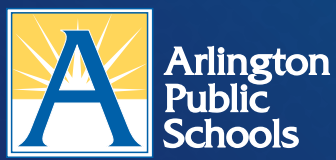


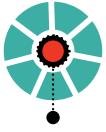


FISCAL YEAR 2021

ARLINGTON, VIRGINIA

*Citizen's Guide to*  
**UNDERSTANDING**  
**THE BUDGET**





# ADMINISTRATION

**“ Although this year budget includes reductions due to the economic challenges caused by the COVID-19 pandemic, our budget is still in close alignment with the School Board’s Strategic Plan and we are confident that we will be able to continue to meet the needs of our community, our schools, our staff, and our students. ”**

–Tannia Talento  
*School Board Chair, FY 2020-21*

## School Board Members

**Monique O’Grady**  
Chair

**Dr. Barbara Kanninen**  
Vice Chair

**Nancy Van Doren**  
Member

**Reid Goldstein**  
Member

**Tannia Talento**  
Member

## Executive Leadership Team

**Dr. Francisco Durán**  
Superintendent

**Rajesh Adusumilli**  
Assistant Superintendent, *Information Services*

**Catherine Ashby**  
Assistant Superintendent, *School and Community Relations*

**John Chadwick**  
Assistant Superintendent, *Facilities and Operations*

**Dr. Arron Gregory**  
Chief Diversity, Equity and Inclusion Officer

**Cintia Johnson**  
Assistant Superintendent, *Administrative Services*

**Bridget Loft**  
Assistant Superintendent, *Teaching and Learning*

**Leslie Peterson**  
Assistant Superintendent, *Finance and Management Services*

**Dan Redding**  
Assistant Superintendent, *Human Resources*

**Lisa Stengle**  
Executive Director, *Planning and Evaluation*

**Brian Stockton**  
Chief of Staff



# MESSAGE FROM THE SUPERINTENDENT

Dear Arlington Families, Employees, and Citizens:

I am presenting the FY 2021 Citizen's Guide to Understanding the Budget, a document that explains in simple terms, the complexities of our school district's budget.

The FY 2021 budget was developed in a unique and unprecedented environment marked by the coronavirus pandemic which greatly affected the budget process and the adopted budget. This budget is a result of a true community effort and close partnership with families, citizens, teachers, staff, and students, and it continues to be centered on what we all value most – the needs of our students and a high quality public education for all.

We are grateful for the close collaboration with the County Board. Throughout the process, we met regularly to exchange concerns and provide updates on the status of APS's budget. This year began with a projected deficit of \$26.1 million but the COVID-19 pandemic greatly reduced the projected revenue. As a result, we had to implement budget efficiencies and reductions totaling \$30.2 million and use \$16.5 million of reserve funds in order to balance the budget. Even with these reductions, our budget is still in close alignment with the School Board's Strategic Plan.

Our priorities this year included funding our growing student population, meeting most of the requirements of the Department of Justice (DOJ) English Learners Settlement Agreement, providing additional support to special education as outlined in the evaluation of services for students with special needs, and continuing to support several growth initiatives begun in previous budgets. As we 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 our students.

I ask you to read this guide to get a better understanding of our process and the FY 2021 Adopted Budget. This guide is also available in Spanish on our website [www.apsva.us/budget-finance/](http://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](http://www.apsva.us/schooltalk) and following the directions to subscribe.

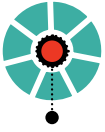
We are committed to the success of every child in APS. Thank you so much for your support and collaboration during these difficult times as we continue to invest in our children and schools.

Sincerely,

Dr. Francisco Durán  
Superintendent  
October 2020

*“ The community is truly coming together during this difficult time and working together for one goal, to support and educate our wonderful students. ”*

–Dr. Francisco Durán



# 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 2021 BUDGET DIRECTION

## The FY 2021 Budget Addresses the School Board's Budget Direction

On March 25, 2020, the School Board adopted a revised budget direction in response to the Coronavirus pandemic.

In the revised budget direction, the School Board directed the Superintendent to:

- Prepare a revised, proposed FY 2021 budget that maintains our growing 28,000-student school system.
- Present the Board with a revised proposed budget at its first meeting in April or once sufficient information is available regarding projected County, State, and Federal revenues.

The revised proposed budget should:

- Continue to consider our school system's needs going forward and be consistent with APS's Mission, Vision, Core Values and Strategic Plan,
- Reflect our new reality and the current state of economic affairs of Arlington County again due to the Coronavirus pandemic and its effect on our local economy.

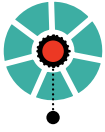
The FY 2021 adopted budget responds to the revised budget direction.

This revised budget direction replaces the budget direction approved on October 3, 2019.

As a result of the revised budget direction, the budget includes funding to implement recommendations from the Services for Students with Special Needs and English Learners evaluations and the DOJ Settlement Agreement. The initiatives begun in prior years' budgets are also funded. In order to accomplish the new budget direction's priorities and balance the budget, a number of reductions and changes in service delivery were also included in this year's adopted budget.

The FY 2021 Adopted Budget represents a 0.1 percent increase over the FY 2020 Adopted Budget.

*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) 2021 budget provides resources for the year beginning July 1, 2020 and ending June 30, 2021.*
- *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.*

**T**he 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 soon 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.*



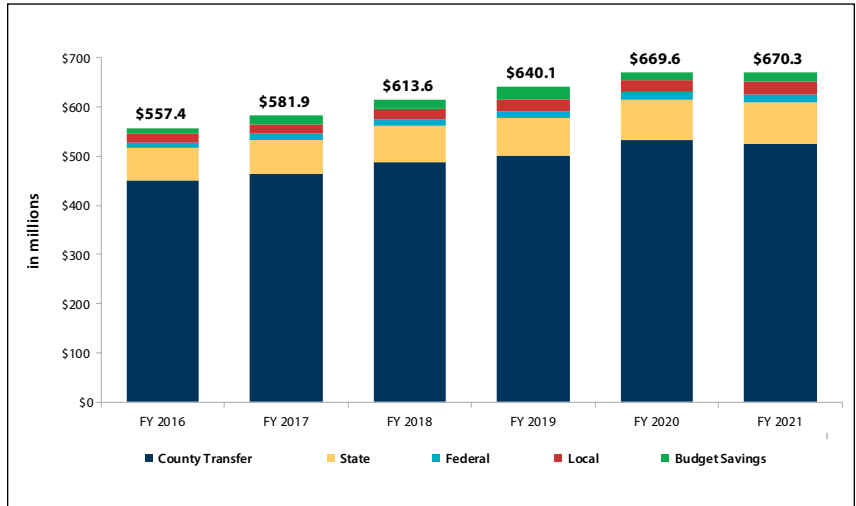
*Budget Development is a year-long process that begins as the prior year budget is adopted.*

# WHERE DOES APS' MONEY COME FROM?

*The County continues its commitment to supporting APS. The FY 2021 County Transfer of ongoing funds increased by only 0.4 percent over the FY 2020 Adopted Budget, due to the COVID-19 pandemic. The overall county transfer decreased by 1.4 percent because of one-time funding provided by the County in FY 2020 not provided again in FY 2021.*

## Support for APS Continues

APS funding has increased by 20.3 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 2021 Adopted Budget, Arlington County provided 47 percent of ongoing locally-generated County tax revenue to the Schools.

- Local Funds—78.3%

**County Transfer: \$524.6 million**—The main sources of County revenue are real estate and personal property taxes.

- State Funds—12.6%

**Sales Tax: \$32.2 million**—One and 1/8 cents of the state sales tax are returned to local school divisions for education.

**Other: \$52.1 million**—Primarily Standards of Quality (SOQ) funding.

- Federal Funds—2.4%

**Federal Aid: \$16.3 million**—Includes Impact Aid and funding for Individuals with Disabilities Education Act (IDEA).

- Other Funds—6.7%

**Local Revenue: \$25.1 million**—Includes Extended Day, use of school buildings, adult education classes, school breakfasts and lunches, and tuition fees.

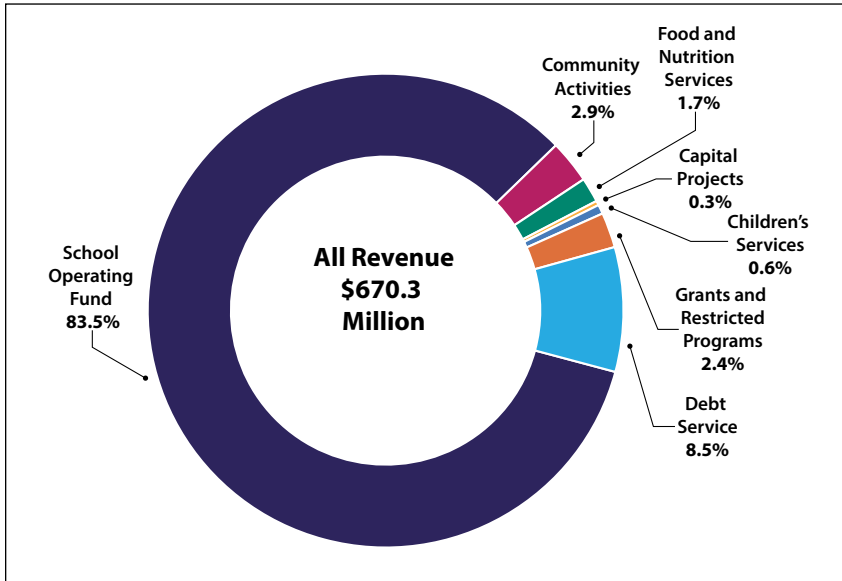
**Budget Savings: \$20 million**—Expenditure savings from prior years.



# HOW IS THE MONEY DISTRIBUTED?

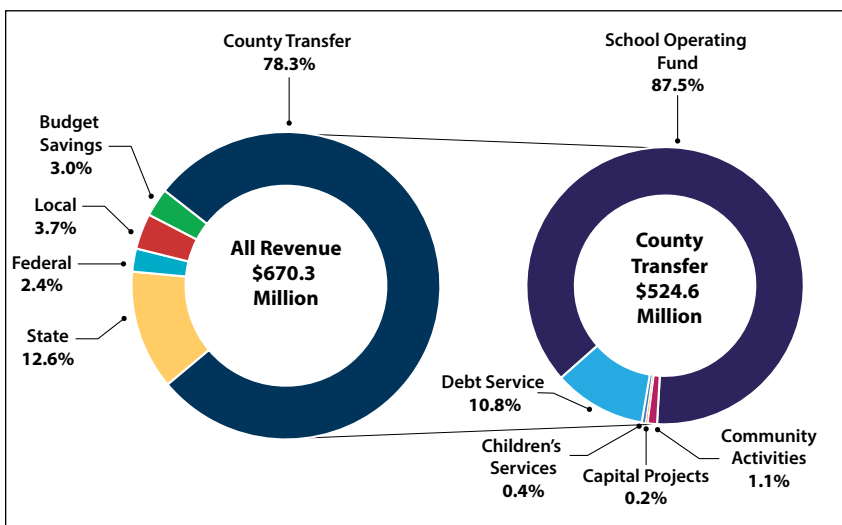
## The Largest Portion of Revenue Goes to the School Operating Fund

The School Operating Fund is the largest fund in the school system and it is funded with 83.5 percent of all revenue. This fund accounts for the day to day operations of APS and includes the funding for all schools and departments.



## Most of the County Transfer Goes to the School Operating Fund

In the FY 2021 Adopted Budget, the County Transfer provided \$524.6 million in revenue, of this amount \$458.7 million or 87.5 percent went into the School Operating fund. The Debt Service fund also receives a large portion from the County Transfer; approximately 10.8 percent or \$56.6 million.



*APS's 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.*

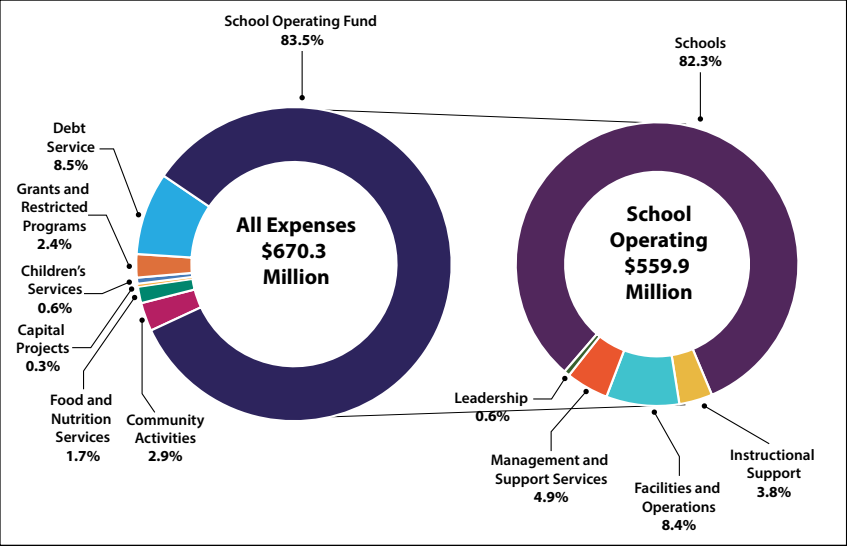
*Money can be moved within each of the funds, except the Bond Fund, but it is more difficult to transfer money between different funds.*

# 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

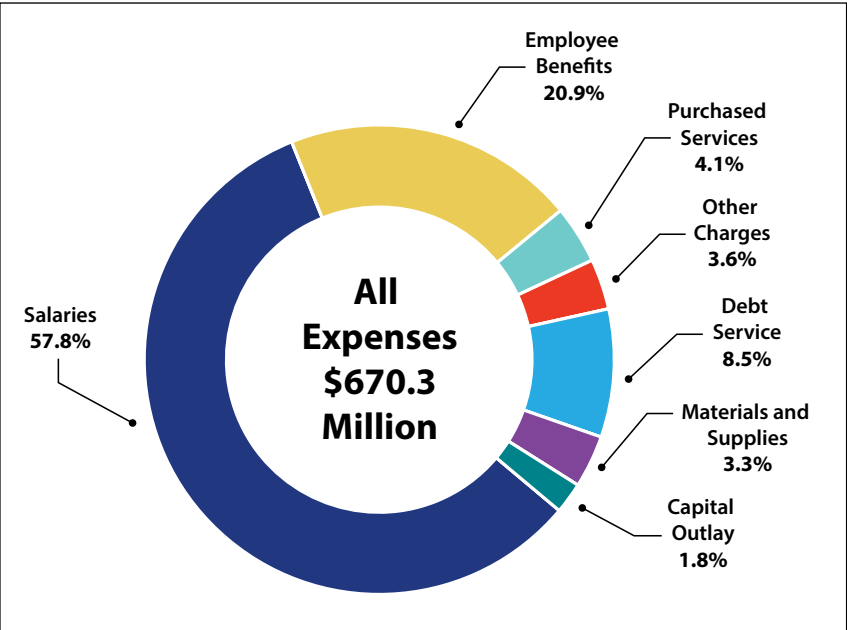
The importance APS places on instructional programs is illustrated by the fact that 86.1 percent of the School Operating Fund budget is allocated to Schools and Instructional Support.



*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 2021 Adopted Budget includes \$527.3 million or 78.7 percent for employee salaries and benefits.



# BUDGET ADJUSTMENTS

## FY 2021 Adopted Budget Changes from FY 2020 Adopted Budget

The net increase in funds totals \$0.7 million or 0.1 percent compared to the FY 2020 Adopted Budget. The chart below provides a summary of the changes.

	\$ IN MILLIONS
<b>FY 2020 Adopted Revenue</b>	<b>\$669.6</b>
<b>REVENUE ADJUSTMENTS</b>	
County Transfer	(\$7.7)
Federal	\$0.4
State	\$2.8
Local	\$0.6
Net Reserves Used	\$4.6
<b>Total Revenue Adjustments</b>	<b>\$0.7</b>
<b>FY 2021 ADOPTED REVENUE</b>	<b>\$670.3</b>

	\$ IN MILLIONS	POSITIONS
<b>FY 2020 Adopted Expenditures</b>	<b>\$669.6</b>	<b>4,897.36</b>
<b>EXPENDITURE ADJUSTMENTS</b>		
<b>Enrollment Growth</b>		
Changes in Enrollment	\$9.5	111.70
Transportation Needs	\$0.8	
Other Enrollment Related Needs	\$0.8	
<b>New Schools</b>		
Additional Costs for New Capacity	\$2.3	2.00
<b>Compensation</b>		
Step Increase	\$0.0	
<b>Initiatives from Prior Years' Budgets</b>		
Arlington Tech	\$0.9	9.75
Technicians	\$0.4	4.00
Infrastructure and Support Needs	\$0.3	7.00
<b>New Investments</b>		
DOJ Settlement Agreement	\$2.5	24.60
Special Education Requirements	\$2.8	43.00
Investments to Support Growth	\$0.6	8.00
Contingency (against further revenue loss)	\$1.5	
<b>Contractual Obligations</b>		
Salaries and Benefits Adjustments	\$2.7	
Debt Service	(\$2.3)	
Other Contractual Obligations	\$0.1	
Baseline Services in Other Funds	\$1.1	31.30
Other Baseline Adjustments	\$5.1	3.75
<b>Total Expenditure Adjustments</b>	<b>\$29.0</b>	<b>245.10</b>
<b>BUDGET REDUCTIONS</b>		
One-time costs in FY 2020 budget	(\$7.1)	
Reductions and Changes in Service Delivery*	(\$21.2)	(153.85)
<b>Total Budget Reductions</b>	<b>(\$28.3)</b>	<b>(153.85)</b>
<b>FY 2021 ADOPTED EXPENDITURES</b>	<b>\$670.3</b>	<b>4,988.61</b>

\*Details on reductions and changes in service delivery can be found in the FY 2021 School Board's Adopted Budget on pages 42-90.

*Revenue adjustments included in the FY 2021 Adopted Budget total \$0.7 million.*

*Expenditure adjustments total \$29.1 million and 245.10 positions.*

*These costs are offset by reducing one-time costs by \$7.1 million.*

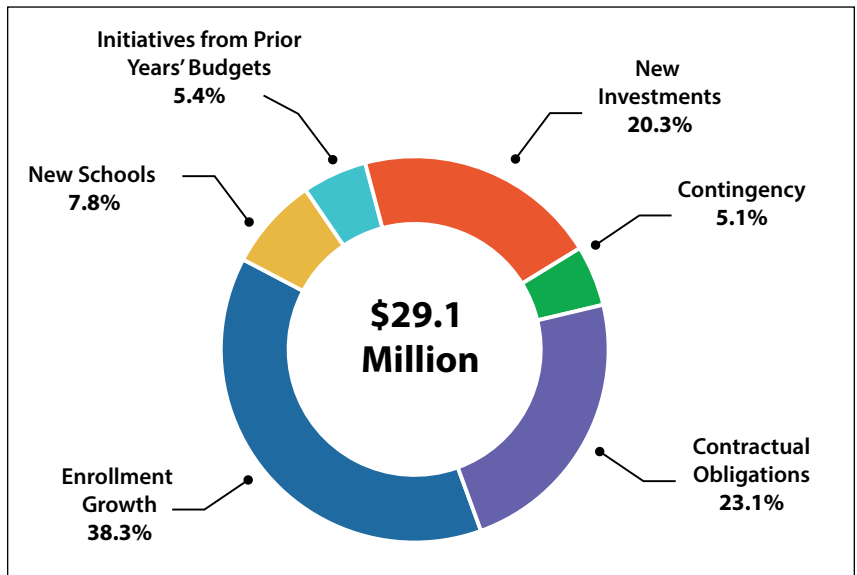
*The FY 2021 Adopted Budget was balanced by implementing reductions and changes in service delivery totaling \$21.2 million and 153.85 positions.*

# SIGNIFICANT COST DRIVERS

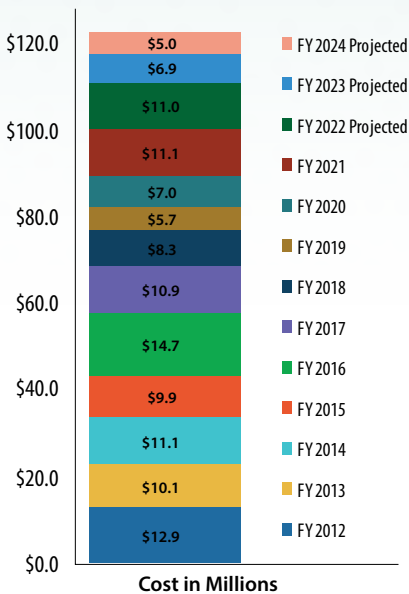
Adjustments in the FY 2021 Adopted Budget total \$29.1 million.

## Budget Adjustments Align to the Budget Direction

Due to the COVID-19 pandemic, increases to the budget were kept to a minimum but aligned with the budget direction. A majority of the increases in the budget, \$20.1 million or 69.2 percent went towards enrollment growth, new schools and existing contractual obligations. Another \$5.9 million or 20.3 percent, was added to meet some of the requirements of the DOJ Settlement Agreement and the Special Education evaluation and \$1.6 million went towards continuing/ completing initiatives begun in prior years' budgets. Reductions and efficiencies were implemented to offset a large portion of these increases.



COST OF ENROLLMENT GROWTH



## Enrollment Growth

FY 2021 represents the fifteenth consecutive year of student enrollment growth in APS. Over the last fifteen years, the number of students attending APS has increased by 9,609 students or 52.2 percent. The actual enrollment on September 30, 2019 was 28,020 and the projected enrollment for September 30, 2020 is 29,142 students or a projected increase of 1,122 students, representing a one-year increase of 4.0 percent.

To accommodate enrollment growth, funding of \$10.3 million is required for positions, relocatable classrooms, materials, technology, furniture and equipment. An additional \$0.8 million is required for transportation needs, including additional bus drivers, bus attendants, three school buses and two additional support vehicles for special education students.

Over the last ten years, enrollment growth costs total \$101.8 million and costs are projected to continue to increase in the upcoming years.

# SIGNIFICANT COST DRIVERS

## Additional Costs for New Capacity

Includes additional one-time costs required for the New Elementary School at the Reed Building and additional capacity at the Career Center such as staffing and utilities as well as any start-up costs needed such as furniture, equipment, technology, library materials, buses, etc.

## Initiatives from Prior Years' Budgets

**Arlington Tech** includes costs for expansion of the program in FY 2021. This is the final year of the phase in of this initiative.

**Infrastructure and Support Needs** includes funding for additional contracted bus drivers and bus attendants. This is the final year of the phase in of this initiative.

**Technicians** includes funding to provide additional support for students and staff in preparation for becoming a 30,000-student school division in FY 2022.

## New Investments

**Department of Justice (DOJ) Settlement Agreement** includes funding for additional teachers to meet some of the requirements from the settlement agreement and funding to provide incentives for current teachers to obtain an English Learners endorsement.

**Special Education Requirements** includes funding to address some of the recommendations from the evaluation of services for students with special needs completed in November 2019.

**Investments to Support Growth** includes funding for additional assistance in the Transportation office and funding for software systems for professional development and to support the lottery process for option schools.

A **Contingency** is included as a way to protect the budget from further revenue loss as a result of the COVID-19 pandemic.

## Contractual Obligations

Includes funding for items which must be paid in order to run the school system, such as building leases and utilities as well as items we are legally bound to pay such as Debt Service and increases in existing employee benefits. It also includes funding to cover increases in costs to maintain the current level of service for students and staff.

## Compensation Adjustments

Because teacher and staff quality are fundamental to student achievement and student success, the Interim Superintendent's Proposed budget originally included funds for a step increase for all eligible employees and 1.6 percent cost of living adjustment (COLA) for all employees including hourly employees, stipends, and professional standards. Unfortunately, due to the economic challenges faced as a result of the Coronavirus pandemic, all proposed compensation adjustments were eliminated in the adopted budget.

## FY 2021 Teacher Salaries

STARTING, BACHELORS DEGREE—FY 2021	
Loudoun County	\$53,730
Falls Church City	\$51,599
Montgomery County, MD	\$50,503
Prince William County	\$50,324
Manassas Park City	\$50,055
Fairfax County	\$50,000
Alexandria City	\$49,382
Manassas City	\$48,678
Arlington County	\$48,228

MIDDLE MASTERS DEGREE—FY 2021	
Arlington County	\$95,346
Falls Church City	\$93,107
Alexandria City	\$83,288
Montgomery County, MD	\$81,407
Fairfax County	\$80,680
Loudoun County	\$80,500
Manassas City	\$75,367
Prince William County	\$63,119

MAXIMUM—FY 2021	
Prince William County	\$131,680
Manassas City	\$116,089
Arlington County	\$113,207
Falls Church City	\$112,373
Manassas Park City	\$112,030
Montgomery County, MD	\$111,043
Alexandria City	\$110,499
Loudoun County	\$107,190
Fairfax County	\$104,269

Source: 2021 WABE Guide



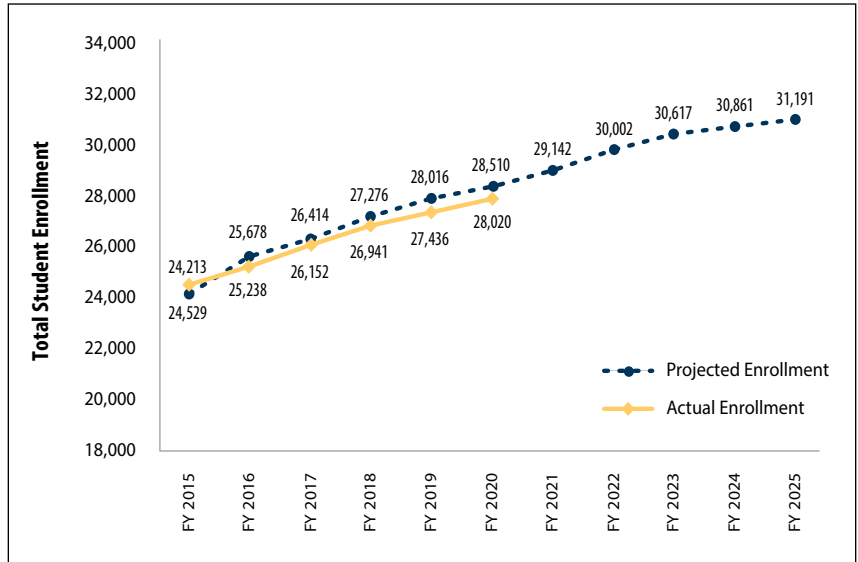
# HOW MANY STUDENTS DOES APS HAVE?

The FY 2021 projected enrollment is 29,142 students which represents an increase of 1,122 from the FY 2020 actual enrollment.

STUDENT ENROLLMENT BY GRADE	
PreK	1,264
Kindergarten	2,264
Grade 1	2,288
Grade 2	2,361
Grade 3	2,318
Grade 4	2,164
Grade 5	2,184
Grade 6	2,174
Grade 7	2,154
Grade 8	2,114
Grade 9	2,024
Grade 10	2,127
Grade 11	1,926
Grade 12	1,780
<b>TOTAL</b>	<b>29,142</b>

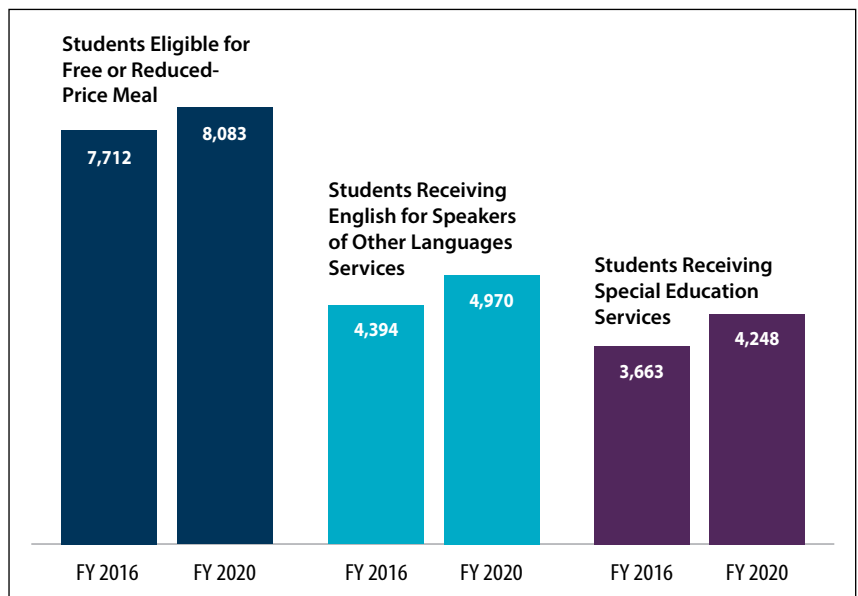
## APS Student Enrollment Increases Every School Year

Enrollment has grown from 24,529 in FY 2015 to a projected 29,142 in FY 2021, representing an 18.8 percent increase over that period. The average annual increase over the past five years is approximately 2.7 percent.



## APS Provides a Number of Services for Our Diverse Enrollment

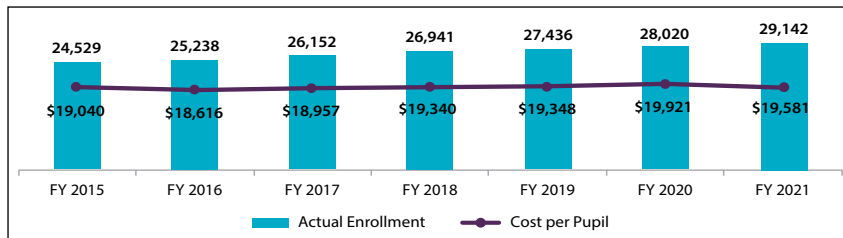
APS represents one of the Nation's most diverse and sophisticated student populations. Our students come from 150 nations and speak 114 languages.



# WHAT IS APS' COST PER PUPIL?

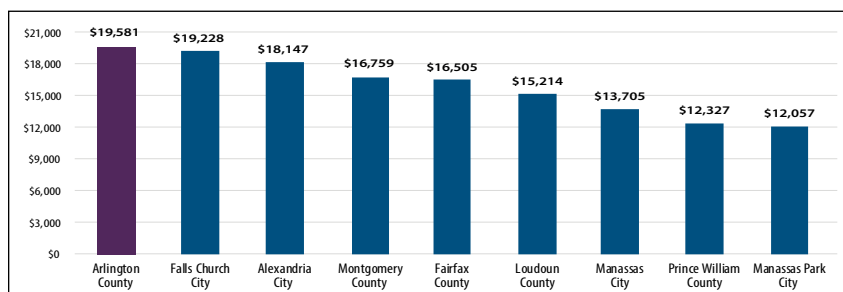
## APS' Cost Per Pupil Has Remained Stable

In the FY 2021 Adopted Budget, our cost per pupil, based on the formula developed by Washington Area Boards of Education (WABE), decreased to \$19,581.



## Compared to Other School Systems

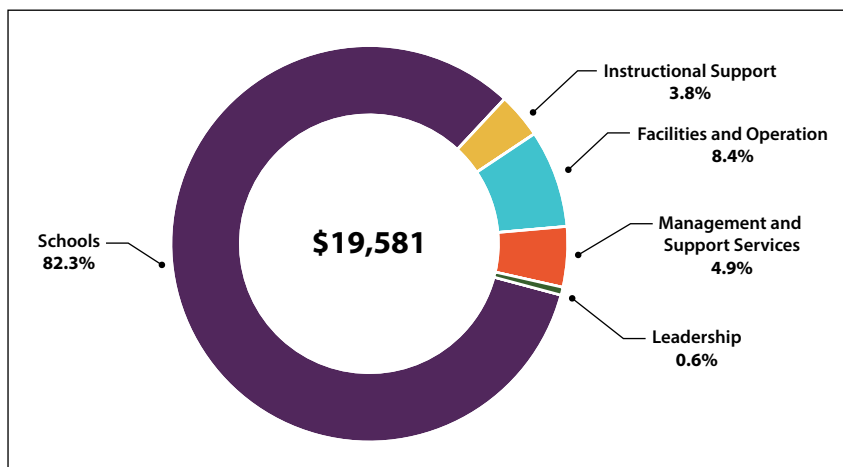
The gap between the highest (APS) and the second highest school system's cost per pupil is \$353 or 1.8 percent.



Source: 2021 Washington Area Boards of Education (WABE) Guide

## Our Investment in Schools Shows in the Cost Per Pupil Spending

Funding for Schools and Instructional Support account for 86.1 percent or \$16,865 of the cost per student.



*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.*

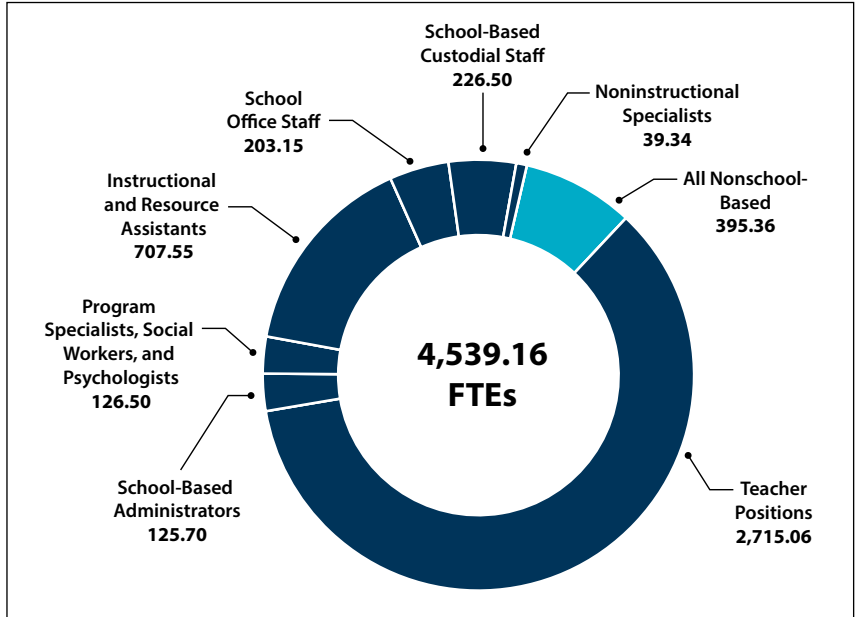
*Even with increasing enrollment, our average class size continues to be one of the lowest when compared with area school divisions.*

FY 2021 AVERAGE CLASS SIZE	
Elementary School	22.6
Middle School	21.8
High School	20.1

# WHO WORKS IN APS?

## Majority of Employees Are School-Based

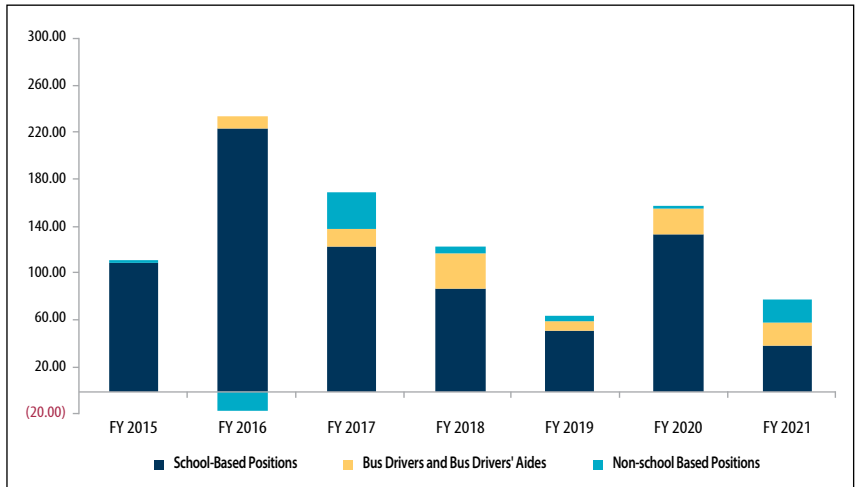
A total of 4,539.16 full-time equivalent (FTE) positions are funded in the FY 2021 Operating Budget as defined by WABE. Of these positions, more than 91 percent are in the classrooms and school buildings directly serving the needs of students.



*Entitlement grant positions are included here although these positions are not part of the School Operating Fund. Bus drivers and bus drivers' attendants (281.50) and positions in Other Funds (167.95) are not included.*

## School Based Positions Are Added Every Year

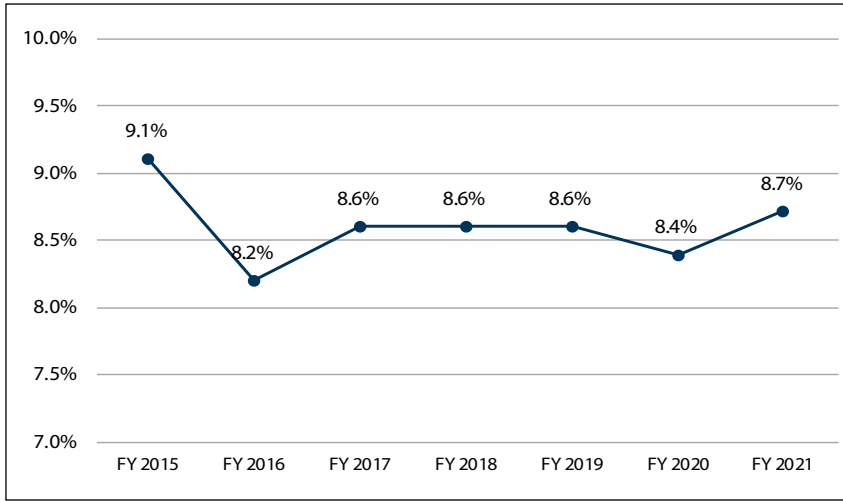
In FY 2021, the adopted budget added 19.50 non-school based, 38.65 school-based and 20 bus drivers and bus drivers' aides FTE positions.



# HOW EFFICIENT IS THE CENTRAL OFFICE?

## Non-School Based Positions Increased

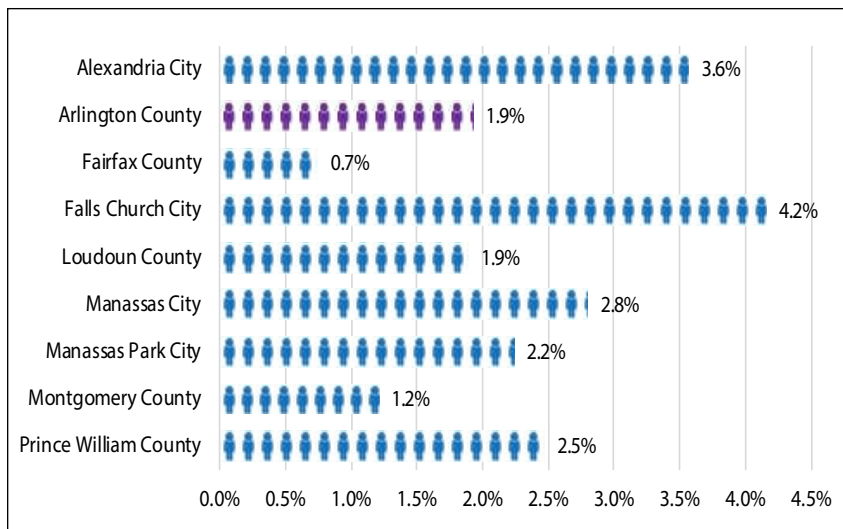
The positions added include additional sign language interpreters, cued language transliterators, technical service center technicians as well as transportation positions to support increasing enrollment.



*The FY 2021 Adopted Budget increases the number of central office positions in order to prepare for our student enrollment to reach 30,000 students by the 2022 school year.*

## Management Ratio

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



Source: 2021 Washington Area Boards of Education (WABE) Guide

# FY 2021 CAPITAL IMPROVEMENT PLAN

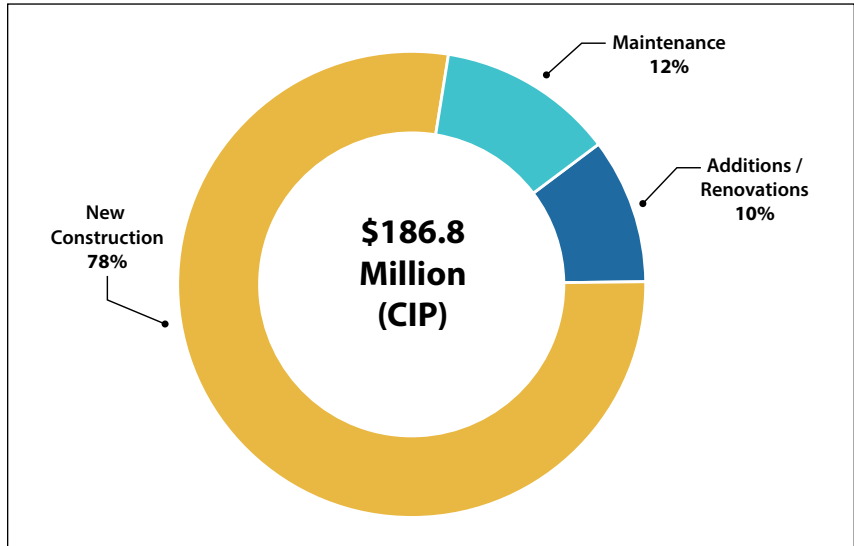
*In response to the uncertain environment, economic and operational challenges caused by the COVID-19 pandemic, APS's FY 2021 CIP addresses only essential capital needs in a one-year CIP.*

*This departure from the typical 10-year CIP allows us to use limited resources effectively to add capacity, maintain and improve existing facilities, and continue to plan for safe, healthy and supportive learning environments in which our students can learn and thrive.*

*The Adopted FY 2021 CIP plans to invest 88 percent of capital improvement funding in new construction and renovations to existing schools in order to address increasing enrollment.*

## The Adopted FY 2021 Capital Improvement Plan (CIP)

The School Board adopted a one-year CIP on June 25, 2020 which includes \$186.6 million in funding and focuses on addressing the school's system near-term infrastructure needs.



## Seats Provided in the Adopted CIP

- Several projects were partially funded in prior CIPs and will be completed by January 2022 with additional funding included in the FY 2021 CIP
  - ✦ New Elementary School at Reed - Expanded (725 seats in Fall 2021)
  - ✦ Education Center Reuse (600 HS seats in January 2022)
  - ✦ Arlington Tech Expansion (FY17-26 project; 250 seats in Fall 2021)

## Capital Projects Funded by the Upcoming Bond Referendum

The list below identifies projects that will be included on the November 2020 bond referendum.

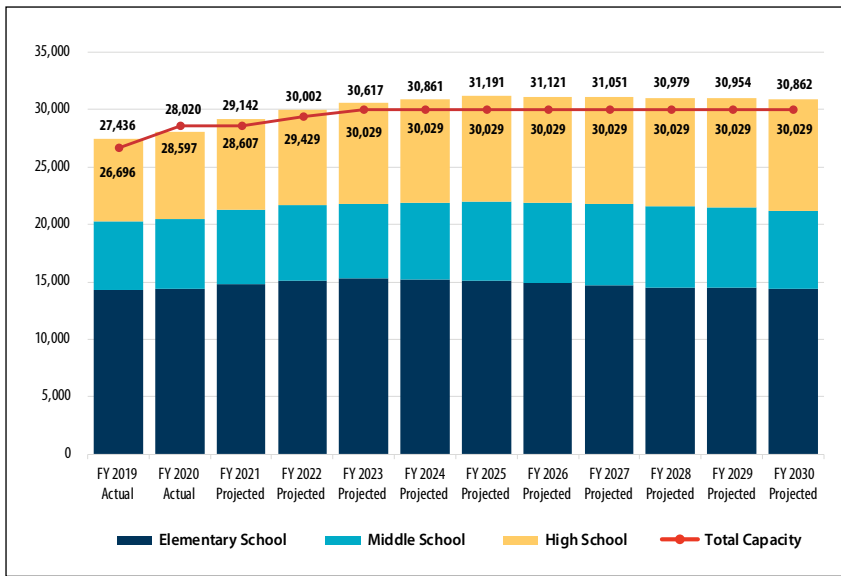
• Planning and design funds to meet 10-year projected seat needs	\$24.3
• Major infrastructure projects (HVAC, roofing and others)	\$15.4
• Refresh and kitchen renovation - ATS, Key, McKinley	\$7.6
• Entrance renovation - Taylor, Gunston, Jefferson, Williamsburg, Wakefield	\$5.3
<b>Total</b>	<b>\$52.6</b>



# FY 2021 CAPITAL IMPROVEMENT PLAN

## Comparison of School Seats and Projected PreK to 12 Enrollment

When the 10-year enrollment projections for PreK to Grade 12 students are compared to the seats from capital projects currently underway that were funded in the previous FY 2019-28 CIP, there are years when APS is expected to experience more students than permanent seats.



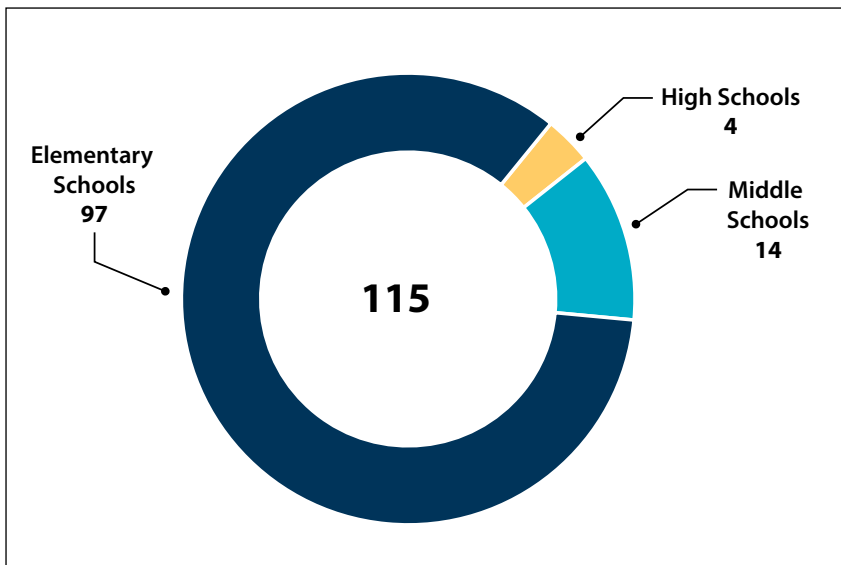
Additional information on the Adopted FY 2021 Capital Improvement Plan can be found at <https://www.apsva.us/budget-finance/cip>.

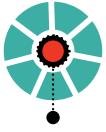
The School Board will adopt an interim four- to six-year CIP in June 2021 which will continue to plan for future enrollment growth and facility needs.

Important dates and the status of the development of the new CIP budget will be available on the Engage website, [www.apsva.us/engage](http://www.apsva.us/engage).

## Relocatable Classrooms Will Assist with Capacity

In FY 2021, 61.1 percent of our schools will have relocatable classrooms, down from last year's 64 percent. These classrooms are a vital resource to capacity and capacity development.





# 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](http://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](http://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](http://www.apsva.us/school-board-meetings/sign-up-to-speak), or share your comments with the Board by emailing [school.board@apsva.us](mailto: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](http://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.

### **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 78.7 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 (78.3 percent) comes from Arlington County, which is derived from real estate and personal property taxes. The Commonwealth provides another 12.6 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. With the FY 2021 Adopted CIP, the School Board is requesting a bond referendum in November 2020 of \$52.6 million to address growing capacity needs throughout the school system.

*In the FY 2021 Adopted Budget, the School Board elected to use \$16.5 million in reserve funding in order to balance the budget.*

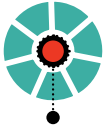
## Q: What reserves does APS have in its operating fund?

**A:** The School Board has created reserves 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 for several years to create reserves to help defray one-time costs in the next fiscal year budget. Reserves are used in the FY 2021 budget to partially offset any projected increase in debt service to offset any one-time costs for enrollment adjustments, and new initiatives, as well as to fund other ongoing costs in the overall budget.

RESERVES BALANCE (\$ IN MILLIONS)			
Reserves	Beginning Reserve Balance	Used in FY 2021	Ending Reserve Balance
Capital	\$39.1		\$39.1
VRS	\$2.5	(\$1.1)	\$1.4
Future Debt Reserve	\$0.7	(\$0.3)	\$0.4
Future Budget Years	\$11.2	(\$11.2)	\$0.0
Compensation	\$7.8	(\$3.9)	\$3.8
Separation Pay	\$2.0		\$2.0
Health Care	\$1.0		\$1.0
<b>TOTAL RESERVES BALANCE</b>	<b>\$64.3</b>	<b>(\$16.5)</b>	<b>\$47.8</b>

## 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](mailto:engage@apsva.us) or complete the online form through the Engage with APS website at [www.apsva.us/engage/engage-aps-online-feedback](http://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 2020 School Board Adopted budget.*

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

- All APS schools are fully accredited by the Virginia Department of Education for the 2019-2020 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 science, 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 2018-2019.

2018-2019 SOL TEST RESULTS			
Subject Area	Pass Rates		
	Arlington	Virginia	Full Accreditation
English: Reading	83%	78%	75% or higher
English: Writing	86%	76%	75% or higher
History and Social Sciences	80%	80%	70% or higher
Mathematics	87%	82%	70% or higher
Science	86%	81%	70% or higher

- Niche.com 2020 ranked Arlington Public Schools as the top school division in the Commonwealth of Virginia for the fifth consecutive year. Nationally, APS was ranked 374th best school division in the United States.
- The percentage of graduating seniors completing at least one AP or IB course increased by 5.5 percentage points from 71.1% in 2012 to 76.6% in 2019. In addition, 65% earned an advanced diploma, up from 63.9% in 2012.
- The dropout rate declined by 39.8% since 2012, from 9.3% to 5.6% in 2019.
- In 2019, 92.5% of all students graduated on time compared to 89.2% in 2012. For those students who started as freshmen in the fall of 2015 at one of the comprehensive high schools, 92.9% graduated on time.
- Students consistently score above state and national averages on the SAT. The average combined score on the SAT was 1208 for Arlington graduates, 95 points higher than the average score of 1113 for Virginia students and 169 points higher than the national SAT average of 1039.
- Arlington's average ACT composite score was 26.7, compared to 23.9 for VA graduates and a national composite of 20.3.
- In 2019, 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. In addition, 84.4% of teachers have a master's or doctoral degree.



# ADDITIONAL RESOURCES

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

**APS Website**

[www.apsva.us](http://www.apsva.us)

**School Board**

[www.apsva.us/about-the-school-board](http://www.apsva.us/about-the-school-board)

**Superintendent's Office**

[www.apsva.us/superintendents-office](http://www.apsva.us/superintendents-office)

**Schools and Centers**

[www.apsva.us/school-locations](http://www.apsva.us/school-locations)

**Department of Teaching and Learning**

[www.apsva.us/instruction](http://www.apsva.us/instruction)

**Budget and Finance Office**

[www.apsva.us/budget-finance](http://www.apsva.us/budget-finance)

**Budget Documents, including links to historical documents**

[www.apsva.us/budget-finance](http://www.apsva.us/budget-finance)

**Washington Area Boards of Education (WABE) Guide**

[www.apsva.us/budget-finance/wabe-guide](http://www.apsva.us/budget-finance/wabe-guide)

**FY 2021 Capital Improvement Plan**

[www.apsva.us/budget-finance/cip](http://www.apsva.us/budget-finance/cip)

**FY 2018–2024 Strategic Plan**

[www.apsva.us/strategic-plan](http://www.apsva.us/strategic-plan)

**SOL Results**

[www.apsva.us/planning-and-evaluation/assessment](http://www.apsva.us/planning-and-evaluation/assessment)

**Your Voice Matters**

**Survey Results**

<https://www.apsva.us/planning-and-evaluation/evaluation/surveys/your-voice-matters/>

**Statistics**

[www.apsva.us/statistics](http://www.apsva.us/statistics)

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

[www.apsva.us/publications](http://www.apsva.us/publications)

**Key Dates for the FY 2022 Budget Development**

- **Feb 25, 2021:**  
*Superintendent's Proposed FY 2022 Budget and Budget Work Session #1*
- **March 9, 2021:**  
*Budget Work Session #2*
- **March 16, 2021:**  
*Budget Work Session #3*
- **March 23, 2021:**  
*Budget Work Session #4*
- **March 23, 2021:**  
*Public Hearing on the Superintendent's Proposed FY 2022 Budget*
- **April 6, 2021:**  
*Budget Work Session #5*
- **April 8, 2021:**  
*School Board's Proposed FY 2022 Budget*
- **April 29, 2021:**  
*Public Hearing on the School Board's Proposed FY 2022 Budget*
- **May 4, 2021:**  
*Budget Work Session #6*
- **May 6, 2021:**  
*School Board's Adopted FY 2022 Budget*



**ARLINGTON PUBLIC SCHOOLS**

**Syphax Education Center • 2110 Washington Blvd • Arlington, VA 22204**

**703-228-6000**