

Superintendent's Proposed FY 2020 Combined Funds Budget

January 10, 2019



Every Student Succeeds

Essential Questions

- What are the strategic goals and priorities for this FY 2020 Proposed Budget?
- What are the primary drivers of expenditures and revenues for the FY 2020 budget?
- What are the funding needs of the Division?
- How will the budget process move forward through final adoption?

ACPS 2020 Strategic Plan Goals

- **Goal 1 – Academic Excellence and Educational Equity:** Every student will be academically successful and prepared for life, work, and college.
- **Goal 2 – Family and Community Engagement:** ACPS will partner with families and the community in the education of Alexandria’s youth.
- **Goal 3 – An Exemplary Staff:** ACPS will recruit, develop, support, and retain a staff that meets the needs of every student.
- **Goal 4 – Facilities and the Learning Environment:** ACPS will provide optimal and equitable learning environments.
- **Goal 5 – Health and Wellness:** ACPS will promote efforts to enable students to be healthy and ready to learn.
- **Goal 6 – Effective and Efficient Operations:** ACPS will be efficient, effective, and transparent in its business operations.



FY 2020 Combined Funds Budget Priorities₁

Goal 1: Academic Excellence and Educational Equity	Goal 2: Family and Community Engagement	Goal 3: An Exemplary Staff	Goal 4: Facilities and the Learning Environment	Goal 5: Health and Wellness	Goal 6: Effective and Efficient Operations
<ul style="list-style-type: none"> • Specialized Instruction • English Learner Services • Gap Group Achievement • Academics₂ 	<ul style="list-style-type: none"> • Communications and Customer Service for External Stakeholders 	<ul style="list-style-type: none"> • Leadership and Professional Development • Competitive Compensation • Retention and Recruitment 	<ul style="list-style-type: none"> • Safe Schools for Students and Faculty • Optimal and Equitable Learning Environments 	<ul style="list-style-type: none"> • Mental and Social/Emotional Health • Physical Education/Fitness • Nutrition Programs 	<ul style="list-style-type: none"> • Communications and Customer Service for Internal Stakeholders

Notes:

- 1.) Items not listed in priority order
- 2.) Funding priority is given to the school's individual academic need (i.e. Math, Literacy, Science, etc.).

Key Operating Fund Budget Drivers

Revenues

- Increased State appropriation estimate
- Increased Medicaid revenue forecast
- Increased local revenue projection
- Request for reasonable City appropriation enhancement

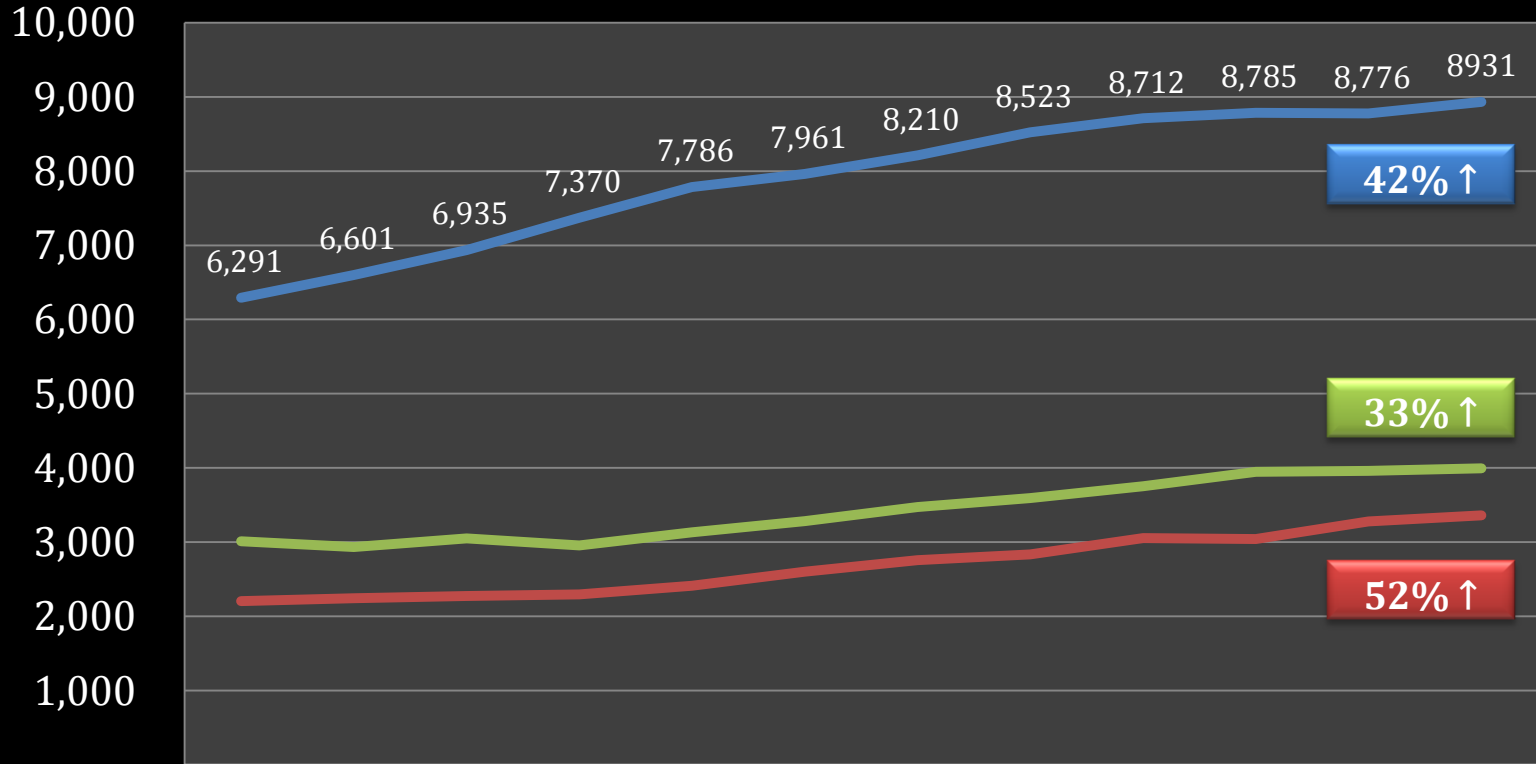
Expenditures

- Non-Discretionary Changes:
 - Healthcare/Other Fringe Benefits
 - Competitive employee compensation
 - Enrollment increases and required staffing changes
 - Changing student population
- Discretionary Changes:
 - Targeted reductions across Division
 - Textbook adoptions
 - Additional funding requests in response to evaluations/studies and gaps in service

Historical Enrollment

ACPS Actual Enrollment: FY 2009 - FY 2020

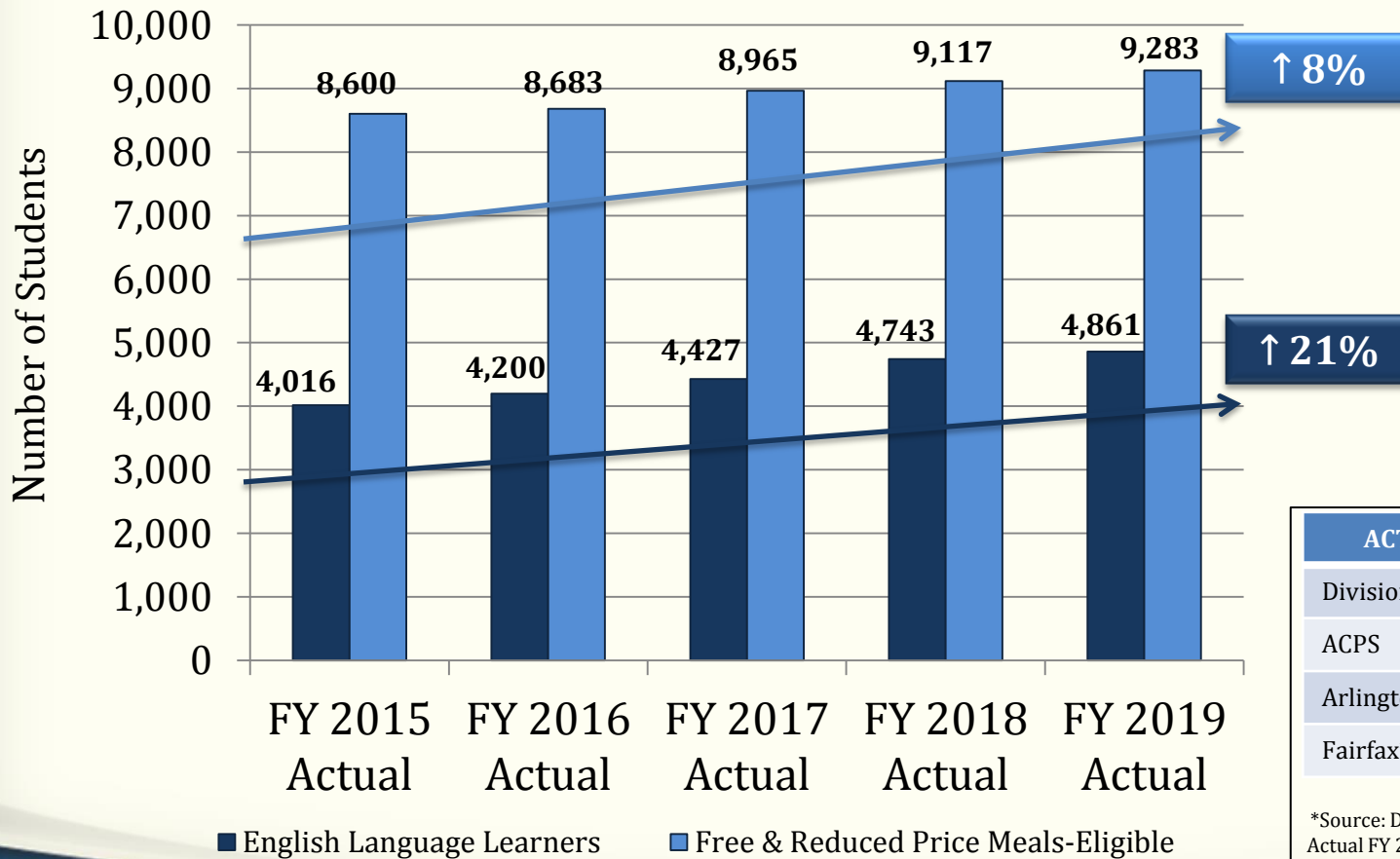
Enrollment (Number of Students)



	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Proj
Pre-K/Elementary Enrollment*	6,291	6,601	6,935	7,370	7,786	7,961	8,210	8,523	8,712	8,785	8,776	8,931
Middle School Enrollment	2,206	2,245	2,276	2,296	2,411	2,602	2,758	2,837	3,056	3,043	3,280	3,363
High School Enrollment	3,010	2,936	3,052	2,957	3,132	3,284	3,473	3,594	3,754	3,949	3,959	3,996

Key Budget Drivers

Enrollment: English Learners and Free & Reduced Price Meals



FY 2019 as a % of Total Enrollment

FRPM
58.6%

EL
31.0%

ACTUAL FY 2018 COMPARISON

Division	EL %	FRPM %
ACPS	32.0%	58.7%
Arlington*	18.8%	29.5%
Fairfax*	19.3%	29.0%

*Source: Draft FY 2019 WABE Guide as of 10/30/2018
Actual FY 2018 percentages used for comparison in WABE Guide

Recruiting and Retaining an Exemplary Staff

Jurisdiction	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>		<u>FY 2019</u>		<u>FY 2020 Proposed</u>	
	MRA	STEP	MRA	STEP	MRA	STEP	MRA	STEP	MRA	STEP
Alexandria City Public Schools	No	Full Step	No	Full Step	No	Full Step	*	Full Step	1%	Full Step
Arlington County Schools	No	Full Step	No	Full Step	Yes, Specific Employees	Full Step	Yes, Specific Employees	Full Step	?	?
Fairfax County Schools	Yes, .62%	Full Step	Yes, 1%	Full Step	No	Full Step	Yes	Full Step	?	?
City of Alexandria	No	Full Step	No	Full Step	No	Full Step	No	Full Step	?	?

*ACPS in FY 2019 removed its lowest step and added a new top step for all grades.
Market Rate Adjustment (MRA)

Current Plan Designs

Plan Provision	Alexandria City Public Schools (In-network benefits)	Arlington County Public Schools (Low Option)	Arlington County Public Schools (High Option)	Alexandria City Public Schools (In-network benefits)	Arlington County Public Schools
	PPO Plan Design			HMO Plan Designs	
Deductible (Individual / Family)					
	\$0 / \$0	\$400 / \$800	\$300 / \$600	\$0/\$0	\$0/\$0
Out of Pocket Maximum (Individual / Family)					
	\$2,000 / \$6,000	\$3,000 / \$6,000	\$3,000 / \$6,000	\$3,500/\$9,400	\$2,250/\$4,500
Coinsurance					
	100%	80%	90%	100%	100%
Primary Care Physician Visit					
	\$20 copay	\$30 copay	\$20 copay	\$15 copay	\$10 copay
Specialist Visit					
	\$20 copay	\$60 copay	\$40 copay	\$15 copay	\$15 copay
Inpatient Hospital					
	\$250 copay per stay	\$250 copay per stay, then 10% coinsurance after deductible	\$250 copay per stay, then 10% coinsurance after deductible	\$200 per stay	\$0 copay
Emergency Room					
	\$125 copay per stay	\$250 copay	\$200 copay	\$100 copay (waived if admitted)	\$50 copay

Information provided by AON Health and Benefits Consulting

Current Plan Design (continued)

City / County	Plan	%	%
Alexandria City PS			
Teach-Licensed Employee			
	United Healthcare POS	20%	20%
	Kaiser HMO	20%	20%
Support Employee Salary Grady Below 25			
	United Healthcare POS	10%	10%
	Kaiser HMO	10%	10%
Administrator/Support Employee Salary Grade 25+			
	United Healthcare POS	16%	16%
	Kaiser HMO	16%	16%
Arlington County			
	Cigna HIGH Option	32%	43%
	Cigna LOW Option	27%	38%
	Kaiser HMO	22%	32%

Information provided by AON Health and Benefits Consulting

Healthcare Benefits Committee Recommendations

Healthcare Provider	Proposed United Healthcare POS Plan		Proposed Kaiser HMO Plan	Proposed Qualified Health Plan with HSA	
	In-Network	Out of Network	In-Network	In Network	Out of Network
Medical Plan Provisions	In-Network	Out of Network	In-Network	In Network	Out of Network
Annual Deductible	\$300/\$600 Individual/ Family	\$600/\$1200 Individual/Family	None	\$1500/\$3000 Individual/Family	
Coinsurance	10%	30%	0%	10%	30%
Medical Out of Pocket Maximum	\$3000/\$6000 Individual/Family	\$6000/\$12000 Individual/Family	\$3500/\$9400 Individual/Family	\$6500/\$13000 Individual/Family	\$13000/\$26000 Individual/Family
Physician's Office Copay per Visit	\$20/\$35 Primary/Specialist	30% after annual deductible	\$20/\$30 Primary/Specialist	10% after annual deductible	30% after annual deductible
Hospital Outpatient	10%after annual deductible	30% after annual deductible	\$75 copay	10% after annual deductible	30% after annual deductible
Hospital Inpatient	10% after annual deductible	30% after annual deductible	\$300 copay	10% after annual deductible	30% after annual deductible
Emergency Room	\$200 copay	\$200 copay	\$200 copay	10% after annual deductible	30% after annual deductible
Urgent Care Copay	\$30 copay	30% after annual deductible	\$30 copay	10% after annual deductible	30% after annual deductible
Prescription Drug Plan Provisions	CareFirst CVS/Caremark		Kaiser Pharmacy	CareFirst CVS/Caremark	
- Retail Rx Copay	\$10/\$30/\$50 for up to 34 day supply		\$15/\$25/\$40 up to 60 day supply	10%/20%/30% after annual deductible	30% after annual deductible
- Mail Order Rx Copay 90 day Supply	\$20/\$60/\$100		\$15/\$25/\$40	10%/20%/30% after annual deductible	N/A
- Rx Out of Pocket Maximum	\$1000/\$3000 single/family		Combined with Medical	Combined with Medical	
Annual HSA Reimbursement	N/A		N/A	\$600/\$1200 Individual/Family	
Employee Contribution Percentage	20%/10% Teachers & Administrators/Support		20%/10% Teachers & Administrators/Support	15%	

Staffing Growth

Enrollment Growth

Position Category	FTE Change
Secondary Teachers (MS)	2.0
Specialized Instruction Teachers (ES)	2.0
Specialized Instruction Paraprofessionals (ES)	2.0
Bus Drivers	3.0
Dispatcher	1.0
Early College Admin	1.0

Creating Equity*

Position Category	FTE Change
Elementary Support	3.0
Technology Integration Specialist	1.0
Title I Student Improvement Coordinator	0.5
Student Services	2.0
Communications	1.0

*Intermittent funding provided for JH Café support

Audits/Studies

Position Category	FTE Change
Specialized Instruction	6.5
Mechanics	2.0
Educational Facilities	3.0

Total	30.0
Enrollment Growth	11.0
Audits/Studies	11.5
Creating Equity	7.5

Enrollment Growth

Position Category	FTE Change
Math Teacher (PH)	1.0
Math Teacher (GW)	1.0
Specialized Instruction Teachers (ES)	2.0
Specialized Instruction Paraprofessionals (ES)	2.0
Bus Drivers	3.0
Dispatcher	1.0
Early College Admin	1.0

- Division-wide enrollment growth projected at 78 students
- Additional 3 new buses in CIP Budget
- Growth in SWD population

Creating Equity

Position Category	FTE Change
Admin Asst (CB)	1.0
Admin Asst (JH)	1.0
Parent Liaison (JP)	1.0
Technology Integration Specialist	1.0
Title I Student Improvement Coordinator	0.5
Admin Asst II (Student Services)	1.0
Substance Abuse Counselor (Student Services)	1.0
Communications	1.0

- All of these positions are to address an area of need/equity issue that had been expressed throughout the Division during FY 2020 Budget Process.

Implementing Audit/Study Recommendations

Office	Position Category	FTE Change
Specialized Instruction	Hearing Impaired Teacher	1.0
Specialized Instruction	ED Coordinator	1.0
Specialized Instruction	High School Career Prep Teacher	1.0
Specialized Instruction	High School Career Prep Paraprofessional	1.0
Specialized Instruction	Occupational Therapist	0.5
Specialized Instruction	Instructional Specialist	1.0
Specialized Instruction	ECSE Teacher (Community Based)	1.0
Pupil Transportation	Mechanic	2.0

- SWD Audit- 6.5 FTEs funded
- TAG Audit (Year 2)- Additional funding
- Human Resources Audit- Additional Funding
- Transportation Study- Additional funding and 2.0 FTEs

Improving ACPS Facilities

Office	Position Category	FTE Change
Educational Facilities	Project Manager (O&M)	1.0
Educational Facilities	HVAC Project Manager	1.0
Educational Facilities	Contract Services Monitor	1.0

- Additional O&M funding and 3.0 FTEs
- Additional Safety and Security Services funding
- Additional preventative maintenance funding
- “ACPS Standard of Excellence”

Division-wide Initiatives

Textbooks and Implementation

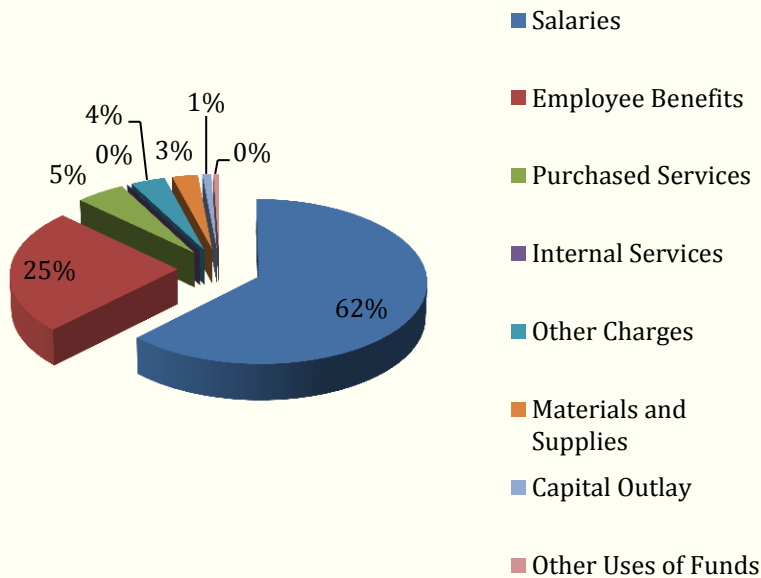
Year	Proposed Schedule of Funding	Targeted Subjects
FY 2020	708,750	Secondary Math ₁
FY 2021	1,089,885	Social Studies 1-4 and 9-12, and AP Psychology ₁
FY 2022	929,940	English Language Arts 6-12 ₁
FY 2023	985,550	Elementary Math ₂
FY 2024	1,071,420	Elementary Science, and Social Studies 5-8 ₂
FY 2025	1,172,880	Secondary Science ₃
FY 2026	452,250	World Languages ₃
TOTAL 7 YEARS	6,410,675	
FY 2027	1,000,000	Annual Textbook Funding

Other Initiatives

- Software for improved time tracking
- Central Office parking
- Third party compensation study
- Funding for additional AP days
- Reduced Reserve Positions (-5.5)

Superintendent's Proposed FY 2020 Operating Budget

Operating Fund

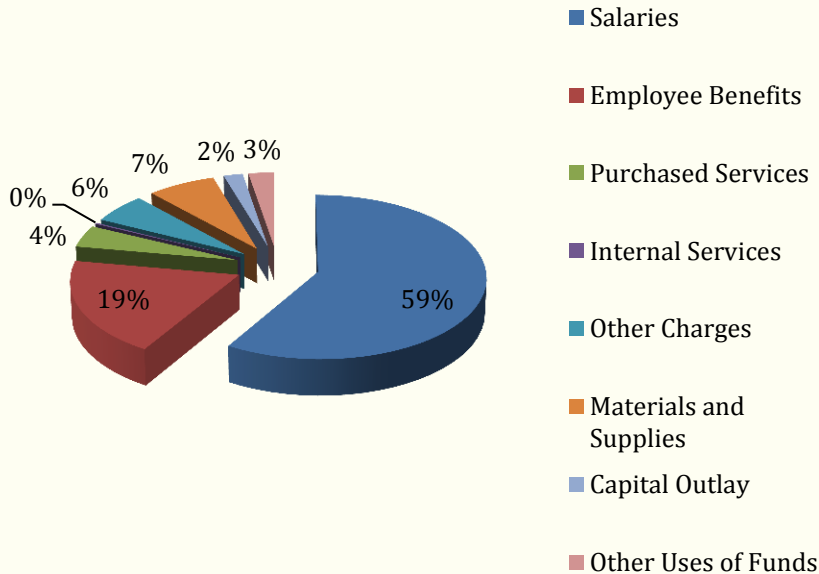


Category	Amount
City Appropriations	(232,300,641)
Federal Revenue	(288,424)
Local Revenue	(1,043,539)
State Revenue	(47,756,735)
Use of Fund Balance	(5,724,224)
Total Revenue	(287,113,564)
Total Expenditures*	287,113,564

*Includes VPI Transfer

Superintendent's Proposed FY 2020 Grants and Special Projects Budget

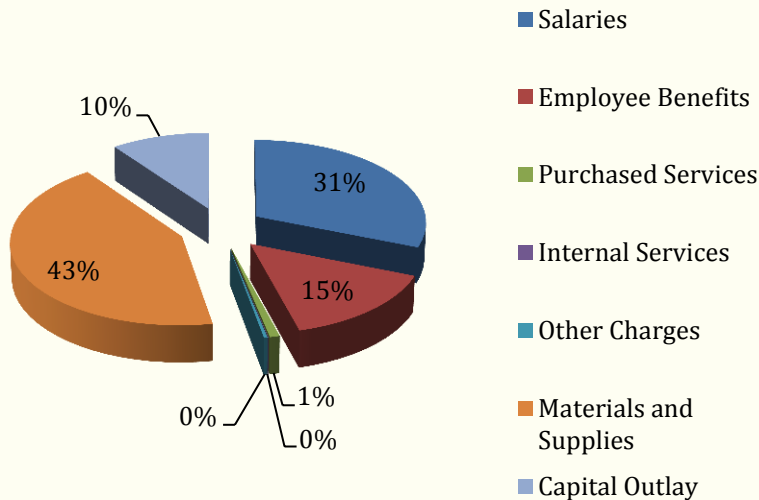
Grants and Special Projects Fund



Category	Amount
State Funds	(3,439,518)
Local Funds	(543,666)
Federal Funds	(9,810,083)
Other Sources of Funds	(1,613,613)
Total Revenue	(15,406,880)
Total Expenditures	15,406,880

Superintendent's Proposed FY 2020 School Nutrition Fund Budget

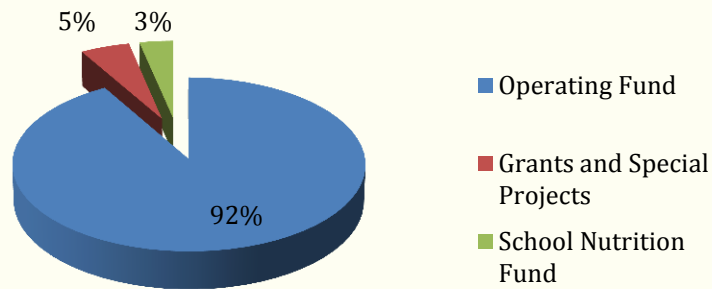
School Nutrition Fund



Category	Amount
Revenue	(10,505,132)
Expenditures	10,505,132

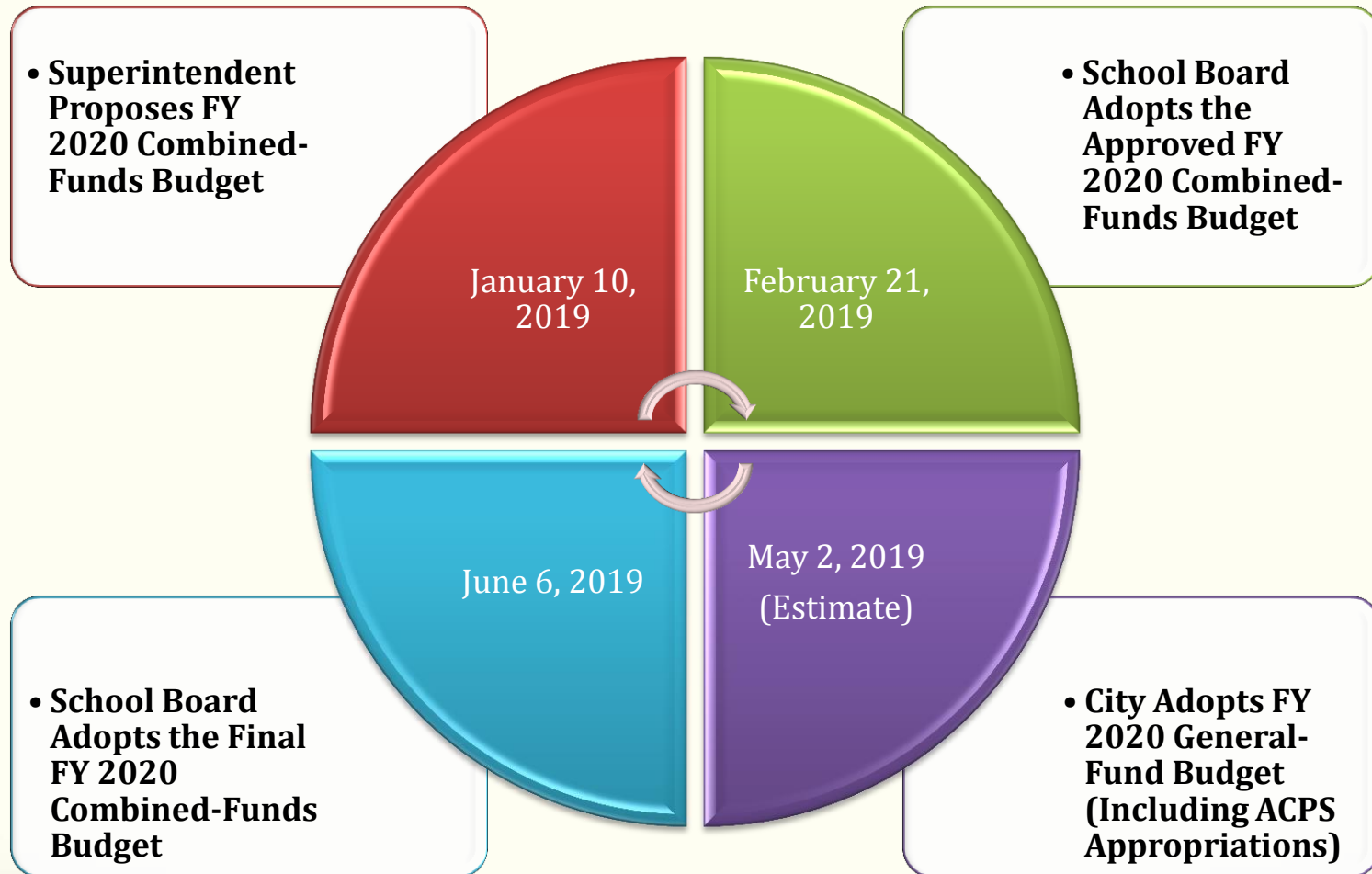
Superintendent's Proposed FY 2020 Combined Funds Budget

Combined Funds



Category	Amount	FTE
Operating Fund	285,499,951	2,385.71
Grants and Special Projects	15,406,880	92.85
School Nutrition Fund	10,505,132	111
Total	311,411,963	2,589.56

FY 2020 Combined-Funds Budget Key Dates



Combined-Funds Budget Timeline

Date	Description
January 10, 2019	Superintendent's Proposed FY 2020 Combined-Funds (CF) Budget
January 17, 2019	School Board CF Budget Work Session #1
January 24, 2019	Public Hearing on the CF Budget School Board CF Budget Work Session #2
January 28, 2019	Deadline for School-Board Questions on the CF Budget
January 31, 2019	School Board (SB) CF Budget Work Session #3 (If needed)
February 1, 2019	Staff Deadline to Publicly Post Responses to SB CF Budget Questions
February 5, 2019	SB Deadline to Submit CF Add/Delete Requests
February 7, 2019	Staff Deadline to Send CF Add/Deletes to SB for Co-Sponsorships Public Hearing on the CF Budget
February 11, 2019	SB Deadline to Submit CF Co-Sponsorships (by Noon)

Combined-Funds Budget Timeline

Date	Description
February 12, 2019	Staff Deadline to Publicly Post Co-Sponsorships and Updated Superintendent's Recommendations
February 14, 2019	School Board CF Add/Delete Work Session #1
February 19, 2019	School Board CF Add/Delete Work Session #2
February 21, 2019	School Board Adoption of the FY 2020 CF Budget
March – Early May	City Council Operating and CIP Work Sessions and Add/Delete Sessions
May 2, 2019 (est)	City Council Budget Adoption (Including Appropriations to ACPS)
Early May – Early June	SB CF and CIP Work Sessions, Add/Delete Sessions, Budget Questions and Public Hearings
June 6, 2019	School Board Adoption of Final FY 2020 CF Budget and FY 2020-29 CIP

Every Student Succeeds!



Questions/Comments

Dr. Gregory C. Hutchings, Jr.
Superintendent of Schools
Gregory.Hutchings@acps.k12.va.us
703-619-8001

Dominic B. Turner
Acting Chief Financial Officer
Dominic.Turner@acps.k12.va.us
703-619-8141

Robert Easley
Acting Budget and Financial Systems Director
Robert.Easley@acps.k12.va.us
703-619-8149