Albemarle County Public Schools

FY 27
School Board's Funding Request
April 16, 2026

Agenda

- ✔️ FY 26 State Bonus Information
- ✔️ FY 27 School Fund Balancing Scenario

FY 26 SOQ Instructional & Support Position Bonus (updated)

- The state has approved the FY 26 *Caboose Bill* which includes a one-time bonus for SOQ positions.
- To receive state funding of $0.7M, ACPS must provide a minimum total bonus of $2.3M to employees.
- ACPS has the flexibility in the bonus amount paid per employee or we can provide an equivalent compensation increase in FY 27.
    - *Example interpretation for bonus:* **ACPS cost ~$1.6M** (equivalent to $600 to $800 per employee)
    - *Interpretation for equivalent action salary increase:* **ACPS cost ~$2.4M** (equivalent to additional ~1% salary increase in FY 27)

FY 26 Bonus Payment Proposal (updated)

Proposal for Bonus

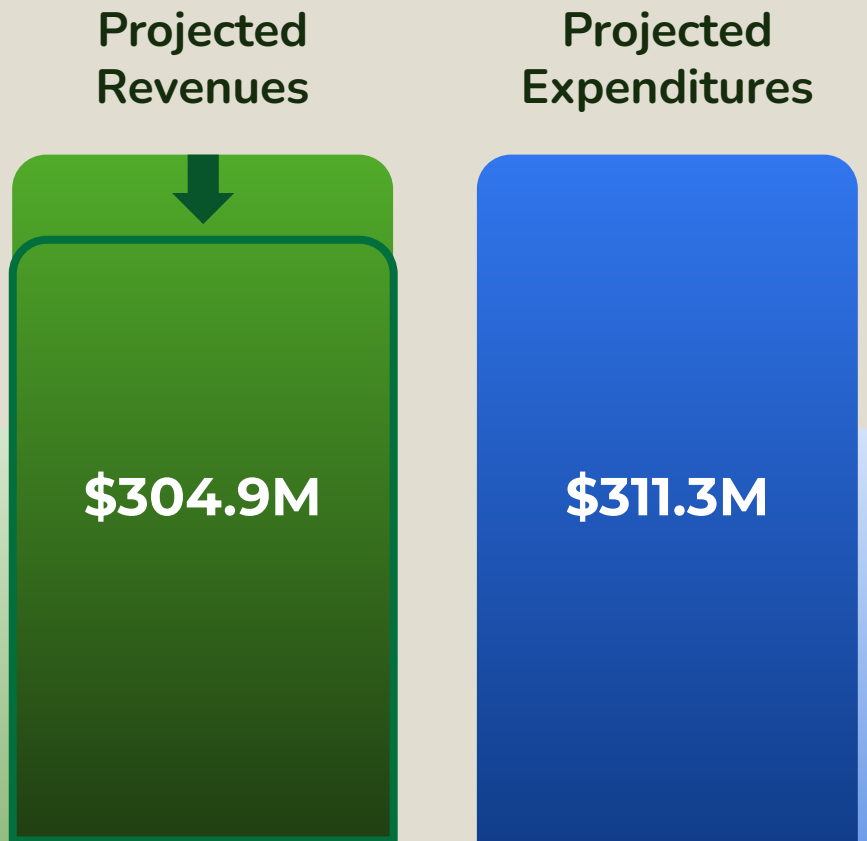
- $800 bonus for regular employees 0.7 to 1.0 FTE in June 18, 2026 paycheck
- $600 bonus for regular employees below 0.7 FTE in June 18, 2026 paycheck
- Subject to negotiations with Albemarle Education Association
- Estimated Funding Available: $2.3M
    - $1.6M ACPS | $0.7M State

Estimated Impact on School Fund Balance

FY 26
Projected Balance: $6.2M
Recommended Bonus: ($1.6M)
Revised Estimate with Bonus: $4.6M

FY 27
Recommended Uses: ($3.3M)
Revised Estimate with Bonus: $1.3M

FY 27 Funding Request: $6.4M Deficit



Recommendations for School Fund Technical Expenditure Updates

Update	Description	Budget	Amount
VRS (Retirement)	Decrease in VRS 55501 DB employer contribution rate	Division-wide	($139,871)
CATEC Payment	Decrease contribution to reflect corrected tuition rate	Department of Instruction	($169,679)
Licensing Costs	Restructure of licensing costs, including time & attendance system and financial systems	Department of Human Resources	$170,000
Fuel Costs	Projected increase in fuel costs (Part I)	Transportation Department	$200,000
Total			***$60,450***

School Fund Expenditure Reductions for Balancing Scenario (updated)

Service Reduction	Expenditure Reduction	School Fund Budget	Amount
Reduce school renovation and construction projects	Transfer to CIP	Non-Department	($4,078,251)
Eliminate STEP program FTE	School-based budgets	Secondary Schools	($451,818)
Reduce Division Services FTE	Department-based budgets	Lapse Factor	($500,000)
Utilize one-time revenues for technology expenses	Transfer to Technology Replacement*	Non-Department	($1,430,381)
		Total Reductions	***($6,460,450)***

**The corresponding Special Revenue Funds change is a decrease of ($1,430,381).*

Recommendations for School Fund Budgeted One-Time Use of Fund Balance

Expenditure	Description	Budget	Amount
Security	Camera equipment in buildings	Department of Technology	$210,000
	Camera equipment on buses	Transportation Department	$90,000
Textbooks	"Bridge" funding for unfunded instructional resources (Learning Resources Fund)	Transfer to Learning Resources*	$600,000
Technology	Display equipment (one-time)	Transfer to Technology Replacement*	$819,619
	Technology replacement cycle (recurring)		$1,430,381
Total			***$3,150,000***

**The corresponding Special Revenue Funds change is an increase of $2,850,000.*

Summary of Changes for Balancing Scenario

Revenue Change	Amount	Expenditure Change	Amount
		Technical Updates	+$60,450
One-time Use of Fund Balance	+$3,150,000	One-time security, textbooks, and technology purchases	+$(1,719,619)
		Service Reductions	-$(5,030,069)
Total Revenue Change	**+$3,150,000**	**Total Expenditure Change**	**-$(3,250,000)**

Total School Fund Changes: $6,400,000

The total Special Revenue Funds change is an increase of $1,419,619, for a total Special Revenue Funds budget of $33,700,221. (Learning Resources Fund is increased by $600,000 and Technology Equipment Replacement Fund is increased by $819,619)

$10.0M in Reductions Carried into FY27

FY25 – $2.6M

- **Teacher FTE — $1.9M**
  Class size increase; Elementary Foreign Language Program
- **Division Services FTE — $0.5M**
- **Assistant Principal Intern Program — $0.2M**

FY26 – $6.1M

- **Teacher FTE — $2.4M**
  Elementary Foreign Language Program; National Defense Cadet Corps; Class size increase; Freshman Seminar; Physical Education; Media Specialist; STEP; Intervention
- **Furniture Replacement Program — $1.2M**
- **Instructional Coach FTE — $1.1M**
- **Division Services FTE — $1.0M**
- **Field Experiences (partial reduction) — $0.4M**

FY27 – $1.4M

- **Elementary Teaching Assistant FTE — $0.4M**
- **Secondary Teaching Assistant FTE - $0.5M**
- **Division Services FTE — $0.5M**

FTE = Full-Time Equivalent positions (staffing)

BUDGET CALENDAR NEXT STEPS

- **Mar 12** SB Approves Funding Request
- **Mar 16** SB Presents Request to BOS
- **Mar 18** BOS Proposes Budget & Maximum Tax Rate
- **Mar 26** Budget Updates
- **Apr 16** Budget Updates
- **Apr 22** BOS Approves FY 27 Budget & Sets Tax Rate
- **Apr 23** SB Adopts FY 27 Budget
- **May** State Adopts Budget

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