

Rebenchmarking the Direct Aid to Public Education Budget for the 2022-2024 Biennium

**Presented to the
Board of Education**

October 20, 2021

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Rebenchmarking Process

- Rebenchmarking is technical in nature and does not involve changes in funding policy or methodology or funding for new programs, other than those already approved and directed by the General Assembly.
- Costs are projected forward for changes in enrollment, salaries, support costs, inflation, and other factors - costs can increase or decrease depending on the direction of each data update.
- Because rebenchmarking impacts the total cost of the Direct Aid formulas, it impacts both state cost and the required local share that localities must fund for the SOQ and other Direct Aid programs with a local match.

2022-2024 Rebenchmarking - State Cost

The state cost of rebenchmarking for the 2022-2024 biennium is \$331.0 million.

- FY23 - \$153.8 million
- FY24 - \$177.2 million

2022-2024 Rebenchmarking Exceptions

- Consolidation of Alleghany and Covington school divisions
- Spring 2020 SOL testing was waived
 - Three-year testing data used in 2022-2024 formulas are Spring 2017, 2018, and 2019
- October 2020 Free Lunch data was not calculated
 - Three-year Free Lunch data used in 2022-2024 formulas are October 2017, 2018, and 2019
 - One-year rates are based on October 2019
- FY 2022 No Loss funding maintained in the 2022-2024 base
 - Not distributed to school divisions (pending fall 2021 enrollment/policy decisions)
- FY 2021 enrollment data omitted from projected growth rates

Rebenchmarking Data Inputs

Major Data Inputs that are
Fixed for the Biennium:

- Funded Salaries
- Special Education Child Counts
- Initial Fall Membership & ADM Projections used in SOQ Model
- CTE Course Enrollment
- Composite Index
- Head Start Enrollment (for VPI)
- Free Lunch Eligibility Percentages
- SOL Test Scores (for SOQ Prevention, Intervention, and Remediation)
- Support Positions Caps
- Inflation Factors (subject to General Assembly action)

Major Data Inputs that are
Updated Annually:

- Enrollment Projections - Fall Membership, ADM, ESL, Remedial Summer School
- Reimbursement Account Projections
- Lottery and Sales Tax Revenue Estimates
- VRS Fringe Benefit Rates (subject to General Assembly Action)

Pending Inputs

- The following updates will be completed this fall and included in the Governor's 2022-2024 introduced budget released in December:
 - Revised composite index for the 2022-2024 biennium (update input data from 2017 to 2019)
 - Additional revisions to enrollment projections (Fall Membership and March 31 ADM)
 - Revised Sales Tax and Lottery revenue projections
 - Revised VRS fringe benefit rates

State Cost of Each Rebenchmarking Update

(incremental cost above FY22 base)

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total State Cost
1	Remove 20.0% Non-Participation Estimate for the Virginia Preschool Initiative (fully funds the formula assuming 100% slot usage; reinstating non-participation est. is policy decision)	26,771,511	26,711,511	53,543,022
2	Remove FY22 One-Time Spending (includes No Loss payments; linked with Step 27)	(166,705,524)	(166,705,524)	(333,411,048)
3	Reset Non-personal Support Costs Inflation Factors to 0% in SOQ Model (linked with Step 19)	(56,763,321)	(56,763,321)	(113,526,642)
4	Reset Personal Support Costs Inflation Factors to 0% from 5.00% in SOQ Model and Remove FY22 Compensation Supplement Funding (linked with Step 20) from DABS	(268,982,000)	(268,982,000)	(537,964,000)
5	Update Fall Membership and Average Daily Membership Base-Year and Projected Enrollment Counts (linked with Step 24)	77,970,096	94,024,003	171,994,099

State Cost of Each Rebenchmarking Update

(incremental cost above FY22 base)

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total State Cost
6	Update Special Education Child Count to December 1, 2020	(44,706,248)	(44,625,356)	(89,331,604)
7	Update Career & Technical Education Enrollment to School-Year 2020-2021	2,032,440	1,999,881	4,032,321
8	Update SOL Tests Failure Rate Data to School-Year 2018-2019 and Free Lunch Percentages to School-Year 2019-2020	551,012	725,681	1,276,693
9	Update SOQ Gifted, Support Technology, and Instructional Technology Positions for Enrollment	(10,358,522)	(10,278,339)	(20,636,861)
10	Update Base-Year Prevailing SOQ Instructional Salaries to FY20	17,857,870	18,000,584	35,858,258
11	Update Base-Year Expenditures from Annual School Report to FY20 for Support Positions Costs (Prevailing Base-Year Positions Per Pupil and Salaries)	73,350,870	73,688,799	147,039,669
12	Update Base-Year Expenditures from Annual School Report to FY20 for Non-personal Support Costs Per Pupil	(57,394,860)	(56,438,220)	(113,833,080)

State Cost of Each Rebenchmarking Update

(incremental cost above FY22 base)

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total State Cost
13	Update Federal Revenue Deduct Per Pupil Amount (from FY20 revenues)	141,627	102,160	243,787
14	Update Support Positions Ratio Cap (Ratio of Instructional to Support Positions from 4.30 to 1 to 4.19 to 1)	17,292,576	17,380,698	34,673,274
15	Update Costs for Division Superintendents, School Boards, and School Nurses (without inflation)	533,634	497,418	1,031,052
16	Update Health Care Premium (without inflation)	41,272,978	41,278,850	82,551,828
17	Update Textbooks Per Pupil Amount (without inflation)	15,389,999	15,438,283	30,828,282
18	Update Pupil Transportation Costs	(2,468,438)	(2,068,539)	(4,536,977)
19	Update Non-personal Support Cost Inflation Factors (linked with Step 3)	65,861,846	66,092,335	131,954,181
20	Update Salary Inflation Factors (Instructional and Support) - recognize continuation cost of FY22 5.0% Compensation Supplement into 22-24 biennium (linked with Step 4)	233,886,756	234,622,364	468,509,120

State Cost of Each Rebenchmarking Update

(incremental cost above FY22 base)

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total State Cost
21	Update English as a Second Language Enrollment Projections	269,090	3,060,945	3,330,035
22	Update Remedial Summer School Per Pupil Amount and Enrollment Projections	(1,187,703)	(1,293,043)	(2,480,746)
23	Update Incentive Accounts	(3,373,675)	(3,225,476)	(6,599,151)
24	Technical Update – Richmond City Enrollment Projection	(3,179,309)	(3,183,881)	(6,363,190)
25	Technical Update – December 1, 2020 Special Education Child Counts	14,082,431	14,128,544	28,210,975

State Cost of Each Rebenchmarking Update

(incremental cost above FY22 base)

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total State Cost
26	Update Categorical Accounts (Special Education - Homebound, Jails, and State Operated Programs)	129,332	543,129	672,460
27	Reintroduce FY 2022 No Loss Payments in 22-24 Base (not distributed)	164,335,526	164,335,526	328,671,052
28	Update Compensation Supplement (technical calculation update)	0	0	0
29	Technical Update – Manassas City December 1, 2020 Special Education Child Counts	442,108	448,573	890,681
30	Update Head Start Data (for VPI formula)	6,510,883	6,722,691	13,233,574
31	Update Lottery Accounts (Foster Care, K-3 Class Size Reduction, School Breakfast)	10,239,637	10,935,290	21,175,457
Total State Rebenchmarking Cost for 2022-2024 (above FY22 Base) =		153,802,426	177,234,096	331,036,521

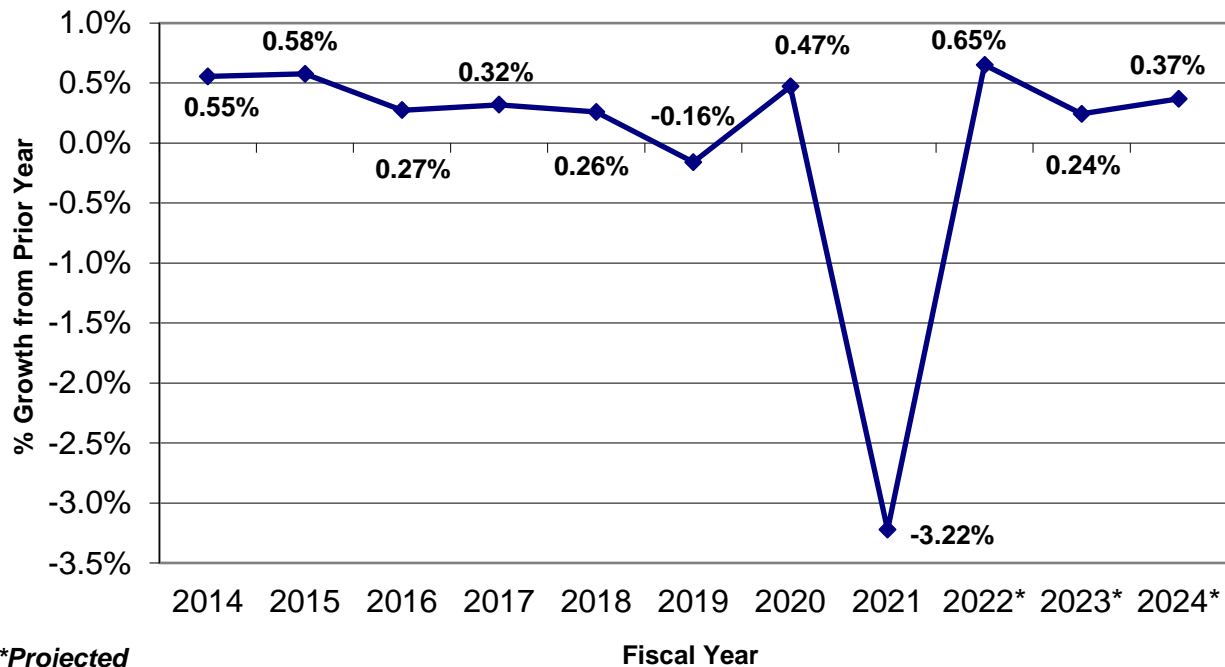
Enrollment-Based Steps - 20-22 vs. 22-24

Step	Action	2020-2022 Cost	Step	Action	2022-2024 Cost
5	Update Fall Membership and Average Daily Membership Base Year and Projected Enrollment Counts	38,579,155	5	Update Fall Membership and Average Daily Membership Base Year and Projected Enrollment Counts	171,994,099
6	Update Special Education Child Count to December 1, 2018	20,406,005	6	Update Special Education Child Count to December 1, 2020	(89,331,604)
7	Update Career & Technical Education Enrollment to Beginning School Year 2018	1,306,934	7	Update Career & Technical Education Enrollment to Beginning School Year 2020	4,032,321
8	Update SOL Failure Rate Data to Beginning School Year 2017 and Free Lunch Percentages to Beginning School Year 2018 (Adjusted for CEP)	7,135,738	8	Update SOL Failure Rate Data to Beginning School Year 2018 and Free Lunch Percentages to Beginning School Year 2019 (due to COVID-19)	1,276,693
9	Update SOQ Gifted, Support Technology, and Instructional Technology Positions	(1,221,845)	9	Update SOQ Gifted, Support Technology, and Instructional Technology Positions	(20,636,861)
	Total	66,205,987		Total	67,334,648

Student Enrollment

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
5 & 24	Update Fall Membership and Average Daily Membership Base Year and Projected Enrollment Counts	74,790,787	90,840,122	165,630,909

Annual Percentage Change in Average Daily Membership
(FY 2014 to FY 2024)



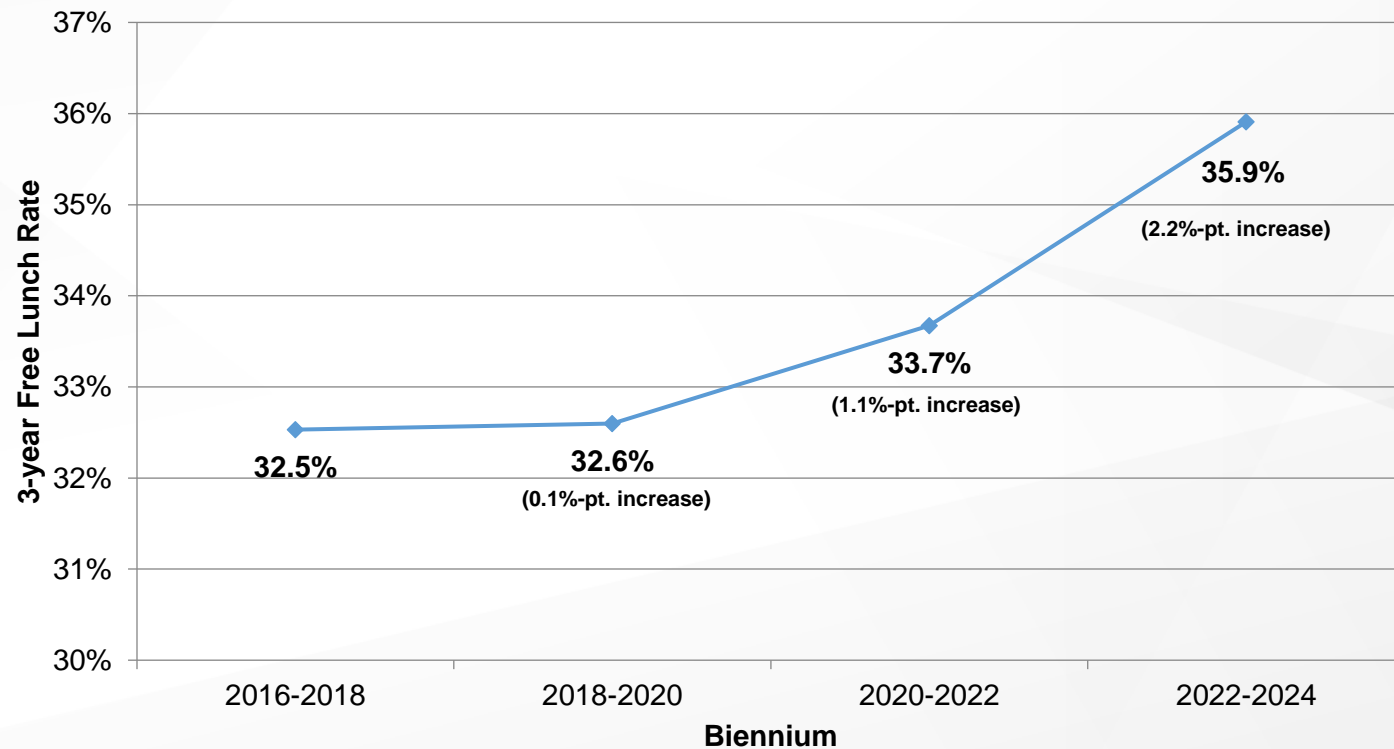
Year	Enrollment
FY 2021	1,210,464
FY 2022*	1,218,331
FY 2023*	1,221,278
FY 2024*	1,225,762

* Projection

Three-Year Average Free Lunch Rates

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
8	Update SOL Tests Failure Rate Data to School Year 2018-2019 and Free Lunch Percentages to School Year 2019-2020	551,012	725,681	1,276,693

Biennial Comparison of Base Year Statewide Average 3-year Free Lunch Rate



Non-personal (Non-Personnel) Support Costs

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
12	Update Base-Year Expenditures from Annual School Report to FY20 for Non-personal Support Costs Per Pupil	(57,394,860)	(56,438,220)	(113,833,080)

Comparison of *Prevailing* Non-personal Support (No Inflation) Per Pupil Amounts Across Biennia: 2020-2022 to 2022-2024

Non-Personal Support Category	2020-2022 Per Pupil Amount	2022-2024 Per Pupil Amount	Percent Variance	Non-Personal Support Category	2020-2022 Per Pupil Amount	2022-2024 Per Pupil Amount	Percent Variance
Instructional Classroom	\$310.93	\$286.52	(7.9%)	Facilities	\$1.10	\$1.20	9.7%
Instructional Support	\$15.66	\$12.83	(18.1%)	Unemployment Insurance	\$2.49	\$2.31	(6.9%)
Principal's Office	\$8.27	\$6.92	(16.4%)	Worker's Compensation	\$28.48	\$27.70	(2.7%)
Administration	\$49.67	\$56.58	13.9%	Disability Insurance	\$4.76	\$6.02	26.4%
Attendance & Health	\$17.84	\$21.90	22.8%	Substitute Teachers	\$1,204.55	\$967.28	(19.7%)
Utilities	\$296.39	\$266.65	(10.0%)	Improvement	\$424.58	\$452.52	6.6%
Communication	\$30.55	\$31.30	2.4%	Technology	\$226.26	\$219.60	(2.9%)
Other Operations & Maintenance	\$285.32	\$293.52	2.9%	Insurance	\$32.14	\$32.58	1.4%
				Contingency Reserve	\$0.01	\$0.00	(100.0%)

Support Positions Ratio Cap

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
14	Update Support Positions Cap Based on Divisions' Ratios of Instructional to Support Positions from 4.30 to 1 to 4.19 to 1	17,292,576	17,380,698	34,673,274

Funded SOQ Support Position	Funded Support Positions FY 2022 @ 4.30 to 1	Funded Support Positions FY 2023 @ 4.19 to 1	Funded Support Positions FY 2024 @ 4.19 to 1
Assistant Superintendent	168	222	223
Instructional Professional	2,260	2,134	2,142
Instructional Technical/Clerical	1,724	1,729	1,735
Attendance & Health Administrative	896	171	171
Attendance & Health Technical/Clerical	342	392	393
Operation & Maintenance Professional	272	311	312
Operation & Maintenance Technical/Clinical	8,046	8,335	8,366
Administration	747	853	856
Administration Technical/Clerical	1,486	1,528	1,533
Technology Professional	477	500	502
Technology Technical/Clerical	155	153	153
Technology Support Standard	1,245	1,213	1,217
School Based Clerical	3,781	3,997	4,012
Total Funded SOQ Support Positions	21,598	21,538	21,617

Note: The instructional to support position ratio used for the support position funding cap was rebenchmarked for the 2022-2024 biennium. The ratio changed from 4.30 to 1 for FY 2020 to 4.19 to 1 for the 2022-2024 biennium. The ratio is calculated by taking a three-year average of divisions' ASR instructional positions divided by ASR support positions and then calculating a statewide linear weighted average (LWA) ratio from the division ratios. The LWA ratio is then applied to the generated number of support positions to cap them at the instructional to support ratio. This represents the rebenchmarked cost update and not a permanent change in policy.

Funded Instructional Salaries

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
20	Update Salary Inflation Factors (Instructional and Support) - recognize continuation cost of FY22 5.0% Compensation Supplement into 22-24 biennium	233,886,756	234,622,364	468,509,120

*Comparison of Funded SOQ Instruction Salaries Across Biennia
2018-2020 to 2022-2024 (Adjusted for Applicable State Funded Increases)*

Instructional Position	2018-2020 Funded Salary	2020-2022 Funded Salary	Percent Variance	2020-2022 Funded Salary	2022-2024 Funded Salary	Percent Variance
Elementary Teachers	\$48,298	\$51,371	6.4%	\$51,371	\$53,996	5.1%
Elementary Asst. Principals	\$68,545	\$71,532	4.4	\$71,532	\$75,435	5.5
Elementary Principals	\$86,115	\$89,378	5.0	\$89,378	\$93,869	5.0
Secondary Teachers	\$51,167	\$53,777	5.1	\$53,777	\$56,977	6.0
Secondary Asst. Principals	\$74,535	\$77,181	3.6	\$77,181	\$81,093	5.1
Secondary Principals	\$93,695	\$99,215	5.9	\$99,215	\$102,844	3.7
Instructional Aides	\$17,738	\$18,995	7.1	\$18,995	\$21,304	12.2

2022-2024 Rebenchmarking Summary

Estimated state cost* of 2022-2024 biennial Direct Aid rebenchmarking is \$331.0 million.

Inputs increasing costs:

- Prevailing salaries
- Support Positions
- Health Care
- Inflation

Inputs decreasing costs:

- Non-personal support
- Pupil transportation

Remaining updates include sales tax estimates, Lottery proceeds estimates, enrollment updates, fringe benefits, and the local composite index.

*Includes the retention of FY22 No Loss funding as a placeholder in the base that will be readjusted after Fall enrollment data is finalized per discussions with DPB.

Questions?

Presentation Topics

- Overview of 2022-2024 Rebenchmarking Process
- 2022-2024 Rebenchmarking Incremental Cost Detail
- Graphs/Tables of Key Data Inputs Impacting 2022-2024 Rebenchmarking Cost
- Appendix A: State Cost of 2022-2024 Rebenchmarking by Direct Aid Account

Rebenchmarking Process

- State and federal funding to school divisions for public education is provided through the Direct Aid to Public Education budget. The General Assembly appropriates the funding.
- Direct Aid funding is appropriated in six budgetary categories:
 1. Standards of Quality (SOQ)
 2. Incentive Programs
 3. Categorical Programs
 4. Lottery Proceeds Fund Programs
 5. Supplemental Education Programs
 6. Federal Funds
- In each odd-numbered year, the state cost of the Direct Aid budget is “rebenchmarked” for the next biennium, beginning the biennial budget development process. The process impacts 30 or more state Direct Aid programs in categories 1-4 above.

Rebenchmarking Process

- The rebenchmarked budget represents the state cost of continuing the current Direct Aid programs into the next biennium, with updates to the input data used in the funding formulas that determine the cost of the programs.
 - Input data used in the formulas are updated every two years to recognize changes in costs that have occurred over the preceding biennium.
 - The state cost of SOQ and other Direct Aid accounts are recalculated step-by-step using the latest input data available, isolating the cost of each data update in incremental fashion. About 30 separate steps are involved, each of which can increase or decrease state cost. The 2022-2024 rebenchmarking process includes three additional steps for technical corrections.
- The rebenchmarked budget is built off of the base Direct Aid budget from the previous biennium; the current FY22 Direct Aid budget (Chapter 552) is the starting point against which the rebenchmarking cost for each year of the 2022-2024 biennium (FY23 & FY24) is calculated. The FY22 base budget totals \$8.13 billion - all state funds).

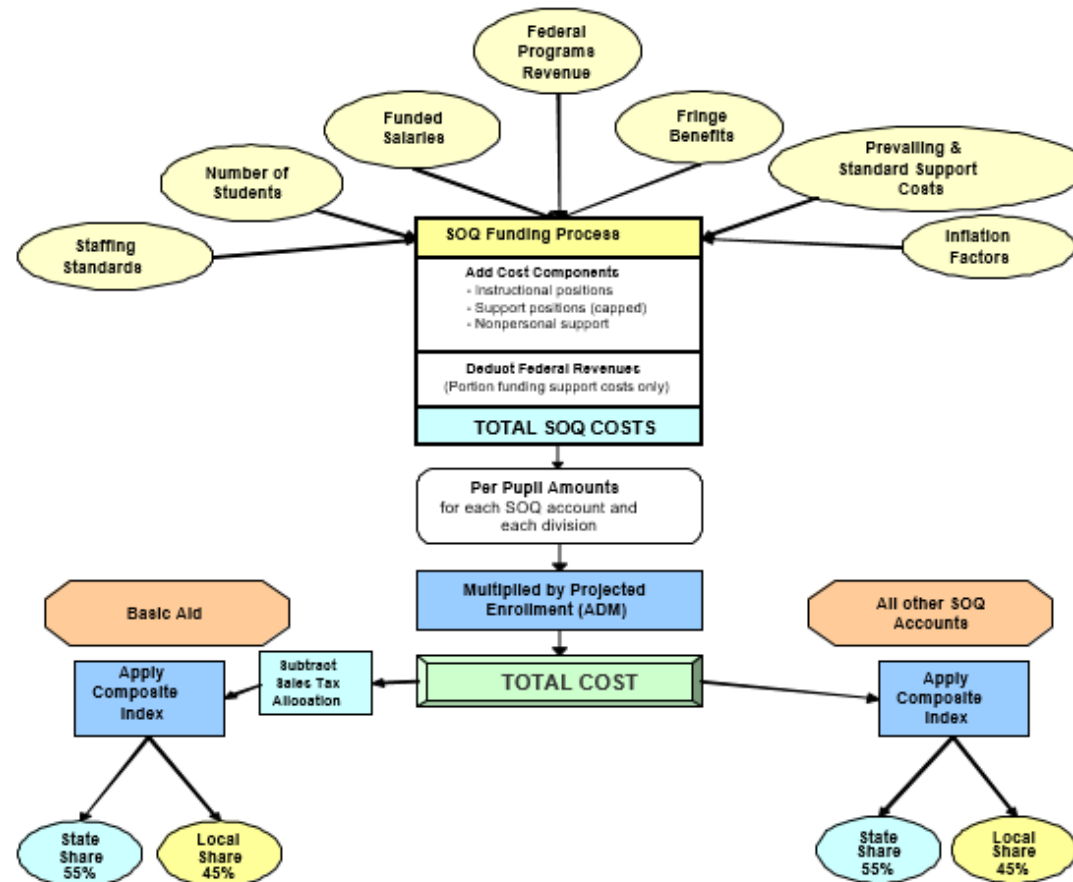
Rebenchmarking Process - SOQ

- SOQ funding is driven primarily by the instructional staffing standards in the *Code* and the salary/benefits costs for the required instructional positions. It also includes funding for support costs based on “prevailing costs.”
- Some components of the SOQ funding process are policy-driven (e.g., standards) but others are technical and must be updated through rebenchmarking.
- Since 90% of state Direct Aid funding is for SOQ programs, SOQ funding is most impacted by the rebenchmarking process; however, state Lottery, incentive, and categorical funding in Direct Aid is also impacted.

Rebenchmarking Process - SOQ

- Key components of the SOQ funding formula include:
 - 1) Student enrollment;
 - 2) Staffing standards for instructional positions;
 - 3) Salaries of instructional positions;
 - 4) Fringe benefit rates;
 - 5) Support costs (salary and non-salary);
 - 6) Inflation factors;
 - 7) Support costs adjusted for deducted federal revenues; and
 - 8) Sales tax funding and division composite indices.

SOQ Funding Process



Rebenchmarking Data Inputs

- Key data inputs used in 2022-2024 rebenchmarking calculations (most are specific to SOQ formulas; data is from FY20 & FY21):
 - Funded instructional and support salaries
 - Fall Membership and Average Daily membership projections
 - Special education child count
 - Career & technical education course enrollment
 - SOL failure rates and free lunch eligibility rates for SOQ remedial education and other at-risk accounts
 - Base-year expenditure data from 2019-2020 Annual School Report (for salaries & support costs)
 - Health care premium expenditures

Rebenchmarking Data Inputs

- Key data inputs used in 2022-2024 rebenchmarking calculations, continued:
 - Non-personal cost inflation factors
 - Federal programs revenue (for the revenue deduction from funded support costs)
 - Prevailing textbooks costs used for funded Textbooks per-pupil amount
 - Enrollment projections for remedial summer school and English as a Second Language programs
 - Updates to support costs, including division superintendent, school board, nurses, and pupil transportation
 - Support positions ratio cap

Rebenchmarking Data Inputs

2022-2024 Direct Aid to Public Education Budget Summary Summary of Major Data Elements Used in 2022-2024 Rebenchmarking Calculations

	FY 2022 Base	FY 2023 & FY 2024 Rebenchmarking
A. Student Enrollment Data Fall Membership Special Education Child Count Career & Technical Education Course Enrollment SOL English & Math Tests % Score Failures (for SOQ Prevention, Intervention and Remediation) Free Lunch Eligibility Data (for SOQ Prevention, Intervention and Remediation, & Other Accounts)	2018-2019 December 1, 2018 2018-2019 Three-year average (2015-16; 2016-17; 2017-18*) *Oct. 2018 available Fall 2019 Three-year average (October 2016, 2017, 2018*) *Oct. 2018 for other accounts	2020-2021 December 1, 2020 2020-2021 Three-year average (2016-17; 2017-18; 2018-19*) *Oct. 2019 available Fall 2020 Three-year average (October 2017, 2018, 2019*) *Oct. 2019 for other accounts
B. Base-year Expenditure & Revenue Data (funded salaries, support costs, federal revenues for support deduct)	2017-2018 Annual School Report	2019-2020 Annual School Report
C. Fringe Benefit Rates Instructional VRS Retirement (Including Retiree Health Care Credit) Non-instructional VRS Retirement Social Security/Medicare Group Life Insurance Health Care Premium (<i>Funded per <u>position</u> amount with Inflation</i>)	17.83% 7.10% 7.65% 0.54% \$5,504	17.83% 7.10% 7.65% 0.54% \$6,126
D. Composite Index (<i>Base-Year Data</i>)	2017	2019
E. Funded Non-Personal Support Inflation Factors (<i>Unweighted average</i>)	4.44%	4.12%
F. Textbooks (<i>Funded Per Pupil Amount with Inflation</i>)	\$107.47	\$130.85
G. Average Daily Membership Projections (<i>Initial Projections</i>)	1,218,331	1,221,278 (FY23) 1,225,762 (FY24)



State Cost to Date

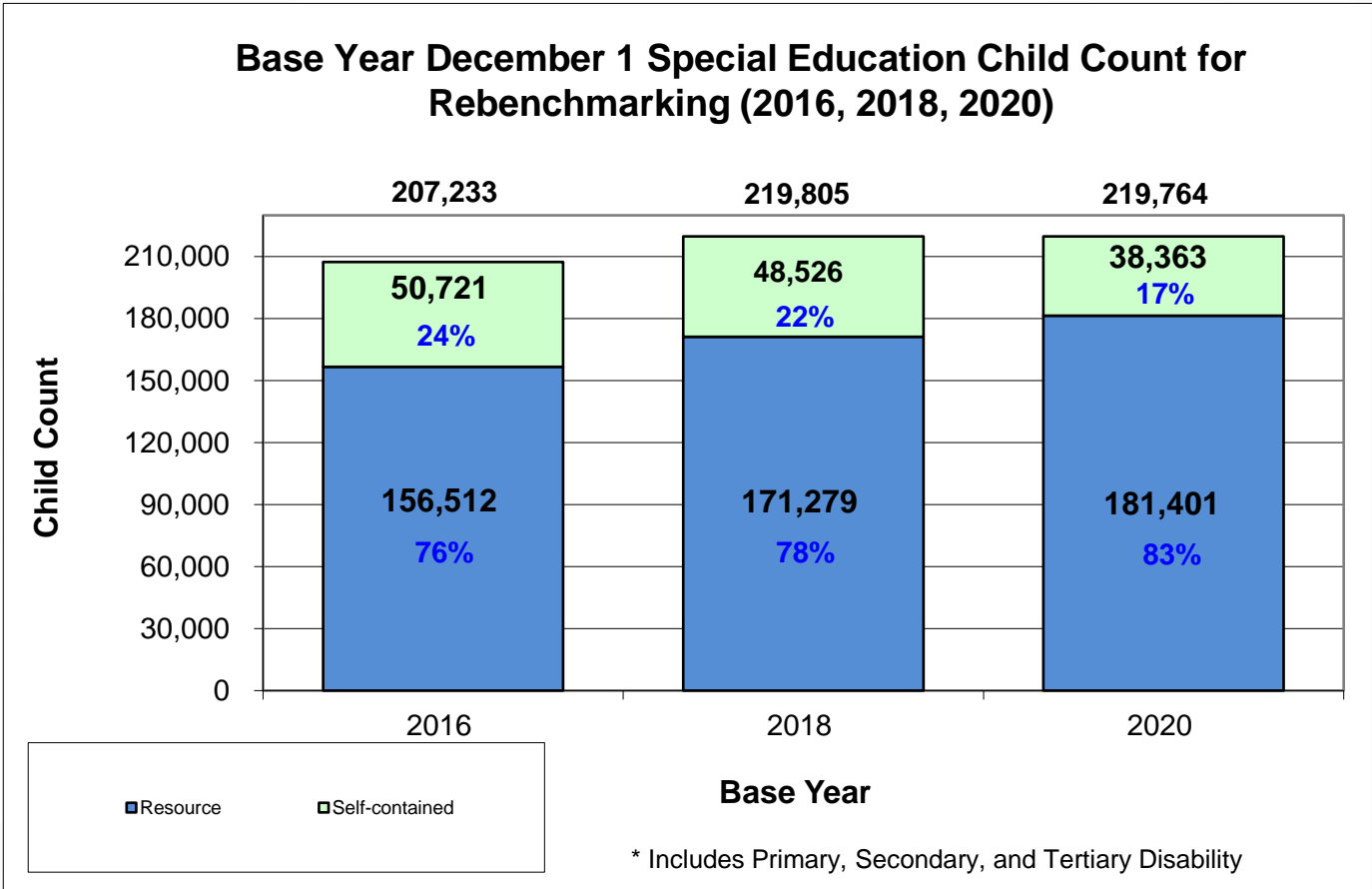
- The final amount of state funding for Direct Aid each biennium reflects 1) the final rebenchmarking costs funded and 2) any funding policy changes/new programs adopted by the General Assembly and the Governor.
- The state cost (above the FY22 base) of the rebenchmarking updates completed to date is \$153.8 million in FY23 and \$177.2 million in FY23, for a 2022-2024 biennial total of \$331.0 million. (The state cost of the 2020-2022 rebenchmarking at this stage was \$595.7 million.)

State Cost to Date

The following five slides show the incremental state cost starting from the FY22 base budget of the 31 rebenchmarking steps completed to date.

Special Education Child Count

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
6, 25, & 29	Update Special Education Child Count to December 1, 2020	(30,181,709)	(30,048,239)	(60,229,948)



CTE Course Enrollment

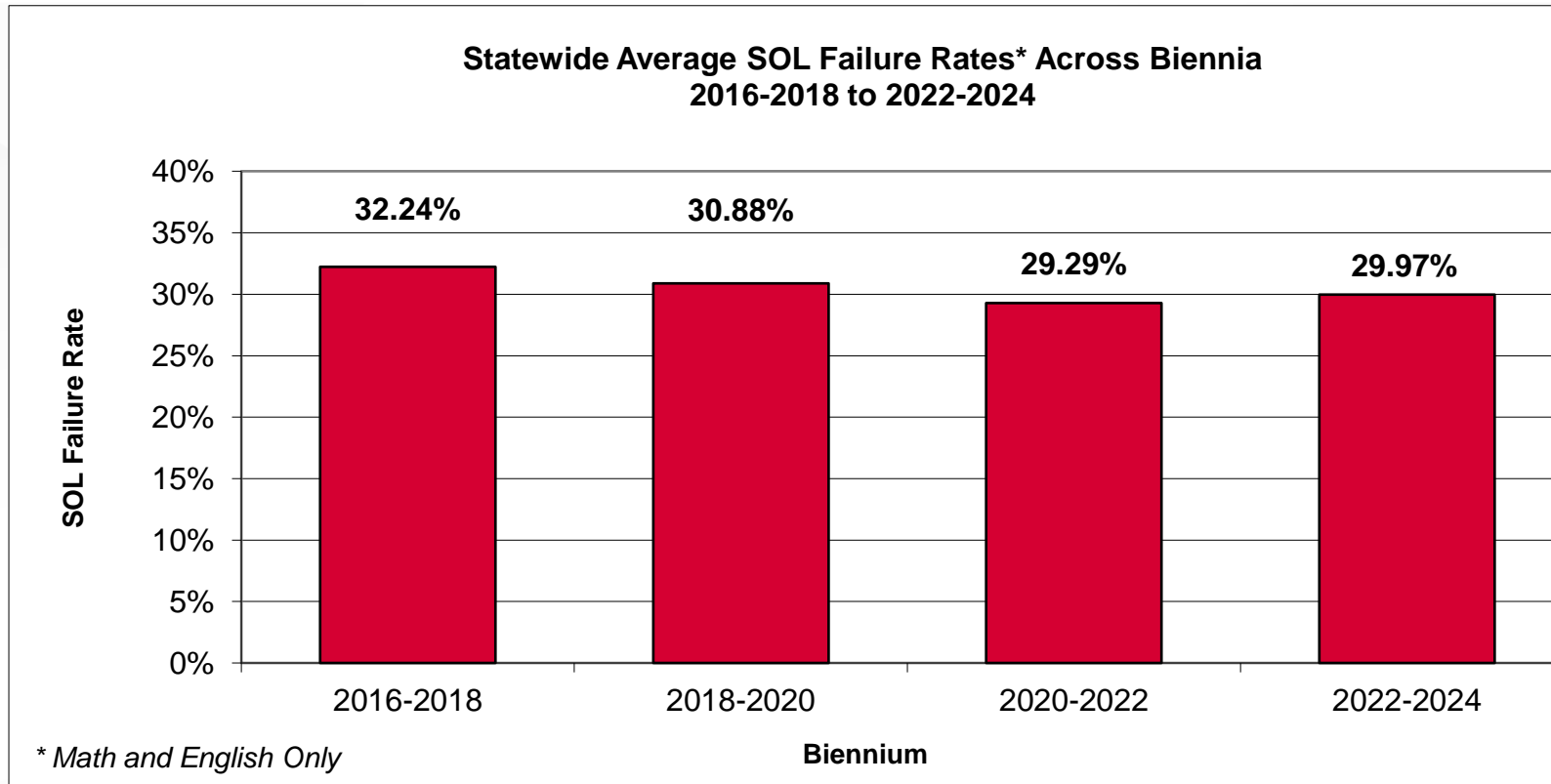
Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
7	Update Career & Technical Education Enrollment to 2020-2021	2,032,440	1,999,881	4,032,321

Comparison of Career and Technical Education Enrollment, Number of Courses, and Total Sections Across Base Years

	Base Year 2018 (2020-2022 Biennium)	Base Year 2020 (2022-2024 Biennium)	Percent Variance
Career and Technical Education Enrollment (Duplicated Enrollment)	659,533	652,562	(1.1%)
Number of Distinct Courses	6,331	6,270	(1.0%)
Total Course Sections	37,137	37,429	0.8%

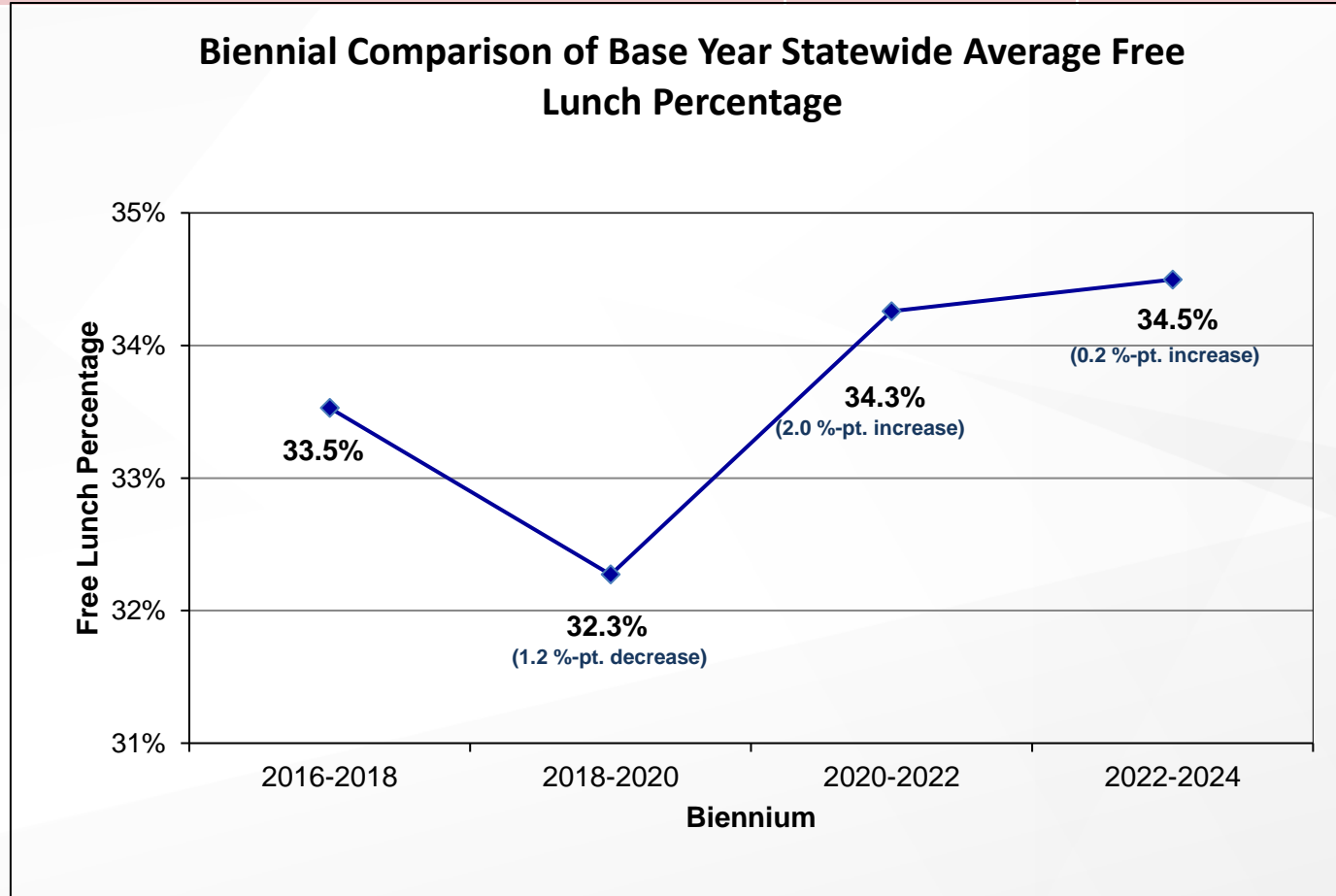
SOL Test Failure Rates

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
8	Update SOL Tests Failure Rate Data to School Year 2018-2019 and Free Lunch Percentages to School Year 2019-2020	551,012	725,681	1,276,693



Free Lunch Eligibility

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
8	Update SOL Tests Failure Rate Data to School Year 2018-2019 and Free Lunch Percentages to School Year 2019-2020	551,012	725,681	1,276,693



Base-Year Instructional Salaries

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
10	Update Base Year Prevailing SOQ Instructional Salaries to FY20	17,857,674	18,000,584	35,858,258

Comparison of Prevailing SOQ Instruction Salaries Across Biennia 2018-2020 to 2022-2024 (Not Adjusted for Applicable State Funded Increases)

Instructional Position	2018-2020 Prevailing Salary	2020-2022 Prevailing Salary	Percent Variance	2020-2022 Prevailing Salary	2022-2024 Prevailing Salary	Percent Variance
Elementary Teachers	\$47,351	\$48,925	3.3%	\$48,925	\$51,425	5.1%
Elementary Asst. Principals	\$67,201	\$68,125	1.4	\$68,125	\$71,843	5.5
Elementary Principals	\$83,446	\$85,122	2.0	\$85,122	\$89,399	5.0
Secondary Teachers	\$50,164	\$51,216	2.1	\$51,216	\$54,264	6.0
Secondary Asst. Principals	\$73,074	\$73,506	0.6	\$73,506	\$77,231	5.1
Secondary Principals	\$91,858	\$94,490	2.9	\$94,490	\$97,947	3.7
Instructional Aides	\$17,390	\$18,090	4.0	\$18,090	\$20,290	12.2

Base-Year Support Salaries and Positions

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
11	Update Base-Year Expenditures from Annual School Report to FY20 for Personal Support Costs (both Base-Year Prevailing Positions and Salaries)	73,350,870	73,688,799	147,039,669

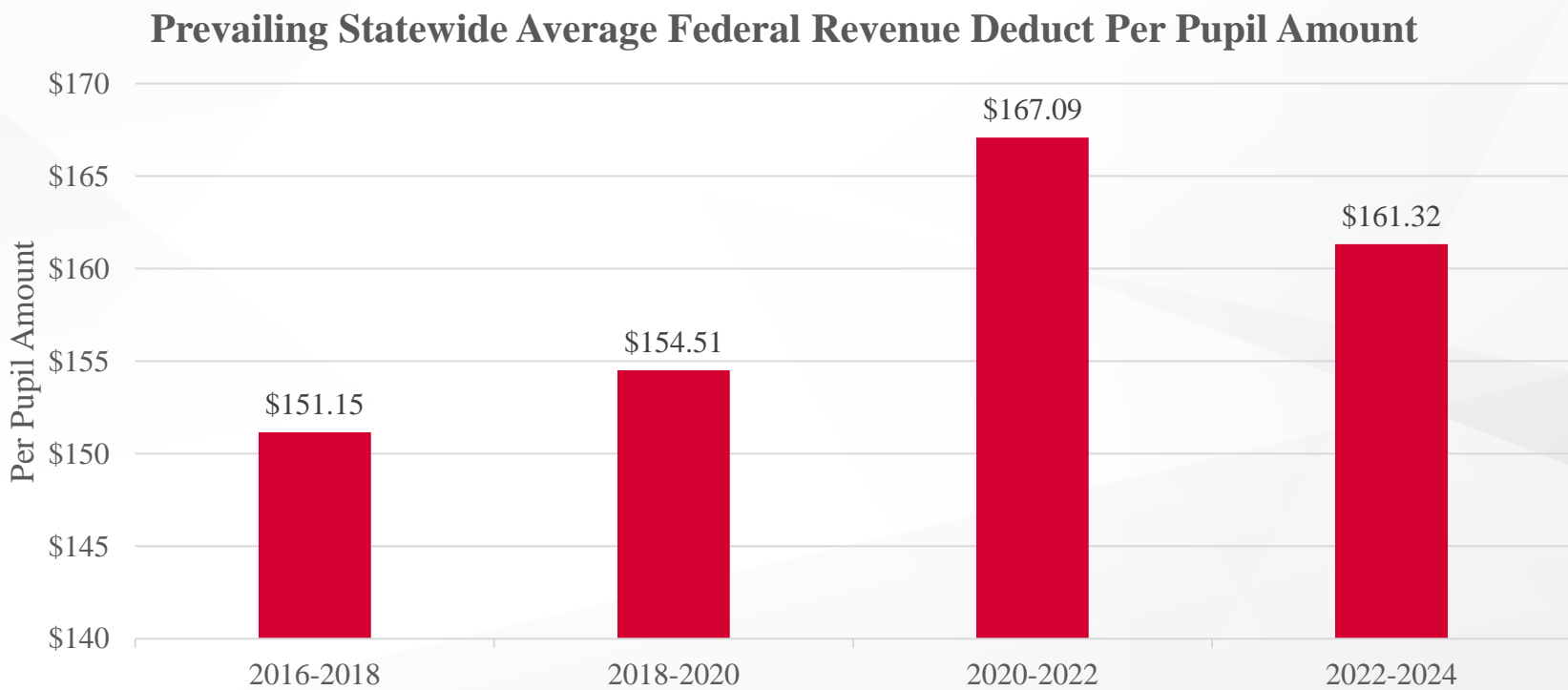
Comparison of Base Year Prevailing SOQ Support Salaries Across Biennia 2018-2020 to 2022-2024 (No Adjustment for State Funded Increases)

Support Position	2018-2020 Prevailing Salary	2020-2022 Prevailing Salary	Percent Increase	2020-2022 Prevailing Salary	2022-2024 Prevailing Salary	Percent Increase
Superintendent	\$149,710	\$154,287	3.06%	\$154,287	\$164,865	6.86%
Assistant Superintendent	\$118,375	\$122,862	3.79%	\$122,862	\$127,757	3.98%
School Nurse	\$36,508	\$37,581	2.94%	\$37,581	N/A	N/A
Specialized Student Support	N/A	N/A	N/A	N/A	\$48,869	8.49%
Instructional Professional	\$70,569	\$71,492	1.31%	\$73,821*	\$87,671	18.76%
Instructional Technical/Clerical	\$31,428	\$32,701	4.05%	\$32,701	\$36,187	10.66%
Attendance & Health Administrative	\$60,093	\$62,061	3.28%	\$80,919*	\$87,237	7.81%
Attendance & Health Technical/Clerical	\$29,499	\$31,043	5.24%	\$31,043	\$34,541	11.27%
Operations & Maintenance Professional	\$77,097	\$77,590	0.64%	\$77,590	\$79,771	2.81%
Operations & Maintenance Technical/Clerical	\$29,920	\$30,942	3.42%	\$30,942	\$32,921	6.40%
School Board Member	\$5,235	\$5,405	3.25%	\$5,405	\$5,672	4.93%
Administration Administrative	\$79,136	\$81,176	2.58%	\$81,176	\$83,985	3.46%
Administration Technical/Clerical	\$41,875	\$43,740	4.45%	\$43,740	\$46,522	6.36%
Technology Professional	\$77,688	\$78,624	1.20%	\$78,624	\$81,458	3.60%
Technology Technical/Clerical	\$36,699	\$37,375	1.84%	\$37,375	\$43,133	15.41%
Technology Support Standard	\$47,360	\$49,145	3.77%	\$49,145	\$53,205	8.26%
School Based Clerical	\$30,016	\$30,723	2.36%	\$30,723	\$32,538	5.91%



Federal Revenue Deduct

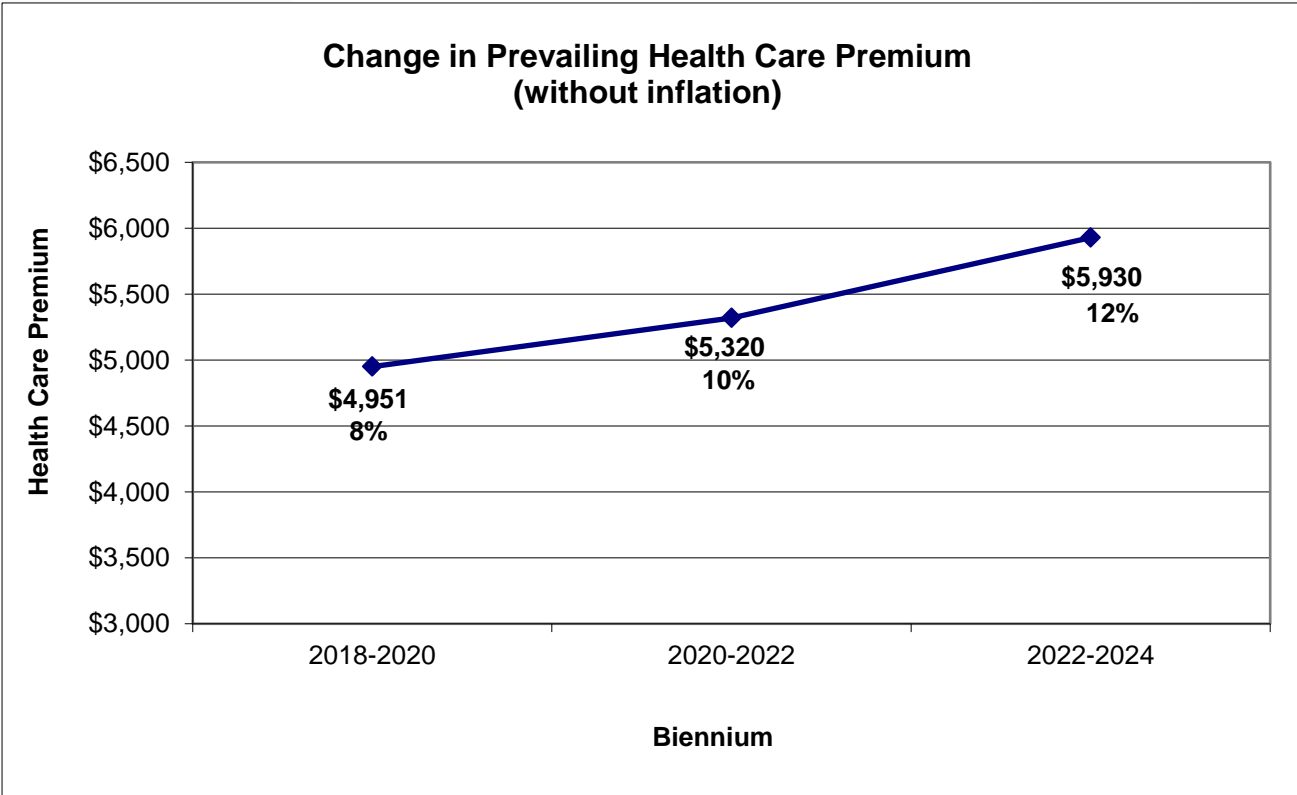
Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
13	Update Federal Revenue Deduct Per Pupil – deducted from Support Costs (from FY20 revenues)	141,627	102,160	243,787



NOTE: Federal revenues include Title I, Part A, Title II, Part A, IDEA, IDEA Part B, and Perkins grants.

Health Care Premium

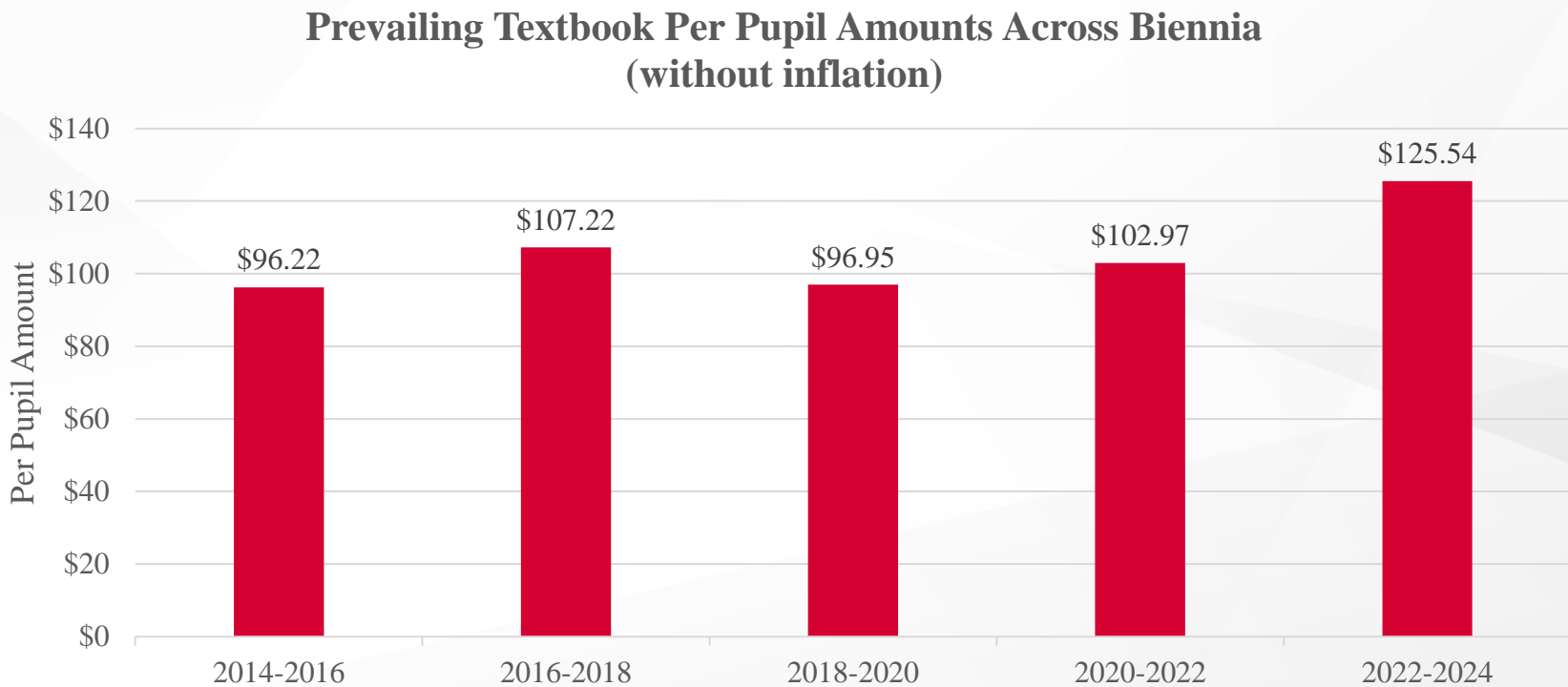
Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
16	Update Prevailing Health Care Premium Per Position (without inflation)	41,272,978	41,278,850	82,551,828



Note: The 2009 General Assembly changed the methodology for calculating the funded health care premium, beginning with the 2010-2012 biennium, by weighting each division’s annual employer-share health care premium used in the prevailing cost calculation according to the actual percentage of employees participating in each of the three general plan categories (employee, employee plus one, and family) and for actual overall employee participation.

Textbooks Per Pupil Amount

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
17	Update Prevailing Textbook Per Pupil Amount (without inflation)	15,389,999	15,438,283	30,828,282



Non-personal Inflation Factors

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
19	Update Non-personal Support Cost Inflation Factors	65,861,846	66,092,335	131,954,181

2022-2024 Inflation Factors Applied to Non-personal Support Costs in SOQ Model for the 2022-2024 Biennium

Inflation factor	2020-2022 Rates	2022-2024 Rates	Percentage Point Variance	Inflation factor	2020-2022 Rates	2022-2024 Rates	Percentage Point Variance
Instructional:				Operation & Maintenance:			
Classroom Instruction	4.31%	4.16%	(0.15%)	Utilities	(0.28%)	4.32%	4.60%
Instructional Support	4.25%	4.09%	(0.16%)	Communications	4.35%	3.90%	(0.45%)
Improvement	4.13%	4.03%	(0.10%)	Insurance	4.37%	4.23%	(0.14%)
Principal's Office	4.24%	4.11%	(0.13%)	Other	4.37%	4.23%	(0.14%)
Miscellaneous:				Fixed Charges:			
Administration	4.22%	4.09%	(0.13%)	Unemployment	4.37%	4.23%	(0.14%)
Attendance & Health	4.28%	4.15%	(0.13%)	Workers Comp	4.37%	4.23%	(0.14%)
Facilities	4.54%	4.12%	(0.42%)	Disability Insurance	4.37%	4.23%	(0.14%)
Textbooks	4.37%	4.23%	(0.14%)	Other Benefits	4.37%	4.23%	(0.14%)
Pupil Transportation	4.11%	3.97%	(0.14%)	Health Care Premium	3.47%	3.31%	(0.16%)
				Contingency Reserve	4.37%	4.23%	(0.14%)

Funded Support Salaries

Update #	Rebenchmarking Update	FY 2023 State Cost	FY 2024 State Cost	2022-2024 Total
20	Update Salary Inflation Factors (Instructional and Support) - recognize continuation cost of FY22 5.0% Compensation Supplement into 22-24 biennium	233,886,756	234,622,364	468,509,120

Comparison of Base Year Funded SOQ Support Salaries Across Biennia 2018-2020 to 2022-2024 (No Adjustment for State Funded Increases)

Support Position	2018-2020 Funded Salary	2020-2022 Funded Salary	Percent Variance	2020-2022 Funded Salary	2022-2024 Funded Salary	Percent Variance
Superintendent	\$151,671	\$161,492	6.48%	\$161,492	\$173,108	7.19%
Assistant Superintendent	\$119,925	\$128,599	7.23%	\$128,599	\$134,145	4.31%
School Nurse	\$36,986	\$39,336	6.35%	\$39,336	N/A	N/A
Specialized Student Support	N/A	\$45,046	N/A	\$45,046	\$51,313	13.91%
Instructional Professional	\$71,494	\$74,831	4.67%	\$77,512*	\$92,055	18.76%
Instructional Technical/Clerical	\$31,840	\$34,229	7.50%	\$34,229	\$37,996	11.01%
Attendance & Health Administrative	\$60,880	\$64,960	6.70%	\$84,965*	\$91,599	7.81%
Attendance & Health Technical/Clerical	\$29,885	\$32,493	8.73%	\$32,493	\$36,268	11.62%
Operations & Maintenance Professional	\$78,107	\$81,213	3.96%	\$81,213	\$83,759	3.13%
Operations & Maintenance Technical/Clerical	\$30,311	\$32,387	6.85%	\$32,387	\$34,567	6.73%
School Board Member	\$5,304	\$5,658	6.68%	\$5,658	\$5,956	5.26%
Administration Administrative	\$80,173	\$84,967	5.96%	\$84,967	\$88,185	3.79%
Administration Technical/Clerical	\$42,423	\$45,783	7.92%	\$45,783	\$48,849	6.70%
Technology Professional	\$78,706	\$82,295	4.56%	\$82,295	\$85,530	3.93%
Technology Technical/Clerical	\$37,180	\$39,120	5.22%	\$39,120	\$45,290	15.77%
Technology Support Standard	\$47,981	\$51,441	7.21%	\$51,441	\$55,865	8.60%
School Based Clerical	\$30,409	\$32,158	5.75%	\$32,158	\$34,165	6.24%

Standards of Quality Accounts

Standards of Quality Accounts	FY 2022 Base State Cost (Chapter 552)	FY 2023 Updated State Cost	Variance	FY 2022 Base State Cost (Chapter 552)	FY 2024 Updated State Cost	Variance	2022-2024 Biennial Variance
Basic Aid	3,536,922,242	3,784,733,334	(247,811,092)	3,536,922,242	3,799,751,493	(262,829,251)	(510,640,343)
Sales Tax	1,563,000,000	1,563,000,000	-	1,563,000,000	1,563,000,000	-	-
Textbooks (General Fund)	73,119,307	89,239,214	(16,119,907)	73,119,307	89,519,211	(16,399,904)	(32,519,811)
Vocational Ed.	60,443,307	67,085,998	(6,642,691)	60,443,307	67,023,768	(6,580,461)	(13,223,152)
Gifted Ed.	36,523,788	38,730,179	(2,206,391)	36,523,788	38,902,009	(2,378,221)	(4,584,612)
Special Ed.	419,818,073	430,438,051	(10,619,978)	419,818,073	431,577,775	(11,759,702)	(22,379,680)
Prevention, Intervention and Remediation	118,181,833	127,004,441	(8,822,608)	118,181,833	127,226,590	(9,044,757)	(17,867,365)
VRS Retirement	489,390,727	517,593,460	(28,202,733)	489,390,727	519,176,800	(29,786,073)	(57,988,806)
Social Security	209,927,966	222,091,331	(12,163,365)	209,927,966	222,785,286	(12,857,320)	(25,020,685)
Group Life	14,858,510	15,662,049	(803,539)	14,858,510	15,709,200	(850,690)	(1,654,229)
English as a Second Language	82,592,805	87,784,245	(5,191,440)	82,592,805	90,576,100	(7,983,295)	(13,174,735)
Remedial Summer School	22,584,988	21,397,285	1,187,703	22,584,988	21,291,945	1,293,043	2,480,746
Standards of Quality Sub-Total	6,627,363,546	6,964,759,587	(337,396,041)	6,627,363,546	6,986,540,177	(359,176,631)	(696,572,672)

Note: a negative value in the variance columns indicates a cost increase in FY23 or FY24 compared to the Chapter 552 FY22 base, a positive value indicates a cost decrease in FY23 or FY24 compared to the FY22 base.

Incentive Accounts

Incentive Accounts	FY 2022 Base State Cost (Chapter 552)	FY 2023 Updated State Cost	Variance	FY 2022 Base State Cost (Chapter 552)	FY 2024 Updated State Cost	Variance	2022-2024 Biennial Variance
Compensation Supplement	232,692,024	-	232,692,024	232,692,024	-	232,692,024	465,384,048
Governor's School	20,266,983	20,414,844	(147,861)	20,266,983	20,508,117	(241,134)	(388,995)
Clinical Faculty	318,750	318,750	-	318,750	318,750	-	-
Career Switcher Mentoring Grants	279,983	279,983	-	279,983	279,983	-	-
Virginia Preschool Initiative - Per Pupil Amount	107,086,043	122,273,174	(15,187,131)	107,086,043	122,484,982	(15,398,939)	(30,586,070)
Virginia Preschool Initiative - Teacher Professional Development	306,100	306,100	-	306,100	306,100	-	-
Special Education Endorsement Program	437,186	437,186	-	437,186	437,186	-	-
Math/Reading Instructional Specialists	1,834,538	1,834,538	-	1,834,538	1,834,538	-	-
Special Education - Voc Ed	200,089	200,089	-	200,089	200,089	-	-
VA Workplace Readiness Skills Assessment	308,655	308,655	-	308,655	308,655	-	-
No Loss	164,335,526	164,335,526	-	164,335,526	164,335,526	-	-
Early Reading Specialists Initiative	1,476,790	1,476,790	-	1,476,790	1,476,790	-	-
At-Risk (General Fund)	147,939,158	181,943,243	(34,004,085)	147,939,158	182,875,445	(34,936,287)	(68,940,372)
Supplemental Early Childhood Programs	26,344,868	26,344,868	-	26,344,868	26,344,868	-	-
School Meals Expansion	4,100,000	4,100,000	-	4,100,000	4,100,000	-	-
Breakfast After the Bell Incentive	1,074,000	1,074,000	-	1,074,000	1,074,000	-	-
Alleghany and Covington Joint School Division Incentive in FY22	1,200,000	1,200,000	-	1,200,000	1,200,000	-	-
Security Equipment Grants Distribution	12,000,000	12,000,000	-	12,000,000	12,000,000	-	-
VPSA Technology Distribution	57,308,800	57,308,800	-	57,308,800	57,308,800	-	-
Incentive Accounts Sub-Total	710,200,693	526,847,746	183,352,947	710,200,693	528,085,029	182,115,664	365,468,611

Categorical Accounts

Categorical Accounts	FY 2022 Base State Cost (Chapter 552)	FY 2023 Updated State Cost	Variance	FY 2022 Base State Cost (Chapter 552)	FY 2024 Updated State Cost	Variance	2022-2024 Biennial Variance
Adult Education	1,051,800	1,051,800	-	1,051,800	1,051,800	-	-
Adult Literacy	2,480,000	2,480,000	-	2,480,000	2,480,000	-	-
American Indian Treaty Commitment (King William)	54,077	46,841	7,236	54,077	50,211	3,866	11,102
School Lunch Program	5,801,932	5,801,932	-	5,801,932	5,801,932	-	-
Special Education - Homebound	3,122,201	3,122,201	-	3,122,201	3,122,201	-	-
Special Education - Jails	3,957,457	4,094,025	(136,568)	3,957,457	4,250,522	(293,065)	(429,632)
Special Education - SOP	37,546,662	37,546,662	-	37,546,662	37,800,592	(253,930)	(253,930)
Categorical Sub-Total	54,014,129	54,143,461	(129,332)	54,014,129	54,557,258	(543,129)	(672,460)

Note: a negative value in the variance columns indicates a cost increase in FY23 or FY24 compared to the Chapter 552 FY22 base, a positive value indicates a cost decrease in FY23 or FY24 compared to the FY22 base.

Lottery Accounts

Lottery Accounts	FY 2022 Base State Cost (Chapter 552)	FY 2023 Updated State Cost	Variance	FY 2022 Base State Cost (Chapter 552)	FY 2024 Updated State Cost	Variance	2022-2024 Biennial Variance
Foster Care	11,528,816	12,057,526	(528,710)	11,528,816	12,262,652	(733,836)	(1,262,546)
At-Risk Add-On	85,024,934	74,498,111	10,526,823	85,024,934	73,669,601	11,355,333	21,882,156
Early Reading Intervention	27,192,313	28,519,540	(1,327,227)	27,192,313	28,600,129	(1,407,816)	(2,735,043)
Mentor Teacher	1,000,000	1,000,000	-	1,000,000	1,000,000	-	-
K-3 Primary Class Size	132,995,629	142,706,554	(9,710,925)	132,995,629	143,197,618	(10,201,989)	(19,912,914)
School Breakfast	7,920,136	7,920,136	(0)	7,920,136	7,920,136	(0)	(0)
SOL Algebra Readiness	15,248,151	16,239,734	(991,583)	15,248,151	16,239,734	(991,583)	(1,983,166)
Infrastructure and Operations Per Pupil Fund	276,361,275	276,361,275	-	276,361,275	276,361,277	(2)	(2)
Alternative Education	9,870,504	9,776,683	93,821	9,870,504	9,776,683	93,821	187,642
Individual Student Alternative Ed Program (ISAEP)	2,247,581	2,247,581	-	2,247,581	2,247,581	-	-
Special Education - Regional Tuition	101,152,929	101,152,929	-	101,152,929	101,152,929	-	-
Career & Tech Education (Voc Ed)	11,681,872	11,681,872	-	11,681,872	11,681,872	-	-
Accomack-Norhampton Distribution	2,000,000	-	2,000,000	2,000,000	-	2,000,000	4,000,000
Project Graduation	1,387,240	1,387,240	-	1,387,240	1,387,240	-	-
Unallocated Lottery Balance	231	260	(29)	231	259	(28)	(57)
Supplemental Basic Aid	1,049,271	1,111,441	(62,170)	1,049,271	1,163,171	(113,900)	(176,070)
Race to GED (NCLB/EFAL)	2,410,988	2,410,988	-	2,410,988	2,410,988	-	-
Path to Industry Certification (NCLB/EFAL)	1,831,464	1,831,464	-	1,831,464	1,831,464	-	-
Lottery Accounts Sub-Total	690,903,334	690,903,334	(0)	690,903,334	690,903,334	(0)	(0)

Note: a negative value in the variance columns indicates a cost increase in FY23 or FY24 compared to the Chapter 552 FY22 base, a positive value indicates a cost decrease in FY23 or FY24 compared to the FY22 base.

Summary - by Direct Aid Account Category

Direct Aid Accounts	FY 2022 Base State Cost (Chapter 552)	FY 2023 Updated State Cost	Variance	FY 2022 Base State Cost (Chapter 552)	FY 2024 Updated State Cost	Variance	2022-2024 Biennial Variance
Standards of Quality	6,627,363,546	6,964,759,587	(337,396,041)	6,627,363,546	6,986,540,177	(359,176,631)	(696,572,672)
Incentive	710,200,693	526,847,746	183,352,947	710,200,693	528,085,029	182,115,664	365,468,611
Categorical	54,014,129	54,143,461	(129,332)	54,014,129	54,557,258	(543,129)	(672,460)
Lottery	690,903,334	690,903,334	(0)	690,903,334	690,903,334	(0)	(0)
Supplemental Education	45,339,426	44,969,426	370,000	45,339,426	44,969,426	370,000	740,000
Direct Aid Total	8,127,821,128	8,281,623,554	(153,802,426)	8,127,821,128	8,305,055,224	(177,234,096)	(331,036,521)

Note: a negative value in the variance columns indicates a cost increase in FY23 or FY24 compared to the Chapter 552 FY22 base, a positive value indicates a cost decrease in FY23 or FY24 compared to the FY22 base.