



**Norfolk Public Schools**

The cornerstone of a proudly diverse community

# **FY2021 Budget Update**

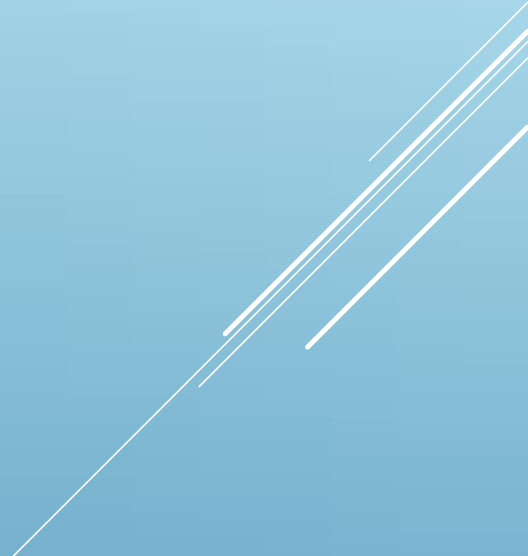
**School Board Hybrid Business Meeting**

**May 27, 2020**

**Dr. Sharon I. Byrdsong**  
**Superintendent of Schools**

**Ms. Pearl Tow**  
**Senior Director of Budget**

# FY2021 Budget Highlights

- Estimated Operating Revenue
  - Superintendent's Recommended Funding Priorities
  - Budget Balancing Strategies
  - Federal CARES Act – Stimulus Fund
  - School Board's Budget – All Funds
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- A decorative graphic consisting of several parallel white lines of varying lengths, slanted upwards from left to right, located in the bottom right corner of the slide.

# Unallotment vs Budget Reduction

## State Definition

- An **unallotment** suspends funding and does not allow it to be spent until a later general fund revenue forecast supporting the spending is adopted by the General Assembly. It is possible that these funds could be allotted and distributed to school divisions pending a revised state revenue forecast supporting the spending. School divisions should not include these funds in their budget planning until further notice.
- A **budget reduction** is a permanent removal of state funding from the Direct Aid to Public Education budget appropriations. School divisions should no longer expect to receive the state funding.

*Source: VDOE Superintendent's Memo 106-20*

## FY2021 Budget Amendments Adopted by the General Assembly at the 2020 Reconvened Session to the 2020-2022 Biennial Budget (HB 30)

Revenue	Governor's Introduced	GA Adopted 3/20	GA Reconvened Session 4/20
Virginia Retirement System	Increase rate for retirement from 15.68% to 16.62%; group life from 1.32% to 1.34% and retiree health credit from 1.20% to 1.21%	Same as Governor's introduced budget	Same as General Assembly's adopted budget 3/20
Compensation supplement	Provide a 3.0 percent salary increase effective FY2022	Provide a 2.0 percent salary increase effective FY2021 and a 2.0 percent increase effective FY2022	Unallot both in FY2021 and FY2022.
School counselors	FY2021: Reduce staffing ratio from 455 to 375:1 for elementary schools, 370 to 325:1 for middle schools and 325 to 300:1 for high schools	FY2021: Same as Governor's introduced budget	Budget reduction - maintain SOQ standard at current level (FY2020): elementary schools 455:1; middle schools 370:1; and high schools 325:1
English as a Second Language Learners	Increase staffing ratio from 17 per 1,000 students to 20 per 1,000 students	Change staffing ratio to 18.5 per 1,000 students in FY2021 and 20 per 1,000 students in FY2022	Same as General Assembly's adopted budget 3/20
At-Risk Add-on	Increase Basic Aid per pupil add-on range from a maximum range of 16% in FY2020 to 23% in FY2021 and 25% in FY2022	Increase the maximum per pupil add-on to 25.0 percent in FY2021 and 26.0 percent in FY2022	Unallot the maximum per pupil add-on from 25.0 percent to 19.1 percent in FY2021 and from 26.0 percent to 21.9 percent in FY2022
Virginia Pre-School Initiative (VPI) and VPI Plus (VPI+) Program	Increase PPA from \$6,326 to \$6,959 in FY2021 and \$7,655 in FY2022.	Same as Governor's introduced budget	Unallot the 10% increase in PPA from \$6,959 to \$6,326 in FY2021 and FY2022
Infrastructure & Operations Per Pupil Fund (Formerly Supplemental Lottery Per Pupil Amount)		State share of a \$375.27 per pupil payment in FY 2021, and the state share of a \$378.52 per pupil payment in FY 2022 for students in March 31 ADM.	Same as General Assembly's adopted budget 3/20
<b>Total \$ change in state revenue over FY2020 budget</b>		<b>Increase \$11.0 Million</b>	<b>Increase \$5.8 Million (reduction of \$5.2M from GA adopted on 3/20)</b>

**FY 2020 – 2021 Estimated State Revenue**  
**Based on Amendments Adopted at the 2020 Reconvened Session of the**  
**General Assembly to the 2020-2022 Biennial Budget (HB 30)**

\$ in Millions

State Revenue	FY 2020 Budget	FY 2021 General Assembly Adopted Budget	FY 2021 Amended Adopted Budget 2020 Reconvened Session	\$ Change
SOQ Programs	\$158.3	\$167.2	\$166.7	- \$0.5
Incentive Programs	12.1	17.9	13.2	- \$4.7
Categorical Programs	-	-	-	-
Lottery-Funded Programs	27.1	23.3	23.3	-
<b>Total State Revenue</b>	<b>\$197.5</b>	<b>\$208.5</b>	<b>\$203.3</b>	<b>- \$5.2</b>
<b>\$ Change over FY2020</b>		<b>\$11.0</b>	<b>\$5.8</b>	

NOTE: Totals may not add up due to rounding.

# FY2021 City Revenue Update

- Local revenue sharing policy - allocates to Norfolk Public Schools a constant 29.55 percent share of 14 non-dedicated local tax revenues

\$ in millions

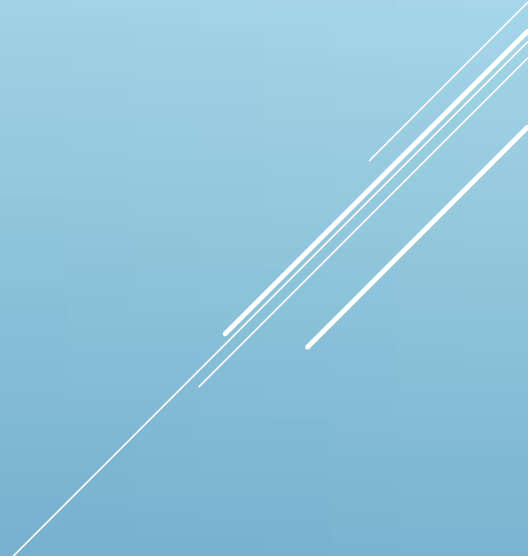
Local Revenue	FY2020 Adopted	FY2021 Initial Estimate	FY2021 Final	\$ Chg in FY21 Initial Est	\$ Chg in FY20 Adopted
City's Total Local Tax Revenue	\$426.3	\$436.5	\$409.4	- \$27.1	- \$16.9
Percent of Revenue Share for NPS	29.55%	29.55%	29.55%	29.55%	29.55%
Local Contribution – NPS share	\$126.0	\$129.0	\$121.0	- \$8.0	- \$5.0

- The City will re-evaluate revenues mid-year during FY2021 once quarantine measures have been lifted.
- Sustainable Water Initiative for Tomorrow (SWIFT) Fund
  - \$30 million in proceeds from the sale of Lambert's Point Golf Course
    - ❖ NPS will receive \$6.0M per year for the next five years (FY2021 – FY2025) in deferred maintenance to fund future major school projects.
    - ❖ The use of SWIFT funds to support operating expenses (not CIP-related expenses) will require City Council action.

**FY 2020 – 2021 Estimated Operating Revenue**  
**Based on Amendments Adopted at the 2020 Reconvened Session of the**  
**General Assembly to the 2020-2022 Biennial Budget (HB 30)**

<b>Revenue</b>	<b>FY2020 Budget</b>	<b>FY2021 Budget (SB Proposed April 1st)</b>	<b>FY 2021 Budget (GA Reconvened Session April 22nd)</b>	<b>\$ Change</b>	<b>\$ Change over FY2020 Budget</b>
State	\$197,478,663	\$208,464,751	\$203,313,924	- \$5,150,827	\$5,835,261
City – Reg Appropriation	125,355,332	128,355,332	120,355,835	- 7,999,497	- 4,999,497
City - Crossing Guards	617,522	617,522	617,522	-	-
CTI Debt	3,851,000	3,851,000	3,980,000	129,000	129,000
Federal	5,653,293	5,675,000	5,675,000	-	21,707
Other Revenue	3,206,000	3,206,000	3,206,000	-	-
<b>Total Revenue</b>	<b>\$336,161,810</b>	<b>\$350,169,605</b>	<b>\$337,148,281</b>	<b>- \$13,021,324</b>	<b>\$986,471</b>
<b>\$ Change over FY2020</b>		<b>\$14,007,795</b>	<b>\$986,471</b>		

# **Superintendent's Recommended Funding Priorities for FY2021**

- **Compensation**
  - **Safety and Security**
  - **Additional Resources for Schools**
  - **Building Repairs and Maintenance**
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# Superintendent's Recommended Funding Priorities for FY2021

- Compensation – Implementation of Pay and Compensation Study (Phase IV)  
*provide one step increase for all employees to receive an average of a 2.0% pay raise depending on their current placement on the salary scale*
- Health Insurance Premium  
*increase in premium to be shared by the employer and employees, effective Dec. 2020*
- Teacher Stipends  
*provide a stipend for secondary teachers whose caseloads are above 150 students (SOA)*
- Governance Training  
*contract services for School Board and Superintendent of Schools*

# Superintendent's Recommended Funding Priorities for FY2021

- NPS Strategic Plan
  - contract services to support the development of a division level strategic plan*
- Educational Planning
  - contract services to support division level educational planning efforts*
- Booker T. Washington (BTW) Feasibility Study
  - support further development of the school's specialty program*
- Psychologist Internship Program
  - additional social-emotional supports for students*

# Superintendent's Recommended Funding Priorities for FY2021

- Positive Behavioral Interventions and Supports (PBIS)  
*realign job responsibilities of a division-level administrator to lead the “re-energizing” of the initiative to support the management of student behaviors*
- National Mathematics and Science Initiative (NMSI)  
*supports programs at Lake Taylor and BTW High Schools*
- Instructional Specialist for Southside STEM Academy @ Campostella (2)  
*support enhancement of the integration of the STEM curriculum*
- English as a Second Language (ESL) Teachers (6)  
*address an increase in student enrollment and change of SOQ standards*
- Mathematics (6) and Reading (4) Specialists  
*support one full-time specialist at every elementary school*

# Superintendent's Recommended Funding Priorities for FY2021

- Special Education Teachers (2)  
*address programming needs*
- Special Education Teacher Assistants (3)  
*address programming needs*
- Security Officers (2)  
*provide full-time support at Ghent (K-8) and Crossroads School (PreK-8)*
- Health and Physical Education Assistants (11)  
*supports the wellness of students - three days per week of physical education for K-4 students; supports extending recess for Prek-2 students*

# Superintendent's Recommended Funding Priorities for FY2021

- School Counselors (10)  
*contract adjustment from 11 to 12 months to provide additional support to secondary schools to address students' social-emotional needs during the summer and to assist with student enrollment and withdrawals*
- Bus Attendants (15)  
*assist with efforts to safely transport students with disabilities to school*
- Assistant Principal (1)  
*provide one (1) assistant principal for every traditional elementary school*
- Grow Our Own Program – Reading and Mathematics Specialists  
*partner with a local university to grow the pipeline of reading and mathematics specialists*

# Superintendent's Recommended Funding Priorities for FY2021

- Grow Our Own Program – Principals & Assistant Principals  
*support internal program to develop future building level leaders*
- Professional Development – Literacy  
*support enhancement of the division's literacy plan*
- Professional Development – Trauma-Informed Care  
*support training for division-level staff (train-the-trainer model)*
- Professional Development – Social-Emotional Learning (SEL)  
*support training for division-level staff (train-the-trainer model)*

# Superintendent's Recommended Funding Priorities for FY2021

- Core Content Teacher Specialists (8)  
*contract adjustment from 11 to 12 months to provide additional support for literacy integration*
- Wellness Champions  
*stipends for wellness champions at every school (see School Wellness Policy)*

# FY2021 Budget Balancing Strategies

- Review existing positions and fill positions of greatest need
- Reduce central office departmental budgets
- Eliminate positions due to declining enrollment
- Use stimulus fund to maintain the operation of and continuity of services
- Re-base salaries and employee benefits
- Utilize attrition savings



# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Compensation		\$9.5		\$6.3		- \$3.2
Health Insurance Premium		1.2		1.2		-
Teacher Part-Time Hourly Rate		0.1		-		- 0.1
Classified Part-Time Hourly Rate		0.1		-		- 0.1
Teacher Stipends for secondary teachers whose caseloads are above 150 students (SOA)		0.1		0.1		-
Stipends – Academic (Co-Curricular)		0.1		-		- 0.1
Stipends – Extracurricular Activities		0.1		-		- 0.1

**Note: Totals may not add up due to rounding.**

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Stipends - Athletics		0.1		-		- 0.1
Governance Training		28K		28K		-
NPS Strategic Plan		40K		40K		-
Educational Planning		0.2		0.2		-
Booker T. Washington Feasibility Study		0.2		0.2		-
Recruitment and Retention Initiative		0.3		-		- 0.3
Psychologist Internship Program		0.1		0.1		-
Positive Behavioral Interventions and Supports (PBIS)		-		-		-

Note: Totals may not add up due to rounding.

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
National Mathematics and Science Initiative (NMSI)	2.0	0.1	2.0	0.1		-
Early Learning – Virginia Preschool Initiative (VPI) Classroom	2.0	0.1		-	- 2.0	- 0.1
Instructional Specialists for Southside STEM Academy @ Campostella	2.0	0.2	2.0	0.2		-
English Language Learner (ELL) Teachers	6.0	0.4	6.0	0.4		-
Mathematics (6) and Reading (4) Specialists	10.0	0.7	10.0	0.7		-
Special Education Teachers	2.0	0.1	2.0	0.1		-
Special Education Teacher Assistants	3.0	0.1	3.0	0.1		-
Behavior Specialists	5.0	0.3		-	- 5.0	- 0.3

**Note: Totals may not add up due to rounding.**

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Security Officers at Ghent (K-8) and Crossroads School (PreK-8)	2.0	0.1	2.0	0.1		-
Security Officers for Every Traditional Elementary School	28.0	1.1		-	- 28.0	- 1.1
Health and Physical Education Assistants	11.0	0.4	11.0	0.4		-
School Counselors to Address Proposed Reduction in SOQ Staffing Ratios	7.0	0.5		-	- 7.0	- 0.5
School Counselors Contract Adjustment from 11 to 12 Months		0.1		0.1		-
Attendance Technicians	5.0	0.2		-	- 5.0	- 0.2
Bus Attendants for Students with Disabilities	15.0	0.3	15.0	0.3		-
Assessment Coordinators/Data Analysts	15.0	1.0		-	- 15.0	- 1.0
Assistant Principal	1.0	0.1	1.0	0.1		-

**Note: Totals may not add up due to rounding.**

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Grow Our Own Program – Reading and Mathematics Specialists		0.2		0.2		-
Grown Our Own Program – Principals & Assistant Principals		\$10K		\$10K		-
Professional Development – Literacy		0.1		0.1		-
Professional Development – Trauma-Informed Care		\$10K		\$10K		-
Professional Development – Social-Emotional Learning (SEL)		0.1		0.1		-
Core Content Teacher Specialists Contract Adjustment from 11 to 12 Months		\$30K		\$30K		-
Wellness Champions Stipends		\$50K		\$50K		-

**Note: Totals may not add up due to rounding.**

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Art and Music Education Increase of the Per Pupil Allocation from \$2.50 to \$3.50 at the Secondary Level		\$30K		-		-\$30K
Equity Administrator	1.0	0.1		-	- 1.0	- 0.1
Grants Writer	1.0	0.1		-	- 1.0	- 0.1
Enrollment Decline	- 12.0	- 0.8	- 12.0	- 0.8		-
Vacant Bus Driver Positions to Offset Cost of 15 Bus Attendants	- 12.0	- 0.3	- 12.0	- 0.3		-
Reduction in Departmental Budgets Within Central Administration		- 0.3		- 2.8		- 2.5
Health and Physical Education Assistants – use Stimulus Funds		-	- 11.0	- 0.4	- 11.0	- 0.4

**Note: Totals may not add up due to rounding.**

# Balancing the FY2021 Budget

\$ in Millions

Priorities	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Professional Development – Literacy – use Stimulus Funds		-		- 0.1		- 0.1
Professional Development – Social-Emotional Learning (SEL) – use Stimulus Funds		-		- 0.1		- 0.1
Psychologist Internship Program – use Stimulus Funds		-		- 0.1		- 0.1
Educational Planning – use CIP Funds		-		- 0.2		- 0.2
Booker T. Washington Feasibility Study – use CIP Funds		-		- 0.2		- 0.2
Re-base Salaries and Employee Benefits and Utilize Attrition Savings		- 3.0		- 5.2		- 2.2
<b>Total</b>	<b>94.0</b>	<b>\$14.0</b>	<b>19.0</b>	<b>\$1.0</b>	<b>- 75.0</b>	<b>- \$13.0</b>

Note: Totals may not add up due to rounding.

# Balancing the FY2021 Budget Summary

\$ in Millions

	Approved by School Board 3/25/20		Superintendent's Recommendation Based on Revenue Reduction		Difference	
	FTE	Amount	FTE	Amount	FTE	Amount
Reduction in Funding Priorities	118.0	\$18.4	54.0	\$11.1	- 64.0	- \$7.3
Decline in Student Enrollment	- 12.0	- 0.8	- 12.0	- 0.8		-
Reduction in Vacant Bus Driver Positions to Offset Cost of 15 Bus Attendants	- 12.0	- 0.3	- 12.0	- 0.3		-
Reduction in Departmental Budgets		- 0.3		- 2.8		- 2.5
Use of Stimulus Funds		-	- 11.0	- 0.7	- 11.0	- 0.7
Use of CIP funds		-		- 0.4		- 0.4
Re-basing of Salaries and Employee Benefits and Utilizing Attrition Savings		- 3.0		- 5.2		- 2.2
<b>Total</b>	<b>94.0</b>	<b>\$14.0</b>	<b>19.0</b>	<b>\$1.0</b>	<b>- 75.0</b>	<b>- \$13.0</b>

Note: Totals may not add up due to rounding.



# Federal CARES Act – Stimulus Fund

- Coronavirus Aid, Relief, and Economic Security (CARES) Act – signed into law March 27, 2020
  - Emergency relief funds intended to address the impact of COVID-19 on elementary and secondary schools
- Funding Allocation
  - Virginia's award - \$238.6M
  - NPS total funding - \$12,665,678.94
    - Allocated proportionate to FY2019 Title I, Part A, funding
    - Estimated \$1.5M of the \$12.7M will be used to provide equitable services to eligible non-public schools
- Performance Period: March 13, 2020 thru September 30, 2022
- Examples of how stimulus funds may be utilized:
  - Activities to address needs of students i.e. children with disabilities, English Language Learners, and students who are homeless
  - Improve preparedness and response efforts
  - Training and professional development on sanitation and minimizing the spread of infectious diseases
  - Summer learning and supplemental after-school programs
  - Technology including hardware, software and connectivity for on-line learning
  - Mental health services and supports

# FY2021 School Board's Budgets – All Funds

It is recommended that the School Board adopt the following budgets for FY2021 as adopted by City Council on May 19, 2020:

Summary of Funds	FY2021 Budget
Operating Fund	\$337,148,281
School Nutrition Program Fund	20,200,000
Grants and Special Programs Fund	42,000,000
CIP Fund for Deferred Maintenance	9,000,000
<b>Total Funds Adopted by City Council on May 19, 2020</b>	<b>\$408,348,281</b>
Stimulus Fund (CARES Act) – <b>see note</b>	\$12,665,678.94

Note: Once the School Board approves the Stimulus Fund budget, NPS will request appropriation of the Stimulus Fund from City Council in the amount of \$12,665,678.94.



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# Discussion / Questions