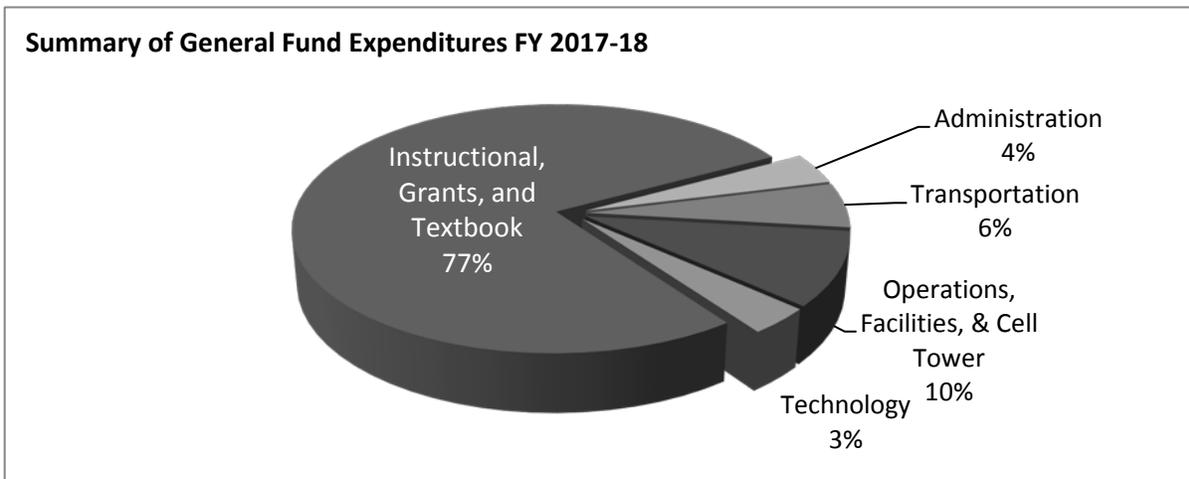


Education - School System

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The Education section includes the operating costs associated with the City of Chesapeake's School System. The City's School System is operated under the direction of an independent School Board. The School Superintendent manages the system that provides free and appropriate education to over 39,000 students from pre-school through grade twelve.

Expenditures:	FY 15-16 Actual	FY 16-17 Budget	FY 17-18 Budget	Change from prior year
School General Fund:				
Instructional Services				
Classroom Instruction	250,142,691	\$ 262,706,528	\$ 275,697,448	4.9%
Instructional Support - students	11,535,477	12,141,821	12,777,586	5.2%
Instructional Support - staff	19,171,208	20,349,960	21,898,941	7.6%
Office of the Principal	22,550,922	23,600,589	24,284,571	2.9%
Total Instructional Services	303,400,298	318,798,898	334,658,546	5.0%
Admin. Attendance and Health	14,478,512	15,241,083	16,545,112	8.6%
Pupil Transportation	25,860,539	27,769,239	27,590,000	-0.6%
Operation & Maintenance	41,369,293	43,976,196	44,746,066	1.8%
Facilities	449,215	604,507	630,467	4.3%
Technology	13,187,538	15,586,637	16,546,181	6.2%
Total School General Fund	398,745,395	421,976,560	440,716,372	4.4%
School Cell Tower Fund	-	100,000	510,000	410.0%
Textbook Fund	737,986	4,129,718	2,392,660	-42.1%
Grants Fund	18,532,082	27,546,542	29,482,714	7.0%
Self Insurance Fund	1,406,520	2,500,000	2,500,000	0.0%
School Nutrition Services	11,312,927	13,480,517	13,087,144	-2.9%
Total Expenses	430,734,910	\$ 469,733,337	\$ 488,688,890	4.0%



Education - School System

Funding for the School Operating Fund is provided primarily through local funding, State General Fund support, and State Sales Tax designated for local education. State funds are distributed to school districts based on the number of students (average daily membership) and each district's composite index (a measure of locality wealth and capacity). Chesapeake's composite index is .3439 meaning that the City is required to provide 34.39% of the basic cost of K-12 education as defined by Virginia's Standards of Quality.

As do most Virginia localities, Chesapeake provides more support to its schools than this minimum requirement. Chesapeake's efforts in this regard rank among the top 20% of localities in the State. City resources represents 44.2% of the FY 2017-18 Schools General Fund budget, exclusive of existing debt service and the Reserve for Future School Capital Needs.

A major initiative of Chesapeake Public Schools is the transition to a full-day kindergarten program throughout the City. Chesapeake is one of only three districts in the state that do not offer full-day kindergarten, however it is currently available at eight (8) schools through the use of federal Title I grants. The remaining elementary and primary schools offer only half-day programs. The superintendent has proposed transferring all full-day kindergarten teachers from the Title I programs to the school general fund (State and local funding). This first step in transition is necessary since federal regulations prohibit the use of Title I funds to supplant locally funded programs. The funding change for full-day kindergarten staff in Title I schools sets the transition in motion so that full-day kindergarten may be expanded to other schools over several years in the future.

Title I funding that is currently used to support the full day kindergarten program at eight (8) elementary or primary schools would be redeployed to support supplemental instructional services at the existing eight schools plus one additional primary school, three intermediate schools and one middle school. CPS continues to explore how Title I funding might be used, however, some examples discussed include:

- Instructional coaches to assist new and experienced teachers with curriculum alignment
- Additional classroom teachers to reduce class sizes
- Teacher assistants to support reading and mathematics, Power UP, and other intervention techniques
- Field trips to provide real-world experiences
- Technology to provide students with tools that develop 21st century skills
- Professional development opportunities to better address student needs
- Tutoring to provide additional support to students
- Supplemental materials and supplies for schools with limited community resources

Education - School System

In addition to resources noted in the School Operating Budget, the following additional City resources are provided for School purposes:

- o \$26.7 million are set aside for the Reserve for School Capital.
- o \$6.3 million in pre-lockbox debt service for the construction of School facilities.
- o \$ 1.0 million for School resources officers and School crossing guards.

The total debt service for School issuances is \$21.7 million. However, funds are contributed annually to a Lockbox designated for School debt and future School capital projects. For FY 2017-18 the contribution to the Lockbox is \$26.7 million, \$15.2 million of which will be used to pay current debt service. The difference between the contribution and the Lockbox debt service is available for cash funding of capital projects. The remaining \$6.3 million of School debt payments for FY 2017-18 is funded from the City's General Fund (current resources). A summary of all resources dedicated to Schools is shown below:

SCHOOL OPERATIONS, DEBT & CAPITAL	FY 2016-17		FY 2017-18	
	Budget	% of Total	Budget	% of Total
State General Fund	\$ 182,521,994	36.23%	\$ 190,115,096	36.37%
State Share Sales Tax	44,107,631	8.75%	43,922,232	8.40%
Federal	3,825,000	0.76%	4,075,600	0.78%
Tuition, rent, other local	2,886,935	0.57%	2,886,935	0.55%
City General Fund for Operations	188,635,000	37.44%	195,522,000	37.41%
General Fund In-Kind Support	943,836	0.19%	967,432	0.19%
Funds for School Lock-Box	26,221,900	5.20%	26,726,100	5.11%
School Debt - other than Lockbox	6,948,042	1.38%	6,306,578	1.21%
School Reversion prior years ⁽¹⁾	1,691,834	0.34%	1,311,509	0.25%
Revenue sharing true-up FY2016 ⁽¹⁾	-	0.00%	2,883,000	0.55%
School Textbook Fund ⁽²⁾	2,437,884	0.48%	2,392,660	0.46%
School Nutrition Services ⁽²⁾	13,480,517	2.68%	13,087,144	2.50%
Cell Tower Fund ⁽²⁾	100,000	0.02%	510,000	0.10%
Self-Insurance Fund ⁽²⁾	2,500,000	0.50%	2,500,000	0.48%
School Grants Fund	27,546,542	5.47%	29,482,714	5.64%
TOTAL SCHOOL FUNDING	\$ 503,847,115	100.00%	\$ 522,689,000	100.00%

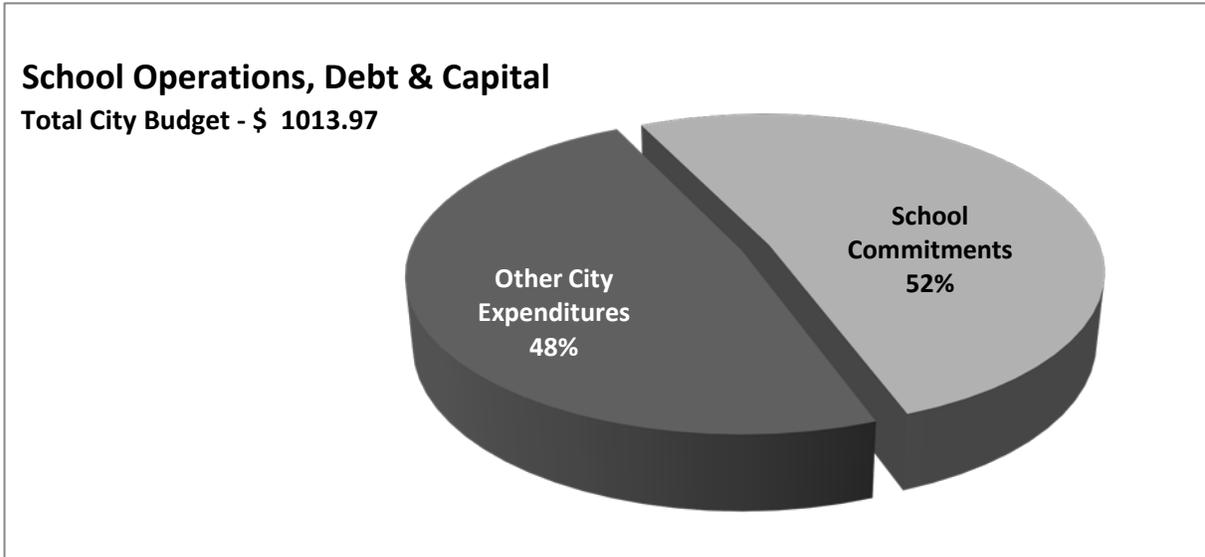
(1) Just as the City's operating budget has relied on City fund balances in the past, the School reversion is derived from a surplus realized by CPS in FY 2015 and FY 2016. Similarly the revenue sharing true-up represents the FY 2016 settlement of excess City revenues subject to the City-School revenue sharing formula.

(2) Available resources includes fund balances accumulated in previous years. The resources stated here include the following amounts from school fund balances:

	FY 2016-17	FY 2017-18
School Textbook Fund	\$ 2,327,884	\$ 2,367,660
School Nutrition Services Fund	-	201,020
Cell Tower Fund	10,000	280,000
Self-Insurance Fund	2,500,000	2,500,000
	<u>\$ 4,837,884</u>	<u>\$ 5,348,680</u>

Use of fund balances for operating expenditures presents a risk in financing future operating needs because of a reliance on one-time funds to meet continuing operating costs.

Education - School System



Statistics	FY 15-16 Actual	FY 16-17 Budget	FY 17-18 Budget	Change from prior year
K-12 Students enrolled (September 30)	38,935	39,085	39,400	0.8%
Career & Tech. Ed students	20,469	19,793	18,777	-5.1%
Industry Certifications	4,591	4,933	6,004	21.7%
Advanced Placement Students	2,152	2,185	2,450	12.1%
International Baccalaureate Students	222	233	228	-2.1%
Early College Scholars	1,155	1,190	1,200	0.8%
Adult education students enrolled	502	1,800	1,480	-17.8%
Elem. summer school enrolled	2,420	2,100	2,400	14.3%
Secondary summer school enrolled	1,689	1,600	1,650	3.1%
Students transported	33,287	32,910	33,780	2.6%

Education - School System

School Board Strategic Goals and Plans of the FY2017-18 Operating Budget

Positions and Employee Compensation

- Provides an average salary increase of 2.5% for positions covered by the Virginia Retirement
- Provides for increases in professional VRS and Health Care Credit rates
- Adds 16 teacher positions distributed at elementary, middle and high schools
- Moves Virginia Preschool Initiative local match to salaries for 13 teacher positions
- Includes costs for health insurance and 10 positions moved from Title VI-B grant
- Provides for School Board share of projected health insurance increase

Optimize School Safety

- Provides for 20 replacement buses and service vehicle replacements
- Continues annual repairs and services to insure school buildings are safe and comfortable for students and employees
- Continues the Parent Alert System for emergency notification
- Continues funding for repairs and maintenance of equipment, buses, and vehicles including preventative maintenance
- Continues CPR training for school security monitors, nurses, and other employees
- Continues to update security equipment at the schools

Ensure Rigorous Educational Standards

- Continues the International Baccalaureate Program, Technology Academy, Science and Medicine Academy, and CTE Mechatronics
- Continues to offer advanced placement course and dual enrollment opportunities; pays AP test fees and dual enrollment tuition for those on free and reduced meals
- Provides consumable textbook materials
- Provides iReady, READ 180, and System 44 programs for math and reading
- Provides summer school opportunities for remediation, credit and non-credit courses at the middle and high level, and enrichment at the elementary level
- Continues vocational and technical education, gifted education, and services to students whose primary language is other than English
- Begins transition to system-wide full-day kindergarten by moving all kindergarten teachers and assistants from Federal title I program to School General Fund.

Evaluate Effectiveness and Efficiency

- Continues evaluation of new and existing programs
- Continues funding for financial audits of the division and schools
- Provides assistance in developing and monitoring individual school improvement programs (SIP)
- Provides for pre-assessment tests for GED students
- Maintains grade level supplies for the alternative assessment test program

Education - School System

Optimize the Management of Human Resources and Ensure Effective Staff Development

- Continues to seek exceptionally qualified employees
- Continues to provide an employee assistance program
- Provides training to improve student achievement, teacher classroom management, and literacy
- Funds teacher training for academies, advanced placement courses, READ 180, Information Technology, and AVID programs
- Provides tuition and textbooks for cohorts seeking gifted endorsement
- Continues training for all CPS employees in a variety of work related topics

Optimize the use of Technology

- Supports and maintains technology for classroom instruction, the academies, special programs, and all departments and schools in the division
- Provides on-line learning and SOL testing and maintenance
- Provides for support, maintenance, and training for the "Synergy" student data system, Human Resources and Payroll system (ePASS), KRONOS Timekeeping, and PeopleSoft Financials

Enhance Parental and Community Involvement

- Continues updates of the CPS website to keep information about the division flowing to the community
- Continues the CPS television (WCPS) and radio (WFOS) stations to connect the community to school activities while providing media instruction to our students
- Provides adult education classes for GED, ABE, English for Speakers of Other Languages (ESOL), and citizenship preparation
- Provides for meetings with community and state leaders to share information about the division and its accomplishments
- Provides access to Board meetings and minutes through the CPS website "Board Docs" for the public to view school board meeting agenda and documents

Provide Optimal School Facilities

- Funds custodial, grounds, and trades building supply materials
- Continues energy conservation measures and participation in the National Energy program
- Continues service contracts for maintenance of all facilities
- Monitors all fire and safety codes and updates as needed

Education - School System

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