,001	392,601	532,580	29,962,182
Materials and Supplies	22,150,375	12,693,438	28,634,024	63,477,837
Capital Outlay	1,139,011	65,082	2,281,136	3,485,229
Transfers to Other Funds	33,561,743	-	478,000	34,039,743
Land, Structure, & Improvements	163,000	-	-	163,000
Total	\$ 734,059,879	\$ 50,820,784	\$ 69,567,194	\$ 854,447,857
Percent of Total	85.91%	5.95%	8.14%	100.00%

Financial Overview - Revenue

The FY 2008/09 and FY 2009/10 Operating Budget assumes the following revenues:

FY 2008/09

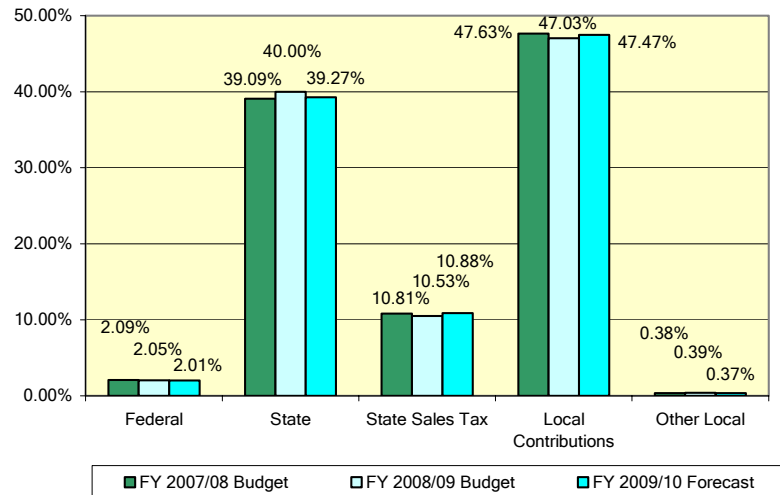
- \$14.8 million in Federal revenue
- \$364.4 million in State revenue
- \$342.0 million in Local revenue

FY 2009/10

- \$14.8 million Federal revenue
- \$368.0 million in State revenue
- \$351.3 million in Local revenue

The Operating Budget has four basic sources of revenue.

- **Federal revenues** consist of general funds and categorical funds.
- **State revenues** consist of the Standards of Quality (SOQ) payments, incentive funds, and categorical amounts established by the State General Assembly on a biennial basis.
- **State Sales Tax**, another source of state revenue, consists of funding from 1½ percent State Sales Tax, which is dedicated to public education and distributed to school divisions based on the number of school-aged children residing in the locality.
- **Local revenues** consist largely of funding from the governing body, the City Council. The City Council must contribute a minimum level of funding referred to as Standards of Quality payments. The City of Virginia Beach provides an appropriation for education in excess of the SOQ payments.



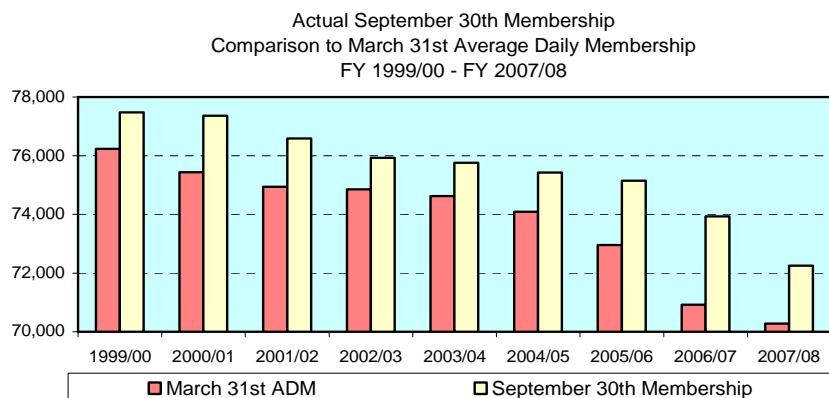
The largest sources of funding are State revenues, State Sales Tax, and the Local Contribution.

State Revenue

The majority of State revenues are derived from per-pupil formulas and virtually all instructional staffing is based upon the distribution of those students across the grade levels. Therefore, the first and most critical component in the development of the budget is the projection of the September 30th enrollment. The projected enrollment has a direct impact on both the revenue estimates as well as the expenditure estimates related to staffing. **Projected increase in State funding (including State Sales Tax) for FY 2008/09 - \$11.7 million or 3 percent.**

In FY 1999, Virginia Beach City Public Schools began experiencing a decline in enrollment. The projection for September 30, 2008, continues to show a decline of 911 students. The decline that began at the elementary level is moving into the secondary level. Absent any significant influx of school-aged children, the decline is expected to continue for the next several years, however, at a lesser rate.

The March 31st Average Daily Membership (ADM) is the most critical number for the estimation of the State revenues. In its simplest form, the March 31st ADM is the sum of the number of students in enrollment for each day from the beginning of school to March 31st divided by the number of days of instruction during that period. It represents the average number of students enrolled in the division. Historically, the March 31st ADM is approximately 1 to 2 percent less than the September 30th enrollment.



State Biennium	Composite Index
1996-98	.3425
1998-00	.3466
2000-02	.3523
2002-04	.3394
2004-06	.3353
2006-08	.3492
2008-10	.3704

The total amount of State revenue is determined by the Composite Index, a formula developed by the state based on five factors:

- True value of real and public service corporation property tax base
- Adjusted gross income
- Taxable retail sales receipts, March 31 ADM
- Total population
- Average Daily Membership

The Composite Index formula is intended to be a measure of a locality's ability to fund education. With every biennium, the state recomputes the local Composite Index. The Composite Index formula determines the minimum funding level that a locality must provide for public education. In effect, any change in the Composite Index results in a shift in funding between the state and the locality. The FY 2008/2010 Biennium Composite Index is .3704; this change reduced our State revenue by \$10.1 million.

This increase is an indication that, in comparison to the other divisions across the state, Virginia Beach exhibits an increasing

	Per ADM Change		Per Capita Changes	
	Virginia Beach	State	Virginia Beach	State
True Value of Property	59.75%	37.49%	53.19%	35.44%
Adjusted Gross Income	23.04%	23.39%	17.99%	21.16%
Taxable Retail Sales	5.38%	1.74%	1.05%	1.44%

ability to support and fund public education. The comparison of base-year data from 2003 to 2005 shows that three of the five components of the Composite Index formula increased for Virginia Beach.

However, in the next biennium beginning 2011, we project that the Composite Index will decrease due to the impact of the significantly declining growth in real estate and property tax base.

Education funding is segregated into four categories:

- Standards of Quality Payments
- School Facilities (CIP)
- Incentive Programs (primarily state grants)
- Categorical Programs

Category	FY 2007/08 Budget		FY 2008/09 Budget		FY 2009/10 Forecast	
	State	Local	State	Local	State	Local
Standards of Quality Payments	326.3 M	133.5 M	353.8 M	162.0 M	352.5 M	158.6 M
School Facilities	11.1 M	5.8 M	11.7 M	6.7 M	11.6 M	6.6 M
Incentive Programs	38.3 M	13.1 M	26.0	7.3 M	35.1 M	12.5 M
Categorical Programs	2.4 M	-	2.4 M	-	2.5 M	-
Total*	378.1 M	152.4 M	393.9 M	176.0 M	401.7 M	177.7 M

* Totals may fluctuate slightly due to rounding.

The Composite Index, the per-pupil amounts provided by the state, and the projected September 30th enrollment are all needed in order to properly estimate State revenues.

State Sales Tax

State Sales Tax, the second source of State revenues, is a formula-driven allocation which is based upon the number of children who reside in Virginia Beach between the ages of 5 and 19; in essence, any child eligible to receive a free public education. One and one-eighth percent

Year	Triennial Census	September 30 th Enrollment
1999	94,268	77,359
2002	93,572	75,758
2005	94,382	73,448

State Sales Tax is allocated directly to public education. The state allocates sales tax collections across the Commonwealth based upon the number of school-aged children in each locality. In order to distribute the Sales Tax dollars across the state, each locality is required by law to conduct a census every three years. The census count is used to determine the per-pupil Sales Tax amount that a division will receive from the State Sales Tax revenue for the next three years. The most recent census was completed in spring 2005. The count from this census, 94,382, will be used to determine the Sales Tax dollars for the period through 2009. The Census is currently being conducted; it commenced in spring 2008 and will conclude in summer 2008.

Local Revenue

The Local revenue growth over the past few years is mainly attributed to the local contribution received from the city. *Projected increase in Local funding for FY 2008/09 - \$2.5 million or .7 percent.*

The local contribution from the City of Virginia Beach is determined by the Revenue Sharing Formula Policy adopted by the city in February 1997. The initial definition and application of this policy provided 53.13 percent of seven General Fund revenue streams:

- Real Estate Taxes
- General Sales Tax
- Personal Property Tax
- Business License Tax
- Utility Tax
- State Telecommunications Tax
- Cable Franchise Fees

A modification to the application of the Revenue Sharing Formula Policy occurred with the FY 2004/05 funding. During the final days of the General Assembly, significant enhancements were provided in K-12 funding from the re-benchmarking of costs and from an increase in the State Sales Tax.

In FY 2004/05, the Virginia General Assembly approved an increase of ¼ percent State Sales Tax. This increase was provided in recognition of the efforts of local taxpayers' support of education via Real Estate Tax rates. One half of this increase, or 1/8 percent, was included in the allocation of Sales Tax revenue to school systems, and the other 1/8 percent was put in the state General Fund. The majority of this amount was used to increase support for K-12 education.

In conjunction with the increased state funding, the City Council adopted a real estate rate

reduction of 2.36 cents and an Elderly Tax Relief program effective July 1, 2004. The full value of the rate reduction was applied to the school system under the revised formula, reducing the real estate percentage to 51.96 percent and effectively reducing the aggregate allocation to 52.09 percent.

Effective July 1, 2005, the City Council reduced the Real Estate Tax an additional 17.25 cents, resulting in a Real Estate Tax rate of \$1.0239. This reduction was allocated to the schools at 53.13 percent, reducing the real estate percentage to 51.41 percent and the aggregate allocation of the seven revenue streams to 51.79 percent.

Effective July 1, 2006, the City Council reduced the Real Estate Tax rate to \$.99, an additional 3.39 cent reduction. As a condition of meeting the requirements of BRAC in relation to Oceana, the city is required to

Fiscal Year	Real Estate Rate%	Utility and Utility Consumption	Personal Property; Business License; General Sales; Cell Phone; Cable Franchise	Aggregate Rate - School
1997/98		53.13%		53.13%
1998/99	\$1.22	Rate increase requested by city 47.34%		
1999/00	53.13%			52.72%
2000/01				
2001/02				
2002/03				
2003/04				
2004/05	\$1.1964 51.96%		53.13%	52.09%
2005/06	\$1.0239 51.41%	47.34%		51.79%
2006/07	\$.99 51.30%			
2007/08				51.30%
2008/09	\$.89 51.30%			
2009/10 <i>projected</i>				

fund \$7.5 million annually to reduce encroachment. The city allocated the school division \$3,884,250, as part of the Revenue Sharing Formula Policy. This reduction adjusted the Revenue Sharing Formula to 51.3 percent.

Effective July 1, 2007, the City Council reduced the Real Estate Tax rate to \$0.89, an additional 10 cent reduction.

The City Office of Management Services' estimate of funds available to the School Division under the Revenue Sharing Formula Policy for FY 2008/09 is \$394.3 million allocated as follows: \$41.2 million to fund School Debt Service as estimated by city staff; \$13.9 million to fund "Pay-As-You-Go" modernization CIP projects; and the remaining \$339.2 million to fund operations. Under the Revenue Sharing Formula Policy, funds are allocated first to Debt Service, next to "Pay-As-You-Go" CIP, and the remaining funds are allocated to the School Operating Budget. Of these three uses of the Revenue Sharing Formula Policy funding, only the Operating Budget and the "Pay-As-You-Go" CIP revenue are directly under the control of the School Board.

The following table provides a summary of the Revenue Sharing Formula Policy funds from FY 1997/98 through FY 2009/10. The substantial increase in the "Pay-As-You-Go" funding, beginning in FY 2004/05, was made possible by the large increase in state support for K-12 education. This increase enabled the School Board to shift funding within the formula allocation between the Operating Budget and the Capital Improvement Program, enabling several CIP priorities of the School Board to be either accelerated within the CIP or be added to the CIP.

Fiscal Year	Revenue Sharing Formula Total	School	Percent
1997/98	404.6 M	213.3 M	52.72%
1998/99	420.3 M	221.6 M	52.72%
1999/00	446.6 M	235.5 M	52.74%
2000/01	467.9 M	246.7 M	52.74%
2001/02	496.7 M	262.0 M	52.76%
2002/03	520.4 M	274.6 M	52.77%
2003/04	559.3 M	295.3 M	52.80%
2004/05	605.3 M	315.3 M	52.09%
2005/06	631.8 M	327.2 M	51.79%
2006/07	712.9 M	365.7 M	51.30%
2007/08	760.8 M	390.3 M	51.30%
2008/09*	768.7 M	394.3 M	51.30%
2009/10 <i>projected*</i>	791.9 M	406.2 M	51.30%

Fiscal Year	Debt Service	Pay-As-You-Go	Operating Budget	Total
1997/98	31,079,628	-	182,236,233	213,315,861
1998/99	31,481,013	2,424,339	187,703,617	221,608,969
1999/00	34,607,610	1,037,460	199,879,794	235,524,864
2000/01	36,248,916	2,311,304	208,189,195	246,749,415
2001/02	35,688,677	1,000,000	225,336,750	262,025,427
2002/03	38,712,634	1,000,000	234,934,664	274,647,298
2003/04	39,582,583	1,000,000	254,754,290	295,336,873
2004/05	41,303,652	17,597,408	256,418,891	315,319,951
2005/06	40,912,433	17,597,408	268,713,519	327,223,360
2006/07	40,282,967	17,597,408	307,224,646	365,105,021
2007/08	41,402,094	12,108,658	336,870,685	390,381,437
2008/09	41,154,429	13,936,308	339,239,378	394,330,115
2009/10 <i>projected</i>	43,831,667	13,936,308	348,453,570	406,221,545

Debt Service

Virginia Beach City Public Schools is fiscally dependent; i.e., it does not have taxing authority, levying authority, or borrowing authority. The City of Virginia Beach is responsible for the issuance and redemption of all debt, both city and school. Debt issued for schools can be in the form of Literary Fund loans, Virginia Public School Authority loans, Referendum Bonds, and City Charter Bonds. Approximately 49.42 percent of all General Obligation debt, outstanding at June 30, 2008, was for school purposes. Debt Service payments are part of

the obligations which the School Board must take into consideration in the allocation of funds from the Revenue Sharing Formula. The debt issued for school projects has a direct impact on the funds available for the Operating Budget.

The Debt Service fund accounts for the payment of principal, interest, and other expenditures related to the redemption of outstanding bond. The chart on the next page shows the current principal and interest obligations for Virginia Beach City Public Schools.

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2008-09	\$ 27,314,351.99	\$ 13,998,241.98	\$ 41,312,593.97
2009-10	27,429,446.99	12,768,184.46	40,197,631.45
2010-11	25,513,492.00	11,422,086.75	36,935,578.75
2011-12	24,296,923.50	10,173,973.71	34,470,897.21
2012-13	23,472,574.50	8,993,553.56	32,466,128.06
2013-14	21,832,966.00	7,920,213.96	29,753,179.96
2014-15	19,985,277.00	6,925,348.42	26,910,625.42
2015-16	18,997,532.00	5,979,108.22	24,976,640.22
2016-17	17,360,212.00	5,105,094.29	22,465,306.29
2017-18	15,307,405.00	4,259,322.75	19,566,727.75
2018-19	13,507,581.00	3,521,841.24	17,029,422.24
2019-20	13,485,562.50	2,895,498.32	16,381,060.82
2020-21	11,299,440.00	2,272,506.44	13,571,946.44
2021-22	9,624,250.00	1,756,101.94	11,380,351.94
2022-23	7,498,800.00	1,311,071.62	8,809,871.62
2023-24	6,093,550.00	964,245.50	7,057,795.50
2024-25	6,093,550.00	677,542.75	6,771,092.75
2025-26	5,066,550.00	424,425.00	5,490,975.00
2026-27	4,077,750.00	202,020.00	4,279,770.00
2027-28	2,310,750.00	57,768.75	2,368,518.75
Totals	\$ 300,567,964.48	\$ 101,628,149.66	\$ 402,196,114.14

The City of Virginia Beach debt is restricted legally by two factors, the State Constitution and the City Charter. The state restricts debt to 10 percent of the city's assessed value of real property in the city. Since the city's assessed value is such a large number, projected for FY 2008/09 at \$56.4 billion, it is not a restricting factor at this time; however, the Charter limit for new debt is. That limit is \$10 million per year plus the amount of debt that the city retires during that calendar year. This is called our Charter debt. Additional debt can be issued if approved by the qualified voters at a general election. (Referendum)

In addition, City Council has approved a series of debt affordability indicators to guide them in the issuance of debt. These are not legal restrictions but targeted limits that meet industry standards. The most restrictive of these is debt per capita, which Council has set at \$2,400 per capita. With our last bond issuance in April 2008, that ratio was \$2,292. It is projected that the present six-year Capital Improvement Program (CIP) will remain within the established guideline.

Categorical Grant and Other Funds

Almost 15 percent of total VBCPS revenues are allotted in the Categorical Grants and Other Funds in FY 2008/09. Federal and state grant funds are primarily entitlement grants. Entitlement grants provide funds to the school division on the basis of a formula, prescribed in legislation or regulation, rather than through a competitive process. The formula is usually based on factors such as population, enrollment, per capita income, or a specific need. These grants are required to be administered according to the applicable cost principles, assurances, and the terms and conditions of the award. The revenue for State grants is expected to increase by \$1.3 million in FY 2008/09 and decrease nearly the same amount for FY 2009/10.

There are no new Categorical Grants projected for FY 2008/09 or FY 2009/10.

Financial Overview - Expenditures

VBCPS is experiencing the same budgetary concerns seen throughout many other school divisions. Escalating costs coupled with a continued decline in enrollment presented the School Board with many difficult financial decisions. To fund the budget priorities for FY 2008/09, the Superintendent's cabinet and department managers were charged to identify and implement cost-reduction measures in the development of their budget requests. In addition to those cost-reduction measures, efforts made to reduce or contain costs in the upcoming fiscal year are as follows:

- Eliminate all one-time expenses
- Net reduction of 199.4 positions primarily due to enrollment decline, position elimination in the Central Office reorganization, but mostly the transferring of 191 positions from the Operating Budget to the "new" Technology Special Revenue fund
- Cost saving measures and efficiencies were implemented
- New GASB-45 valuation that reduced GASB-45 liability
- No funding is provided for Bus Replacement

The Superintendent's spending priorities for FY 2008/09 are:

- Increase salary by 3.5 percent for employees on the Teacher Pay Scale and the Unified Pay Scale for FY 2008/09 and FY 2009/10; maximum 2 percent for employees at the top of the scales
- Address cost areas most impacted by rising utility cost, such as oil, electricity, and fuel for buses and vehicles

- Designate \$1 million of local revenues to “Pay-As-You-Go” (PAYGO) or the CIP Program
- Thirty positions were added for Special Education, AVID programs, and custodial services

VBCPS’ budget was developed using a variety of assumptions based on expectations for the future and reflected funding policies of the governing body. Thus, expenditures consist of cost estimates for the operation of regular day school, summer school, adult education programs and other education programs, and are grouped by state-mandated categories.

The five major categories in the Operating Budget are:

- Instruction
- Administration, Attendance, and Health
- Pupil Transportation
- Operations and Maintenance
- Technology (Added FY 2008/09)

*Non-personnel costs are less than **18%** of the Operating Budget*

Expenditures by Category

The FY 2008/09 Operating Budget’s 2 percent increase over the FY 2007/08 Adopted Budget is analyzed in detail throughout the document. An examination by category of the increase in the Operating Budget over the previous year’s budget shows:

Instruction

Responsible for the delivery of educational services to all students and accounts for 76.4 percent of the total School Operating Budget. Major areas include regular education (elementary, middle, and high), special education, career and technical education, talented and gifted education, alternative education and summer school as well as the oversight of school-based administrators, testing, research, and program evaluation. Instruction costs are projected to decrease by \$5.0 million in FY 2008/09. The decrease is due to the reallocation of funds to the “new” Technology category.

Administration, Attendance, and Health

Represents 3 percent of the FY 2008/09 Operating Budget and is estimated to decrease by \$953.7 thousand. Major areas of responsibility include budget and finance, health benefits, business services, and audit. The decrease is due to the reallocation of funds to the “new” Technology category.

Pupil Transportation

Denotes \$31 million or 4.3 percent of the school budget and consists primarily for bus operation and maintenance costs. The FY 2008/09 budget increased for this category by over \$63 thousand.

Operations and Maintenance

Approximately 12.81 percent of the school budget and is budgeted to decrease by \$4 million or 4.1 percent. Although utility costs are projected to increase by \$1.3 million and Property and Liability Insurance is projected to increase \$2.7 million; the reallocation of the Technology Maintenance budget unit code to the “new” Technology category counterbalances the increases.

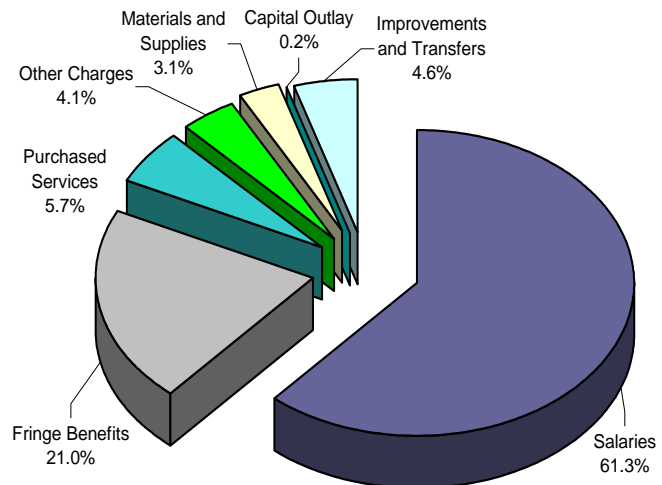
Technology

Consists of all technology-related costs which comprise 3.3 percent of the Operating Budget. This new category was added effective FY 2008/09 due to the amendment to §22.1-115 Code of Virginia, HB 770 Public Schools. Funds previously budgeted throughout the other four major category were reallocated here. **NOTE:** Ninety percent of the Technology budget was previously budgeted in the Instruction category.

Expenditures by Expenditure Type

The five major categories are broken down further into the following expenditure types:

Category	Amount
Salaries	\$ 441,943,588
Fringe Benefits	151,713,233
Purchased Services	41,191,391
Other Charges	29,809,814
Materials and Supplies	22,126,188
Capital Outlay	1,139,011
Improvements and Transfers	33,392,957
Total	\$ 721,316,182



NOTE: Reallocation of technology-related costs significantly affected each expenditure type is explained below.

Personnel Services

Contains all compensation to employees for full-time, part-time, and temporary work, including supplements, allowances, overtime, and similar compensation. Personnel Services accounts for 61.3 percent of the Operating Budget. The FY 2008/09 changes reflected the cost associated salary increase of an average 3.5 percent increase for employee, mostly for school-based employees effective July 1, 2008 and personnel changes due to declining enrollment, reorganization, and reallocated of positions to the Technology Special Revenue fund.

Fringe Benefits

Includes job-related benefits provided as a part of the employee's total compensation; such as FICA, retirement contributions, health insurance premiums, and other employee benefits. The 3.9 million or 2.5 percent reduction is associated with the personnel service changes mentioned above.

Purchased Services

Includes expenditures for services acquired or purchased from outside sources on a fee basis or fixed-time contract basis. Examples are advertising, payments to consultants, and printing charges. Purchased Services decreased \$4.5 million primarily due the reallocation of funds to the "new" Technology.

Other Charges

Includes payments made for utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges. The majority of the \$3.5 million increase is contributed to anticipated utility and property insurance costs.

Materials and Supplies

Includes expenditures for articles and commodities; such as instructional materials, office supplies, and custodial supplies which are consumed or materially altered when used. There was a slight increase in custodial-related supplies, but due to the pulling of technology-related cost from this area, the budget decreased nearly \$3 million.

Capital Outlay

Expenditures which result from the acquisition of or additions to capital assets with a unit cost of \$5,000 or more. Examples include buses, equipment replacements, and vehicles. Increase of \$71.7 thousand associated with equipment purchases for career and technical laboratory.

Land, Structure, and Improvements

Includes expenditures that are less than \$250,000; such as purchases of portable classrooms, payments to contractors, and related costs for construction.

Transfers to Other Funds

Transfers of funds from one fund (e.g., School Operating) to another fund (e.g., Textbook Special Revenue) without recourse. Increase is due to the transfer of technology-related cost.

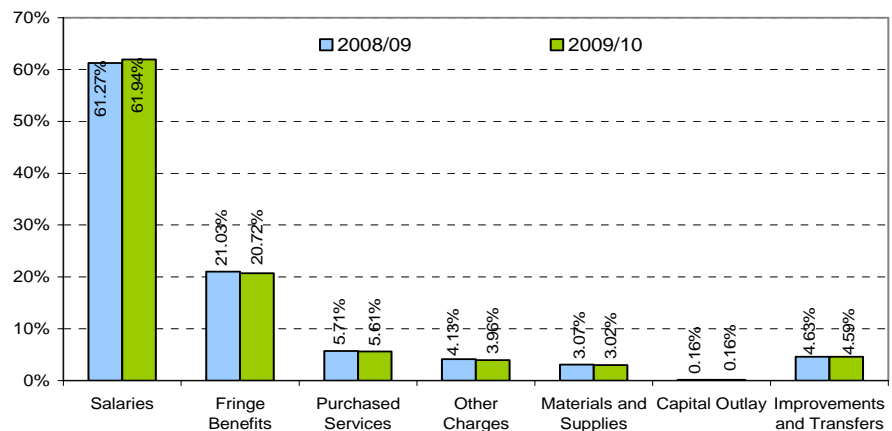
FY 2008/09 Budget

	Instruction	Administration	Transportation	Operations	Technology	Total	% of Total
Salaries	\$ 378,345,986	\$ 13,847,649	\$ 17,126,246	\$ 32,623,707	\$ -	\$ 441,943,588	61.27%
Fringe Benefits	126,842,791	5,972,699	6,530,029	12,367,714	-	151,713,233	21.03%
Purchased Services	23,502,607	2,462,570	305,495	14,920,719	-	41,191,391	5.71%
Other Charges	1,480,495	528,355	942,703	26,858,261	-	29,809,814	4.13%
Materials and Supplies	10,383,062	424,051	6,049,890	5,269,185	-	22,126,188	3.07%
Capital Outlay	937,958	-	-	201,053	-	1,139,011	0.16%
Improvements and Transfers	9,226,557	-	-	163,000	24,003,400	33,392,957	4.63%
Total	\$ 550,719,456	\$ 23,235,324	\$ 30,954,363	\$ 92,403,639	\$ 24,003,400	\$ 721,316,182	100.00%

FY 2009/10 Forecast

	Instruction	Administration	Transportation	Operations	Technology	Total	% of Total
Salaries	\$ 389,280,597	\$ 14,269,952	\$ 17,490,036	\$ 33,676,793	\$ -	\$ 454,717,378	61.94%
Fringe Benefits	126,902,565	5,932,305	6,603,392	12,684,570	-	152,122,832	20.72%
Purchased Services	23,503,222	2,462,570	305,495	14,897,252	-	41,168,539	5.61%
Other Charges	1,476,717	528,355	942,703	26,089,226	-	29,037,001	3.96%
Materials and Supplies	10,369,340	424,051	6,049,890	5,307,094	-	22,150,375	3.02%
Capital Outlay	937,958	-	-	201,053	-	1,139,011	0.16%
Improvements and Transfers	9,228,563	-	-	163,000	24,333,180	33,724,743	4.59%
Total	\$ 561,698,962	\$ 23,617,233	\$ 31,391,516	\$ 93,018,988	\$ 24,333,180	\$ 734,059,879	100.00%

The largest cost increases in the Virginia Beach City Public Schools budget are usually related to salaries and benefits of the Operating Budget. Therefore, staffing and personnel costs are the most crucial component in the development of the Operating Budget. This budget includes an average 3.5 percent compensation adjustment for employees on the instructional salary schedule and on the unified pay scale. The total cost associated with the salary increase for the FY 2008/09 Budget is approximately \$17 million which includes salaries and associated benefits. The percentage of the budget directed to compensation and other costs is shown on the chart on the previous page and the chart above. (These percentages have not changed significantly over the last several fiscal years.) Salaries and fringe benefits are the largest portion of our budget at approximately 82.3 percent. Personnel and fringe benefits in the Instruction category account for over 70 percent of the total Operating Budget.



Also worth noting, the Operating Budget was reduced by \$5.3 million as a result of the most recent actuarial evaluation of our GASB-45 (Other Post Employment Benefits) liability. This was accomplished by management's efforts to reduce future health care plan costs.

Enrollment

Student enrollment has been declining over the past eight years, as shown in the charts below. The reduction in students is distributed across 13 grade levels (K-12) at 88 schools. We are projecting a continued decline of 911 students in FY 2008/09.

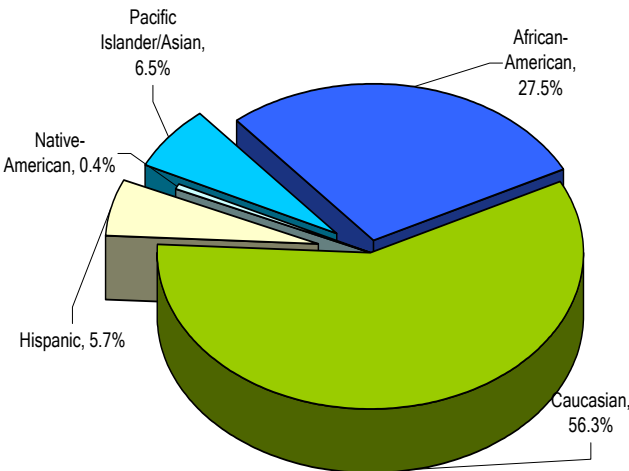
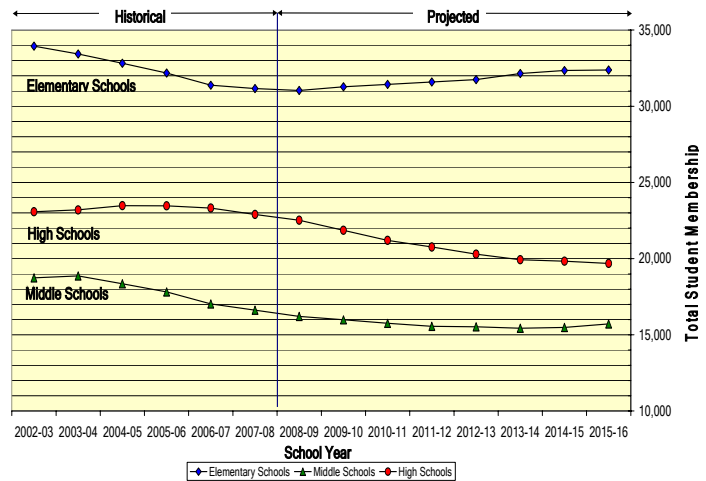
Even with the decline in enrollment, the proportion of elementary, middle, and high school students has not changed significantly. Elementary students have remained constant at approximately 44 percent of the total student population; middle school students have been at approximately 23 to 25 percent of the total; high school students compose about 31 to 32 percent of the student population. Over the next four years, more modest declines are expected with a leveling off and then a slight upward trend beginning in 2013/14.

Student demographics are anticipated to remain fairly constant. Special Education enrollment has been 11 to 12 percent of the total student enrollment for the past several years.

Students who speak English as a second language (ESL) increased from 1.5 to 1.7 percent of the total VBCPS population in FY 2005/06 and have remained consistent since that time.

The number of students eligible for free and reduced price lunches has fluctuated between 26 to 30 percent for the since FY 2001/02 and is anticipated to remain in the same range through FY 2008/09.

September 30th Historical and Final Projected Student Membership
Grades K-12



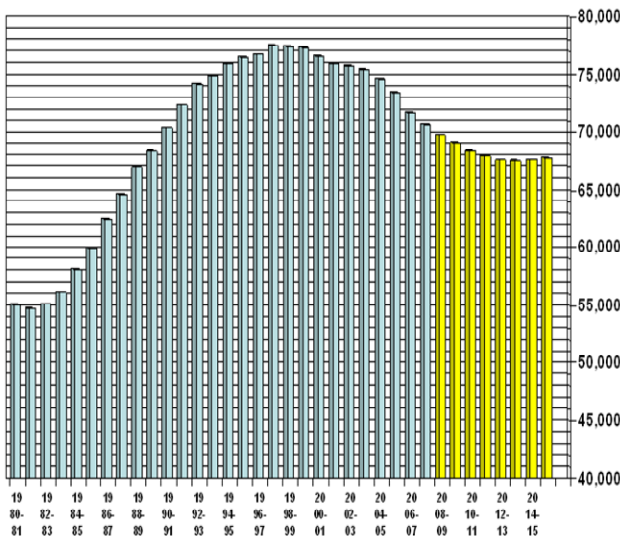
VBCPS - Total Division Membership

The ethnic composition of VBCPS student enrollment is shown in the pie chart (left). The largest group continues to be Caucasian students, followed by African-American students.

The decline in enrollment does not necessarily result in a corresponding linear reduction in personnel; however, staffing has been affected by the decline. There have been reductions and re-allocations of positions in the Operating Budget.

All staffing projections are done on a school-by-school basis. At the elementary level (K-5), staffing is done on a classroom-by-classroom basis. In elementary schools in particular, staffing projections are more detailed due to the following factors:

- Initial qualification for the state K-3 Primary Class-Size Reduction Initiative
- Changes from year to year in the free and reduced lunch percentage which can affect the class-size ratios for the K-3 Primary Class-Size Reduction Initiative
- Difference in the class-size caps between grades K-3 and grades 4-5
- Redistricting as a result of the annual Building Utilization Committee recommendations



Position Overview

Position review is part of each annual budget process and adjustments are subject to Board approval. The chart to the right reflects the overall changes in the number of positions within the four major budget categories. The increase of FTEs relates to staffing formulas relating to additional building square footage, the central office reorganization,

Positions	FY 2007/08 Budgeted Positions	FY 2008-09 Budgeted Positions	FY 2007/08 to FY 2008/09	FY 2009-10 Forecast Positions	FY 2008/09 to FY 2009/10	FY 2007/08 to FY 2009/10
Instruction	7,306.35	7,171.15	(135.20)	7,142.85	(28.30)	(163.50)
Administration	291.50	290.30	(1.20)	290.30	-	(1.20)
Pupil Transportation	667.13	667.13	-	667.13	-	-
Operations & Maintenance	1,226.50	1,163.50	(63.00)	1,163.50	-	(63.00)
Technology	-	-	-	-	-	-
Total	9,491.48	9,292.08	(199.40)	9,263.78	(28.30)	(227.70)

and the staffing of the Consolidated Benefits Office to support the city's new Oracle requirements and the more complex requirements and due diligence required in the administration of employee benefits.

Projected Changes in Fund Balance

Virginia Beach City Public Schools organizes its accounting systems on a "fund" basis. A fund is a self-balancing set of accounts, which is segregated for a specific purpose or activity. The chart below represents the fund balance for each fund. The fund balance is increased or decreased based on the fund's net revenues over (or under) expenditures for the fiscal year.

	Operating Fund	Athletic Fund	Food Services	Textbook Funds	Cell Tower Fund	School Vending	Instructional Technology	School Equipment
FY 2005/06								
Actual Fund Balance as of July 1, 2005	10,560,483	289,794	3,162,898	9,037,076	1,485,188	1,306,978	8,525,088	-
FY 05/06 Increase/ (Decrease)	(501,510)	(101,051)	23,038	745,582	(428,827)	291,312	7,927,545	-
Balance as of June 30, 2006	10,058,973	188,743	3,185,936	9,782,658	1,056,361	1,598,290	16,452,633	-
FY 2006/07								
Estimated FY 06/07 Increase/ (Decrease)	5,509,183	362,105	(55,508)	3,614,030	320,247	(378,676)	(3,984,741)	1,000,000
Projected Balance as of June 30, 2007	\$ 15,568,156	\$ 550,848	\$ 3,130,428	\$ 13,396,688	\$ 1,376,608	\$ 1,219,614	\$ 12,467,892	\$ 1,000,000
FY 2007/08								
Estimated 07/08 Increase/ (Decrease)	(3,068,156)	(24,000)	(1,667,916)	-	(300,000)	(500,000)	(6,636,000)	-
Projected Balance as of June 30, 2008	\$ 12,500,000	\$ 526,848	\$ 1,462,512	\$ 13,396,688	\$ 1,076,608	\$ 719,614	\$ 5,831,892	\$ 1,000,000
FY 2008/09								
Estimated FY 08/09 Increase/ (Decrease)	-	(24,000)	-	-	(300,000)	(359,815)	(2,015,945)	837,129
Projected Balance as of June 30, 2009	\$ 12,500,000	\$ 502,848	\$ 1,462,512	\$ 13,396,688	\$ 776,608	\$ 359,799	\$ 3,815,947	\$ 1,837,129
FY 2009/10								
Estimated 09/10 Increase/ (Decrease)	-	(24,000)	-	-	(300,000)	(359,799)	(3,815,947)	(525,000)
Projected Balance as of June 30, 2010	\$ 12,500,000	\$ 478,848	\$ 1,462,512	\$ 13,396,688	\$ 476,608	\$ -	\$ -	\$ 1,312,129

NOTE: The Projected Fund Balance as of June 30 for the Operating Budget is strictly an estimate of encumbrances and prepaid items at fiscal year-end. The FY 2007/08 budget includes an estimation of \$12.5 undesignated fund balance. State law requires that all unexpended operating funds revert to the governing body. Special Revenue funds can have fund balances at the end of a fiscal year.

Key Operating Measures

Expanded Instructional Opportunities Through Data-Driven Curriculum

	2003/04	2004/05	2005/06	2006/07
Number of Schools Making AYP	66	76	76	73
School Division Making AYP	No	Yes	Yes	Yes
Percentage of Schools Fully Accredited	99%	100%	100%	100%
Graduation Rate Percentage	81.46%	82.47%	82.71%	82.68%
Dropout Rate Percentage	1.56%	1.29%	1.22%	1.15%
Percentage of Graduates Continuing Education	82.1%	84.4%	84.4%	84.9%
Percentage of Graduates Receiving an Advanced Studies Diploma	47.6%	49.7%	50.3%	50.8%
Number of Advanced Placement Exams Taken	4,270	4,839	5,319	5,509
Percentage of Advanced Placement Exams With a Score of 3 or Higher	67%	66%	62%	65%
SAT Reasoning Test Average Critical Reading Score	508	506	497	496
SAT Reasoning Test Average Math Score	502	504	505	504
ACT Composite Score	20.5	21.1	20.8	21.0
Stanford Achievement Test Version 10 Percentile Ranks (Grade 4 Battery Totals)		62	61	61
Stanford Achievement Test Version 10 Percentile Ranks (Grade 6 Battery Totals)		66	65	67
Stanford Achievement Test Version 10 Percentile Ranks (Grade 9 Battery Totals)		59	59	58
English SOL Performance (Percentage of students passing)	83%	86%	88%	89%
Mathematics SOL Performance (Percentage of students passing)	87%	88%	80%	85%
Science SOL Performance (Percentage of students passing)	88%	88%	89%	91%
Social Studies SOL Performance (Percentage of students passing)	83%	84%	86%	86%
Attendance Rates	95.2%	95.4%	95.4%	95.4%
Scholarships Accepted by Graduates	\$13,374,904	\$13,630,720	\$22,129,536	\$19,648,113
Industry Certifications Earned by Students	1,238	1,795	2,032	3,130

Effective, Efficient Use of Resources to Create Quality Educational Opportunities

	2003/04	2004/05	2005/06	2006/07
Student Enrollment (as of September 30)	75,459	74,682	73,454	71,752
Elementary School Pupil-Teacher Ratios (excluding resource teachers)	20:1	20:1	19:1	19:1
Secondary School Average Class Size	22.3	21.9	21.9	21.8
Number of Portables (overall)	364	363	361	360
Number of Temporary Allocated Portables Due to Construction	65	24	23	69
Per Pupil Expenditure (total)	\$7,951	\$8,633	\$9,113	\$10,209
Per Pupil Expenditure (local)	\$3,573	\$3,641	\$3,919	\$4,350
Percentage of Students Receiving Special Education Services	11.8%	11.4%	12.0%	11.9%
Percentage of Gifted Program Student Membership	10.7%	11.0%	11.2%	11.9%

Quality Work Force: Trained and Accountable for Performance

	2003/04	2004/05	2005/06	2006/07
Percentage of Core Courses Taught by Highly Qualified Teachers	97.18%	94.41%	93.98%	96.81%
Percentage of Highly Qualified Teacher Assistants	37.75%	70.22%	76.03%	78.14%
Number of Professional Development Courses	2,371	2,509	3,504	3,857
Average Years of Teaching Experience	13.9	13.8	14.0	14.2
Percentage of Teachers With Graduate Degrees	52%	51%	51%	52%
Number of Teachers With National Board Certification	16	24	37	35
Percentage of Minority Staff Overall	22.88%	23.03%	23.42%	23.60%
Percentage of Minority Instructional Staff Overall	14.57%	14.05%	14.13%	13.89%

Key Operating Measures

Recognition of Diversity - Respect for All People

	03-04	04-05	05-06	06-07
Number of Employees Completing Diversity Awareness Training			843	961
Number of Student Diversity Ambassadors			75	81
Number of Faculty Diversity Advisors			25	25
Number of Employees Completing On-Line Diversity Awareness Training (Full- and Part-Time)			12,616	13,112

Technology Integrated Into Our Curriculum and Instruction

	03-04	04-05	05-06	06-07
Ratio of Students to Instructional Computers	3.3:1	2.9:1	2.6:1	2.3:1
Number of Distance Learning Classes (Being Sent)	37	37	39	47
Standards of Learning Subject Area Tests Administered Online		11	11	17

Safe Schools and Effective, Well-Disciplined Environment

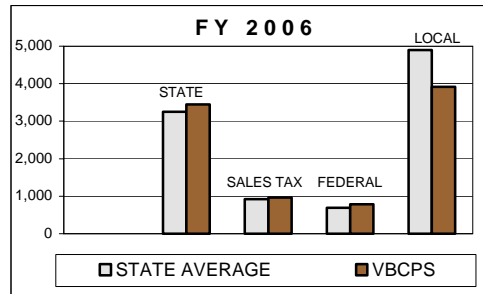
	03-04	04-05	05-06	06-07
Number of Persistently Dangerous Schools	0	0	0	0
Dollars Spent on Security Infrastructure	\$643,956	\$786,020	\$754,012	\$613,955
Number of School Security Assistants/Night Security	163	181	181	197
Number of School Resource Officers	27	27	27	27
Number of Serious Violations Per 1,000 Students (Assault/Battery, Fights, Weapons)	28.7	17.7	15.3	
Percentage of Students, Teachers, and Parents Indicating That Schools Are a Safe and Orderly Place to Learn				89.2%
Percentage of Students Referred for Discipline Infractions	24.8%	23.6%	24.2%	22.8%
Percentage of Support Staff Reporting Job-Related Safety Incidents	39%	35%	33%	31%
Workers' Compensation Costs	\$1,307,294	\$756,316	\$833,225	\$44,489
Number of Student Safety Incidents Reported	790	763	724	644
Number of Vehicle Crashes Per 100 Vehicles in Service	18.6	19.6	15.3	13.9

Meaningful Involvement of Community, Parents, and Partners

	03-04	04-05	05-06	06-07
PTA/PTSA Membership/Percent of Student Enrollment	43,994/58.3%	42,732/57.2%	44,123/60.1%	43,339/61.4%
Number of Volunteers in Education	14,464	20,000	20,950	21,585
Partners in Education	1,881	2,031	2,141	2,217
Schoolwide and Teacher Grants Awarded by Virginia Beach Education Foundation	\$53,500	\$65,000	\$100,000	\$111,000
Scholarships Awarded by Virginia Beach Education Foundation	\$23,000	\$28,009	\$26,200	\$36,200
Number of ACCESS Scholarships Granted*	61	34	77	104
Dollar Value of ACCESS Scholarships*	\$50,454	\$27,100	\$59,665	\$83,810

Virginia Beach City Public Schools Average Per-Pupil Expenditure for Operations*

SOURCES OF FINANCIAL SUPPORT	FY 2006 ^a		FY 2007 (Estimated)	FY 2008 ^c (Proposed)
	STATE AVERAGE	VBCPS	VBCPS	VBCPS
STATE	\$ 3,250	\$ 3,446	\$ 4,090	\$ 4,164
SALES TAX	925	960	1,015	1,094
FEDERAL	690	788	754	791
LOCAL ^b	4,901	3,919	4,350	5,095
TOTAL	\$ 9,766	\$ 9,113	\$ 10,209	\$ 11,144



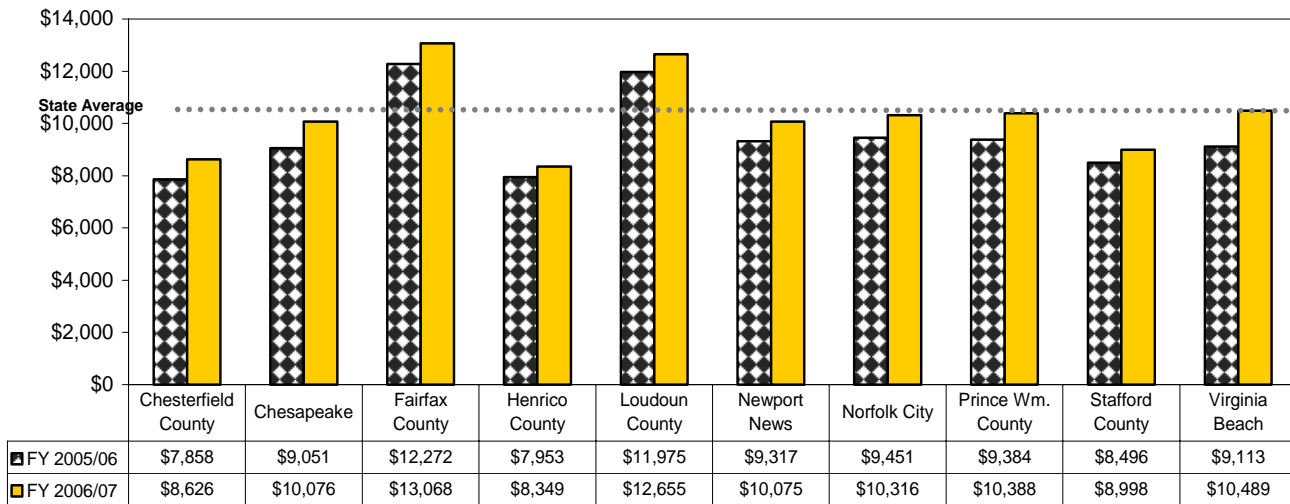
* Includes regular day school, school food services, summer school, adult education, athletics, textbooks, and other educational functions, but does not include facilities, debt service, capital outlay additions, and pre-kindergarten program

(a) Commonwealth of Virginia, Superintendent's Annual Report for Virginia

(b) Includes City of Virginia Beach and other local sources; i.e., rental of facilities, summer school tuition, adult education fees, cafeteria service charges

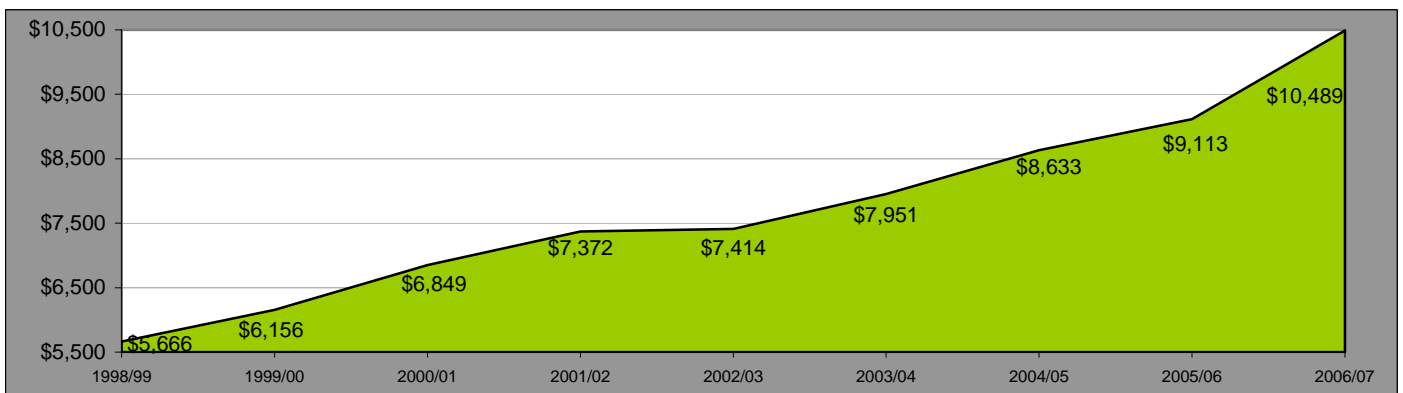
(c) Based on the School Board Operating Budget (subject to City Council approval)

Per-Pupil Expenditure In The Ten Largest School Divisions FY 2005/06 - FY 2006/07



Total expenditures include regular day school, school food services, summer school, adult education and other educational programs, but do not include facilities, debt services, and capital outlay additions.

Virginia Beach City Public Schools Per-Pupil Expenditure FY 1998/99 - FY 2006/07

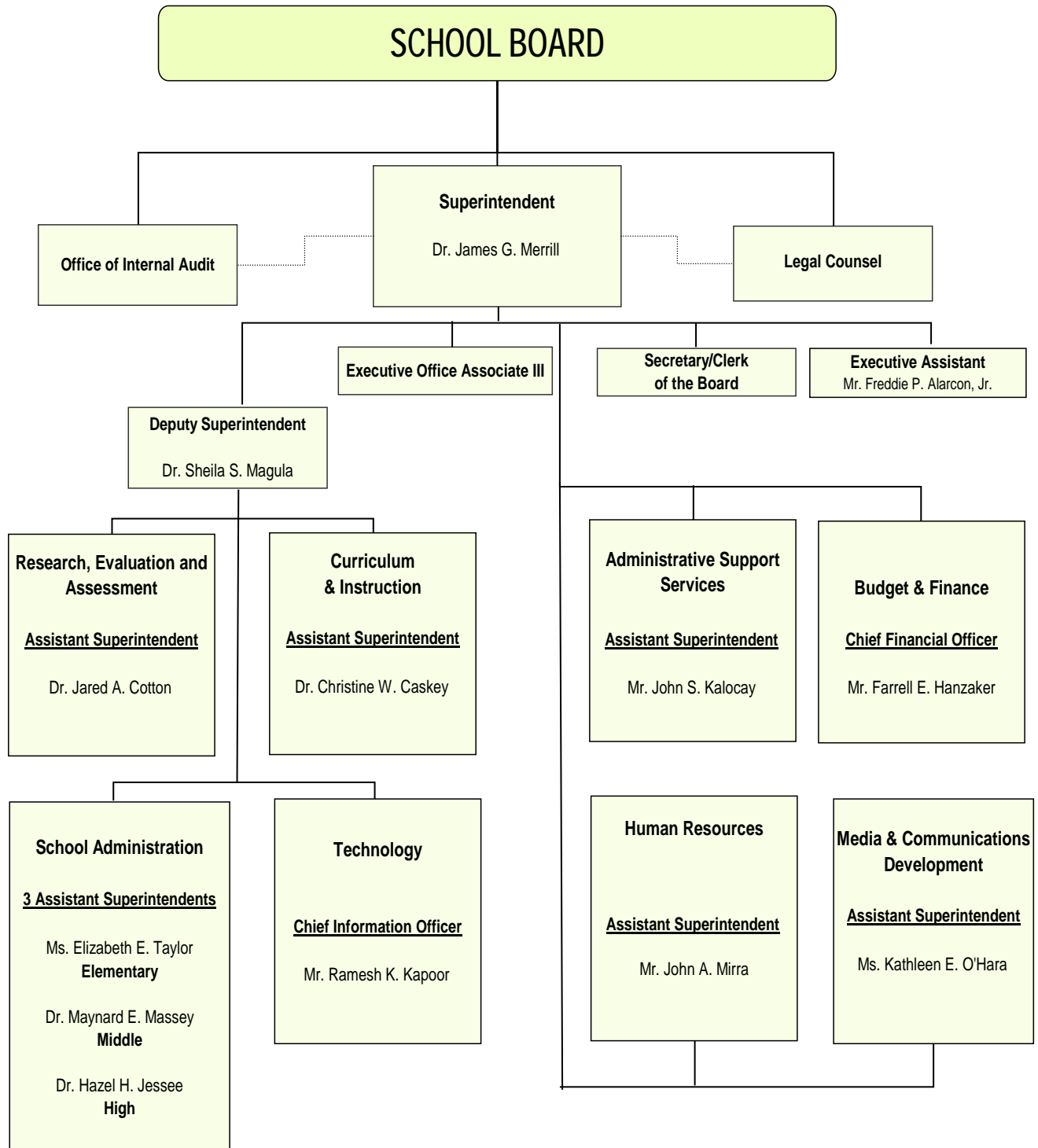


Source: Virginia Department of Education, Superintendent's Annual Report for Virginia, March 2008

Division Organizational Chart

FY 2008/09

Virginia Beach City Public Schools enrolls approximately 71,000 students, employs over 10,000 full-time employees and approximately 3,000 part-time employees, and operates eighty-eight schools (inclusive of eight city-wide centers). The departments responsible for the daily operation of the state's second largest and the region's largest school division are listed below.



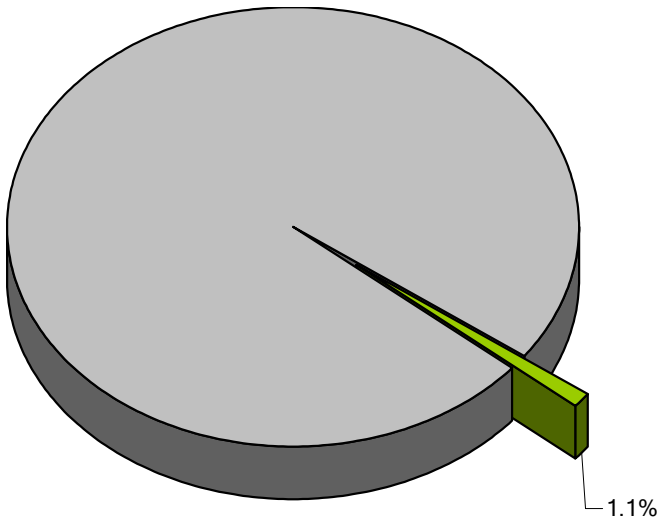
Organizational Structure: Departments and Administrative Staff

Office of the Superintendent

Superintendent: Dr. James G. Merrill

The Superintendent, as Chief Executive Officer for the School Board, performs the functions and duties prescribed in the regulations of the State Board of Education 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 overseeing 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. He keeps open channels of communication with all employees and the community for the improvement and welfare of the school division.

- 51710 - Instructional Organizational Development (effective FY 2008/09)
- 54100 - Board, Legal, and Governmental Services
- 54200 - Office of the Superintendent
- 54500 - Internal Audit (Administrative Only)
- 54700 - Organizational Development (effective FY 2008/09)



	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
51710		2,397,035	2,397,035
54100	1,160,336	1,160,672	1,164,471
54200	1,052,202	1,339,727	1,362,047
54500	364,919	372,597	383,024
54700		2,410,665	2,449,465

Office of the Superintendent represents 1.1 percent of the Operating Budget.

Office of the Deputy Superintendent

Deputy Superintendent: Dr. Sheila S. Magula

The Deputy Superintendent oversees the Department of Curriculum and Instruction, School Administration, Research, Evaluation, and Assessment and the Department of Technology. In addition, the Deputy Superintendent assumes the leadership of the school division in the absence of the Superintendent.

Administrative Support Services

Assistant Superintendent: Mr. John S. Kalocay

The mission of the Department of Administrative Support Services 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.

Transportation

- 56100 - Management
- 56200 - Vehicle Operations
- 56300 - Vehicle Maintenance
- 56400 - Monitoring Services

Operations and Maintenance

- 57100 - Facilities Planning and Construction
- 57200 - School Plant
- 57300 - Supply Services
- 57400 - Ground Services
- 57500 - Custodial Services
- 58100 - Safe Schools/Risk Management
- 58200 - Vehicle Services

Capital Improvement Program (CIP)

- Funds**
Food Services

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
Transportation	30,891,040	30,954,363	31,391,516
Operations & Maint.	85,261,653	90,761,904	91,369,370
Food Services Fund	26,349,312	26,794,640	27,455,296

Budget and Finance

Chief Financial Officer: Mr. Farrell E. Hanzaker

The Department of Budget and Finance provides overall fiscal management for the school division. The functions of the department include accounting, budget development, financial management and reporting, payroll, purchasing, school rentals, and overseeing the Consolidated Benefits Office. The department provides information and services to various groups. These groups include employees, School Board members, school and city staffs, citizens, government agencies, private organizations, and others.

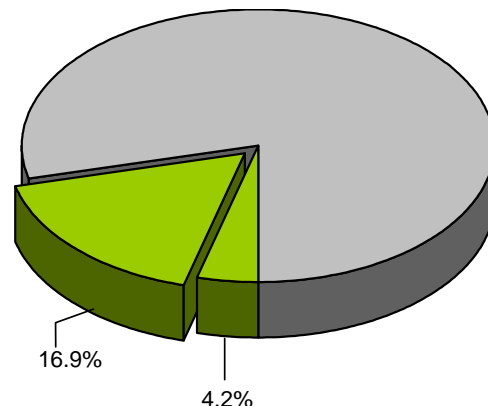
- 54300 - Budget and Finance
- 54600 - Purchasing Services
- 55000 - Benefits
- 59100 - Technology

- Grants**
Reserve for Contingency - Federal
Reserve for Contingency - State

Funds

- School Vending Operations
- School Equipment Replacement

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
54300	3,698,168	3,731,508	3,824,657
54600	1,053,271	1,060,950	1,092,046
55000	2,156,873	1,660,598	1,676,013
59100	24,003,400	24,003,400	24,333,180
Grants Fund	5,655,908	5,731,349	5,731,349
School Equipment Replacement Fund	1,000,000	1,837,129	1,312,129
School Vending Fund	915,000	609,815	407,299



Administrative Support Services costs are 16.9 percent of the Operating Budget.

Budget and Finance represents .8 percent of the Operating Budget.

(The "new" Technology Unit Code represents 3.3 percent.)

Curriculum and Instruction

Assistant Superintendent: Dr. Christine W. Caskey

The Department of Curriculum and Instruction administers and directs the development and implementation of the overall K-12 curriculum and instructional program and provides support to the schools. Offices within the department include Instructional Services, Technical and Career Education, Programs for Exceptional Children, and Gifted Education and Academy Programs. The department is responsible for overseeing federal, state, and local grants awarded to the school division, Virginia Department of Education curriculum and instructional initiatives and mandates, and special programs approved by the School Board of the City of Virginia Beach. Major areas of focus include: (1) ongoing curriculum review, development, and improvement, (2) staff development, (3) instructional assistance to schools, (4) coordination of the textbook adoption process, (5) implementation of curriculum and instructional mandates, and (6) collaboration with community advisory groups.

Office of Programs for Exceptional Children (OPEC)

50500 - Special Education	52800 - Psychological Services	Grant - Preschool Incentive
51400 - Social Work Services	52900 - Audiological Services	Grant - Preschool Incentive B (FY 2007/08 Only)
51800 - Special Education Support	Grant - Jail Education	Grant - Title VI-B (IDEA)
52500 - Homebound Services	Grant - McKinney-Vento Homeless	Grant - Virginia for At-Risk Four-Year Old Children

Instructional Services

50600 - Summer School	52300 - Remedial Education
51300 - Guidance Services	53200 - Alternative Education
51700 - Instructional Support	

Office of Technical and Career Education

50300 - Technical Career Education	Grant - Carl D. Perkins Vocational & Applied Technology Act
51200 - Office of the Principal - Technical & Career Ed.	Grant - High Schools That Work
52600 - Technical & Career Ed. Support	

Office of Gifted Education and Academy Programs

50400 - Gifted Education and Academy Programs	51900 - Gifted Education and Academy Programs Support
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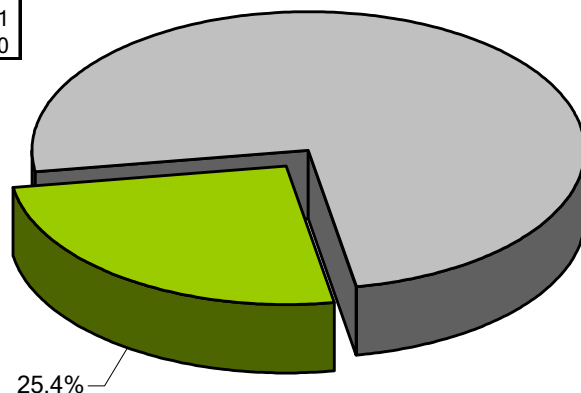
Grants (not listed above)

Algebra Readiness Initiative	Title I Part D (NCLB)
Early Intervention Reading Initiative	Title II (NCLB)
Juvenile Detention Home	Title III (NCLB)
Individual Student Alternative Educational Plan (ISAEP)	Title IV (NCLB)
Teaching American History (WHO) (NCLB)	Title V (NCLB)
Title I Part A (NCLB)	

Fund

Textbook

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
OPEC	116,302,787	116,793,563	116,739,569
Instructional Svcs.	45,249,023	49,355,841	50,679,344
Tech & Career Ed.	24,432,666	24,474,782	25,208,108
Gifted Education	15,688,126	15,576,543	15,986,835
Grants Fund	19,598,494	18,510,703	18,129,501
Textbook Fund	7,239,776	7,880,290	7,830,410



Curriculum and Instruction represents 25.4 percent of the Operating Budget.

Human Resources

Assistant Superintendent: Mr. John A. Mirra

The Department of Human Resources provides for the planning, recruiting, and selecting of employees. This department also appraises, informs, and assists in advising employees and management regarding Human Resource issues. The department is responsible for the Employee Input Process.

54400 - Human Resources

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
54400	4,352,816	4,606,095	4,573,523

Media and Communications Development

Assistant Superintendent: Ms. Kathleen E. O'Hara

The Department of Media and Communications is an in-house marketing, public relations, and community relations resource. Its primary purposes are to provide accurate and timely information to citizens, to monitor developments relating to citizens' issues and concerns, and to encourage community involvement through systematic partnership and volunteer programs.

51500 - Media and Communications

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
51500	1,499,624	1,732,450	1,767,151

Research, Evaluation, and Assessment

Assistant Superintendent: Dr. Jared A. Cotton

The mission of the Department of Research, Evaluation, and Assessment is to proactively provide resources and communicate information that facilitates data-driven decision making to enhance achievement for all students.

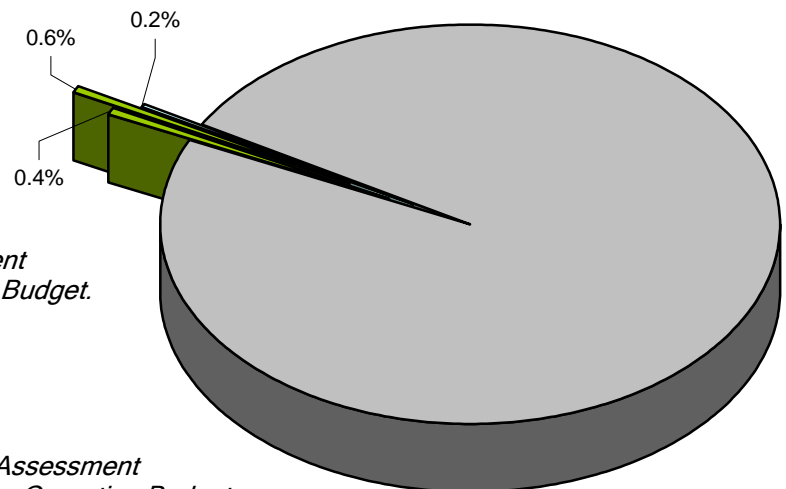
52100 - Research, Evaluation, and Assessment

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
52100	2,985,689	2,880,539	2,919,965

Human Resources represents 0.6 percent of the Operating Budget.

Media and Communications Development represents 0.2 percent of the Operating Budget.

Research, Evaluation, and Assessment represents 0.4 percent of the Operating Budget.



School Administration

Assistant Superintendents: Ms. Elizabeth E. Taylor - **Elementary**
Dr. Hazel H. Jessee - **High**

Dr. Maynard E. Massey - **Middle**

The Department of School Administration provides staff development for and oversees 57 elementary, 15 middle, and 13 senior high school principals and administrative offices.

Elementary

50100 - Elementary Classroom
51000 - Office of the Principal - Elementary
51710 - Instructional Organizational Development (FY 2008/09 moved to Office of the Superintendent)
53100 - School Administration
54700 - Organizational Development (FY 2008/09 moved to Office of the Superintendent)
55200 - Health Services
Grant - New Teacher Mentor

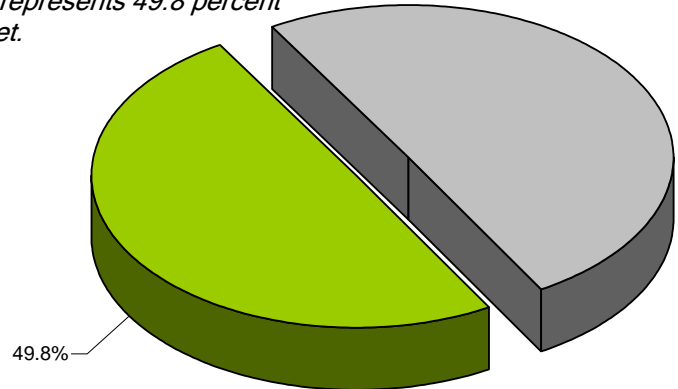
School Administration represents 49.8 percent of the Operating Budget.

Middle

52200 - Middle School Classroom
52400 - Office of the Principal - Middle School

High

50200 - Senior High Classroom
50700 - General Adult Education
50800 - Open Campus
50900 - Student Activities
51100 - Office of the Principal - Senior High
52700 - Student Leadership
Grant - English Literacy Civics Education
Grant - GED Expansion (FY 2007/08)
Grant - Race to GED
Fund - Athletic



	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
Elementary	175,630,469	174,917,488	180,147,697
Middle	70,903,860	70,736,022	71,809,100
High	116,742,864	113,908,596	113,795,147

Technology

Chief Information Officer: Mr. Ramesh K. Kapoor

The mission of the Department of Technology is to enable, encourage, and support the effective use of technology as a tool for learning and for information management.

51600 - Instructional Technology (FY 2008/09 moved to Technology Special Revenue Fund)
52000 - Media Services Support
54900 - Office of Technology (FY 2008/09 moved to Technology Special Revenue Fund)
58300 - Telecommunications

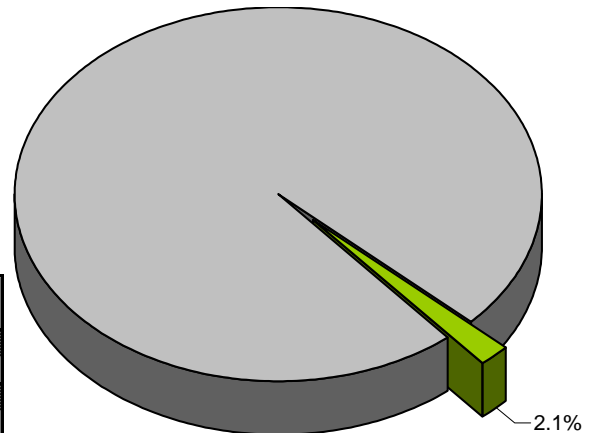
Grants

Technology Initiative
Title II Part D

Funds

Communication Tower Technology
Instructional Technology
Technology (effective FY 2008/09)

	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Budget
51600	10,976,777	-	-
52000	13,806,968	13,124,310	13,405,297
54900	955,450	-	-
58300	1,631,922	1,641,735	1,649,618
58400	9,463,506	-	-
Grants Fund	5,259,628	7,088,121	5,648,568
Comm. Tower Tech.	560,000	560,000	560,000
Technology Fund	-	24,003,400	24,333,180
Instructional Tech.	6,636,000	3,815,945	2,915,947



Technology represents 2.1 percent of the Operating Budget.

Mission

The mission of the Virginia Beach City Public Schools, in partnership with our entire community, is to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future.

Vision

Virginia Beach City Public Schools will provide services and programs to engage its clientele in an exciting learning environment. The school division will excel in all aspects of performance, enhance student achievement, bring recognition to the community, and establish itself as a premier leader in the education industry. With continuous improvement, the results of employee efforts will make VBCPS, “*The School District of Choice.*”

Core Values

Virginia Beach City Public Schools maintains a commitment to establishing a workforce dedicated to the education of our youth and creating an environment conducive to productivity for the benefit of both staff and students. To support this philosophy, the school division has established a set of values for all employees referred to as “*The Virginia Beach City Public Schools’ Core Values.*”

Youth (places real value on young people)

- Has confidence in youth
- Wants to work around and with young people
- Obtains satisfaction from seeing young people grow

Commitment (the dedicated, enthusiastic pursuit of a course of action)

- Follows through on an obligation in a professional manner
- Sets high expectations for the accomplishment of personal and professional goals
- Serves as a positive and loyal ambassador for the school division

Compassion (an empathetic, understanding, supportive disposition towards others)

- Speaks with others in a tactful, straightforward, and positive manner
- Focuses on the process rather than blaming others
- Expresses an appreciation for others through words and deeds

Integrity (an honest, ethical, principled approach)

- Earns the trust of others
- Does the right thing, even if it is difficult or unpopular
- Acts in the best interest of the school division, not for personal gain
- Gives an honest report of actions, progress, and results

Positivity (an optimistic outlook on life)

- Is hopeful about the future
- Sees the positive in people and situations
- Possesses a belief that conditions will improve

Respect (a willingness to recognize, honor, and value individual contributions and differences)

- Recognizes others publicly for their contributions
- Seeks and values feedback from others
- Shows fair and equitable treatment for others

Work Ethic (a diligent and consistent approach for producing quality results)

- Achieves positive results through a continuous improvement process
- Encourages new and innovative ideas to improve results
- Takes responsibility for one’s actions
- Makes a noticeable contribution as a team member

Wisdom (possessing mature, objective, balanced judgment)

- Uses knowledge and learning from past experiences to solve problems
- Exercises self-control
- Demonstrates willingness to take intelligent risks

School Board Program of Work and Status Report



How the School Board Develops Its Yearly Work Plan

The School Board hosts an annual retreat for the purpose of development of an annual work plan and affirmation of long-term strategic goals. After the retreat, a draft Program of Work is developed and reviewed again by the Board. The Board then makes what it sees as necessary clarifications or modifications and subsequently adopts the plan. The plan guides academic and operational goals for school division staff. Throughout the year, school administration gives progress reports on the achievement of these goals to the School Board.

Overview

The division has 88 schools and centers and for the third year in a row, each of its testing schools is fully accredited according to spring Standards of Learning test results. The division has also made AYP (*Adequate Yearly Progress*) for the third consecutive year.

And while we celebrate that progress, there are challenges ahead. In Virginia Beach we believe the key to progress is connecting with our community, making sure that we are candid with our citizens. We want you to understand our priorities and our needs, what we do well and areas where we may be struggling. This communication is designed to open that frank dialogue.

It includes:

- An overview of our priorities for the 2007-08 School Year, what we call our Program of Work
- An abbreviated overview of 2006-07 School Year accomplishments

About Our Program of Work for 2007/08

In the summer of 2007 the School Board identified the school division's goals for 2007/08. School administration subsequently was tasked with developing supporting objectives. That process largely has been completed. Following are specifics of the work plan. Goal 7 of the Program of Work is Boardmanship - what the School Board can do to ensure it is an effective advocate for the needs of the school system. The other six goals are largely targeted at improving academic achievement, future direction and resources for the school system. We hope you will review these closely, because we believe an organization's priorities speak volumes.

School Board Program of Work

The School Board, at its annual retreat, identified seven goals to be addressed in its annual **Program of Work**. These are:

- Develop a new strategic plan that will guide Virginia Beach City Schools from 2009-2015
- Budget and Finance: Advocate for the fiscal needs of Virginia Beach City Public Schools
- Improve the Special Education Program
- Improve the Elementary Teacher Workday

- Improve the Academic Performance of African American Males
- Communications: Develop a systemic approach focused on increasing resources, garnering community support, and improving student achievement for Virginia Beach City Public Schools

NOTE: The School Board Program of Work is built on the foundation of Virginia Beach City Public Schools' Strategic Plan, featuring the seven goals on the previous page.

Corresponding Objectives

1. Develop a new strategic plan that will guide Virginia Beach City Public Schools from 2009-2015

Objective 1: A strategic plan that includes measurable goals and targets will be developed, completed and submitted to the School Board before October 2008.

Objective 2: The proposed strategic plan will be adopted by the School Board by November 2008.

Objective 3: Stakeholder participation in the strategic planning process will be representative of city.

2. Budget and Finance: Advocate for the fiscal needs of Virginia Beach City Public Schools

Objective 1: An advocacy plan will be developed and implemented.

Objective 2: The Revenue Sharing Formula (RSF) will be held intact or improved for schools.

Objective 3: The Superintendent and School Board will propose to the city that the budget process become an annual process.

Objective 4: A needs-based budget section will be included in the Superintendent's Estimate of Needs and in the School Board's Proposed Budget.

Objective 5: Sufficient funds will be allotted to meet school system needs.

Objective 6: The School Board will effectively advocate for the School Board's budget and it is ultimately approved by the City Council.

3. Improve the special education program

Objective 1: Conduct a comprehensive audit of the special education program and present findings to the School Board by May 2008.

Objective 2: Develop administrative recommendations for improvement based on results of the audit and present to the School Board for approval by July 2008.

Objective 3: Reduce the number of referrals to special education by 15 percent from current baseline at each level of schooling over three years.

Objective 4: 100 percent of schools will meet all AYP bench-marks for the special education subgroup within five years.

Objective 5: Meet and/or exceed the 14 targets identified in the Virginia Department of Education's State Performance Plan (SPP) by the dates established per the Virginia Department of Education's timeline.

4. Improve the elementary teacher workday

Objective 1: By December 31, 2007, 100 percent of schools' Principals' Advisory Committees will identify strategies/protocols that will improve the elementary teacher workday.

Objective 2: By June 30, 2008, 90 percent of teachers will report their school used strategies/protocols developed by their school's Principal Advisory Committee to improve teachers' workday.

Objective 3: By January 22, 2008, central office department heads will examine processes, procedures and requests for information and identify changes to be implemented by central office departments that will provide improvements to the elementary teacher workday.

Objective 4: By February 29, 2008, guidelines and recommendations for the elementary teacher workday will be developed and presented to the Superintendent and Cabinet for review and subsequent dissemination to all elementary principals for immediate implementation where applicable.

Objective 5: By March 3, 2008, a draft policy regarding impact on instructional and non-instructional time will be developed and presented to the Superintendent and Cabinet for review and subsequent approval by the Board.

5. Improve the academic performance of African American males

- Objective 1:** Eliminate double digit gaps between African American males and non-African American males on reading and mathematics SOL tests over the next three years, using 2006-2007 data as the baseline.
- Objective 2:** Ensure that all African American males read on grade level by the end of grade three no later than 2011.
- Objective 3:** Increase the SOL passing rates by 5 percentage points for African American males in reading and mathematics at each level of schooling (elementary, middle, and high) over a two-year period, using 2006 - 2007 data as a baseline.
- Objective 4:** Increase by 5 points the percentage of African American males scoring at the pass advanced level on reading and mathematics SOL tests over the next three years, using 2006 - 2007 data as the baseline.
- Objective 5:** Increase by 10 points the percentage of African American males receiving an advanced studies diploma beginning with the Class of 2011.
- Objective 6:** Meet all AYP benchmarks for the African American subgroup each year at all schools.
- Objective 7:** Maintain or exceed a 95 percent attendance rate for African American males at each level of schooling.
- Objective 8:** Decrease by 0.5 percentage points or more the dropout rate of African American males no later than 2012.
- Objective 9:** Increase the graduation rate for African American males to meet or exceed the graduation rate for the division no later than 2012.
- Objective 10:** Decrease by 5 points or more annually the gap in mean scale score performance for African American males on each section of the SAT over the next four years, using 2006 - 2007 data as a baseline.
- Objective 11:** Develop, present, and implement a plan to engage the community in support of the Board's goal.
- Objective 12:** Increase by 15 percentage points over the baseline the percentage of African American males successfully completing advanced/honors and AP courses over four years.

6. Communications: Develop a systemic approach focused on increasing resources, garnering community support and improving student achievement for Virginia Beach City Public Schools

- Objective 1:** Eighty percent of the stakeholders participating in the strategic planning process will report that they have a clearer picture of division needs than previously and will be engaged in supporting the school division.
- Objective 2:** A plan will be developed identifying key message points, necessary resources and the appropriate division of labor between the Board and the administration.
- Objective 3:** Consistent messages will be presented by all Board members and administrators at speaking engagements.
- Objective 4:** The advocacy plan will be implemented.

7. Boardmanship: Implement effective strategies

Status Report

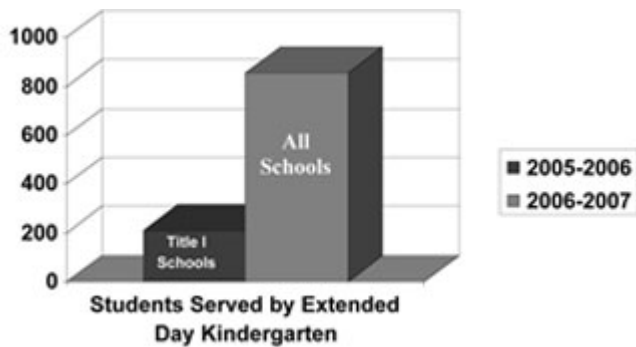
Below are just a few highlights:

Glance At a Few Achievements Recorded in School Year 2006/07

For School Year 2006/07, the School Board Program of Work was based on the goals specified in the division's strategic plan. Schools and administrative departments and offices posted numerous achievements in all areas

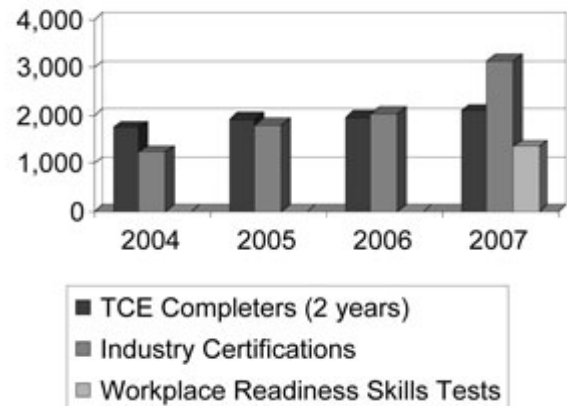
GOAL 1 Expanded Instructional Opportunities

- All testing schools made full accreditation
- School division made Adequate Yearly Progress (AYP)

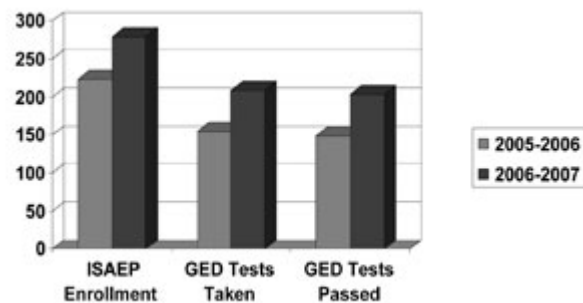


Extended-day kindergarten classes were added to each elementary school, thus offering service to 32.6 percent more students than the previous year.

There were 208 students on an Individual Student Alternative Education Plan (ISAEP) who took the GED. Of this number, 204 (98 percent) earned a passing score.



VBCPS' students earned a record 3,130 industry certifications in their technical and career education classes (TCE), up approximately 54 percent from the previous year and up nearly 153 percent since 2003/2004.



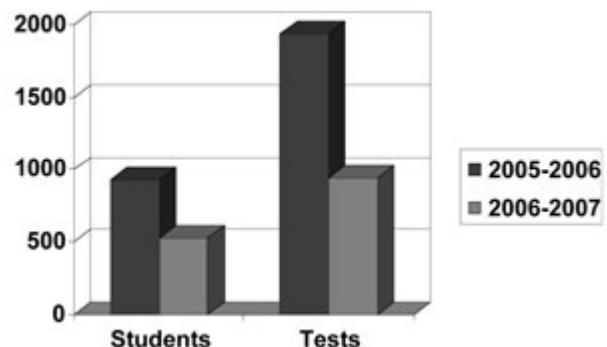
GOAL 2 Efficient Use of Resources

- The Employee Input Process, which helps ensure that staff members have a voice in issues that affect their work environment, was broadened to include more stakeholders. A new Web-based survey combined with employee advisory groups helped increase participation dramatically from 446 in 2005/06 to 1,106 last school year.
- Training was provided for administrative and instructional staff who oversees testing on the state online data analysis tool, Education Information Management System.

GOAL 3 Quality Workforce - Trained and Accountable

- Training has been provided in such areas as cultural proficiency, working with diverse populations, communication in culturally diverse schools, and brain research.
- VBCPS has the largest bus fleet in the state using bio-diesel fuel.
- Virginia Beach Schools was a recipient of the 2007 Virginia Recycling Association Award for Excellence in the Government/Nonprofit category, in recognition of its commitment to recycling and innovative and quality recycling programs. VBCPS saved \$100,000 as a result of its recycling programs.

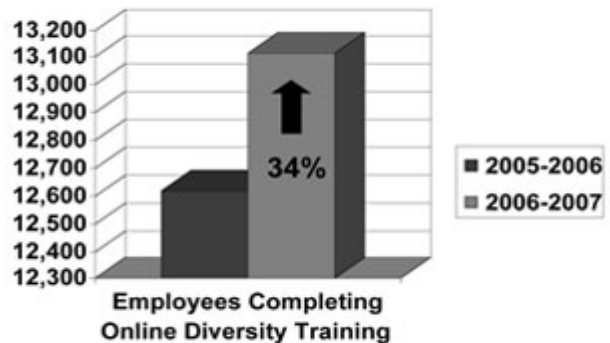
Staff received training on the identification of children eligible to take the Virginia Grade Level Assessment (an alternative test provided largely for special education students and/or English as a Second Language Learners). As a result of this training, the identification process was more highly accurate.



GOAL 4 Recognition of Diversity

- The Office of Organizational Development hosted a two-day “train the trainer” diversity workshop led by a national consultant. These face-to-face trainings are being deployed in our schools.
- The division hosted the National African American School Board Members Summit. Educators and School Board members from across the country attended to discuss such important topics as closing the achievement gap and working to achieve equity in special education.

In school year 2006-07, 13,112 employees completed the online diversity training module, a 34 percent increase over the previous year.

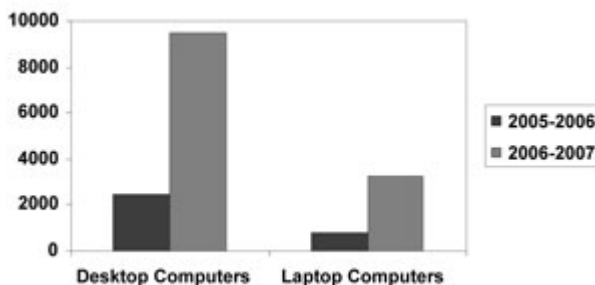


GOAL 5 Safe Schools and Well-Disciplined Environment

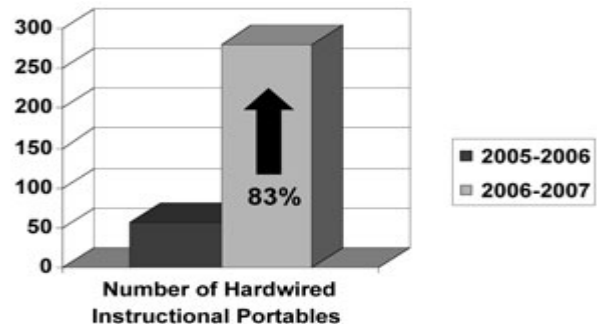
- The Office of Safe Schools and Risk Management implemented training in crisis response, gang awareness, school security, dealing with difficult people, to name a few of the topics available.
- Safety audits were conducted at 34 schools.
- The cell phone policy for high school students was revised as were the discipline guidelines to help ensure a more positive environment for instruction.

GOAL 6 Technology Integrated into Curriculum & Instruction

- Seventy-five high school and 54 middle school distance learning classes were offered.
- Distance learning labs were expanded to Brandon and Lynnhaven middle schools.



The division replaced 9,500 instructional computers and added 3,200 laptop carts to be used as mobile labs when not in service for SOL testing.



The division hardwired 280 instructional portables to ensure equitable access to technology.

GOAL 7 Meaningful Involvement of Community, Parents and Partners

- Volunteer hours were tallied at 514,478.
- The Virginia Beach Public Schools Education Foundation awarded more than \$111,000 in teacher and schoolwide grants.
- Research was conducted on parental involvement and a resulting plan developed to increase engagement.
- VBCPS was awarded the prestigious Gold Medallion by the National School Public Relations Association (NSPRA) for the division’s Military Child Initiative. This national award was presented in recognition of Virginia Beach schools’ success in creating connections for military families through awareness, outreach, and support.

FY 2008/09 - 2009/10 Operating Budget Calendar and FY 2008/09 - 2013/14 Capital Improvement Program Budget Calendar

September 5, 2007	FY 2008/09 - FY 2009/10 Operating Budget and FY 2008/09 - FY 2013/14 Capital Improvement Program (CIP) Budget Calendar submitted to School Board for information
September 18, 2007	FY 2008/09 - FY 2009/10 Operating Budget and FY 2008/09 - FY 2013/14 Capital Improvement Program (CIP) Budget Calendar submitted to School Board for adoption
September 19, 2007	Budget Orientation Workshop conducted; Operating Budget request forms and instructions are distributed to budget managers and CIP request forms are sent to schools and offices

October 10, 2007 - December 7, 2007	Budget Office receives Operating Budget requests from budget managers
October 15, 2007	Five-Year Forecast presented to Superintendent and Cabinet Members (pending receipt of revenue estimates from city budget staff)
October 26, 2007	Deadline for CIP Information from schools and offices

November 7, 2007	Five-Year Forecast presented to School Board
November 7, 2007	<i>Public Hearing</i> conducted on the FY 2008/09 - FY 2009/10 Operating Budget and the 2008/09 - 2013/14 Capital Improvement Program (CIP) in the School Board Room
November 15, 2007	Summary of School Board Operating Budget survey forms and Summary of School Board CIP survey forms (<i>without pricing</i>) provided to School Board Members

December, 2007	Human Resources submits Employee Input information to Superintendent and Cabinet Members
December 7, 2007	Human Resources submits recommended part-time hourly rate increases to the Budget Office
December 13, 2007	Operating Budget survey forms and CIP survey forms are distributed to School Board Members
December 14, 2007	Draft CIP prepared for the Superintendent's review
December, 2007 (3rd week)	Budget Office receives State Revenue estimates from the Department of Education (DOE)
December 19, 2007	School Board Operating Budget survey forms and School Board CIP survey forms deadline

January 2-11, 2008	Budget Office reviews, refines, and summarizes Operating Budget requests
January 14, 2008	Presentation of recommended Operating Budget to Superintendent and Cabinet Members

FY 2008/09 - 2009/10 Operating Budget Calendar and FY 2008/09-2013/14 Capital Improvement Program Budget Calendar

January 22, 2008	Presentation of the <i>Superintendent's Proposed FY 2008/09 - 2013/14 Capital Improvement Program (CIP)</i> in the School Board Room
NLT January 31, 2008	Report on School Modernization Program to Joint City Council/School Board
<hr/>	
February 5, 2008	Presentation of the <i>FY 2008/09 - FY 2009/10 Superintendent's Estimate of Needs</i> to the School Board in the School Board Room
February 12, 2008	Workshop #1, 6-9 p.m. School Board Budget Workshop
February 19, 2008	Workshop #2, 2-5 p.m. School Board Budget Workshop
February 19, 2008	Public Hearing conducted on the <i>FY 2008/09 Superintendent's Estimate of Needs and the 2008/09 - 2013/14 Capital Improvement Program (Sec 22.1-92)</i>
February 26, 2008	Workshop # 3, 6-9 p.m. School Board Budget Workshop
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March 4, 2008	Workshop # 4 (if needed), 2-5 p.m. School Board Budget Workshop
March 4, 2008	School Board Operating Budget and CIP adoption held in the School Board Room
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April, 2008	Present <i>School Board Approved FY 2008/09 - FY 2009/10 Operating Budget</i> and the <i>Approved FY 2008/09 - FY 2013/14 CIP</i> to City Council for review/workshops (Sec. 15.1-163)
<hr/>	
NLT May 15, 2008	Operating Budget and CIP approved and adopted by City Council (Sec. 22.1-93; 22.1-94; 22.1-115)

NOTE: Residents are invited and encouraged to attend public meetings of the School Board, or watch them on cable Channel 47. School Board meetings are usually held every other Tuesday of each month at the School Administration Building, 2512 George Mason Drive. School Board agendas and minutes are posted on the website <http://www.vbschools.com/administration.asp>.

Adjustments may be made to the budget workshop schedule as needed.

Reader's Guide to the Budget

The Virginia Beach City Public Schools' Operating Budget is a document that outlines the development, review, and approval of the school division's budget. It is a biennial plan for the coordination of revenues and expenditures. Beginning in FY 2005/06, the City Council requested budget presentations to cover a two-year period for planning purposes. It is the intention of the City Council that the biennial budget be a fixed two-year proposal and be on the same cycle as the state biennial budget. This budget document covers the period of July 1, 2008 through June 30, 2010.

Historical Information

The present City of Virginia Beach (city) was formed on January 1, 1963 from the merger of Princess Anne County and the former smaller City of Virginia Beach. This merger created one of the largest cities in the Commonwealth of Virginia with an area of 307 square miles and 38 miles of shoreline on the Atlantic Ocean and the Chesapeake Bay.

School Board Composition and Responsibilities of the School Board and City Council

The School Board is an elected eleven-member body vested with legislative powers. The members serve four-year overlapping terms. The City's Charter designates that the composition of the Board will consist of one resident of each of the seven boroughs and four additional at-large residents.

The Board is responsible for elementary, secondary, adult, and vocational education at 88 locations within the city. The Board appoints the Superintendent who is the executive and administrative head of the public school division. The Board is responsible for setting policy, while the Superintendent and his staff are charged with managing the school division's operations.

The school division is fiscally dependent; i.e., it does not have taxing or levying (borrowing) authority and derives most of its funding from the Commonwealth of Virginia and the City of Virginia Beach. The City Council approves the School Board's Operating Budget, levies the necessary taxes to finance the operations, and approves the borrowing of money and the issuance of bonds when necessary.

The city is also responsible for the redemption of debt and compliance with legal limits for debts as established by the City Charter. The effect of city debt allocated for school purposes has an impact on the amount of local funds available for operations as defined by the Revenue Sharing Formula Policy. The School Board has the responsibility to meet the educational needs of the community within the funds remaining for operations after application of the Revenue Sharing Formula Policy.

The City Council is prohibited by law from exercising control over specific appropriations within the Operating Budget. However, the City Council may exercise some control by appropriating funds via the five major budget categories as defined by the state; i.e., Instruction; Administration, Attendance, and Health; Pupil Transportation; Operations and Maintenance; and Technology. The city may also choose to appropriate funds as a single amount (lump sum).

Accounting for School Board Funds

The accounts of the School Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity with a separate set of self-balancing accounts. The funds of the School Board consist of the General fund (*the Operating Budget*), the Athletic Special Revenue fund, the Communication Tower Technology Special Revenue fund, the Food Services Special Revenue fund, the Instructional Technology Special Revenue fund, the School Grants fund (*various categorical grants*), the School Equipment Replacement Special Revenue fund, the School Reserve Special Revenue fund, the School Vending Operations Special Revenue fund, the Textbook Special Revenue fund and Technology Special Revenue fund (added during FY 2008/09). The School Board is also responsible for the planning, development, and execution of the approved schools' Capital Improvement Program (CIP). The school division utilizes the modified accrual basis for accounting and budgeting for all 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 the funds are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

By law (Code of Virginia, as amended Section 22.1-100), all unexpended funds in the Operating Budget in any school year must revert to the General fund of the City of Virginia Beach. Any fund balance in the Operating fund carried into a succeeding fiscal year is for carry-over encumbrances only. The Special Revenue funds may have fund balances at the end of a fiscal year.

Sources of Revenue

Revenue for the operation of the school division is received from three primary sources: federal, state (*including State Sales Tax*), and the local governing body.

Federal Funds consist of *general funds*, such as Impact Aid funds that are paid directly to the School Board for use in operation of the total instructional program; and *categorical funds* that are designated for specific programs such as Adult Basic Education. These funds are subject to the federal budget process.

State Funds consist of *Standards of Quality (SOQ)* payments and *categorical* amounts established by the General Assembly on a biennial basis. SOQ payments are derived by multiplying the per-pupil amounts determined by the General Assembly by the projected March 31 Average Daily Membership (ADM). The September 30th Projected Enrollment is used to estimate the March 31 ADM using historical rates of decline. SOQ payments are shared by the state and the local government based upon a ratio entitled the Composite Index. The Composite Index is determined by the state with each biennium and represents the local government's ability to fund public education. In addition to SOQ payments, the state also provides categorical funds to pay the state's share of certain specific programs, such as Special Education, and Technical and Career Education.

State Sales Tax, since 1985, is required by the Appropriations Act to be shown as a separate source of revenue in local budgets. One and one-eighth cent of the sales tax is returned by the state to localities for public education and is distributed to school divisions based on the number of school-aged children residing in each locality. A census is conducted every three years by each locality to determine the number of school-aged children who reside there. The results of the census are utilized by the state to determine the distribution of sales tax to each school division.

Local Funds consist of numerous miscellaneous revenue sources such as school facility rentals, tuition, and sale of equipment, as well as the appropriation by Council. The City Council must contribute a minimum level of funding, referred to as the Standards of Quality (SOQ) payments. This minimum level of funding is determined by the Composite Index and is applied to the per-pupil amounts defined by the state for the Standards of Quality. The local government provides an appropriation for education in excess of the Standards of Quality payments and determines the level of total education support by means of a Revenue Sharing Formula Policy. The original policy, adopted in 1997, provided 53.13 percent of seven designated General Fund tax revenue streams: Real Estate Tax, General Sales Tax, Personal Property Tax, Business License Tax, Utility Tax, State Telecommunications Tax, and Cable Franchise Fees. In conjunction with several Real Estate rate reductions adopted since 1997, modifications to the formula have taken place, which have reduced the revenue share to 51.3 percent. The net formula funds are allocated first to Debt Service, then "Pay-As-You-Go" Capital Improvement projects which can reasonably be expected to be completed within one year, and the remainder is allocated to the Operating Budget.

Expenditure Categories

Projected expenditures consist of cost estimates for the operation of regular day school, summer school, adult education programs, and other education programs. The Operating Budget is segregated into five major state reporting categories as specified in Section 22.1-115 of the Code of Virginia. The Operating Budget classifications are: *Instruction; Administration, Attendance, and Health; Transportation; Operations and Maintenance; and Technology*. Within each of the four categories, the following expenditure types are utilized. A brief description of each expenditure category follows:

Personnel Services provides for all payroll costs for full-time and part-time employees, as well as overtime expenses, supplements and other allowances, and workshops and other personnel services expenses.

Fringe Benefits provides for all fringe benefits including Social Security, life insurance, retirement, medical insurance, and unemployment and workers' compensation expenses.

Purchased Services provides for all contractual services required by the School Board; i.e., printing, maintenance agreements, advertising expenses, and other contracted services. These services are usually on a fee basis or a fixed time contract.

Other Charges provides for payments of utilities, postage, telecommunications, insurance, rentals, travel, and other miscellaneous charges.

Materials and Supplies provides for materials and supplies, which are consumed or materially altered when used, and minor capital outlay items that have a unit cost of less than \$5,000.

Capital Outlay provides for expenditures that result in the acquisition of, or additions to, capital assets with a unit cost of \$5,000 or more, except for major capital facilities (e.g., land). Expenditures for these major capital facilities are coded under the Land, Structures, and Improvements category.

Land, Structures, and Improvements provides for expenditures of a project that is less than \$250,000 in estimated cost. Major capital facilities where projects (e.g., school buildings, air conditioning systems, and gymnasiums) exceed \$250,000 in estimated costs are evaluated for inclusion in the City of Virginia Beach Capital Improvement Program (CIP).

Transfer to Other Funds accounts for the conveying of cash from one fund (e.g., School Operating) to another fund (e.g., Textbook Special Revenue) without recourse.

Section Explanation

Information included in this document is structured to meet the requirements of the Meritorious Budget Award of the Association of School Business Officials International and the Distinguished Budget Presentation Award of the Government Finance Officers Association.

Introduction includes the Executive Summary which represents the Annual Budget for the school district for FY 2008/09.

Organizational Summary section of the budget document describes the district's organizational and management structure as well as the policies and procedures governing its administrative and financial operations. This section describes the district's mission and how it is achieved.

Financial Summary section presents an overview of revenues and expenditures for all funds.

Information provides statistical data and other factual information on the school district.

Strategic Plan and Budget Development

The school division holds the Senate Productivity and Quality Award for Progress in Performance Excellence, and has developed a six-year Strategic Plan bearing the theme *Ahead of the Curve*. The Strategic Plan is aligned with the seven Malcolm Baldrige performance excellence criteria (leadership, strategic planning, customer and market focus, information systems and analysis, human resource development and management, process management, and performance results) and is composed of seven areas: curriculum, safe schools and discipline, technology, diversity, finance, employee development and accountability, and parent/community involvement.

The Strategic Plan, along with mandates from the Virginia Department of Education related to the revised Standards of Learning and Board approved Programs of Work, drives the development of the Biennial Budget.

The Office of Budget and Finance is responsible for preparing the annual financial plan for Virginia Beach City Public Schools. This office has won numerous awards since 1999 including the Government Finance Officers Association Distinguished Budget Presentation Award and the Association of School Business Officials International Meritorious Budget Award since 1998. These awards have been presented consecutively to the division for the past ten and nine years, respectively. The attainment of these awards represents a significant achievement by the school division, as it is the highest form of recognition in governmental budgeting.

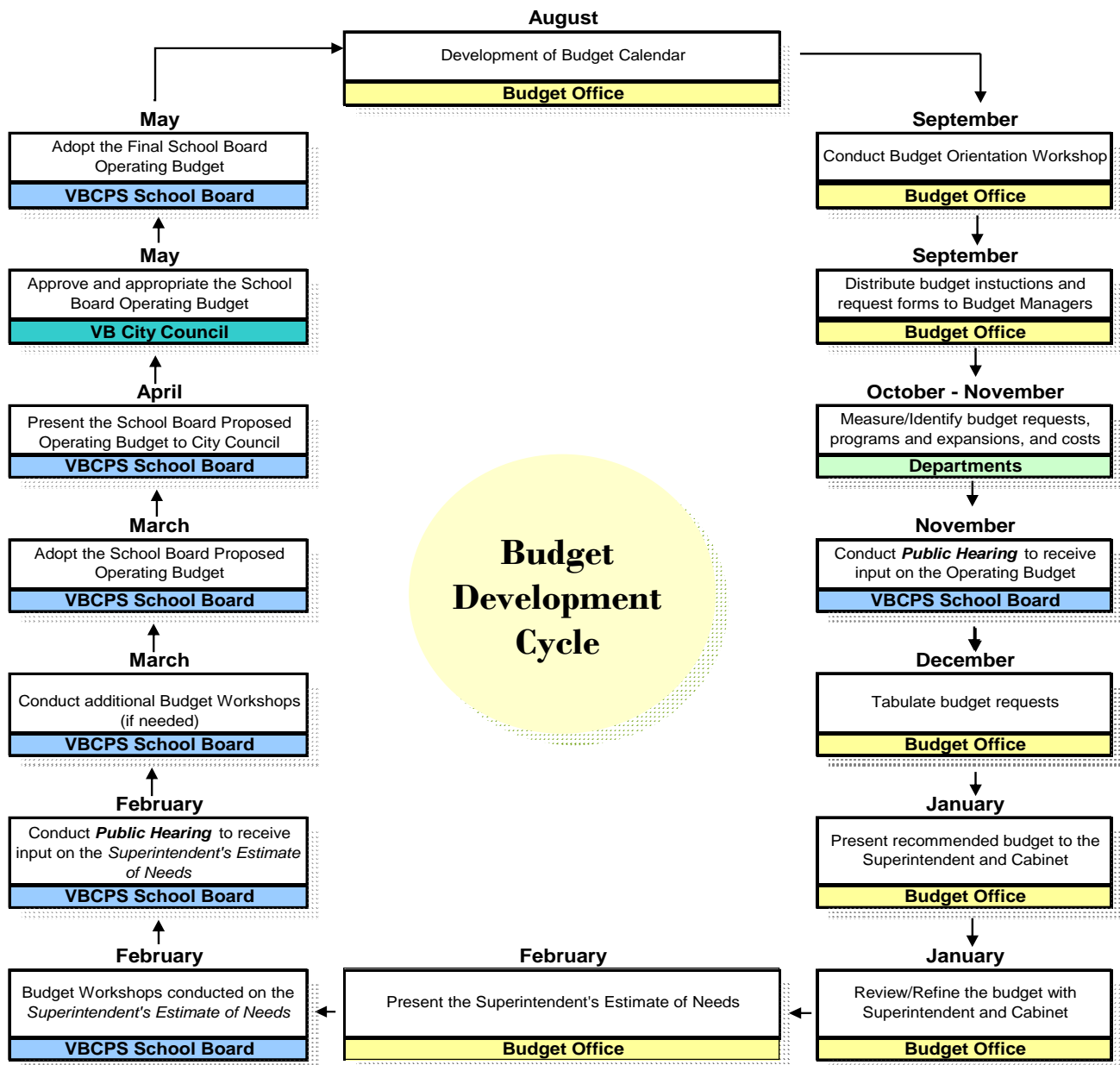
Operating Budget Process

The budget is a resource allocation and policy document. It incorporates the best estimate of the school division's revenues and expenditures. These are modified to reflect changes in plans, priorities, and trends in enrollment and economic environment.

The Code of Virginia requires each Superintendent to prepare a budget that estimates the amount of money needed during the coming year to support the public schools. The Superintendent is required to submit a budget that reflects the needs of the school division. It is then the responsibility of the School Board to balance the needs of the school division with the consideration of the economic and political environment. The State Code requires the School Board to present a budget to the city on or before April 1.

The budget provides a framework for measuring and monitoring expenditures. It is segregated into budget unit codes. Each unit code is assigned to a budget manager. The budget manager is responsible for managing the accounts within the unit code assigned. Throughout the year, administration and budget managers compare actual spending with the approved budget in each area. Expenditures are monitored to ensure that they do not exceed authorized amounts and that they are used for intended, proper, and legal purposes. The comparison can provide a measure of a manager's effectiveness and also helps ensure that funds are used for their intended purpose. Revenues are monitored to identify any fluctuations in budget to actual amounts.

Annual budget development begins in August with a budget calendar that establishes the dates for departmental submissions, presentation of the Superintendent's proposed budget to the Board, mandatory public hearings, the proposed date of School Board adoption, the required date of presentation to the City Council, and required date for Council appropriation. The Budget Office develops documents and guidelines, and a kickoff meeting is held in September for budget managers to assist them in the development of their respective budgets. Departmental requests are received from October through December and are compiled and analyzed by the Budget Office staff. The Budget Office schedules budget meetings with budget managers to discuss proposals, new programs, and new initiatives. In January, budget requests are summarized and presented to the Superintendent and his Cabinet. The Superintendent's Estimate of Needs is developed and presented to the Board in February. Virginia law requires the Board to hold one public hearing on the budget prior to adoption. The City Council, by law, must approve the appropriation for the schools no later than May 15.



Budget Amendment Process

Amendments to the appropriated Operating Budget are made in accordance with *Board Policy 3-10*, which governs budget transfers. Fiscal accountability is at the unit code level; i.e., no budget manager may expend or encumber more than the budgeted amount for the unit code. In addition, the policy does not permit capital outlay expenditures in excess of available capital outlay funds. Therefore, intra-unit or inter-unit budget transfers are required in order to purchase any capital outlay item that would exceed the available funds in the capital outlay expenditure category. The following procedures are used for budget amendments:

Initiation of Transfer	Transfer documents initiated by budget managers and submitted to the Budget Office for verification of availability of funds and proper authorization.	
Approval of Transfer	<i>Transfers up to \$25,000</i>	Must be approved by the Chief Financial Officer
	<i>Transfers up to \$75,000</i>	Must be approved by the Superintendent
	<i>Transfers in excess of \$75,000</i>	Must be approved by the School Board
Transfers between Budget Categories	<i>If Lump Sum Appropriation</i>	Board may transfer appropriated funds from one major budget category to another without approval from City Council.
	<i>If Categorical Appropriation</i>	Board must pass a resolution requesting City Council to approve the transfer. The transfer must be approved by City Council prior to the School Board acting on the transfer.
Reporting Transfers to the School Board	<i>All transfers below \$75,000</i>	Must be included in the presentation of the monthly interim financial statements.

The School Board may ask for an increase in the appropriation from the City Council if additional revenues are received during the fiscal year. City Council must appropriate any funds prior to the commitment of the Board to expend these funds.

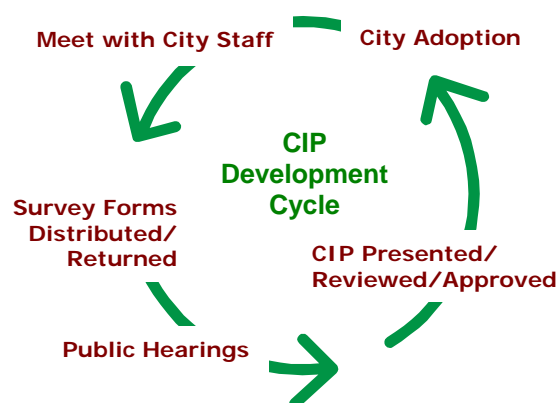
Reporting

In accordance with Section 22.1-115 of the Code of Virginia, an interim financial report must be prepared on a monthly basis and presented to the School Board showing revenues and expenditures at the major object level.

The state also has a number of reporting requirements, from the Annual School Report on all division expenditures to program specific reports.

Capital Budget Process

The budget calendar/timeline for the adoption of the Capital Improvement Program (CIP) closely follows that of the Operating Budget. The CIP process begins in September with a preliminary meeting with the city staff. CIP request forms are sent to schools and offices and are returned to administration in late October. Public hearings are scheduled to receive input from citizens in November. The CIP is presented to the School Board for approval in February and is then sent to the city for review and approval. The city adopts the CIP in May along with the Operating Budget.



School Board Funds

The FY 2008/09 Budget consists of twelve funds under the control of the School Board. They are as follows:

Funding Source	Purpose	State Code
Athletic	The Athletic fund is a special revenue fund to account for revenues and expenditures associated with specific athletic activities. This fund is excluded from the General Operating fund.	<i>Code of Virginia, Section 22.1-16; Bylaws and regulations of the Board of Education of the Commonwealth of Virginia</i>
Capital Improvement	The Capital Improvement Budget is the basic financing plan for capital needs, including school facilities. While the capital budget addresses the current year's needs, the Capital Improvement Program has capital projects programmed over a six-year span.	<i>Code of Virginia, Section 22.1-115</i>
Categorical Grants	Categorical Grants provide assistance to school divisions for particular program purposes of federal and state interest. These grants encourage recipient divisions to expand expenditures to support certain instructional funds.	<i>Code of Virginia, Section 22.1-115 and 15.1-162.11</i>
Communication Tower Technology	The Communication Tower Technology fund is a special revenue fund to receive payments from leasing of School Board property for commercial wireless communication towers. The funds received from lease payments and the interest earned will be used to acquire and replace technology including computers, software, wiring, training, facsimile, and copy machines.	
Food Services	The Food Services (Cafeteria) fund is a special revenue fund that supports cafeteria and food services operations and is separate from the basic School Board Operating Budget. The purpose of the fund is the management and control of resources and funding for cafeteria food services.	<i>Code of Virginia, Section 22.1-115</i>
Instructional Technology	The Instructional Technology fund is a special revenue fund to provide for the cyclical replacement of classroom and instructional computers.	
Operating Budget	The School Board Operating Budget is the basic funding plan for the schools. It includes funds for the fiscal operation of the school system. The budget is divided into four major budget categories: Instruction; Administration, Attendance, and Health; Transportation; Operations and Maintenance; and Technology.	<i>Code of Virginia, Section 22.1-115</i>
School Vending Operations	The School Vending Operations fund is a special revenue fund to account for receipts and expenditures relating to the soft drink operations in the school division.	
School Equipment Replacement	The School Equipment Replacement fund is a special revenue fund that will provide an equipment replacement cycle for selected capital equipment for schools and support departments. Funding is provided from an allocation of either reversion funds or actual over budget funds.	
School Reserve Special Revenue	The School Reserve Special Revenue fund was established in FY 2002/03. Funding is provided from an allocation of either reversion funds or actual over budget funds. The funds are not available for use without specific Council appropriation and are only available should a current operating revenue experience a significant shortfall that cannot be offset by expenditure reductions.	
Technology	The Technology Special Revenue fund was established in FY 2008/09. The purpose of the fund is the management and control of resources and funding for technology-related cost as required by the Code of Virginia, as amended.	
Textbook	The Textbook fund is a special revenue fund that was historically supported by textbook rental fees and other revenues. A free textbook system presently exists and is financially supported by the state. Operating Budget transfers primarily finance textbooks.	<i>Code of Virginia, Section 22.1-252</i>

NOTE: City Council must approve the appropriation of these funds no later than May 15.

Total Budget Summary

Virginia Beach City Public Schools' total resources are made up of several component funds: the School Operating Budget (General fund), the Categorical Grants funds (State and Federal), and Other Special Revenue funds. The School Operating fund is the largest and most widely discussed since it supports the daily operational expense of the school district. The School Operating Budget presents the financial plan for the operation of the division. The School Operating Budget contains a revenue plan (Operating Revenue) and an expenditure plan (Operating Expenditures). The revenue plan presents the sources of funds needed to finance the educational plan approved by the School Board. The expenditure plan describes how financial resources will be allocated and spent.



FY 2008/09
Operating Budget
increased 2.0 %
over the current year
budget

Detail is provided in this document regarding major changes to the FY 2008/09 compared to the current year budget. The first section identifies major revenue changes and the second section discusses expenditure changes for the FY 2008-2010 biennium. Each section is presented in a pyramid approach.

Total Funds



FY 2008/09
Categorical Grants
and Other Funds
decreased
from the
current year
budget

Total Funds	
FY 2007/08	\$ 809,500,495
FY 2008/09	\$ 846,432,775
FY 2009/10	\$ 854,447,857

Operating Budget	
FY 2007/08	\$707,162,127
FY 2008/09	\$721,316,182
FY 2009/10	\$734,059,879

Categorical Grants	
FY 2007/08	\$ 54,956,635
FY 2008/09	\$ 54,872,411
FY 2009/10	\$ 50,820,784

Other Funds	
FY 2007/08	\$ 47,381,733
FY 2008/09	\$ 70,244,182
FY 2009/10	\$ 69,567,194

	FY 2007/08	FY 2008/09	FY 2009/10	FY 2007/08	FY 2008/09	FY 2009/10	FY 2007/08	FY 2008/09	FY 2009/10
Revenue									
Local Revenue	\$336,870,685	\$339,239,378	\$348,453,570	\$ -	\$ -	\$ -	\$ 17,764,620	\$ 44,536,175	\$ 45,083,886
State Revenue	276,410,955	288,537,263	288,221,591	12,227,705	13,566,063	12,171,950	4,874,397	5,513,744	5,463,864
State Sales Tax	76,410,762	75,934,465	79,779,642	-	-	-	-	-	-
Federal Revenue	14,771,131	14,771,131	14,771,131	40,073,178	38,424,022	35,774,472	10,388,491	10,335,521	10,585,716
Fund Balance	-	-	-	-	-	-	10,136,017	6,336,889	4,911,875
Transfers from Other Fund	-	-	-	2,655,752	2,882,326	2,874,362	4,218,208	3,521,853	3,521,853
Other Local Revenue	2,698,594	2,833,945	2,833,945	-	-	-	-	-	-
Total	\$707,162,127	\$721,316,182	\$734,059,879	\$54,956,635	\$54,872,411	\$ 50,820,784	\$47,381,733	\$70,244,182	\$ 69,567,194
Expenditures									
Personnel Services	\$443,917,883	\$441,943,588	\$454,717,378	\$ 27,440,055	\$ 25,818,927	\$ 24,307,047	\$ 11,947,606	\$ 24,225,754	\$ 24,771,330
Fringe Benefits	155,618,033	151,713,233	152,122,832	9,204,275	8,723,042	8,081,346	4,689,693	7,950,044	8,146,990
Purchased Services	45,679,221	41,191,391	41,168,539	5,704,333	5,394,949	5,281,270	657,565	4,713,064	4,723,134
Other Charges	26,287,833	29,809,814	29,037,001	686,599	477,330	392,601	244,030	532,580	532,580
Materials and Supplies	25,081,719	22,126,188	22,150,375	11,875,546	14,393,081	12,693,438	27,708,387	29,468,789	28,634,024
Capital Outlay	1,067,343	1,139,011	1,139,011	45,827	65,082	65,082	2,109,452	2,875,951	2,281,136
Transfers to Other Funds	9,347,095	33,229,957	33,561,743	-	-	-	25,000	478,000	478,000
Land, Struct., Improvement	163,000	163,000	163,000	-	-	-	-	-	-
Total	\$707,162,127	\$721,316,182	\$734,059,879	\$54,956,635	\$54,872,411	\$ 50,820,784	\$47,381,733	\$70,244,182	\$ 69,567,194

NOTE: In addition to the funding shown above, there is \$41.2 million in debt service costs and \$13.9 million in funding allocated to the "Pay-As-You-Go" CIP in FY 2008/09. In FY 2009/10, debt service is projected at approximately \$44 million and funding remains at \$13.9 million for the "Pay-As-You-Go" CIP. The school division does not budget for debt service.

Projected Revenue Summary

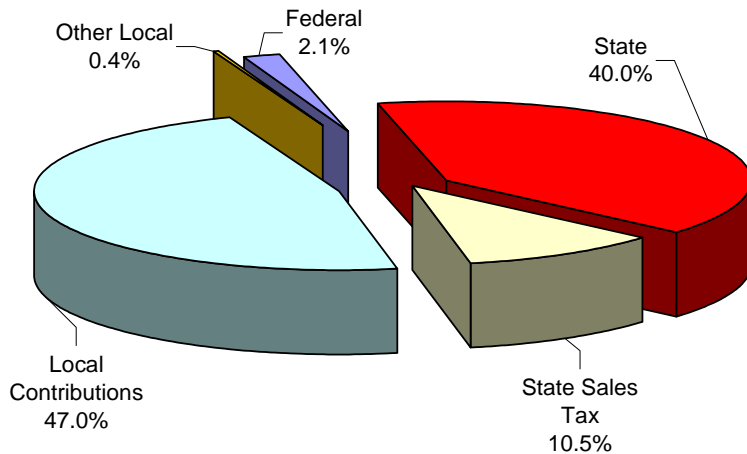
Revenue Overview

Revenue is received from three primary sources: Federal funds, State funds (which include State Sales Tax), and Local funds. In FY 2008-2010 biennium, VBCPS expects to receive \$721.3 million and \$734.1 million, respectively, to support the Operating Budget. In FY 2008/09, this represents an increase of approximately \$14.2 million or 2 percent over the FY 2007/08 Adopted Budget.

*Approximately
50.5% of all
Operating Budget
revenues come from
State revenue*

Operating Budget Funds

Revenue	FY 2004/05 Actual	FY 2005/06 Actual	FY 2006/07 Actual	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Forecast
Federal	\$ 16,459,126	\$ 16,003,175	\$ 18,272,087	\$ 14,771,131	\$ 14,771,131	\$ 14,771,131
State	239,229,349	244,499,749	277,484,029	276,410,955	288,537,263	288,221,591
State Sales Tax	64,861,559	70,134,239	72,151,254	76,410,762	75,934,465	79,779,642
Local Contributions	247,478,053	266,921,099	303,941,684	336,870,685	339,239,378	348,453,570
Other Local	3,309,725	3,389,869	3,533,696	2,698,594	2,833,945	2,833,945
Total	\$ 571,337,812	\$ 600,948,131	\$ 675,382,750	\$ 707,162,127	\$ 721,316,182	\$ 734,059,879



As shown in the pie chart to the left, State funding (including State Sales Tax) of \$364.5 million provides the largest share (50.5 percent) of the school division's revenue. The Local funding provides \$342.1 million (which includes \$2.8 million of Other Local funding) or 47.4 percent of the total Operating Budget revenue. Federal funding accounts for \$14.8 million or 2.1 percent.

Categorical Grants and Other Funds

Revenue	FY 2007/08 Budget	FY 2008/09 Budget	Variance	FY 2009/10 Forecast
Categorical Grants				
Federal	\$ 40,073,178	\$ 38,424,022	\$ (1,649,156)	\$ 35,774,472
State	12,227,705	13,566,063	1,338,358	12,171,950
Transfers from Other Funds	2,655,752	2,882,326	226,574	2,874,362
Total	\$ 54,956,635	\$ 54,872,411	\$ (84,224)	\$ 50,820,784
Other Funds				
Federal	\$ 10,388,491	\$ 10,335,521	\$ (52,970)	\$ 10,585,716
State	4,874,397	5,513,744	639,347	5,463,864
Local	21,982,828	48,058,028	26,075,200	48,605,739
Fund Balance	10,136,017	6,336,889	(3,799,128)	4,911,875
Total	\$ 47,381,733	\$ 70,244,182	\$ 22,862,449	\$ 69,567,194

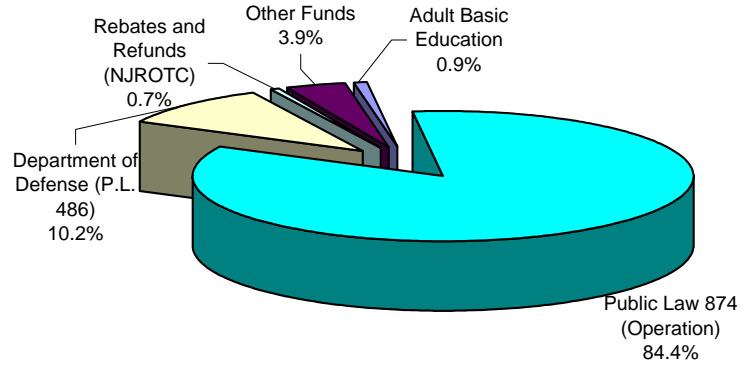
Revenues in the Categorical Grants fluctuated slightly during the biennium period. The Federal Grant funds decreased slightly both fiscal years; \$1.6 million and another \$2.6 million. The State Grant funds increased for FY 2008/09 and nearly decreased the same amount for FY 2009/10.

Revenues in the Other Funds increased during the biennium period. This increase is largely because a new fund was added in FY 2008/09.

Federal Funds

(\$14.8 million; 0 percent increase over FY 2007/08 Adopted Operating Budget)

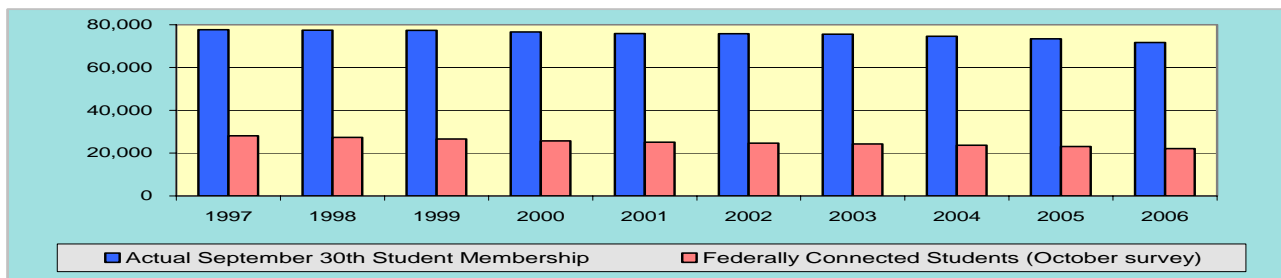
Federal support of the Operating Budget is primarily from receipt of Impact Aid funds provided by the Department of Education. The majority of these funds compensate for tax revenues lost by federal ownership of property and are used for the operation of the instructional program. Additional federal funds are available from the Department of Defense, which have been received in eight of the past eleven years. Other federal funds are categorical funds, which are designated for specific programs such as Adult Basic Education, or Medicaid reimbursements and are used to offset costs for specific programs. The Federal revenue funds projection is \$14.8 million and we have remained constant with this projection for the past three years.



- Adult Basic Education** Funding to provide services to adults with less than a ninth-grade education
- Public Law 874** U.S. Department of Education funds provided to school systems to compensate the locality for the loss of tax revenue due to federal ownership of property
- Department of Defense** U.S. Department of Defense funds supplement Impact Aid funds provided by the Department of Education
- Rebates and Refunds** Reimbursements for salaries and benefits for teachers in the Naval Junior Reserve Officer Training Corps
- Other Federal Funds** Funds for Medicaid reimbursements and other reimbursements, such as vocational education and special education substitutes, and teacher salary and benefits from the National Institute of Aerospace (NIA)

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY2009/10
Federal Revenue	Actual	Actual	Actual	Budget	Budget	Forecast
Adult Basic Education	\$ 405,736	\$ 374,124	\$ 340,458	\$ 134,408	\$ 134,408	\$ 134,408
Public Law 874 (Operation)	11,936,682	11,596,759	13,466,640	12,461,723	12,461,723	12,461,723
Department of Defense (P.L. 486)	1,863,396	3,241,885	3,367,641	1,500,000	1,500,000	1,500,000
Rebates and Refunds (NJROTC)	214,404	224,346	226,556	100,000	100,000	100,000
Other Funds	2,038,908	566,061	870,792	575,000	575,000	575,000
Total	\$ 16,459,126	\$ 16,003,175	\$18,272,087	\$ 14,771,131	\$ 14,771,131	\$ 14,771,131

Federally Connected Students	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Actual September 30th Student Membership	77,591	77,472	77,359	76,585	75,926	75,758	75,496	74,651	73,448	71,721
Federally Connected Students (October survey)	28,023	27,362	26,580	25,661	25,109	24,666	24,311	23,713	23,117	22,119
<i>Military Special Education</i>	10%	9%	9%	9%	10%	10%	11%	10%	10%	10%
<i>Military Regular Education</i>	71%	71%	71%	71%	70%	69%	67%	66%	66%	65%
<i>Other Federally Connected Students</i>	18%	19%	20%	20%	20%	21%	22%	24%	24%	25%
Percentage of Federally Connected Students vs Actual September 30th Student Membership	36%	35%	34%	34%	33%	33%	32%	32%	31%	31%



State Funds

(\$364.5 million; 3.2 percent increase over FY 2007/08 Adopted Operating Budget)

State funding, which includes the State Sales Tax revenue, provides the largest portion of the division's revenue funding. It will increase from \$352.8 million in FY 2007/08 to a projected level of \$364.5 million or 50.5 percent of total resources. State support for the Operating Budget is primarily received as Basic Aid, a formula-driven funding based upon a per-pupil amount and the March 31 Average Daily Membership (ADM). State Sales Tax is determined for a three-year period based upon the results of a census of all school-aged children. The state also provides a portion of the fringe benefit costs for positions funded under the SOQ staffing formulas.

	<u>FY 2008/09</u>	<u>FY 2009/10</u>
September 30th		
Enrollment:	69,703.29	69,302.82
March 31 ADM -		
Unadjusted/Adjusted	69,006	68,342

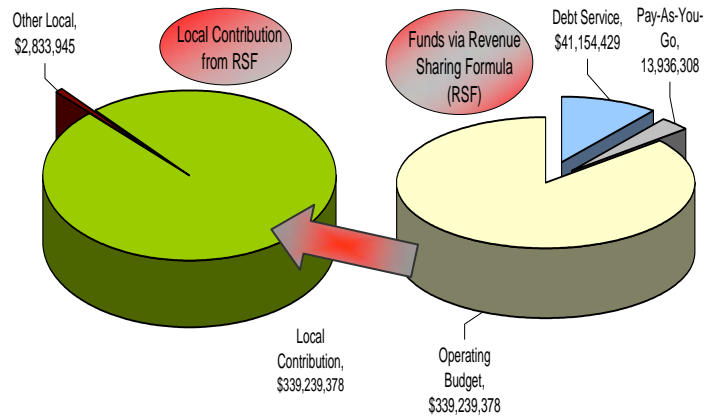
Basic School Aid (SOQ)	Based upon average daily membership; calculated by formula
State Sales Tax	State Sales Tax revenue returned to the locality for education
Salary Supplement	State share of salary increase for SOQ instructional personnel
Foster Home Children	Funds for pupils from other localities placed in Virginia Beach
General Adult Education	Funds for adults seeking a diploma and needing English as a Second Language
Gifted and Talented (SOQ)	State share of support costs for gifted education program
Special Education (SOQ)	State reimbursements for additional cost of special education
Special Education (Homebound)	State share of Homebound costs for special education programs
Special Education (Regional Tuition)	Costs for Southeastern Cooperative Educational Programs
Remedial Summer School	Remedial Education costs for Summer School
Prevention, Intervention, & Remediation	SOQ Remedial Education payments
Vocational Education (SOQ)	Vocational Education; includes some funds for Adult Education
Vocational Education (Categorical)	State share of support costs for Vocational Education programs
Social Security	State share of Social Security for SOQ personnel
Virginia Retirement System	State share of Virginia Retirement System for SOQ personnel
State Employee Insurance	State share of life insurance for SOQ personnel
Enrollment Loss	State funds to offset loss of funds due to declining enrollment
English as a Second Language	Funds to assist with students who speak English as a Second Language
At-Risk Initiative	Funds to assist in the instruction of educationally at-risk students
Class Size Initiative	Funds to reduce class sizes in grades K-3

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
State Revenue	Actual	Actual	Actual	Budget	Budget	Forecast
Basic School Aid (SOQ)	\$ 181,785,490	\$ 176,296,388	\$ 196,584,793	\$ 188,949,497	\$ 213,122,921	\$ 208,259,892
State Sales Tax	64,861,559	70,134,239	72,151,254	76,410,762	75,934,465	79,779,642
Salary Supplement	-	3,588,387	4,929,087	12,356,360	-	4,738,968
Foster Home Children	381,615	353,398	435,483	486,542	495,726	531,447
General Adult Education	58,568	60,157	56,789	59,977	59,977	59,977
Gifted and Talented (SOQ)	1,920,678	1,891,158	1,906,534	1,862,539	1,956,984	1,938,669
Special Education (SOQ)	17,532,347	21,045,229	21,436,879	20,942,212	21,787,760	21,583,844
Special Education (Homebound)	134,545	20,202	28,799	41,054	48,198	53,017
Special Education (Regional Tuition)	7,070,550	7,772,401	8,429,717	9,200,253	9,251,889	10,411,657
Remedial Summer School(SOQ)	1,019,942	990,137	1,053,481	1,053,332	1,344,110	1,425,306
Prevention, Intervention, & Remediation-(SOQ)	3,102,634	3,054,947	2,790,049	2,725,668	2,913,732	2,886,462
Vocational Education (SOQ)	2,314,664	2,841,457	3,348,059	3,270,801	3,696,526	3,661,930
Vocational Education Categorical	219,817	262,771	333,873	327,374	305,492	305,492
Social Security	9,160,159	9,455,792	10,416,184	10,175,825	10,828,647	10,727,300
Virginia Retirement System(SOQ)	7,879,706	8,873,906	13,159,733	15,218,310	14,003,311	13,872,251
State Employee Insurance(SOQ)	-	-	604,511	545,134	478,374	473,897
Enrollment Loss (Other State Funds)	851,814	2,022,347	2,917,246	3,124,292	1,765,590	885,535
English as a Second Language(SOQ)	508,906	565,645	594,200	639,575	639,359	648,004
At-Risk Initiative	1,873,100	1,952,334	2,008,362	1,690,608	1,937,204	1,919,086
Class Size Initiative	3,414,814	3,453,093	3,746,721	3,741,602	3,901,463	3,838,857
Hold Harmless Sales Tax	-	-	2,703,529	-	-	-
Total	\$304,090,908	\$ 314,633,988	\$ 349,635,283	\$ 352,821,717	\$364,471,728	\$368,001,233

Local Funds

(\$342.1 million; 0.7 percent increase over FY 2007/08 Adopted Operating Budget)

Local funding, which provides \$342.1 million or 47.4 percent of budgeted resources, is the second largest funding source for Virginia Beach City Public Schools. Local support for the Operating Budget is primarily provided by the City of Virginia Beach. The Local Contribution is determined by a Revenue Sharing Formula Policy instituted by the City Council beginning with the FY 1997/98 Operating Budget. Under the Revenue Sharing Policy, funds are allocated first to the Debt Service obligation for the schools and then to "Pay-As-You-Go" CIP projects. The balance of funds is provided for the Operating Budget; approximately \$339 million in FY 2008/09. **NOTE:** Debt Service payments are part of the obligations which the School Board must take into consideration in the allocation of funds from the Revenue Sharing Formula. The debt issued for school projects has a direct impact on the funds available for the Operating Budget.

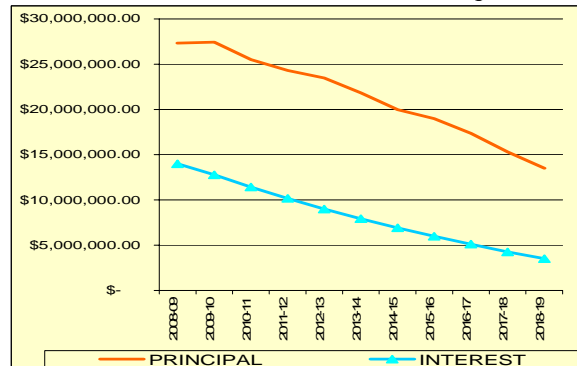


Local Revenue	FY 2004/05 Actual	FY 2005/06 Actual	FY 2006/07 Actual	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Forecast
Local Contributions	\$247,478,053	\$266,921,099	\$303,941,684	\$336,870,685	\$339,239,378	\$348,453,570
Rental of Facilities	493,100	450,945	436,783	450,000	450,000	450,000
Summer School Tuition	838,088	743,571	796,408	1,062,619	1,197,970	1,197,970
General Adult Education	267,190	328,970	300,438	142,839	142,839	142,839
Vocational Adult Education	130,888	137,790	169,585	169,750	169,750	169,750
Non-Resident Tuition	431,553	577,113	608,703	100,000	100,000	100,000
Driver Education Tuition	190,065	204,850	206,379	240,000	240,000	240,000
Licensed Practical Nursing	17,230	12,990	15,516	25,575	25,575	25,575
Open Campus Tuition	37,417	32,938	28,786	20,811	20,811	20,811
Sale of School Vehicles	27,046	87,556	173,703	15,000	15,000	15,000
Sale of Salvage Equipment	55,966	67,600	78,762	12,000	12,000	12,000
Insurance Adjustments	46,415	34,465	47,335	-	-	-
Other Funds	102,236	124,157	83,850	95,000	95,000	95,000
Flexible Benefits Forfeitures	-	-	-	15,000	15,000	15,000
Indirect Costs of Grants	672,531	586,924	587,448	350,000	350,000	350,000
Total	\$250,787,778	\$270,310,968	\$307,475,380	\$339,569,279	\$342,073,323	\$351,287,515

Under the original Revenue Sharing Formula Policy, the schools were provided 53.13 percent of seven general fund revenue streams: Real Estate; Personal Property; General Sales; Utility; Cell Phone; Business Professional License Occupancy tax and Cable Franchise tax. Several modifications to the policy have taken place in the intervening years. The current rate was set at 51.3 percent effective July 1, 2006. A copy of the policy is provided in the Information section of this document.

The Other Local revenue has been constant for the past four years. However, in FY 2008/09, due to rising tuition cost, the Summer School Tuition revenue increased.

Current and Future Debt Service Obligations



Summary of Debt Services to Schools for FY 2007/08 – FY 2009/10						
	FY 2007/08 Approved	FY 2007/08 Amended	FY 2008/09 Budget	% Change from FY 2007/08 Adjusted	FY 2009/10 Budget	% Change from FY 2008/09
Funds via RSF	\$42.0 M	\$41.4 M	\$41.2 M	-0.2%	\$43.8 M	2.6%

NOTE: Debt Limits: The city is restricted legally by two factors. State Constitution - 10 percent of city's assessed value of real property in the city; City Charter - \$10 million per year plus the amount of debt that the city retires during the calendar year.

Categorical Grants and Other Funds

The following section highlights the most significant changes in the Categorical Grants revenue between the FY 2007/08 Adopted Budget and the grant revenue projections for the FY 2008 - 2010 biennium. Categorical Grants range in size, scope, administration, and purpose; they are subject to budget appropriations from the federal government and are typically legally restricted or dedicated to be expended for specified purposes. Categorical Grants may support activities and programs for which there is no other funding source. If these grant funding sources are decreased or eliminated, it may result in losing the ability to continue affected services, programs, and associated personnel at the local level due to fiscal stress on the Operating Budget. Any new categorical grants or increases in existing funding are to be used only for those specified purposes outlined in the legislation authorizing the grant award.

Grants account for almost 7 percent of VBCPS' total resources. Each year the division experiences changes in grant revenues from the prior year. The FY 2007/08 Adopted Budget contained a grant revenue projection of \$55 million. This included funding for over 24 individual grant programs. For FY 2008/09 and FY 2009/10, we are projecting \$54.9 million and \$50.8 million, respectively, in grant revenues; there is a decline in both years of the biennium.

Due to the timeline associated with receiving final approval of grant applications, actual grant awards for continuing grants or new grant applications are not known when the Operating Budget is adopted. Therefore, the dollar amounts used to budget for these funding sources are based on level funding for continuing grants and estimates based on new grant applications. Currently, a \$5.7 million grants reserve titled "Reserve for Contingency" is maintained to provide the capacity to adjust for increases in grant awards and new awards.

The following section also highlights the most significant changes in the Other Funds revenue between FY 2007/08 Adopted Budget and the FY 2008/09 and FY 2009/10 budgets. In FY 2008/09, a new Technology Special Revenue fund was added. The FY 2008/09 and FY 2009/10 budget for this fund is noted on the succeeding page.

There are no new Categorical Grants anticipated in FY 2008/09 or FY 2009/10.

Categorical Grants Funds

Federal Categorical Grant Revenue	FY 2007/08 Budget		FY 2008/09 Budget		FY 2009/10 Forecast	
	Total Grant	Local Match Required*	Total Grant	Local Match Required*	Total Grant	Local Match Required*
Carl D. Perkins Vocational and Technical Education Act	\$ 1,019,774		\$ 1,062,139		\$ 1,062,139	
English Literacy Civics Education	37,721		37,795		40,948	
High Schools That Work	105,000	\$ 35,000	90,000	\$ 30,000	90,000	\$ 30,000
High Schools That Work - <i>Carryover</i>	28,290		-		-	
McKinney -Vento Homeless Assistance Act (NCLB)	55,200		55,200		55,200	
Preschool Incentive	514,040		514,353		514,353	
Preschool Incentive - <i>Carryover</i>	26,033		38,224		61,022	
Reserve for Contingency	3,500,000		3,575,441		3,575,441	
Teaching American History (WHO) - <i>Carryover</i>	441,386		375,911		104,917	
Title I - Part A (NCLB)	11,127,773		11,011,858		11,011,858	
Title I - Part A (NCLB) - <i>Carryover</i>	637,310		126,350		85,000	
Title I - Part D	143,216		121,989		121,989	
Title I - Part D - <i>Carryover</i>	106,558		121,989		29,347	
Title II - NCLB	2,759,314		2,745,945		2,745,945	
Title II - NCLB - <i>Carryover</i>	518,058		518,578		530,027	
Title II - Part D - <i>Carryover</i>	25,368		37,368		37,368	
Title III Language Instruction for LEP/Immigrants Students	165,794		150,882		150,882	
Title III Language Instruction for LEP/Immigrants Students - <i>Carryover</i>	104,077		134,882		150,882	
Title IV Safe and Drug-Free Schools & Communities	284,076		277,215		277,215	
Title IV Safe and Drug-Free Schools & Communities - <i>Carryover</i>	71,019		-		44,422	
Title V Innovative Program - <i>Carryover FY 2007/08</i>	77,971		73,099		5,086	
Title V Innovative Program - <i>Carryover FY 2006/07</i>	77,971		10,171		-	
Title V Innovative Program (NCLB) - <i>Carryover FY 2005/06</i>	10,171		-		-	
Title VI-B, P.L.94-142	14,228,256		14,881,897		14,881,897	
Title VI-B, P.L.94-142 - <i>Carryover</i>	4,043,802		2,492,736		228,534	
Total	\$40,108,178	\$ 35,000	\$38,454,022	\$ 30,000	\$35,804,472	\$ 30,000

State Categorical Grant Revenue	FY 2007/08 Budget		FY 2008/09 Budget		FY 2009/10 Forecast	
	Total Grant	Local Match	Total Grant	Local Match	Total Grant	Local Match
		Required*		Required*		Required*
Algebra Readiness Initiative	\$ 921,033	\$ 321,625	\$ 627,220	\$ 321,625	\$ 627,220	\$ 321,625
Algebra Readiness Initiative - <i>Carryover</i>	101,191		-		-	
Early Intervention Reading Initiative	1,131,311	395,054	1,293,319	507,393	1,293,319	499,429
GED Expansion	10,002		10,000		10,000	
Individual Student Alternative Educational Plan (ISAEP)	62,869		62,869		62,869	
Jail Education Program	215,401		222,152		226,276	
Juvenile Detention Home Grant	857,396		858,426		888,523	
New Teacher Mentor Program Grant	90,617	45,308	94,141	45,308	97,396	45,308
Race to GED Activities	30,301		30,801		30,801	
Reserve for Contingency	2,155,908		2,155,908		2,155,908	
Technology Initiative	2,805,600	462,400	2,805,600	478,000	2,805,600	478,000
Technology Initiative - <i>Carryover FY 2007/08</i>	-		2,805,600		2,805,600	
Technology Initiative - <i>Carryover FY 2006/07</i>	2,454,028		1,439,553		-	
Virginia Initiative For At-Risk Four-Year-Old Children	4,012,800	1,396,365	4,012,800	1,500,000	4,012,800	1,500,000
Total	\$ 14,848,457	\$ 2,620,752	\$ 16,418,389	\$ 2,852,326	\$ 15,016,312	\$ 2,844,362

* A local match based on the composite index is required for these grants.

Other Funds

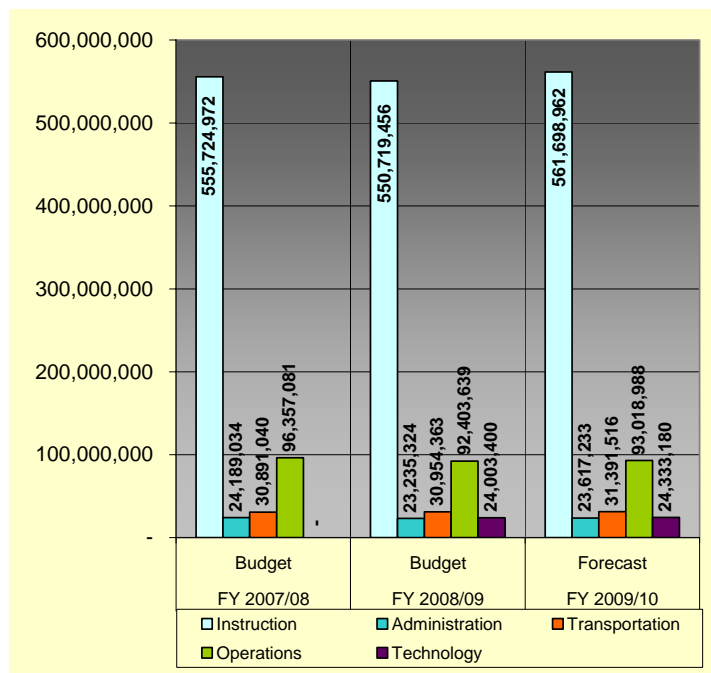
Other Funds Revenue	Local	Fund Balance	State	Federal	Total
FY 2007/08 Budget					
Athletic	\$ 4,657,645	\$ 24,000	\$ -	\$ -	\$ 4,681,645
Communication Tower Technology	260,000	300,000	-	-	560,000
Food Services	13,953,637	1,676,017	331,167	10,388,491	26,349,312
Instructional Technology	-	6,636,000	-	-	6,636,000
School Equipment Replacement	-	1,000,000	-	-	1,000,000
School Vending Operations	415,000	500,000	-	-	915,000
Textbook	2,696,546	-	4,543,230	-	7,239,776
Total	\$ 21,982,828	\$ 10,136,017	\$ 4,874,397	\$ 10,388,491	\$ 47,381,733
FY 2008/09 Budget					
Athletic	\$ 4,718,963	\$ 24,000	\$ -	\$ -	\$ 4,742,963
Communication Tower Technology	260,000	300,000	-	-	560,000
Food Services	16,129,119	-	330,000	10,335,521	26,794,640
Instructional Technology	-	3,815,945	-	-	3,815,945
School Equipment Replacement	-	1,837,129	-	-	1,837,129
School Vending Operations	250,000	359,815	-	-	609,815
Technology	24,003,400	-	-	-	24,003,400
Textbook	2,696,546	-	5,183,744	-	7,880,290
Total	\$ 48,058,028	\$ 6,336,889	\$ 5,513,744	\$ 10,335,521	\$ 70,244,182
FY 2009/10 Budget					
Athletic	\$ 4,728,933	\$ 24,000	\$ -	\$ -	\$ 4,752,933
Communication Tower Technology	260,000	300,000	-	-	560,000
Food Services	16,539,580	-	330,000	10,585,716	27,455,296
Instructional Technology	-	2,915,947	-	-	2,915,947
School Equipment Replacement	-	1,312,129	-	-	1,312,129
School Vending Operations	47,500	359,799	-	-	407,299
Technology	24,333,180	-	-	-	24,333,180
Textbook	2,696,546	-	5,133,864	-	7,830,410
Total	\$ 48,605,739	\$ 4,911,875	\$ 5,463,864	\$ 10,585,716	\$ 69,567,194

Projected Expenditures Summary

The School Operating Budget expenditure plan is developed in a line item format by budget unit code. Expenditures are classified by broad categories, by expenditure program, and by object codes which represent the actual service or item procured by VBCPS.

This section presents the expenditure plan in a pyramid approach. The top of the pyramid is \$846.4 million for FY 2008/09 and \$854.4 million for FY 2009/10 total Operating Budget. (Refer to the first page in this section.) The total Operating Budget is divided into broad categories called funds. The funds are further sub-divided into budget unit codes. Expenditures in budget unit codes are classified by expenditure program. It should be noted that the object codes or individual line items are not included in this document. The account codes system is consistent with that used by the city and is in accordance with the codes required by the State Auditor of Public Accounts and the State Board of Education.

FY 2008/09 School Operating Budget increased by \$14.2 million over the adopted budget for the current year. Although resources have increased, related expenditures continue to increase at a faster pace, forcing the school division to restructure current resources and cut, or eliminate, activities to fund cost increases in other areas.



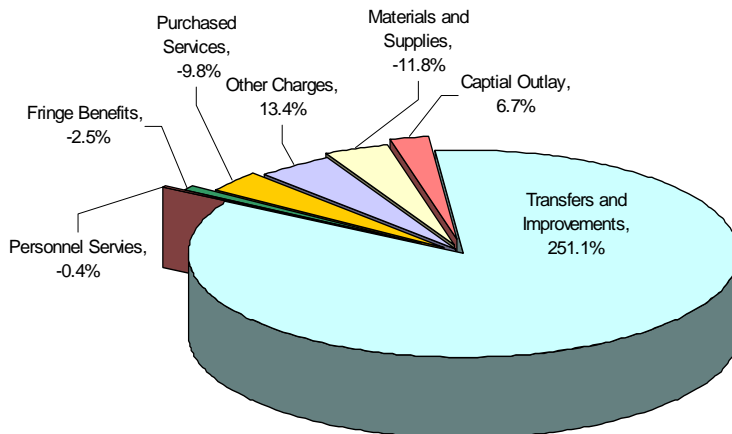
As identified in the chart to the left, expenditures have increased in all major categories. Expenditure increases from FY 2007/08 to FY 2008/09 are more difficult to envision due to a recent legislative requirement to add a new major category, "Technology", in FY 2008/09. (Information regarding this new major category is captured in the charts on this page and on the next few pages.) Funds now budgeted in Technology were previously budgeted in various unit codes within the General fund.

The major cost drivers are rising costs for salaries, fringe benefit rates, inflationary increases (where appropriate), anticipated utility increases, and transportation-related cost. Detail information of the changes from the current year is reflected on the following summary pages.

NOTE: Although many grants will experience the same cost increases as non-grant activities, the effects are different. Unless noted otherwise, cost increases

related to grants do not usually result in more division-wide expenditures. A more likely situation is the grant will lose buying power and be required to reduce staffing or non-staff purchases.

Percentage of Change from FY 2007/08 Adopted Budget



A view of VBCPS' budget by expenditure programs will help explain how small increases can have such large costs.

Changes from FY 2007/08 Adopted Budget (in millions)	
Personnel Services	-2
Fringe Benefits	-3.9
Purchased Services	-4.5
Other Charges	3.5
Materials and Supplies	-3
Capital Outlay	0.7
Transfers and Improvements	23.9
Total *	14.2

* Total may fluctuate slightly due to rounding.


Expenditures by Category and Budget Unit Code

The FY 2008/09 Budget uses the previous adopted budget as the beginning baseline and balances to the projected revenue. FY 2009/10 Forecast uses the FY 2008/09 Budget as the beginning baseline. Both the FY 2008/09 Budget and FY 2009/10 Forecast show an increase over the FY 2007/08 Adopted Budget. The variances are detailed below by budget unit code.

Expenditures	FY 2007/08	FY 2008/09	Variance from		FY 2009/10	Variance from	
	Budget	Budget	FY 2007/08 Budget		Forecast	FY 2008/09 Budget	
			Dollar	Percent		Dollar	Percent
Elementary Classroom	\$ 138,284,532	\$ 142,362,778	\$ 4,078,246	2.95%	\$ 146,642,168	\$ 4,279,390	3.01%
Senior High Classroom	89,144,774	85,806,523	(3,338,251)	-3.74%	85,183,111	(623,412)	-0.73%
Technical and Career Education	21,817,870	21,768,524	(49,346)	-0.23%	22,457,088	688,564	3.16%
Gifted Education and Academy Programs	13,619,452	13,377,995	(241,457)	-1.77%	13,739,486	361,491	2.70%
Special Education	83,212,522	84,450,230	1,237,708	1.49%	86,363,855	1,913,625	2.27%
Summer School	4,011,148	3,531,233	(479,915)	-11.96%	3,531,234	1	0.00%
General Adult Education	2,246,067	2,361,534	115,467	5.14%	2,398,082	36,548	1.55%
Open Campus	2,062,800	1,997,540	(65,260)	-3.16%	2,039,184	41,644	2.08%
Student Activities	6,940,974	7,089,595	148,621	2.14%	7,176,613	87,018	1.23%
Principal - Elementary School	24,090,455	24,220,098	129,643	0.54%	24,936,198	716,100	2.96%
Principal - Senior High School	10,274,451	10,496,439	221,988	2.16%	10,808,947	312,508	2.98%
Principal - Technical & Career Education	527,322	542,901	15,579	2.95%	558,182	15,281	2.81%
Guidance Services	16,758,979	16,560,847	(198,132)	-1.18%	17,112,302	551,455	3.33%
Social Work Services	2,563,048	2,541,334	(21,714)	-0.85%	2,619,692	78,358	3.08%
Media & Communications	1,499,624	1,732,450	232,826	15.53%	1,767,151	34,701	2.00%
Instructional Technology	10,976,777	-	(10,976,777)	-100.00%	-	-	0.00%
Instructional Support	14,111,169	18,219,138	4,107,969	29.11%	18,366,953	147,815	0.81%
Instructional Organizational Development	2,405,907	2,397,035	(8,872)	-0.37%	2,397,035	-	0.00%
Special Education Support	2,560,867	2,830,944	270,077	10.55%	2,903,314	72,370	2.56%
Gifted Education and Academy Progr. Support	2,068,674	2,198,548	129,874	6.28%	2,247,349	48,801	2.22%
Media Service Support	13,806,968	13,124,310	(682,658)	-4.94%	13,405,297	280,987	2.14%
Research, Evaluation, and Assessment	2,985,689	2,880,539	(105,150)	-3.52%	2,919,965	39,426	1.37%
Middle School Classroom	61,706,214	61,658,474	(47,740)	-0.08%	62,459,507	801,033	1.30%
Remedial Education	6,925,152	7,429,883	504,731	7.29%	7,827,623	397,740	5.35%
Principal - Middle School	9,197,646	9,077,548	(120,098)	-1.31%	9,349,593	272,045	3.00%
Homebound Services	1,039,536	1,041,271	1,735	0.17%	1,056,423	15,152	1.46%
Technical and Career Education Support	934,410	1,011,218	76,808	8.22%	1,040,699	29,481	2.92%
Student Leadership	1,314,129	1,335,406	21,277	1.62%	1,354,528	19,122	1.43%
Psychological Services	3,414,788	3,297,154	(117,634)	-3.44%	3,393,069	95,915	2.91%
Audiological Services	416,494	415,268	(1,226)	-0.29%	423,134	7,866	1.89%
School Administration	1,363,959	1,347,959	(16,000)	-1.17%	1,379,948	31,989	2.37%
Alternative Education	3,442,575	3,614,740	172,165	5.00%	3,841,232	226,492	6.27%
Total Instruction	555,724,972	550,719,456	(5,005,516)	-0.90%	561,698,962	10,979,506	1.99%
Board, Legal, and Governmental Services	1,160,336	1,160,672	336	0.03%	1,164,471	3,799	0.33%
Superintendent	1,052,202	1,339,727	287,525	27.33%	1,362,047	22,320	1.67%
Budget and Finance	3,698,168	3,731,508	33,340	0.90%	3,824,657	93,149	2.50%
Human Resources	4,352,816	4,606,095	253,279	5.82%	4,573,523	(32,572)	-0.71%
Internal Audit	364,919	372,597	7,678	2.10%	383,024	10,427	2.80%
Purchasing Services	1,053,271	1,060,950	7,679	0.73%	1,092,046	31,096	2.93%
Organizational Development	2,610,469	2,410,665	(199,804)	-7.65%	2,449,465	38,800	1.61%
Technology	955,450	-	(955,450)	-100.00%	-	-	0.00%
Benefits	2,156,873	1,660,598	(496,275)	-23.01%	1,676,013	15,415	0.93%
Health Services	6,784,530	6,892,512	107,982	1.59%	7,091,987	199,475	2.89%
Total Administration	24,189,034	23,235,324	(953,710)	-3.94%	23,617,233	381,909	1.64%
Management	2,045,388	2,074,463	29,075	1.42%	2,135,558	61,095	2.95%
Vehicle Operation	23,067,592	23,063,363	(4,229)	-0.02%	23,473,406	410,043	1.78%
Vehicle Maintenance	2,945,597	2,957,132	11,535	0.39%	2,854,733	(102,399)	-3.46%
Monitoring Services	2,832,463	2,859,405	26,942	0.95%	2,927,819	68,414	2.39%
Total Transportation	30,891,040	30,954,363	63,323	0.20%	31,391,516	437,153	1.41%
Facilities Planning and Construction	721,106	751,031	29,925	4.15%	768,511	17,480	2.33%
School Plant	45,997,977	50,169,680	4,171,703	9.07%	49,717,631	(452,049)	-0.90%
Supply Services	1,352,047	1,383,370	31,323	2.32%	1,421,209	37,839	2.74%
Grounds Services	3,867,990	3,867,990	-	0.00%	3,867,990	-	0.00%
Custodial Services	26,447,935	27,385,750	937,815	3.55%	28,180,953	795,203	2.90%
Safe Schools/Risk Management	5,984,838	6,298,248	313,410	5.24%	6,457,027	158,779	2.52%
Vehicle Services	889,760	905,835	16,075	1.81%	956,049	50,214	5.54%
Telecommunications	1,631,922	1,641,735	9,813	0.60%	1,649,618	7,883	0.48%
Technology Maintenance	9,463,506	-	(9,463,506)	-100.00%	-	-	0.00%
Total Operation	96,357,081	92,403,639	(3,953,442)	-4.10%	93,018,988	615,349	0.67%
Technology	-	24,003,400	24,003,400	100.00%	24,333,180	329,780	1.37%
Total Technology	-	24,003,400	24,003,400	100.00%	24,333,180	329,780	1.37%
Total Expenditures	\$ 707,162,127	\$ 721,316,182	\$ 14,154,055	2.00%	\$ 734,059,879	\$ 12,743,697	1.77%

NOTE: As mentioned on the preceding page, over \$24 million of technology-related funds, which were previously budgeted throughout the Operating Budget, are now budgeted under the new Technology category. (This includes the entire budgets of three unit codes: Instructional Technology, Technology, and Technology Maintenance, as well as technology-related funds from various other unit codes.)

By far the largest dollar increase in the budget is the cost associated with salary increase. A modest 3.5 percent increase for employees on the Teacher Pay Scale and the Unified Pay Scale is reflected in the FY 2008/09 and FY 2009/10 budgets; employees at the top of the scale will receive a 2 percent increase. Fringe benefits, a contributing factor, are the costs for benefits such as FICA, retirement, health insurance, and life insurance.

Approximately 3.5% salary increase for employees 

100% locally funded – due to State budget not including any pay raise for teachers until July 1, 2009

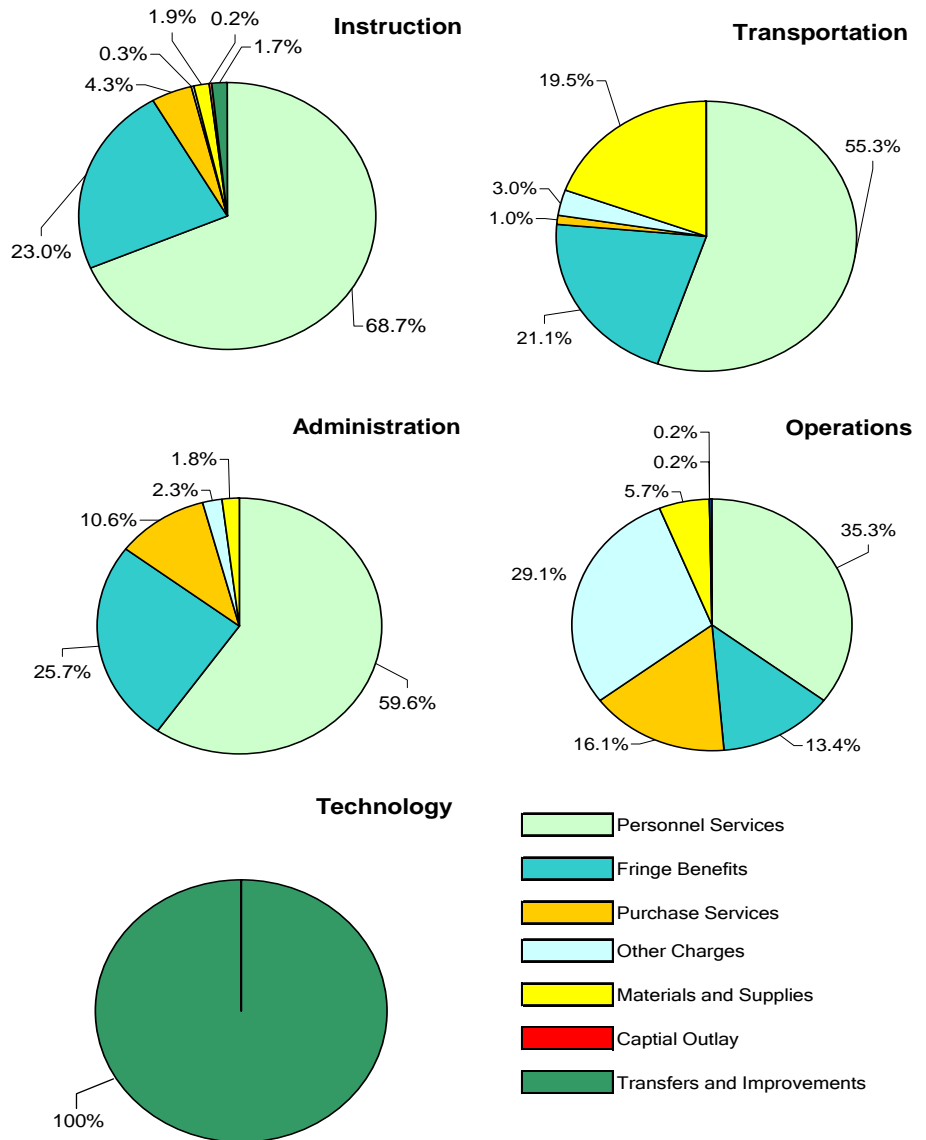
There are some other increases in other areas of the budget. These include:

- Increase in the Composite Index in conjunction with increases in some State Grant funds which affected the amount that was budgeted for grant matches and the SOQ funding for textbooks
- Inflationary increases for fuel for transportation, utility increases for electricity, and natural gas
- General maintenance and repair and custodial equipment and supplies
- Focused support for School Board Program of Work Goal #3, Improve Special Education - 16 classroom positions; and Goal #5, Improve the Academic Performance of African American Males - 4 AVID positions
- Extended Day Kindergarten (EDK) Program - 7 EDK of the 15 originally requested classrooms were added, which includes 7.0 additional positions and operating cost totaling \$400,000
- Reserve for Special Education - \$100,000

In addition, the Operating Budget beginning baseline was adjusted for savings due to the Central Office reorganization in the FY 2008/09 baseline. The reorganization resulted in approximately \$2 million in reduced costs. In FY 2008/09, the VRS rate for retirement and insurance generated approximately \$6.4 million in savings. The GASB-45 valuation reduces the schools' annual cash contribution by \$5.3 million. Although the beginning baseline is not revenue, it is included when determining total funds available.

The chart to the right shows a breakdown by expenditure category and program by major category for FY 2008/09. The table on the next page gives a comparison from FY 2007/08 to FY 2009/10.

FY 2008/09 Operating Budget Percentage Breakdown by Category and Program



The majority of the budget, over 82%, is for cost associated with salaries

Expenditures by Category and Program

	FY 2004/05 Actual	FY 2005/06 Actual	FY 2006/07 Actual	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Forecast
Instruction						
Personnel Services	\$ 323,348,756	\$ 333,737,752	\$ 357,012,289	\$ 377,389,555	\$ 378,345,986	\$ 389,280,597
Fringe	83,471,703	90,261,114	124,303,670	128,390,230	126,842,791	126,902,565
Purchased Services	15,626,443	17,001,347	18,889,427	24,264,307	23,502,607	23,503,222
Other Charges	765,301	897,061	1,103,243	1,531,711	1,480,495	1,476,717
Materials and Supplies	19,285,447	14,683,762	19,053,462	13,841,572	10,383,062	10,369,340
Capital Outlay	849,915	815,311	1,294,514	960,502	937,958	937,958
Transfers and Improvements	10,739,240	17,095,439	9,176,562	9,347,095	9,226,557	9,228,563
Total	\$ 454,086,805	\$ 474,491,786	\$ 530,833,167	\$ 555,724,972	\$ 550,719,456	\$ 561,698,962
Administration						
Personnel Services	11,466,239	12,252,098	12,907,386	13,931,610	13,847,649	14,269,952
Fringe	5,081,561	4,670,153	5,650,766	6,517,766	5,972,699	5,932,305
Purchased Services	1,568,989	1,704,216	1,102,852	2,655,557	2,462,570	2,462,570
Other Charges	321,990	373,287	367,495	515,287	528,355	528,355
Materials and Supplies	502,360	552,714	453,833	568,814	424,051	424,051
Capital Outlay	41,744	73,132	76,251	-	-	-
Transfers and Improvements	-	5,000	-	-	-	-
Total	\$ 18,982,883	\$ 19,630,600	\$ 20,558,582	\$ 24,189,034	\$ 23,235,324	\$ 23,617,233
Transportation						
Personnel Services	13,915,391	14,346,641	15,479,830	16,934,468	17,126,246	17,490,036
Fringe	4,373,423	4,463,883	6,246,756	6,969,614	6,530,029	6,603,392
Purchased Services	267,777	228,285	339,787	313,671	305,495	305,495
Other Charges	9,886	1,578,685	1,406,269	646,929	942,703	942,703
Materials and Supplies	2,665,486	3,911,679	4,026,104	6,026,358	6,049,890	6,049,890
Capital Outlay	1,482,324	1,358,276	4,596,724	-	-	-
Total	\$ 22,714,287	\$ 25,887,449	\$ 32,095,470	\$ 30,891,040	\$ 30,954,363	\$ 31,391,516
Operations						
Personnel Services	30,660,564	31,815,678	34,244,951	35,662,250	32,623,707	33,676,793
Fringe	8,626,876	9,407,496	12,062,930	13,740,423	12,367,714	12,684,570
Purchased Services	12,798,148	13,450,319	14,922,145	18,445,686	14,920,719	14,897,252
Other Charges	15,403,346	18,479,383	17,222,038	23,593,906	26,858,261	26,089,226
Materials and Supplies	4,744,215	5,433,307	6,204,014	4,644,975	5,269,185	5,307,094
Capital Outlay	680,578	763,744	1,351,817	106,841	201,053	201,053
Transfers and Improvements	4,143,418	2,089,878	378,454	163,000	163,000	163,000
Total	\$ 77,057,145	\$ 81,439,805	\$ 86,386,348	\$ 96,357,081	\$ 92,403,639	\$ 93,018,988
Technology						
Transfers and Improvements	-	-	-	-	24,003,400	24,333,180
Total	\$ -	\$ -	\$ -	\$ -	\$ 24,003,400	\$ 24,333,180
Total Expenditures	\$ 572,841,120	\$ 601,449,640	\$ 669,873,568	\$ 707,162,127	\$ 721,316,182	\$ 734,059,879

Expenditures by Category and Program - Personnel Services

PERSONNEL SERVICES	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 101,646,318	\$ 105,342,454	\$ 3,696,136	3.64%	\$ 109,375,731	\$ 4,033,277	3.83%
Senior High Classroom	62,745,662	63,033,149	287,487	0.46%	63,635,946	602,797	0.96%
Technical and Career Ed.	15,761,827	15,859,187	97,360	0.62%	16,420,965	561,778	3.54%
Gifted Ed. & Acad. Programs	9,035,584	9,035,788	204	0.00%	9,329,229	293,441	3.25%
Special Education	47,712,762	49,625,280	1,912,518	4.01%	51,205,261	1,579,981	3.18%
Summer School	3,547,065	3,104,140	(442,925)	-12.49%	3,104,140	-	0.00%
General Adult Ed.	1,747,517	1,879,388	131,871	7.55%	1,911,396	32,008	1.70%
Open Campus	1,566,241	1,534,459	(31,782)	-2.03%	1,568,458	33,999	2.22%
Student Activities	1,921,034	1,990,059	69,025	3.59%	2,052,942	62,883	3.16%
Principal - Elementary	17,322,152	17,686,999	364,847	2.11%	18,271,429	584,430	3.30%
Principal - Senior High	7,319,916	7,628,184	308,268	4.21%	7,883,229	255,045	3.34%
Principal - Tech. & Career Ed.	363,177	374,498	11,321	3.12%	386,968	12,470	3.33%
Guidance Services	12,472,045	12,518,071	46,026	0.37%	12,967,276	449,205	3.59%
Social Work Services	1,904,222	1,927,629	23,407	1.23%	1,991,595	63,966	3.32%
Media & Communications	873,138	895,492	22,354	2.56%	923,829	28,337	3.16%
Instructional Technology	6,776,226	-	(6,776,226)	-100.00%	-	-	0.00%
Instructional Support	4,626,346	4,597,802	(28,544)	-0.62%	4,718,597	120,795	2.63%
Organizational Development	687,447	656,139	(31,308)	-4.55%	656,139	-	0.00%
Special Ed. Support	1,834,020	2,085,001	250,981	13.68%	2,144,147	59,146	2.84%
Gifted Ed. & Acad. Support	1,345,255	1,461,709	116,454	8.66%	1,504,841	43,132	2.95%
Media Services Support	8,867,212	8,802,846	(64,366)	-0.73%	9,046,422	243,576	2.77%
Research, Evaluation, and Assessment	1,772,628	1,719,108	(53,520)	-3.02%	1,751,317	32,209	1.87%
Middle School Classroom	45,656,438	46,029,873	373,435	0.82%	47,004,061	974,188	2.12%
Remedial Education	5,313,453	5,769,228	455,775	8.58%	6,076,879	307,651	5.33%
Principal - Middle School	6,592,077	6,599,762	7,685	0.12%	6,821,775	222,013	3.36%
Homebound Services	809,709	817,464	7,755	0.96%	829,831	12,367	1.51%
Technical & Career Ed. Support	648,416	723,354	74,938	11.56%	747,416	24,062	3.33%
Student Leadership	494,313	511,771	17,458	3.53%	527,378	15,607	3.05%
Psychological Services	2,519,963	2,489,683	(30,280)	-1.20%	2,567,985	78,302	3.15%
Audiological Services	288,342	291,698	3,356	1.16%	298,138	6,440	2.21%
School Administration	795,515	800,496	4,981	0.63%	826,606	26,110	3.26%
Alternative Education	2,423,535	2,555,275	131,740	5.44%	2,730,671	175,396	6.86%
TOTAL INSTRUCTION	377,389,555	378,345,986	956,431	0.25%	389,280,597	10,934,611	2.89%
Board, Legal, and Governmental Services	319,126	322,567	3,441	1.08%	325,701	3,134	0.97%
Superintendent	559,671	788,556	228,885	40.90%	806,830	18,274	2.32%
Budget and Finance	2,268,969	2,431,373	162,404	7.16%	2,507,426	76,053	3.13%
Human Resources	2,565,021	2,639,958	74,937	2.92%	2,723,872	83,914	3.18%
Internal Audit	266,280	276,674	10,394	3.90%	285,121	8,447	3.05%
Purchasing Services	721,209	756,286	35,077	4.86%	781,665	25,379	3.36%
Organizational Development	1,358,343	1,249,256	(109,087)	-8.03%	1,280,942	31,686	2.54%
Technology	648,970	-	(648,970)	-100.00%	-	-	0.00%
Benefits	577,699	567,448	(10,251)	-1.77%	580,068	12,620	2.22%
Health Services	4,646,322	4,815,531	169,209	3.64%	4,978,327	162,796	3.38%
TOTAL ADMINISTRATION	13,931,610	13,847,649	(83,961)	-0.60%	14,269,952	422,303	3.05%
Management	1,345,715	1,454,944	109,229	8.12%	1,504,804	49,860	3.43%
Vehicle Operations	11,485,145	11,573,278	88,133	0.77%	11,914,434	341,156	2.95%
Vehicle Maintenance	2,104,329	2,134,217	29,888	1.42%	2,050,026	(84,191)	-3.94%
Monitoring Services	1,999,279	1,963,807	(35,472)	-1.77%	2,020,772	56,965	2.90%
TOTAL TRANSPORTATION	16,934,468	17,126,246	191,778	1.13%	17,490,036	363,790	2.12%
Facilities Planning and Construction	463,586	498,220	34,634	7.47%	512,502	14,282	2.87%
School Plant	8,529,045	8,751,776	222,731	2.61%	9,040,502	288,726	3.30%
Supply Services	934,272	968,566	34,294	3.67%	999,810	31,244	3.23%
Custodial Services	17,216,645	17,876,727	660,082	3.83%	18,453,106	576,379	3.22%
Safe Schools/Risk Mgt.	4,106,063	4,171,032	64,969	1.58%	4,303,051	132,019	3.17%
Vehicle Services	155,583	170,457	14,874	9.56%	174,462	4,005	2.35%
Telecommunications	174,211	186,929	12,718	7.30%	193,360	6,431	3.44%
Technology Maintenance	4,082,845	-	(4,082,845)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	35,662,250	32,623,707	(3,038,543)	-8.52%	33,676,793	1,053,086	3.23%
TOTAL PERSONNEL SERVICES	\$ 443,917,883	\$ 441,943,588	\$ (1,974,295)	-0.44%	\$ 454,717,378	\$ 12,773,790	2.89%

Significant Changes - FY 2008/09

Unit Code	Variance	Reason
54200 - Superintendent	40.90%	Division Reorganization - Increase FTEs
51800 - Special Ed. Support	13.68%	Integrated Team Structure - Increase FTEs
52600 - Technical & Career Ed. Support	11.56%	Beginning baseline adjustment
50600 - Summer School	-12.49%	Summer school realignment

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Fringe Benefits

FRINGE BENEFITS	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 32,563,392	\$ 33,597,143	\$ 1,033,751	3.17%	\$ 33,851,220	\$ 254,077	0.76%
Senior High Classroom	24,861,583	21,584,291	(3,277,292)	-13.18%	20,358,082	(1,226,209)	-5.68%
Technical and Career Ed.	5,086,183	4,880,324	(205,859)	-4.05%	5,007,110	126,786	2.60%
Gifted Ed. & Acad. Programs	2,899,720	2,740,607	(159,113)	-5.49%	2,807,731	67,124	2.45%
Special Education	16,127,365	16,230,821	103,456	0.64%	16,564,465	333,644	2.06%
Summer School	271,350	237,466	(33,884)	-12.49%	237,467	1	0.00%
General Adult Ed.	320,571	320,858	287	0.09%	325,398	4,540	1.41%
Open Campus	412,946	384,841	(28,105)	-6.81%	392,486	7,645	1.99%
Student Activities	578,168	597,446	19,278	3.33%	611,611	14,165	2.37%
Principal - Elementary	5,931,324	5,696,620	(234,704)	-3.96%	5,828,290	131,670	2.31%
Principal - Senior High	2,435,394	2,362,785	(72,609)	-2.98%	2,420,248	57,463	2.43%
Principal - Tech. & Career Ed.	118,020	122,931	4,911	4.16%	125,742	2,811	2.29%
Guidance Services	4,082,105	3,851,350	(230,755)	-5.65%	3,953,600	102,250	2.65%
Social Work Services	619,467	585,184	(34,283)	-5.53%	599,576	14,392	2.46%
Media & Communications	276,484	268,846	(7,638)	-2.76%	275,210	6,364	2.37%
Instructional Technology	2,175,190	-	(2,175,190)	-100.00%	-	-	0.00%
Instructional Support	3,945,766	8,161,686	4,215,920	106.85%	8,188,795	27,109	0.33%
Organizational Development	559,015	556,620	(2,395)	-0.43%	556,620	-	0.00%
Special Ed. Support	609,288	646,324	37,036	6.08%	659,548	13,224	2.05%
Gifted Ed. & Acad. Support	408,684	413,792	5,108	1.25%	423,461	9,669	2.34%
Media Services Support	3,131,832	2,929,990	(201,842)	-6.44%	2,981,123	51,133	1.75%
Research, Evaluation, and Assessment	410,141	391,553	(18,588)	-4.53%	398,770	7,217	1.84%
Middle School Classroom	14,502,225	14,299,166	(203,059)	-1.40%	14,126,011	(173,155)	-1.21%
Remedial Education	1,475,367	1,525,906	50,539	3.43%	1,615,995	90,089	5.90%
Principal - Middle School	2,162,423	2,045,359	(117,064)	-5.41%	2,095,391	50,032	2.45%
Homebound Services	167,093	161,857	(5,236)	-3.13%	164,642	2,785	1.72%
Technical & Career Ed. Support	211,708	217,365	5,657	2.67%	222,784	5,419	2.49%
Student Leadership	142,827	148,152	5,325	3.73%	151,667	3,515	2.37%
Psychological Services	777,489	717,826	(59,663)	-7.67%	735,439	17,613	2.45%
Audiological Services	91,071	86,789	(4,282)	-4.70%	88,215	1,426	1.64%
School Administration	244,044	231,123	(12,921)	-5.29%	237,002	5,879	2.54%
Alternative Education	791,995	847,770	55,775	7.04%	898,866	51,096	6.03%
TOTAL INSTRUCTION	128,390,230	126,842,791	(1,547,439)	-1.21%	126,902,565	59,774	0.05%
Board, Legal, and Governmental Services	112,892	110,277	(2,615)	-2.32%	110,942	665	0.60%
Superintendent	199,046	259,176	60,130	30.21%	263,222	4,046	1.56%
Budget and Finance	808,251	786,314	(21,937)	-2.71%	803,410	17,096	2.17%
Human Resources	1,102,345	1,305,279	202,934	18.41%	1,188,793	(116,486)	-8.92%
Internal Audit	83,965	81,838	(2,127)	-2.53%	83,818	1,980	2.42%
Purchasing Services	269,407	244,047	(25,360)	-9.41%	249,764	5,717	2.34%
Organizational Development	838,240	759,490	(78,750)	-9.39%	766,604	7,114	0.94%
Technology	215,950	-	(215,950)	-100.00%	-	-	0.00%
Benefits	995,096	589,293	(405,803)	-40.78%	592,088	2,795	0.47%
Health Services	1,892,574	1,836,985	(55,589)	-2.94%	1,873,664	36,679	2.00%
TOTAL ADMINISTRATION	6,517,766	5,972,699	(545,067)	-8.36%	5,932,305	(40,394)	-0.68%
Management	553,292	478,846	(74,446)	-13.46%	490,081	11,235	2.35%
Vehicle Operations	4,848,057	4,426,730	(421,327)	-8.69%	4,495,617	68,887	1.56%
Vehicle Maintenance	735,081	728,855	(6,226)	-0.85%	710,647	(18,208)	-2.50%
Monitoring Services	833,184	895,598	62,414	7.49%	907,047	11,449	1.28%
TOTAL TRANSPORTATION	6,969,614	6,530,029	(439,585)	-6.31%	6,603,392	73,363	1.12%
Facilities Planning and Construction	146,156	145,981	(175)	-0.12%	149,179	3,198	2.19%
School Plant	2,937,159	3,233,997	296,838	10.11%	3,293,222	59,225	1.83%
Supply Services	315,506	314,533	(973)	-0.31%	321,128	6,595	2.10%
Custodial Services	7,075,229	6,858,823	(216,406)	-3.06%	7,077,647	218,824	3.19%
Safe Schools/Risk Mgt.	1,787,019	1,700,269	(86,750)	-4.85%	1,727,029	26,760	1.57%
Vehicle Services	52,005	54,549	2,544	4.89%	55,351	802	1.47%
Telecommunications	60,507	59,562	(945)	-1.56%	61,014	1,452	2.44%
Technology Maintenance	1,366,842	-	(1,366,842)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	13,740,423	12,367,714	(1,372,709)	-9.99%	12,684,570	316,856	2.56%
TOTAL FRINGE BENEFITS	\$ 155,618,033	\$ 151,713,233	\$ (3,904,800)	-2.51%	\$ 152,122,832	\$ 409,599	0.27%

Significant Changes - FY 2008/09

Variations are associated with rate change of fringe benefits, as well as, personnel-related cost changes from the current budget year.

NOTE: Variations totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Purchased Services

PURCHASED SERVICES	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 14,602	\$ 11,172	\$ (3,430)	-23.49%	\$ 11,172	\$ -	0.00%
Senior High Classroom	12,768	12,768	-	0.00%	12,768	-	0.00%
Technical and Career Ed.	177,853	177,853	-	0.00%	177,853	-	0.00%
Gifted Ed. & Acad. Programs	855,158	858,497	3,339	0.39%	859,112	615	0.07%
Special Education	17,098,565	16,117,370	(981,195)	-5.74%	16,117,370	-	0.00%
Summer School	42,611	42,611	-	0.00%	42,611	-	0.00%
General Adult Ed.	70,160	70,160	-	0.00%	70,160	-	0.00%
Open Campus	10,437	10,437	-	0.00%	10,437	-	0.00%
Student Activities	187,374	187,374	-	0.00%	187,374	-	0.00%
Principal - Elementary	236,520	224,173	(12,347)	-5.22%	224,173	-	0.00%
Principal - Senior High	66,903	66,903	-	0.00%	66,903	-	0.00%
Principal - Tech. & Career Ed.	17,640	17,640	-	0.00%	17,640	-	0.00%
Guidance Services	105,193	105,193	-	0.00%	105,193	-	0.00%
Social Work Services	2,126	2,126	-	0.00%	2,126	-	0.00%
Media & Communications	254,630	484,630	230,000	90.33%	484,630	-	0.00%
Instructional Technology	27,587	-	(27,587)	-100.00%	-	-	0.00%
Instructional Support	1,773,985	1,773,985	-	0.00%	1,773,985	-	0.00%
Organizational Development	887,042	915,627	28,585	3.22%	915,627	-	0.00%
Special Ed. Support	13,755	13,755	-	0.00%	13,755	-	0.00%
Gifted Ed. & Acad. Support	126,488	127,988	1,500	1.19%	127,988	-	0.00%
Media Services Support	358,471	358,471	-	0.00%	358,471	-	0.00%
Research, Evaluation, and Assessment	645,704	632,964	(12,740)	-1.97%	632,964	-	0.00%
Middle School Classroom	6,141	6,141	-	0.00%	6,141	-	0.00%
Remedial Education	70,823	70,823	-	0.00%	70,823	-	0.00%
Principal - Middle School	107,647	107,647	-	0.00%	107,647	-	0.00%
Homebound Services	36,495	36,495	-	0.00%	36,495	-	0.00%
Technical & Career Ed. Support	49,669	49,669	-	0.00%	49,669	-	0.00%
Student Leadership	653,922	653,922	-	0.00%	653,922	-	0.00%
Psychological Services	4,616	3,716	(900)	-19.50%	3,716	-	0.00%
Audiological Services	8,492	8,492	-	0.00%	8,492	-	0.00%
School Administration	219,383	219,383	-	0.00%	219,383	-	0.00%
Alternative Education	121,547	134,622	13,075	10.76%	134,622	-	0.00%
TOTAL INSTRUCTION	24,264,307	23,502,607	(761,700)	-3.14%	23,503,222	615	0.00%
Board, Legal, and Governmental Services	625,134	625,134	-	0.00%	625,134	-	0.00%
Superintendent	177,712	177,712	-	0.00%	177,712	-	0.00%
Budget and Finance	510,440	403,540	(106,900)	-20.94%	403,540	-	0.00%
Human Resources	448,353	461,103	12,750	2.84%	461,103	-	0.00%
Internal Audit	3,895	3,970	75	1.93%	3,970	-	0.00%
Purchasing Services	37,592	37,592	-	0.00%	37,592	-	0.00%
Organizational Development	236,984	236,984	-	0.00%	236,984	-	0.00%
Technology	41,042	-	(41,042)	-100.00%	-	-	0.00%
Benefits	442,428	384,558	(57,870)	-13.08%	384,558	-	0.00%
Health Services	131,977	131,977	-	0.00%	131,977	-	0.00%
TOTAL ADMINISTRATION	2,655,557	2,462,570	(192,987)	-7.27%	2,462,570	-	0.00%
Management	132,018	132,018	-	0.00%	132,018	-	0.00%
Vehicle Operations	136,118	138,918	2,800	2.06%	138,918	-	0.00%
Vehicle Maintenance	45,535	34,559	(10,976)	-24.10%	34,559	-	0.00%
TOTAL TRANSPORTATION	313,671	305,495	(8,176)	-2.61%	305,495	-	0.00%
Facilities Planning and Construction	76,198	76,198	-	0.00%	76,198	-	0.00%
School Plant	9,088,154	9,235,439	147,285	1.62%	9,235,439	-	0.00%
Supply Services	48,316	48,316	-	0.00%	48,316	-	0.00%
Custodial Services	995,031	995,031	-	0.00%	995,031	-	0.00%
Safe Schools/Risk Mgt.	58,671	51,051	(7,620)	-12.99%	51,051	-	0.00%
Vehicle Services	20,101	18,165	(1,936)	-9.63%	19,665	1,500	8.26%
Telecommunications	507,522	628,529	121,007	23.84%	603,562	(24,967)	-3.97%
Technology Maintenance	3,783,703	-	(3,783,703)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	18,445,686	14,920,719	(3,524,967)	-19.11%	14,897,252	(23,467)	-0.16%
TOTAL PURCHASED SERVICES	\$ 45,679,221	\$ 41,191,391	\$ (4,487,830)	-9.82%	\$ 41,168,539	\$ (22,852)	-0.06%

Significant Changes - FY 2008/09

Unit Code	Variance	Reason
51500 - Media & Communications	90.33%	Rapid Alert System
58300 - Telecommunications	23.84%	Increase mainly due to purchase telephone sets for portables
54300 - Budget and Finance	-20.94%	Triennial Census
56300 - Vehicle Maintenance	-24.10%	Transfer technology-related funds to new Technology category

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Other Charges

OTHER CHARGES	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 21,916	\$ 21,916	\$ -	0.00%	\$ 21,916	\$ -	0.00%
Senior High Classroom	17,918	17,210	(708)	-3.95%	17,210	-	0.00%
Technical and Career Ed.	39,494	39,494	-	0.00%	39,494	-	0.00%
Gifted Ed. & Acad. Programs	36,981	40,992	4,011	10.85%	41,303	311	0.76%
Special Education	131,311	146,311	15,000	11.42%	146,311	-	0.00%
General Adult Ed.	3,086	3,086	-	0.00%	3,086	-	0.00%
Open Campus	2,280	2,280	-	0.00%	2,280	-	0.00%
Student Activities	32,602	32,602	-	0.00%	32,602	-	0.00%
Principal - Elementary	54,966	59,313	4,347	7.91%	59,313	-	0.00%
Principal - Senior High	49,861	49,861	-	0.00%	49,861	-	0.00%
Guidance Services	46,368	46,368	-	0.00%	46,368	-	0.00%
Social Work Services	21,961	21,961	-	0.00%	21,961	-	0.00%
Media & Communications	36,176	36,176	-	0.00%	36,176	-	0.00%
Instructional Technology	182,908	0	(182,908)	-100.00%	0	-	0.00%
Instructional Support	362,232	462,232	100,000	27.61%	462,143	(89)	-0.02%
Organizational Development	53,434	53,434	-	0.00%	53,434	-	0.00%
Special Ed. Support	31,791	31,791	-	0.00%	31,791	-	0.00%
Gifted Ed. & Acad. Support	163,423	170,965	7,542	4.62%	166,965	(4,000)	-2.34%
Media Services Support	11,886	11,886	-	0.00%	11,886	-	0.00%
Research, Evaluation, and Assessment	39,493	39,493	-	0.00%	39,493	-	0.00%
Middle School Classroom	29,175	29,175	-	0.00%	29,175	-	0.00%
Remedial Education	8,379	8,379	-	0.00%	8,379	-	0.00%
Principal - Middle School	19,372	19,372	-	0.00%	19,372	-	0.00%
Homebound Services	17,062	17,062	-	0.00%	17,062	-	0.00%
Technical & Career Ed. Support	14,033	14,033	-	0.00%	14,033	-	0.00%
Student Leadership	10,426	10,426	-	0.00%	10,426	-	0.00%
Psychological Services	30,334	31,834	1,500	4.94%	31,834	-	0.00%
Audiological Services	3,583	3,583	-	0.00%	3,583	-	0.00%
School Administration	50,832	50,832	-	0.00%	50,832	-	0.00%
Alternative Education	8,428	8,428	-	0.00%	8,428	-	0.00%
TOTAL INSTRUCTION	1,531,711	1,480,495	(51,216)	-3.34%	1,476,717	(3,778)	-0.26%
Board, Legal, and Governmental Services	82,896	82,896	-	0.00%	82,896	-	0.00%
Superintendent	98,436	98,436	-	0.00%	98,436	-	0.00%
Budget and Finance	52,560	57,560	5,000	9.51%	57,560	-	0.00%
Human Resources	120,523	120,523	-	0.00%	120,523	-	0.00%
Internal Audit	7,217	7,615	398	5.51%	7,615	-	0.00%
Purchasing Services	5,789	5,789	-	0.00%	5,789	-	0.00%
Organizational Development	60,016	60,016	-	0.00%	60,016	-	0.00%
Technology	21,642	-	(21,642)	-100.00%	-	-	0.00%
Benefits	47,756	77,068	29,312	61.38%	77,068	-	0.00%
Health Services	18,452	18,452	-	0.00%	18,452	-	0.00%
TOTAL ADMINISTRATION	515,287	528,355	13,068	2.54%	528,355	-	0.00%
Management	3,845	3,845	-	0.00%	3,845	-	0.00%
Vehicle Operations	625,934	921,708	295,774	47.25%	921,708	-	0.00%
Vehicle Maintenance	17,150	17,150	-	0.00%	17,150	-	0.00%
TOTAL TRANSPORTATION	646,929	942,703	295,774	45.72%	942,703	-	0.00%
Facilities Planning and Construction	18,031	18,031	-	0.00%	18,031	-	0.00%
School Plant	22,569,285	25,685,393	3,116,108	13.81%	24,885,393	(800,000)	-3.11%
Supply Services	2,703	2,703	-	0.00%	2,703	-	0.00%
Custodial Services	6,860	6,860	-	0.00%	6,860	-	0.00%
Safe Schools/Risk Mgt.	5,880	347,121	341,241	5803.42%	347,121	-	0.00%
Vehicle Services	73,348	74,845	1,497	2.04%	74,845	-	0.00%
Telecommunications	820,435	723,308	(97,127)	-11.84%	754,273	30,965	4.28%
Technology Maintenance	97,364	-	(97,364)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	23,593,906	26,858,261	3,264,355	13.84%	26,089,226	(769,035)	-2.86%
TOTAL OTHER CHARGES	\$ 26,287,833	\$ 29,809,814	\$ 3,521,981	13.40%	\$ 29,037,001	\$ (772,813)	-2.59%

Significant Changes - FY 2008/09

Unit Code	Variance	Reason
58100 - Safe Schools/Risk Mgt.	5803.42%	Insurance premium adjustment to current cost
56200 - Vehicle Operations	47.25%	Transportation insurance premium adjustment to current cost
51700 - Instructional Support	27.61%	Reserve for Special Education
57200 - School Plant	13.81%	Property/Liability Insurance premium and utilities cost increase

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Material and Supplies

MATERIAL AND SUPPLIES	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 3,281,103	\$ 2,520,553	\$ (760,550)	-23.18%	\$ 2,520,553	\$ -	0.00%
Senior High Classroom	1,312,901	1,014,163	(298,738)	-22.75%	1,014,163	-	0.00%
Technical and Career Ed.	586,621	525,774	(60,847)	-10.37%	525,774	-	0.00%
Gifted Ed. & Acad. Programs	756,886	666,988	(89,898)	-11.88%	666,988	-	0.00%
Special Education	741,254	765,878	24,624	3.32%	765,878	-	0.00%
Summer School	150,122	147,016	(3,106)	-2.07%	147,016	-	0.00%
General Adult Ed.	94,244	88,042	(6,202)	-6.58%	88,042	-	0.00%
Open Campus	57,176	51,803	(5,373)	-9.40%	51,803	-	0.00%
Student Activities	95,999	94,999	(1,000)	-1.04%	94,999	-	0.00%
Principal - Elementary	545,493	552,993	7,500	1.37%	552,993	-	0.00%
Principal - Senior High	402,377	388,706	(13,671)	-3.40%	388,706	-	0.00%
Principal - Tech. & Career Ed.	28,485	27,832	(653)	-2.29%	27,832	-	0.00%
Guidance Services	53,268	39,865	(13,403)	-25.16%	39,865	-	0.00%
Social Work Services	15,272	4,434	(10,838)	-70.97%	4,434	-	0.00%
Media & Communications	54,541	47,306	(7,235)	-13.27%	47,306	-	0.00%
Instructional Technology	1,352,466	-	(1,352,466)	-100.00%	-	-	0.00%
Instructional Support	835,824	656,417	(179,407)	-21.46%	656,417	-	0.00%
Organizational Development	173,661	169,907	(3,754)	-2.16%	169,907	-	0.00%
Special Ed. Support	72,013	54,073	(17,940)	-24.91%	54,073	-	0.00%
Gifted Ed. & Acad. Support	24,824	24,094	(730)	-2.94%	24,094	-	0.00%
Media Services Support	1,437,567	1,021,117	(416,450)	-28.97%	1,007,395	(13,722)	-1.34%
Research, Evaluation, and Assessment	117,723	97,421	(20,302)	-17.25%	97,421	-	0.00%
Middle School Classroom	992,346	847,730	(144,616)	-14.57%	847,730	-	0.00%
Remedial Education	57,130	55,547	(1,583)	-2.77%	55,547	-	0.00%
Principal - Middle School	316,127	305,408	(10,719)	-3.39%	305,408	-	0.00%
Homebound Services	9,177	8,393	(784)	-8.54%	8,393	-	0.00%
Technical & Career Ed. Support	10,584	6,797	(3,787)	-35.78%	6,797	-	0.00%
Student Leadership	12,641	11,135	(1,506)	-11.91%	11,135	-	0.00%
Psychological Services	82,386	54,095	(28,291)	-34.34%	54,095	-	0.00%
Audiological Services	25,006	24,706	(300)	-1.20%	24,706	-	0.00%
School Administration	49,285	41,225	(8,060)	-16.35%	41,225	-	0.00%
Alternative Education	97,070	68,645	(28,425)	-29.28%	68,645	-	0.00%
TOTAL INSTRUCTION	13,841,572	10,383,062	(3,458,510)	-24.99%	10,369,340	(13,722)	-0.13%
Board, Legal, and Governmental Services	20,288	19,798	(490)	-2.42%	19,798	-	0.00%
Superintendent	17,337	15,847	(1,490)	-8.59%	15,847	-	0.00%
Budget and Finance	57,948	52,721	(5,227)	-9.02%	52,721	-	0.00%
Human Resources	116,574	79,232	(37,342)	-32.03%	79,232	-	0.00%
Internal Audit	3,562	2,500	(1,062)	-29.81%	2,500	-	0.00%
Purchasing Services	19,274	17,236	(2,038)	-10.57%	17,236	-	0.00%
Organizational Development	116,886	104,919	(11,967)	-10.24%	104,919	-	0.00%
Technology	27,846	-	(27,846)	-100.00%	-	-	0.00%
Benefits	93,894	42,231	(51,663)	-55.02%	42,231	-	0.00%
Health Services	95,205	89,567	(5,638)	-5.92%	89,567	-	0.00%
TOTAL ADMINISTRATION	568,814	424,051	(144,763)	-25.45%	424,051	-	0.00%
Management	10,518	4,810	(5,708)	-54.27%	4,810	-	0.00%
Vehicle Operations	5,972,338	6,002,729	30,391	0.51%	6,002,729	-	0.00%
Vehicle Maintenance	43,502	42,351	(1,151)	-2.65%	42,351	-	0.00%
TOTAL TRANSPORTATION	6,026,358	6,049,890	23,532	0.39%	6,049,890	-	0.00%
Facilities Planning and Construction	17,135	12,601	(4,534)	-26.46%	12,601	-	0.00%
School Plant	2,654,381	2,993,122	338,741	12.76%	2,993,122	-	0.00%
Supply Services	51,250	49,252	(1,998)	-3.90%	49,252	-	0.00%
Custodial Services	1,110,070	1,554,209	444,139	40.01%	1,554,209	-	0.00%
Safe Schools/Risk Mgt.	27,205	28,775	1,570	5.77%	28,775	-	0.00%
Vehicle Services	588,723	587,819	(904)	-0.15%	631,726	43,907	7.47%
Telecommunications	63,459	43,407	(20,052)	-31.60%	37,409	(5,998)	-13.82%
Technology Maintenance	132,752	-	(132,752)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	4,644,975	5,269,185	624,210	13.44%	5,307,094	37,909	0.72%
TOTAL MATERIAL AND SUPPLIES	\$ 25,081,719	\$ 22,126,188	\$ (2,955,531)	-11.78%	\$ 22,150,375	\$ 24,187	0.11%

Significant Changes - FY 2008/09

Negative variances are largely due to the creation and shifting of the technology-related funds to the new Technology category.

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Capital Outlay

CAPITAL OUTLAY	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 362,147	\$ 362,147	\$ -	0.00%	\$ 362,147	\$ -	0.00%
Senior High Classroom	193,942	144,942	(49,000)	-25.27%	144,942	-	0.00%
Technical and Career Ed.	130,892	250,892	120,000	91.68%	250,892	-	0.00%
Gifted Ed. & Acad. Programs	35,123	35,123	-	0.00%	35,123	-	0.00%
Special Education	4,900	-	(4,900)	-100.00%	-	-	0.00%
General Adult Ed.	10,489	-	(10,489)	-100.00%	-	-	0.00%
Open Campus	13,720	13,720	-	0.00%	13,720	-	0.00%
Media & Communications	4,655	-	(4,655)	-100.00%	-	-	0.00%
Instructional Support	1,470	1,470	-	0.00%	1,470	-	0.00%
Middle School Classroom	198,264	124,764	(73,500)	-37.07%	124,764	-	0.00%
School Administration	4,900	4,900	-	0.00%	4,900	-	0.00%
TOTAL INSTRUCTION	960,502	937,958	(22,544)	-2.35%	937,958	-	0.00%
School Plant	56,953	106,953	50,000	87.79%	106,953	-	0.00%
Custodial Services	44,100	94,100	50,000	113.38%	94,100	-	0.00%
Telecommunications	5,788	-	(5,788)	-100.00%	-	-	0.00%
TOTAL OPERATIONS	106,841	201,053	94,212	88.18%	201,053	-	0.00%
TOTAL CAPITAL OUTLAY	\$ 1,067,343	\$ 1,139,011	\$ 71,668	6.71%	\$ 1,139,011	\$ -	0.00%

Significant Changes - FY 2008/09

Unit Code	Variance	Reason
57500 - Custodial Services	113.38%	Cleaning Equipment for middle and high schools
50300 - Technical and Career Ed.	91.68%	Laboratory Equipment
57200 - School Plant	87.79%	Sound systems for high school softball field
52200 - Middle School Classroom	37.07%	Transfer funds to Material and Supplies

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Expenditures by Category and Program - Transfers and Improvements

TRANSFERS & IMPROVEMENTS	FY 2007/08	FY 2008/09	Variance		FY 2009/10	Variance	
	Budget	Budget	Dollar	Percent	Budget	Dollar	Percent
Elementary Classroom	\$ 395,054	\$ 507,393	\$ 112,339	28.44%	\$ 499,429	\$ (7,964)	-1.57%
Technical and Career Ed.	35,000	35,000	-	0.00%	35,000	-	0.00%
Special Education	1,396,365	1,564,570	168,205	12.05%	1,564,570	-	0.00%
Student Activities	4,125,797	4,187,115	61,318	1.49%	4,197,085	9,970	0.24%
Instructional Technology	462,400	-	(462,400)	-100.00%	-	-	0.00%
Instructional Support	2,565,546	2,565,546	-	0.00%	2,565,546	-	0.00%
Organizational Development	45,308	45,308	-	0.00%	45,308	-	0.00%
Middle School Classroom	321,625	321,625	-	0.00%	321,625	-	0.00%
TOTAL INSTRUCTION	9,347,095	9,226,557	(120,538)	-1.29%	9,228,563	2,006	0.02%
School Plant	163,000	163,000	-	0.00%	163,000	-	0.00%
TOTAL OPERATIONS	163,000	163,000	-	0.00%	163,000	-	0.00%
Technology	-	24,003,400	24,003,400	100.00%	24,333,180	329,780	1.37%
TOTAL TECHNOLOGY	-	24,003,400	24,003,400	100.00%	24,333,180	329,780	1.37%
TOTAL TRANSFERS & IMPROVEMENTS	\$ 9,510,095	\$ 33,392,957	\$ 23,882,862	251.13%	\$ 33,724,743	\$ 331,786	0.99%

Significant Changes - FY 2008/09

Variances are due to match/transfer requirements to Categorical Grants and Other Funds.

NOTE: Variances totaling -100% are due to the creation and shifting of funds to the new Technology category.

Categorical Grants Fund by Category and Program

Several instructional activities supplement the regular program and are funded by certain federal and state categorical grants. These grants cannot be used to supplant local funding for current programs and may require a local match. The funding sources and titles of federal grants and state grants anticipated are shown below.

	FY 2004/05 Actual	FY 2005/06 Actual	FY 2006/07 Actual	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Forecast
Federal Categorical Grant Expenditures						
Personnel Services	\$ 19,353,576	\$ 20,374,159	\$ 21,067,886	\$ 24,415,994	\$ 23,037,173	\$ 21,576,502
Fringe Benefits	4,906,326	5,461,624	6,574,246	8,739,436	8,312,710	7,670,557
Purchased Services	1,127,005	1,337,371	1,216,912	1,508,838	1,178,934	1,063,119
Other Charges	355,830	432,386	374,627	679,599	456,480	371,401
Material and Supplies	1,487,681	1,975,749	1,825,978	4,719,308	5,403,643	5,057,811
Capital Outlay	83,808	41,648	126,145	45,827	65,082	65,082
Total	\$27,314,227	\$29,622,938	\$31,185,795	\$40,109,002	\$38,454,022	\$35,804,472
State Categorical Grant Expenditures						
Personnel Services	\$ 1,835,413	\$ 2,103,192	\$ 2,112,445	\$ 3,024,063	\$ 2,781,754	\$ 2,730,545
Fringe Benefits	244,420	290,340	340,255	464,838	410,575	410,789
Purchased Services	3,923,563	3,860,195	4,088,439	4,196,318	4,216,015	4,218,151
Other Charges	7,777	9,457	10,676	7,000	20,850	21,200
Material and Supplies	540,929	1,071,975	796,171	7,156,239	8,989,195	7,635,627
Capital Outlay	6,057	17,590	443,760	-	-	-
Transfers	-	-	1,005,209	-	-	-
Total	\$ 6,558,159	\$ 7,352,748	\$ 8,796,954	\$14,848,458	\$16,418,389	\$15,016,312

Other Funds by Category and Program

The Other Funds are classified as special revenue funds, whose purpose is to account for all revenues and expenditures associated with their specific activities. Although these entities may be subsidized by the Operating Budget, federal, state, and/or local funds, they cannot be used to supplant funding for the basic School Board Operating Budget. The funding titles and fund totals anticipated are shown below.

	FY 2004/05 Actual	FY 2005/06 Actual	FY 2006/07 Actual	FY 2007/08 Budget	FY 2008/09 Budget	FY 2009/10 Forecast
Other Funds Expenditures						
Personnel Services	\$ 9,540,904	\$ 10,251,164	\$ 10,799,117	\$ 11,947,606	\$ 24,225,754	\$ 24,771,330
Fringe Benefits	2,834,407	3,054,013	3,825,406	4,689,693	7,950,044	8,146,990
Purchased Services	555,052	693,725	757,074	657,565	4,713,064	4,723,134
Other Charges	718,902	712,729	605,696	244,030	532,580	532,580
Material and Supplies	17,473,785	21,205,726	22,856,152	27,708,387	29,468,789	28,634,024
Capital Outlay	815,408	1,123,445	173,115	2,109,452	2,875,951	2,281,136
Transfers	32,475	25,000	25,000	25,000	478,000	478,000
Total	\$ 31,970,933	\$ 37,065,802	\$ 39,041,560	\$ 47,381,733	\$ 70,244,182	\$ 69,567,194

Further breakdown of the expenditures for Other Funds are detailed on the next few pages.

Other Funds continued

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
	Actual	Actual	Actual	Budget	Budget	Forecast
Atletic Fund						
Basketball	\$ 104,344	\$ 123,009	\$ 123,089	\$ 100,000	\$ 100,000	\$ 100,000
Football	272,700	311,313	271,303	285,000	285,000	285,000
Gymnastics	3,946	3,752	8,816	4,000	4,000	4,000
Soccer	38,247	42,746	40,241	30,000	30,000	30,000
Wrestling	10,021	13,194	13,582	10,348	10,348	10,348
Other Income	3,648	4,151	391	2,500	2,500	2,500
Interest	24,064	64,342	112,392	45,000	45,000	45,000
Fund Balance	(454,119)	-	-	24,000	24,000	24,000
Middle School Income	63,082	66,203	69,319	55,000	55,000	55,000
Operating Fund Transfers	2,838,619	3,496,853	4,123,142	4,125,797	4,187,115	4,197,085
Revenue	\$ 2,904,552	\$ 4,125,563	\$ 4,762,274	\$ 4,681,645	\$ 4,742,963	\$ 4,752,933
Personnel Services	\$ 2,005,285	\$ 2,541,927	\$ 2,755,520	\$ 2,919,605	\$ 2,966,905	\$ 2,966,905
Fringe Benefits	186,728	194,574	211,176	223,350	226,968	226,968
Purchased Services	446,966	530,423	449,056	543,649	554,049	564,019
Other Charges	127,872	127,795	15,965	164,750	164,750	164,750
Material and Supplies	351,703	725,591	783,487	561,500	561,500	561,500
Capital Outlay	694,237	106,304	65,545	268,791	268,791	268,791
Expenditures	\$ 3,812,791	\$ 4,226,614	\$ 4,280,749	\$ 4,681,645	\$ 4,742,963	\$ 4,752,933
Communication Tower Technology						
Interest	\$ 26,371	\$ 59,941	\$ 65,034	\$ 10,000	\$ 10,000	\$ 10,000
Fund Balance	-	-	-	300,000	300,000	300,000
Rent - Wireless Communication	312,641	328,700	362,784	250,000	250,000	250,000
Revenue	\$ 339,012	\$ 388,641	\$ 427,818	\$ 560,000	\$ 560,000	\$ 560,000
Capital Outlay	-	817,469	107,570	560,000	560,000	560,000
Expenditures	\$ -	\$ 817,469	\$ 107,570	\$ 560,000	\$ 560,000	\$ 560,000
Food Services						
Interest	\$ 285,440	\$ 77,597	\$ 87,772	\$ 110,000	\$ 110,000	\$ 100,000
Charges for Services	12,036,165	12,615,304	13,241,373	13,678,637	15,879,119	16,299,580
USDA Vendors Rebates	113,951	83,445	131,084	140,000	140,000	140,000
School Meal Payments	328,977	351,441	362,363	331,167	330,000	330,000
National School Meal Program	8,501,754	8,201,766	8,693,484	8,868,104	8,935,521	9,185,716
USDA Commodities	1,396,599	1,295,584	1,437,297	1,480,395	1,400,000	1,400,000
Fund Balance	-	-	-	1,676,017	-	-
General Fund Transfer	-	100,359	200,000	-	-	-
School Vending Transfer	25,000	25,000	-	25,000	-	-
USDA Summer Feeding	37,728	62,912	38,797	39,992	-	-
Revenue	\$ 22,725,614	\$ 22,813,408	\$ 24,192,170	\$ 26,349,312	\$ 26,794,640	\$ 27,455,296
Personnel Services	\$ 7,515,042	\$ 7,688,904	\$ 8,023,329	\$ 8,968,075	\$ 9,094,117	\$ 9,364,538
Fringe Benefits	2,642,681	2,854,108	3,607,497	4,433,721	4,043,917	4,113,298
Purchased Services	105,393	163,302	308,018	112,416	278,416	278,416
Other Charges	56,381	47,284	52,081	79,280	83,280	83,280
Material and Supplies*	11,411,106	11,837,098	12,257,033	12,725,159	13,264,249	13,585,103
Capital Outlay*	121,171	199,672	-	30,661	30,661	30,661
Transfers & Improvements	7,475	-	-	-	-	-
Expenditures	\$ 21,859,249	\$ 22,790,368	\$ 24,247,958	\$ 26,349,312	\$ 26,794,640	\$ 27,455,296

* Expenditure category contains funds for the Technology unit code as well as the Food Services unit code. Technology budget: Material Supplies (\$70K) and Capital Outlay (\$2.3K)

Other Funds continued

	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
	Actual	Actual	Actual	Budget	Budget	Forecast
Instructional Technologies						
Interest	\$ 104,629	\$ 1,500,000	\$ 423,016	\$ -	\$ -	\$ -
Fund Balance	5,000,000	5,550,000	-	6,636,000	3,815,945	2,915,947
Transfers, Operating Budget	500,000	2,600,000	1,076,984	-	-	-
Revenue	\$ 5,604,629	\$ 9,650,000	\$ 1,500,000	\$ 6,636,000	\$ 3,815,945	\$ 2,915,947
Controlled Assets - Computer Equipment	\$ -	\$ 1,722,454	\$ 5,484,741	\$ 6,636,000	\$ 3,815,945	\$ 2,915,947
Expenditures	\$ -	\$ 1,722,454	\$ 5,484,741	\$ 6,636,000	\$ 3,815,945	\$ 2,915,947
School Equipment Replacement						
Fund Balance	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,837,129	\$ 1,312,129
Revenue	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,837,129	\$ 1,312,129
Capital Outlay	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,837,129	\$ 1,312,129
Expenditures	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,837,129	\$ 1,312,129
School Vending Operations						
Interest Earned	\$ 22,020	\$ 54,728	\$ 52,959	\$ 15,000	\$ 25,000	\$ 25,000
Fund Balance	-	-	-	500,000	359,815	359,799
Vending Operating Receipt	-	214,326	229,697	400,000	225,000	22,500
Other Income	794,849	586,000	-	-	-	-
Revenue	\$ 816,869	\$ 855,054	\$ 282,656	\$ 915,000	\$ 609,815	\$ 407,299
Purchased Services	2,693	-	-	-	-	-
Other Charges	534,650	\$537,650	537,650	-	-	-
Material and Supplies	-	1,092	1,092	640,000	440,000	307,299
Capital Outlay	-	-	-	250,000	169,815	100,000
Transfers	25,000	25,000	25,000	25,000	-	-
Expenditures	\$ 562,343	\$ 563,742	\$ 563,742	\$ 915,000	\$ 609,815	\$ 407,299
Technology						
Transfers, Operating Budget	-	-	-	-	\$ 24,003,400	\$ 24,333,180
Revenue	\$ -	\$ -	\$ -	\$ -	\$ 24,003,400	\$ 24,333,180
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ 12,100,482	\$ 12,374,875
Fringe Benefits	-	-	-	-	3,656,005	3,783,412
Purchased Services	-	-	-	-	3,879,099	3,879,199
Other Charges	-	-	-	-	284,550	284,550
Material and Supplies	-	-	-	-	3,595,709	3,523,589
Capital Outlay	-	-	-	-	9,555	9,555
Transfers	-	-	-	-	478,000	478,000
Expenditures	\$ 3,812,791	\$ 4,226,614	\$ 4,280,749	\$ 4,681,645	\$ 24,003,400	\$ 24,333,180
Textbook						
Purchases	\$ 2,175	\$ 605	\$ 140	\$ 6,000	\$ 6,000	\$ 6,000
Interest Earned	127,041	296,173	578,240	100,000	100,000	100,000
Fund Balance	1,435,105	-	-	-	-	-
Transfers, Operating Budget	3,829,077	4,208,915	2,565,546	2,565,546	2,565,546	2,565,546
State Subsidy	3,108,544	3,060,766	4,663,103	4,543,230	5,183,744	5,133,864
Miscellaneous	11,047	-	-	-	-	-
Sales of Salvage Materials	-	36,870	76,321	-	-	-
Lost & Damaged Textbooks	93,771	87,407	87,479	25,000	25,000	25,000
Revenue	\$ 8,606,760	\$ 7,690,736	\$ 7,970,829	\$ 7,239,776	\$ 7,880,290	\$ 7,830,410
Personnel Services	\$ 20,577	\$ 20,333	\$ 20,268	\$ 59,926	\$ 64,250	\$ 65,012
Fringe Benefits	4,998	5,331	6,733	32,622	23,154	23,312
Purchased Services	-	-	-	1,500	1,500	1,500
Material and Supplies	5,710,975	6,919,490	4,329,799	7,145,728	7,791,386	7,740,586
Expenditures	\$ 5,736,550	\$ 6,945,154	\$ 4,356,800	\$ 7,239,776	\$ 7,880,290	\$ 7,830,410

Staffing Summary

All Funds

The history of budgeted positions is shown in the table below. Staffing decreases between the FY 2007/08 Adopted Budget and the FY 2008/09 Budget totals (14.40) FTEs; (199.40) are related to the Operating Budget and the increase of 185.00 FTEs are related to the Other Funds.

Budget Unit Code	Positions - All Funds	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	Proposed FY 2008/09	Variance	Forecast FY 2009/10	Variance
50100	Elementary Classroom	2,097.90	2,093.00	2,134.50	2,121.00	2,123.00	2.00	2,138.70	15.70
50200	Senior High Classroom	1,185.80	1,184.80	1,187.60	1,160.70	1,136.00	(24.70)	1,100.60	(35.40)
50300	Technical and Career Education	281.20	281.20	282.20	282.20	282.20	-	282.20	-
50400	Gifted Ed. and Academy Programs	154.20	155.50	155.50	156.50	155.50	(1.00)	155.50	-
50500	Special Education	1,128.00	1,135.00	1,162.00	1,169.00	1,185.00	16.00	1,185.00	-
50700	General Adult Education	26.00	26.00	26.00	26.00	26.00	-	26.00	-
50800	Open Campus	23.00	23.00	24.00	24.00	24.00	-	24.00	-
50900	Student Activities	28.50	29.50	29.50	29.50	29.50	-	29.50	-
51000	Principal - Elementary	340.00	340.00	348.00	349.00	349.00	-	349.00	-
51100	Principal - High School	137.50	137.50	137.50	137.50	137.50	-	137.50	-
51200	Principal - Technical and Career Education	7.00	7.00	7.00	7.00	7.00	-	7.00	-
51300	Guidance Services	230.30	226.80	219.80	217.40	216.60	(0.80)	216.60	-
51400	Social Work Services	32.25	32.25	32.25	32.25	31.25	(1.00)	31.25	-
51500	Media and Communications	15.00	14.00	14.00	14.00	14.00	-	14.00	-
51600	Instructional Technology	113.00	114.00	114.00	114.00	-	(114.00)	-	-
51700	Instructional Support	63.00	62.00	62.00	62.00	56.00	(6.00)	56.00	-
51800	Special Education Support	21.50	21.50	27.50	27.50	30.00	2.50	30.00	-
51900	Gifted Ed. and Academy Programs Support	18.00	19.00	19.00	19.00	19.00	-	19.00	-
52000	Media Services Support	204.50	204.00	204.00	206.50	203.50	(3.00)	202.50	(1.00)
52100	Research, Evaluation, and Assessment	16.00	16.00	16.00	16.00	17.00	1.00	17.00	-
52200	Middle School Classroom	908.00	890.60	856.80	819.60	805.40	(14.20)	791.80	(13.60)
52300	Remedial Education	66.70	66.70	71.50	73.50	77.50	4.00	81.50	4.00
52400	Principal - Middle School	131.00	128.00	125.00	123.00	123.00	-	123.00	-
52500	Homebound Services	7.80	7.80	7.80	7.80	7.80	-	7.80	-
52600	Technical and Career Education Support	9.40	9.40	9.40	9.40	9.40	-	9.40	-
52700	Student Leadership	8.00	8.00	7.00	7.00	7.00	-	7.00	-
52800	Psychological Services	40.00	40.00	40.00	40.00	38.00	(2.00)	38.00	-
52900	Audiological Services	3.00	3.00	4.00	4.00	4.00	-	4.00	-
53100	School Administration	10.00	10.00	10.00	9.00	9.00	-	9.00	-
53200	Alternative Education	45.00	45.00	47.00	42.00	48.00	6.00	50.00	2.00
	Total Instruction	7,351.55	7,330.55	7,380.85	7,306.35	7,171.15	(135.20)	7,142.85	(28.30)
54100	Board, Legal, and Governmental Services	13.00	13.00	13.00	13.00	13.00	-	13.00	-
54200	Superintendent	3.00	6.00	5.00	5.00	8.00	3.00	8.00	-
54300	Budget and Finance	41.00	41.00	41.00	41.00	43.00	2.00	43.00	-
54400	Human Resources	43.60	41.60	42.60	43.00	44.50	1.50	44.50	-
54500	Internal Audit	4.00	4.00	4.00	4.00	4.00	-	4.00	-
54600	Purchasing Services	13.00	13.00	13.00	13.00	13.00	-	13.00	-
54700	Organizational Development	19.50	19.50	19.50	18.50	15.80	(2.70)	15.80	-
54900	Technology	8.00	8.00	8.00	8.00	-	(8.00)	-	-
55000	Benefits	12.00	12.00	12.00	12.00	15.00	3.00	15.00	-
55200	Health Services	128.00	131.00	132.00	134.00	134.00	-	134.00	-
	Total Administration	285.10	289.10	290.10	291.50	290.30	(1.20)	290.30	-
56100	Management	25.00	25.00	25.00	25.00	26.00	1.00	26.00	-
56200	Vehicle Operation	448.25	448.25	478.25	478.25	477.25	(1.00)	477.25	-
56300	Vehicle Maintenance	54.00	54.00	57.00	57.00	57.00	-	57.00	-
56400	Monitoring Services	91.88	91.88	106.88	106.88	106.88	-	106.88	-
	Total Transportation	619.13	619.13	667.13	667.13	667.13	-	667.13	-
57100	Facilities Planning and Construction	6.00	6.00	6.00	6.00	6.00	-	6.00	-
57200	School Plant	197.00	197.00	197.00	198.00	197.00	(1.00)	197.00	-
57300	Supply Services	23.50	23.50	23.50	23.50	23.50	-	23.50	-
57500	Custodial Services	709.00	716.00	716.00	722.00	732.00	10.00	732.00	-
58100	Safe Schools/Risk Management	182.00	183.00	196.00	198.00	198.00	-	198.00	-
58200	Vehicle Services	4.00	4.00	4.00	4.00	4.00	-	4.00	-
58300	Telecommunications	3.00	3.00	3.00	3.00	3.00	-	3.00	-
58400	Technology Maintenance	72.00	72.00	72.00	72.00	-	(72.00)	-	-
	Total Operation	1,196.50	1,204.50	1,217.50	1,226.50	1,163.50	(63.00)	1,163.50	-
	Total Positions - Operating Budget	9,452.28	9,443.28	9,555.58	9,491.48	9,292.08	(199.40)	9,263.78	(28.30)
*	State Grants	3.00	13.00	14.00	14.00	13.00	(1.00)	13.00	-
*	Federal Grants	560.65	590.00	563.50	531.50	526.50	(5.00)	484.50	(42.00)
	Food Services Fund	489.89	490.89	490.89	493.89	493.89	-	493.89	-
	Risk Management	5.00	5.00	5.00	5.00	5.00	-	5.00	-
	Health Insurance Funds	3.00	4.50	4.50	4.50	4.50	-	4.50	-
	Technology Fund	-	-	-	-	191.00	191.00	189.00	(2.00)
	Textbook Fund	1.50	1.50	1.50	1.50	1.50	-	1.50	-
	Total Positions - All Funds	10,515.32	10,548.17	10,634.97	10,541.87	10,527.47	(14.40)	10,455.17	(72.30)

Significant Changes - FY 2008/09

194.00 FTEs were previously allocated to the Operating Budget, of that 191.00 were transferred into the Technology Special Revenue fund that was added in FY 2008/09. This transfer contributes to the loss of 199.40 FTEs in the Operating Budget, as well as an additional 3.00 FTE reduction that took place between the previous year and FY 2008/09 within the Instruction category.

NOTE: Categorical Grant positions may fluctuate due to changes in approved funding levels or modifications to the grant as approved by the granting agency after the budget has been adopted and appropriated.

*Over **64%**, of positions budgeted in the Operating Budget are designated for basic school-based staffing*

All positions assigned to a school are determined by formulas approved by the School Board. The number of teachers assigned is calculated based on teacher load, or the number of students a teacher instructs on a daily basis. In addition students eligible for free or reduced-price meals and ESOL students are added to the formula based on weighted factors. The Budget Office works closely with School Administration in determining the number of authorized positions. School principals have flexibility in determining how teacher positions will be used. (See Staffing Standards and Guidelines in the Informational section.)

Instructional Staff by School Level

Unit Code		FY 2007/08	FY 2008/09	Variance	FY 2009/10	Variance
Elementary						
50100	Teachers	1,717.50	1,720.00	2.50	1,733.70	13.70
50100	Teacher Assistants	403.50	403.00	(0.50)	405.00	2.00
50400	Teachers - Gifted Resource and ODC	89.00	89.00	-	89.00	-
50400	Teacher Assistants - Gifted Education	4.50	3.50	(1.00)	3.50	-
51000	Principals	57.00	57.00	-	57.00	-
51000	Assistant Principals	61.00	61.00	-	61.00	-
52000	Library Media Specialist	57.00	57.00	-	57.00	-
52000	Library Media Assistants	56.50	56.50	-	56.50	-
51300	Guidance Counselors	65.00	65.20	0.20	66.20	1.00
Technology Fund	Computer Resource Teachers	57.00	57.00	-	57.00	-
51000	Clerical Personnel	231.00	231.00	-	231.00	-
58100	Security Assistants	57.00	57.00	-	57.00	-
55200	Nurses	58.00	58.00	-	58.00	-
55200	Clinic Assistants	11.00	11.00	-	11.00	-
Total Elementary		2,925.00	2,926.20	1.20	2,942.90	16.70
Middle School						
50300/50400/52200	Teachers	892.80	878.60	(14.20)	865.00	(13.60)
52200	Teachers Assistants	14.00	14.00	-	14.00	-
50400	Teachers - Gifted Resource and KLMS	51.00	51.00	-	51.00	-
50400	Teacher Assistants - Gifted Education	1.00	1.00	-	1.00	-
52400	Principals	15.00	15.00	-	15.00	-
52400	Assistant Principals	37.00	37.00	-	37.00	-
52000	Library Media Specialists	27.00	26.00	(1.00)	25.00	(1.00)
	Library Media Assistants	14.00	14.00	-	14.00	-
51300	Guidance Counselors	50.40	50.40	-	50.40	-
Technology Fund	Computer Resource Teachers	24.00	24.00	-	22.00	(2.00)
51300/52400	Clerical Personnel	86.00	86.00	-	86.00	-
		51300 15.00	15.00	-	15.00	-
		52400 71.00	71.00	-	71.00	-
58100	Security Assistants	51.00	51.00	-	51.00	-
55200	Nurses	15.00	15.00	-	15.00	-
55200	Clinic Assistants	12.00	13.50	1.50	13.50	-
Total Middle School		1,290.20	1,276.50	(13.70)	1,259.90	(16.60)
High School						
50200/50300/50800	Teachers	1,359.90	1,335.20	(24.70)	1,299.80	(35.40)
50200	Teachers Assistants	14.00	14.00	-	14.00	-
50400	Teachers - Gifted Resource	11.00	11.00	-	11.00	-
50800/51100/51200	Principals	15.00	15.00	-	15.00	-
50800/51100/51200	Assistant Principals	50.00	50.00	-	50.00	-
52000	Library Media Specialists	24.00	24.00	-	24.00	-
52000	Library Media Assistants	12.00	12.00	-	12.00	-
51300	Guidance Counselors	71.00	70.00	(1.00)	69.00	(1.00)
Technology Fund	Computer Resource Teachers	25.00	25.00	-	25.00	-
	Clerical Personnel	99.50	99.50	-	99.50	-
		50800 6.00	6.00	-	6.00	-
		51100 76.50	76.50	-	76.50	-
		51200 5.00	5.00	-	5.00	-
		51300 12.00	12.00	-	12.00	-
58100	Security Assistants	81.00	81.00	-	81.00	-
55200	Nurses	20.00	21.00	1.00	21.00	-
55200	Clinic Assistants	11.00	12.50	1.50	12.50	-
Total High School		1,793.40	1,770.20	(23.20)	1,733.80	(36.40)

NOTE: In addition to basic staffing, VBCPS provides supplemental staffing for special programs, such as English as a Second Language (ESOL) and Foreign Language programs.

Additional Needs in Priority Order

The FY 2008-2010 biennium budget is balanced in accordance with the state code requirements and addresses the goals established by the School Board for VBCPS listed in the Organizational section of this document. Although the budget does not fund all initial requests made by departments, it does address many priority needs and maintains current budget levels and enhances budget levels where needed. Virginia Beach City Public Schools' Administration developed a list of additional needs of the school division which are not included in the proposed 2008/09 and 2009/10 biennial budget. This document has been modified to reflect the changes made throughout the budget cycle.

Revised 05/20/08

<p>Extended Day Kindergarten (EDK) Program - 23 (.5) teachers and 23 (.5) teacher assistants. Additional positions to allow schools with the largest number of identified at-risk students to expand their program. The below cost per class includes salary, benefits, instructional materials, furniture, and computers.</p> <p>NOTE: Cost per class is approximately \$57,000 or \$62,000 if portable has to be moved.</p>	\$ 1,310,000
<p>Preschool Initiative - Additional funding to provide for unserved at-risk students. Current program serves 704 at-risk four-year old students; leaving 480 at-risk students unserved. Additional funding will serve 200 of the 480 at-risk students.</p>	* 700,000
<p>Additional support for the SOL Program (additional funds for tutoring, instructional supplies and materials, and other resources to support SOL), Special Education Program (provides a block of funds to be used to implement Special Ed. Audit recommendations), Board Goals (provides a block of funds to support Board Goal #5) and the Strategic Plan (funds to support recommendations from the Strategic Plan).</p>	1,500,000
<p>School Equipment - Formula-based allocation to each school for replacement of outdated equipment, additional new equipment, and for resources to support the instructional program.</p>	1,000,000
<p>Additional clerical staff - 1 per high school. Clerical tasks are increasing as the roles of the School Improvement Specialist and the Student Activities Coordinator increase. Office hours have been increased, which has in turn increased the number of customers needing assistance.</p>	250,000
<p>Incentives for Tri-Campus - Teachers: \$8,000 stipend after 4 years (Incentive for teaching at hard-to-staff schools). Provides a one-time stipend to the staff (as a retention incentive) for completing 4 years of service at the tri-campus schools.</p>	1,200,000
<p>Market adjustments and internal equity adjustments for the Unified Pay Scale - Funding for areas of concern identified by the MAG Study and the Allowances and Supplements Study.</p>	13,000,000
Total	\$ 18,960,000
<p>This list was modified to reflect the School Board's approval of Option #3, as presented on February 26, and the reprioritizing of VBCPS' Additional Needs.</p>	
<p style="text-align: center;">FY 2008/09 - 2009/10 Superintendent's Estimate of Needs Priority Needs List Option #3: Items proposed to be funded in the FY 2008/09 Approved Budget</p> <ul style="list-style-type: none"> • Expand EDK by 7 classes • Elementary Behavioral Intervention Program ** • Special Education 	<p>400,000</p> <p>\$ 400,000</p> <p>100,000</p>
<p style="text-align: center;">Items funded from FY 2007/08 Priority Needs List</p> <ul style="list-style-type: none"> • GASB-45 Annual Cash Requirement • Audit of Special Education • Rapid Alert System • School Equipment • Budget System 	<p>1,000,000</p> <p>131,000</p> <p>230,000</p> <p>1,000,000</p> <p>300,000</p>

* One-time expense

** Item was not funded in FY 2008/09 and was returned back to the Priority of Needs list above.

Capital Improvement Program (CIP)

The Virginia Beach City School Board develops a six-year Capital Improvement Program (CIP) that is updated annually. The first year of the six-year program contains the projects and amounts authorized by the Virginia Beach City Council with estimated costs of future projects shown in years two through six.

The budget calendar/timeline for the adoption of the CIP closely follows that of the Operating Budget. The CIP process begins in September with a preliminary meeting with the city staff. CIP request forms are sent to schools and offices and are returned to administration in late October. Public hearings are scheduled to receive input from citizens in November. The CIP is presented to the School Board for information in January and is adopted in March then sent to the City for review and approval. The City adopts the CIP in May along with the Operating Budget.

In developing the CIP, the following criteria are used to establish CIP priorities:

- Providing for the health, safety, and welfare of students and employees
- Providing for the long-term maintenance of infrastructure
- Meeting instructional housing needs of students - (based on current program capacities and enrollments)
- Meeting commitments at schools with a specific project included in the current CIP

The 2008/09 CIP was presented to the Board on January 22, 2008 and proposed funding in the amount of \$670,568,256. This amount included approximately \$506 million for the modernization and/or replacement of some of the oldest schools in the division. The primary funding sources for the current modernization program are Virginia State Lottery proceeds, city-issued Charter Bonds, and "Pay-As-You-Go" funding from the school division's Operating Budget.

With the recent adoption of the State Budget, we have received good news as it relates to Lottery Funds and State Construction Grants. In the Governor's revised biennial budget, Lottery Funds were reduced by 50 percent and State Construction Grants were eliminated entirely. We are very pleased to report that the final budget adopted by the State restored Lottery Funds to 94 percent of what we originally forecasted, and restored State Construction Grants in their entirety.

The restoration of State funding together with interest earned of \$5 million, has allowed us to maintain project schedules in this biennium as were originally planned.

During FY 1998/99, the State General Assembly dedicated all Virginia State Lottery profits to public education. The Lottery funds are to be allocated to each division on the basis of a per-pupil amount with the requirement that the local governing body match these funds on the basis of the Composite Index.

- No less than one-half of the funds must be used for non-recurring costs such as school construction, additions, infrastructure, site acquisitions, renovations, technology, and other expenditures related to modernizing classroom equipment, and Debt Service payments on school projects completed during the past ten years
- No more than one-half of the funds can be used for recurring costs; i.e., operating costs, such as teacher salaries

During FY 1998/99, the City Council and the School Board passed a joint resolution in which both bodies agreed that all Virginia State Lottery proceeds from the state would be used to fund the modernization program. The matching portion based upon the Composite Index would remain in the Operating Budget as part of the local contribution under the Revenue Sharing Formula Policy. During FY 2008/09, the state has estimated that Virginia Beach City Public Schools will receive approximately \$10.9 million.

The FY 2008/09 CIP provides funding for the construction of a new Alternative Education Center (The Renaissance Academy). Funding is also provided for the replacement of Kellam High School; Virginia Beach, Great Neck and Princess Anne Middle Schools; Windsor Oaks and College Park Elementary Schools; and the Bus Garage.

The impact of CIP projects on the Operating fund ranges from incremental maintenance and utility cost increases for classroom additions to operational expenses and start-up costs for new schools, which include staffing, materials, supplies, furniture and other one-time associated requirements. Impacts to the Operating Budget are identified during the budget process and are included in the organizational budget unit affected by the capital projects.

The following tables provide:

- Table 1 - Projects funded under the CIP (School Board Reconciled CIP - May 20, 2008)
- Table 2 - Funding sources as identified by the city for the projects
- Table 3 - Estimated Operating Budget impact for the projects

Table 1 - Projects Funded

Project Category	Total Project	Six Year	Appropriations	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Cost	Appropriations	to Date	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
1-001 Renovations and Replacements - Energy Management	\$ 12,226,287	\$ 12,226,287	\$ 6,651,287	\$ 800,000	\$ 850,000	\$ 900,000	\$ 950,000	\$ 1,000,000	\$ 1,075,000
1-006 Various Schools Site Acquisition-Phase I	8,946,646	8,946,646	8,946,646	-	-	-	-	-	-
1-011 Equipment and Vehicle Replacement	13,561,000	13,561,000	13,561,000	-	-	-	-	-	-
1-018 Newtown Road Elementary School Replacement	17,976,926	17,976,926	17,976,926	-	-	-	-	-	-
1-019 Great Neck Middle School Replacement	62,549,253	62,549,253	14,000,000	15,500,000	17,000,000	16,049,253	-	-	-
1-026 College Park Elementary School Replacement	22,392,750	22,392,750	-	1,750,000	7,000,000	13,642,750	-	-	-
1-030 Telecommunications Infrastructure Replacement	8,170,000	8,170,000	8,170,000	-	-	-	-	-	-
1-031 Academy Facilities Improvements	375,000	375,000	375,000	-	-	-	-	-	-
1-035 John B. Dey Elementary School Modernization	23,289,241	9,500,000	-	-	-	-	-	2,000,000	7,500,000
1-043 Thoroughgood Elementary School Replacement	28,270,000	1,000,000	-	-	-	-	-	-	1,000,000
1-056 Princess Anne Middle School Replacement	81,000,000	73,494,970	-	-	-	-	4,000,000	35,916,662	33,578,308
1-062 ADA School Modifications	6,962,374	6,962,374	6,962,374	-	-	-	-	-	-
1-078 Pupil Transportation Services Maintenance Facility	19,850,001	19,850,001	11,901,524	4,000,000	3,948,477	-	-	-	-
1-085 Renaissance Academy	66,162,500	66,162,500	50,022,693	11,525,000	4,614,807	-	-	-	-
1-099 Renovations and Replacements - Grounds - Phase II	6,950,000	6,950,000	1,700,000	750,000	800,000	850,000	900,000	950,000	1,000,000
1-103 Renovations and Replacements - HVAC - Phase II	28,633,702	28,633,702	4,133,702	3,500,000	3,700,000	3,950,000	4,200,000	4,450,000	4,700,000
1-104 Renovations and Replacements - Reroofing - Phase II	23,813,339	23,813,339	6,313,339	2,500,000	2,650,000	2,800,000	3,000,000	3,200,000	3,350,000
1-105 Renovations and Replacements - Various - Phase II	9,260,000	9,260,000	2,250,000	1,000,000	1,060,000	1,125,000	1,200,000	1,275,000	1,350,000
1-106 Kellam High School Replacement	102,000,000	102,000,000	-	6,712,537	19,369,756	19,559,129	44,146,432	12,212,146	-
1-107 Princess Anne High School Replacement	105,000,000	5,000,000	-	-	-	-	-	-	5,000,000
1-195 Student Data Management System	8,587,001	8,587,001	8,587,001	-	-	-	-	-	-
1-196 Instructional Technology	24,407,930	24,407,930	24,407,930	-	-	-	-	-	-
1-211 School Operating Budget Support	14,686,455	14,686,455	14,686,455	-	-	-	-	-	-
1-227 Windsor Woods Elementary School Replacement	15,837,515	15,837,515	15,837,515	-	-	-	-	-	-
1-232 Tennis Court Renovations	3,030,000	3,030,000	1,275,000	250,000	265,000	280,000	300,000	320,000	340,000
1-233 Old Donation Center Modernization	26,167,791	1,000,000	-	-	-	-	-	-	1,000,000
1-234 Virginia Beach Middle School Replacement	51,578,823	51,578,823	48,313,561	1,500,000	1,765,262	-	-	-	-
1-235 Windsor Oaks Elementary School Replacement	17,051,379	17,051,379	7,000,000	10,051,379	-	-	-	-	-
1-241 High School Educational Specifications	150,000	150,000	150,000	-	-	-	-	-	-
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
		Total	Appropriations	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
GRAND TOTAL (all projects)	\$ 808,885,913	\$ 635,153,851	\$ 273,221,953	\$59,838,916	\$63,023,302	\$ 59,156,132	\$ 58,696,432	\$ 61,323,808	\$ 59,893,308
TARGETS		361,931,898		59,838,916	63,023,302	59,156,132	58,696,432	61,323,808	59,893,308
DIFFERENCE		-		-	-	-	-	-	-

Source: Office of Facilities Planning and Construction, Virginia Beach City Public Schools, January 2008

Table 2 - Funding Sources

Project Category	School	City Fund	City Operating	State Lottery		Future Funding		Total Funding
	Reversion	Balance	Budget	State Grant	Funds	Charter Bonds	Needs	
1-001 Renovations and Replacements - Energy Management	-	-	-	194,610	-	3,856,365	8,175,312	12,226,287
1-006 Various Schools Site Acquisition-Phase I	4,565,962	1,050,000	156,212	-	-	2,599,472	575,000	8,946,646
1-011 Equipment and Vehicle Replacement	13,111,217	200,000	-	-	-	-	249,783	13,561,000
1-018 Newtown Road Elementary School Replacement	-	4,808,536	-	-	3,500,000	9,574,297	94,093	17,976,926
1-019 Great Neck Middle School Replacement	-	-	-	-	8,046,225	54,503,028	-	62,549,253
1-026 College Park Elementary School Modernization	-	-	-	-	-	20,642,750	1,750,000	22,392,750
1-030 Telecommunications Infrastructure Replacement	8,170,000	-	-	-	-	-	-	8,170,000
1-031 Academy Facilities Improvements	-	-	-	-	-	75,000	300,000	375,000
1-035 John B. Dey Elementary School Modernization	-	-	-	761,692	-	-	8,738,308	9,500,000
1-043 Thoroughood Elementary School Replacement	-	-	-	544,000	456,000	-	-	1,000,000
1-056 Princess Anne Middle School Replacement	-	-	-	-	7,894,970	65,600,000	-	73,494,970
1-062 ADA School Modifications	492,200	1,600,000	-	-	-	3,537,562	1,332,612	6,962,374
1-078 School Bus Garage Facility Replacement / Expansion	1,882,279	-	-	467,028	750,000	-	16,750,694	19,850,001
1-085 Alternative Education Facility - Phase II	5,872,693	1,661,100	-	-	13,733,943	33,101,977	11,792,787	66,162,500
1-099 Renovations and Replacements - Grounds - Phase II	-	-	-	-	-	-	6,950,000	6,950,000
1-103 Renovations and Replacements - HVAC - Phase II	1,725,000	24,417,000	-	2,254,123	-	-	237,579	28,633,702
1-104 Renovations and Replacements - Reroofing - Phase II	850,000	-	-	4,634,471	-	-	18,328,868	23,813,339
1-105 Renovations and Replacements - Various - Phase II	-	-	-	-	-	-	9,260,000	9,260,000
1-106 Kellam High School Replacement	-	1,251,000	-	3,393,529	37,844,740	32,855,238	26,655,493	102,000,000
1-107 Princess Anne High School Replacement	-	-	-	-	5,000,000	-	-	5,000,000
1-195 Student Data Management System	5,995,955	-	-	855,000	-	-	1,736,046	8,587,001
1-196 Instructional Technology	14,187,000	1,032,630	5,938,300	3,150,000	-	100,000	-	24,407,930
1-211 School Operating Budget Support	14,686,455	-	-	-	-	-	-	14,686,455
1-227 Windsor Woods Elementary School Replacement	1,387,410	-	-	-	7,065,226	7,384,879	-	15,837,515
1-232 Tennis Court Renovations	-	-	-	515,000	-	200,000	2,315,000	3,030,000
1-233 Old Donation Center Modernization	-	-	-	-	1,000,000	-	-	1,000,000
1-234 Virginia Beach Middle School Replacement	-	2,034,000	-	383,000	5,380,220	35,323,857	8,457,746	51,578,823
1-235 Windsor Oaks Elementary School Replacement	-	-	-	379,001	5,649,070	4,387,000	6,636,308	17,051,379
1-241 High School Education Specifications	150,000	-	-	-	-	-	-	150,000
Project Category	School Reversion	City Fund Balance	City Operating Budget	State Grant	State Lottery Funds	Charter Bonds	Future Funding Needs	Total Funding
GRAND TOTAL (all projects)	\$ 73,511,171	\$ 38,054,266	\$ 6,094,512	\$ 18,214,017	\$ 99,061,313	\$ 279,606,169	\$ 130,335,629	\$ 644,877,077

Table 3 - Estimated Impact on the Operating Budget

Project Category	Estimated Impact on Operating Budget						
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	Estimated Impact
1-018 Newtown Road Elementary School Replacement	\$ -	\$ -	\$ 57,962	\$ 59,701	\$ 61,492	\$ 63,337	\$ 242,492
1-019 Great Neck Middle School Replacement	-	-	-	59,701	61,492	63,337	184,530
1-026 College Park Elementary School Modernization	-	-	-	59,701	61,492	63,337	184,530
1-078 Pupil Transportation Services Maintenance Facility	-	-	57,962	59,701	61,492	63,337	242,492
1-085 Renaissance Academy	-	-	57,962	59,701	61,492	63,337	242,492
1-234 Virginia Beach Middle School Replacement	-	-	-	59,701	61,492	63,337	184,530
1-235 Windsor Oaks Elementary School Replacement	-	-	57,962	59,701	61,492	63,337	242,492
Project Category	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Estimated Impact
GRAND TOTAL (all projects)	\$ -	\$ -	\$ 231,848	\$ 417,907	\$ 430,444	\$ 443,359	\$ 1,523,558

Source: City Office of Management Services, Virginia Beach, Virginia

A Snapshot of Virginia Beach City Public Schools' Outcome

Our Record of Excellence

- One hundred percent of testing schools earned full state Standards of Learning (SOL) accreditation for three consecutive years.
- The Virginia Beach school division achieved Adequate Yearly Progress (AYP) for the third year in a row.
- Virginia Beach City Public Schools is the recipient of the *Medallion of Excellence*, a U.S. Senate Productivity Award for commitment to continued process improvement and organizational effectiveness.
- Point O'View Elementary School was named *2006/07 Year-Round School of Merit* by the National Association of Year-Round Education. Only two elementary schools in the nation earned this designation.
- VBCPS is the only division in Hampton Roads to offer Arabic, Japanese, and Mandarin Chinese as foreign language electives.
- Creeds Elementary School was named *a 2006 Inviting School* by the International Alliance for Invitational Education. Creeds Elementary School is one of five schools and districts in the United States to receive this honor.
- Six of the district's high schools-Princess Anne, First Colonial, Ocean Lakes, Salem, Kempsville, and Cox High School were named in *Newsweek* magazine's annual listing of top high schools in the country.
- Five schools (Brandon Middle, Brookwood Elementary, Cox High, Landstown Middle, and Thalia Elementary) were recognized by *Standard & Poor's* for making significant strides in closing achievement gaps.
- Plaza Elementary and Windsor Oaks Elementary were selected as *Title I Distinguished Schools* by the Virginia Department of Education for raising academic achievement of economically disadvantaged students while exceeding state and federal accreditation standards.
- Technical and Career Education students earned a record 3,130 industry certifications in FY 2006-07, up approximately 54 percent from the previous year, and nearly 153 percent since 2003-04.
- VBCPS is the recipient of the 2007 *Virginia Recycling Association Award for Excellence* in the Government/Nonprofit category, collecting 1,038,000 pounds of recyclable materials in school year 2006-2007.
- The school division's award-winning Web site, *vbschools.com*, averaged almost 300,000 unique visitors per month during school year 2006/07.
- The Department of Curriculum and Instruction's Office of Gifted Education earned an honorable mention in the *American School Board Journal's 2006 Magna Award* program for SAPLINGS (Students and Parents Learning Intellectual Growth Strategies).
- The Department of Budget and Finance was awarded a *Distinguished Budget Presentation Award* by the Government Finance Officers Association (GFOA) for FY ending June 20, 2007.
- Virginia Beach Schools Education Foundation awarded more than \$111,000 in teacher and school-wide grants to support innovative classroom initiatives.
- The Department of Budget and Finance was awarded the *Meritorious Budget Award* by the Association of School Business Officials International (ASBO).
- VBCPS was recognized as a District of Excellence by the School Nutrition Association.
- VBCPS is the recipient of the *National School Public Relations Association's Gold Medal* in recognition of the division's Military Child Initiative.

A Snapshot of Virginia Beach City Public Schools' Outcome

Our Record of Excellence

Data-Driven Curriculum

	2004/05	2005/06	2006/07
Number of Schools Making Adequate Yearly Progress (AYP)	76	76	73
Percentage of Schools Fully Accredited	100%	100%	100%
Graduation Rate Percentage	82.47%	82.71%	82.68%
Dropout Rate Percentage	1.29%	1.22%	1.15%
Percentage of Graduates Continuing Education	84.4%	84.4%	84.9%
Percentage of Graduates Receiving an Advanced Studies Diploma	49.7%	50.3%	50.8%
Number of Advanced Placement Exams Taken	4,839	5,319	5,509
Percentage of Advanced Placement Exams with a Score of 3 or Higher	66%	62%	65%
SAT Reasoning Test Average Critical Reading Score	506	497	496
SAT Reasoning Test Average Math Score	504	505	504
ACT Composite Score	21.1	20.8	21.0
SAT 10 (Battery Totals) Analysis of Percentile Ranks Grade 4	62	61	61
SAT 10 (Battery Totals) Analysis of Percentile Ranks Grade 6	66	65	67
SAT 10 (Battery Totals) Analysis of Percentile Ranks Grade 9	59	59	58
English SOL Performance (Percentage of students K-12 passing)	86%	88%	89%
Mathematics SOL Performance (Percentage of students K-12 passing)	88%	80%	85%
Science SOL Performance (Percentage of students K-12 passing)	88%	89%	91%
Attendance Rates	95.4%	95.4%	95.4%
Scholarships Accepted by Graduates	\$13,630,720	\$22,129,536	\$19,648,113

**SOL Accreditation for FY 2006/07 is 100%.

Integrated Technology

	2004/05	2005/06	2006/07
Ratio of Students to Instructional Computers	2.9:1	2.6:1	2.3:1
Number of Schools with Distance Learning Classes (sending)	37	39	47

Community Involvement

	2004/05	2005/06	2006/07
PTA Membership	42,732	44,123	43,339
Number of Volunteers in Education	20,000	20,950	21,585
Number of Partners in Education	2,031	2,141	2,217

SCHOOL BOARD / CITY OF VIRGINIA BEACH

MISCELLANEOUS SCHOOL AND CITY STATISTICAL DATA

DATE OF INCORPORATION	JANUARY 1, 1963
FORM OF GOVERNMENT	COUNCIL - MANAGER
SCHOOL BOARD MEMBERS	11

Area - Square Miles	Land (248) / Water (59).....	307
Education		
Elementary Schools		56
Middle Schools		13
High Schools		11
Auxiliary Schools		8
School Buses, September 2007		757
Parks and Recreation		
Signature Parks - All Developed	(>100 acres)	2
Metro Parks - All Developed	(50.1 to 100 acres)	5
Community Parks - Developed	(15 to 50 acres)	8
Community Parks - Under Development		2
Community Parks - Future Development		2
Neighborhood Parks - Developed	(.25 to 15 acres)	182
Resort Area Parks - Developed		3
Resort Area/Beachfront Playgrounds		2
Natural Resources Areas		3
General Open Space		59
Special Use Sites (a).....		12
Park Acres - Developed & Undeveloped (b)		4,380
Golf Courses (c)		5
Recreation Centers - Developed		6
Recreation Centers - Undeveloped/Under Design		1
Linkages (Cape Henry and Norfolk Ave. Trails)		2
Skate Parks (d)		2
Population		
Census 1970		172,106
Census 1980		262,199
Census 1990		393,069
Census 2000		425,257
2007 Estimate		439,907
Total Assessed Value		
2004		\$ 27,133,441,185
2005		\$ 30,790,612,241
2006		\$ 37,736,596,883
2007.....		\$ 45,494,119,241
2008.....		\$ *
Real Estate Tax Rate per \$100 of assessed value		
2003-04		\$ 1.22
2004-05		\$ 1.1964
2005-06		\$ 1.0239
2006-07		\$.99
2007-08		\$.89
2008-09		\$.89
Real Estate Tax Collection		
2004		\$ 326,074,713
2005		\$ 362,347,945
2006		\$ 377,664,464
2007		\$ 441,312,070
2008 <i>projected</i>		\$ 469,574,581

- (a) Special Use Sites include non-motorized watercraft access sites, city marina, boat ramps, Sportsplex, Princess Anne Athletic Complex, Hampton Roads Soccer Complex (City-owned, but leased), Owl Creek Tennis Center, and the Field Hockey National Training Center
- (b) Includes Signature, Metro, Community, Neighborhood Parks, Special Use Sites as well as General Open Space and Natural Resource Areas
- (c) Includes three (3) City-owned/operated courses, and (2) City-leased golf courses, including recently acquired Virginia Beach National Golf Course/leased First Tee site
- (d) Facilities located in existing parks, already accounted for above
- * Data will be available Fall 2008

Source: Virginia Beach Economic Development, February 2008
Parks and Recreation, City of Virginia Beach, February 2008
City of Virginia Beach Resource Management Plan, City of Virginia Beach, Fiscal Year 2007/08

SCHOOL BOARD / CITY OF VIRGINIA BEACH

MISCELLANEOUS SCHOOL AND CITY STATISTICAL DATA

Ratio of Outstanding General Bonded Debt by Type – City of Virginia Beach

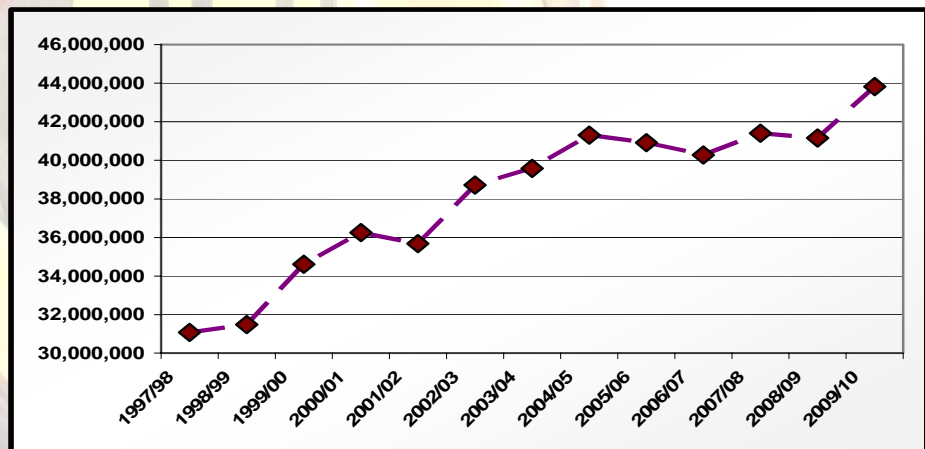
FISCAL YEAR	GENERAL OBLIGATION BONDS	STATE LITERARY FUND LOANS	TOTAL	PERCENTAGE OF ESTIMATED ACTUAL FULL VALUE OF PROPERTY	OVERALL NET DEBT PER CAPITA
2002	\$ 548,541,643	\$ 16,415,546	\$ 564,957,189	2.1%	\$ 1,428
2003	549,108,352	15,059,046	564,167,398	1.9%	1,418
2004	560,920,130	13,702,546	574,622,676	1.8%	1,814
2005	507,825,172	12,446,046	520,271,218	1.5%	1,894
2006	537,412,163	11,189,546	548,601,709	1.3%	1,937
2007	562,335,734	9,933,046	572,268,780	1.1%	2,197

Source: Comprehensive Annual Financial Report, Virginia Beach City Public Schools, June 2007

Debt Service

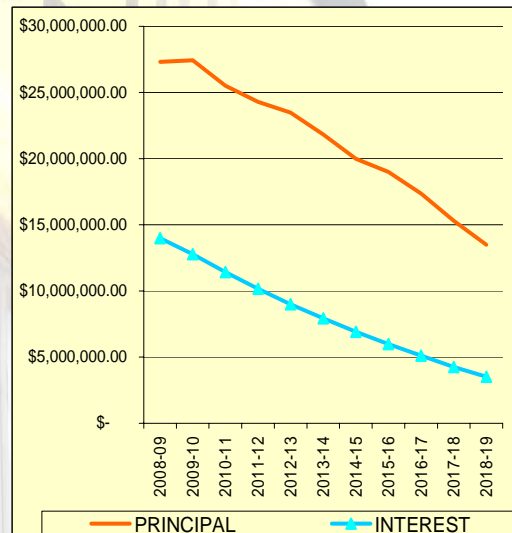
Budgeted

Fiscal Year	Debt Service
1997/98	31,079,628
1998/99	31,481,013
1999/00	34,607,610
2000/01	36,248,916
2001/02	35,688,677
2002/03	38,712,634
2003/04	39,582,583
2004/05	41,303,652
2005/06	40,912,433
2006/07	40,282,967
2007/08	41,402,094
2008/09	41,154,429
2009/10	43,831,667



Current and Future Obligations

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2008-09	\$ 27,314,351.99	\$ 13,998,241.98	\$ 41,312,593.97
2009-10	27,429,446.99	12,768,184.46	40,197,631.45
2010-11	25,513,492.00	11,422,086.75	36,935,578.75
2011-12	24,296,923.50	10,173,973.71	34,470,897.21
2012-13	23,472,574.50	8,993,553.56	32,466,128.06
2013-14	21,832,966.00	7,920,213.96	29,753,179.96
2014-15	19,985,277.00	6,925,348.42	26,910,625.42
2015-16	18,997,532.00	5,979,108.22	24,976,640.22
2016-17	17,360,212.00	5,105,094.29	22,465,306.29
2017-18	15,307,405.00	4,259,322.75	19,566,727.75
2018-19	13,507,581.00	3,521,841.24	17,029,422.24
2019-20	13,485,562.50	2,895,498.32	16,381,060.82
2020-21	11,299,440.00	2,272,506.44	13,571,946.44
2021-22	9,624,250.00	1,756,101.94	11,380,351.94
2022-23	7,498,800.00	1,311,071.62	8,809,871.62
2023-24	6,093,550.00	964,245.50	7,057,795.50
2024-25	6,093,550.00	677,542.75	6,771,092.75
2025-26	5,066,550.00	424,425.00	5,490,975.00
2026-27	4,077,750.00	202,020.00	4,279,770.00
2027-28	2,310,750.00	57,768.75	2,368,518.75
Totals	\$ 300,567,964.48	\$ 101,628,149.66	\$ 402,196,114.14



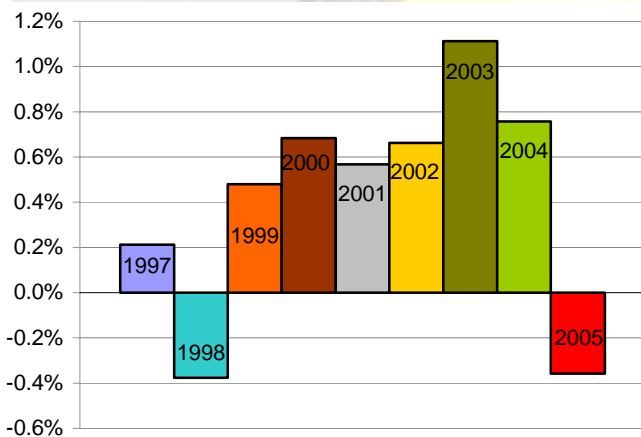
SCHOOL BOARD / CITY OF VIRGINIA BEACH

DEMOGRAPHIC STATISTICS OF THE CITY OF VIRGINIA BEACH

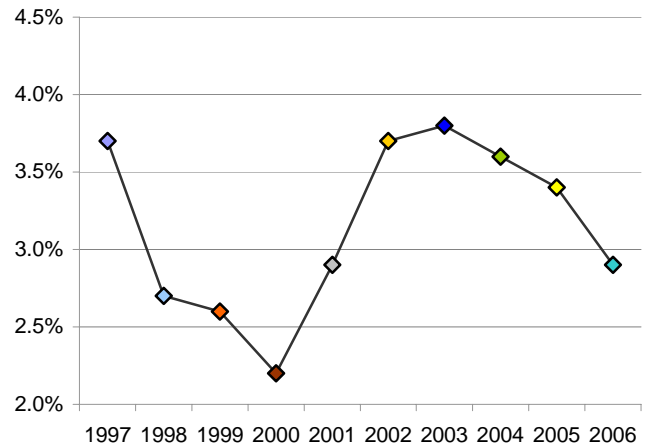
LAST TEN FISCAL YEARS

Fiscal Year	Population (a)	Per Capita Income (b)	Median Age (c)	Education Level in Years of Formal Schooling (c)	Unemployment Rate National (d)	Local
1997	421,938	26,015	29.0	13.9	4.9%	3.7%
1998	420,351	27,461	29.0	13.7	4.5%	2.7%
1999	422,369	28,642	29.0	13.9	4.2%	2.6%
2000	425,257	30,117	32.0	14.1	4.0%	2.2%
2001	427,672	31,171	32.3	13.7	4.7%	2.9%
2002	430,503	32,367	32.7	13.7	5.8%	3.7%
2003	435,293	34,092	33.8	12.7	6.0%	3.8%
2004	438,591	36,009	34.2	13.3	5.5%	3.6%
2005	437,021	37,839	34.4	13.6	5.1%	3.4%
2006	435,619	-	34.7	13.5	4.6%	2.9%

POPULATION -
PERCENTAGE OF CHANGE (a)



UNEMPLOYMENT RATE -
LOCAL (d)



Source: (a) Real Estate Center, May 2007
 (b) U. S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, July 2007
 (c) Comprehensive Annual Financial Report, Virginia Beach City Public Schools, June 2006
 (d) Virginia Employment Commission, May 2007

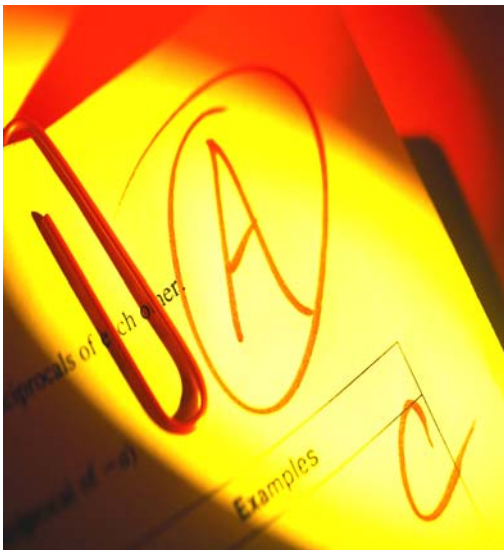
Division Characteristics

Public Education Facilities / Programs

Virginia Beach Public Schools (VBCPS) is the second largest school system in the Commonwealth of Virginia with approximately 71,000 students, eighty schools, eight city-wide centers, and over 10,000 full-time employees. VBCPS offers specialized programs for students with disabilities, educational programs for students who may need the support associated with alternative educational settings, and academy programs to challenge and engage students with differentiated interest-based opportunities. Our teachers, administrators, and support personnel are dedicated to our mission: "to ensure that each student is empowered with the knowledge and skills necessary to meet the challenges of the future."

Schools

- 56 Elementary Schools
- 13 Middle Schools
- 11 Senior High Schools



Academies

- Global Studies and World Language Academy ⁽¹⁾
- Health Sciences Academy ⁽²⁾
- International Baccalaureate Academy ⁽³⁾
- Legal Studies Academy ⁽⁴⁾
- Mathematics and Sciences Academy ⁽⁵⁾
- Middle Years Program IB ⁽⁶⁾
- Technology Academy ⁽⁷⁾
- Visual and Performing Arts Academy ⁽⁸⁾

Citywide Centers

- Adult Learning Center
- Advanced Technology Center
- Center for Effective Learning
- Kemps Landing Magnet School
- Old Donation Center for the Gifted and Talented
- Open Campus
- Technical & Career Education Center
- Virginia Beach Central Academy

(1) Located in Tallwood High School

(2) Located in Bayside High School

(3) Located in Princess Anne High School

(4) Located in First Colonial High School

(5) Located in Ocean Lakes High School

(6) Located in Plaza Middle School

(7) Located in Landstown High School

(8) Located in Salem High School

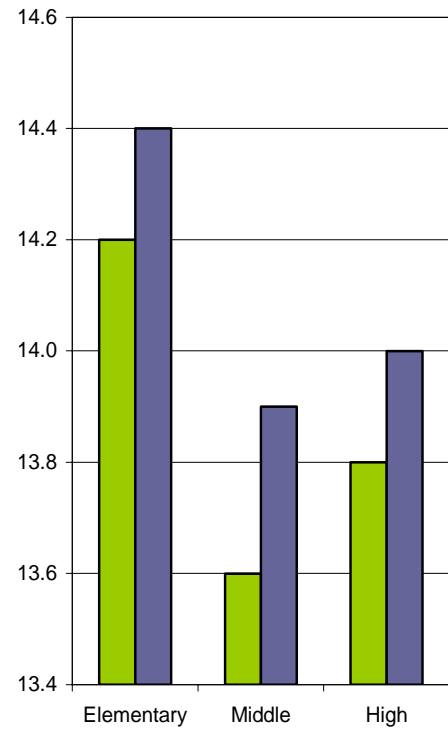
Division Characteristics

Instructional Staff

2005/06

	Division			State
	Elementary	Middle	High	
Female	92.4%	75.9%	65.7%	*
Male	7.6%	24.1%	34.3%	*
Average Years of Teaching Experience	14.2	13.6	13.8	*
Percentage with Graduate Degrees	46.4%	48.1%	46.3%	*
Percentage New to the System	7.8%	7.0%	8.8%	*
Percentage of Core Courses Not Taught by Highly Qualified Teachers the Previous Fiscal Year	5.6% Entire Division			4.4%
Percentage of Teachers with Provisional Credentials the Previous Fiscal Year	4.5% Entire Division			7.1%

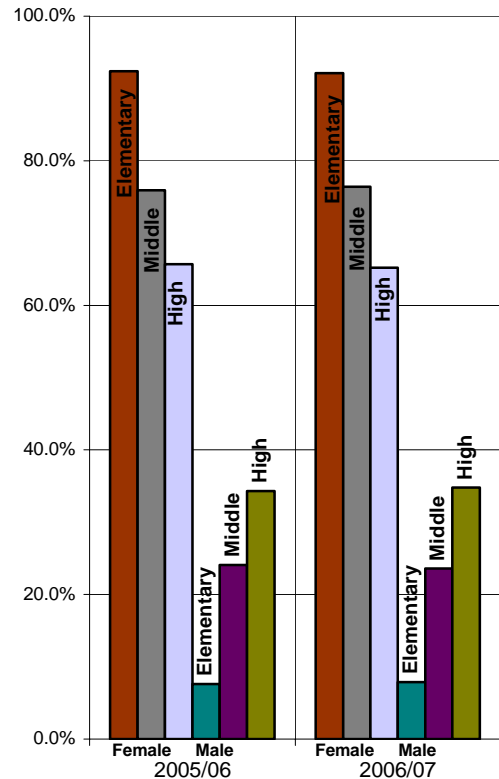
Compare 2005/06 to 2006/07
Average Years of Teaching Experience



2006/07

	Division			State
	Elementary	Middle	High	
Female	92.1%	76.4%	65.2%	*
Male	7.9%	23.6%	34.8%	*
Average Years of Teaching Experience	14.4	13.9	14.0	*
Percentage with Graduate Degrees	47.0%	50.1%	46.3%	*
Percentage New to the System	6.7%	6.2%	6.6%	*
Percentage of Core Courses Not Taught by Highly Qualified Teachers the Previous Fiscal Year	6% Entire Division			5.0%
Percentage of Teachers with Provisional Credentials the Previous Fiscal Year	5% Entire Division			7.0%

Compare 2005/06 to 2006/07
Gender Percent by School Level



Source: Annual School Report Card, Issued 2006/07, Research, Evaluation, and Assessment, Virginia Beach City Public Schools

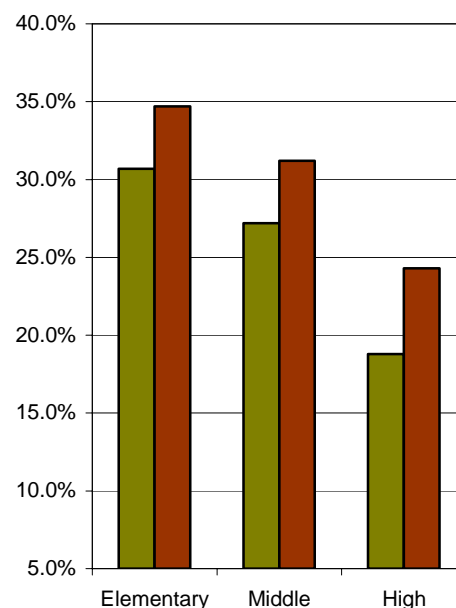
Division Characteristics

Students

2005/06

	Division		
	Elementary	Middle	High
Female	48.9%	48.6%	49.4%
Male	51.1%	51.4%	50.6%
Economically Disadvantaged	30.7%	27.2%	18.8%
Gifted	8.2%	14.3%	12.9%
Limited English Proficiency	2.1%	2.0%	0.9%
Migrant	2.0%	0.0%	0.0%
Special Education	11.9%	13.3%	11.1%

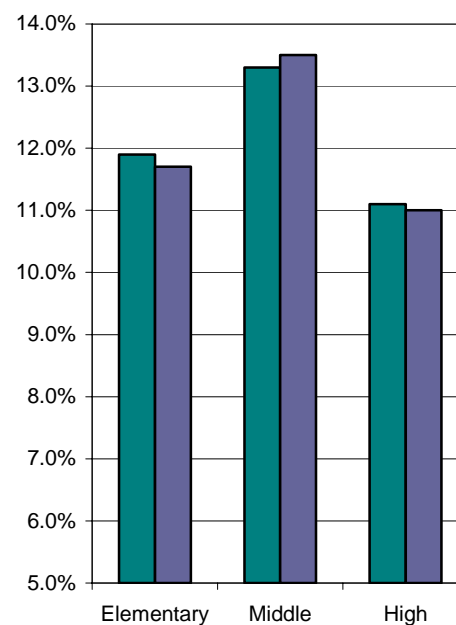
Compare 2005/06 to 2006/07
Economically Disadvantaged



2006/07

	Division		
	Elementary	Middle	High
Female	49.1%	48.7%	49.4%
Male	50.9%	51.3%	50.6%
Economically Disadvantaged	34.7%	31.2%	24.3%
Gifted	8.6%	15.3%	13.8%
Limited English Proficiency	2.1%	1.9%	0.9%
Migrant	0.0%	0.0%	0.0%
Special Education	11.7%	13.5%	11.0%

Compare 2005/06 to 2006/07
Special Education



Source: Annual School Report Card, Issued 2006/07, Research, Evaluation, and Assessment, Virginia Beach City Public Schools

Division Characteristics

September 30th Student Membership by Grade Level FY 2004/05 - 2015/16

Historical Membership					Final Projected Membership							
ELEMENTARY												
Grade	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
K	4,846	4,904	4,705	4,584	4,777	5,004	4,802	4,940	4,928	4,966	5,003	5,041
1	5,501	5,400	5,395	5,395	5,164	5,450	5,655	5,426	5,582	5,569	5,611	5,654
2	5,533	5,374	5,250	5,347	5,335	5,145	5,396	5,598	5,372	5,526	5,513	5,555
3	5,446	5,466	5,312	5,185	5,314	5,302	5,093	5,342	5,542	5,318	5,471	5,458
4	5,681	5,425	5,399	5,295	5,192	5,271	5,276	5,068	5,315	5,515	5,292	5,444
5	5,814	5,606	5,318	5,357	5,258	5,104	5,210	5,215	5,009	5,253	5,450	5,230
Total	32,821	32,175	31,379	31,163	31,039	31,277	31,431	31,588	31,748	32,147	32,341	32,382
Change	-608	-646	-796	-216	-124	237	154	157	160	399	194	41
% Change	-1.82%	-1.97%	-2.47%	-0.69%	-0.40%	0.76%	0.49%	0.50%	0.51%	1.26%	0.60%	0.13%
MIDDLE												
6	6,000	5,851	5,519	5,379	5,437	5,304	5,155	5,262	5,267	5,059	5,306	5,505
7	6,233	5,854	5,794	5,481	5,342	5,402	5,251	5,104	5,209	5,214	5,008	5,253
8	6,123	6,108	5,708	5,761	5,429	5,277	5,348	5,198	5,053	5,157	5,162	4,958
Total	18,356	17,813	17,021	16,621	16,208	15,982	15,754	15,564	15,529	15,431	15,476	15,716
Change	-510	-543	-792	-400	-413	-226	-228	-190	-35	-98	46	240
% Change	-2.70%	-2.96%	-4.45%	-2.35%	-2.48%	-1.39%	-1.43%	-1.20%	-0.23%	-0.63%	0.30%	1.55%
HIGH												
9	7,132	6,761	6,705	6,515	6,487	6,091	5,936	6,016	5,848	5,684	5,802	5,807
10	5,972	6,148	5,925	5,842	5,700	5,630	5,330	5,194	5,264	5,117	4,974	5,077
11	5,544	5,611	5,605	5,447	5,389	5,276	5,152	4,877	4,753	4,817	4,682	4,551
12	4,826	4,940	5,086	5,094	4,947	4,863	4,785	4,673	4,423	4,311	4,369	4,247
Total	23,474	23,460	23,321	22,898	22,524	21,860	21,203	20,760	20,288	19,929	19,827	19,682
Change	271	-14	-139	-423	-374	-664	-657	-443	-471	-359	-102	-145
% Change	1.17%	-0.06%	-0.59%	-1.81%	-1.63%	-2.95%	-3.00%	-2.09%	-2.27%	-1.77%	-0.51%	-0.73%
DIVISION												
Total	74,651	73,448	71,721	70,682	69,771	69,118	68,388	67,912	67,565	67,506	67,644	67,780
Change	-847	-1,203	-1,727	-1,039	-911	-653	-731	-476	-347	-59	138	136
% Change	-1.12%	-1.61%	-2.35%	-1.45%	-1.29%	-0.94%	-1.06%	-0.70%	-0.51%	-0.09%	0.20%	0.20%

Due to rounding, totals may fluctuate.

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), detailed analysis of residential housing trends, Virginia Beach resident birth rates, and other available data that may impact student enrollment.

- (1) The potential transfer of the Navy's Master Jet Base and related support activities from the Oceana Naval Air Station were not taken into account in projections in the development of the biennial budget.
- (2) The above chart reflects an eight-year span of historical and projected student enrollment by school level. Although not shown in the above chart, Virginia Beach City Public Schools' enrollment has been declining since FY 1999 and it is projected to continue to decline through FY 2013/14.

Source: Facilities Planning and Construction, Demographics and Planning, Virginia Beach City Public Schools, January 2008

Division Characteristics

Student Characteristics Students - Grades K-12

	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08
September 30 Membership	75,459	74,682	73,454	71,752	70,708
African American	28.5%	28.2%	27.6%	27.4%	27.5%
Caucasian	60.1%	59.2%	57.7%	57.2%	56.3%
Hispanic	4.6%	4.8%	5.1%	5.4%	5.7%
Native American	30.0%	30.0%	0.4%	0.4%	0.4%
Asian	5.7%	5.9%	5.6%	5.5%	5.7%
Native Hawaiian/Pacific Islander			70.0%	80.0%	0.8%
Unspecified Ethnicity	80.0%	1.6%	3.0%	3.3%	3.6%
Female	49.0%	49.0%	49.0%	49.1%	49.1%
Male	51.0%	51.0%	51.0%	50.9%	50.9%
Economically Disadvantaged*	30.7%	26.0%	25.9%	30.2%	26.5%
Gifted	10.7%	11.0%	11.2%	11.9%	12.1%
Limited English Proficiency	1.1%	1.5%	1.7%	1.7%	1.7%
Migrant	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Students with Disabilities	11.8%	11.4%	12.0%	11.9%	11.7%

Source: Research, Evaluation, and Assessment, Virginia Beach City Public Schools, July 2008

Parent - Student Satisfaction Results

Parents and Students have VOICE

Strong parental support and student involvement is essential to a successful education program and its environment. Virginia Beach City Public Schools requests the participation of parents and students to complete an Annual School Climate Survey. Perceptions of the learning atmosphere within our schools are gathered and evaluated. This study is used to help the school division plan for continuous improvement.

We are proud of the achievements of our school division and in order to continue this success, we are constantly seeking ways to improve the service we offer to our parents and students.

FY 2006/07 Results

Parents Response

	Elementary	Middle	High
Schools Provide Students with a High-Quality Education	96.7%	91.1%	90.5%
Schools Encourage Parental Involvement in Their Child's Learning	98.4%	85.2%	79.8%
Schools Provide a Safe and Orderly Place for Students to Learn	99.1%	90.9%	89.8%
Schools Respect Diversity and Welcomes All Cultures	97.8%	94.3%	91.6%

Students Response

	Elementary	Middle	High
Schools Provide Students with a High-Quality Education	95.4%	81.3%	87.6%
Schools Encourage Parental Involvement in Their Child's Learning	86.1%	58.9%	55.4%
Schools Provide a Safe and Orderly Place for Students to Learn	92.8%	67.1%	87.4%
Schools Respects Diversity and Welcomes All Cultures	94.7%	78.8%	84.6%

Making a Good School Better

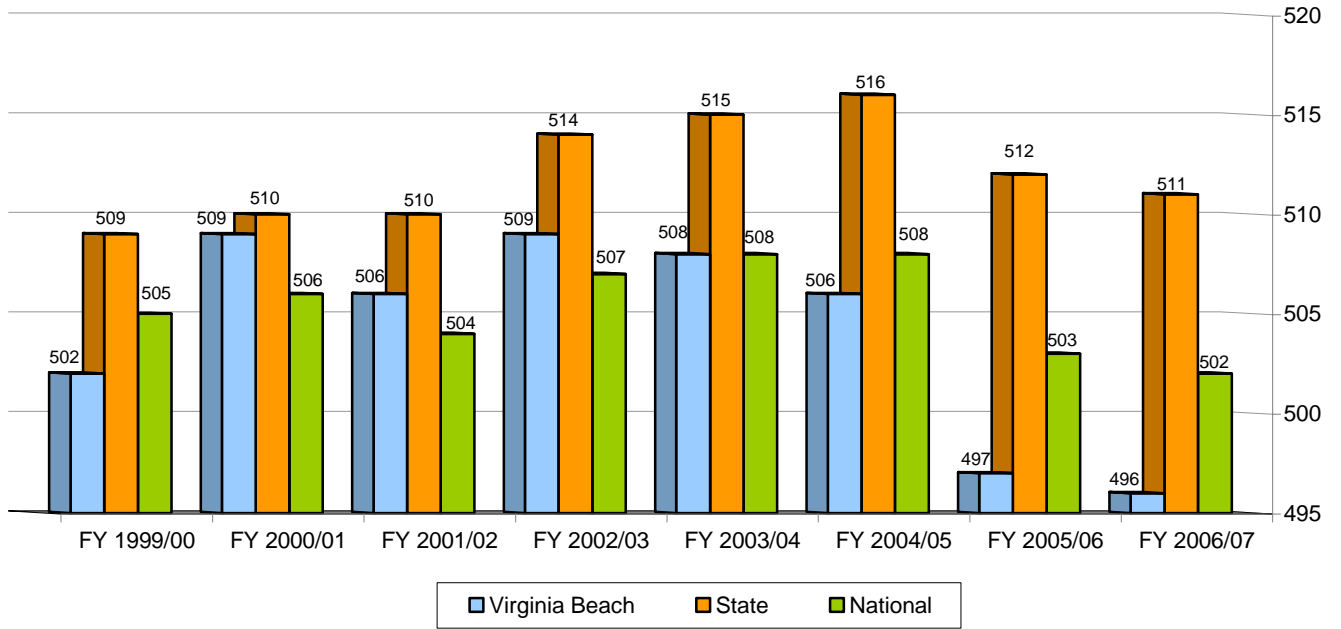


* The Annual School Climate Survey commenced in FY 2006/07

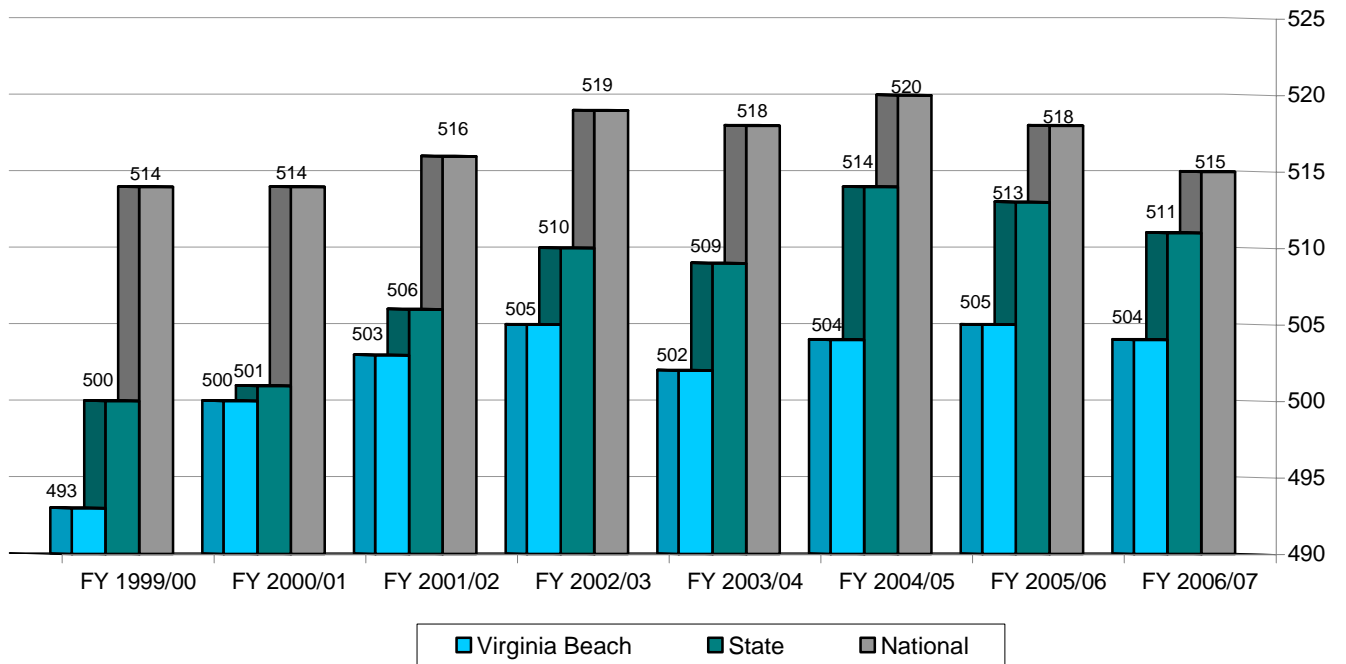
** Results for FY 2007/08 will be available August 2008

Scholastic Assessment Test (SAT)

Verbal Mean Scores



Math Mean Scores



Source: Research, Evaluation, and Assessment, Virginia Beach City Public Schools, January 2008

Stanford Achievement Test Series, 10th Edition

The Stanford 10 is a nationally norm-referenced test designed to compare the achievement of students with other students throughout the country.

Division Summary	Reading											
	Word Study Skills			Reading Vocabulary			Reading Comprehension			Total Reading		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	51	54	56	50	49	51	69	70	71	58	59	61
Female	52	57	59	50	50	53	73	73	75	60	62	64
Male	50	52	52	50	48	49	65	66	66	56	57	57
American Indian	57	33	53	49	37	46	61	50	70	53	39	58
Asian	62	63	65	53	54	54	74	73	75	65	66	67
African American	38	43	43	38	37	39	54	54	55	43	44	45
Caucasian	56	59	60	57	54	57	76	77	76	65	66	67
Hispanic	45	51	52	43	44	48	62	64	68	51	54	57
Hawaiian/Pacific Islander	<	51	72	<	45	58	<	63	78	<	54	72
Unspecified	52	56	61	48	52	54	70	69	78	59	60	67
Economically Disadvantaged	40	45	46	39	39	40	55	57	58	44	47	48
Limited English Proficiency	37	*	41	32	*	29	51	*	48	39	*	37
Students with Disabilities	21	23	23	24	22	23	37	36	36	26	26	26

Division Summary	Language											
	Prewriting			Composing			Editing			Total Language		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	69	66	64	67	67	63	56	54	50	70	69	64
Female	71	68	67	71	71	68	61	59	56	74	72	70
Male	66	64	60	63	64	58	52	50	44	66	65	59
American Indian	74	37	61	52	47	64	56	37	47	66	43	62
Asian	74	72	74	71	74	70	68	67	61	77	78	75
African American	55	54	52	53	55	50	47	45	40	57	56	50
Caucasian	74	71	68	73	73	68	60	58	54	76	74	70
Hispanic	63	61	59	60	62	59	52	51	48	64	63	61
Hawaiian/Pacific Islander	<	51	69	<	54	69	<	50	62	<	55	73
Unspecified	65	65	67	64	64	64	53	55	53	67	68	67
Economically Disadvantaged	57	56	54	54	57	52	47	45	39	57	57	52
Limited English Proficiency	59	*	47	56	*	39	44	*	35	58	*	44
Students with Disabilities	44	44	39	44	46	39	32	30	24	42	42	36

Division Summary	Mathematics								
	Problem Solving			Procedures			Total Mathematics		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	61	61	60	65	58	60	63	59	60
Female	60	59	59	67	59	62	63	59	60
Male	63	63	61	63	57	58	62	59	59
American Indian	65	44	58	69	40	58	66	40	57
Asian	71	70	67	79	73	74	76	71	70
African American	44	44	44	53	48	49	47	44	45
Caucasian	69	68	67	68	62	63	69	65	65
Hispanic	53	55	56	59	54	59	55	53	57
Hawaiian/Pacific Islander	<	54	70	<	53	70	<	53	70
Unspecified	61	63	64	68	60	66	64	61	65
Economically Disadvantaged	47	49	48	53	49	50	49	48	48
Limited English Proficiency	51	*	44	64	*	55	56	*	47
Students with Disabilities	35	35	33	40	37	34	36	34	32

Division Summary	Battery Totals		
	Partial Battery		
	2004	2005	2006
All Students	62	61	61
Female	63	62	63
Male	60	59	58
American Indian	61	42	58
Asian	70	69	69
African American	48	47	47
Caucasian	68	66	66
Hispanic	55	56	58
Hawaiian/Pacific Islander	<	54	70
Unspecified	62	61	66
Economically Disadvantaged	49	50	50
Limited English Proficiency	50	*	44
Students with Disabilities	34	33	31

SECEP students are not included.

*Not Available

<Data not reported for less than 10 students

©Department of Research, Evaluation, and Assessment, Virginia Beach City Public Schools

Source: Research, Evaluation, and Assessment, Virginia Beach City Public Schools, March 2008

Stanford Achievement Test Series, 10th Edition

Stanford 10 - Grade 6 Analysis of Percentile Ranks by Student Subgroups

Division Summary	Reading								
	Reading Vocabulary			Reading Comprehension			Total Reading		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	56	57	60	61	61	63	59	60	62
Female	57	58	61	65	65	67	62	63	65
Male	55	56	59	57	57	60	56	56	60
American Indian	74	59	65	74	63	67	74	62	67
Asian	64	66	68	68	67	70	67	67	70
African American	39	42	43	45	47	49	42	44	46
Caucasian	64	64	67	68	68	70	67	67	69
Hispanic	47	50	53	55	52	56	51	51	54
Hawaiian/Pacific Islander	<	61	67	<	69	69	<	66	69
Unspecified	51	57	61	56	58	64	54	57	63
Economically Disadvantaged	41	41	45	47	48	52	44	44	48
Limited English Proficiency	27	*	43	35	*	49	30	*	46
Students with Disabilities	25	24	27	30	28	30	26	24	27

Division Summary	Language											
	Prewriting			Composing			Editing			Total Language		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	64	64	65	64	63	65	70	67	68	69	68	69
Female	68	68	69	68	68	69	75	73	73	74	73	74
Male	60	60	61	60	58	61	64	61	63	64	62	65
American Indian	64	70	75	55	60	66	60	74	74	60	71	76
Asian	71	71	72	72	73	75	81	82	80	79	80	81
African American	52	53	55	54	54	55	58	57	57	56	56	58
Caucasian	70	68	69	68	67	69	74	71	72	74	73	73
Hispanic	61	59	61	61	54	61	67	59	66	66	60	66
Hawaiian/Pacific Islander	<	71	68	<	73	75	<	72	78	<	76	80
Unspecified	61	62	67	54	61	66	65	68	72	62	67	73
Economically Disadvantaged	53	54	55	54	52	56	59	57	59	57	56	59
Limited English Proficiency	45	*	49	42	*	59	57	*	63	50	*	59
Students with Disabilities	35	32	34	37	32	33	41	36	37	38	33	34

Division Summary	Mathematics								
	Problem Solving			Procedures			Total Mathematics		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	74	73	75	70	66	69	73	71	73
Female	74	73	74	72	69	70	74	72	73
Male	74	74	76	68	63	67	72	70	73
American Indian	79	82	82	71	76	72	77	81	79
Asian	85	85	86	85	82	84	86	85	86
African American	54	55	57	56	52	56	55	53	56
Caucasian	81	80	81	75	71	73	80	77	79
Hispanic	67	66	70	66	59	64	67	63	68
Hawaiian/Pacific Islander	<	81	80	<	69	74	<	77	78
Unspecified	70	73	75	68	66	70	70	71	73
Economically Disadvantaged	58	59	62	57	55	57	58	57	60
Limited English Proficiency	58	*	63	70	*	63	63	*	64
Students with Disabilities	40	35	37	38	31	34	38	32	34

Division Summary	Battery Totals		
	Partial Battery		
	2004	2005	2006
All Students	66	65	67
Female	69	68	69
Male	64	63	66
American Indian	72	71	73
Asian	77	77	78
African American	51	51	53
Caucasian	73	72	73
Hispanic	61	58	62
Hawaiian/Pacific Islander	<	72	74
Unspecified	62	65	69
Economically Disadvantaged	52	52	55
Limited English Proficiency	49	*	56
Students with Disabilities	34	30	33

SECEP students are not included.

*Not Available

<Data not reported for less than 10 students

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Stanford Achievement Test Series, 10th Edition

Stanford 10 - Grade 9 Analysis of Percentile Ranks by Student Subgroups

Division Summary	Reading								
	Reading Vocabulary			Reading Comprehension			Total Reading		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	56	57	55	60	62	60	59	60	58
Female	55	54	52	65	65	63	62	62	60
Male	57	59	57	56	58	56	57	59	57
American Indian	70	66	51	61	53	53	67	60	54
Asian	59	61	59	67	67	65	65	66	64
African American	41	42	40	45	48	45	43	45	42
Caucasian	64	63	62	67	67	67	67	67	66
Hispanic	48	51	46	53	58	55	51	55	51
Hawaiian/Pacific Islander	<	55	59	<	66	63	<	62	63
Unspecified	55	61	60	63	66	64	61	65	64
Economically Disadvantaged	41	44	39	46	50	46	43	46	42
Limited English Proficiency	17	*	19	26	*	30	20	*	23
Students with Disabilities	30	28	25	29	32	27	27	28	24

Division Summary	Language											
	Prewriting			Composing			Editing			Total Language		
	2004	2005	2006	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	59	60	59	58	58	58	55	55	55	61	61	60
Female	67	65	65	66	65	64	63	63	61	69	68	67
Male	52	55	54	50	52	51	48	48	49	52	54	54
American Indian	61	59	61	63	51	55	59	54	54	67	56	60
Asian	66	68	65	68	69	66	69	66	66	72	72	70
African American	48	49	48	44	44	45	44	45	43	46	47	46
Caucasian	65	65	65	64	63	64	60	59	60	67	66	67
Hispanic	53	56	55	54	57	47	53	55	50	56	59	52
Hawaiian/Pacific Islander	<	69	65	<	62	66	<	61	61	<	69	68
Unspecified	54	63	61	54	63	61	54	59	57	57	65	63
Economically Disadvantaged	45	50	44	44	47	42	44	46	41	45	49	43
Limited English Proficiency	31	*	37	29	*	51	40	*	42	33	*	44
Students with Disabilities	29	30	26	26	26	24	28	29	25	27	27	24

Division Summary	Mathematics								
	Problem Solving			Procedures			Total Mathematics		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
All Students	66	66	67	50	46	45	60	58	59
Female	67	67	67	51	45	45	62	59	59
Male	65	66	66	48	45	45	59	58	58
American Indian	68	69	54	54	49	40	67	61	48
Asian	80	79	79	66	62	62	76	73	73
African American	49	51	51	36	32	31	44	43	43
Caucasian	73	72	73	55	51	51	67	64	65
Hispanic	59	61	61	43	41	40	53	54	54
Hawaiian/Pacific Islander	<	73	70	<	53	52	<	65	63
Unspecified	66	69	68	54	51	47	63	63	60
Economically Disadvantaged	51	53	51	37	34	32	46	45	43
Limited English Proficiency	48	*	49	44	*	46	47	*	50
Students with Disabilities	36	35	33	26	23	20	31	29	27

Division Summary	Battery Totals		
	Partial Battery		
	2004	2005	2006
All Students	59	59	58
Female	63	61	60
Male	57	57	56
American Indian	67	61	54
Asian	70	69	68
African American	44	44	43
Caucasian	66	65	65
Hispanic	53	54	51
Hawaiian/Pacific Islander	<	65	63
Unspecified	59	63	61
Economically Disadvantaged	45	46	43
Limited English Proficiency	34	*	40
Students with Disabilities	30	29	26

SECEP students are not included.

*Not Available

<Data not reported for less than 10 students

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Mobility Indices - FY 2006/07

The mobility indicator reflects the number of entries and withdraws that occur within a given school during the school year. The mobility index expresses this value as a function of the September 30 membership count. First time entries within the school are not included in the calculations. For example, a school with a September 30 membership count of 100 and a total number of entries (excluding first time entries) and withdraws of 10 during the course of the school year would have a mobility index of .10. For calculation purposes, the school year begins with the first official day for students and ends with their last official day.

Summary tables are presented below by school level, and ranks (low to high) are provided within these levels.

Elementary Schools (56)

ELEMENTARY SCHOOL NAME	NUMBER OF ENTRIES AND WITHDRAWS	MOBILITY INDEX FY 2005/06	RANK AMONG ELEMENTARY SCHOOLS (LOW TO HIGH)
Alanton Elementary	186	0.3235	42
Arrowhead Elementary	143	0.2581	33
Bayside Elementary	152	0.3326	46
Bettie F. Williams Elementary	219	0.3111	41
Birdneck Elementary	396	0.3800	53
Brookwood Elementary	147	0.3252	44
Centerville Elementary	91	0.1409	16
Christopher Farms Elementary	97	0.1325	14
College Park Elementary	118	0.2628	34
Corporate Landing Elementary	118	0.2173	26
Creeds Elementary	25	0.0877	3
Fairfield Elementary	63	0.1230	10
Glenwood Elementary	201	0.2105	25
Green Run Elementary	152	0.3312	45
Hermitage Elementary	179	0.3333	47
Holland Elementary	193	0.3440	48
Indian Lakes Elementary	141	0.2564	32
John B. Dey Elementary	77	0.1038	4
Kempsville Elementary	86	0.1842	21
Kempsville Meadows Elementary	115	0.2174	27
King's Grant Elementary	118	0.1888	22
Kingston Elementary	34	0.0602	2
Landstown Elementary	111	0.1418	17
Linkhorn Park Elementary	121	0.1764	20
Luxford Elementary	143	0.2739	37
Lynnhaven Elementary	117	0.2826	38
Malibu Elementary	39	0.1283	13
New Castle Elementary	93	0.1252	11
Newtown Road Elementary	268	0.4669	55
North Landing Elementary	68	0.1206	8
Ocean Lakes Elementary	124	0.2067	24
Old Donation Center	15	0.0297	1
Parkway Elementary	100	0.1988	23
Pembroke Elementary	130	0.2680	36
Pembroke Meadows Elementary	134	0.2459	31
Plaza Elementary	146	0.3678	51
Point O'View Elementary	149	0.3246	43
Princess Anne Elementary	56	0.1051	5
Providence Elementary	95	0.1641	18
Red Mill Elementary	93	0.1358	15
Rosemont Elementary	146	0.4345	54

Source: Research, Evaluation, and Assessment, Virginia Beach City Public Schools, January 2008

Elementary Schools (56)

ELEMENTARY SCHOOL NAME	NUMBER OF ENTRIES AND WITHDRAWS	MOBILITY INDEX FY 2005/06	RANK AMONG ELEMENTARY SCHOOLS (LOW TO HIGH)
Rosemont Forest Elementary	60	0.1156	6
Salem Elementary	111	0.2352	29
Seatack Elementary	123	0.3628	50
Shelton Park Elementary	135	0.3699	52
Strawbridge Elementary	92	0.1163	7
Tallwood Elementary	145	0.2354	30
Thalia Elementary	223	0.3479	49
Thoroughgood Elementary	75	0.1230	9
Three Oaks Elementary	103	0.1737	19
Trantwood Elementary	72	0.1279	12
W. T. Cooke Elementary	251	0.4960	56
White Oaks Elementary	214	0.3053	40
Windsor Oaks Elementary	151	0.2943	39
Windsor Woods Elementary	86	0.2211	28
Woodstock Elementary	163	0.2642	35

Middle Schools (15)

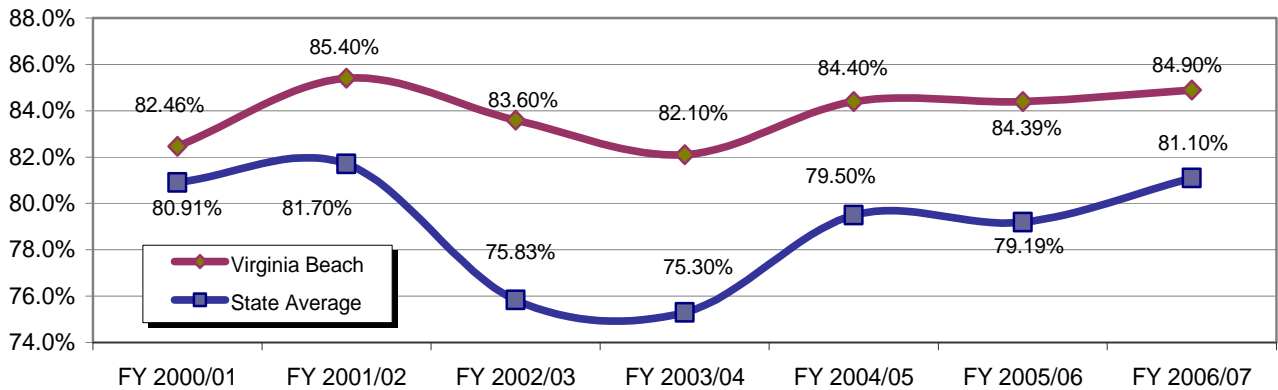
MIDDLE SCHOOL NAME	NUMBER OF ENTRIES AND WITHDRAWS	MOBILITY INDEX FY 2005/06	RANK AMONG MIDDLE SCHOOLS (LOW TO HIGH)
Bayside Middle	391	0.3542	13
Brandon Middle	179	0.1349	4
Center for Effective Learning	387	3.0000	15
Corporate Landing Middle	251	0.1724	6
Great Neck Middle	191	0.1882	9
Independence Middle	299	0.2150	10
Kemps Landing Middle	14	0.0233	1
Kempsville Middle	125	0.1241	3
Landstown Middle	275	0.1733	7
Larkspur Middle	359	0.2190	11
Lynnhaven Middle	229	0.1874	8
Plaza Middle	264	0.2284	12
Princess Anne Middle	111	0.0733	2
Salem Middle	203	0.1692	5
Virginia Beach Middle	289	0.4275	14

High Schools (13)

HIGH SCHOOL NAME	NUMBER OF ENTRIES AND WITHDRAWS	MOBILITY INDEX FY 2005/06	RANK AMONG HIGH SCHOOLS (LOW TO HIGH)
Bayside High	569	0.2811	10
First Colonial High	481	0.2236	9
Frank W. Cox High	361	0.1757	7
Green Run High	532	0.3028	11
Kellam High	218	0.1048	1
Kempsville High	351	0.1743	6
Landstown High	383	0.1685	4
Ocean Lakes High	393	0.1560	3
Open Campus High	772	1.9397	12
Princess Anne High	377	0.1963	8
Salem High	261	0.1367	2
Tallwood High	341	0.1727	5
Virginia Beach Central Academy	650	2.5000	13

Percentage of Graduates Continuing Education

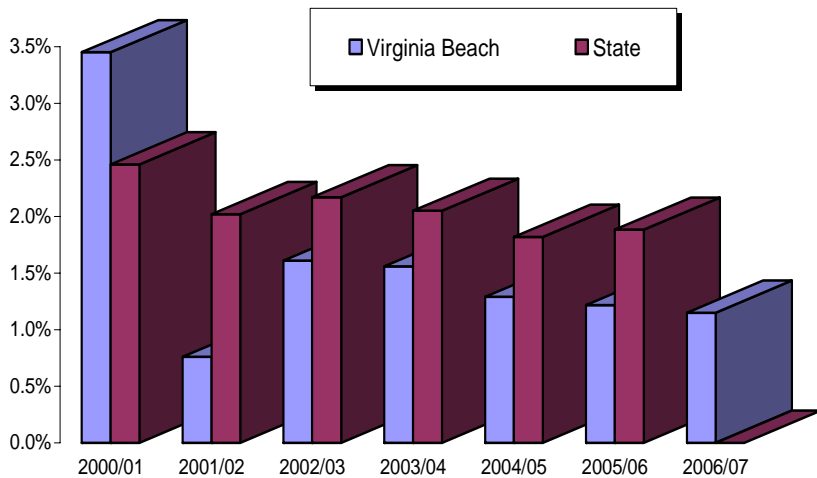
Comparison to State Average
FY 2000/01 - 2006/07



Source: Superintendent's Annual Report for Virginia, Virginia Department of Education, January 2008

Dropout Rate - Comparison to State

FY 2000/01 - 2006/07



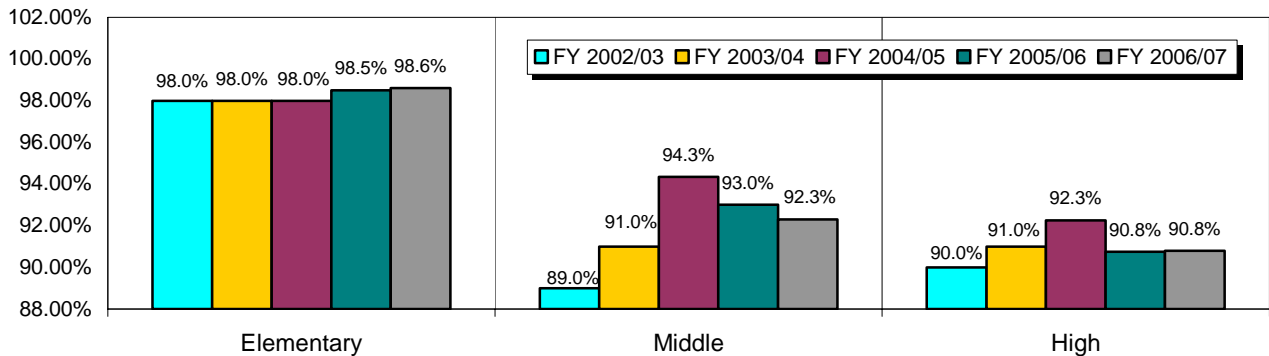
Fiscal Year	Virginia Beach	State
2000/01	3.45%	2.46%
2001/02	0.76%	2.02%
2002/03	1.61%	2.17%
2003/04	1.56%	2.05%
2004/05	1.29%	1.82%
2005/06	1.22%	1.88%
2006/07	1.15%	Not Available

Beginning with the 2001/02 dropout reporting, the dropout rate is calculated as the number of dropouts for a given school year divided by the membership on September 30th of that school year.

Source: Superintendent's Annual Report for Virginia, Virginia Department of Education, January 2008

Student Promotions - Grades K - 12

FY 2002/03 - 2006/07



Source: Research, Evaluation, and Assessment, Virginia Beach City Public Schools, January 2008

Strategic Goals for 2003-2009



Expanded Instructional Opportunities Through Data-Driven Curriculum

- Promote improved academic achievement for all students
- Implement and enforce rigorous standards of accountability
- Provide a continuum of educational programs and services for all students, including intervention and remediation
- Expand career preparation opportunities for all students
- Examine, implement, and expand as appropriate new differentiated learning opportunities for students



Safe Schools and Effective, Well-Disciplined Environment

- Create a communication plan for the Safe Schools Initiative in the school system
- Use technology to ensure safety in schools
- Implement a division-wide Safe Schools training plan
- Assess the state of safety and discipline in the school system to ensure consistency in application of policies, regulations, and guidelines



Effective, Efficient Use of Resources to Create Quality Educational Opportunities

- Implement Phase 2 of Web Integrated System for Employees (WISE), which in conjunction with a new student database system, will improve the checks and balances over 85 percent of the budget and assist in efficient staffing, timely monitoring, and more effective targeting of financial resources
- Review programs and services to determine the relationship between expenditures and effectiveness to assist in the allocation of limited resources for achieving quality education for students
- Publish a division-wide financial and performance report card to inform stakeholders and to enhance public understanding of the division's use of resources for quality educational opportunities
- Maintain baselines within the Operational Budget that address maintenance and replacement financial impacts outside the CIP process
- Review the effect of the Revenue Sharing Formula Policy



Technology Integrated Into Our Curriculum and Instruction

- Integrate technology into the curriculum as a tool for teaching and learning
- Maintain a technological infrastructure (voice, video, and data) and information systems to enhance the effectiveness of all stakeholders and facilitate data-driven decisions



Recognition of Our Diversity - Respect for All People

- Provide a variety of mechanisms through which internal and external communities can express concerns or issues
- Continue the progression toward identifying, hiring, and retaining a staff that reflects the diversity of the student population
- Provide a culturally responsive educational environment



Quality Work Force: Trained and Accountable for Performance

- Provide meaningful recognition programs to enhance the retention of quality employees
- Bolster enhanced student achievement and public support for schools by refining and attaining employee performance standards
- Establish and implement an effective recruitment plan to ensure that employment needs are met and positions filled with highly qualified candidates
- Provide high quality employee training and development opportunities to ensure the enhancement of student achievement, employee effectiveness, and continuous improvement
- Implement an integrated management system to enhance organizational performance



Meaningful Involvement of Community, Parents, and Partners

- Generate, maintain, and expand community engagement
- Provide opportunities for school/community communication and meaningful engagement
- Provide consultation and training in communications and community engagement

Approved November 2003

Achievements

Toward the Strategic Goals for 2003-2009



Expanded Instructional Opportunities Through Data-Driven Curriculum

- 100 percent of VBCPS Schools accredited (*FY 2007/08*)
- 20 new textbook adoptions (*FY 2007/08*)
- 6 new academy courses approved for implementation (*FY 2008/09*)
- 14 new academy courses implemented (*FY 2007/08*)
- 17,351 students in remediation tutoring programs (*FY 2006/07*)
- 559 students in dual enrollment program



Safe Schools and Effective, Well-Disciplined Environment

- School Emergency Guide for Parents Brochure
- Emergency Response Plan flipchart
- Classroom Emergency Guide flipchart
- From analog to web-based digital surveillance camera systems
- Emergency radios for Department of Media and Communications
- Emergency Preparedness Training
- Crisis Response Team (CRT)
- School CRT Training and Table Top Exercise



Effective, Efficient Use of Resources to Create Quality Educational Opportunities

- Phase II WISE Implementation
- Review of Revenue Sharing Formula Policy
- Maintenance of baselines that address routine maintenance and replacement



Technology Integrated Into Our Curriculum and Instruction

- 132 APPLE courses with multiple sections in technology integration
- 2,107 Computer Resource Specialists (CRS) lead technology integration training
- Increased Distance Learning (DL) sites to 22; 11 High Schools sites and 11 of 14 Middle School sites
- 27 DL courses offered at the Middle and High School levels; 1,154 students serviced
- Online Summer School students - 38 in 2006; 41 in 2007
- 4 Online English 9 Summer School students in 2006/07 (first year offered)
- Active Directory Migration and Windows XP standardization project
- E-mail application conversion to Microsoft Outlook
- Administered 74,180 online SOL tests for spring 2007



Recognition of Our Diversity - Respect for All People

- Diversity Hotline; Diversity Webpage; Diversity Task Force meetings
- Teaching staff that reflects the diversity of the student population
- Leadership conference focus



Quality Work Force: Trained and Accountable for Performance

- U.S. Senate Quality and Productivity Award
- National Board Teacher Certification
- Career Teacher Allowance
- Classified Allowance LEAD
- Performance-based compensation for cabinet members
- Identification and targeting of critical shortage areas
- Interview and recruitment fairs; Interactive recruitment CD
- Mentor Training
- The Futures Project



Meaningful Involvement of Community, Parents, and Partners

- Development of 162 new partnerships (*FY 2006/07*)
- Recognition of 17 model partnerships (*FY 2006/07*)
- Recognition of 89 outstanding volunteers (*FY 2006/07*)
- 15,000 volunteers certificates presented (*FY 2006/07*)
- 21,585 volunteers logged 514,748 hours for a total value of \$9,661,819 (*FY 2006/07*)
- 118 Building Futures Grants awarded in excess of \$111,000 (*FY 2006/07*)
- Training for 42 school action teams on parent involvement (*FY 2006/07*)
- Increased *vbschools x-tra*, online subscribers by 7,000 (*FY 2006/07*)
- Trained 175 school staff on *MySchool Mail* (school/parent listserv) (*FY 2006/07*)

Revised March 2008

COMPENSATION PHILOSOPHY OF THE SCHOOL BOARD OF THE CITY OF VIRGINIA BEACH

The vision statement of the School Board of the City of Virginia Beach includes the expressed outcome for the Virginia Beach City Public Schools to be a world-class school district of choice. In support of the vision statement, the School Board strives to provide a total compensation program that enables the school division to:

- ✓ attract and retain a high-quality and diverse workforce
- ✓ ensure fair and consistent pay practices
- ✓ comply with applicable laws and regulations
- ✓ operate within the constraints of fiscal resources while balancing and achieving educational goals

The School Board's compensation philosophy embraces the following points:

1. We strive to provide a total compensation program that is world class among all accredited K-12 institutions in a global marketplace. Because the school division endeavors to be economically competitive with institutions outside of our local labor market, we recruit nationally and internationally for selected positions.
2. Benchmarking and broad-banding are used as best practices for compensation of similar positions.
3. Open pay ranges are established for all positions to provide the flexibility needed to adapt to market changes, maintain internal equity, and address needs of the school division.
4. Starting pay for new employees is based upon education and work experience related to position requirements as well as market conditions.
5. Allowances are available to 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.
6. Supplements may be provided to employees performing specific functions outside of their established job descriptions.
7. 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.
8. Pay ranges are designed to maximize earning potential through accelerated career progression.
9. Employees are eligible for pay increases resulting from promotions and reclassifications.
10. Salary for exempt positions is based on an annual amount according to the length of the calendar for the specific position.
11. Compensation for non-exempt positions is based on the number of productive hours per day per week required by the job to meet the needs of the school division.
12. Part-time/temporary employees may not be eligible for the same benefits as full-time employees.
13. Benefit plans and other non-cash compensation are reviewed annually for competitiveness, cost effectiveness and their value to employees and the school division.
14. 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.

Instructional Salary Schedules

FY 2008/09

Creditable Years of Teaching Experience	Standard Teaching	10-month Extended	11-month	12-month	ALC
	annual hours 1,466	annual hours 1,547	annual hours 1,768	annual hours 2,080	annual hours 1,027
0	38,596	40,728	42,456	46,316	27,038
1	39,356	41,530	43,292	47,229	27,571
2	40,261	42,485	44,287	48,314	28,204
3	41,165	43,439	45,282	49,400	28,838
4	42,070	44,394	46,277	50,485	29,472
5	42,974	45,348	47,272	51,570	30,105
6	43,879	46,302	48,267	52,656	30,739
7	44,783	47,257	49,262	53,741	31,372
8	45,688	48,211	50,257	54,826	32,006
9	46,592	49,166	51,252	55,912	32,640
10	47,497	50,120	52,246	56,997	33,273
11	48,401	51,075	53,241	58,083	33,907
12	49,305	52,029	54,236	59,168	34,541
13	50,210	52,984	55,231	60,253	35,174
14	51,115	53,938	56,226	61,339	35,808
15	52,019	54,893	57,221	62,424	36,441
16	52,923	55,847	58,216	63,509	37,075
17	53,828	56,802	59,211	64,595	37,709
18	54,732	57,756	60,206	65,680	38,342
19	55,636	58,710	61,201	66,765	38,976
20	56,541	59,665	62,196	67,851	39,610
21	57,446	60,619	63,191	68,936	40,243
22	58,350	61,574	64,186	70,022	40,877
23	59,254	62,528	65,180	71,107	41,511
24	60,159	63,483	66,175	72,192	42,144
25	61,064	64,437	67,170	73,278	42,778
26	61,967	65,392	68,165	74,363	43,411
27	62,872	66,346	69,160	75,448	44,045
28	63,777	67,301	70,155	76,534	44,679
29	64,682	68,255	71,150	77,619	45,312
30	65,585	69,209	72,145	78,704	45,946

Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

Unified Pay Plan

FY 2008/09

(Based on a 12-month, 260 days/yr, 8 hrs/day calendar or 2,080 hrs per year)

Grade	Annual Salary			Hourly Rates		
	Min	Mid	Max	Min	Mid	Max
28	92,616	125,757	158,899	44.5268	60.4603	76.3938
27	86,437	117,367	148,297	41.5561	56.4264	71.2967
26	80,670	109,537	138,403	37.6539	52.6618	66.5401
25	75,284	102,223	129,163	36.1942	49.1458	62.0974
24	70,265	95,408	120,552	33.7811	45.8694	57.9576
23	65,569	89,032	112,495	31.5235	42.8037	54.0840
22	61,196	83,093	104,991	29.4209	39.9487	50.4766
21	57,116	77,554	97,992	27.4595	37.2856	47.1117
20	53,300	72,373	91,446	25.6253	34.7946	43.9646
19	49,749	67,551	85,354	23.9178	32.4766	41.0354
18	46,418	63,028	79,638	22.3164	30.3018	38.2873
17	43,322	58,824	74,325	20.8278	28.2806	35.7334
16	40,431	54,898	69,365	19.4379	26.3933	33.3488
15	37,730	51,231	64,732	18.1394	24.6304	31.1213
14	35,220	47,823	60,426	16.9327	22.9918	29.0509
13	32,873	44,636	56,399	15.8041	21.4595	27.1149
12	30,671	41,647	52,622	14.7459	20.0224	25.2988
11	28,631	38,877	49,123	13.7649	18.6908	23.6166
10	26,723	36,286	45,849	12.8478	17.4452	22.0426
9	24,933	33,856	42,778	11.9871	16.2767	20.5663
8	23,275	31,604	39,932	11.1899	15.1941	19.1982
7	21,720	29,492	37,264	10.4421	14.1786	17.9152
6	20,267	27,520	34,772	9.7439	13.2307	16.7175
5	18,917	25,686	32,455	9.0948	12.3490	15.6032
4	17,655	23,973	30,290	8.4881	11.5254	14.5626
3	16,481	22,378	28,275	7.9236	10.7588	13.5940
2	15,380	20,883	26,386	7.3943	10.0400	12.6858
1	14,352	19,489	24,626	6.9001	9.3697	11.8393

Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

Unified Pay Plan - Grade Assignments

FY 2008/09

Grade	Job Titles	Grade	Job Titles
28	Associate Superintendent (Title Only)	22	Coord ESL/Special Projects
28	Deputy Superintendent	22	Coord Federal Programs (Title Only)
		22	Coord Fine Arts
27	Assistant Superintendent, Accountability Accountability, Research, Evaluation and Assessment	22	Coord Foreign Languages
27	Assistant Superintendent, Admin Support Services	22	Coord Gifted Programs
27	Assistant Superintendent, Media and Communications	22	Coord Global Studies Academy
27	Assistant Superintendent, Curriculum and Instruct.	22	Coord Governmental Services (Title Only)
27	Assistant Superintendent, ES Education	22	Coord Guidance
27	Assistant Superintendent, HS Education	22	Coord Health Academy
27	Assistant Superintendent, Human Resources	22	Coord Health Services
27	Assistant Superintendent, MS Education	22	Coord Health/PE
27	Chief Financial Officer	22	Coord Instructional Technology
27	Chief Information Officer	22	Coord International Baccalaureate
		22	Coord K-12 Remediation
26	Director Instructional Services K-12 (Title Only)	22	Coord Language Arts
		22	Coord Leadership
25	Director Elementary Education	22	Coord Legal Academy
25	Director Facilities Planning & Construction	22	Coord Library Services
25	Director Programs Exceptional Children	22	Coord Math/Science Academy
25	Director School Plant	22	Coord Mathematics
25	Director Secondary Instructional Services	22	Coord Middle Years Program (Title Only)
25	Director Tech & Career Education	22	Coord Planetarium
25	Director Transportation	22	Coord Psychological Services
25	Principal HS	22	Coord Public Relations
		22	Coord Reading (Title Only)
24	Director Adult Learning Center	22	Coord Reading Recovery
24	Director Benefits	22	Coord Retirement Planning (Title Only)
24	Director Business Services	22	Coord School/Business Partnerships
24	Director Elementary Instructional Services	22	Coord Science
24	Director Employee Relations	22	Coord Social Studies
24	Director Employment Services	22	Coord Social Work Services
24	Director Food Services	22	Coord Special Education
24	Director Gifted Education	22	Coord Student Activities
24	Director Instructional Technology	22	Coord Student Conduct
24	Director Organizational Development	22	Coord Student Services
24	Director Purchasing Services	22	Coord Technical and Career Education
24	Director Student Leadership	22	Coord Technology Academy
24	Director Tech & Career Ed Center	22	Coord Telecommunications
24	Director Technology	22	Coord Title I
24	Principal MS	22	Coord Visual and Performing Arts
23	Coord Information Services	22	Coord Work & Family Studies
23	Coord Technical Services	22	Database Administrator
23	Director Advanced Tech Center	22	Program Coordinator (Title Only)
23	Director Community Relations	22	Specialist Assessment
23	Director Custodial Services	22	Specialist Employee Relations
23	Director Guidance	22	Specialist Human Resources
23	Director Internal Audit	22	Specialist Organizational Development
23	Director Safe Schools & Risk Management	22	Specialist Program Evaluation
23	Director Supply Services	22	Specialist Research
23	Director Testing	22	Specialist Testing
23	Executive Assistant	22	Staff Assistant Education (Title Only)
23	Principal ES		

Unified Pay Plan - Grade Assignments

FY 2008/09

Grade	Job Titles	Grade	Job Titles
		21	Assistant Director Environ/Energy
		21	Assistant Director School Plant
22	Administrative Coordinator	21	Assistant Principal MS
22	Assistant Director Advanced Technology Center	21	Coord Food Services
22	Assistant Principal HS	21	Coord Security & Safe Schools
22	Asst Dir Program for Exceptional Children	21	Coord Technical Applications
22	Coord Accounting	21	Coord Transportation
22	Coord Adult Academic Programs	21	Demographer / GIS Manager
22	Coord Alternative Education	21	Neuropsychologist
22	Coord Athletics	21	Payroll Supervisor
22	Coord Benefits	21	Project Manager - Information Services
22	Coord Budget Development	21	Staff Architect
22	Coord Business & Instructional Technology	21	Systems Engineer - Supervisor
22	Coord Distance Learning		
22	Coord Early Childhood ED (Title Only)		
22	Coord Educational Foundation		
22	Coord Engineering/Technology		
20	Assistant Principal ES	16	Benefits Specialist II
20	Educational Data Specialist	16	Construction Inspector
20	Financial Management Specialist	16	Data Operations Supervisor
20	Grants Manager	16	Educational Data Analyst
20	HR Systems Specialist	16	Executive Office Associate III
20	Occupational Safety/Loss Control Specialist	16	Food Services Program Analyst
20	Programmer/Analyst - Senior	16	HVAC Specialist
20	Project Manager	16	Interpreter III (VQAS3)
20	Project Manager - Construction	16	Network Technician II
20	Project Manager - Sustainable Schools	16	Nutritional/Training Coord
20	Student IS Specialist	16	Procurement Systems Specialist
20	Systems Analyst	16	Satellite Garage Supervisor
19	Accountant - Principal	16	Technical Contract Manager
19	Accounts Payable Supervisor		
19	Assistant Payroll Supervisor		
19	Benefits Program Specialist		
19	Business Manager (Title Only)	15	Assistant Accounts Payable Supervisor
19	Coord Maintenance	15	Automotive Technician - Lead
19	Coord Mechanical Systems	15	Custodial Supervisor
19	Coord Special Projects	15	Custodial Supplies Supervisor
19	Coord Supply Services	15	Electrical Craftsman III
19	Fleet Manager	15	Electronics Craftsman III
19	Instructional Specialist	15	Food Services Craftsman III
19	Internal Auditor	15	HVAC Craftsman III
19	Occupational Therapist	15	Machinist Craftsman III
19	Operations Supervisor Food Services -Delete	15	Occupational Health and Safety Technician
19	Physical Therapist	15	Occupational Therapy Assistant (COTA)
19	Procurement Specialist II	15	Physical Therapy Assistant (LPTA)
19	School-to-Work Transition Supervisor	15	Plumbing Craftsman III
19	Student Activities Coord (HS)	15	Secretary & Clerk to Board
19	Supervisor of Construction	15	Special Project Support
19	Systems Administrator	15	Supervising Cafeteria Manager
19	Systems Engineer		
		14	Accountant
18	Audiologist	14	Applications Support Engineer (Title Only)
18	Case Management Specialist	14	Asst Warehouse Supervisor

Unified Pay Plan - Grade Assignments

FY 2008/09

Grade	Job Titles	Grade	Job Titles
18	Computer Security Specialist	14	Benefits Specialist I
18	Coord Custodial Services	14	Carpentry Craftsman III
18	Guidance Department Chair	14	Executive Office Associate II
18	Occupational Safety and Health Specialist	14	General Maint Craftsman III
18	Parent Resource Center Coordinator (Title Only)	14	Graphic Designer
18	Programmer/Analyst	14	Interpreter II (VQAS2)
18	Psychologist	14	Network Technician I
18	School Improvement Specialist (HS)	14	Painter Craftsman III
18	School Nurse	14	School Business Assistant
18	School Social Worker	14	Wellness Program Associate
18	Student Activities Coord - MS		
18	Transportation Area Supervisor	13	Accounting Technician (Title Only)
18	Visiting Teacher	13	Boiler Technician (Title Only)
18	Webmaster	13	Customer Support Technician II
		13	Electrical Craftsman II
17	Accountant - Sr.	13	Electronics Craftsman II
17	Budget Analyst	13	Executive Office Assoc I
17	Garage Supervisor	13	Food Services Craftsman II
17	Geographic Information Systems (GIS) Analyst	13	Help Desk Supervisor (Move to Cust. Support Tech II)
17	Interpreter Specialist	13	HR Data Management Analyst
17	Intranet Coordinator - Delete	13	HVAC Craftsman II
17	Network Administrator	13	Interpreter I (VQASI)
17	Procurement Specialist I	13	Machinist Craftsman II
17	School Improvement Specialist (MS)	13	Plumbing Craftsman II
17	Sr. Construction Inspector	13	Procurement Assistant III
17	Supervisor Carpentry	13	Telecommunications Technician - Delete
17	Supervisor Electrical	13	Testing Assistant
17	Supervisor Electronics	13	Warehouse Manager
17	Supervisor HVAC	12	Accountability Research Evaluation & Assessment. Asst.
17	Supervisor Maintenance	12	Administrative Office Associate II
17	Supervisor Night Crew	12	Automotive Body/Fender Repair
17	Supervisor Painting	12	Automotive Painter
17	Supervisor Plumbing	12	Automotive Technician - Sr.
12	Benefits Assistant	09	Transportation Dispatcher
12	Bookkeeper - HS		
12	Building Operations Supervisor	08	Administrative Courier
12	Carpentry Craftsman II	08	ALC General Assistant - AD
12	Data Operations Specialist (Move to Cust. Support Tech II)	08	Assistant Cafeteria Manager
12	General Maint Craftsman II	08	Bus Driver
12	Interpreter	08	Circulation Clerk
12	Inventory Technician	08	Clinic Assistant - CNA
12	License Renewal Analyst	08	Distance Learning Assistant - AD
12	Licensure Analyst	08	Drivers Education Instructor
12	Painter Craftsman II	08	Fiscal Technician
12	Payroll Assistant	08	General Assistant - AD
12	Risk Management Associate	08	Kindergarten Assistant - AD
12	School Administrative Associate II	08	Library / Media Assistant - AD
12	SubFinder Operator	08	Office Associate II
		08	PE Assistant - AD
11	Administrative Office Associate I	08	Ropes & Initiative Assistant - AD
11	Assistant Warehouse Manager	08	School Office Associate II
11	Automotive Technician	08	School Office Associated II - Data Technicians
11	Bookkeeper - MS	08	Security Assistant - AD

Unified Pay Plan - Grade Assignments

FY 2008/09

Grade	Job Titles	Grade	Job Titles
11	Cafeteria Manager II	08	Special Education Assistant - HQ
11	Data Processing Specialist	08	Title I Assistant - AD
11	Electrical Craftsman I		
11	Electronics Craftsman I	07	ALC General Assistant - HQ
11	Employee Relations Associate	07	Automotive Serviceman
11	Financial Assistant	07	Custodian III
11	Food Services Craftsman I	07	Distance Learning Assistant - HQ
11	Human Resources Associate	07	Distribution Driver
11	HVAC Craftsman I	07	General Assistant - HQ
11	Library Cataloger	07	Kindergarten Assistant - HQ
11	Machinist Craftsman I	07	Library / Media Assistant - HD/HQ
11	Pest Control Technician	07	Library Technician
11	Plumbing Craftsman I	07	PE Assistant - HQ
11	Procurement Assistant II	07	Ropes & Initiative Assistant - HQ
11	School Administrative Associate I	07	Security Assistant - HQ
11	Customer Support Technician I	07	Special Education Assistant - HD
11	Teacher Production Center Technician	07	Title I Assistant - HQ
11	Web Page Design Technician	07	Warehouse Technician
10	Cafeteria Manager I	06	ALC General Assistant - HD
10	Carpentry Craftsman I	06	Distance Learning Assistant - HD
10	Clinic Assistant - LPN	06	General Assistant - HD
10	Customer Support Specialist	06	Kindergarten Assistant - HD
10	Data Support Specialist	06	PE Assistant - HD
10	General Maint Craftsman I	06	Ropes & Initiative Assistant - HD
10	Painter Craftsman I	06	Security Assistant - HD
10	School Rental Assistant		
10	Special Education Assistant - BD	05	Bus Assistant
		05	Custodian II
09	ALC General Asst - BD	05	Office Associate I
09	Clinic Assistant - EMT		
09	Custodian IV	04	Automotive Shop Helper II
09	Distance Learning Assistant - BD	04	Cafeteria Assistant
09	Duplication Technician	04	Custodian I
09	General Assistant - BD		
09	ISS Coordinator		
09	Kindergarten Assistant - BD		
09	Library / Media Asst - BD		
09	PE Assistant - BD		
09	Procurement Assistant I		
09	Ropes & Initiative Assistant - BD		
09	Security Assistant - BD		
09	Security Officer		
09	Special Education Assistant - AD		
09	Tire Repair Specialist		
09	Title I Assistant - BD		

Part-Time / Temporary Rates FY 2008/09

Position	Rates
SUBSTITUTES	
Bus Assistants	\$ 9.09
Bus Assistants (summer only)	\$ 9.09
Bus Assistants subbing for bus driver <i>(employee must substitute a minimum of one-hour)</i>	\$ 4.49
Bus Drivers	\$ 11.19
Bus Drivers (summer only)	\$ 11.19
Cafeteria Manager	\$ 12.84
Cafeteria Assistant	\$ 8.49
Cafeteria Assistant subbing for Cafeteria Manager <i>(employee must substitute a minimum of one-hour)</i>	\$ 4.49
Clerical	\$ 9.09
Long Term	\$ 9.74
Custodian	\$ 8.49
Driver Ed Instructor	\$ 11.19
Interpreter	\$ 15.80
ISS Coordinator	\$ 11.98
Library/Media Assistant	\$ 9.09
Library/Media Assistant subbing for Library/Media Specialist <i>(employee must substitute a minimum of one-hour)</i>	\$ 4.49
Nurse (RN)	\$ 22.32
Nurse Assistant	\$ 11.19
Nurse Assistant subbing for the Nurse <i>(employee must substitute a minimum of one-hour)</i>	\$ 4.49
OT/PT	\$ 23.92
OT/PT Assistant	\$ 9.09
Security Assistant	\$ 9.09
Teacher Assistant	\$ 9.09
Long Term	\$ 9.74
Teacher Assistant subbing for Teacher <i>(employee must substitute a minimum of one-hour)</i>	\$ 4.49
SUBSTITUTE TEACHERS DAILY RATES	
Teacher	\$ 91.41
Site Assigned Designated Subs - <i>(Formerly Permanent Subs)</i>	\$ 107.90
Long Term	\$ 124.32
SUMMER SCHOOL EMPLOYEES	
Building Supervisor	\$ 11.99
Bus Assistants	\$ 9.09
Bus Drivers	\$ 11.19
Clerical	\$ 12.50
Custodian	\$ 8.49
Driver Ed Teacher-Behind the Wheel (Licensed)	\$ 30.00
Driver Ed Parparo -Behind the Wheel (Non - Licensed)	\$ 15.60
Driver Ed Teacher-Classroom	\$ 30.00
Interpreter	\$ 15.80
Library/Media Assistant	\$ 12.50
Nurse (RN)	\$ 22.32
Nurse Assistant	\$ 12.50
OT/PT	\$ 25.00
OT/PT Assistant	\$ 18.14
Security Assistant	\$ 12.50

Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

Part-Time / Temporary Rates FY 2008/09

Position	Rates
SUMMER SCHOOL EMPLOYEES (con't)	
Summer Feeding Program (Manager)	\$ 12.30
Summer Feeding Program (Worker)	\$ 9.32
Teacher Assistant subbing for Teacher <i>(applies to non-VBCPS employees working summer school only)</i>	\$ 16.99
Teacher	\$ 30.00
Teacher - Fast Track Tutor	\$ 30.00
Teacher - IEP/Summer Eligibility Assessment	\$ 15.00
Teacher Assistant	\$ 12.50
MISCELLANEOUS HOURLY AND/OR DAILY RATES	
Acting Administrator	\$ 12.50-60.00
Alternate Chief Examiner - Adult Learning Center (ALC)	\$ 26.33
Bus Driver - Behind the Wheel Trainee <i>(paid as a stipend)</i>	
Bus Driver- Behind the Wheel Training Specialist	<i>Pay employee's hourly rate</i>
Bus Driver - Field Trip Rate	\$ 8.50
Bus Driver - Field Trip wait 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	\$ 8.49
Clerical Support	\$ 9.09-13.76
Computer Lab Facilitator (ALC)	\$ 13.40
Curriculum Development/Textbook Adoption	\$ 25.00
Evening Administrator	\$ 29.42
Foreign Language Translator-Oral	\$ 14.00
Foreign Language Translator-Written	\$ 16.00
Guidance Representative - Hearings	\$ 35.00/Case
Hearing Officer - Student Discipline	\$ 45.00/Case
Hearing Officer - Case Cancelled	\$ 15.00/Case
Homebound Teacher	\$ 26.33
Homework Hotline - Non Certified Teacher	\$ 17.20
Homework Hotline - Certified Teacher	\$ 26.33
Interpreter - After School Activities - VQAS I	\$ 16.20
Interpreter - After School Activities - VQAS II	\$ 18.00
Interpreter - After School Activities - VQAS III	\$ 20.52
Jail Education Program - Social Worker	\$ 40.00
Jail Education Program - Psychologist	\$ 60.00
Jail Education Program - Teacher	\$ 26.33
Leadership Camp Counselor	\$ 7.50
Music Clinicians/Judges	\$ 26.33
Occupation Therapy Assistant (Certified)	\$ 18.14
Occupation Therapist	\$ 34.25
PALS Instructor (HD)	\$ 11.72
PALS Instructor (BD)	\$ 14.07
PALS Instructor (Certified)	\$ 15.87
Physical Therapist	\$ 34.25
Physical Therapy Assistant (Licensed)	\$ 18.14
Professional Dev. Activity Instr. (PDA)	\$ 30.00
Professional Dev. Activity Instr. (PDA) - PDP Prep	\$ 25.00
Professional Dev. Activity Instr. (PDA) - Non - PDP Prep	\$ 15.00

Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

Part-Time / Temporary Rates FY 2008/09

Position	Rates
MISCELLANEOUS HOURLY AND/OR DAILY RATES (con't)	
Program Planner - ALC	\$ 26.33
Project Support Staff	\$ 9.09-60.00
Project Support Staff - Accountability - Clerical	\$ 9.09
Project Support Staff - Accountability - Materials Asst.	\$ 10.20
Retake Expedited Coordinator	\$ 20.00
Saturday Detention	\$ 20.00
Security Officers (Sworn Officers)	\$ 27.00
Security-Police Officers (Graduation Only)	\$ 30.00
Special Education Job Coach - Training	\$ 9.00
Special Education Job Coach - HD	\$ 12.00
Special Education Job Coach - BD	\$ 14.00
Specialty Camp Coach	\$ 12.50
Student Workers	\$ 6.55
Teacher - Academic Programs	\$ 26.33
Teacher - After Hours (approval required)	\$ 26.33
Teacher - ALC	\$ 26.33
Teacher - Community Service Programs - 6 Students (ALC)	\$ 13.04
Teacher - Community Service Programs - 7 Students (ALC)	\$ 14.90
Teacher - Community Service Programs - 8 Students (ALC)	\$ 16.77
Teacher - Community Service Programs - 9 + Students (ALC)	\$ 18.63
Teacher - Workforce Development Training - 6 Students (ALC)	\$ 14.49
Teacher - Workforce Development Training - 7 Students (ALC)	\$ 16.56
Teacher - Workforce Development Training - 8 Students (ALC)	\$ 18.63
Teacher - Workforce Development Training - 9+ Students (ALC)	\$ 20.70
Teacher - Intersession	\$ 30.00
Teacher - Transition Program (Grant)	\$ 26.33
Teacher Assistant teaching during intersession	\$ 17.20
Test Examiner	\$ 17.20
Test Proctor	\$ 9.09
Transportation Assistant	\$ 6.55
TSIP Test Proctor	\$ 16.20
Tutor - AVID Program	\$ 17.20
Tutor - Certified	\$ 26.33
Tutor - Non-certified	\$ 21.32
Workshop Participants - Classified	\$ 6.55
Workshop Participants - Teacher	\$ 12.60

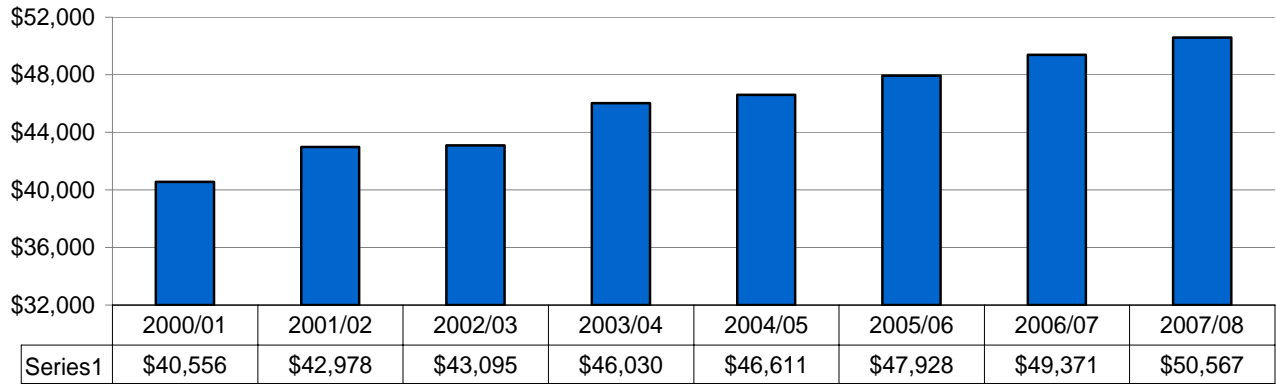
Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

Table of Allowances FY 2008/09

DESCRIPTION	VALUE
Acting Pay	Varies
Acting Pay - Temps	Varies
Additional Class - HS Teacher	5,600.00
Additional Class - MS Teacher	5,600.00
Additional Time - Vocational Teacher	400.00
Advanced Certificate	3,300.00
Asbestos Removal	1,000.00
Cafeteria Manager - Additional School Served	750.00
Career Teacher (3-year cycle)	1,000.00
Clerical 180 Points Allowance <i>(Formerly Clerical 12-Credit Allowance)</i>	350.00
Clerical 360 Points Allowance <i>(Formerly Clerical 24-Credit Allowance)</i>	475.00
Clerical Associate Degree	525.00
Clerical Bachelor Degree	750.00
Clinical Competency Certification	1,000.00
Doctorate Administrative	5,000.00
Doctorate Instructional	4,100.00
Executive Communication Allowance	1,200.00
Emergency Communication Allowance	420.00
School Nutrition Specialist <i>(Formerly Food and Nutrition Specialist)</i>	1,000.00
Hazardous Waste Removal	1,000.00
Interpreter 180 Points Allowance <i>(Formerly Interpreter 12-Credit Allowance)</i>	350.00
Interpreter 360 Points Allowance <i>(Formerly Interpreter 24-Credit Allowance)</i>	475.00
Masters Allowance Instructional	2,500.00
Military Leave Differential Allowance - <i>Based on the individual's assignment</i>	Varies
MS Certified Systems Eng/Dev	1,500.00
National Board for Teaching Standards Certification	2,000.00
Nursing Bachelors Degree	750.00
Professional/Supervisory <i>Employee</i> Allowance	1,500.00
Psychology Intern - <i>Eligible for health insurance subsidy</i>	23,660.00
Registered Dietician	1,000.00
Registry Interpreters for Deaf	2,500.00
School Plant Journeyman	350.00
School Plant Master	1,000.00
Teacher Assistant 180 Points Allowance <i>(Formerly Teacher Assistant 12-Credit Allowance)</i>	325.00
Teacher Assistant 360 Points Allowance <i>(Formerly Teacher Assistant 24-Credit Allowance)</i>	450.00
Temporary Duty Allowance	Varies
Travel Allowance (Superintendent)	7,200.00

Source: Department of Human Resources, Virginia Beach City Public Schools, Effective July 1, 2008

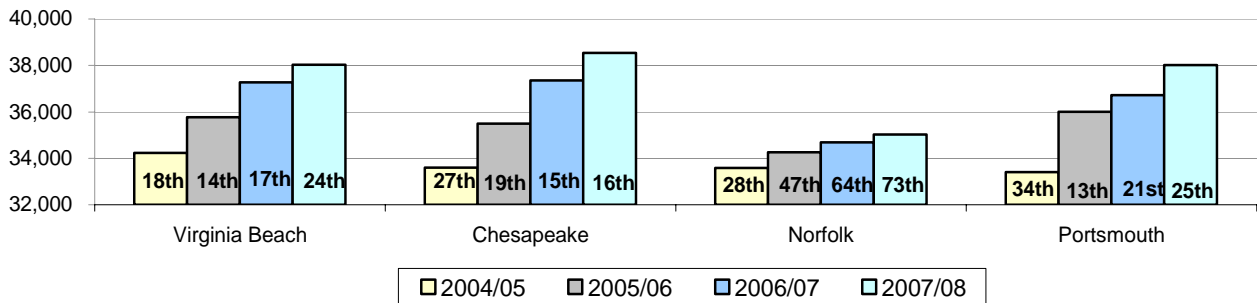
Average Salary of Virginia Beach Teachers FY 2000/01 - 2007/08



Comparison Ranking of Virginia Local School Systems' Salaries FY 2004/05 - 2007/08

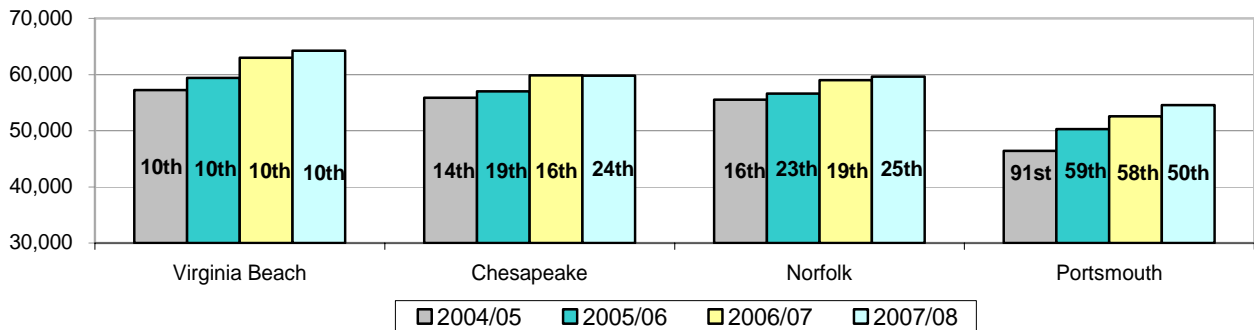
Ranking of Beginning Teachers' Salary

Ranking 1st to 132th



Ranking of Experienced Teachers' Salary (a)

Ranking 1st to 132th



Note (a): Rankings are for teachers who hold a bachelor's degree with 30 years teaching experience.

Source: Department of Human Resources, Virginia Beach City Public Schools, January 2008

ELEMENTARY SCHOOL

Staffing Standards and Guidelines

FY 2008/09

Revised March 2008

The allocation for FY 2008/09 of elementary school instructional personnel in Virginia Beach is based on guidelines that meet or exceed the Standards of Quality (SOQ) and the accreditation requirements of Virginia [State].

Grade Level	SOQ Accreditation Standard Based upon Division-wide Ratios	FY 2008/09 VBCPS Classroom Teacher Allocation	Target Class Size Ratio <small>[see Note (1)]</small>	VBCPS Class Size Cap <small>[see Note (1)]</small>
K	24:1 without assistant; no class larger than 29	24:1	24:1	26
1	24:1 no class larger than 30	24:1	24:1	26
2	24:1 no class larger than 30	24:1	24:1	26
3	24:1 no class larger than 30	24:1	24:1	26
4	25:1 no class larger than 35	25:1	25:1	25
5	25:1 no class larger than 35	25:1	25:1	25

These standards do not include teachers for resource programs, itinerant services, special education, Title I, guidance counselors, and librarians.

NOTES TO STAFFING STANDARDS:

- (1) 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 receives the request.
- (3) Thirty-seven elementary schools in Virginia Beach participate in the state K-3 Primary Class-Size Initiative. The state has determined the pupil-teacher ratio for each school for grades K-3. Allocations for FY 2008/09 are based on these figures.

In summary, the student maximum class sizes permitted by the state are:

- 19 schools @ 20:1 (cap 25 students)
- 9 schools @ 19:1 (cap 24 students)
- 4 schools @ 18:1 (cap 23 students)
- 2 schools @ 17:1 (cap 22 students)

This information will be used for staffing of primary classrooms for grades K-3 for FY 2008/09. Throughout the school year, schools will be monitored for compliance with these pupil/teacher ratios according to the state standards for the primary classroom initiative, as well as the Virginia Beach City Public Schools' standards.

- (4) Principals are encouraged to schedule planning periods for elementary grade levels at the same time each day whenever possible.

Elementary School - Staffing Standards and Guidelines

RESOURCE TEACHERS, LIBRARY MEDIA SPECIALISTS, AND GUIDANCE COUNSELOR ALLOCATIONS*

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**
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	45-minute period recommended daily per class; 1 assistant per 6 additional classes**
Reading Resource Specialist	1 per school; plus .20 additional RRS per additional 100 students
Library Media Specialist	1 per school; plus 1 additional for each school with membership exceeding 1,400
Guidance	1 per school; plus .20 per additional 100 students or major portion thereof (SOQ Accreditation Standard)
English as a Second Language	Itinerant based on number of students and level of proficiency [Federal]
Computer Resource	1 per school; plus 1 additional for each school with membership exceeding 1,100 students
Strings	Itinerant based on enrollment and levels
Gifted/Talented	Itinerant resource based on identified enrollment

TEACHER ASSISTANT ALLOCATIONS

Kindergarten	1 per kindergarten teacher
Physical Education	1 for each 6 classes exceeding the P.E. teacher's initial 6 classes; a second P.E. teacher will be allocated after the 6th P.E. assistant, if teacher positions are available
General Assistants	1 500 students 1.5 650 students 2 800 students 2.5 950 students Special needs basis
Primary Assistants	Allocated as needed to primary grades
Security Assistants	1 per school

NON-INSTRUCTIONAL - SECRETARIAL/CLERICAL ALLOCATIONS

School Admin Assoc I/12 mo.	1 per school
School Office Assoc II/12 mo.	1 per school and special education centers
School Office Assoc II/10 mo.	1 per school
Data Support Specialist/12 mo.	1 per school; plus 1 additional DSS in schools exceeding 900 students
Library Media Assistant/10 mo.	1 per school (.50 Creeds Elementary)
Extra Secretarial Hours	80 per school 160 per new school 160 per year-round opt-out site

Elementary School - Staffing Standards and Guidelines

SCHOOL HEALTH ALLOCATIONS

Nurse	1 per school
Clinic Assistant	1 per school exceeding 1,200 students; special needs basis

ADMINISTRATIVE ALLOCATIONS

Principal	1 per school
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

CUSTODIAL ALLOCATIONS***

Custodian	1 per 15,000 square feet
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- NOTE:** Division standard unless otherwise noted in brackets
- * Full-time resource teachers should be scheduled for a daily, unencumbered planning time.
 - ** Principals are expected to adhere to recommended instructional times.
 - *** Additional allocations may be added as funding permits.

“These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements.”

MIDDLE SCHOOL

Staffing Standards and Guidelines

FY 2008/09

Revised March 2008

The allocation of middle school instructional personnel in Virginia Beach for the 2008/09 school year is based on guidelines that meet or exceed the Standards of Quality (SOQ) and the accreditation requirements of Virginia [State].

Grade Level	SOQ Accreditation Standard Based upon Division-wide Ratios	FY 2008/09 VBCPS Classroom Teacher Allocation	Allocation Adjustments will be Considered as Follows: (Additional Teachers Subject to Availability of Funds) ^(b)
Grades 6-8	25:1	19:1 ^(a)	
English	24:1		
Target Class Size Ratio [see Note (1)]			
Core Courses-Math, Science, and Social Studies	25:1 [SOQ]		Class size minimum: N/A Class size maximum: 28:1
Core Course-English	24:1 [SOQ]		Class size minimum: N/A Class size maximum: 28:1
Exploratory Courses and Electives	25:1 [SOQ]		Class size minimum: 16:1 Band and chorus: 37:1 for all sections Other electives: 28:1 for all sections
Career and Technical Education Courses	20:1 or number of work stations [State]		Class size minimum: 16:1
Physical Education	35:1		Class size maximum: 37:1 average for all sections (funds must be available) Class size minimum: 25:1
Distance Learning	25:1		Class size minimum: N/A Class size maximum: 28:1

- (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 teachers.
- (b) Courses not meeting minimums may be dropped. Waivers may be granted, depending on the course and the extenuating circumstances.

NOTES TO STAFFING STANDARDS:

- (1) Instructional allocations may be decreased and a teacher reassigned when the school-wide student/teacher ratio is 19:1 or less with the elimination of the position.
- (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.
- (3) The classroom teacher allocation of 19:1 is based on all core teachers being assigned to four teaching periods (4 blocks for grades 6, 7, and 8). All non-core (elective) teachers are assigned five teaching periods.

Middle School - Staffing Standards and Guidelines

- (4) Each day core teachers will have one individual planning period scheduled during the students' instructional day. Core teachers may have one core team work/planning period during the contractual day, which includes the time before and after the students' instructional day. **Core team planning may be scheduled at any period during the contractual day, as student/school needs dictate.** [Note: The team work/planning period may include such activities as planning with team members; conferring with parents, resource staff, 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, SPECIAL EDUCATION, AND GUIDANCE COUNSELORS ALLOCATIONS*

Computer Resource	1 per school; plus 1 additional for each school with membership exceeding 1,100 students
Distance Learning	.20 per school (for schools that send transmissions)
Gifted Education	1 per school
Student Activities	1 per school (with interscholastic program)
Library Media Specialist	1 for 250-999 students; 2 for 1,000 plus
Guidance	Director, 1 per school (300 students); Counselors, 1 per 350 students (after first 300)
Reading Teachers	1 per school (.50 to Kemps Landing Magnet School)
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
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NON-INSTRUCTIONAL - SECRETARIAL/CLERICAL ALLOCATIONS

School Admin Associate I/Office Mgr /12 mo.	1 per school
Bookkeeper /12 mo.	1 per school
School Office Associate II/ Attend Secretary/10 mo.	1 per school
School Office Assoc. II /Discipline Secretary /10 mo.	1 per school
School Office Associate II/10 mo.	1 for 1,000 students 2 for 1,600 students [State] 3 for 2,200 students [State]
School Office Associate II/12 mo./Data Tech	1 per school
Library Media Assistant	1 per school (750 enrollment) [State]
School Office Assoc. II/Guidance Secretary/12 mo.	1 per school
Additional Secretarial Days	30 per school; 10 per alternative school

Middle School - Staffing Standards and Guidelines

TEACHER ASSISTANT ALLOCATIONS	
General/Security	3 per school; additional staff is based on special needs
SCHOOL HEALTH ALLOCATIONS	
Nurse	1 per school
Clinic Assistant	1 per school exceeding 1,200 students
ADMINISTRATIVE ALLOCATIONS	
Principal	1 per school
Assistant Principal	1 per school; 2 for 900 students; 3 for 1,200 students; 4 for 1,800 students; 5 for 2,400 students
OTHER SCHOOL ADMINISTRATOR ALLOCATIONS	
Coordinators	Assigned to special programs
Administrative Assistant	Special needs basis
CUSTODIAL ALLOCATIONS**	
Custodians	1 per 15,000 square feet [State]

NOTE: Division standard unless otherwise noted in brackets

* Kemps Landing Magnet School and the Center for Effective Learning are staffed using appropriate modifications to all established standards.

** Additional allocations may be added as funding permits.

"These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements."

HIGH SCHOOL

Staffing Standards and Guidelines

FY 2008/09

Revised March 2008

The allocation of high school instructional personnel in Virginia Beach for FY 2008/09 is based on guidelines that meet or exceed the Standards of Quality (SOQ), the accreditation requirements of Virginia (State), and core class size caps as adopted by the School Board.

Grade Level	SOQ Accreditation Standard Based upon Division-wide Ratios	FY 2008/09 VBCPS Classroom Teacher Allocation	Allocation Adjustments will be Considered as Follows: (Additional Teachers Subject to Availability of Funds) ^(b)
High School (9-12)	25:1 [SOQ]	19:1 ^(a)	
High School English	24:1 [SOQ]		
Target Class Size Ratio [see Note (1)]			
Core Courses-Math, Science, and Social Studies	25:1 [SOQ]		Class size minimum: N/A Class size maximum: 27
Core Course-English	24:1 [SOQ]		Class size minimum: N/A Class size maximum: 27
Electives	25:1 [SOQ]		Class size minimum: 16:1 Class size maximum: Band and chorus: 37:1 average for all sections Other electives: 27:1 for all sections
Advanced Placement/ Magnet Courses	20:1		AP class minimum: 12 Magnet class minimum: 10
Honors Academic Courses	25:1		Class size minimum: 16
High Level Academic Language Electives	25:1		Class size minimum: 16 Class size maximum: 28
Career and Technical Education Courses	20:1 or number of workstations Course cancelled <0.80/ 16 students [State]		Class size minimum: 16 Class size maximum: determined by number of workstations
Physical Education	35:1 25:1 minimum enrollment [Division]		Class size maximum: 37:1 average for all sections

- (a) This standard includes all instructional personnel other than teachers for gifted education, in-school suspension, Education for Employment, NJROTC, special education, guidance counselors, librarians, testing specialists, computer resource specialists, and student activity coordinators.
- (b) Courses not meeting minimums may be dropped. Waivers may be granted, depending on the course and the extenuating circumstances.

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, Virginia Beach Central Academy (VBCA), Advanced Technology Center, and Open Campus are staffed using appropriate modifications to all established standards.
- (2) Instructional allocations may be decreased and a teacher reassigned when the school-wide student/teacher ratio would be 19:1 or less with the elimination of the position.
- (3) 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

High School - Staffing Standards and Guidelines

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.

- (4) The classroom teacher allocation of 19:1 is based on all teachers being assigned to five teaching periods.

Teaching assignments shall be reduced by one teaching period for the following:

- Department Chairperson

- (5) High school teachers will have 250 minutes of planning time per week.

- (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
Student Activities	1 per school (with interscholastic program)
Library Media Specialist and Computer Resource	3:1 and 2:2 beginning FY 2001/02 when the Board approved staffing modifications, which allocated 2 Computer Resource Specialists and 2 Library Media Specialists to each school. Schools are required to eliminate 1 Library Media Specialist upon a vacancy of a Library Media position by a FY 2000/01 agreement.
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 Resource Specialist	1 per school

PARAPROFESSIONAL ALLOCATIONS

In-School Suspension	1 per school
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NON-INSTRUCTIONAL - SECRETARIAL/CLERICAL ALLOCATIONS

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) [State]
School Office Assoc II/12 mo. (Guidance)	1 per school
Extra Secretarial Hours	280 hours per comprehensive high school 80 hours for VBCA 80 hours for Advanced Technology Center 80 hours for Open Campus 80 hours for Technical and Career Education Center

High School - Staffing Standards and Guidelines

TEACHER ASSISTANT ALLOCATIONS	
Security Assistants - Day	3 per school; additional staff is based on special needs
Security Assistants - Night	1 per school; additional staff is based on special needs
SCHOOL HEALTH ALLOCATIONS	
Nurse	1 per school
Clinic Assistant	1 per school exceeding 1,200 students
ADMINISTRATIVE ALLOCATIONS	
Principal	1 per school [State]
Assistant Principal	2 below 1,200 students [State]
	3 1,200 students [State]
	4 1,800 students [State]
OTHER SCHOOL ADMINISTRATOR ALLOCATIONS	
Coordinators	Assigned to special programs
Administrative Assistant	Special needs basis
CUSTODIAL ALLOCATIONS*	
Custodian	1 per 15,000 square feet

NOTE: Division standard unless otherwise noted in brackets
 * Additional allocations may be added as funding permits.

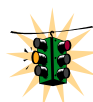
"These standards represent current information and may be subject to change because of the Standards of Accreditation and Standards of Learning implementation requirements."

School Financial Allocations

Division funds are appropriated for schools and allocated in eight (8) categories. The amount of each categorical allocation is based on an allocation formula and the projected March 31 average daily membership (ADM). For certain categories, a minimum allocation formula ensures equity for small schools and special centers. Additionally, funding for field trips is available to schools through the pupil transportation budget.

The principal is responsible for the management of all allocated funds and has the sole signature authority. 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.

Category	Purpose	Formula
Administrative	Funds are allocations for non-capitalized school administrative needs such as office and computer supplies, paper, postage, teacher grade books, printing, and student activities.	<ul style="list-style-type: none"> • \$17.00 per student; schools with fewer than 500 students and all special centers receive adjusted allocations based on size and need • \$400.00 per senior high school for graduation • Schools with less than 500 students receive \$8,500
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: \$5,000 per school • Middle: \$5.00 per student; minimum \$5,000 per school • High: \$5.00 per student; minimum \$5,000 per school • Special centers receive adjusted allocations based on size and need
Instructional <i>(Restricted Account)</i>	Funds are allocated for instructional materials and supplies including paper, science and math consumables, maps, art supplies, paperback novels, physical education materials, program specific needs, and computer supplies, etc.	<ul style="list-style-type: none"> • \$39.50 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 \$13,825 • Each Title I school receives an additional \$1,500
Special Education <i>(Restricted Account)</i>	Funds are allocated for instructional materials and supplies for special education students including paper, consumables, art supplies, supplementary learning materials, and program-specific needs, etc.	<ul style="list-style-type: none"> • \$70.00 per self-contained student • \$15.00 per resource student • \$70.00 per preschool student
Computer Supplies <i>(Restricted Account)</i>	Funds are allocated for the purchase of computer supplies.	<ul style="list-style-type: none"> • \$3.00 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: \$3,000-\$5,000 per school based on size, plus \$4.50 per student • Middle: \$5,500-\$7,500 per school based on size, plus \$6.00 per student • Senior High: \$9,000 per school, plus \$6.00 per student • Special Centers: \$2,500-\$7,500 per center based on size, plus \$6.00 per student
Staff Development	Funds are allocated to provide site-specific staff development opportunities that support school and division strategic plans including workshops, training conferences, and consultant personnel.	<ul style="list-style-type: none"> • Elementary: \$3,000-\$4,000 per school based on size, plus \$5.00 per teacher • Middle: \$4,000-\$4,500 per school based on size, plus \$5.00 per teacher • Senior High: \$5,000 per school, plus \$5.00 per teacher • Special Centers: \$2,000-\$5,000 per center based on size, plus \$5.00 per teacher
Field Trips	Funds are allocated to support field trips at the school sites for local field trips.	<ul style="list-style-type: none"> • Elementary, Middle, High Schools: \$1.50 per student • Special centers and small schools with fewer than 300 students are funded at the minimum level of \$500 • 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 three (3) accounts from the Administrative, Equipment, Library, or Staff Development accounts. However, once funds from any source are transferred into one of the three (3) restricted accounts, they cannot be transferred out for any purpose.

School Financial Allocations

Projected Allocation Totals by Category - FY 2008/09

Category	Elementary	Middle	High	Center
Administrative	\$ 552,670	\$ 272,306	\$ 376,343	\$ 72,081
Equipment	280,000	84,440	109,395	23,040
Instructional <i>(Restricted Account)</i>	1,180,351	595,819	816,348	417,283
Special Education <i>(Restricted Account)</i>	137,045	78,900	109,725	4,360
Computer Supplies <i>(Restricted Account)</i>	91,722	46,950	65,637	8,495
Library	341,601	181,900	230,274	4,327
Staff Development	180,195	61,930	62,740	33,490
Field Trip	45,989	23,782	32,820	48,665
Total	\$ 2,809,573	\$ 1,346,027	\$ 1,803,282	\$ 611,741

Total All Categories	<u><u>\$ 6,582,539</u></u>
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Instructional Computer Allocation Guidelines

Original Cabinet Approval: August 29, 2005

Revised: December 14, 2007

Goal: Provide technology infrastructure that supports instructional needs

Guiding Principles:

1. Consistency and equity of technology across schools
2. Technology capabilities that adequately meet various programmatic needs
3. Special considerations for unique programmatic needs
4. Managed growth of computer assets

These guidelines apply only to instructional computers needed to support current instructional programs and software. Initial and ongoing implementation of these guidelines is contingent upon availability of funds. (Note: Purchase of tables, carts, printers, supplies etc. to support the computers shall be the responsibility of the schools.)

Guiding Principle 1: Consistency and Equity of Technology Across Schools

- a. The schools shall be allocated desktop computers based on student enrollment to maintain a student to computer ratio of 4 to 1. This ratio has been established to provide adequate number of computers to meet computer needs of the students and teachers in classrooms, libraries, labs, and teacher workrooms. The actual assignment of these computers within a building might vary according to programmatic needs and building constraints.
- b. Each elementary school will receive a minimum of 125 desktop and 30 laptop computers on one or more carts for use as mobile labs.
- c. Each middle school will receive a minimum of 100 laptop computers on carts for use as mobile labs (exception: CEL shall receive 40 laptop computers on carts).
- d. Each high school will receive a minimum of 140 laptop computers on carts for use as mobile labs (exception: OCHS and VBCA each shall receive 60 laptop computers on carts).
- e. Additional wireless carts purchased by the school division may be assigned to schools.
- f. Division purchased wireless carts may be reallocated during SOL on-line testing or other division initiatives.
- g. Desktop computer and division purchased wireless laptop cart allocations will be reviewed annually by the Department of School Administration, the Department of Technology, and the Research, Evaluation, and Assessment in late spring/early summer and reallocated, if needed, for the following year.
- h. Desktop computers shall be provided to sites experiencing a shortfall as a result of implementation of the standard. If sufficient funds are not available to cover the shortfall, DOSA, C&I, and DOT will prioritize the needs for each school facing a shortfall for implementation based on priority list. Before additional computers are provided, schools will need to work with DOT and Administrative Support Services to ensure that existing electrical and network infrastructure in the building can support the additional computers.
- i. Sites that have surplus computers (or computers in excess of the prescribed amount per the standards) will be permitted to keep them until they become unusable as long as they are networked and meet or exceed the minimum hardware standards established by DOT. These computers will not be eligible for replacement through central funds except as approved under 3a.

Guiding Principle 2: Technology Capabilities that meet Programmatic Needs

- a. All computers must be capable of running DOT standard operating system and office suite.
- b. To optimize the use of computer resources, administration at each school will work with C&I and DOT to maximize the efficient use of computers within a building.

Instructional Computer Allocation Guidelines

- c. Administration at each school shall consider scheduling alternatives to optimize the use of labs in order to meet the needs of the instructional program.
- d. DOT and C & I will work together to ensure that computers in instructional labs meet the needs of the course(s) taught in those labs.
- e. DOT and C & I will ensure that the hardware is able to support the instructional needs of all academies; in particular the Advanced Technology Center, the Technical and Career Education Center, the Technology Academy at Landstown High School, and specialized TCE programs in the comprehensive high schools.
- f. DOT will evaluate computer assets annually for their ability to meet instructional needs by applying the hardware functionality test. A computer passes the hardware functionality test if it meets or exceeds the software publishers' recommended hardware specifications and is able to efficiently run multiple applications simultaneously as required to meet the objectives of the courses. Computers that do not pass the hardware functionality test become eligible for replacement or upgrading by DOT, contingent upon availability of funds.
- g. If the hardware meets the functionality test but does not perform satisfactorily, the CRS (or TCE staff as appropriate) will work with the software vendor(s) for resolution. DOT provides assistance as requested to interface with the vendor(s) on technical issues.
- h. If the hardware does not meet the functionality test, DOT shall consult with school staff (and TCE staff where appropriate) to determine the following:
 - i. Whether the programmatic needs can be met by reassigning computers, where appropriate
 - ii. Whether an upgrade will suffice or whether replacement is necessary
 - iii. The number of computers that need to be upgraded or replaced
 - iv. The projected cost of the upgrade or replacement
 - v. Schedule for approved upgrades or replacement
- i. For programmatic changes that require implementation of new or upgrades to existing software impacting an entire lab, the department or school staff implementing the program shall submit to DOT the following information:
 - i. The desired date for the change
 - ii. Room number of the lab and course(s) taught
 - iii. Specific new software titles or new versions of existing software required
 - iv. Additional specific software titles and versions desired, but not required (if any)
 - v. Software publishers' recommended hardware specifications for each software title
 - vi. Funding source for the software and hardware needed due to upgrades associated with the programmatic change
 - vii. Any other information deemed appropriate by requesting staff

Guiding Principle 3: Special Considerations for Unique Programmatic Needs

- a. Schools may apply for exceptions for a portion of their surplus computers to be included in the replacement cycle based on their unique programmatic needs. If approved by the Allocation Exceptions Committee, computers in the exceptions category would be included in the replacement cycle.

Guiding Principle 4: Managed Growth of Computer Assets

- a. Only those instructional computers that fall within the scope of the allocation standards will be included in the centrally funded replacement cycle.
- b. Schools may currently have computers in excess of this allocation as a result of acquisitions made possible through other funding sources (grant funds, PTA, etc.). These computers are not considered part of the allocation standard and, therefore, are not eligible for replacement through central funding.

Instructional Computer Allocation Guidelines

- c. If a department or school implements a new program that includes purchase of computers from local or grant funds, those computers will not increase the number of computers allocated to a school. As such, those computers will not be eligible for replacement except if an exception has been approved by the Allocation Exceptions Committee prior to the implementation of the new program.
- d. Rezoning may result in computers being moved in order to ensure that affected schools remain within the allocation standard.
- e. Annually, at the beginning of the fourth grading period, DOT, C & I, and DOSA shall review and adjust, as necessary, computer allocations for schools based on the number of students per site, using the Sept. 30th enrollment projections for the upcoming year. DOT shall purchase additional computers, as needed, to meet the allocation standard.

Revenue Sharing Policy



CITY OF VIRGINIA BEACH AGENDA ITEM

ITEM: A Resolution Adopting a Policy for the Sharing of Certain General Fund Revenues between the City of Virginia Beach and the Virginia Beach School Board.

MEETING DATE: January 10, 2006

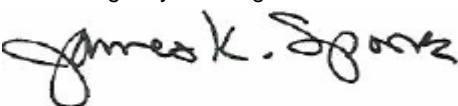
■ Background: The Virginia Beach Public School System remains a top priority for both the City Council and the School Board. A healthy and attractive school system is a cornerstone in the vision of being the leading city in Virginia. The City/School Revenue Sharing Policy (the "Policy") continues to work well to allocate the resources necessary to allow the School Board to work towards their goal of delivering world-class schools to our citizens.

The Revenue Sharing Policy Committee, comprised of two members of City Council, two members of the School Board, the City Manager, the Superintendent of Schools, the City Chief Financial Officer, the Schools Chief Financial Officer, and the Director of the Department of Management Services, met three times to review the Policy for sharing certain General Fund revenues between the City and the School Board. The general consensus of the committee was that the Policy is working for both the City and the Schools. It provides a consistent and predictable method for allocating resources for School operational, capital pay-as-you-go, and debt-services needs. It was decided, however, that the Policy should be updated to more closely reflect the current administration of the Policy and to incorporate the procedures necessary to accomplish the Policy, which had been a separate document since the adoption of the Policy in 1997.

- Considerations: Several changes have been made to the policy:
 - Although the original Policy was silent on the impact of a tax-rate decrease, the revision clarifies that both the Schools and the City will share in any reduction in revenue due to a rate decrease.
 - Revenues derived from tax increment financing or special service district special revenue funds are specifically excluded from the revenue sharing formula.
 - The revised Policy calls for an annual mathematical recalculation of the formula to establish a new actual allocation percentage by incorporating any changes, including increases or decreases in tax rates.
 - A table showing the history of tax rate changes and changes in the effective overall percentage rate is attached to the Policy and will be updated annually.
 - Conditions for policy review are specified in the revised Policy. Significant unanticipated changes in the level of estimated federal, state, or local revenues will trigger a review. The Policy was revised to reflect that a review must take place at least every other year. This had been the practice since 2001, but the frequency of review was not specified in the original Policy.
- Public Information: Public information will be handled through the regular Council agenda process.
- Alternatives: Continue using the current Policy to allocate certain General Fund revenues estimated to be available in a given fiscal year. Alternatively, the Policy could be abolished altogether, although this would make the allocation of resources more unpredictable.
- Recommendations: Approve the resolution to adopt the City/School Revenue Sharing Policy as revised.
- Attachments: Resolution and Policy for the Sharing of Certain General Fund Revenues Between the City of Virginia Beach and the Virginia Beach School Board.

Recommended Action: Approve Resolution

Submitting Department/Agency: Management Services

City Manager: 

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A RESOLUTION ADOPTING A POLICY
FOR THE SHARING OF CERTAIN
GENERAL FUND REVENUES
BETWEEN THE CITY OF VIRGINIA
BEACH AND THE VIRGINIA BEACH
SCHOOL BOARD

WHEREAS, City Council has determined that adoption and implementation of the revised revenue-sharing policy recommended by the Revenue Sharing Policy Committee is the most prudent method by which to allocate to the City of Virginia Beach and the Virginia Beach Public School Board, respectively, certain General Fund revenues estimated to be available in a given fiscal year to fund a portion of the City's budget, and to fund the local share of the School Board's operating budget, local debt service costs, and pay-as-you-go capital improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

That City Council hereby adopts the attached policy for the sharing of certain General Fund revenues between the City of Virginia Beach and the Virginia Beach School Board.

Adopted by the Council of the City of Virginia Beach, Virginia on the _____ day of _____ 2006.

APPROVED AS TO CONTENT

APPROVED AS TO LEGAL SUFFICIENCY


Management Services


City Attorney's Office

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R-2
January 4, 2006



City Council Policy

Title: Policy for the Sharing of Certain General Fund Revenues Between the City of Virginia Beach and the Virginia Beach School Board		Index Number: 6.02
Date of Adoption: 02/25/97	Date of Revision: 01/10/06 <u>03/12/07</u>	Page 3 of 5 <u>7</u>

1.0 Purpose

The purpose of this policy is to establish a procedure for allocating to the City and the School Board, respectively, certain General Fund revenues estimated to be available in a given fiscal year.

This policy will establish a predictable, objective means of sharing local revenues and establish a balance between School programming needs and the wide range of other needs of the City. This policy will provide both the City and the School Board notification about revenue estimated to be available for fiscal year planning.

Revenues allocated to the School Board represent the City's contribution to Schools. These revenues are used to fund the local share of the School Board's operating budget, local debt service costs, and pay-as-you-go capital improvements. The remaining revenues shall be allocated to the City. Tax Increments Financing revenue and Special Service District revenue shall not be subject to the Revenue Sharing Formula. The Revenue Sharing Formula will be reviewed periodically by a committee as established in section 9.1 of this policy, and will be adjusted as necessary.

2.0 Definitions

2.1 **The City** refers to the City of Virginia Beach, exclusive of Schools.

2.2 **City Council** refers to the City of Virginia Beach City Council.

2.3 **Schools** refers to the Virginia Beach City Public Schools.

2.4 **The School Board** refers to the Virginia Beach School Board.

2.5 **Revenues subject to the formula** are defined as general fund revenues from the real estate, personal property, general sales, utility (Non-Telecommunications), ~~cellular telephone~~ and State Telecommunications, business license taxes, and from cable television franchise fees (through current 2016).

2.6 **The Revenue Sharing Formula** is the percentage formula by which Revenues Subject to the Formula are allocated between the Schools and the City.

2.7 **Budgeted Revenues** are the original estimates of revenues subject to the Revenue Sharing Formula adopted by City Council in May of each year.

2.8 **Actual revenues** are the collected revenues subject to the Revenue Sharing Formula.

3.0 Procedure to Accomplish the Policy

3.1 As a starting point for the fiscal year ~~2006-07~~ 2007-08 budget, the Schools will be allocated ~~51.79~~ 51.3% of the Revenues Subject to the Formula, and the City will retain ~~48.24~~ 48.7% of the Revenues Subject to the Formula. These aggregate percentages are based on the actual allocations of Revenues Subject to the Formula by City Council in fiscal year ~~2005-06~~ 2006-07 as calculated after the adoption of the budget. These percentages may be adjusted for any fiscal year ~~2006-07~~ at the discretion of the City Council. An adjustment may be necessary due to a tax increase or decrease, an increase or decrease in other revenue, or any other circumstance, at the discretion of the City Council. Immediately following the adoption of the budget for fiscal year 2006-07, the City's Department of Management Services will determine the actual percentages of Revenues Subject to the Formula allocated to Schools and retained by the City ~~in fiscal year 2006-07~~. The actual percentages of Revenues Subject to the Formula allocated to the Schools and retained by the City ~~for fiscal year 2006-07~~ shall be the starting point for allocations of Revenues Subject to the Formula for the next fiscal year ~~2007-08~~ budget. This process shall continue each year, with the City's Department of Management Services calculating the actual allocation percentages after the adoption of the budget each year, and actual percentage allocations of Revenues Subject to the Formula for each fiscal year constituting the starting point for allocations for the subsequent fiscal year.

3.2 A table showing the history of total Revenues Subject to the Formula, total Revenues Subject to the Formula allocated to the Schools, tax rates, tax rate changes, and the resulting Revenue Sharing Formula for each year is incorporated as a part of this policy in Appendix A. This table will be updated annually to reflect the most recent Revenue Sharing Formula based on the most recent budget adopted by City Council.

3.3 Preliminary revenue allocation, using the actual allocation percentages for the previous year, will be based on annual October 1 revenue estimates. Updates will be made during budget development, based on December 31 collections, and provided to both parties within 20 calendar days of the December 31 collections.

3.4 If in the development of the City biennial budget a local tax change is being considered, the City Manager will provide ~~written~~ notification to the ~~School Board~~ and Superintendent of Schools detailing the scope and magnitude of any contemplated tax rate change. The City Manager shall provide notice as early in the school budget development process as possible, preferably prior to the presentation of the Superintendent's Estimate of Needs in February.

3.5 The proportion of revenues for the City and Schools allocated based on the Revenue Sharing Formula shall not be affected by section 2-186.1 of the City Code regarding preparation of the budget using a "base budget" method. The City and the Schools recognize that it is not the intention of section 2-186.1 of the City Code to alter the Revenue Sharing Formula.

3.6 For fiscal years 2006-07 and 2007-08, Revenues Subject to the Formula will also be calculated, for informational purposes only, according to the allocation ratio for each individual revenue stream included in the Revenue Sharing Formula, taking into consideration changes to the rates for the various streams as a result of Council action. These stream-specific allocation ratios are detailed on Appendix B of this policy. At the scheduled Revenue Sharing Policy review in January 2007, the aggregate method of calculating the Schools' portion of the revenue (set forth by section 3.1 of this

policy) will be compared to the stream-specific method of calculating the Schools' portion of the revenue to ensure that the use of the aggregate percentage as described in Section 3.1 does not, exclusive of other factors, negatively impact the amount of revenue that the Schools receive. If it is determined that the allocation method described in Section 3.1, in and of itself, negatively impacts the amount of revenue that the Schools receive, definitive steps will be taken to remedy the situation.

4.0 Additional Funding-Schools

- 4.1 If the School Board determines a need for additional local funding to maintain its current level of operations or to provide for additional initiatives, it shall make a formal written request to the City Council, through its chairman, stating the purpose(s) for which the additional funding is needed, and the amount of additional funding required.
- 4.2 The City Council shall review any School Board request for additional local funding and determine if additional funding is available. If the City Council determines that additional local funding cannot be made available without an increase in local tax rates, it shall formally notify the School Board.
- 4.3 If the School Board desires to request an increase in local tax rates to generate the additional local funding requested, the School Board shall hold a public hearing on the issue of whether local tax rates should be increased to provide additional revenue for the purpose(s) identified by the School Board. Following the public hearing, if the School Board desires to request an increase in local tax rates, the School Board shall make a formal request to the City Council to increase local tax rates to a level necessary to generate the additional funding. The School Board shall make such a request in the form of an adopted School Board resolution.
- 4.4 City Council shall consider any properly submitted request by the School Board for a local tax increase and determine the appropriate action.
- 4.5 If, after deliberation and appropriate public involvement, including the consideration of a referendum in appropriate circumstances, the City Council adopts a local tax rate increase to generate the additional local funding requested by the School Board, the full amount of revenue produced by the local tax increase shall become part of the School revenue share for the fiscal year budget being developed, and for all future fiscal years.

5.0 Additional Funding-City

If the City Council determines that additional funding is needed to maintain the current level of City operations or to provide for additional initiatives in City programs or services, the City Council shall determine the appropriate action. If after deliberation and appropriate public involvement, including consideration of a referendum in appropriate circumstances, the City Council adopts a tax rate increase to generate the additional local funding for City Government programs, the full amount of revenue produced by the local tax increase shall become part of the City revenue share for the fiscal year budget being developed, and for all future fiscal years.

6.0 Tax Rate Decrease

If the City Council determines that it is in the best interest of the community to decrease the rate for any of the taxes or fees that are included in the Revenue Sharing Formula, the revenue estimates will be calculated using the lowered tax rates. The City revenue share and the Schools revenue share shall be affected by a tax rate reduction in the same proportion that budgeted revenues were shared for that fiscal year, unless otherwise specifically determined by the City Council.

7.0 Actual Revenues Deviate from Budgeted Revenues

- 7.1 If, at the end of the fiscal year, the actual revenues exceed the budgeted revenues, the amount of excess revenues shall be shared by the City and the School Board in the same proportion that budgeted revenues were shared for that fiscal year; provided that such excess revenues shall only be shared after the necessary resources for the Fund Balance Reserve Policy have been determined and fulfilled.
- 7.2 If, however, the City 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 of such an anticipated shortfall, will be expected to reduce expenditures in an amount equal to the School Board's proportion of a shortfall.

8.0 Unanticipated Revenues

Any increase in revenues resulting from actions of the Commonwealth of Virginia not contemplated by this policy shall not be subject to the Revenue Sharing Formula but shall be the subject of joint discussions of the City and the Schools.

9.0 Revision to Policy


- 9.1 A committee comprised of two members of City Council, two members of the School Board, the City Manager, the Superintendent of Schools, the City Chief Financial Officer, the School Chief Financial Officer and the Director of the Department of Management Services shall periodically review this policy and its application.
- 9.2 This policy shall be reviewed, and revised as appropriate or necessary,
 - (a) whenever a rate change for any of the taxes included in the Revenue Sharing Formula has been adopted;
 - (b) whenever the funds made available to the School Board pursuant to this policy are not adequate to meet the State Board of Education's mandated "standards of quality";
 - (c) whenever any significant unanticipated changes occur in the level of estimated federal and state revenues available to the School Board;
 - (d) whenever any significant unanticipated changes occur in City revenues not included in the Revenue Sharing Formula; and
 - (e) periodically, but at least biennially, beginning not later than January 31, 2007.

Approved as
to Content:


Director of Management Services

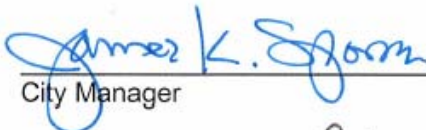
20 March '07
Date

Approved as
to Legal Sufficiency:


City Attorney

3/20/07
Date

Reviewed by:


City Manager

MARCH 20, 2007
Date

APPROVED BY
CITY COUNCIL:


Mayor

June 12, 2007
Date

School Revenue Sharing Formula 1997-2008

Appendix A

Revenue	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003	
	Rate		Rate		Rate		Rate		Rate		Rate		Rate	
Real Estate Tax	1.22	231,078,016		240,968,494		253,781,350		267,618,466		282,792,433		298,785,562		
RE Tax Public Service	1.22	6,099,806		5,910,744		6,160,203		6,291,653		6,649,361		7,024,086		
RE Tax Delinquent	1.22	570,479		530,202		625,896		823,202		906,822		928,856		
Personal Property Tax	3.70	74,621,159		75,867,261		86,321,826		88,016,364		98,021,277		100,320,466		
General Sales Tax	1%	36,171,287		36,631,825		38,764,180		40,331,525		41,208,796		41,370,311		
Utility Taxes - see note (a)		28,816,558		29,681,023		30,270,754		31,823,732		31,908,988		31,968,743		
Utility Taxes - Consumption														1,385,444 (c)
Utility Taxes - Cellular Phones (b)	\$3	1,807,200		1,942,740		1,711,061		1,663,132		2,017,610		3,180,901		
Business License Tax	varies	22,504,867		25,521,687		25,570,088		27,880,165		29,396,269		30,815,259		
Cable Franchise Tax	5%	2,969,583		3,288,292		3,393,352		3,446,326		3,754,440		4,639,462		
Total Revenue in Formula		380,401,752		404,638,955		420,342,268		446,598,710		467,894,565		496,655,996		520,419,090
School Operating Transfer			182,236,233		187,703,617		199,879,794		208,189,195		225,336,750		234,934,664	
Debt Service			31,079,628		31,481,013		34,607,610		36,248,916		35,688,677		38,712,634	
CIP Pay-Go				2,424,339		1,037,460		2,311,304		1,000,000		1,000,000		
Total School Allocation		202,121,285		213,315,861		221,608,969		235,524,864		246,749,415		262,025,427		274,647,298
Total City Allocation		178,280,467		191,323,094		198,733,299		211,073,846		221,145,150		234,630,569		245,771,792
City funding as % of total Revenue		46.87%		47.28%		47.28%		47.26%		47.26%		47.24%		47.23%
School funding as % of total Revenue		53.13%		52.72%		52.72%		52.74%		52.74%		52.76%		52.77%

(a) In FY 1998, residential utility tax increased from \$2.40 to \$3.00 per month for electric, gas, telephone, and water utilities. The commercial rates increased as well on a tiered basis.

Because this increase was at the request of the City, 100% of the increase was allocated to the City. It was calculated that 89.1% of the total utility tax was henceforth subject to the Revenue Sharing

(b) 10% of first \$30.00.

(c) Consumption is tiered; set by State Code.

Revenue	FY 2004		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009	
	Rate		Rate		Rate		Rate		Rate		Rate	
Real Estate Tax	326,074,713		362,347,945	1.1964	377,664,464	1.0239	441,312,070	0.990	469,574,581	0.890	479,206,211	0.890
RE Tax Public Service	7,241,806		6,905,591	1.1964	5,016,179	1.0239	3,775,947	0.990	4,090,908	0.890	4,518,482	0.890
RE Tax Delinquent	1,016,145		1,121,572	1.1964	1,014,381	1.0239	1,014,381	0.990	1,157,836	0.890	1,244,459	0.890
Personal Property Tax	106,624,523		110,035,897		113,389,566		127,582,769		138,514,563		133,953,642 (e)	
General Sales Tax	43,807,065		45,538,506		50,833,174		53,390,260		55,691,645		56,040,158	
Utility Taxes	32,061,944		33,569,117		32,064,827		30,169,337		23,680,089		23,791,320	
VA Telecommunications Tax									16,909,586		23,634,421 (f)	
Utility Taxes - Consumption	1,418,695		1,641,706		1,576,053		1,585,793		1,624,392		1,619,709	
Utility Taxes - Cellular Phones	4,372,070		5,267,578		8,466,780		7,906,182					
Business License Tax	31,958,284		34,065,874		37,140,370		40,794,218		44,987,246		43,180,830	
Cable Franchise Tax	4,795,420		4,857,144		4,612,615		4,941,085		4,746,613		5,413,198	
Total Revenue in Formula	559,370,665		605,350,930		631,778,409		712,472,042 (g)		760,977,459		772,602,430	
School Operating Transfer	254,754,290		256,418,891		268,713,519		307,224,646		336,870,685		338,982,548	
Debt Service	39,582,583		41,303,652		40,912,433		40,282,967		41,402,094		41,411,259	
CIP Pay-Go	1,000,000		17,597,408		17,597,408		17,597,408		12,108,658		13,936,308	
Total School Allocation	295,336,873		315,319,951		327,223,360		365,105,021		390,381,436		394,330,115	
Total City Allocation	264,033,792		290,030,979		304,555,049		347,367,021		370,596,023		378,272,315	
City funding as % of total Revenue	47.20%		47.91%		48.21%		48.76%		48.70%		51.04% (h)	
School funding as % of total Revenue	52.80%		52.09%		51.79%		51.24%		51.30%		48.96%	

(e) Beginning in FY 2008-09, this excludes the proposed increase in Machinery Tools tax and Pleasure Craft boats, because the City requested these tax increases.

(f) The E 911 Communications Special Revenue Fund previously was allocated 29.53% of the total Virginia Telecommunication Tax, which equated to the historical amount received through the previous local taxes. This fund was merged into the General Fund in FY 2008-09 and, therefore, this 29.53% allocation is excluded from the revenue sharing formula.

(g) The City portion of BRAC funding (\$7,500,000) was subtracted from the total revenues (shared costs between City and Schools).

(h) This allocation is less than 51.3% due to the increases in taxes on pleasure crafts (boats to \$1.00) and Machinery and Tools (from \$1.00 to \$1.90), both of which were requested by and remitted to the City. Also, with the merger of the E-911 Communications Special Revenue Fund to the General Fund, 29.53% of these revenues are allocated to this function; the school revenue sharing formula applies to the residual amount. The amount dedicated to E-911 communications represents the historical allocation of the previous local telecommunications taxes.

Revenue Sharing Formula Policy

Appendix B Historical Information

Fiscal Year	Real Estate (includes delinquent and interest on delinquent)	Utility and Utility Consumption	Personal Property (includes delinquent) *	General Sales	Cell Phone	Business License	Cable Franchise	Va Telecom Tax**	Aggregate Percentage
1997-98	\$1.22	46.87% City 53.13% Schools		46.87% City 53.13% Schools					46.87% City 53.13% Schools
1998-99	46.87% City 53.13% Schools	Rate Increase requested by City 52.66% City 47.34% Schools		46.87% City 53.13% Schools					47.28% City 52.72% Schools
1999-00		52.66% City 47.34% Schools		46.87% City 53.13% Schools					47.26% City 52.74% Schools
2000-01				46.87% City 53.13% Schools					
2001-02				46.87% City 53.13% Schools					47.24% City 52.76% Schools
2002-03				46.87% City 53.13%					47.23% City 52.77% Schools
2003-04				46.87% City 53.13%					47.20% City 52.80% Schools
2004-05	\$1.1964 Reduction 100% Schools 49.04% City 50.96% Schools			46.87% City 53.13%					47.91% City 52.09% Schools
2005-06	\$1.0239 Reduction 53.13% Schools 48.58% City 51.42% Schools			46.87% City 53.13%					48.21% City 51.79% Schools
2006-07	\$0.99 49.08% City 50.92% Schools	48.21% City 51.79% Schools		48.21% City 51.79% Schools					48.76% City 51.24% Schools
2007-08	\$0.89 48.7% City 51.3% Schools	48.70% City 51.3% Schools		48.70% City 51.3% Schools				48.7% City 51.3% Schools	48.7% City 51.3% Schools
2008-09	\$0.89 48.7% City 51.3% Schools	48.70% City 51.3% Schools		48.70% City 51.3% Schools				48.7% City 51.3% Schools	51.04% City 48.96% Schools

* Beginning in FY 2008-09, this excludes personal property taxes associated with the increase tax on pleasure craft boats and the increase from \$1.00 to \$1.90 in the Machinery and Tools tax, both of which were requested by and remitted to the City.

** Beginning in FY 2008-09 with the merger of the E-911 Communications Special Revenue to the General Fund, 29.53% of these revenues are allocated to this function; the school revenue sharing formula applies to the residual amount. The amount dedicated to E-911 communications represents the historical allocation of the previous local telecommunications taxes.

Impact on the Average Family

The table below illustrates the impact of all municipal taxes/fees on an “average” family of four in each community. The table is provided for informational purposes, and reflects the ranking of Virginia Beach regarding tax burden among the Hampton Roads community.

Under the Revenue Sharing Formula Policy, discussed on the previous pages, Virginia Beach city and schools split the percentage of the seven general fund revenue streams. The schools share is 51.3 percent; this represents the local taxpayer’s support to education.

FY 2007/08							
Taxes	Virginia Beach	Chesa- peake	Norfolk	Ports- mouth	Suffolk	Hampton	Newport News
Real Estate Tax	\$2,522.31	\$2,975.76	\$3,145.81	\$3,429.21	\$2,578.99	\$2,947.42	\$3,117.47
Personal Property Tax	461.76	509.18	530.40	624.00	530.40	530.40	530.40
Electricity Utility Tax	36.00	45.00	45.00	40.80	36.00	36.00	36.96
Gas Utility Tax	36.00	22.56	18.00	36.00	36.00	28.80	18.12
VA Telecom Tax	70.68	70.68	70.68	70.68	70.68	70.68	70.68
Water utility Tax	36.00	None	67.50	84.00	None	None	None
Restaurant Tax	251.48	251.48	275.43	275.43	275.43	275.43	275.43
Admissions Tax	25.69	25.69	25.69	25.69	25.69	25.69	19.27
Vehicle License Tax	52.00	46.00	52.00	50.00	40.00	56.00	52.00
Storm Water Utility Tax	73.37	82.20	93.96	72.00	62.88	55.20	61.20
Residential Refuse Fee	None	None	271.74	384.00	None	221.00	235.30
Total Tax Impact	\$3,565.29	\$4,028.55	\$4,596.21	\$5,091.81	\$3,656.07	\$4,246.62	\$4,416.83

FY 2006/07							
Taxes	Virginia Beach	Chesa- peake	Norfolk	Ports- mouth	Suffolk	Hampton	Newport News
Real Estate Tax	\$2,039.49	\$2,434.23	\$2,785.11	\$2,982.48	\$2,061.42	\$2,500.02	\$2,631.60
Personal Property Tax	461.76	509.18	499.20	624.00	530.40	530.40	530.40
Electricity Utility Tax	36.00	45.00	45.00	40.80	36.00	36.00	36.96
Gas Utility Tax	36.00	22.56	18.00	36.00	36.00	28.80	18.12
VA Telecom Tax	70.68	70.68	70.68	70.68	70.68	70.68	70.68
Water utility Tax	36.00	None	67.50	84.00	None	None	None
Restaurant Tax	209.69	209.69	229.66	229.66	209.69	229.66	229.66
Admissions Tax	27.00	27.00	27.00	27.00	27.00	27.00	20.25
Vehicle License Tax	52.00	46.00	52.00	50.00	40.00	56.00	52.00
Storm Water Utility Tax	62.42	30.60	91.20	60.00	None	43.20	52.20
Residential Refuse Fee	None	None	208.74	264.00	None	204.00	211.92
Total Tax Impact	\$3,031.04	\$3,394.94	\$4,094.09	\$4,468.62	\$3,011.19	\$3,725.76	\$3,853.79

FY 2005/06							
Taxes	Virginia Beach	Chesa- peake	Norfolk	Ports- mouth	Suffolk	Hampton	Newport News
Real Estate Tax	\$2,182.95	\$2,447.55	\$2,800.35	\$2,998.80	\$2,072.70	\$2,513.70	\$2,646.00
Personal Property Tax	461.76	509.18	499.20	624.00	530.40	530.40	530.40
Electricity Utility Tax	36.00	45.00	45.00	40.80	36.00	36.00	36.96
Gas Utility Tax	36.00	22.56	18.00	36.00	36.00	28.80	18.12
VA Telecom Tax	67.20	105.00	110.40	96.00	66.00	74.288	73.49
Water utility Tax	36.00	None	67.50	84.00	None	None	None
Restaurant Tax	209.69	209.69	229.66	229.66	209.69	229.66	229.66
Admissions Tax	27.00	27.00	27.00	27.00	27.00	27.00	20.25
Vehicle License Tax	52.00	46.00	52.00	50.00	40.00	56.00	52.00
Storm Water Utility Tax	62.42	30.60	91.20	60.00	None	43.20	52.20
Residential Refuse Fee	None	None	208.74	264.00	None	204.00	211.92
Cable Franchise & Utility Tax	18.00	18.00	43.20	43.20	10.80	43.20	43.20
Total Tax Impact	\$3,189.02	\$3,460.58	\$4,192.25	\$4,553.46	\$3,028.59	\$3,786.24	\$3,914.19

Source: City of Virginia Beach City Resource Management Plan, July 2008

Revenue Sources for Operation of Regular Day School

Revenue for the operation of the school division is received from three primary sources: federal, state (including State Sales Tax), and the local governing body.

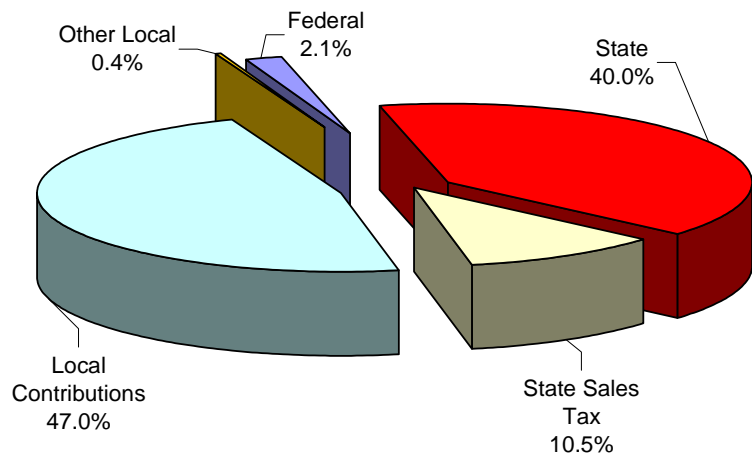
Federal Funds consist of *general funds*, such as Impact Aid funds that are paid directly to the School Board for use in operation of the total instructional program; and *categorical funds* that are designated for specific programs such as Adult Basic Education. These funds are subject to the federal budget process.

State Funds consist of *Standards of Quality (SOQ)* payments and *categorical* amounts established by the General Assembly on a biennial basis. SOQ payments are derived by multiplying the per-pupil amounts determined by the General Assembly by the projected March 31 Average Daily Membership (ADM). The September 30th Projected Enrollment is used to estimate the March 31 ADM using historical rates of decline. SOQ payments are shared by the state and the local government based upon a ratio entitled the Composite Index. The Composite Index is determined by the state with each biennium and represents the local government's ability to fund public education. In addition to SOQ payments, the state also provides categorical funds to pay the state's share of certain specific programs, such as Special Education, and Technical and Career Education.

State Sales Tax, since 1985, is required by the Appropriations Act to be shown as a separate source of revenue in local budgets. One and one-eighth cent of the sales tax is returned by the state to localities for public education and is distributed to school divisions based on the number of school-aged children residing in each locality. A census is conducted every three years by each locality to determine the number of school-aged children who reside there. The results of the census are utilized by the state to determine the distribution of sales tax to each school division.

Local Funds consist of numerous miscellaneous revenue sources such as school facility rentals, tuition, and sale of equipment, as well as the appropriation by Council. The City Council must contribute a minimum level of funding, referred to as the Standards of Quality (SOQ) payments. This minimum level of funding is determined by the Composite Index and is applied to the per-pupil amounts defined by the state for the Standards of Quality. The local government provides an appropriation for education in excess of the Standards of Quality payments and determines the level of total education support by means of a Revenue Sharing Formula Policy. The original policy, adopted in 1997, provided 53.13 percent of seven designated General Fund tax revenue streams: Real Estate Tax, General Sales Tax, Personal Property Tax, Business License Tax, Utility Tax, State Telecommunications Tax, and Cable Franchise Fees. In conjunction with several Real Estate rate reductions adopted since 1997, modifications to the formula have taken place, which have reduced the revenue share to 51.3 percent. The net formula funds are allocated first to Debt Service, then "Pay-As-You-Go" Capital Improvement projects which can reasonably be expected to be completed within one year, and the remainder is allocated to the Operating Budget.

FY 2008/09 BUDGET



Actuals	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07
Federal Funds	2.7%	2.9%	2.7%	2.7%
State Funds	39.2%	41.9%	40.7%	41.1%
State Sales Tax	26.3%	26.3%	26.2%	23.7%
Local Funds	48.1%	43.9%	45.0%	45.5%
Total Dollar Amount	\$ 534,343,721	\$ 571,337,812	\$ 600,948,131	\$ 675,382,750

Long-Term Financial Objective

The long-term financial objectives of the School Board are aimed at addressing the following key issues: increasing academic opportunities for students, a comprehensive alternative education program that addresses educational as well as behavioral components to improve student outcomes, compensation competitiveness, infrastructure and physical plan equity across all educational sites, targeted and systematic professional development of staff, identification and development of future instructional leaders and administrators, and systematic replacement of equipment and technology in a sustainable manner.

The School Board recognizes that its primary purpose is to provide the best possible educational opportunities for students within the established curriculum and the financial resources available. Therefore, it is necessary that a long-term financial plan, based upon approved planning factors and known funding sources, be developed. It is also necessary that this plan be reviewed and updated on an annual basis. The Five-Year Forecast presented each year, as well as the transition from a single-year budget presentation to a biennial budget presentation on the same cycle as the state (the primary funding source), enables the School Board to make annual decisions with an eye to the future sustainability of those decisions.

Five-Year Forecast - FY 2008/09 - 2012/13

Each year, City Administration presents to the City Council a five-year projection for planning purposes. The City Administration requests that the School Division prepare a forecast of expenditures for the forecast period. Revenue forecasts related to the Local Contribution have been provided by the City Office of Management Services.

The application of the Revenue Sharing Policy permits the allocation of the local contribution between PAYGO CIP and the Operating Budget. The information presented in this report assumes the continuing allocation of \$ 12,936,308 to CIP "Pay-As-You-Go" funding. In addition to this amount to the CIP, there is an assumption that the Sandbridge TIF funds of approximately \$4.6 million per year will continue to be allocated to the PAYGO each year.

It should be kept in mind in reviewing this forecast that this is the administration's estimate of increases in costs and revenues for the forecast period. There are many unknowns at the time of this projection, such as new state or federal mandates, changes in Impact Aid funding, changes in the level of State funding, grant matches, and new School Board priorities. These items are not easily forecast, nor are their effects on expenditures.

The Five-Year Forecast is based upon the following assumptions:

Enrollment
<ul style="list-style-type: none">• Student enrollment is estimated to continue to decline over the forecast period, however, the decline is moderating over this period<ul style="list-style-type: none">○ Elementary enrollment is projected to begin to increase in FY 2009/10• Forecast-projected enrollment numbers are based upon the September 30th enrollment of each fiscal year• Enrollment used in the forecast is based upon preliminary estimates provided by the Demographer and should not be considered final projections<ul style="list-style-type: none">○ Enrollment represented here may change in either direction, affecting all revenue and expenditure estimates presented
Average Daily Membership (ADM)
<ul style="list-style-type: none">• State revenues are based upon the ADM• ADM is assumed to decline 1.0 percent from the September 30th projected enrollment

Revenue

Impact Aid Funding

- Federal Impact Aid has been level-funded and is contained in the appropriations for Health, Education, and Welfare
- Federal Impact Aid funding is always “current year” federal money
 - Not forward-funded like most other federal funds (grants) received by the division

Department of Defense

- Department of Defense funds have been level-funded
- Funds are subject to re-appropriation each year via the federal budget process

Sales Tax

- Sales Tax has been projected at 3 percent per year over the forecast period

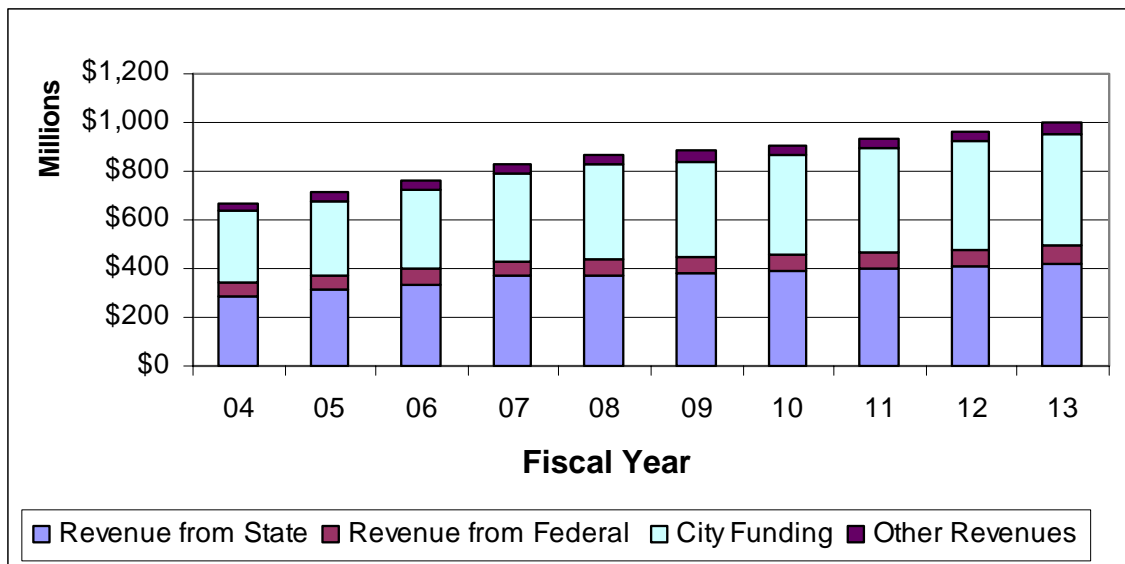
State Basic Aid

- This projection assumes no changes in any of the components of State funding
 - Composite Index will be re-calculated with the State biennial budget
 - Basic Aid projections are assumed to increase by 4.25 percent for the first year of the biennium and 2.0 percent the second year of the biennium
 - Increases in the index will result in a shift of funding from the state to the city and a decrease in the index will result in a shift of funding from the city to the state
 - No changes are projected in the SOQ standards

Local Contribution

- The City Office of Management Services has provided the estimated total revenue for each of the forecasted years
- The city has also provided the school’s portion of the revenue based on the Revenue Sharing Formula Policy.
- The numbers used are estimates only and could change in either direction

School Revenues



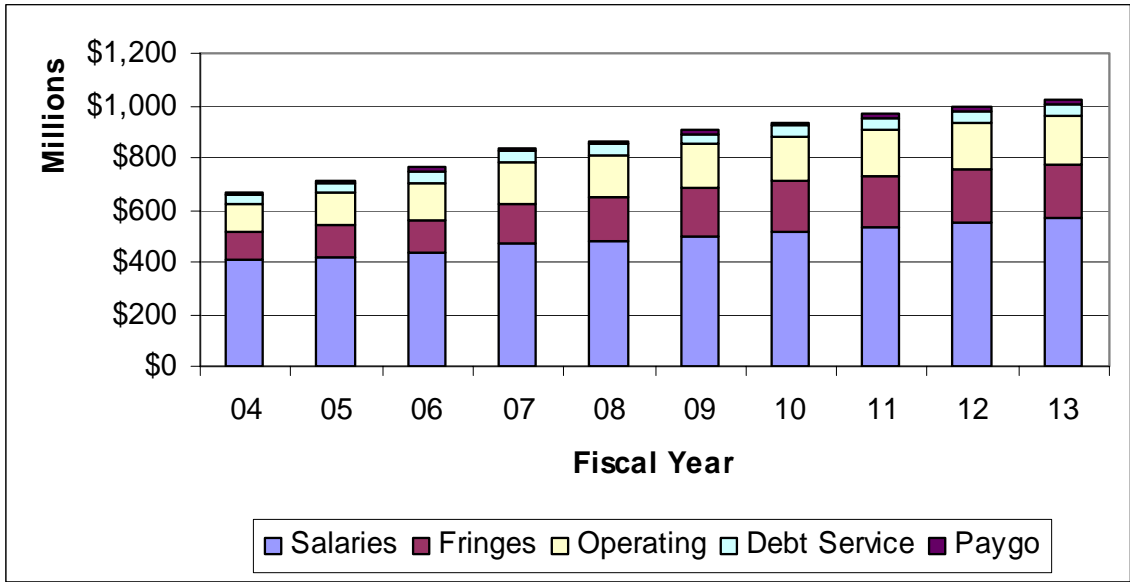
NOTE: City (Local) funding continues to provide almost half of all funding (46.92 percent); State funds (excluding State Sales Tax) are the next largest source of funding (39.99 percent).

Expenditures

Programs	<ul style="list-style-type: none"> ○ All current educational programs would continue during the forecast period ○ No program additions or expansions have been forecasted
Staffing	<ul style="list-style-type: none"> ○ Changes in staffing levels due to changes in enrollment are reflected for each year in the forecast period (calculated at 22:1)
VRS Retirement Rate	<ul style="list-style-type: none"> ○ The VRS retirement rate has been estimated to hold steady for the first three years of the forecast period and increase slightly the last two years
VRS Life Insurance	<ul style="list-style-type: none"> ○ The VRS life insurance has been estimated at the current rate of 1.0 percent of payroll throughout the forecast period

Expenditures	
Compensation Increase	<ul style="list-style-type: none"> ○ Total compensation increases during the forecast period include increases related to salaries and increases related to benefits ○ An amount equivalent to 3.5 percent of payroll, effective at the beginning of the fiscal year, has been used for increases to salaries ○ Market Salary Adjustments (MAG Study) for the Unified Scale will be phased in over a two-year period (because of the estimated initial cost of \$8 million) beginning in 2008/09 ○ Employer health insurance has been estimated to hold steady during years 2008/09 and 2009/10 due to the surplus in the health fund and expected changes in the health plan and then increase by 8 percent and 4 percent in years 2010/11 and 2011/12 respectively
Mandates	<ul style="list-style-type: none"> ○ No changes in Federal or State mandates have been included for the forecast period
Baselines	<ul style="list-style-type: none"> ○ Baselines for school bus and vehicle replacements have been established at approximately \$1.5 million per year, which will provide funds for almost half the buses needing replacements each year ○ Repair and maintenance and major equipment replacement baselines have been maintained ○ Cyclical replacement funds have been included for computers, musical instruments, and various other equipment needs
Modernization	<ul style="list-style-type: none"> ○ Operating Budget costs related to school modernizations have been included in this forecast
School Allocations	<ul style="list-style-type: none"> ○ School allocations have been adjusted to reflect changes in student enrollment
Other Charges	<ul style="list-style-type: none"> ○ Increases are projected due to increased cost of utilities and insurance
Other Purchased Services	<ul style="list-style-type: none"> ○ Increases are projected for special education tuition and general maintenance and repair

School Expenditures



NOTE: Schools are a very labor intensive operation. Salaries and fringe benefits represent 76 percent of the total expenditures; or 85 percent of the Operating Budget, which does not include Debt Services.

Five-Year Forecast Summary - FY 2008/09 - 2012/13

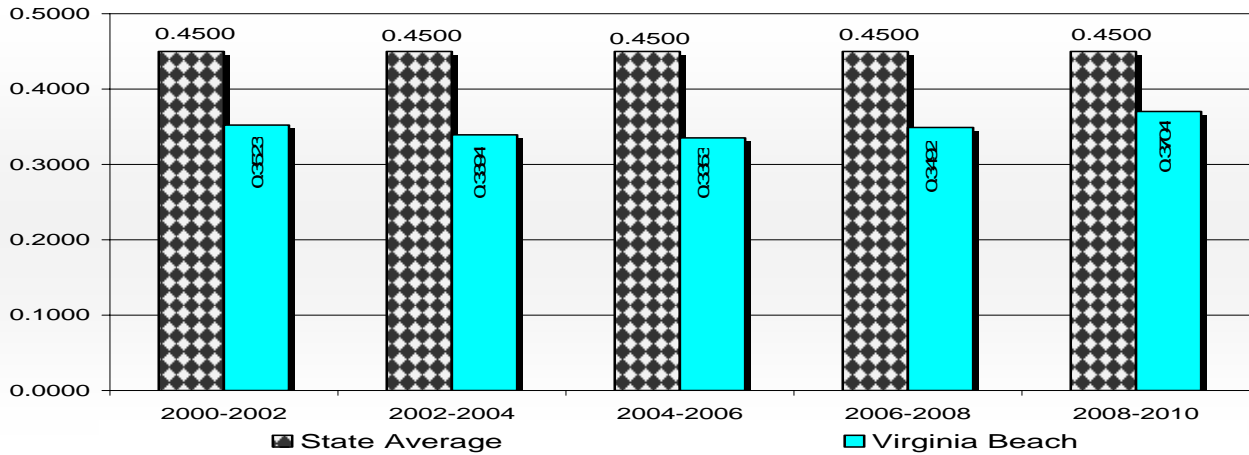
The following table provides information related to revenue and expenditures for the forecast period.

	Appropriated			Projected					
	FY 07/08	Grant & Other	Total Budget	FY 08/09	Grant & Other	Total Budget	FY 09/10	Grant & Other	Total Budget
RSF Funds									
Total RSF funds	\$ 760,977,456			\$ 771,534,641			\$ 799,419,203		
School RSF funds	390,381,435			395,797,271			410,102,051		
Net Debt Service (per city estimate)	41,402,094			41,824,334			44,434,325		
PAYGO CIP	12,108,658			12,936,308			12,936,308		
Net transfer to Operating Budget	336,870,684			341,036,629			352,731,416		
Total RSP funds	\$ 390,381,436			\$ 395,797,271			\$ 410,102,049		
Projected enrollment	70,682			69,654			68,988		
Projected ADM	69,975			68,957			68,298		
Federal Revenue	\$ 14,771,131	\$ 50,461,669	\$ 65,232,800	\$ 14,475,708	\$ 51,975,519	\$ 66,451,227	\$ 14,475,708	\$ 53,534,785	\$ 68,010,493
State Sales Tax	76,410,762	-	\$ 76,410,762	78,703,085	-	\$ 78,703,085	81,064,178	-	\$ 81,064,178
State Aid	276,410,955	17,102,102	\$ 293,513,057	283,966,305	17,615,165	\$ 301,581,470	286,877,553	18,143,620	\$ 305,021,173
Local RSF	336,870,685	-	\$ 336,870,685	341,036,629	-	\$ 341,036,629	352,731,416	-	\$ 352,731,416
Other Local	2,698,594	17,764,620	\$ 20,463,214	2,898,594	18,297,559	\$ 21,196,153	3,098,594	18,846,485	\$ 21,945,079
Fund Balance		10,136,017	\$ 10,136,017		10,440,098	\$ 10,440,098		10,753,300	\$ 10,753,300
Transfers from Other Funds		6,873,960	\$ 6,873,960		7,080,179	\$ 7,080,179		7,292,584	\$ 7,292,584
Debt Service		41,402,094	\$ 41,402,094		41,824,334	\$ 41,824,334		44,434,325	\$ 44,434,325
PAYGO		12,108,658	\$ 12,108,658		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308
Total Revenues	\$ 707,162,127	\$ 102,338,368	\$ 863,011,247	\$ 721,080,321	\$ 160,169,161	\$ 881,249,482	\$ 738,247,449	\$ 165,941,408	\$ 904,188,857
Instruction	\$ 555,724,972			\$ 579,236,371			\$ 594,655,613		
Administration	24,189,034			25,146,904			25,810,517		
Transportation	30,891,040			35,815,949			37,001,896		
Operations	96,357,081			99,485,988			102,792,751		
Market Salary Adj. MAG Study				4,000,000			8,140,000		
Total Expenditures	\$ 707,162,127			\$ 743,685,212			\$ 768,400,777		
Funding Shortfall	-			\$ (22,604,891)			\$ (30,153,328)		
	Operating Budget	Grant & Other	Total Budget						
FTE's	9,491.48			9,451.78			9,416.64		
Salaries	\$ 443,917,883	\$ 39,387,661	\$ 483,305,544	\$ 455,816,300	\$ 40,569,291	\$ 496,385,591	\$ 468,985,978	\$ 41,786,370	\$ 510,772,348
Fringe	153,618,033	13,893,968	167,512,001	162,494,064	14,310,787	\$ 176,804,851	166,652,370	14,740,111	\$ 181,392,481
Market Salary Adj. MAG Study				4,000,000		\$ 4,000,000	8,140,000		\$ 8,140,000
GASB-45	2,000,000		2,000,000	9,400,000	-	\$ 9,400,000	9,400,000	-	\$ 9,400,000
Purchased Services	45,679,221	6,361,898	52,041,119	46,625,189	6,552,755	\$ 53,177,944	47,592,501	6,749,338	\$ 54,341,839
Other Charges	26,287,833	930,629	27,218,462	28,230,511	958,548	\$ 29,189,059	29,712,617	987,304	\$ 30,699,921
Materials and Supplies	25,081,719	39,583,933	64,665,652	25,371,484	40,771,451	\$ 66,142,935	27,115,580	41,994,595	\$ 69,110,175
Capital Outlay	1,067,343	2,155,279	3,222,622	3,144,097	2,219,937	\$ 5,364,034	3,138,759	2,286,535	\$ 5,425,294
Transfers and Improvements	9,510,095	25,000	9,535,095	9,603,566	25,750	\$ 9,629,316	9,697,972	26,523	\$ 9,724,495
Debt Service		41,402,094	41,402,094		41,824,334	\$ 41,824,334		44,434,325	\$ 44,434,325
PAYGO		12,108,658	12,108,658		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308
	\$ 707,162,127	\$ 102,338,368	\$ 863,011,247	\$ 744,685,211	\$ 160,169,161	\$ 904,854,372	\$ 770,435,777	\$ 165,941,408	\$ 936,377,185
Increase over Prior Year	\$ 34,285,138			\$ 37,523,084			\$ 25,750,566		

Five-Year Forecast Summary - FY 2008/09 - 2012/13 *continued*

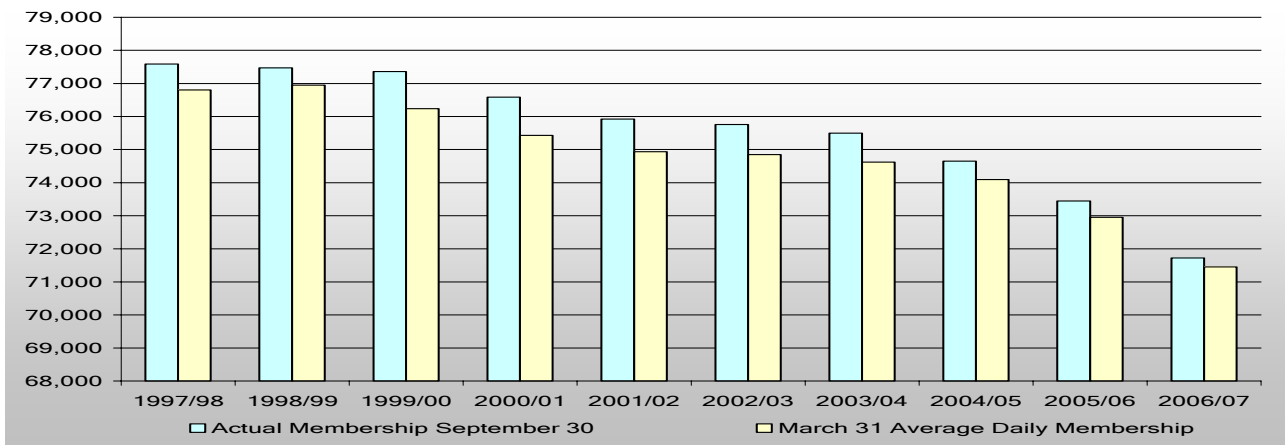
	Projected								
	FY 10/11	Grant & Other	Total Budget	FY 11/12	Grant & Other	Total Budget	FY 12/13	Grant & Other	Total Budget
RSF Funds									
Total RSF funds	\$ 828,077,133			\$ 862,967,449			\$ 904,613,197		
School RSF funds	424,803,569			442,688,025			464,066,570		
Net Debt Service (per city estimate)	45,612,586			46,167,766			47,019,261		
PAYGO CIP	12,936,308			12,936,308			12,936,308		
Net transfer to Operating Budget	366,254,675			383,583,951			404,111,001		
Total RSP funds	\$ 424,803,569			\$ 442,688,025			\$ 464,066,570		
Projected enrollment	68,244			67,832			67,449		
Projected ADM	67,562			67,154			66,775		
Federal Revenue	\$ 14,475,708	\$ 55,140,828	\$ 69,616,537	\$ 14,620,465	\$ 56,795,053	\$ 71,415,518	\$ 14,839,772	\$ 58,498,905	\$ 73,338,677
State Sales Tax	83,496,103	-	\$ 83,496,103	86,000,986	-	\$ 86,000,986	88,581,016	-	\$ 88,581,016
State Aid	295,847,242	18,687,929	\$ 314,535,171	299,941,998	19,248,566	\$ 319,190,564	310,925,100	19,826,023	\$ 330,751,123
Local RSF	366,254,675	-	\$ 366,254,675	383,583,951	-	\$ 383,583,951	404,111,001	-	\$ 404,111,001
Other Local	3,191,552	19,411,880	\$ 22,603,432	3,255,383	19,994,236	\$ 23,249,619	3,353,044	20,594,063	\$ 23,947,108
Fund Balance		11,075,899	\$ 11,075,899		11,408,176	\$ 11,408,176		11,750,422	\$ 11,750,422
Transfers from Other Funds		7,511,362	\$ 7,511,362		7,736,703	\$ 7,736,703		7,968,804	\$ 7,968,804
Debt Service		45,612,586	\$ 45,612,586		46,167,766	\$ 46,167,766		47,019,261	\$ 47,019,261
PAYGO		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308
Total Revenues	\$ 763,265,280	\$ 170,376,792	\$ 933,642,072	\$ 787,402,783	\$ 174,286,809	\$ 961,689,592	\$ 821,809,934	\$ 178,593,786	\$ 1,000,403,720
Instruction	\$ 613,406,001			\$ 630,790,860			\$ 649,742,923		
Administration	26,659,977			27,407,671			28,198,124		
Transportation	38,084,766			39,119,639			39,926,478		
Operations	105,970,860			108,934,642			111,792,969		
Market Salary Adj. MAG Study	8,424,900			8,719,772			9,024,964		
Total Expenditures	\$ 792,546,504			\$ 814,972,584			\$ 838,685,458		
Funding Shortfall	\$ (29,281,224)			\$ (27,569,800)			\$ (16,875,524)		
FTE's	9,364.82			9,337.89			9,306.66		
Salaries	\$ 481,512,742	\$ 43,039,961	\$ 524,552,703	\$ 495,955,256	\$ 44,331,159	\$ 540,286,415	\$ 510,525,369	\$ 45,661,094	\$ 556,186,463
Fringe	174,993,744	15,182,314	\$ 190,176,058	179,844,850	15,637,783	\$ 195,482,633	186,737,329	16,106,917	\$ 202,844,246
Market Salary Adj. MAG Study	8,424,900		\$ 8,424,900	8,719,772		\$ 8,719,772	9,024,964		\$ 9,024,964
GASB-45	9,400,000	-	\$ 9,400,000	9,400,000	-	\$ 9,400,000	9,400,000	-	\$ 9,400,000
Purchased Services	48,944,903	6,951,818	\$ 55,896,721	50,044,563	7,160,372	\$ 57,204,935	50,878,350	7,375,183	\$ 58,253,533
Other Charges	30,616,031	1,016,923	\$ 31,632,954	31,541,569	1,047,431	\$ 32,589,000	32,247,737	1,078,854	\$ 33,326,591
Materials and Supplies	27,734,290	43,254,432	\$ 70,988,722	28,527,400	44,552,065	\$ 73,079,465	29,177,078	45,888,627	\$ 75,065,705
Capital Outlay	3,132,797	2,355,132	\$ 5,487,929	3,129,492	2,425,786	\$ 5,555,278	2,669,448	2,498,559	\$ 5,168,007
Transfers and Improvements	9,893,322	27,318	\$ 9,920,640	9,989,625	28,138	\$ 10,017,763	10,281,424	28,982	\$ 10,310,406
Debt Service		45,612,586	\$ 45,612,586		46,167,766	\$ 46,167,766		47,019,261	\$ 47,019,261
PAYGO		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308		12,936,308	\$ 12,936,308
	\$ 794,652,729	\$ 170,376,792	\$ 965,029,521	\$ 817,152,527	\$ 174,286,809	\$ 991,439,335	\$ 840,941,699	\$ 178,593,786	\$ 1,019,535,484
Increase over Prior Year	\$ 24,216,952			\$ 22,499,798			\$ 23,789,172		

Composite Index Comparison 2000-2002 - 2008-2010

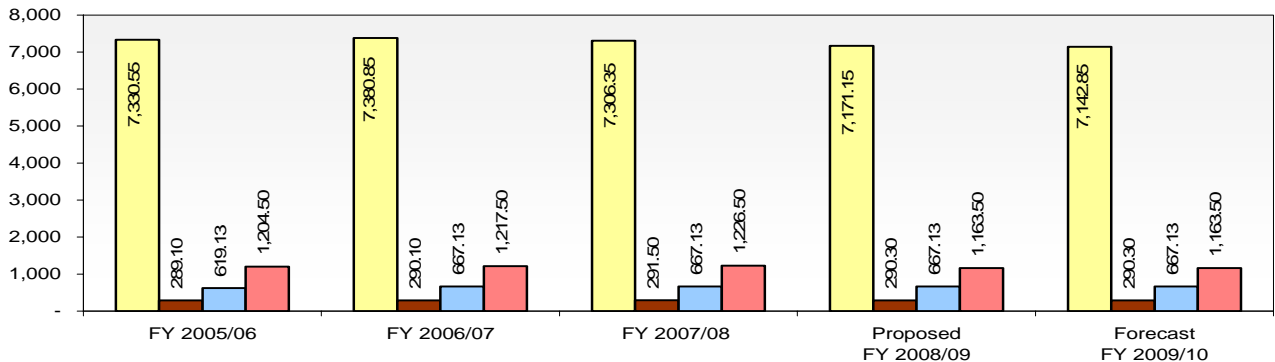


The "Composite Index of Local Ability-to-Pay", computed for each locality, represents the portion of each dollar of minimum funding for education per state guidelines that the locality must provide. This percentage is based upon a complex formula. The key factors used to compute wealth are: real property value, gross income, taxable retail sales, student enrollment and population. The greater the percentage, the lower amount of state funding will be provided to the locality.

Student Enrollment Trends 1997/98 - 2006/07



Staffing Allocations 2005/06 - 2006/07



Positions	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
Instruction	7,330.55	7,380.85	7,306.35	7,171.15	7,142.85
Administration	289.10	290.10	291.50	290.30	290.30
Pupil Transportation	619.13	667.13	667.13	667.13	667.13
Operations & Maintenance	1,204.50	1,217.50	1,226.50	1,163.50	1,163.50
Total	9,443.28	9,555.58	9,491.48	9,292.08	9,263.78

Budget Manager and Signature Authority

Each Superintendent's Cabinet Member is responsible for designated budget categories, including departmental spending and line item compliance. The Cabinet Member has signature authority for his/her budget categories but may share such authority, if so designated. Delegating signature authority *does not nullify* the Cabinet Member's accountability for fiscal responsibility.

Revised 07/24/08

UNIT CODE	UNIT CODE NAME	CABINET MEMBER	BUDGET MANAGER	SIGNATURE AUTHORITY
- INSTRUCTION -				
50100	Elementary Classroom	Elizabeth Taylor	Elizabeth Taylor	Elizabeth Taylor Sheila Magula
50200	Senior High Classroom	Hazel Jessee	Hazel Jessee	Hazel Jessee Sheila Magula
50300	Technical and Career Education	Christine Caskey	Patrick Konopnicki	Christine Caskey Sheila Magula
50400	Gifted Education and Academy Programs	Christine Caskey	Kelly Hedrick	Christine Caskey Sheila Magula
50500	Special Education	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
50600	Summer School	Christine Caskey	Rodney Burnsworth Marie Balen	Christine Caskey Sheila Magula
50700	General Adult Education	Hazel Jessee	Bonnie Mizenko	Hazel Jessee Sheila Magula
50800	Open Campus High	Hazel Jessee	Joshua Darden	Hazel Jessee Sheila Magula
50900	Student Activities	Hazel Jessee	Michael McGee	Hazel Jessee Sheila Magula
51000	Office of the Principal - Elementary	Elizabeth Taylor	Elizabeth Taylor	Elizabeth Taylor Sheila Magula
51100	Office of the Principal - Senior High	Hazel Jessee	Hazel Jessee	Hazel Jessee Sheila Magula
51200	Office of the Principal - Technical and Career Education	Christine Caskey	Patrick Konopnicki	Christine Caskey Sheila Magula
51300	Guidance Services	Christine Caskey	Alveta Mitchell	Christine Caskey Sheila Magula
51400	Social Work Services	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
51500	Media and Communications	Kathleen O'Hara	Kathleen O'Hara	Kathleen O'Hara
51600	Instructional Technology	Ramesh Kapoor	William Johnsen Michael Nicolaides	William Johnsen Michael Nicolaides Sheila Magula
51700	Instructional Support	Christine Caskey	Christine Caskey Rodney Burnsworth Marie Balen	Christine Caskey Sheila Magula
51710	Instructional Organizational Development	Antoinette Patterson	Antoinette Patterson	Antoinette Patterson James Merrill
51800	Special Education Support	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
51900	Gifted Education and Academy Programs Support	Christine Caskey	Kelly Hedrick	Christine Caskey Sheila Magula
52000	Media Services Support	Ramesh Kapoor	William Johnsen	William Johnsen Joseph Damus Sheila Magula
52100	Research, Evaluation, and Assessment	Jared Cotton	Jared Cotton	Jared Cotton Sheila Magula
52200	Middle School Classroom	Maynard Massey	Maynard Massey	Maynard Massey Sheila Magula
52300	Remedial Education	Christine Caskey	Marie Balen Rodney Burnsworth	Christine Caskey Sheila Magula
52400	Office of the Principal - Middle School	Maynard Massey	Maynard Massey	Maynard Massey Sheila Magula

UNIT CODE	UNIT CODE NAME	CABINET MEMBER	BUDGET MANAGER	SIGNATURE AUTHORITY
52500	Homebound Services	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
52600	Technical and Career Education Support	Christine Caskey	Patrick Konopnicki	Christine Caskey Sheila Magula
52700	Student Leadership	Hazel Jessee	Michael McGee	Hazel Jessee Sheila Magula
52800	Psychological Services	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
52900	Audiological Services	Christine Caskey	Robert Mitchell	Christine Caskey Sheila Magula
53100	School Administration	Elizabeth Taylor	Elizabeth Taylor	Elizabeth Taylor Sheila Magula
53200	Alternative Education	Christine Caskey	Rodney Burnsworth	Christine Caskey Sheila Magula

- ADMINISTRATION, ATTENDANCE, AND HEALTH -

54100	Board, Legal, and Governmental Services	James Merrill	James Merrill	James Merrill Sheila Magula
54200	Office of the Superintendent	James Merrill	James Merrill	James Merrill Sheila Magula
54300	Budget and Finance	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Sammy Cohen James Merrill
54400	Human Resources	John Mirra	John Mirra	John Mirra James Merrill
54500	Internal Audit	James Merrill	Terrie Pyeatt	Terrie Pyeatt Farrell Hanzaker
54600	Purchasing Services	Farrell Hanzaker	Kevin Beardsley	Kevin Beardsley Farrell Hanzaker
54700	Organizational Development	Antoinette Patterson	Antoinette Patterson	Antoinette Patterson James Merrill
54900	Office of Technology	Ramesh Kapoor	Joseph Damus Michael Nicolaides	Joseph Damus Michael Nicolaides Sheila Magula
55000	Benefits	Farrell Hanzaker	Linda Matkins	Linda Matkins Farrell Hanzaker
55200	Health Services	Elizabeth Taylor	Eileen Horan Michael McGee	Elizabeth Taylor Sheila Magula

- PUPIL TRANSPORTATION -

56100	Management	John Kalocay	David Pace	David Pace John Kalocay
56200	Vehicle Operations	John Kalocay	David Pace	David Pace John Kalocay
56300	Vehicle Maintenance	John Kalocay	David Pace	David Pace John Kalocay
56400	Monitoring Services	John Kalocay	David Pace	David Pace John Kalocay

- OPERATIONS AND MAINTENANCE -

57100	Facilities Planning and Construction	John Kalocay	Anthony Arnold	John Kalocay
57200	School Plant	John Kalocay	Francis Foster	Francis Foster John Kalocay
57300	Supply Services	John Kalocay	Roland Thornton	Roland Thornton John Kalocay
57400	Grounds Services	John Kalocay	Steven Proffitt	John Kalocay

UNIT CODE	UNIT CODE NAME	CABINET MEMBER	BUDGET MANAGER	SIGNATURE AUTHORITY
57500	Custodial Services	John Kalocay	Eric Hines	Eric Hines John Kalocay
58100	Safe Schools/Risk Management	John Kalocay	Richard Ponti	John Kalocay
58200	Vehicle Services	John Kalocay	David Pace	David Pace John Kalocay
58300	Telecommunications	Ramesh Kapoor	Michael Nicolaides	Michael Nicolaides Deborah Claxton Sheila Magula
58400	Technology Maintenance	Ramesh Kapoor	Michael Nicolaides	Michael Nicolaides William Johnsen Sheila Magula
59100	Technology	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Sammy Cohen James Merrill

- OTHER FUNDS -

Athletic Fund	Hazel Jessee	Michael McGee	Hazel Jessee Sheila Magula
Communication Tower Technology Fund	Ramesh Kapoor	Joseph Damus William Johnsen	Joseph Damus William Johnsen Sheila Magula
Food Services Fund	John Kalocay	James Ratliff	James Ratliff John Kalocay
Instructional Technology Fund	Ramesh Kapoor	Ramesh Kapoor	Ramesh Kapoor William Johnsen Sheila Magula
School Equipment Replacement Fund	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Sammy Cohen James Merrill
School Vending Operations Fund	Farrell Hanzaker	Farrell Hanzaker	Farrell Hanzaker Sammy Cohen James Merrill
Technology Fund	As Assigned	As Assigned	As Assigned Farrell Hanzaker Sammy Cohen James Merrill
Textbook Fund	Christine Caskey	Christine Caskey	Christine Caskey Sheila Magula

School Location Maps



Elementary Schools Location Map

Elementary Schools

Virginia Beach City Public Schools

Map Location	School	Address	Phone	Fax
1	Alanton Elementary	1441 Stephens Road 23454	648-2000	496-6841
2	Arrowhead Elementary	5549 Susquehanna Drive 23462	648-2040	473-5101
3	Bayside Elementary	5649 Bayside Road 23455	648-2080	460-7513
4	Birdneck Elementary	957 S. Birdneck Road 23451	648-2120	437-4792
5	Brookwood Elementary	601 S. Lynnhaven Road 23452	648-2160	431-4631
6	Centerville Elementary	2201 Centerville Turnpike 23464	648-2200	502-0324
7	Christopher Farms Elementary	2828 Pleasant Acres Drive 23453	648-2240	427-3656
8	College Park Elementary	1110 Bennington Road 23464	648-2280	366-4532
9	Cooke Elementary	1501 Mediterranean Avenue 23451	437-4827	437-4711
10	Corporate Landing Elementary	1590 Corporate Landing Pkwy 23454	648-2360	437-4760
11	Creeds Elementary	920 Princess Anne Road 23457	426-7792	426-7837
12	John B. Dey Elementary	1900 N. Great Neck Road 23454	648-2440	496-6784
13	Diamond Springs Elementary	5225 Learning Circle 23462	648-4240	493-5458
14	Fairfield Elementary	5428 Providence Road 23464	648-2482	366-4530
15	Glenwood Elementary	2213 Round Hill Drive 23464	648-2520	471-5817
16	Green Run Elementary	1200 Green Garden Circle 23453	648-2560	427-6558
17	Hermitage Elementary	1701 Pleasure House Road 23455	648-2600	460-7138
18	Holland Elementary	3340 Holland Road 23452	648-2640	427-0028
19	Indian Lakes Elementary	1240 Homestead Drive 23464	648-2680	474-8454
20	Kempsville Elementary	570 Kempsville Road 23464	648-2720	474-8513
21	Kempsville Meadows Elem	736 Edwin Drive 23462	474-8435	474-8489
22	King's Grant Elementary	612 N. Lynnhaven Road 23452	648-2800	431-4092
23	Kingston Elementary	3532 King's Grant Road 23452	648-2840	431-4017
24	Landstown Elementary	2212 Recreation Drive 23456	648-2880	430-2775
25	Linkhorn Park Elementary	977 First Colonial Road 23454	648-2920	496-6750
26	Luxford Elementary	4808 Haygood Road 23455	473-5014	473-5103
27	Lynnhaven Elementary	210 Dillon Drive 23452	648-3000	431-4634
28	Malibu Elementary	3632 Edinburgh Drive 23452	431-4098	431-4099
29	New Castle Elementary	4136 Dam Neck Road 23456	648-3080	430-8977
30	Newtown Elementary	5277 Learning Circle 23462	648-3080	473-5023
31	North Landing Elementary	2929 North Landing Road 23456	648-3120	427-6086
32	Ocean Lakes Elementary	1616 Upton Drive 23454	648-3200	721-4009
33	Old Donation Center*	1008 Ferry Plantation Road 23455	473-5043	473-5144
34	Parkway Elementary	4180 O'Hare Drive 23453	648-3280	471-5818
35	Pembroke Elementary	4622 Jericho Road 23462	473-5025	473-5624
36	Pembroke Meadows Elementary	820 Cathedral Drive 23455	648-3360	473-5261
37	Plaza Elementary	641 Carriage Hill Road 23452	648-3400	431-4639
38	Point O'View Elementary	5400 Parliament Drive 23462	648-3440	473-5262
39	Princess Anne Elementary	2444 Seaboard Road 23456	648-3482	427-1447
40	Providence Elementary	4968 Providence Road 23464	648-3520	474-8522
41	Red Mill Elementary	1860 Sandbridge Road 23456	648-3560	426-9600
42	Rosemont Elementary	1257 Rosemont Road 23453	648-3600	427-6411
43	Rosemont Forest Elementary	1716 Grey Friars Chase 23456	648-3640	471-5816
44	Salem Elementary	3961 Salem Lakes Blvd. 23456	648-3680	471-5813
45	Seatack Elementary	912 S. Birdneck Road 23451	437-4867	437-7747
46	Shelton Park Elementary	1700 Shelton Road 23455	460-7577	460-7515
47	Strawbridge Elementary	2553 Strawbridge Road 23456	427-5562	427-5031
48	Tallwood Elementary	2025 Kempsville Road 23464	648-3840	502-0308
49	Thalia Elementary	421 Thalia Road 23452	648-3880	431-4641
50	Thoroughgood Elementary	1444 Dunstan Lane 23455	648-3920	460-7516
51	Three Oaks Elementary	2201 Elson Green Avenue 23456	648-3960	430-3758
52	Trantwood Elementary	2344 Inlynnview Road 23454	648-4000	496-6785
53	White Oaks Elementary	960 Windsor Oaks Blvd. 23462	648-4040	474-8515
54	Williams Elementary	892 Newtown Road 23462	473-5033	473-5263
55	Windsor Oaks Elementary	3800 Van Buren Drive 23452	648-4120	431-4637
56	Windsor Woods Elementary	233 Presidential Blvd. 23452	648-4160	431-4638
57	Woodstock Elementary	6016 Providence Road 23464	366-4590	366-4578

* - Denotes citywide center/school

Elementary Schools

Virginia Beach City Public Schools

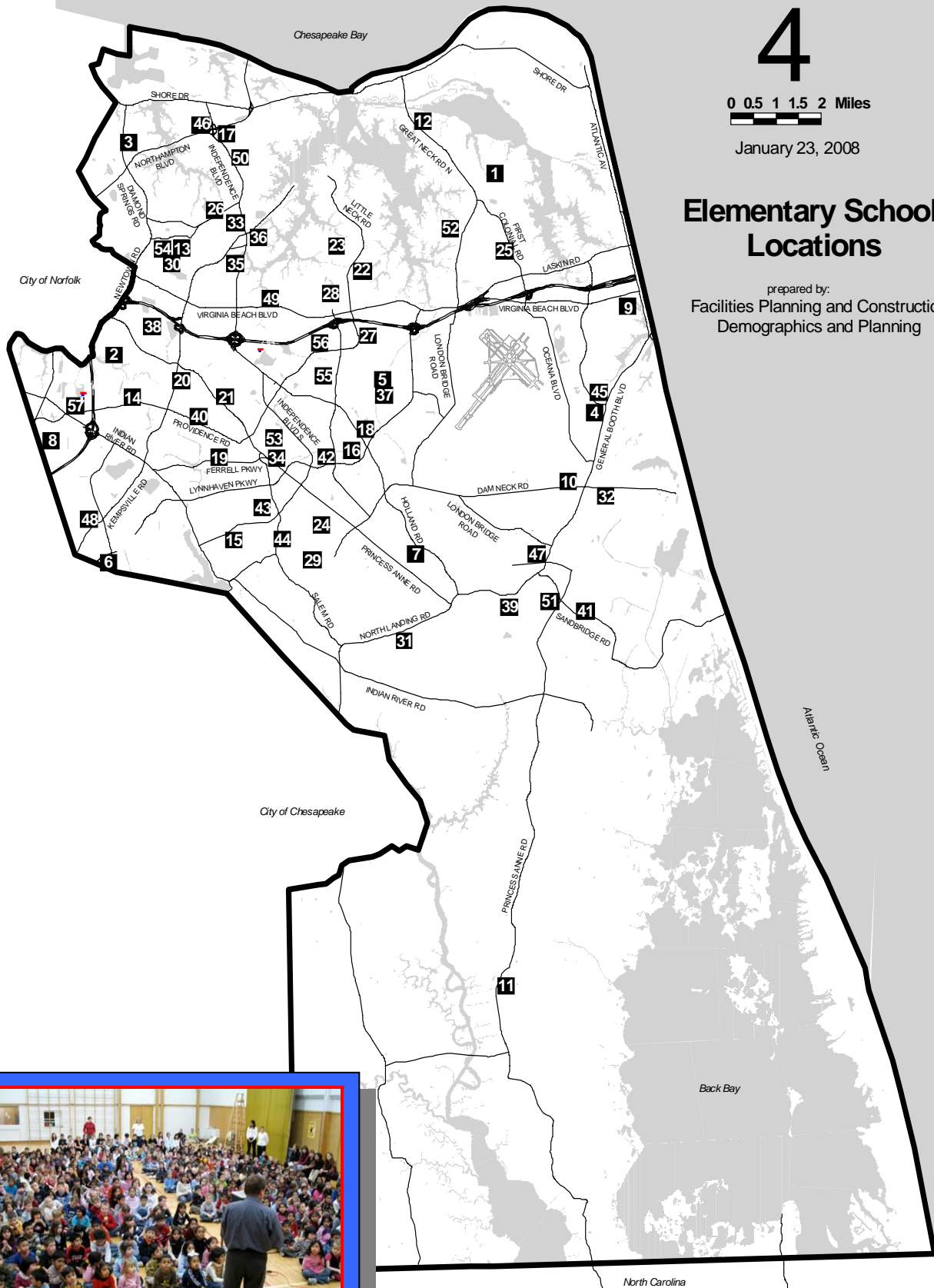
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January 23, 2008

Elementary School Locations

prepared by:
Facilities Planning and Construction
Demographics and Planning



Middle Schools Location Map

Middle Schools

Virginia Beach City Public Schools

Map

Location	School	Address	Phone	Fax
1	Bayside Middle	965 Newtown Road 23462	648-4400	473-5185
2	Brandon Middle	1700 Pope Street 23464	648-4450	366-4550
3	Corporate Landing Middle	1597 Corporate Landing Pkwy 23454	648-4500	437-6487
4	Great Neck Middle	1848 North Great Neck Road 23454	648-4550	496-6774
5	Independence Middle	1370 Dunstan Lane 23455	648-4600	460-0508
6	Kempsville Middle	860 Churchill Drive 23464	648-4700	474-8449
7	Landstown Middle	2204 Recreation Drive 23456	648-4750	430-3247
8	Larkspur Middle	4696 Princess Anne Road 23462	648-4800	474-8598
9	Lynnhaven Middle	1250 Bayne Drive 23454	648-4850	496-6793
10	Plaza Middle	3080 S. Lynnhaven Road 23452	648-4900	431-5331
11	Princess Anne Middle	2509 Seaboard Road 23456	648-4950	430-0972
12	Salem Middle	2380 Lynnhaven Parkway 23464	648-5000	474-8467
13	Virginia Beach Middle	600 - 25th Street 23451	648-5050	437-4708

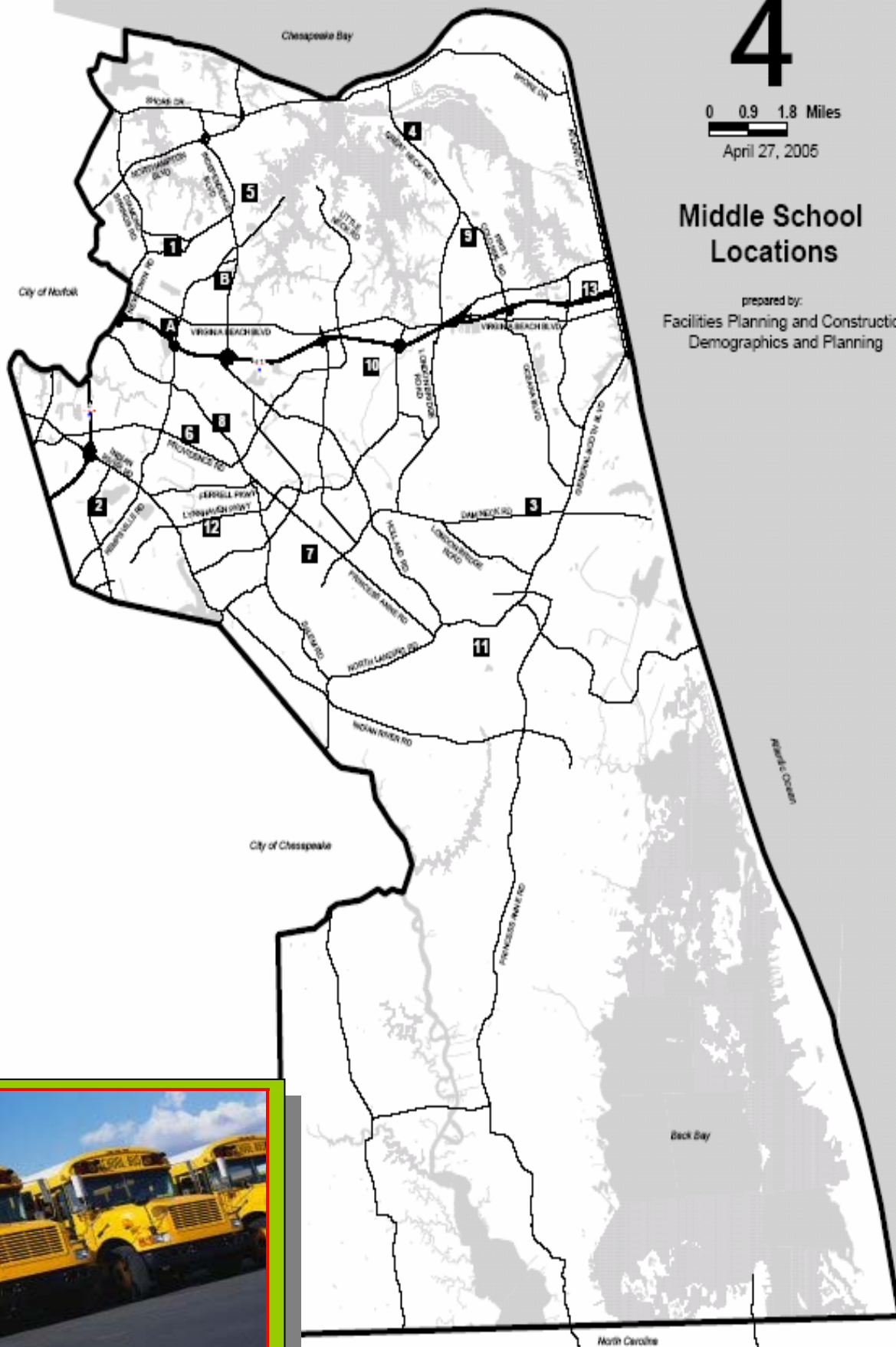
Citywide Center/School

A	Center for Effective Learning	233 N. Witchduck Road 23462	473-5038	473-5264
B	Kemps Landing Magnet School	4722 Jericho Road 23462-2226	648-4650	473-5106

Revised June 30, 2008

Middle Schools

Virginia Beach City Public Schools



4

0 0.9 1.8 Miles

April 27, 2005

Middle School Locations

prepared by:
Facilities Planning and Construction
Demographics and Planning



High Schools Location Map

High Schools

Virginia Beach City Public Schools

Map

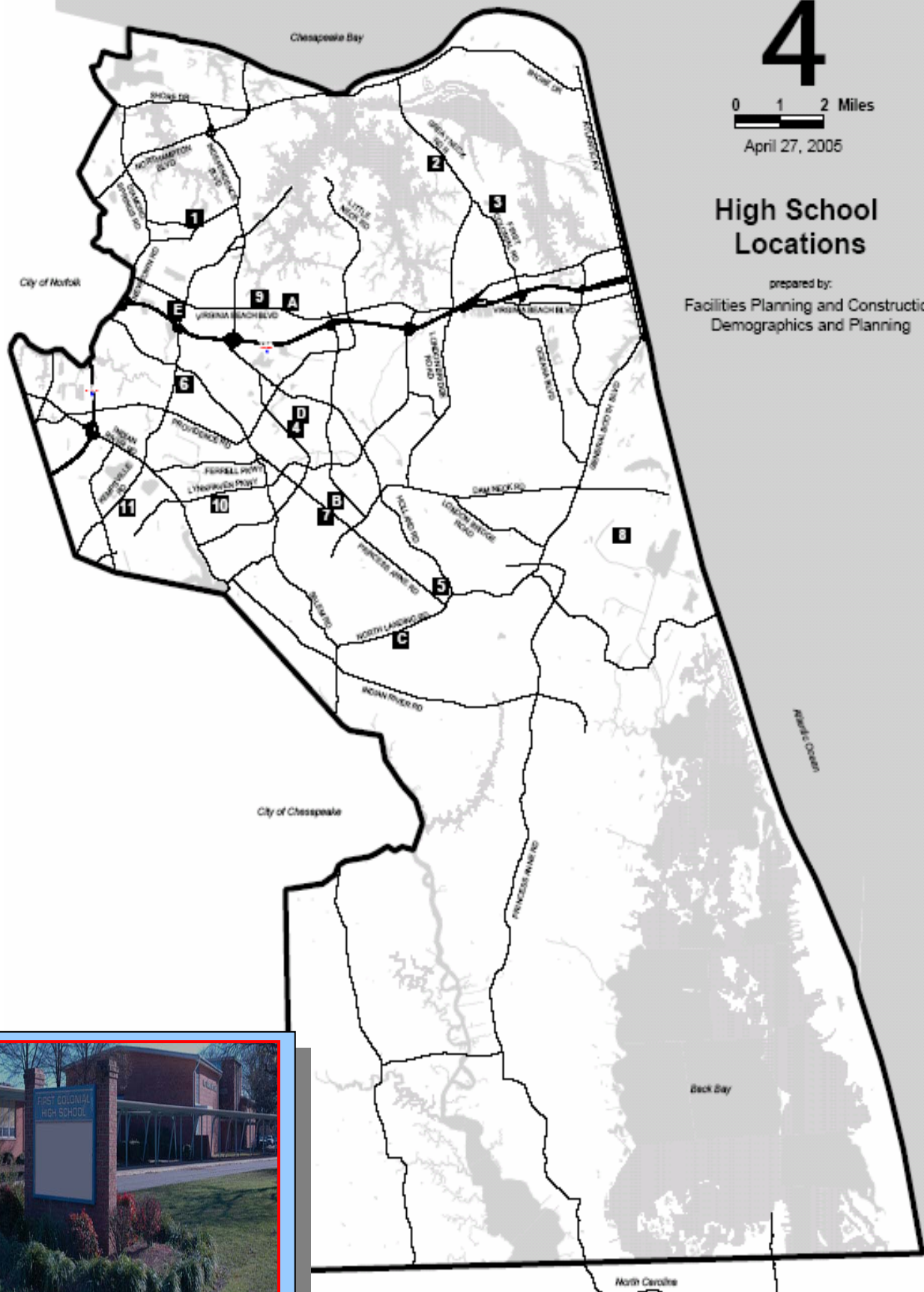
Location	School	Address	Phone	Fax
1	Bayside High	4960 Haygood Road 23455	648-5200	473-5123
2	Cox High	2425 Shorehaven Drive 23454	648-5250	496-6731
3	First Colonial High	1272 Mill Dam Road 23454	648-5300	496-6719
4	Green Run High	1700 Dahlia Drive 23453	648-5350	431-4153
5	Kellam High	2323 Holland Road 23453	648-5400	427-6265
6	Kempsville High	5194 Chief Trail 23464	648-5450	474-8404
7	Landstown High	2001 Concert Drive 23456	468-3800	468-1860
8	Ocean Lakes High	885 Schumann Drive 23454	648-5550	721-4309
9	Princess Anne High	4400 Virginia Beach Blvd. 23462	648-5600	473-5004
10	Salem High	1993 SunDevil Drive 23464	648-5650	474-0100
11	Tallwood High	1668 Kempsville Road 23464	648-5700	479-5534

Citywide Center/School

A	Adult Learning Center	4160 Virginia Beach Blvd. 23452	648-6050	306-0999
B	Advanced Technology Center	1800 College Crescent 23453	648-5800	468-4235
C	Technical & Career Education Center	2925 North Landing Road 23456	648-5850	427-5558
D	Open Campus High	273 N. Witchduck Road 23462	473-5091	473-5683
E	Virginia Beach Central Academy	273 N. Witchduck Road 23462	473-5058	473-5111
F	Juvenile Detention Center	2533 George Mason Drive 23456	263-1203	263-1211

High Schools

Virginia Beach City Public Schools



4

0 1 2 Miles

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Glossary

A

Accrual Basis	A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.
Activity	Departmental efforts which contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.
Adequate Yearly Performance (AYP)	The component of the No Child Left Behind Act for determining whether or not all students achieve the same high standards of academic achievement in reading or language arts and mathematics by 2013-2014. AYP requires statistically valid and reliable ways to determine the continuous and substantial academic improvement of all students from a starting point in 2001-2002 to establish proficiency level benchmarks by 2013-2014. Moreover, AYP includes efforts to narrow the achievement gaps of students who are economically disadvantaged, students from major race and ethnic groups, students with disabilities, and students with limited English proficiency.
Advancement Via Individual Determination (AVID)	AVID is a college preparatory comprehensive program. The AVID curriculum includes seminars on note-taking, organization, time management, test-taking strategies with particular emphasis on the PSAT and SAT tests, and writing development through various modes of discourse. AVID also provides weekly seminars in all core areas directed by trained tutors. Through AVID, students design a personalized long-term educational plan aimed at entry into college and are assisted with the preparation of college applications and financial aid forms.
Allot	To divide an appropriation into amounts that may be encumbered or expended during an allotment period.
Annualize	Taking changes that occurred mid-year and calculating their cost for a full year for the purpose of preparing an annual budget.
Appropriation	A legal authorization to incur obligations and to make expenditures for specific purposes.
Assessed Valuation	The valuation set upon real estate and certain personal property for the purpose of the tax assessor as a basis for levying property taxes.
Asset	Resources owned or held by a government which have monetary value.
Attrition	A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.
Authorized Positions	Employee positions, which are authorized in the adopted budget, to be filled during the year.
Average Daily Membership (ADM)	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 expenditures are equal to income.
Baseline	The baseline budget includes funding to continue current educational and support programs.
Budget	A plan of financial activity for a specified period of time (fiscal year or biennium) indicating all planned revenues and expenses for the budget period.
Budgetary Basis	This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.
Budget Calendar	The schedule of key dates which the government follows in the preparation and adoption of the budget.
Budgetary Control	The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

C

Capital Assets	Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.
Capital Budget	The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.
Capital Improvements	Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.
Capital Improvements Program (CIP)	A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.
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 Project	Major construction, acquisition, or renovation activities that add value to a government's physical assets or significantly increase their useful life (also called capital improvements).
Cash Basis	A basis of accounting in which transactions are recognized only when cash is increased or decreased.
Commodities	Expendable items that are consumable or have a short life span; i.e., office supplies, gasoline, minor equipment, and asphalt.
Consumer Price Index (CPI)	A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).
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 utilities, rent, maintenance agreements, and professional consulting services.
Cost-of-Living Adjustment (COLA)	An increase in salaries to offset the adverse effect of inflation on compensation.
Current Level Budget	Cost of continuing the existing levels of service in the current year.

D

Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.
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.
Disbursement	The expenditure of monies from an account.
Distance Learning (DL)	Includes instruction via videoconferencing and Virtual Virginia Beach e-Learning online courses.
Distinguished Budget Presentation Awards Program	A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

E

Employee (or Fringe) Benefits	Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.
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.
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.
Expenditures	The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.
Expenditures per Pupil	Expenditures for a given period divided by a pupil unit of measure.
Expense	Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.

F

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 policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.
Fiscal Year (FY)	A twelve-month period, beginning July 1 and ending the following June 30, designated as the operating year for accounting and budgeting purposes in an organization.
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.
Full-Time Equivalent Position (FTE)	A part-time position converted to the decimal equivalent of a full-time position.
Function	A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).
Fund	A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific purpose or activity.
Fund Balance	Excess of the assets of a fund over its liabilities, reserves, and carryover.

G

GASB-45 (Governmental Accounting Standards Board)	A guide implemented to establish and improve accounting standards and financial reporting for postemployment benefits for health care and other nonpension benefits provided to retirees.
Goal	A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.
Grants	A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.
Generally Accepted Accounting Principles (GAAP)	Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

H

Hourly An employee who fills a temporary or short-term position. Such employees provide contingency staffing for government operations during peak workloads, or to address temporary staffing needs. Hourly employees are paid on a per-hour basis and receive limited benefits.

I

Indirect Cost A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure The physical assets of a government (e.g., streets, water, sewer, public buildings, and parks).

Interfund Transfers The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

L

Line-Item Budget A budget prepared along departmental lines that focuses on what is to be bought.

Long-Term Debt Debt with a maturity of more than one year after the date of issuance.

M

Materials and Supplies Expendable materials and operating supplies necessary to conduct departmental operations.

Membership Another term for student enrollment.

N

No Child Left Behind (NCLB) A 2001 federal law designed to improve student achievement and change the culture of America's schools.

O

Objective Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Object of Expenditure An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Obligations Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Expenses The cost for personnel, materials, and equipment required for a department to function.

Operating Revenue Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

P

Pay-As-You-Go Basis	A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.
Performance Budget	A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.
Performance Indicators	Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.
Performance Measure	Data collected to determine how effective or efficient a program is in achieving its objectives.
Personnel Services	Expenditures for salaries, wages, and fringe benefits of a government's employees.
Prior-Year Encumbrances	Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.
Program	A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.
Program Budget	A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.
Program Performance Budget	A method of budgeting whereby the services provided to the residents is broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. Performance indicators measure the effectiveness and efficiency of providing the service by the program.
Program Revenue (Income)	Revenues earned by a program, including fees for services, license and permit fees, and fines.
Proposed Budget	A plan of financial operations submitted by the Superintendent to the School Board detailing proposed revenues, appropriations, expenditures, and transfers for the coming fiscal year.
Purpose	A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

R

Reserve	An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific purpose.
Resolution	A special or temporary order of a legislative body; an order of a legislative body less legal formality than an ordinance or statute.
Resources	Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.
Revenue	Sources of income financing the operations of government.

S

School Financial Allocations	Per-student and/or per-school size ratios used to allocate administrative, equipment, instructional, special education, computer supplies, library, staff development, and field trip funds to schools.
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Service Level	Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.
Site-Based Budgeting	A decentralized budget process whereby budget preparation and development are based on individual school (and departmental) sites.
Source of Revenue	Revenues are classified according to their source or point of origin.
Staffing Standards	Per-student ratios used to allocate teachers, administrators, and other instructional staff to schools and centers.
Standards of Learning (SOL)	A state-mandated program, which sets forth learning and achievement expectations for grades K-12 in Virginia.
Supplemental Appropriation	An additional appropriation made by the governing body after the budget year or biennium has started.
Supplemental Requests	Programs and services which departments would like to have added (in priority order) over their target budget, or if revenue received is greater than anticipated.

T

Target Budget	Desirable expenditure levels provided to departments in developing the coming year's recommended budget. It is based on the prior year's adopted budget, excluding one-time expenditures, projected revenues and reserve requirements.
Taxes	Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.
Tax Levy	The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.
Transfers In/Out	Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

U

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.
User Charges	The payment of a fee for direct receipt of a public service by the party who benefits from the service.

V

Variable Cost	A cost that increases/decreases with increases/decreases in the amount of service provided such as the payment of a salary.
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Additional Resource

Virginia City Public Schools (VBCPS) Website

Additional information on the budget is available on the VBCPS website at the following link:

<http://www.vbschools.com/administration.asp> . The picture below shows available information.

The screenshot shows the website for Virginia Beach City Public Schools. At the top, it features a banner with the school's name and a photo of children. Below the banner is a navigation bar with links for 'CONTACT US' and 'HOME'. The main content area is titled 'Administration' and lists various links and documents, including 'Administrative Offices and Departments', 'Budget and Finance', 'E-Mail a School', and 'School Board'. A sidebar on the left contains a menu of site sections like 'About Us', 'Administration', and 'Curriculum'. A sidebar on the right lists 'SUBSCRIBE BELOW' options such as 'ACADEMY PROGRAM' and 'BUS SCHEDULES'. At the bottom, there is a footer with contact information and a logo for Virginia Beach City Public Schools.

Thank You to Virginia Beach City Public Schools' Employees

The budget development process involves various levels of the district personnel. This process takes a tremendous amount of time and effort. Many of the budget development assignments involve tight deadlines. The Budget Department wants to express appreciation for your hard work and cooperation in meeting these timely deadlines.

Your hard work and participation helps to ensure that a balanced budget is developed and presented to the School Board for their consideration and approval. **Thank you!**