

ATTACHMENT C:

**FCPS FY 2012 FINAL BUDGET REVIEW AND
APPROPRIATION RESOLUTIONS**

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Staff Contact: Susan Quinn, Chief Financial Officer, Department of Financial Services

Other Staff Present: Kristen Michael, Director, Office of Budget Services

Meeting Category: July 12, 2012 – Regular Meeting No. 1

Subject: FY 2012 Final Budget Review

School Board Action Required: Information

Key Points:

All of the FY 2012 accounts have been closed, subject to the annual audit. A summary of the revenue and expenditure variances is provided for each of the ten funds. All comparisons are against the FY 2012 Third Quarter Estimate.

In the School Operating Fund, after accounting for the FY 2013 budgeted beginning balances as included in the FY 2013 Approved Budget, flexibility reserve, and other commitments, the funds available are \$52.8 million.

FY 2012 actual revenue was \$3.6 million lower than the estimate or 99.9 percent of the FY 2012 Third Quarter Estimate. State aid is \$1.1 million and sales tax projections are \$3.4 more than projected. A decrease of \$11.5 million in federal revenue is due primarily to \$12.0 million in unspent multiyear grant awards that will be carried forward and reappropriated in FY 2013, offset by a net increase in other federal funding comprised primarily of an increase of \$0.4 million in Impact Aid. The net decrease in federal revenue is offset by increases of \$3.4 million in tuition, fees, and other revenue.

After accounting for the flexibility reserve and other commitments, FY 2012 actual expenditures (excluding federal grants) were \$44.4 million, or 1.9 percent, lower than the FY 2012 Third Quarter Estimate. A majority of this variance results from compensation accounts being \$34.3 million less than budgeted due primarily to savings resulting from higher turnover than projected; utilities expenditures being \$7.1 million less than projected due to a temperate winter, spring, and early summer; and county charges for vehicle services, including fuel, being \$1.7 million less than projected. In addition, \$12.0 million in multiyear federal grant funds were unexpended. This funding will be carried forward and reappropriated in FY 2013.

This agenda item also includes recommendations for \$11.2 million in FY 2013 expenditure adjustments leaving \$41.6 million for the FY 2014 budgeted beginning balance.

Changes to other School Board funds are detailed in the attachment.

Recommendation:

That the School Board approve the revenue and expenditure adjustments as detailed in the agenda item.

	<u>AMOUNT</u>
I. FY 2012 ACTUAL REVENUE	
A. Sales Tax	\$3,446,783
Revenue from sales tax is projected to increase by \$3.4 million as compared to the FY 2012 Third Quarter Estimate. The final sales tax payment for FY 2012 is received in July after the fiscal year ends.	
B. State Aid	1,055,199
As compared to the FY 2012 Third Quarter Estimate, state aid increased \$1.1 million primarily due to FCPS' final average daily membership (ADM).	
C. Federal Revenue	(11,452,800)
Unrealized federal revenue of \$11.5 million is due primarily to \$12.0 million in unspent grant awards (item II.B.) that will be carried forward and reappropriated in FY 2013; this amount is offset by a net increase of \$0.5 million in other federal funding primarily due to an increase in Impact Aid payments.	
D. Other	3,400,106
Based on actual receipts, other categories of revenue, including tuition, fees, and miscellaneous revenue, exceeded projections by \$3.4 million.	
TOTAL FY 2012 REVENUE	(\$3,550,712)
II. FY 2012 ACTUAL EXPENDITURES	
A. Excluding Federal Grants	(\$44,413,378)
Expenditures were \$44.4 million less than projected after funding the FY 2013 budgeted beginning balance as included in the FY 2013 Approved Budget, funding the School Board's Flexibility Reserve, and accounting for other commitments, excluding grants. A majority of this variance results from compensation accounts being \$34.3 million less than budgeted due primarily to higher turnover than projected; utilities expenditures being \$7.1 million less than projected due to a temperate winter, spring, and early summer; and county charges for vehicle services, including fuel, being \$1.7 million less than projected.	

	<u>AMOUNT</u>	<u>POSITIONS</u>
B. Federal Grants	(11,971,908)	
<p>Federal grant award expenditures decreased \$12.0 million due to unspent multiyear grant awards. This available funding (item I.C.) will be reappropriated and carried forward to FY 2013.</p>		

TOTAL FY 2012 EXPENDITURES	<u>(\$56,385,286)</u>	
 FY 2012 TOTAL FUNDS AVAILABLE	 <u>\$52,834,574</u>	
 III. FY 2013 REVENUE ADJUSTMENTS		
√ A. General Adult Education Grant	(\$100,549)	
<p>The General Adult Education grant is provided by the state. In FY 2013, this funding will be combined into the Regional Adult Education and Literacy grant which is included in the Adult and Community Education Fund and is included in item VIII, page 7. (A corresponding expenditure reduction in the School Operating Fund is included in item IV.A.)</p>		

TOTAL FY 2013 REVENUE ADJUSTMENTS	(\$100,549)	
 IV. FY 2013 EXPENDITURE ADJUSTMENTS		
√ A. General Adult Education Grant	(\$100,549)	(0.0)
<p>The General Adult Education grant is provided by the state. In FY 2013, this grant will be combined into the Regional Adult Education and Literacy grant which is included in the Adult and Community Education Fund and is included in item VIII, page 7. (A corresponding revenue reduction in the School Operating Fund is included in item III.A.)</p>		

√-Recurring
X-Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
X B. Centralized Math Textbook Fund	\$7,723,500	0.0

Beginning in FY 2013, FCPS will centralize textbook purchasing for math for kindergarten through pre-calculus courses at the high school level. The total cost of purchasing these math textbooks is \$10.4 million. For FY 2013, funding of \$7.7 million is requested as part of this year-end agenda, funding of \$1.7 million will result from per-pupil allocation reductions, and \$1.0 million has been allocated by Instructional Services.

FCPS will fund the textbook purchases centrally in FY 2013, and then reduce per-pupil textbook funding allocated to elementary, middle and high schools annually beginning in FY 2013. At the end of six years, the funding will be completely replenished through these per-pupil reductions.

X C. Teacher Evaluation	2,036,537	4.0
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To meet the July 1, 2012, implementation deadline set by the Virginia Department of Education for school systems to provide a new teacher evaluation process, the FCPS' Teacher Evaluation Task Force has agreed that: the new evaluation instrument would be fair and reliable and the new evaluation process would promote growth. As required by VDOE: the evaluation would be rated at the level of each of Virginia's new seven standards (not at the indicator level as previously done in FCPS); the final evaluation would have one holistic rating; a conference with the teacher and evaluator would be required at the final evaluation; and clear direction and training would be provided to teachers and principals before the new evaluation process begins.

In order to implement the new teacher evaluation, 4.0 positions will be added for two years only (FY 2013 and FY 2014). The position classifications are to be determined, but were budgeted to include: a 1.0 director/principal position; a 1.0 coordinator/assistant principal position; and 2.0 218-day resource teacher positions. In addition to the four positions, funding is needed for teacher evaluation subject-area specific development; ongoing districtwide training for teachers and evaluators; development/customization of materials; technology requirements; time budgeted for ½ day for each teacher (could be used for time before/after contract, substitutes, or any combination); and summer curriculum development, including a resource bank of SMART goals and grade-level and subject-area training.

√-Recurring
X-Nonrecurring

	<u>AMOUNT</u>	<u>POSITIONS</u>
<p>√ D. Clinical Support for Students</p> <p>At the FY 2011 Final Budget Review, one-time funding of \$0.4 million was set aside for academic support to students serving out-of-school suspensions. In order to help improve support to students by increasing staff time for activities that enhance learning outcomes (assisting with crisis/trauma response, conducting specialized assessments, and consulting and supporting student and parent needs where there are significant social emotional concerns), funding will be utilized in FY 2013 to fund a recurring need to expand clinical support to schools. Resources include: 2.0 psychologist positions and a 1.0 social worker position to assist in special education eligibility assessments where volume is high; a 0.5 social worker position to coordinate community resources for high-need schools; and extended contracts for six social workers to manage intervention cases during the summer.</p>	442,335	3.5
<p>X E. Transfer to Adult and Community Education</p> <p>The Adult and Community Education Fund ended FY 2012 with a shortfall of \$1.0 million, primarily due to lower than projected tuition revenue (as included in item VIII, page 7). In the FY 2013 Approved Budget, ACE had restructured its course offerings, streamlined its administration, and reduced its staff. To support the FY 2013 projected revenue and expenditure assumptions, a one-time transfer increase of \$1.0 million is recommended to allow the ACE fund to proceed with their restructuring as planned.</p>	1,000,000	0.0
FY 2013 EXPENDITURE ADJUSTMENTS	<u>\$11,101,823</u>	<u>7.5</u>
FY 2013 RECOMMENDED ADJUSTMENTS	<u>\$11,202,372</u>	

√-Recurring
X-Nonrecurring

V. AGENDA SUMMARY

FY 2012 AVAILABLE BALANCE	\$52,834,574
LESS FY 2013 RECOMMENDED ADJUSTMENTS	(11,202,372)
LESS FY 2014 BUDGETED BEGINNING BALANCE	<u>(41,632,202)</u>
AVAILABLE ENDING BALANCE	<u>\$0</u>

VI. FY 2014 SUMMARY

BUDGETED BEGINNING BALANCE	\$41,632,202
VRS RESERVE	<u>16,910,502</u>
TOTAL ONE-TIME FUNDING AVAILABLE	\$58,542,704

VII. ONE-TIME FUNDING SUMMARY

One-Time Funding Used (\$ in millions)			
FY	Beginning Balance	VRS Reserve	
		1-Time Use	Balance
2011	\$53.5	\$0.0	\$45.0
2012	\$57.3	\$0.0	\$60.6
2013	\$57.5	\$43.7	\$16.9

Requirement for FY 2014 (\$ in millions)	
Beginning Balance	\$57.5
VRS One-Time Funding	43.7
Remaining VRS Shift of 3%	<u>21.4</u>
Funding Required—Recurring	\$122.5
Less Funding Available—One-Time	<u>58.5</u>
Gap Between Required and Available	<u>\$64.0</u>

VIII. OTHER FUNDS

FOOD AND NUTRITION SERVICES FUND

Revenue in the Food and Nutrition Services (FNS) fund increased \$2.0 million over the FY 2012 estimate primarily due to an additional \$3.1 million in federal aid, offset by a decrease in food sales receipts of \$1.2 million. Federal aid is based on reimbursements for meals served to students eligible for free and reduced-price meals (FRM). In FY 2012, Food and Nutrition Services continued to experience an increase in the number of participants in the FRM program which contributed to the increase in federal aid.

As a result, the FY 2013 beginning balance is increasing by \$1.9 million. Expenditures are increasing by \$0.6 million due to undelivered orders and the FNS' reserve will total \$15.8 million. In addition to mitigating increasing food prices, this reserve enables FNS to fund equipment replacement, technology training, and initiate pilot programs such as providing free lunch to all students eligible for reduced-price meals.

GRANTS AND SELF-SUPPORTING PROGRAMS FUND

The FY 2012 ending balance for the Grants and Self-Supporting Programs Fund totals \$14.6 million. The ending balance is comprised of \$5.9 million for summer school and \$8.6 million in grant revenues not yet expended. After funding the FY 2013 budgeted beginning balance of \$0.7 million, the FY 2013 budget is increasing by \$25.2 million and 1.5 positions due to new and revised grant awards and the reappropriation of the ending balance and multiyear grant awards.

Grants Subfund:

The FY 2012 ending balance for the Grants Subfund totals \$8.6 million and reflects grant revenues not yet expended. The FY 2013 budget for the Grants Subfund reflects a net increase of \$19.9 million due to new and revised grants awards and the reappropriation of the ending balance and multiyear grant awards. Of this amount, new and revised grant awards reflect a net increase of \$23,452 and 1.5 positions as listed below.

The Corrections and Institutions federal grant is now part of the Regional Adult Education and Literacy grant and will be reallocated from the Grants and Self-Supporting Fund to the Adult and Community Education Fund.

Federal	Amount	Positions
Virginia Commonwealth University	\$100,000	2.0
Corrections and Institutions	(76,548)	(1.0)
Title III, Part A*	<u>0</u>	<u>0.5</u>
Total:	\$23,452	1.5

*Position authorization is requested; funding was reflected in the FY 2013 Approved Budget.

Summer School Subfund:

The FY 2012 ending balance in the Summer School Subfund is \$5.9 million, primarily due to lower than budgeted expenditures of \$1.5 million and \$4.4 million in reserve funding that was not utilized in FY 2012. Compared to the FY 2012 Third Quarter Estimate, lower than budgeted expenditures of \$1.2 million resulted primarily from the SOL remediation, Online Campus, and term graduate programs. The ending balance will be carried over to FY 2013 and added to the reserve to help address potential increases in enrollment in the mandatory Special Education Extended School Year Summer Program. The FY 2012 ending balance will also assist with funding the limited credit recovery courses, SOL remediation for term graduates, and elementary and middle school intervention and remediation, if needed. Additional revenue for FY 2013 is being recognized for a \$25,000 grant award from Northrop Grumman for the Summer Technology Institute Scholarship Program at Thomas Jefferson High School for Science and Technology.

ADULT AND COMMUNITY EDUCATION FUND

The Adult and Community Education (ACE) Fund ended the 2012 fiscal year with a deficit of \$1.0 million. Tuition is the primary revenue source for ACE, and course offerings are determined by community interest and demand. In FY 2012, lower enrollment in some courses, such as the trade and industry and apprenticeship programs, is the primary basis for \$2.3 million less revenue than estimated. In addition to tuition declines, state grant reimbursements that are tied to enrollment in programs such as trade and industry and apprenticeship were 7.4 percent lower than estimated. Due to lower demand and fewer course offerings, expenditures, were \$1.3 million lower than estimated.

The FY 2013 revised ACE Fund totals \$8.8 million. To support the projected revenue and expenditure assumptions included in the FY 2013 Approved Budget, including restructured course offerings, streamlined administration, and reduced staff, a one-time increase of \$1.0 million in the transfer from the School Operating Fund is included in the FY 2013 Revised Budget. In addition, the FY 2013 tuition revenue estimates have been revised based on increased enrollment in summer courses. Finally, a net increase of \$1.3 million results from a new Regional Adult Education and Literacy grant of \$1.9 million, which includes 3.0 positions, offset by the reallocation of other existing related grants. The Adult Basic Education (ABE) grant was previously included in the FY 2013 Approved Budget for the ACE Fund at \$0.7 million. The General Adult Education grant, formerly in the School Operating Fund, and the Corrections and Institutions federal grant, previously included in the Grants and Self-Supporting Programs Fund, are included in this reallocation.

SCHOOL CONSTRUCTION FUND

The FY 2012 actual revenue was \$7.4 million over the budgeted amount. This was primarily due to \$2.7 million received related to new synthetic turf field projects at McLean High School, Langley High School, Centreville High School, and Robinson Secondary School. In addition, \$1.8 million was received in proffers from MetroWest, and \$1.3 million was received for improvements to schools owned by the City of Fairfax. Meanwhile, the FY 2012 actual expenditures of \$159.3 million were consistent with the projected amount in the FY 2012-2016 Capital Improvement Program (CIP). This combination resulted in an increase to the FY 2012 ending balance as compared to the prior year of \$10.8 million.

The ending balance of \$86.1 million is primarily due to the multiyear impact of lower than anticipated construction costs and how projects are budgeted. Total costs for multiyear construction projects are allocated when the jobs are contracted, actual project expenditures are recognized as incurred, and unspent balances are carried forward into future years until the projects are complete. The CIP estimates an increase in the type and volume of construction projects in FY 2014 and FY 2015. The projects will be greater than the \$155 million bond allocation by \$46 million and \$22 million respectively, and therefore anticipate utilizing a significant portion of the ending balance by 2016.

SCHOOL INSURANCE FUND

Total FY 2012 receipts of \$14.6 million are \$0.6 million, or 4.4 percent, higher than the FY 2012 Third Quarter Estimate. Of the increase, \$0.5 million was received as the result of restitution, liable third parties, and rebate payments, and \$0.1 million was received for Federal Emergency Management Agency (FEMA) claims for calendar year 2010 winter storm damage. Actual expenditures of \$11.8 million are \$2.6 million, or 17.8 percent, lower than the FY 2012 Third Quarter Estimate (excluding the allocated reserve), primarily as the result of lower than projected liability claims experienced in FY 2012. As a result of the higher revenue and lower expenditures than budgeted in FY 2012, the allocated reserve in FY 2013 will increase by \$3.2 million.

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND

After accounting for FY 2012 actuals, the Premium Stabilization Reserve (PSR) totals \$48.8 million in the Health and Flexible Benefits Fund. Actual revenue in FY 2012 exceeded the estimate by \$10.2 million, or 3.0 percent, while actual expenditures exceeded the estimate by \$9.7 million, or 3.3 percent. Increased contributions are the result of higher than estimated revenue due to participation as well as plan shifts. Expenditures are higher primarily due to claims experience.

The FY 2013 budget has been adjusted to reflect an additional \$0.5 million available for beginning balance due to FY 2012 actual experience. In addition, based on FY 2012 claims experience, the FY 2013 health benefits expenditure budget has been increased by \$9.7 million. The expenditure increase is offset by the \$0.5 million in additional beginning balance and a reduction of \$9.2 million in the premium stabilization reserve.

SCHOOL CENTRAL PROCUREMENT FUND

The FY 2012 ending balance is \$0.3 million. Actual revenue and expenditure decreases, as compared to the FY 2012 estimate, are the result of the elimination of copy paper from the passive order process and the direct billing of office supply purchases from Independent Stationers as a result of implementing the new financial and procurement system (FOCUS). This change was as of FY 2012 midyear. Therefore, the FY 2013 Revised Budget for revenue and expenditures reflects lower amounts compared to the FY 2012 actuals.

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND

The FY 2012 ending balance for the Educational Employees' Retirement System of Fairfax County (ERFC) Fund is \$1,779.6 million, which is \$249.0 million, or 12.3 percent, lower than the FY 2012 Third Quarter Estimate primarily due to investment returns. The FY 2012 investment returns reflect a net loss of \$36.8 million compared to a projected gain of \$218.0 million included in the third quarter estimate. Due to the timing of the FY 2012 Final Budget Review, final adjustments from investment activities will be incorporated in the FY 2013 Midyear Budget Review. Contributions (employer and employee combined) of \$102.2 million are \$1.7 million, or 1.6 percent, lower than the FY 2012 Third Quarter Estimate. ERFC contributions are salary sensitive; accordingly, fluctuations in the actual employee salary base during the year will result in variances to estimate. The FY 2012 expenditures of \$172.8 million are \$7.4 million, or 4.1 percent, lower than the third quarter estimate. The estimate includes a \$3.0 million ERFC retirement benefits reserve.

SCHOOL OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND

The FY 2012 ending balance for the OPEB Trust Fund is \$48.4 million. Total revenue of \$40.8 million at year-end is \$7.5 million lower than the \$48.3 million estimated in the FY 2012 Third Quarter Budget Review. This was due to investment losses totaling \$6.1 million prior to accounting for June investment activity and employer contributions that are \$1.4 million lower than projected. FY 2012 year-end expenditures total \$32.5 million, which is \$1.3 million less than projected in the FY 2012 Third Quarter Estimate. Due to the timing of the FY 2012 Final Budget Review, final transactions from investment activities and the related changes will be included in the FY 2013 Midyear Budget Review.

FOOD AND NUTRITION SERVICES FUND STATEMENT

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 18,660,911	\$ 18,660,911	\$ -	\$ 16,983,484	\$ 18,899,504	\$ 1,916,020
RECEIPTS:						
State Aid	\$ 791,612	\$ 883,163	\$ 91,551	\$ 836,574	\$ 836,574	\$ -
Federal Aid	25,979,065	29,040,205	3,061,140	31,021,247	31,021,247	-
Food Sales	47,422,168	46,262,751	(1,159,417)	46,767,876	46,767,876	-
Other Revenue	61,741	63,993	2,252	56,503	56,503	-
Total Receipts	<u>\$ 74,254,586</u>	<u>\$ 76,250,112</u>	<u>\$ 1,995,526</u>	<u>\$ 78,682,200</u>	<u>\$ 78,682,200</u>	<u>\$ -</u>
Total Funds Available	\$ 92,915,497	\$ 94,911,023	\$ 1,995,526	\$ 95,665,684	\$ 97,581,704	\$ 1,916,020
EXPENDITURES:						
Change in Inventory	\$ 75,932,013	\$ 76,166,329	\$ 234,316	\$ 81,160,716	\$ 81,801,423	\$ 640,707
Subtotal	<u>-</u>	<u>(154,811)</u>	<u>(154,811)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal	<u>\$ 75,932,013</u>	<u>\$ 76,011,518</u>	<u>\$ 79,505</u>	<u>\$ 81,160,716</u>	<u>\$ 81,801,423</u>	<u>\$ 640,707</u>
Food and Nutrition Services General Reserve	\$ 16,983,484	\$ -	\$ (16,983,484)	\$ 14,504,968	\$ 15,780,282	\$ 1,275,314
Total Disbursements	\$ 92,915,497	\$ 76,011,518	\$ (16,903,979)	\$ 95,665,684	\$ 97,581,704	\$ 1,916,020
ENDING BALANCE, JUNE 30	\$ -	\$ 18,899,504	\$ 18,899,504	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	\$ -	\$ 640,707	\$ 640,707	\$ -	\$ -	\$ -
Inventory	-	1,534,996	1,534,996	-	-	-
Available Ending Balance	<u>\$ -</u>	<u>\$ 16,723,802</u>	<u>\$ 16,723,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GRANTS & SELF-SUPPORTING PROGRAMS FUND STATEMENT

	<u>FY 2012</u> <u>Estimate</u>	<u>FY 2012</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2013</u> <u>Approved</u>	<u>FY 2013</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 14,855,343	\$ 14,855,343	\$ -	\$ 686,953	\$ 14,564,831	\$ 13,877,878
RECEIPTS:						
State Aid	\$ 9,700,687	\$ 8,295,287	\$ (1,405,399)	\$ 10,008,839	\$ 10,069,063	\$ 60,224
Federal Aid	48,380,423	34,379,083	(14,001,341)	33,494,881	44,620,570	11,125,689
Tuition	2,117,471	1,870,169	(247,302)	1,969,447	1,969,447	-
Industry, Foundation, Other	1,064,893	1,311,532	246,639	426,421	557,786	131,365
Total Receipts	<u>\$ 61,263,474</u>	<u>\$ 45,856,071</u>	<u>\$ (15,407,403)</u>	<u>\$ 45,899,588</u>	<u>\$ 57,216,866</u>	<u>\$ 11,317,278</u>
TRANSFERS IN:						
School Operating Fund (Grants)	\$ 8,865,952	\$ 8,865,952	\$ -	\$ 8,865,952	\$ 8,865,952	\$ -
School Operating Fund (Summer School)	5,501,757	5,501,757	-	13,011,040	13,011,040	-
Cable Communications Fund	3,126,203	3,126,203	-	4,548,169	4,548,169	-
Total Transfers In	<u>\$ 17,493,912</u>	<u>\$ 17,493,912</u>	<u>\$ -</u>	<u>\$ 26,425,161</u>	<u>\$ 26,425,161</u>	<u>\$ -</u>
Total Funds Available	\$ 93,612,729	\$ 78,205,326	\$ (15,407,403)	\$ 73,011,702	\$ 98,206,858	\$ 25,195,156
EXPENDITURES	\$ 93,612,729	\$ 63,640,495	\$ (29,972,234)	\$ 73,011,702	\$ 98,206,858	\$ 25,195,156
ENDING BALANCE, JUNE 30	\$ -	\$ 14,564,831	\$ 14,564,831	\$ -	\$ -	\$ -
Less:						
FY 2013 Budgeted Beginning Balance	\$ -	\$ 686,953	\$ 686,953	\$ -	\$ -	\$ -
Undelivered Orders	-	1,690,441	1,690,441	-	-	-
Available Ending Balance	<u>\$ -</u>	<u>\$ 12,187,436</u>	<u>\$ 12,187,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ADULT & COMMUNITY EDUCATION FUND STATEMENT

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 197,748	\$ 197,748	\$ -	\$ -	\$ (1,039,338)	\$ (1,039,338)
RECEIPTS:						
State Aid	\$ 685,243	\$ 634,614	\$ (50,629)	\$ 613,094	\$ 923,731	\$ 310,637
Federal Aid	878,125	736,925	(141,200)	825,382	1,781,117	955,735
Tuition and Fees	8,628,087	6,612,994	(2,015,093)	5,309,899	5,349,237	39,338
Other	443,969	360,310	(83,659)	400,349	400,349	-
Total Receipts	<u>\$ 10,635,424</u>	<u>\$ 8,344,843</u>	<u>\$ (2,290,581)</u>	<u>\$ 7,148,724</u>	<u>\$ 8,454,434</u>	<u>\$ 1,305,710</u>
TRANSFERS IN:						
School Operating Fund	\$ 400,000	\$ 400,000	\$ -	\$ 400,000	\$ 1,400,000	\$ 1,000,000
Total Transfers In	<u>\$ 400,000</u>	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 400,000</u>	<u>\$ 1,400,000</u>	<u>\$ 1,000,000</u>
Total Receipts and Transfers	\$ 11,035,424	\$ 8,744,843	\$ (2,290,581)	\$ 7,548,724	\$ 9,854,434	\$ 2,305,710
Total Funds Available	\$ 11,233,172	\$ 8,942,591	\$ (2,290,581)	\$ 7,548,724	\$ 8,815,096	\$ 1,266,372
EXPENDITURES	\$ 11,233,172	\$ 9,981,929	\$ (1,251,243)	\$ 7,548,724	\$ 8,815,096	\$ 1,266,372
ENDING BALANCE, JUNE 30	\$ -	\$ (1,039,338)	\$ (1,039,338)	\$ -	\$ -	\$ -
Less:						
Undelivered Orders	\$ -	\$ 3,986	\$ 3,986	\$ -	\$ -	\$ -
Available Ending Balance	<u>\$ -</u>	<u>\$ (1,043,324)</u>	<u>\$ (1,043,324)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHOOL CONSTRUCTION FUND STATEMENT

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 75,306,105	\$ 75,306,105	\$ -	\$ -	\$ 86,147,513	\$ 86,147,513
RECEIPTS:						
General Obligation Bonds	\$ 155,000,000	\$ 155,000,000	\$ -	\$ 155,000,000	\$ 155,000,000	\$ -
State Construction Grant	-	-	-	-	-	-
City of Fairfax	20,000	1,309,674	1,289,674	20,000	20,000	-
Miscellaneous Revenue	36,000	2,206,790	2,170,790	36,000	36,000	-
PTA/PTO Donations	150,000	714,776	564,776	150,000	150,000	-
Other Donations	100,000	3,439,196	3,339,196	100,000	100,000	-
Revenue from Use of Money and Property		7,353	7,353	-	-	-
Total Receipts	\$ 155,306,000	\$ 162,677,789	\$ 7,371,789	\$ 155,306,000	\$ 155,306,000	\$ -
AUTHORIZED BUT UNISSUED BONDS	\$ 215,964,137	\$ -	\$ (215,964,137)	\$ -	\$ 217,487,189	\$ 217,487,189
Total Referendums	\$ 215,964,137	\$ -	\$ (215,964,137)	\$ -	\$ 217,487,189	\$ 217,487,189
TRANSFERS IN:						
School Operating Fund						
Building Maintenance	\$ 6,449,030	\$ 6,449,030	\$ -	\$ 6,449,030	\$ 6,449,030	\$ -
Classroom Equipment	649,681	649,681	-	717,090	717,090	-
Facility Modifications	339,948	339,948	-	600,000	600,000	-
Total Transfers In	\$ 7,438,659	\$ 7,438,659	\$ -	\$ 7,766,120	\$ 7,766,120	\$ -
Total Receipts and Transfers	\$ 378,708,795	\$ 170,116,448	\$ (208,592,348)	\$ 163,072,120	\$ 380,559,309	\$ 217,487,189
Total Funds Available	\$ 454,014,900	\$ 245,422,553	\$ (208,592,348)	\$ 163,072,120	\$ 466,706,823	\$ 303,634,703
EXPENDITURES AND COMMITMENTS:						
Expenditures	\$ 238,050,764	\$ 159,275,039	\$ (78,775,724)	\$ 163,072,120	\$ 249,219,633	\$ 86,147,513
Additional Contractual Commitments	215,964,137	-	(215,964,137)	-	217,487,189	217,487,189
Total Disbursements	\$ 454,014,900	\$ 159,275,039	\$ (294,739,861)	\$ 163,072,120	\$ 466,706,823	\$ 303,634,703
ENDING BALANCE, JUNE 30	\$ -	\$ 86,147,513	\$ 86,147,513	\$ -	\$ -	\$ -

SCHOOL INSURANCE FUND STATEMENT

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 40,900,952	\$ 40,900,952	\$ -	\$ 40,568,841	\$ 43,737,854	\$ 3,169,013
RECEIPTS:						
Workers' Compensation						
School Operating Fund	\$ 9,238,928	\$ 9,238,928	\$ -	\$ 9,238,928	\$ 9,238,928	\$ -
School Food & Nutrition Serv. Fund	277,166	277,166	-	324,284	324,284	-
Other Insurance						
School Operating Fund	4,468,127	4,468,127	-	4,468,127	4,468,127	-
Insurance Proceeds/ Rebates	50,000	543,559	493,559	50,000	50,000	-
Federal and State Revenue	-	117,415	117,415	-	-	-
Total Receipts	\$ 14,034,221	\$ 14,645,195	\$ 610,974	\$ 14,081,339	\$ 14,081,339	\$ -
Total Funds Available	\$ 54,935,173	\$ 55,546,147	\$ 610,974	\$ 54,650,180	\$ 57,819,194	\$ 3,169,013
EXPENDITURES:						
Worker's Compensation Administration	\$ 875,246	\$ 767,864	\$ (107,382)	\$ 867,568	\$ 867,568	\$ -
Worker's Compensation Claims Paid	6,883,339	5,474,220	(1,409,119)	8,412,593	8,412,593	-
Worker's Compensation Claims Management	686,132	808,572	122,440	795,807	795,807	-
Other Insurance	5,921,615	4,757,636	(1,163,979)	6,521,287	6,638,686	117,399
Allocated Reserves	8,650,411	-	(8,650,411)	6,134,495	9,354,461	3,219,965
Total Expenditures	\$ 23,016,743	\$ 11,808,293	\$ (11,208,450)	\$ 22,731,750	\$ 26,069,115	\$ 3,337,364
ENDING BALANCE, June 30	\$ 31,918,430	\$ 43,737,854	\$ 11,819,424	\$ 31,918,430	\$ 31,750,079	\$ (168,351)
Less:						
Undelivered Orders	\$ -	\$ 117,399	\$ 117,399	\$ -	\$ -	\$ -
Available Ending Balance	\$ 31,918,430	\$ 43,620,455	\$ 11,702,025	\$ 31,918,430	\$ 31,750,079	\$ (168,351)
Restricted Reserves						
Workers Comp Accrued Liability	\$ 27,211,124	\$ 27,481,058	\$ 269,934	\$ 27,211,124	\$ 27,481,058	\$ 269,934
Other Insurance Accrued Liability	4,707,306	4,269,021	(438,285)	4,707,306	4,269,021	(438,285)
Allocated Reserves	-	11,870,376	11,870,376	-	-	-
Total Reserves	\$ 31,918,430	\$ 43,620,455	\$ 11,702,025	\$ 31,918,430	\$ 31,750,079	\$ (168,351)

SCHOOL CENTRAL PROCUREMENT FUND STATEMENT

	<u>FY 2012</u> <u>Estimate</u>	<u>FY 2012</u> <u>Actual</u>	<u>Variance</u>	<u>FY 2013</u> <u>Approved</u>	<u>FY 2013</u> <u>Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 223,023	\$ 223,023	\$ -	\$ 223,023	\$ 332,650	\$ 109,627
RECEIPTS:						
Sales to Schools/Departments	\$ 14,000,000	\$ 7,187,412	\$ (6,812,588)	\$ 6,500,000	\$ 6,500,000	\$ -
Total Funds Available	<u>\$ 14,223,023</u>	<u>\$ 7,410,435</u>	<u>\$ (6,812,588)</u>	<u>\$ 6,723,023</u>	<u>\$ 6,832,650</u>	<u>\$ 109,627</u>
EXPENDITURES	\$ 14,000,000	\$ 7,077,785	\$ (6,922,215)	\$ 6,500,000	\$ 6,500,000	\$ -
ENDING BALANCE, JUNE 30	<u>\$ 223,023</u>	<u>\$ 332,650</u>	<u>\$ 109,627</u>	<u>\$ 223,023</u>	<u>\$ 332,650</u>	<u>\$ 109,627</u>

**EDUCATIONAL EMPLOYEES' SUPPLEMENTARY
RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND STATEMENT**

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 1,886,988,080	\$ 1,886,988,080	\$ -	\$ 2,028,577,921	\$ 1,779,550,252	\$ (249,027,669)
RECEIPTS:						
Contributions	\$ 103,851,702	\$ 102,167,213	\$ (1,684,489)	\$ 109,470,496	\$ 109,470,496	\$ -
Investment Income	218,012,750	(36,757,735)	(254,770,485)	234,903,388	234,903,388	-
Total Receipts	<u>\$ 321,864,452</u>	<u>\$ 65,409,478</u>	<u>\$ (256,454,974)</u>	<u>\$ 344,373,884</u>	<u>\$ 344,373,884</u>	<u>\$ -</u>
Total Funds Available	\$ 2,208,852,532	\$ 1,952,397,558	\$ (256,454,974)	\$ 2,372,951,805	\$ 2,123,924,136	\$ (249,027,669)
EXPENDITURES	\$ 180,274,611	\$ 172,847,305	\$ (7,427,306)	\$ 190,762,399	\$ 190,785,894	\$ 23,495
ENDING BALANCE, JUNE 30	\$ 2,028,577,921	\$ 1,779,550,252	\$ (249,027,669)	\$ 2,182,189,406	\$ 1,933,138,242	\$ (249,051,164)
Less:						
Undelivered Orders	\$ -	\$ 23,495	\$ 23,495	\$ -	\$ -	\$ -
Available Ending Balance	<u>\$ 2,028,577,921</u>	<u>\$ 1,779,526,757</u>	<u>\$ (249,051,164)</u>	<u>\$ 2,182,189,406</u>	<u>\$ 1,933,138,242</u>	<u>\$ (249,051,164)</u>

SCHOOL OPEB TRUST FUND STATEMENT

	<u>FY 2012 Estimate</u>	<u>FY 2012 Actual</u>	<u>Variance</u>	<u>FY 2013 Approved</u>	<u>FY 2013 Revised</u>	<u>Variance</u>
BEGINNING BALANCE, JULY 1	\$ 40,051,085	\$ 40,051,085	\$ -	\$ 54,530,585	\$ 48,403,656	\$ (6,126,929)
RECEIPTS:						
Employer Contributions	\$ 43,784,000	\$ 42,426,871	\$ (1,357,129)	\$ 47,255,000	\$ 47,255,000	\$ -
Net Investment Income	4,500,000	(1,594,497)	(6,094,497)	5,000,000	5,000,000	-
Total Receipts	\$ 48,284,000	\$ 40,832,374	\$ (7,451,626)	\$ 52,255,000	\$ 52,255,000	\$ -
Total Funds Available	\$ 88,335,085	\$ 80,883,459	\$ (7,451,626)	\$ 106,785,585	\$ 100,658,656	\$ (6,126,929)
EXPENDITURES:						
Benefits Paid	\$ 33,704,000	\$ 32,426,871	\$ (1,277,129)	\$ 37,255,000	\$ 37,255,000	\$ -
Administrative Expenses	100,500	52,932	(47,568)	80,500	80,500	-
Total Expenditures	\$ 33,804,500	\$ 32,479,803	\$ (1,324,697)	\$ 37,335,500	\$ 37,335,500	\$ -
ENDING BALANCE, JUNE 30	\$ 54,530,585	\$ 48,403,656	\$ (6,126,929)	\$ 69,450,085	\$ 63,323,156	\$ (6,126,929)

**SUPPLEMENTAL APPROPRIATION RESOLUTION
FY 2013**

BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2013 Appropriation Resolution for the following School Board funds:

Appropriate to:

County Schools

<u>Fund</u>	<u>Fund Name</u>	<u>From</u>	<u>To</u>	<u>Change</u>
090	Public Schools Operating Operating Expenditures	\$2,353,308,729	\$2,504,357,517	\$151,048,788
191	School Food & Nutrition Services Operating Expenditures	\$92,574,259	\$97,581,704	\$5,007,445
192	School Grants & Self-Supporting Operating Expenditures	\$68,289,788	\$98,206,858	\$29,917,070
193	School Adult & Community Education Operating Expenditures	\$10,840,709	\$8,815,096	(\$2,025,613)
390	School Construction Operating Expenditures	\$163,072,120	\$249,219,633	\$86,147,513
590	Public Schools Insurance Fund Operating Expenditures	\$16,577,166	\$26,069,115	\$9,491,949
591	School Health and Flexible Benefits Trust Fund Operating Expenditures	\$366,325,831	\$366,846,426	\$520,595
592	Central Procurement Fund Operating Expenditures	\$6,500,000	\$6,500,000	\$0
691	School Educational Employees' Supplementary Retirement System Trust Fund Operating Expenditures	\$190,645,039	\$190,785,894	\$140,855
692	School Other Post Employment Benefits Trust Fund Operating Expenditures	\$37,335,500	\$37,335,500	\$0

I certify the above is a true and correct copy of a resolution adopted by the School Board of Fairfax County, Virginia, as part of the FY 2012 Final Budget Review, at a regular meeting held on July 26, 2012, at Luther Jackson Middle School, Falls Church, Virginia.

Date

Pamela Goddard, Clerk
County School Board of
Fairfax County, Virginia

**FISCAL PLANNING RESOLUTION
FY 2013**

BE IT RESOLVED that the Fairfax County School Board requests the county Board of Supervisors to amend the FY 2013 Fiscal Planning Resolution for the following School Board funds:

<u>Fund</u>	<u>Fund Name</u>	<u>Transfer To</u>	<u>From</u>	<u>To</u>	<u>Change</u>
090	Public Schools Operating				
		192 School Grants & Self Supporting	\$19,376,992	\$21,876,992	\$2,500,000
		193 School Adult & Community Education	\$400,000	\$1,400,000	\$1,000,000
		200/201 Consolidated Debt Service	\$3,776,323	\$3,776,323	\$0
		390 School Construction	\$7,766,120	\$7,766,120	\$0

I certify the above is a true and correct copy of a resolution adopted by the School Board of Fairfax County, Virginia, as part of the FY 2012 Final Budget Review, at a regular meeting held on July 26, 2012, at Luther Jackson Middle School, Falls Church, Virginia.

Date

Pamela Goddard, Clerk
County School Board of
Fairfax County, Virginia

**Grants Development
Office of Budget Services**

**Quarterly Report
Date: June 30, 2012**

Update for FY 2012 Grants

This report provides the status of competitive grants for FY 2012:

- Competitive grants submitted: \$7.9 million* (60 grants)
- Competitive grants awarded: \$3.6 million (32 grants)
- Competitive grants denied: \$3.1 million (9 grants)
- Competitive grants pending: \$1.1 million (18 grants)

The status of FY 2012 entitlement grants is as follows:

- Entitlement grants submitted: \$64.0 million* (22 grants)
- Entitlement grants awarded: \$59.4 million (16 grants)
- Entitlement grants pending: \$3.5 million (6 grants)

*Award amounts can differ from original submissions