

**Overview of the VDOE Initiatives and the Governor's
Introduced Budget for Public Education in HB 1700: *Direct
Aid to Public Education & Department of Education,
Central Office Budgets***

Presented to the
House Appropriations Committee

January 16, 2019



Major Accomplishments

- Retained Virginia's long-standing position as a leader in education
- Implemented Virginia's comprehensive approach to school quality through enhancements to the accreditation system
- Embedded the 5 C's into Virginia's instructional program through the *Profile of a Virginia Graduate*
- Established the Virginia is for Learners Advisory Committee
- Awarded a \$9.9 million federal preschool grant aimed at unifying and strengthening early childhood education



The Future of Public Education

- **Maximize the potential of all students**
- **Ensure EVERY Virginia student gets what he or she needs to succeed**
- **Advance policies to recruit, support and retain quality teachers**
- **Improve and expand access to quality early childhood education**



K-12 Budget Amendments in HB 1700

- **HB 1700 includes both technical and policy amendments for the amended 2018-2020 Direct Aid and DOE Central Office budgets.**
- **This presentation focuses on policy items proposed in HB 1700 for both budgets; the next three slides briefly summarize the technical amendments in HB 1700.**



Technical (& Revenue) Amendments - HB 1700

DOE Central Office Budget:

- **Transfer VPI professional development & classroom observations funds from Direct Aid to Central Office (\$650,000 FY19; \$1.05M FY20)**
- **Transfer NGF approp. for Virtual Va. tuition revenue from Direct Aid to Central Office (\$400,000 NGF each year)**



Technical (& Revenue) Amendments - HB 1700

Direct Aid Budget:

- Savings from revised student enrollment projections (-\$20.4M FY19; -\$34.8M FY20)
- Adjust sales tax revenues for public ed. for internet sales & TAX Nov. 2018 forecast; update sales tax distribution for latest school age population estimate (\$4.8M FY19; \$20.0M FY20)
- Update costs of Remedial Summer School, ESL, and Special Education Regional Tuition for enrollment (-\$12.2M FY19; -\$6.4M FY20)
- Update costs of Categorical, Incentive, and Lottery programs (-\$6.4M FY19; -\$3.8M FY20)



Technical (& Revenue) Amendments - HB 1700

Direct Aid Budget:

- Transfer VPI professional development & classroom observations funds from Direct Aid to Central Office (-\$650,000 FY19; -\$1.05M FY20)
- Transfer NGF approp. for Virtual Va. tuition revenue from Direct Aid to Central Office (-\$400,000 NGF each year)
- Update Supplemental Ed. Programs (Nat'l. Board Cert. Bonus & Regional CTE Center Grants (-\$0.1M FY19; -\$0.2M FY20)



Key Components of the K-12 Proposals in HB 1700

- **Teacher Salaries**
- **School Counselors**
- **At-risk Add-on Funding**
- **Supplemental Per Pupil Lottery Funding**
- **Early Childhood Capacity**
- **VDOE Agency Capacity**



Policy Amendments - HB 1700

Direct Aid Budget:

1. Salary Increase (i.e., Compensation Supplement account):

- **\$87.6M in FY20 for the state share of a 2% increase effective July 1, 2019, for funded SOQ instructional and support positions. This increases the current 3% Comp. Suppl. in the Chp. 2 budget to 5%.**
- **Eligibility: like the FY18 Comp. Suppl., no local match is required under the formula but divisions must certify by June 1 they will provide an average 5% pay increase over the two-year 18-20 biennium.**



Policy Amendments - HB 1700

1. Salary Increase (Compensation Supplement) - con't.:

- Increasing base pay identified at the 2018 Teacher Retention Summit as a key state strategy to attract and retain K-12 teachers and support staff.
- FY17 NEA data shows Va. avg. teacher salary 14.4% below national avg. (\$51,049 vs. \$59,660). Note: FY18 avg. teacher salary from VDOE annual salary survey is \$57,253. NEA and Va. avg. salary calculations differ.



Policy Amendments - HB 1700

2. Additional Literary Funds for School Construction Loans:

- In FY19, replace \$80M in Literary Funds used for VRS payments to divisions with GFs, allowing \$80M in LF's to go towards school construction loans for projects on the 1st Priority Waiting List. Reduces transfer from LF in FY19 from \$146.3M to \$66.3M.
- Current projects have been on the Waiting List 6-10+ years. Redirected LF's will allow these projects to refinance at the lower LF interest rates, remove long-standing projects from the Waiting List, and maintain min. \$80M asset level in the fund.
- 71% of Va's. public school buildings are over 30 years old (Fall 2018 data).



Policy Amendments - HB 1700

3. Reduce SOQ School Counselor Ratios:

- \$36.0M in FY20 to reduce SOQ school counselor ratios. Based on approx. 1/3rd of cost towards a goal of 1:250 by FY22.
- Reduces ratios in FY20 from 1:500 to 1:375 in elem. schools; 1:400 to 1:325 in MS; and 1:350 to 1:300 in HS. Funds an additional 738 counselors statewide; some divisions are currently meeting or exceeding this standard.
- HB 2053 and SB 1406 propose changing the ratios in the SOQ statute consistent with the ratios funded in HB 1700.



Policy Amendments - HB 1700

3. Reduce SOQ School Counselor Ratios (con't.):

- **Aligns to goals of the House Select Committee on School Safety, Board of Ed., and Children's Cabinet to increase the amount of time counselors provide direct services to students.**
- **More direct service time by counselors is key to implementing various state-level initiatives to improve school climate and student learning.**



Policy Amendments - HB 1700

4. Increase At-Risk Add-on Formula Funding:

- From increased Lottery proceeds, provides \$21.1M in FY19 and \$14.3M in FY20 to increase the maximum per pupil add-on from 13% to 16% in FY19 and from 14% to 16% in FY20.
- Increasing the maximum per pupil add-on in the formula provides greater funding to divisions with higher student poverty.
- Local flexibility in using the funds is maintained.



Policy Amendments - HB 1700

5. Increase Supplemental Lottery Per Pupil Funding:

- From increased Lottery proceeds, increases the Supplemental Lottery Per Pupil amounts in FY19 and FY20, providing an additional \$18.5M in FY19 and \$16.2M in FY20.
- Per pupil amounts increase from \$336.08 to \$364.15 FY19, and from \$341.96 to \$367.44 in FY20.
- Maintains no local match and flexible use of funds by divisions. Maintains using 40% of total Lottery proceeds for this purpose.



Policy Amendments - HB 1700

6. Continue VPI+ Initiative:

- **\$9.7M in FY20 to sustain 1,530 student slots in the 13 divisions participating in the VPI+ program currently supported by federal funds expiring after FY19.**
- **No local match in FY20 and then phased in at 10% per year beginning in FY21.**
- **Continues high-quality preschool experiences for a significant number of at-risk children to enhance their kindergarten readiness.**



Policy Amendments - HB 1700

6. Continue VPI+ Initiative (con't.):

- VPI+ classrooms are expected to meet quality components from VDOE's Nov. 2018 plan for high-quality instruction in VPI classrooms, including quality curriculum, classroom observation, and effective professional development.
- Continuing this initiative can help scale these quality components to broader VPI classrooms statewide.



Policy Amendments - HB 1700

6. Continue VPI+ Initiative (con't.):

- Evaluation has shown positive learning outcomes from VPI+ participation: at-risk children more likely to enter kindergarten ready than at-risk children not attending preschool; helps close learning gaps for English language learners who make greater gains than other VPI+ children.
- Phased-in local match will help sustain the 1,530 student slots and transition them to the existing VPI program.



Policy Amendments - HB 1700

7. Competitive Grants for VPI Classrooms:

- **\$1.7M in FY20 for competitive grants to divisions to implement evidence-based curriculum and conduct local classroom observations using the Classroom Assessment Scoring System (CLASS) in VPI classrooms. Funded from savings in the VPI - Provisional Teacher Licensure approp.**
- **Curriculum Grant (\$0.9M): divisions will submit plans to implement vetted, evidence-based curriculum, including support for teachers to effectively use the curriculum.**
- **Classroom Observations Grant (\$0.8M): to build division capacity in conducting observations of VPI classrooms using CLASS. Divisions will submit the results of the classroom observations to VDOE.**
- **Supports implementation of quality components in VDOE's Nov. 2018 plan.**



Policy Amendments - HB 1700

8. Supplemental Education Funding:

- ***Norfolk Botanical Garden's The Garden of Tomorrow project*** - \$2.0M in FY19 for one-time support to enhance environmental education in the Commonwealth.
- ***Virginia Arts Festival World Class Education Program*** - \$400,000 in FY20 to support arts education programming and partnerships with divisions.
- ***PreK-2 Active Learning pilot program*** - \$250,000 in FY20 for a pilot program to encourage active learning for students in pre-k through 2nd grade.



Policy Amendments - HB 1700

8. Supplemental Education Funding (con't):

- ***Robots for Autism pilot program*** - \$250,000 in FY20 for a pilot program to encourage use of robots to aid in the education of students on the autism spectrum.
- ***Grow Your Own Teacher pilot program*** - \$200,000 in FY20 to pilot scholarships up to \$7,500 for students attending a Va. college/univ. and subsequently teaching in a high-need public HS in their home school division. Must have graduated HS from the division, eligible for free-reduced lunch while attending HS in the division, and must fulfill a 4-year teaching commitment within 3 years of college graduation at a HS in the division with at least 50% free-reduced eligibility. Additional teacher recruitment and retention strategy.



Policy Amendments - HB 1700

8. Supplemental Education Funding (con't):

- **Great Aspirations Scholarship Program (GRASP) - \$200,000 in FY20 for additional support for high-need students and families to access financial aid, scholarships, and counseling.**
- **Achievable Dream partnership - removes language stipulating that current state funding for the Achievable Dream partnership with Newport News public schools is in lieu of a like amount from the Neighborhood Assistance Program Tax Credits, permitting Achievable Dream to apply for credits.**



Policy Amendments - HB 1700

9. Direct Aid Language Changes:

- Adds the Virginia Communication & Literacy Assessment as a licensure test that can be supported with the provisionally licensed minority teachers grants. Divisions requested this test be included for grant support.
- Increase the division cap for school security equipment grants from \$100,000 to \$250,000; supports House Select Comm. on School Safety & Children's Cabinet Student Safety Workgroup recommendations.



Policy Amendments - HB 1700

9. Direct Aid Language Changes (con't.):

- Adds language allowing FY19 balances from the VPI - Provisional Teacher Licensure approp. to be awarded for VPI start-up/expansion grants, with any remaining balances carried forward to FY20 for VPI waiting list slots.
- Revises eligibility in the Targeted Extended School Year grant program to align with the new accreditation standards. Eligibility for the higher \$400,000 grant and waiver of the local match would change from “Denied Accreditation” status to “Accredited with Conditions” status (due to Level Three rating in two or more Academic Achievement for All Students school quality indicators).



Policy Amendments - HB 1700

DOE Central Office Budget:

1. Replace VDOE Grants Management System:

- \$600,000 in FY20 to purchase a new grants management system to replace the OMEGA system, which is 15 years old (end-of-life) and cited in audits regarding performance issues. VDOE processes over \$700M per year in grant payments from this system.
- Supports purchase of a commercial system with the latest functionality and enhancements; other states are using commercial software applications to meet this business need.
- Allows VDOE to continue providing an efficient online portal to submit grant applications and reimbursement claims for timely processing.
- On-going maintenance, support, and licensing costs estimated at \$300,000 per year.



Policy Amendments - HB 1700

2. Support Computer Science Education and Training Needs:

- **\$553,000 in FY20 to support the Board of Education's computer science SOL and other statewide computer science education and training needs through a contract between VDOE and UVA.**
- **Supports a major industry area and workforce priority of the Commonwealth.**



Policy Amendments - HB 1700

3. Automate the Teacher Licensure Application Process:

- **\$552,500 in FY20 to automate the teacher licensure application in-take and approval process by purchasing a web-based, front-end system.**
- **Automates manual, paper-based tasks of the current process allowing more staff time to confirm the accuracy and compliance of licensure applications.**
- **Same development costs in FY20 and FY21; on-going maintenance, support, and licensing costs estimated at \$169,000 per year.**



Policy Amendments - HB 1700

4. Address agency finance and IT security staffing needs:

- **\$549,573 in FY20 for four positions to address needs in finance, risk management, and IT security, as identified in recent audits.**
- **Includes position and support costs for two IT security staff, one financial management system staff, and one internal controls standards staff to address high priority staffing needs.**



Policy Amendments - HB 1700

5. Update the Va. Studies & Civics and Economics SOL Tests

- **\$500,000 in FY20 to update the Virginia Studies (grade 4 or 5) and the Civics & Economics (grade 7 or 8) SOL tests to measure the revised History standards adopted in 2015; these tests currently measure the 2008 standards.**
- **Tests based on the new standards would be administered for the first time in Spring 2020.**
- **On-going costs of \$300,000 per year for continued item development and field testing of items for future versions of the updated tests.**

Policy Amendments - HB 1700

6. Local Implementation of Seclusion and Restraint Regulations

- **\$492,755 in FY20 to support statewide training and assistance for divisions to implement the Board of Ed.'s Seclusion and Restraint Regulations, expected to be effective in FY20.**
- **Supports training a single employee per division and staffing and other resources in VDOE to implement the regulation and provide ongoing assistance to divisions.**



Policy Amendments - HB 1700

7. Enhance Local Capacity and Quality of VPI Programs

- **\$300,320 in FY20 for two early childhood education positions and support costs to provide individualized professional development and support local implementation of evidence-based curriculum and classroom observations in VPI programs.**
- **Supports implementation of VDOE's November 2018 Plan; funded by savings in the VPI - Provisional Teacher License program in Direct Aid.**

