

ARLINGTON, VIRGINIA



FISCAL YEAR 2019

CITIZEN'S GUIDE TO UNDERSTANDING THE BUDGET

ARLINGTON
PUBLIC SCHOOLS
www.apsva.us





ADMINISTRATION

“ We are very appreciative of all the support the County has provided as well as the support received from the community. With enrollment increasing and new buildings coming into the system in FY 2020, we know we will be presented with additional challenges.

However, we are confident that, with continued collaboration with and support from the County, we will be able to meet the needs of our community, our schools, and our students. ”

–Barbara Kanninen
School Board Chair, FY 2017-18

School Board Members

Reid Goldstein
Chair

Tania Talento
Vice Chair

Barbara Kanninen
Member

Nancy Van Doren
Member

Monique O’Grady
Member

Executive Leadership Team

Dr. Patrick K. Murphy
Superintendent

Rajesh Adusumilli
Assistant Superintendent, *Information Services*

John Chadwick
Assistant Superintendent, *Facilities and Operations*

Linda Erdos
Assistant Superintendent, *School and Community Relations*

Cintia Johnson
Assistant Superintendent, *Administrative Services*

Erin Wales-Smith
Interim Assistant Superintendent, *Human Resources*

Dr. Tara Natrass
Assistant Superintendent, *Teaching and Learning*

Leslie Peterson
Assistant Superintendent, *Finance and Management Services*

Julia Burgos
Chief of Staff

MESSAGE FROM THE SUPERINTENDENT



Dear Arlington Families, Employees, and Citizens:

I am presenting the FY 2019 Citizen's Guide to Understanding the Budget, a document that explains in simple terms the complexities of our school district's budget.

The FY 2019 budget was developed in close partnership with our community, including families, citizens, teachers, staff, and students, and it is based on what they value most – the needs of our students. The community continues to place a high value on providing students with a quality public education and APS continues to succeed in achieving this goal.

Equally important was our collaboration with the County Board. Throughout the process, we met regularly to exchange concerns and provide updates on the status of the APS budget. This year was particularly challenging as the County Manager was directed to develop a balanced budget with no tax increase. As a consequence, APS had to take several steps to reduce expenditures in order to keep the budget revenue neutral. Through the strategic use of reserves, identification of one-time expenditures and the additional one-time funds provided by the County, we were able to balance this year's budget.

Our main priorities this year included funding our growing student population, funding a step increase for eligible employees and continuing to add instructional and administrative staff to support our growing district. As we will continue to grow, it is essential that we work together to find long-term solutions to our budget challenges as we must ensure the continued success of all our students.

I ask you to read this guide to get a better understanding of our process and the FY 2019 Adopted Budget. In an effort to better communicate with our diverse community this Citizen's Guide is also available in Spanish and is posted on our website www.apsva.us/budget-finance/.

If you would like to receive information on the budget and other current issues by e-mail, please sign up for APS School Talk by visiting www.apsva.us/schooltalk and following the directions to subscribe.

We are committed to the success of every child in APS. Thank you so much for your continued support as we work together to invest in our students and our schools.

Sincerely,

Patrick K. Murphy, Ed.D.
Superintendent

October 2018

“ We believe everyone can and will achieve. ”

–Dr. Patrick Murphy
2018 Administrative Conference

APS STRATEGIC PLAN 2018–2024



STUDENT SUCCESS: MULTIPLE PATHWAYS TO SUCCESS FOR ALL STUDENTS

Ensure that every student is challenged and engaged while providing multiple pathways for student success by broadening opportunities, building support systems and eliminating barriers. APS will eliminate opportunity gaps so all students achieve excellence.



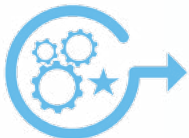
STUDENT WELL-BEING: HEALTHY, SAFE, AND SUPPORTED STUDENTS

Create an environment that fosters the growth of the whole child. APS will nurture all students' intellectual, physical, mental, and social-emotional growth in healthy, safe, and supportive learning environments.



ENGAGED WORKFORCE

Recruit, hire, and invest in a high-quality and diverse workforce to ensure APS is the place where talented individuals choose to work.



OPERATIONAL EXCELLENCE

Strengthen and improve system-wide operations to meet the needs of Arlington's growing and changing community.



STRONG AND MUTUALLY SUPPORTIVE PARTNERSHIPS

Develop and support strong connections among schools, families, and the community to broaden opportunities for student learning, development, and growth.

Every six years, under the guidance of the School Board, APS develops a new strategic plan with staff and community involvement that represents Arlington's vision for education and plans for monitoring progress on goals as well as focus areas for school system improvement.

On June 7, 2018, the School Board adopted a new strategic plan.

Mission

To ensure all students learn and thrive in safe, healthy, and supportive learning Environments.

Vision

To be an inclusive community that empowers all students to foster their dreams, explore possibilities, and create their futures.

Core Values

Excellence—Ensure all students receive an exemplary education that is academically challenging and meets their social and emotional needs.

Equity—Eliminate opportunity gaps and achieve excellence by providing access to schools, resources, and learning opportunities according to each student's unique needs.

Inclusivity—Strengthen our community by valuing people for who they are, nurturing our diversity, and embracing the contributions of all students, families, and staff.

Integrity—Build trust by acting honestly, openly, ethically, and respectfully.

Collaboration—Foster partnerships with families, community, and staff to support the success of our students.

Innovation—Engage in forward-thinking to identify bold ideas that enable us to be responsive to the expectations of our organization and community while cultivating creativity, critical thinking, and resourcefulness in our students.

Stewardship—Manage our resources to honor the community's investment in our schools; create safe, healthy, and environmentally sustainable learning environments; support civic and community engagement; and serve current and future generations.

THE FY 2019 BUDGET DIRECTION



The FY 2019 Budget Addresses the School Board's Budget Direction

The following FY 2019 Budget Direction was adopted by the School Board on October 5, 2017.

- Present a budget that is consistent with APS' Mission, Vision, Core Values and Strategic Plan with a continued emphasis on the School Board's priority to support the whole child.
- Include a compensation increase for eligible employees, consistent with School Board policy and the Strategic Plan goal to recruit and retain high quality staff.
- Include funding to add necessary instructional and administrative staff to support the growth of our 27,000-student system.
- If possible, include the third-year implementation of initiatives begun in the FY 2017 budget and the second-year implementation of initiatives begun in the FY 2018 budget.
- Present a budget that is economically sustainable by reducing per-pupil spending and/or developing long-term strategies to reduce per-pupil spending across future budget years.

The School Board further directs the Superintendent to:

- Review all budget categories to identify potential efficiencies and cost savings, as well as longer-term strategies for efficiencies, such as collaboration with the County.
- Consider recommendations from the 2016-17 citizen advisory council reports, program evaluations, and other relevant reports.
- Use existing reserve funds for one-time costs in FY 2019 in accordance with School Board practice.
- Provide three-year forecasts of revenues and expenditures to gauge long-term financial sustainability.
- Ensure that APS complies with all federal, state and local laws.

Each year the School Board adopts a budget framework that is grounded in the Strategic Plan and focuses on the school system's goals and priorities that are to be considered in budget development for the upcoming fiscal year.



THE BUDGET DEVELOPMENT PROCESS

Budget Basics

- *There are two primary budgets for Arlington Public Schools (APS). One is the School Board's Adopted Budget which provides for the day-to-day operations and maintenance of our schools, personnel, and programs. The second is the Capital Improvement Plan (CIP) budget, which addresses facility needs.*
- *A fiscal year for APS runs from July 1 to June 30. For example, the Fiscal Year (FY) 2019 budget provides resources for the year beginning July 1, 2018 and ending June 30, 2019.*
- *APS is fiscally dependent on the Arlington County government since the school system has no legal authority to raise taxes or issue debt. On the other hand, the County may not direct how the School Board spends its money.*

The budget process for APS spans thirteen months, from process review and policy guidance through distribution of the adopted budget documents. The process and procedures followed during the budget process are briefly described below.

Budget development for the next budget cycle begins with a debriefing in June on the most recently completed budget process. Staff evaluates the budget process and makes recommendations to improve the process/procedures for the next year. The Budget Advisory Council provides a written report to the School Board that may raise issues and concerns about the budget and/or budget process as well.

The Superintendent and Executive Leadership Team meet with the School Board later in June, and receive policy direction from the Board on a number of areas including initial school system priorities for the upcoming year and budget policy guidance to meet the priorities.

Once budget policy guidance, budget strategy and budget development process changes are incorporated into the budget work plan and calendar for the coming year, staff then begin development of the baseline budget.

After the Superintendent's Proposed Budget is presented to the School Board and the public, the School Board holds a number of work sessions to review the budget as well as a public hearing to provide an opportunity for public comment. The Budget Advisory Council advises the School Board on the degree to which the Superintendent's Proposed Budget supports best fiscal practices and the School Board's priorities and assists in educating the community about the content of the budget and the budget process.

In mid-February, spring enrollment projections are released and school staffing is recalculated. The revised projections are the basis of the School Board's Proposed Budget. State funding estimates are updated in March based on the actions of the General Assembly, and incorporated into the School Board's Proposed Budget. Upon adoption, the School Board's Proposed Budget is forwarded to the County Board for its review and consideration.

THE BUDGET DEVELOPMENT PROCESS

The School Board meets with the County Board to present the School Board's Proposed Budget, and to address any questions raised by the County Board. The County Board advertises the tax rate right after the School Board adopts its Proposed Budget and sets the tax rate when the County adopts its final budget (generally in mid-April).

After the County Board adoption, including the General Fund appropriation to the Schools, the School Board makes final adjustments and adopts the School Board's Adopted Budget generally at the end of April/beginning of May. Budget staff then prepares and distributes the adopted budget document.

The APS budget is a:

- *Policy document reflecting policy decisions and priorities through the allocation of funds to specific services and programs.*
- *Communications device for sharing these decisions with the community.*
- *Spending guide that reflects the school system's priorities.*
- *Financial expression of the Strategic Plan by explicitly tying resource allocations to the achievement of the plan goals.*



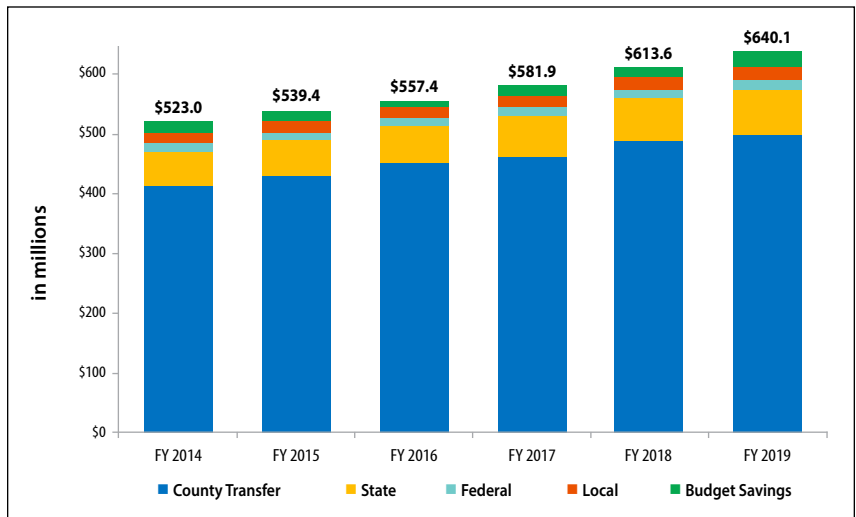
Budget Development is a year-long process that begins as the prior year budget is adopted.

WHERE DOES APS' MONEY COME FROM?

The County continues its commitment to supporting APS. The FY 2019 County Transfer increased by 2.4 percent over the FY 2018 Adopted Budget.

Support for APS Continues

APS funding has increased by 22.4 percent over the last six years allowing us to continue to provide a quality education to all of our students and maintain the excellence our community expects from us.



Majority of APS' Money Comes from the County Transfer

In the FY 2019 Adopted Budget, Arlington County provided 46.6 percent of ongoing locally-generated County tax revenue to the Schools.

- Local Funds—78.2%

County Transfer: \$500.5 million—The main sources of County revenue are real estate and personal property taxes. This year, the adopted budget includes \$3.0 million in one-time revenue.

- State Funds—11.9%

Sales Tax: \$28.1 million—One and 1/8 cents of the state sales tax are returned to local school divisions for education.

Other: \$48.1 million—Primarily Standards of Quality (SOQ) funding.

- Federal Funds—2.3%

Federal Aid: \$15.0 million—Includes Impact Aid, Individuals with Disabilities Education Act (IDEA) and E-Rate funding.

- Other Funds—7.6%

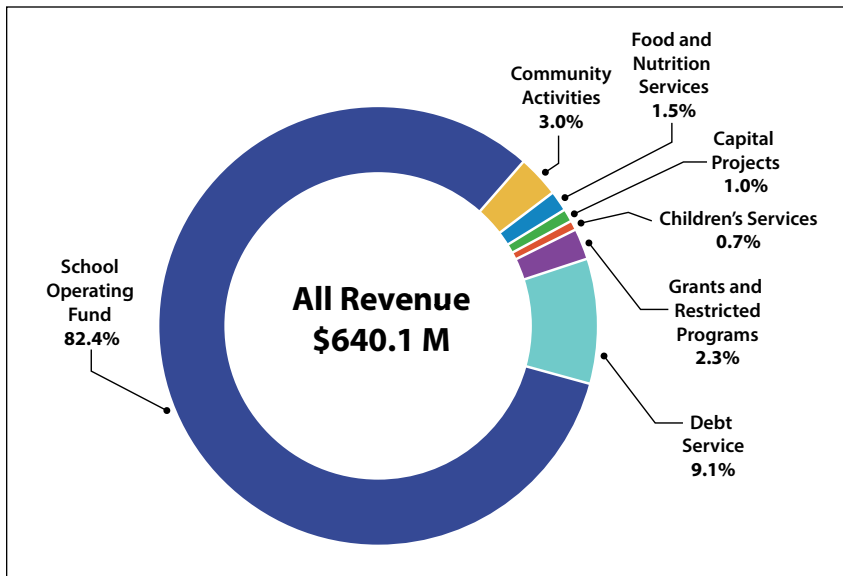
Local Revenue: \$23.1 million—Includes Extended Day, use of school buildings, adult education classes, school breakfasts and lunches, and tuition fees.

Budget Savings: \$25.3 million—Comprising expenditure savings from prior years provided from reserves.

HOW IS THE MONEY DISTRIBUTED?

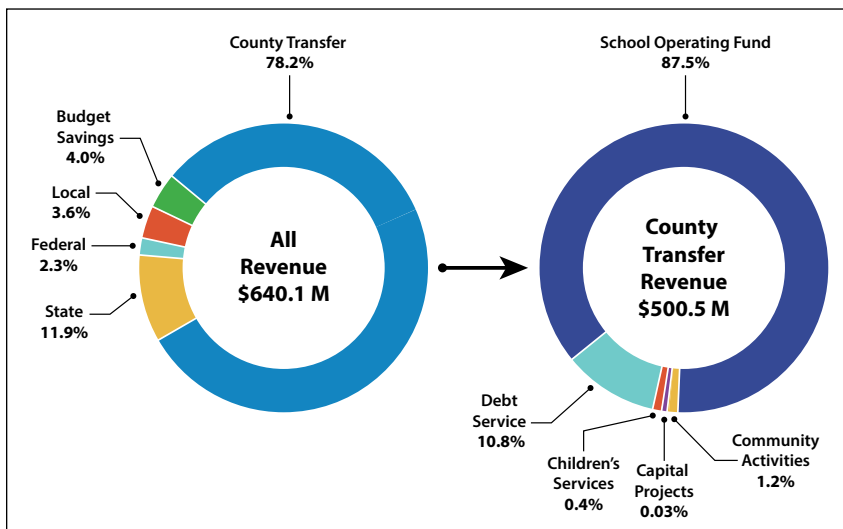
The Largest Portion of Revenue Goes to the School Operating Fund

The School Operating Fund is the largest fund in the school system and it is funded with 82.4 percent of all revenue. This fund accounts for the day to day operations of APS and includes the funding for all of the schools and departments.



Most of the County Transfer Goes to the School Operating Fund

In the FY 2019 Adopted Budget, the County Transfer provided \$500.5 million in revenue, of this amount \$438.1 million or 87.5 percent went into the School Operating fund. The Debt Service fund also receives a majority of funding from the County Transfer; approximately 10.8 percent or \$53.9 million.



APS' budget includes eight different funds: the School Operating Fund, Community Activities Fund, Capital Projects Fund, Debt Service Fund, Food and Nutrition Services Fund, Children's Services Act Fund, and Grants and Restricted Programs Fund; which are appropriated annually by the County Board.

The Bond Fund is accounted for separately and the County appropriates the funds only when the bonds are sold.

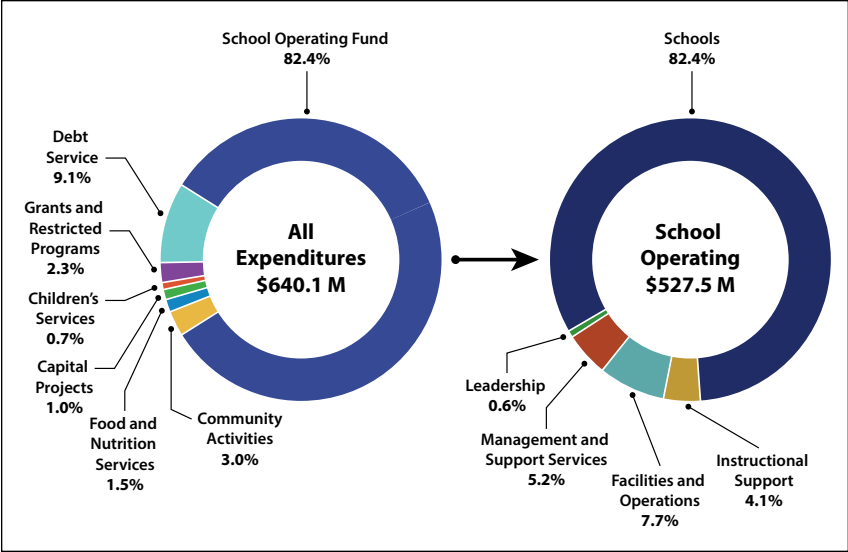
Money can be moved within each of the funds, except the Bond Fund, but it is more difficult to transfer money between different funds.

HOW DOES APS SPEND ITS MONEY?

Funding instructional programs in order to contribute to the success of all students is APS's highest priority.

APS Continues to Focus on Student Success and Student Well-Being

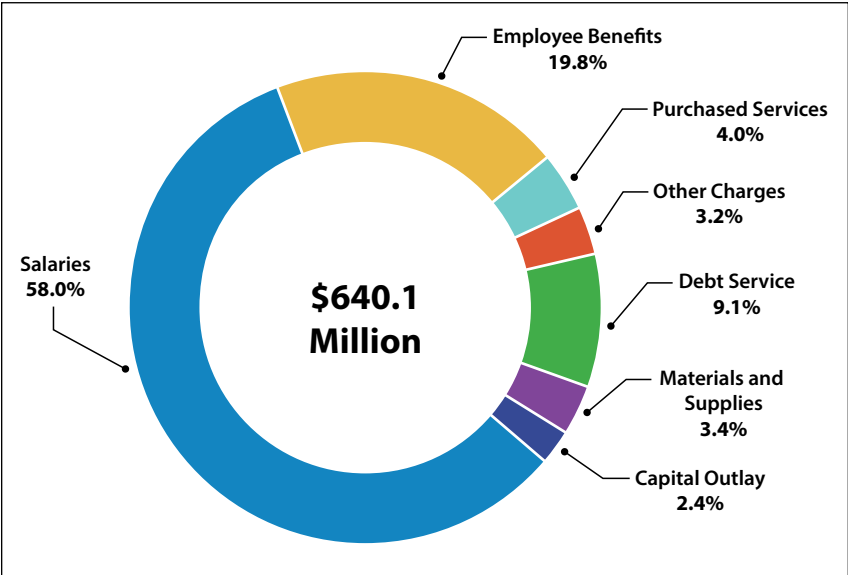
The importance APS places on instructional programs is illustrated by the fact that 86.5 percent of the School Operating Fund budget is allocated to Schools and Instructional Support.



Education continues to be a labor-intensive enterprise and investing in an engaged workforce is a major goal of APS.

Largest Expenditure is Employee Compensation

The FY 2019 Adopted Budget includes \$498.1 million or 77.8 percent for employee salaries and benefits.



BUDGET ADJUSTMENTS

FY 2019 Adopted Budget Changes from FY 2018 Adopted Budget

The net increase in funds totals \$26.5 million or 4.3 percent compared to the FY 2018 Adopted Budget. The chart below provides a summary of the changes.

	\$ IN MILLIONS
FY 2018 Adopted Revenue	\$613.6
REVENUE ADJUSTMENTS	
County Transfer	\$11.8
Federal	\$0.8
State	\$3.6
Local	\$1.2
Budget Savings	\$2.6
Total Revenue Adjustments	\$20.0
BUDGET REDUCTIONS	
Reductions and Changes in Service Delivery*	\$6.6
Total Budget Reductions	\$6.6
FY 2019 ADOPTED REVENUE	\$640.1

	\$ IN MILLIONS	POSITIONS
FY 2018 Adopted Expenditures	\$613.6	4,674.45
EXPENDITURE ADJUSTMENTS		
Enrollment and Student Demographics		
Enrollment Growth	\$5.7	50.00
Additional Costs for New Capacity	\$2.6	4.00
Compensation		
Step Increase	\$9.7	
Additional compensation - below market positions	\$2.2	
Growth Initiatives		
Arlington Tech	\$1.3	14.30
Student and Instructional Support	\$1.3	14.00
Safety and Security Needs	\$0.3	
Infrastructure and Support Needs	\$0.5	9.00
Investments to Support Growth		
New Investments	\$1.5	9.75
Contractual Obligations		
Debt Service	\$9.3	
Other Contractual Obligations	\$1.9	
Services in Other Funds	\$1.6	6.99
Other baseline services	\$6.1	17.50
Total Expenditure Adjustments	\$44.2	125.54
BUDGET REDUCTIONS		
One-time costs in FY 2018 budget	(\$9.4)	
Baseline adjustments	(\$2.1)	(11.50)
Reductions and Changes in Service Delivery*	(\$9.0)	(82.00)
Total Budget Reductions	(\$20.5)	(93.50)
REDUCTIONS FUNDED FOR FY 2019 ONLY		
Class Size Increase	\$2.6	28.00
Psychologists and Social Workers	\$0.3	3.25
Total Reductions Postponed	\$2.9	31.25
FY 2019 ADOPTED EXPENDITURES	\$640.1	4,737.74

Revenue adjustments included in the FY 2019 Adopted Budget totaling \$20.0 million.

Expenditure adjustments total \$44.2 million and 125.54 positions.

These costs are offset by reducing baseline and one-time costs by \$11.5 million and 11.50 positions.

The FY 2019 Adopted Budget was balanced by increased revenue of \$6.6 million and reductions and changes in service delivery totaling \$9.0 million and 82.00 positions.

In the FY 2019 Adopted Budget, the School Board elected to postpone class size increases for one year.

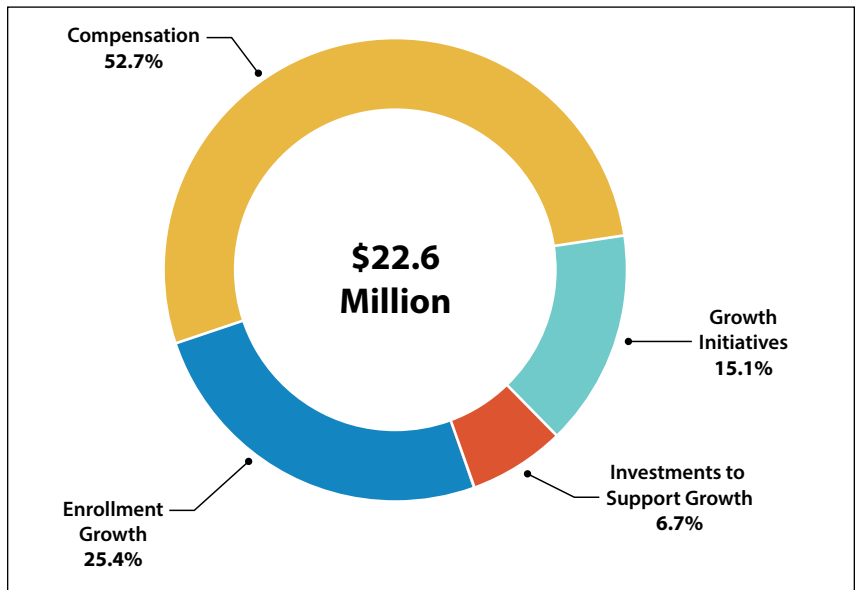
*Details on reductions and change in service delivery can be found in the FY 2019 School Board's Adopted Budget on pages 77-97.

SIGNIFICANT COST DRIVERS

New investments in the FY 2019 Adopted Budget total \$22.6 million.

New Investments Align to the Budget Direction

A majority of new investments, 78.1 percent or \$17.65 million went towards enrollment growth and compensation. Another 21.9 percent went towards continuing the growth initiatives begun in 2017 and 2018 and to additional investments to support our growing student population.

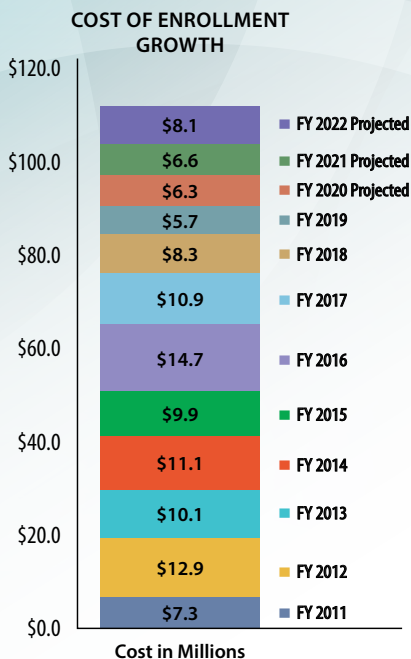


Enrollment Growth

FY 2019 represents the thirteenth consecutive year of student enrollment growth in APS. Over the last thirteen years, the number of students attending APS has increased by 9,605 students or 52.1 percent. The actual enrollment on September 30, 2017 was 26,941 and the projected enrollment for September 30, 2018 is 28,016 students or an increase of 1,075, representing a one-year increase of 4.0 percent.

To accommodate enrollment growth, funding of \$5.7 million is required for positions, relocatable classrooms, materials, technology, furniture and equipment.

Over the last nine years, enrollment growth costs total \$90.9 million. These costs are projected to continue to increase in the upcoming years.



SIGNIFICANT COST DRIVERS

Compensation and Benefits Adjustments

Because teacher and staff quality are fundamental to student achievement and student success, funds are provided for a step increase for all eligible employees at a cost of \$9.7 million. This increase supports the School Board's goal to ensure that APS attracts and retains a high-quality work force. In addition, \$2.2 million is included for the second year of a three-year phase in plan to increase the salaries of the positions identified in the compensation study as being under market.

Continuing Growth Initiatives

Arlington Tech includes the costs to expand the program in FY 2019 by 140 students and to continue expanding it in fiscal years 2020 through 2021 to accommodate an additional 200 students per year.

Student and Instructional Support includes costs for initiatives to provide specific, targeted assistance to students and staff in support of the School Board's priority around the whole child.

Safety and Security Needs includes initiatives to increase the safety of students and staff and the security of school buildings.

Infrastructure and Support Needs includes funding to provide additional central office supports for students and staff in preparation for becoming a 30,000-student school division in 2022.

Investments to Support Growth

The FY 2019 budget funding is provided for targeted support to students and families and additional central office assistance as the school division continues to grow.

FY 2019 Teacher Salaries

STARTING, BACHELORS DEGREE—FY 2019	
Falls Church City	\$51,088
Loudoun County	\$50,171
Fairfax County	\$50,000
Montgomery County, MD	\$49,013
Alexandria City	\$48,894
Arlington County	\$48,228
Manassas Park City	\$48,060
Prince George's County, MD	\$47,781
Prince William County	\$47,724
Manassas City	\$47,724

MIDDLE MASTERS DEGREE—FY 2019	
Arlington County	\$95,346
Fairfax County	\$84,241
Alexandria City	\$82,463
Montgomery County, MD	\$80,106
Falls Church City	\$76,024
Loudoun County	\$74,604
Prince William County	\$73,889
Manassas City	\$73,889
Prince George's County, MD	\$68,735

MAXIMUM—FY 2019	
Prince William County	\$121,872
Manassas City	\$113,813
Arlington County	\$113,207
Manassas Park City	\$112,030
Falls Church City	\$111,261
Montgomery County, MD	\$109,449
Alexandria City	\$109,403
Loudoun County	\$107,139
Fairfax County	\$104,269
Prince George's County, MD	\$103,819

Source: 2019 Washington Area Board's of Education (WABE) Guide

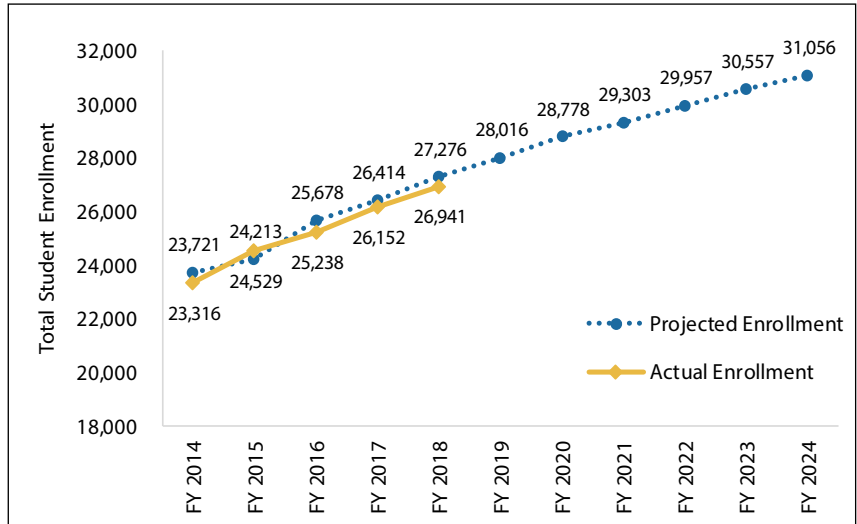
HOW MANY STUDENTS DOES APS HAVE?

The FY 2019 projected enrollment is 28,016 students which represents an increase of 1,075 from the FY 2018 actual enrollment.

STUDENT ENROLLMENT BY GRADE	
Pre-K	1,297
Kindergarten	2,280
Grade 1	2,274
Grade 2	2,159
Grade 3	2,214
Grade 4	2,213
Grade 5	2,211
Grade 6	2,149
Grade 7	1,905
Grade 8	1,974
Grade 9	1,957
Grade 10	1,766
Grade 11	1,806
Grade 12	1,811
TOTAL	28,016

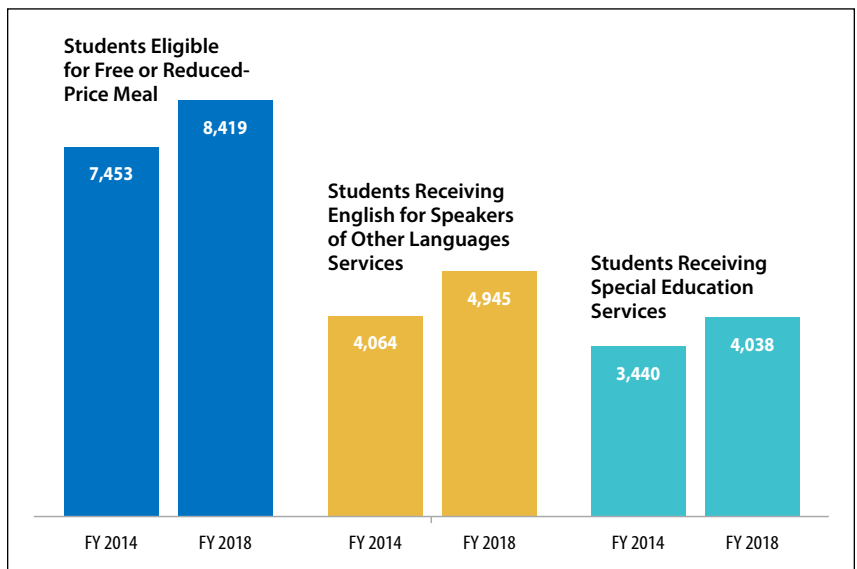
APS Student Enrollment Increases Every School Year

Enrollment has grown from 22,613 in FY 2013 to a projected 28,016 in FY 2019, representing a 23.9 percent increase over that period. The average annual increase over the past ten years is approximately 3.7 percent.



APS Provides a Number of Services for Our Diverse Enrollment

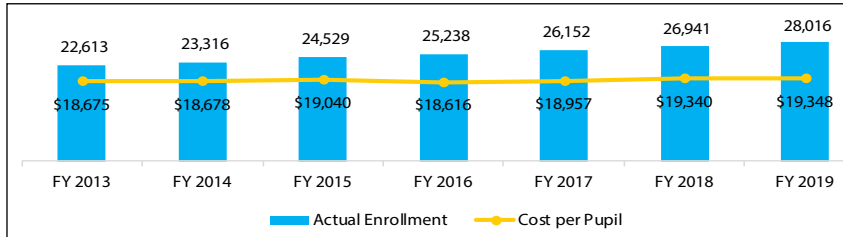
APS represents one of the nation's most diverse and sophisticated student populations. Our students come from 116 nations and speak more than 107 languages.



WHAT IS APS' COST PER PUPIL?

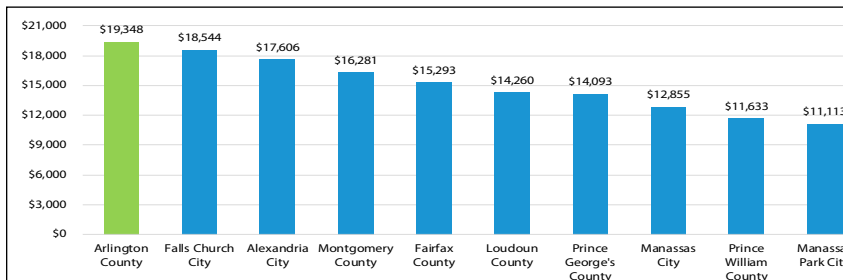
APS' Cost Per Pupil has Remained Stable

In the FY 2019 Adopted Budget, our cost per pupil, based on the formula developed by Washington Area Boards of Education (WABE), is \$19,348, which is only \$8 over the FY 2018 cost.



Compared to Other School Systems

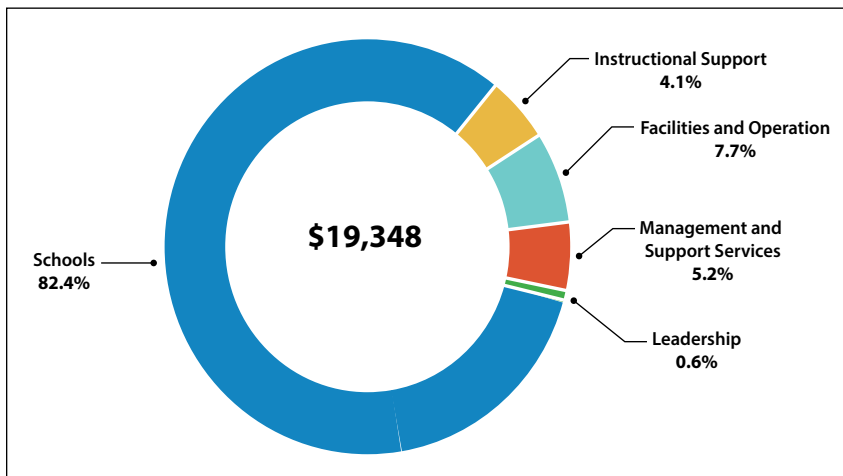
The gap between the highest (APS) and the second highest school system's cost per pupil is \$804 or 4.3 percent as a result of increases to prepare APS for 30,000 students.



Source: 2019 Washington Area Board's of Education (WABE) Guide

Our Investment in Schools Shows in the Cost Per Pupil Spending

Funding for Schools and Instructional Support account for 86.5 percent or \$16,736 of the per student cost.



Cost per pupil information provides a measure of resource allocation based on student population. It is a useful tool for analyzing our expenditures over time and for comparing our expenditures to those of other school systems.

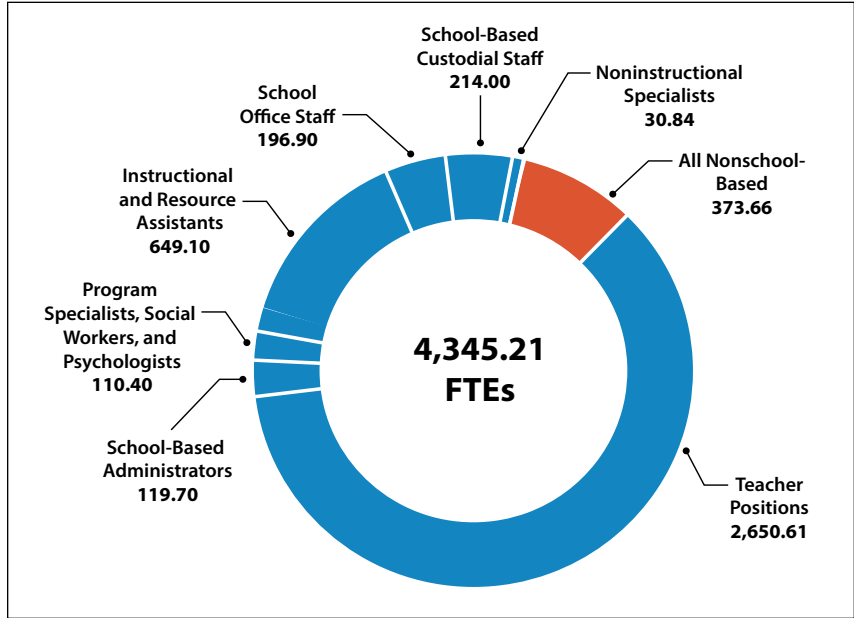
Even with increasing enrollment, our average class size is one of the lowest when compared with area school divisions.

FY 2019 AVERAGE CLASS SIZE	
Elementary School	21.0
Middle School	20.9
High School	19.6

WHO WORKS IN APS?

Majority of Employees are School-Based

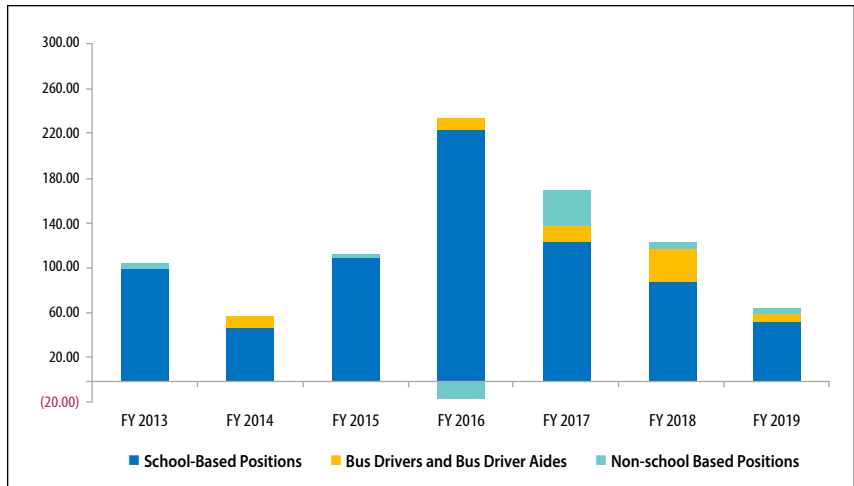
A total of 4,345.21 full-time equivalent (FTE) positions are funded in the FY 2019 Operating Budget as defined by WABE. Of these positions, more than 91 percent are in the classrooms and school buildings directly serving the needs of students.



Entitlement grant positions are included here although these positions are not part of the School Operating Fund. Bus drivers and bus drivers' aides are not included.

School Based Positions are Added Every Year

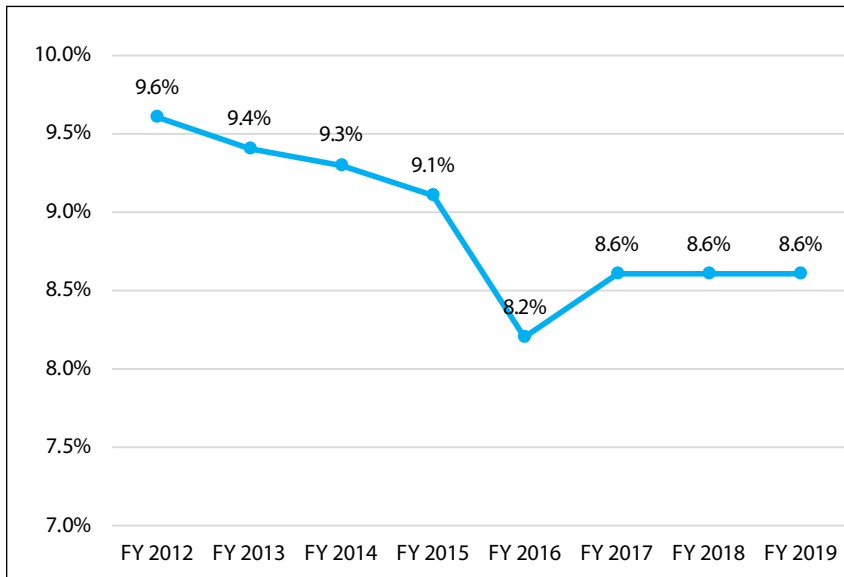
In FY 2019, the adopted budget added 52.1 school-based and 7 bus drivers and bus driver aides full-time positions.



HOW EFFICIENT IS THE CENTRAL OFFICE?

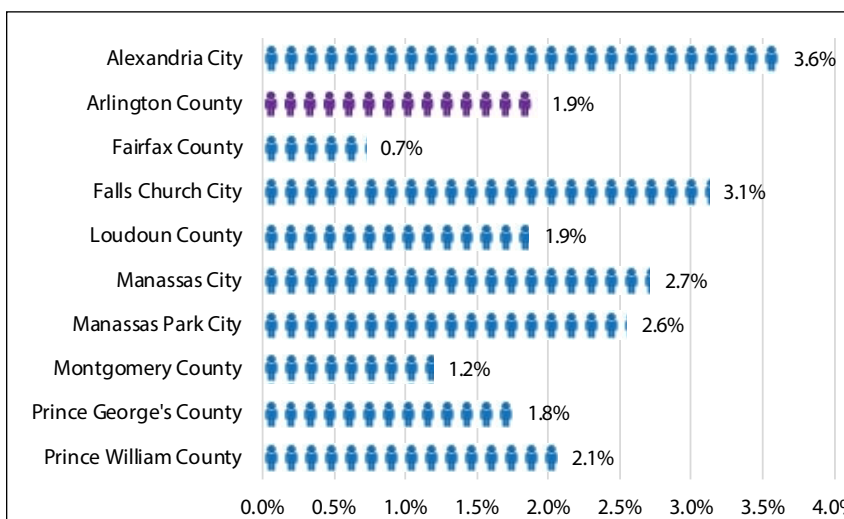
Non-School Based Positions Increased Slightly

Non-school based support increased by 5.3 positions in the FY 2019 budget. After several years of significant reductions in central office, non-school based FTEs have increased a total of 41.9 positions over the last three years. This increase is required in order to support the projected increases in enrollment.



Management Ratio

APS falls in the middle when comparing the percent of leadership and non-school based management positions to other local school districts.



Source: 2019 Washington Area Board's of Education (WABE) Guide

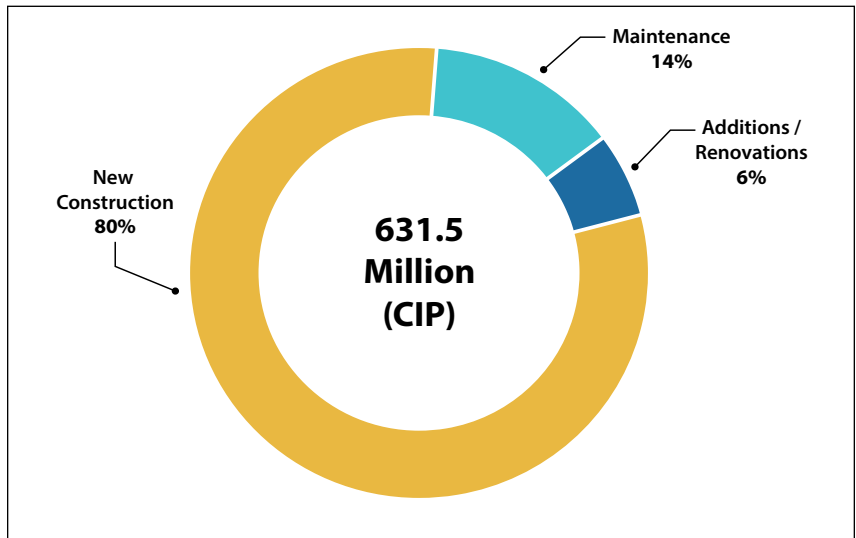
FY 2019–2028 CAPITAL IMPROVEMENT PLAN

Every two years, the School Board adopts a CIP that addresses APS’s capital needs—investments needed to improve or enhance the infrastructure of our schools—over the next ten years.

Over the next ten years, APS plans to invest 86 percent of capital improvement funding in new construction and renovations to existing schools in order to address increasing enrollment.

The Adopted FY 2019–2028 Capital Improvement Plan (CIP)

On June 21st, 2018, the School Board adopted a new ten-year CIP with a total projects cost of \$631.5 million which requires \$411.6 million in bond financing. The CIP includes major capital projects, such as new schools and school additions, as well as major maintenance and minor construction projects.



Seats Provided in the Adopted CIP

- Adds 3,127 seat
 - ⊙ Elementary School: 1,477
 - ⊙ High School: 1,650
- Includes additional funds for seats beyond the 10-year CIP horizon
 - ⊙ Elementary School: 725-750
 - ⊙ Middle School: 300
- Necessitates finding an existing building and/or site for a new elementary school

The new CIP will be re-evaluated in 2020. The Career Center planning and design process will help define the funds needed in the 2020 bond referendum.

Capital Projects Funded by the Upcoming Bond Referendum

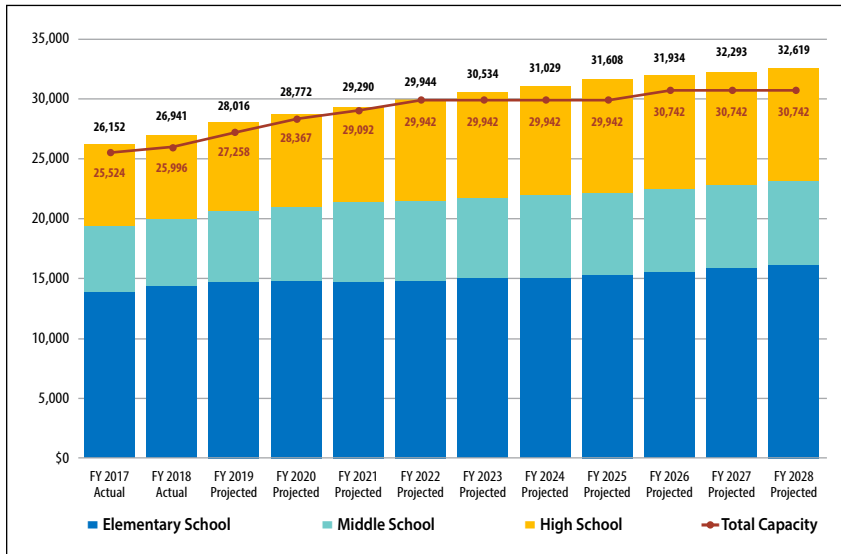
The list below identifies projects that will be included in the November 2018 bond referendum.

• New Elementary School at the Reed Building	\$44.2
• Career Center/Arlington Tech Internal Renovation	\$6.0
• Career Center Project Planning and Design Funds	\$5.9
• Education Center Renovation for High School Seats	\$32.3
• Major Infrastructure Projects	\$14.6
Total	\$103.0

FY 2019–2028 CAPITAL IMPROVEMENT PLAN

Planned Capacity Improvements Will Meet Most of Our Seat Needs

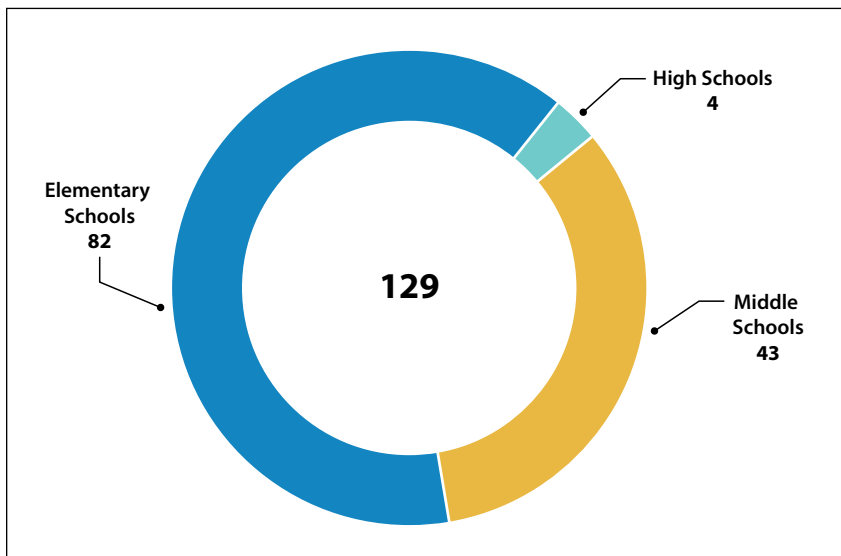
With the projected enrollment increases, the FY 2019 - 2028 CIP outlined projects that will meet nearly 100 percent of our school seat needs by FY 2022.



Enrollment figures taken from the FY 2019 – 2028 Capital Improvement Plan.

Relocatable Classrooms Will Assist with Capacity

In FY 2019, 65 percent of our schools will have relocatable classrooms, down from last year's 71 percent. These classrooms are a vital resource to capacity and capacity development.



Additional information on the Adopted FY 2019 – 2028 Capital Improvement Plan can be found at <https://www.apsva.us/budget-finance/cip>.



QUESTIONS AND ANSWERS

Citizen Participation

We encourage the community to get involved in the budget development process.

- *Join an advisory group or committee, www.apsva.us/citizen-advisory-groups.*
- *Attend School Board meetings, watch meetings streamed live via the APS website or view archived videos of past meetings, www.apsva.us/school-board-meetings/watch-school-board-meetings.*
- *Sign up to speak at a School Board meeting, www.apsva.us/school-board-meetings/sign-up-to-speak, or share your comments with the Board by emailing school.board@apsva.us or by calling 703-228-6015.*

Q: Where can I find an electronic copy of the adopted budget?

A: Copies of the adopted budget along with other budget information and previous adopted budgets can be found on the Budget website, www.apsva.us/budget-finance.

Q: Does APS end each year with money that is unspent?

A: Yes, each year state and local governments typically end the year with an available ending balance to ensure that they meet revenue projections and do not exceed expenditure appropriations. APS has historically ended every fiscal year with an available ending balance. This is a responsible budgeting practice since APS is required by law to have a balanced budget and not to overspend its budget.

Q: What is Lapse and Turnover?

A: Lapse and turnover, including benefits, is savings resulting from position turnover and from positions being held vacant for a period of time during the fiscal year. APS budgets for lapse, and any savings above the budgeted amounts are included in the available ending balance. Lapse and turnover savings are reviewed regularly and steps are taken to adjust the salary level used to budget vacant positions. As 77.8 percent of the budget is compensation, the majority of the available ending balance is derived from the compensation accounts. Regardless of the amount budgeted, all savings at year-end are reflected in the available ending balance.

Q: I've heard about school districts in other parts of the country that creatively generate revenue to increase their budgets. Has APS considered this as a way to get more money into its budget?

A: APS does not have the authority to impose taxes. APS does evaluate opportunities to generate revenue by charging fees, but may only do so where the Commonwealth of Virginia has granted the specific authority. The majority of our revenue (78.2 percent) comes from Arlington County, which is derived from real estate and personal property taxes. The Commonwealth provides another 11.9 percent through state aid and sales tax revenues. The remaining revenues come from a variety of sources, including federal aid, tuition, school breakfasts and lunches, and adult education classes.

Q: How does the capital improvement plan affect the budget?

A: As more bonds are sold to finance construction and major renovations of schools and buildings, APS's debt service also increases. As a result, the Debt Service Fund's budget must be increased to cover the principal and interest payments coming due during the fiscal year.



QUESTIONS AND ANSWERS

Q: What is bond financing?

A: Funds generated through the sale of general obligation bonds by Arlington County as authorized by County voters through bond referenda. Bond referenda are scheduled for even-numbered calendar years, with the next bond referendum in November 2018.

Q: What reserves does APS have in its operating fund?

A: The School Board has created a number of reserves over the past five years as a way to help offset the increasing costs of capital, debt service, and other unfunded liabilities in the out years. In addition, the School Board has allocated funds from closeout of the past five fiscal years to create reserves to help defray one-time costs in the next fiscal year budget. Reserves are used in the FY 2019 budget to partially offset any projected increase in debt service as well to offset any one-time costs for enrollment adjustments, new initiatives, and other ongoing costs in the overall budget.

In the FY 2019 Adopted Budget, the School Board elected to use \$19.8 million in reserve funding in order to balance the budget.

RESERVES BALANCE (\$ IN MILLIONS)			
Reserves	Beginning Balance	Used /Added FY 2019	Ending Balance
Capital	\$19.87	\$2.00	\$21.87
VRS	\$2.51		\$2.51
Future Debt Service	\$5.31	(\$4.67)	\$0.64
Future Budget Years	\$20.70	(\$11.20)	\$9.50
Compensation	\$10.65	(\$5.95)	\$4.70
Separation Pay	\$2.00		\$2.00
Health Care	\$1.00		\$1.00
Undesignated	\$2.00	(\$2.00)	\$0.00
TOTAL RESERVES BALANCE	\$64.04	(\$19.82)	\$42.22

Q: How can I provide feedback on the budget?

A: APS values your input. That's why the school system has a strong network of more than 30 volunteer advisory committees, each one focusing on a specific subject or topic area from instruction to construction. Advisory committees and advisory groups vary in formality and time commitment. Some report to the School Board on an annual basis, while others work directly with the Superintendent and APS staff members on a particular project or subject. In addition, ad hoc groups may be formed for limited terms to focus on projects and issues of immediate concern. If you are interested in finding out more about a particular advisory group or committee, attend a committee meeting. All meetings are open to the public, and all citizens are welcome to attend regardless of whether they have children enrolled in APS. You can also send an email to engage@apsva.us or complete the online form through the Engage with APS website at www.apsva.us/engage/engage-aps-online-feedback.



APS HIGHLIGHTS

APS received the Meritorious Budget Award from the Association of School Business Officials International (ASBO) for the FY 2018 School Board Adopted budget.

This award is given to school districts whose budget documents meet or exceed the program's nationally recognized stringent criteria for effective budget presentation.

APS has received an award from ASBO for nine consecutive years.

- All APS schools are fully accredited by the Virginia Department of Education for the 2017-2018 school year based on last year's Standards of Learning (SOL) test results. School accreditation ratings reflect student achievement on SOL assessments and other tests in English, history/social sciences, mathematics and science.
- APS students consistently scored above state average levels on SOL tests, reflect by the passing rate data summary below for the school year 2017-2018.

2017-2018 SOL TEST RESULTS			
Subject Area	Pass Rates		
	Arlington	Virginia	Full Accreditation
English: Reading	84%	79%	75% or higher
English: Writing	86%	78%	75% or higher
History and Social Sciences	86%	84%	70% or higher
Mathematics	83%	77%	70% or higher
Science	84%	81%	70% or higher

- Niche.com 2019 ranked Arlington Public Schools as the top school division in the Commonwealth of Virginia for the fourth consecutive year. Nationally, APS was ranked 86th best school division in the United States. APS is the only Virginia school division in the top 100 across the nation.
- The number of graduating seniors attaining an AP or IB diploma has increased 2.3% in 2018 compare to the year before. Among graduates, 66% have earned an advanced diploma, up from 63.9% in 2012.
- The dropout rate declined by 46% since 2012, from 9.3% to 5% in 2018.
- In 2018, 92.2% of all students graduated on time compare to 85.2% in 2010. For those students who started as freshmen in the fall of 2014 at one of the comprehensive high schools, 95% graduated on time.
- Students consistently score above state and national averages on the SAT. The average combined score on the SAT was 1191 for Arlington graduates, 81 points higher than the average score of 1110 for Virginia students and 142 points higher than the national SAT average of 1049.
- Arlington's average ACT composite score was 26.6, compared to 23.8 for VA graduates and a national composite of 20.4.
- In 2018, 98% of APS's teaching staff is highly qualified as defined by the U.S. Department of Education. The remaining 2% includes teachers with provisional certificates or in the process of getting teacher certification.



ADDITIONAL RESOURCES

The APS website provides detailed information about our schools, students, programs, and operations:

APS Website

www.apsva.us

School Board

www.apsva.us/about-the-school-board

Superintendent's Office

www.apsva.us/superintendents-office

Schools and Centers

www.apsva.us/school-locations

Department of Teaching and Learning

www.apsva.us/instruction

Budget and Finance Office

www.apsva.us/budget-finance

Budget Documents, including links to historical documents

www.apsva.us/budget-finance

Washington Area Boards of Education (WABE) Guide

www.apsva.us/budget-finance/wabe-guide

FY 2019–2028 Capital

Improvement Plan (CIP)

www.apsva.us/budget-finance/cip

FY 2018–2024 Strategic Plan

www.apsva.us/strategic-plan

SOL Results

www.apsva.us/planning-and-evaluation/assessment

Community Satisfaction Survey Results

www.apsva.us/planning-and-evaluation/evaluation/surveys/community-satisfaction-survey

Statistics

www.apsva.us/statistics

Publications (Annual Reports, Briefing Reports, APS News, APS Handbook)

www.apsva.us/publications

Key Dates for the FY 2020 Budget Development

- **Feb 28, 2019:**
Superintendent's Proposed FY 2020 Budget and Budget Work Session #1
- **March 12, 2019:**
Budget Work Session #2
- **March 19, 2019:**
Budget Work Session #3
- **March 26, 2019:**
Budget Work Session #4
- **March 28, 2019:**
Public Hearing on the Superintendent's Proposed FY 2020 Budget
- **April 2, 2019:**
Budget Work Session #5
- **April 9, 2019:**
Budget Work Session #6
- **April 11, 2019:**
School Board's Proposed FY 2020 Budget
- **May 2, 2019:**
Public Hearing on the School Board's Proposed FY 2020 Budget
- **May 7, 2019:**
Budget Work Session #7 (If needed)
- **May 9, 2019:**
School Board's Adopted FY 2020 Budget



ARLINGTON PUBLIC SCHOOLS

Syphax Education Center | 2110 Washington Blvd | Arlington, VA 22204

703-228-6000