

## Public Education

| <b>Proposed Adjustments to Direct Aid as Introduced</b> |                         |                  |                         |                  |
|---------------------------------------------------------|-------------------------|------------------|-------------------------|------------------|
| (\$ in millions)                                        |                         |                  |                         |                  |
|                                                         | <b>FY 2021 Proposed</b> |                  | <b>FY 2020 Proposed</b> |                  |
|                                                         | <u>GF</u>               | <u>NGF</u>       | <u>GF</u>               | <u>NGF</u>       |
| 2018-20 Base Budget, Ch. 854                            | \$6,516.9               | \$1,834.7        | \$6,516.9               | \$1,834.7        |
| Proposed Increases                                      | 493.3                   | 63.0             | 827.4                   | 14.5             |
| Proposed Decreases                                      | <u>(38.7)</u>           | <u>0.0</u>       | <u>(39.9)</u>           | <u>0.0</u>       |
| \$ Net Change                                           | 454.6                   | 63.0             | 787.5                   | 14.5             |
| <b>HB/SB 30, as Introduced</b>                          | <b>\$6,971.5</b>        | <b>\$1,897.7</b> | <b>\$7,304.4</b>        | <b>\$1,849.2</b> |
| % Change, Over Prior Year                               | 7.0%                    | 3.4%             | 12.1%                   | 0.8%             |

- **Direct Aid to Public Education**

- A listing by locality of the estimated funding for FY 2021 and FY 2022 Direct Aid to Public Education is included as Appendix A and B, respectively.
- In addition, a separate Supplemental Table for FY 2021 and FY 2022, that reflects significant key rebenchmarking details, is also included as Appendix C and D, respectively.

**Summary of Proposed Actions for Direct Aid to Education**  
(GF \$ in millions)

|                                                                                                          | <u>FY 2021</u> | <u>FY 2022</u> | <u>Total</u>   |
|----------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|
| <b><u>Rebenchmarking Updates:</u></b>                                                                    |                |                |                |
| Update Prevailing Salaries & Other Personal-Related Data                                                 | \$56.4         | \$56.9         | \$113.3        |
| Update Non-personal (Textbooks, Transp., Inflation)                                                      | 173.3          | 173.2          | 346.5          |
| Update Student Enrollment Projections                                                                    | 30.8           | 43.1           | 73.9           |
| Update Health Care Premium Cost                                                                          | 24.8           | 24.9           | 49.7           |
| Update Incentive, Categorical, and Lottery Accounts                                                      | 45.6           | 48.8           | 94.4           |
| Reset SOQ Model Base Data                                                                                | (31.8)         | (31.8)         | (63.6)         |
| Update Federal Revenue Deduct Per Pupil Amount                                                           | (11.1)         | (11.1)         | (22.2)         |
| Update SOL Failure Rates, Student Free Lunch Eligibility                                                 | 3.5            | 3.6            | 7.1            |
| Update Support Position Ratio                                                                            | (1.9)          | (1.5)          | (3.4)          |
| <b>Subtotal (as of September 2019)</b>                                                                   | <b>\$289.6</b> | <b>\$306.1</b> | <b>\$595.7</b> |
| Update Projected Sales Tax Revenue and School-aged Pop.                                                  | \$25.1         | \$36.6         | \$61.7         |
| Update Local Composite Index                                                                             | 7.3            | 7.5            | 14.8           |
| Update ADM Based on Fall Membership, and Other Updates                                                   | 27.4           | 40.7           | 68.1           |
| Update VRS, Retiree Health Care Credit, Group Life Rates                                                 | 32.2           | 32.4           | 64.6           |
| Update Lottery Revenue Forecast                                                                          | 12.7           | 6.5            | 19.2           |
| Update Literary Fund and Backfill with GF                                                                | (25.7)         | 53.4           | 27.7           |
| <b>Subtotal (Other Updates as of December 2019)</b>                                                      | <b>\$79.0</b>  | <b>\$177.1</b> | <b>\$256.1</b> |
| <b>Subtotal for All Rebenchmarking Updates*</b>                                                          | <b>\$368.6</b> | <b>\$483.2</b> | <b>\$851.8</b> |
| <b><u>Policy Changes:</u></b>                                                                            |                |                |                |
| State's Share of 3% Compensation Increase in FY 2022                                                     | \$0.0          | \$145.1        | \$145.1        |
| Fund School Counselors at a Ratio of 1:250                                                               | 0.0            | 56.7           | 56.7           |
| Increase At-Risk Add-On Max. from 16% to 23% and 25%                                                     | 26.2           | 26.4           | 52.6           |
| Fund School Counselors at Ratios of Elementary 1:375,<br>Middle 1:325, High 1:300 (per 2019 legislation) | 21.2           | 21.4           | 42.6           |
| VPI-Increase Per Pupil Amount                                                                            | 9.2            | 19.4           | 28.6           |
| Fund English as Second Language Instructors at a Ratio of 1:50                                           | 13.3           | 14.3           | 27.6           |
| VPI-Expand Mixed Delivery Preschool Grant and Include At-Risk<br>Three Year-Olds                         | 8.5            | 8.5            | 17.0           |
| VPI-Increase Class Sizes and Staffing Ratios                                                             | 6.4            | 7.1            | 13.5           |
| Support for Free School Meals                                                                            | 5.3            | 5.3            | 10.6           |
| VPI-Mixed Delivery Incentive Add-On                                                                      | 5.0            | 5.0            | 10.0           |
| VPI-Expand VPI to Pilot At-Risk Three Year-Olds                                                          | 2.8            | 6.1            | 8.9            |
| Early Childhood Educator Incentive Program                                                               | 3.0            | 5.0            | 8.0            |
| VPI-Reallocation of Slots to Eliminate Wait Lists                                                        | 4.0            | 3.3            | 7.3            |
| Provide Hold Harmless Funding to Localities                                                              | 2.6            | 2.3            | 4.9            |
| Increase Jobs for Virginia Graduates                                                                     | 1.7            | 1.7            | 3.4            |
| Support African American History Education—Black History<br>Museum and Cultural Center                   | 1.2            | 1.3            | 2.5            |

**Summary of Proposed Actions for Direct Aid to Education**  
(GF \$ in millions)

|                                                                        | <u>FY 2021</u> | <u>FY 2022</u> | <u>Total</u>     |
|------------------------------------------------------------------------|----------------|----------------|------------------|
| Support Civil War History Education— American Civil War Museum         | 1.0            | 1.0            | 2.0              |
| Increase Support for Communities in Schools                            | 0.8            | 0.8            | 1.6              |
| Increase Support for the Great Aspirations Scholarship Program (GRASP) | 0.5            | 0.5            | 1.0              |
| Support Western Virginia Public Education Consortium                   | 0.1            | 0.1            | 0.2              |
| Transfer Virtual Virginia to DOE Central Office                        | (5.2)          | (5.2)          | (10.4)           |
| Apply Pre-K Non-participation @ 20% *                                  | <u>(21.6)</u>  | <u>(21.7)</u>  | <u>(43.3)</u>    |
| <b>Subtotal for Policy Changes</b>                                     | <b>86.0</b>    | <b>304.4</b>   | <b>390.4</b>     |
| <b>Total</b>                                                           | <b>\$454.6</b> | <b>\$787.6</b> | <b>\$1,242.2</b> |

\*Note: K-12 rebenchmarking total listed above differs from DOE and DPB totals because it excludes the Pre-K non-participation savings listed as a policy adjustment in this table. The \$43.3 million savings was moved because the assumed non-participation rate in HB/SB 30 is reduced from 25.69% to 20.0% each year.

**Summary of Proposed Revenues for Direct Aid to Education**  
(\$ in millions)

|                                            | <u>Ch. 854</u><br><u>FY 2020</u> | <u>HB/SB 30</u>  |                  |
|--------------------------------------------|----------------------------------|------------------|------------------|
|                                            |                                  | <u>FY 2021</u>   | <u>FY 2022</u>   |
| General Fund                               | \$6,516.9                        | \$6,971.5        | \$7,304.4        |
| Special Fund                               | 0.9                              | 0.9              | 0.9              |
| Commonwealth Transportation Trust & Agency | 2.1                              | 2.1              | 1.5              |
| Lottery Proceeds Fund                      | 628.8                            | 616.2            | 622.3            |
| Literary Fund                              | 136.3                            | 212.0            | 158.0            |
| Federal Trust                              | <u>1,066.5</u>                   | <u>1,066.5</u>   | <u>1,066.5</u>   |
| <b>Grand Total for all Revenue Sources</b> | <b>\$8,351.6</b>                 | <b>\$8,869.2</b> | <b>\$9,153.6</b> |

- *State's Share of Biennial Rebenchmarking.* Preliminary rebenchmarking calculations by the Department of Education as of September 2019 were \$289.6 million GF in FY 2021 and \$306.1 million GF in FY 2022, which totaled \$595.7 million GF for the biennium.

The Governor’s introduced budget for FY 2020-22 included updating the remaining rebenchmarking data steps, which resulted in a total rebenchmarking cost of \$851.8 million GF for the biennium.

- **Projected Enrollments.** Reflects student enrollment projections estimated to total 1,257,189 in the unadjusted ADM in FY 2021, and 1,262,627 students in FY 2022, up from 1,248,166 for FY 2020 in Chapter 854 of the 2019 Acts of Assembly (the updated projection for FY 2020 in the caboose bill (HB/SB 29) is now 1,251,668).
- **Funded Instructional Salaries.** Reflects updated funded salary levels from 2018-20 to 2020-22 due to base year (FY 2018) prevailing salaries adjustments and reflects the statewide prevailing average salaries and the state’s 5 percent compensation supplement for FY 2020.

| <b>Instructional Positions</b> | <b>2018-20</b> | <b>2020-22</b> | <b>Percent Change</b> |
|--------------------------------|----------------|----------------|-----------------------|
| <b>Elementary Level:</b>       |                |                |                       |
| Teachers                       | \$48,298       | \$51,371       | 6.4%                  |
| Assistant Principals           | 68,545         | 71,532         | 4.4%                  |
| Principals                     | 85,115         | 89,378         | 5.0%                  |
| <b>Secondary Level:</b>        |                |                |                       |
| Teachers                       | \$51,167       | \$53,777       | 5.1%                  |
| Assistant Principals           | 74,535         | 77,181         | 3.6%                  |
| Principals                     | 93,695         | 99,215         | 5.9%                  |
| Instructional Aides            | 17,738         | 18,995         | 7.1%                  |

- **Health Care Premiums.** Reflects prevailing costs associated with the health care premium rate of \$5,502 per funded position (adjusted for actual participation and inflation), up from \$5,086 per funded position in FY 2020 amount.
- **Funded VRS Fringe Benefit Rates.** The employer rates changed for teacher retirement from 15.68 percent to 16.62 percent, retiree health care credit from 1.20 percent to 1.21 percent, and the group life rate of 0.52 percent to 0.54 percent. The rate adjustment also reflects an increase in the funded employer rate for retirement contributions paid on behalf of non-professional support positions from 6.28 percent to 6.52 percent (actual rates vary by school division). The change in contribution rates reflects the VRS Board decision

to reduce the assumed rate of return, which requires increased employer contribution rates.

- **Base Year Expenditures.** Reflects various adjustments including base year (FY 2018) expenditure data; updating of school-level enrollment configurations; and updated data for the federal revenue deduction.
- **Transportation Costs.** Reflects updated base year transportation cost data.
- **Textbook Per Pupil Amount.** Reflects per pupil prevailing textbook costs, reported by localities, calculated at \$107.70, compared with the funded amount of \$100.69 for FY 2020 in Chapter 854.
- **Incentive, Categorical, and Lottery Accounts.** Reflects various adjustments to incentive, categorical, and Lottery-funded accounts that are linked to SOQ funding factors, such as ADM enrollment or Basic Aid per pupil cost and student program participation totals.

In addition, reflects a projected decrease in Lottery Proceeds of \$12.7 million NGF the first year and \$6.5 million NGF the second year for total proceeds of \$616.2 million NGF the first year and \$622.3 million NGF the second year. The reduced lottery revenues require a like amount of general fund expenditures to maintain current funding policy.

- **Update Composite Index of Local Ability to Pay (LCI).** The elements used to calculate each school division's composite index of local ability-to-pay are updated from 2015 to 2017, which are the most current available at the time the LCI updates are calculated. The composite index measures local wealth through true value of real property (50 percent), adjusted gross income (40 percent) and retail sales tax collections (10 percent). The index is weighted two-thirds by ADM and one-third by population.
- **Projected Sales Tax Revenue.** The sales tax revenues from the one cent portion along with the additional one-eighth cent sales tax from the Public Education SOQ/Real Estate Property Tax Relief Fund that are dedicated for public education and distributed based on school-aged population are projected to increase from \$1,486.3 million GF in Chapter 854 for FY 2020 to \$1,540.2 million GF in FY 2021 and \$1,566.2 million in FY 2022. The sales tax revenue increases generate offsetting savings in the state's share of SOQ Basic Aid funding of \$30.1 million GF in FY 2021 and \$44.6 million GF in FY 2022. When combined, the net impact of the updated sales tax revenue estimates and the SOQ Basic Aid offsets, total funding to school divisions increase by \$23.8 million in FY 2022 and \$35.3 million in FY 2022.

- **Update Sales Tax Distribution Based on Changes to Estimates of School Age Population.** Adds \$1.3 million GF in both years to reflect the updates to the sales tax distribution to local school divisions that are now based on the July 1, 2018, estimate of school age population.
- **Literary Fund Support for School Employee Retirement Contributions.** Adds \$53.4 million GF in FY 2022 to backfill Literary Fund revenues that previously had been used to pay for teacher retirement costs. According to the Department of Treasury, total Literary Fund receipts are forecasted to decline, primarily due to a reduction in transfers from Unclaimed Property, diminishing revenue streams from school construction loan repayments, and a decline in fines, fees, and forfeitures.
- **Backfill Driver's Education Funding.** Proposes adding \$630,000 GF the second year to backfill the same amount of revenue decline projected in driver's license renewal fees from the Department of Motor Vehicles, which a portion of the fee supports the cost of driver's education in high schools that offer a driver education course.

– *Proposed Policy Changes and Program/Initiative Changes*

- **Funding for State's Share of 3 Percent Salary Increase.** Proposes \$145.1 million GF in FY 2022 for the state's share of a 3 percent salary increase for instructional and support positions recognized and funded by the Standards of Quality (SOQ) funding model. The funding is calculated based on an effective date of July 1, 2021, but school divisions have the flexibility to provide the salary increase at any point over the biennium to be eligible for the state's share of funding.
- **Virginia Preschool Initiative Proposed Policy Changes.** Proposes \$38.9 million GF the first year and \$54.4 million the second year to support additional funding for the Virginia Preschool Initiative (VPI) and early childhood education.
  - Increase VPI Per Pupil Amount. Proposes \$9.2 million GF the first year and \$19.4 million GF the second year to increase the VPI and VPI Plus per pupil amount. This funding increases the per pupil amount from \$6,326 in FY 2020 to \$6,959 in FY 2021 and \$7,655 in FY 2022, representing a 10 percent increase each year. Additionally, proposes removing language prohibiting distribution of these funds directly to community-based or private providers.

- Increase VPI Class Sizes and Staffing Ratios. Provides \$6.4 million GF the first year and \$7.1 million GF the second year to support increased VPI teacher to student ratios and class sizes. This funding allows any VPI classroom exceeding benchmarks set by the Board of Education to increase class sizes to one teacher to 10 students or 2 teachers to 20 students from the current ratio of one teacher to 9 students or 2 teachers to 18 students. The increased class sizes support an additional 1,451 slots each year.
- Expand VPI to Pilot At-Risk Three Year-Olds. Provides \$2.8 million GF the first year and \$6.1 million GF the second year to provide funding for localities to pilot expansion of VPI to at-risk three year olds. Pilot providers are required to track outcomes for participating children, demonstrate how they will maximize federal and state funds to preserve existing birth to five slots, support inclusive practices of children with identified special needs, and collaborate among the school division, local department of social services, programs accepting child care subsidy payments, and providers for Head Start, private child care, and early childhood special education and early intervention programs. Localities may apply to participate in the pilot by May 15 each year and will be selected on a competitive basis with grant awards equivalent to the funded VPI per pupil amount.
- Same-Year Reallocation of VPI Slots to Eliminate Wait Lists. Provides \$4.0 million GF the first year and \$3.3 million GF the second year to support additional VPI slots for children on wait lists. In Chapter 854, language allows allocation of additional VPI slots, subject to available funds each year, to school divisions that have utilized 100 percent of their calculated slots from the previous year and have a waiting list of unserved children as certified on the Department of Education's October 1st Fall Verification Report in the previous year. Only school divisions that report using 100 percent of the upcoming school year slot allocation in the May 15th grant proposal are eligible for slot reallocation funding. The proposed language allows the Department of Education to develop guidelines for the redistribution of slots and annually notify programs of grant redistribution by July 1st of each year. This funding provides an additional 900 slots the first year and 675 slots the second year.
- Mixed-Delivery Providers Incentive Add-On. Provides \$5.0 million GF each year to provide an add-on grant to incentivize mixed-delivery through private providers. The \$2,500 add-on grant per slot would support 2,000 private slots. These add-on grants are intended to provide

funds to minimize the difference between the amount of the per-pupil grant allocation and the per-pupil cost to serve a child in a community-based or private provider setting.

- Expand Mixed Delivery Preschool Grant and Include At-Risk Three Year-Olds. Proposes \$8.5 million GF each year to increase support for the mixed delivery preschool grant, bringing the amount to \$10.0 million GF each year. The funding expands the pilot initiative to support public-private delivery of pre-kindergarten services for at least 1,000 at-risk three- and four-year-old children each year.

Localities participating in this grant will submit a proposal each year to the Virginia Early Childhood Foundation and detail a local plan for the delivery of quality preschool services in private settings that demonstrates the coordination of resources and the combination of funding streams to serve the greatest number of at-risk children. The Department of Education will establish academic standards to ensure appropriate preparation for kindergarten and require participating providers to evaluate students in the fall and spring. The Department of Education will also require participating classrooms have the quality of their teacher-child interactions assessed through the Classroom Assessment Scoring System observations at least once every two years.

- Early Childhood Educator Incentive. Provides \$3.0 million in FY 2021 and \$5.0 million in FY 2022 to supplement the Early Childhood Educator Incentive through the Preschool Development Grant Birth to Five. The incentive payments support attracting and retaining early childhood educators in hard-to-serve preschool classrooms. The Department of Education will establish guidelines for the program and funds.
- VPI Local Match Language. Proposes language modifying the local match for the VPI program, based on the composite index of local ability-to-pay. Currently, Chapter 854 requires that at least 75 percent of the local match will be cash and no more than 25 percent of the local match will be in-kind. The proposed language reduces the cash local match to at least 50 percent and the in-kind local match to no greater than 50 percent. In-kind contributions are defined as cash outlays that are made by the locality that benefit the program but are not directly charged to the program (e.g. locality providing a building for use).
- VPI Per Pupil Amount Rebenchmarking Language. Proposes language requiring the Department of Education to biennially rebenchmark the funded VPI per pupil amount. This language directs the Department to



develop a plan for rebenchmarking and implement this plan with the introduced 2022-24 biennial budget.

- **Grey Machines Revenue for Per Pupil Allocation.** Proposes \$50.0 million NGF the first year and \$75.0 million NGF the second year to provide school divisions a per pupil allocation from the projected revenue of grey machines. This funding provides an estimated \$71.29 per pupil the first year and \$106.55 per pupil the second year distributed based on the state share of the per pupil amount using the division's Average Daily Membership and composite index. Divisions are able to spend these funds on both recurring and nonrecurring expenses in a manner that best supports the needs of the school division, and are not required to provide a local match. The fund source for this proposal is contingent upon the passage of separate legislation by the 2020 General Assembly.
- **Fund State's Share of School Counselors in Standards of Quality.** Proposes \$21.2 million GF the first year and \$21.4 million GF the second year for additional school counselors in all public elementary, middle, and high schools. This funding represents the state's share of costs to fund the current statutory ratio of school guidance counselors (§ 22.1-253.13:2, H.4., of the *Code of Virginia*), in elementary school from 1:455 to 1:375, in middle school from 1:370 to 1:325, and in high school from 1:325 to 1:300. Chapter 854 provided funding to phase-in a lower statutory ratio of school guidance counselors, in elementary school from 1:500 to 1:455, in middle school from 1:400 to 1:370, and in high school from 1:350 to 1:325.
- **Fund State's Share of One School Counselor per 250 Students.** Proposes \$56.7 million GF the second year for additional school counselors in all public elementary, middle, and high schools. This funding represents the state's share of costs to lower the ratio of school guidance counselors in the second year to 1:250 in all public elementary, middle, and high schools, which goes beyond the statutory ratio (§ 22.1-253.13:2, H.4., of the *Code of Virginia*).
- **Expand At-Risk Add-On Funding.** Proposes additional funding of \$26.2 million GF in FY 2021 and \$26.4 million GF in FY 2022 for the At-Risk program, which provides funding as a percentage add-on to the SOQ Basic Aid amount to support any additional costs of educating at-risk students. The range of the add-on as a percentage of Basic Aid is proposed to increase from 1-16 percent to 1-23 percent in FY 2021 and to 1-25 percent in FY 2022. The add-on percentage is based on the percentage of students eligible for free lunch in the school division.

- **Increase English as Second Language Instructional Positions.** Proposes \$13.3 million GF the first year and \$14.3 million GF the second year to increase the number of funded instructional positions supporting English language learners. This increase in instructional positions reduces the staffing to student ratio from 1:59 to 1:50.
- **Access to School Meals.** Proposes \$5.3 million GF each year for local school divisions to reduce or eliminate the cost of school breakfast and lunch for students eligible for reduced price meals. VDOE is able to reduce payments proportionately as not to exceed the appropriation.
- **Funding for a Hold Harmless Allocation.** Proposes \$2.6 million GF in FY 2021 and \$2.3 million in FY 2022 to ensure no locality receives less funding as compared to the FY 2020 budgeted amounts reflected in HB/SB 29 (Caboose Bill), as introduced. This funding provides support to 10 affected school divisions.
- **Expand Jobs for Virginia Graduates.** Recommends increasing funding for the Jobs for Virginia Graduates program by \$1.7 million GF each year, from \$573,776 to \$2.3 million. This funding helps at-risk youth graduate from high school and transition from school to work.
- **New Civil War History Education—American Civil War Museum.** Proposes \$1.0 million GF each year to support American Civil War history education. The funding is intended to support field trips to the American Civil War Museum aligned with the Virginia’s Standards of Learning.
- **New African American History Education—Black History Museum and Cultural Center.** Proposes \$1.2 million GF the first year and \$1.3 million GF the second year to support African American history education. The funding is intended to support field trips to the Black History Museum and Cultural Center of Virginia and traveling exhibits that support Virginia’s Standards of Learning.
- **Expand Communities in Schools.** Proposes increasing funding for Communities in Schools by \$760,000 GF each year, from \$1.2 million to \$2.0 million.
- **Increase Great Aspirations Scholarship Program.** Proposes increasing funding for the Great Aspirations Scholarship Program (GRASP) by \$500,000 GF each year, from \$500,000 to \$1.0 million. This funding provides students and families in need access to financial aid, scholarships, and counseling to maximize educational opportunities for students.

- **New Western Virginia Public Education Consortium.** Proposes \$50,000 GF each year to support professional development conferences and an annual recruitment job fair. The 23 school divisions in the consortium work to attract and retain high quality teachers.
- **Virginia Preschool Initiative (VPI) Nonparticipation.** Proposes to capture savings of \$21.6 million GF in FY 2021 and \$21.7 million GF in FY 2022 in the Virginia Preschool Initiative based on a non-participation rate of 20.0 percent. The rate included in Chapter 854 for FY 2020 was 25.69 percent and saves \$25.0 million GF in FY 2020.
- **Eliminate Funding for Charter School Supplement.** Eliminates \$100,000 GF both years due to the lack of requests for the charter school supplement.
- **Eliminate Funding for Robots for Autism.** Proposes to eliminate \$200,000 GF both years due to lack of requests for the Robots for Autism program.

– *Proposed Language Changes*

- **Early Reading Specialists Initiative.** Recommends language allowing the state share of funding for the Early Reading Specialists Initiative to be based on spring 2019 reading SOL assessments for both years of the biennium, allowing schools' eligibility to be locked for the biennium. Proposed language also allows DOE to award any unallocated funds to additional eligible schools based upon the list of schools that rank lowest on the spring 2019 SOL reading assessment.
- **Virginia Teacher Scholarship Loan Program.** Proposed language expands eligibility for the Virginia Teacher Scholarship Loan Program intended to incentivize students in teacher education programs to fill vacancies in high-need schools. The language expands the designated critical shortage areas established by the Board of Education; allows recipients to fulfill the loan obligation upon completion of the program and becoming eligible for a renewable license in the assigned endorsement; and allows recipients to teach in a school with a free and reduced price lunch of 50 percent or greater, or in a school division with a designated critical shortage subject area.
- **STEM Teacher Recruitment and Retention Incentive.** Recommends changes to the STEM recruitment and retention program to attract qualified teachers to middle and high schools experiencing difficulty in recruitment and retention. The proposed language allows the Department of Education to award grants based on new hires instead of vacancies. The language clarifies eligibility to include: teachers in a school division or school with

more than 40 percent of students eligible for free or reduced price lunch; being in their first, second, or third year of teaching; and holding a five or ten year valid Virginia teaching license.

- **Eliminate Flexible Staffing Language.** Recommends eliminating language implemented during the recession that waived staffing ratios for certain Standards of Quality instructional and support positions.
- **Diversity Goals for Academic Year Governor’s Schools.** Proposed new language requires each Academic Year Governor’s School to set diversity goals for its student body and faculty, and develop a plan to meet the established goals. Each school will submit a report to the Governor by October 1 of each year on its goals and status of implementing its plan. The report shall include: utilization of universal screenings in feeder divisions; admission processes in place or under consideration that promote access for historically underserved students; and outreach and communication efforts deployed to recruit historically underserved students.
- **Expand High School Program Innovation to Elementary and Middle Schools.** Recommends language to extend the High School Program Innovation to include elementary and middle school participation. This funding of \$500,000 GF each year supports ten grants of up to \$50,000 each for planning or implementation of pre-kindergarten through Grade 12 School Program Innovation plan.
- **Expand Wolf Trap STEM Model Program.** Recommends language allowing the \$725,000 GF each year to support further expansion of the STEM and early literacy model programs in rural divisions from Region 3, 6, or 8, based on need.

- **Department of Education**

- *Transfer Federal Child Care Development Fund Oversight.* Proposes \$400,000 GF in FY 2021 to support planning for the transfer of responsibility of the federal Child Care Development Fund (CCDF) grant from the Department of Social Services to the Department of Education by July 1, 2021. The plan will be submitted to the Governor, and the Chairmen of the House Appropriations and Senate Finance Committees by August 15, 2020, and detail the funding amounts and positions needed to be transferred between the agencies, and identify any savings or additional costs associated with the transfer of these programs. This transfer intends to bring responsibility of child care and education programs under one agency, pursuant to any proposed legislation on early childhood governance.

- ***Virginia Learner Equitable Access Platform.*** Proposes \$7.1 million GF the first year and \$6.1 million GF the second year to develop and implement the Virginia Learner Equitable Access Platform (VA LEAP). VA LEAP will provide access to quality, standards-aligned open educational resources, digital media content and virtual courses for all school division students and teachers. This funding includes one-time and recurring costs for the initial implementation and on-going licensing and support costs associated with the core system and the required supporting technology. This funding provides \$1.1 million each year for 11 FTE to support content creation, training, and technical support to teachers and students.
- ***Cloud Migration Executive Order 19.*** Proposes \$1.4 million GF the first year to support the department in moving the agency’s data center applications to cloud services to comply with Executive Order 19 Cloud Service Utilization and Readiness.
- ***VPI Classroom Observations and Professional Development.*** Proposes an additional \$650,000 GF each year for the Classroom Assessment Scoring System (CASS) observations and support for professional development in new and existing VPI classrooms. This brings total funding to \$1.7 million GF each year for the CLASS observations.
- ***Replace Online Management of Education Grant Awards (OMEGA) System.*** Proposes adding \$600,000 GF the first year and \$200,000 GF the second year to support a new grants management system for school divisions, higher education institutions, and non-profit organizations to submit grant applications and reimbursement claims (via a customized off-the-shelf solution) to replace the OMEGA system, which was launched in 2005. This total includes funding for VITA-required project management oversight. It addresses recommendations of recent audit reports. Ongoing application licensing costs beginning in FY 2022 would total \$200,000 per year.
- ***Education Equity Summer Institute.*** Proposes \$135,000 GF each year to provide state support for the Department of Education’s annual two day education equity conference for education leaders and practitioners. The conference is currently funded with a federal grant that is no longer available.
- ***Address Staffing in the Office of Teacher Education and Licensure.*** Proposes \$136,514 GF each year to support one FTE in the Office of Teacher Education and Licensure to support mandated revisions of licensure regulations and high-priority projects.
- ***Transfer Virtual Virginia from Direct Aid to Central Office.*** Proposes transferring the Virtual Virginia appropriation of \$5.2 million GF each year from Direct Aid to the VDOE Central Office, where contract payments are made.

- ***Reduce Funding for Algebra Readiness Diagnostic Test.*** Captures \$200,000 GF each year, which represents a portion of the funding provided to support the Algebra Readiness Diagnostic Test.
- ***Reduce Funding for Student Growth Measures.*** Captures \$200,000 GF each year, which represents a portion of the funding provided to support student growth measures.
- ***Reduce Funding for Teacher Licensure Application Process.*** Captures \$179,500 GF the second year, which represents a portion of the funding provided for ongoing support of the automated teacher license application system after development. The cost for supporting the system after development has been reduced.
- ***Modify Criteria to Earn Verified Credit in History and Social Science.*** Proposes language to allow students to earn credit in high school history or social science by demonstrating mastery of the content of the associated course on a Board-developed authentic performance assessment in accordance with Board guidelines establishing rubrics and criteria for division scoring. This language uses the existing appropriation of \$400,000 GF each year.