



# K-12 Funding Legislative Position

Fairfax County Board of Supervisors and School Board Joint Discussion

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October 31, 2017

# State Education Funding

- FY 2018 State Aid (15.9% of FCPS total operating revenue) = \$438.9M
- FY 2018 Sales Tax (7.1% of FCPS total operating revenue) = \$196.6M
  - **Total State Aid + Sales Tax = \$635.5M in FY 2018**
- Fairfax current Local Composite Index (or LCI, which measures local “ability to pay” and which helps determine the split between state and local funding responsibilities) is .6844
  - Implies education cost split of 68% Fairfax / 32% state
  - FY 2018 operating revenue split (solely comparing state & local revenue, excluding other sources) is closer to 76% Fairfax / 24% state

# Draft Joint Position: Re-Benchmarking

## **Fully fund the biennial re-benchmark of Direct Aid to Public Education**

- Re-benchmarking is the biennial process of updating data used in Direct Aid to Public Education funding formulas which determine education program costs, and calculating the costs of continuing those programs.
- Costs are updated for changes in enrollment, salaries, support costs, inflation, and other factors. Most of the data comes from FY 2016 and FY 2017, and represent costs already being incurred by localities.
- Initial estimates of statewide costs of the 2018-2020 re-benchmarking (does not include LCI and a few other key data inputs):
  - **\$235.0 million in FY19; \$256.8 million in FY 2020**
  - **Statewide biennial total: \$491.8 million**
- For context, Fairfax received about 10% of all FY 2018 state education funding.

# Draft Joint Position: Standards of Quality

## **Support realistic and appropriately funded Standards of Quality staffing standards consistent with local best practices**

- The Standards of Quality set the minimum requirements for an educational program for all Virginia public schools and school divisions.
- **Every** local school division **exceeded** Required Local Effort (RLE) in FY 2016, spending on average 100% (\$3.9B overall) above and beyond state requirements.

Draft Joint Position:

Support Positions Ratio Cap (*proposed addition*)

## **Eliminate the Support Positions Ratio Cap**

- Adopted by the state during the recession of 2009, state funding for support positions was previously based on local prevailing practices.
- Caps state spending on support positions based on an artificially derived ratio of instructional to support positions (1.0 support position per 4.27 instructional positions in FY 2018-2020).
- Cut statewide \$340M in funding in FY 2010 (first year cap imposed).
- Last estimate of annual funding required to restore lost support funding (FY 2012): \$378M statewide; \$26.7M for Fairfax.

Draft Joint Position:

Linear Weighted Estimator (*proposed addition*)

**Use true weighted averages (which account for actual numbers of students/personnel) when calculating average teacher salaries and other education costs instead of linear weighted estimators**

Example

- LWA average salary (from state funding formulas in FY 2017 & FY 2018):
  - \$47,185 (\$51,823 COCA adjusted) elementary
  - \$49,744 (\$54,634 COCA adjusted) secondary
- Average budgeted teacher salary (FY 2017, Virginia Salary Survey):
  - \$56,148 Virginia (no elementary/secondary breakout available)
  - \$67,562 Fairfax (no breakout)

# Draft Joint Position: Cost of Competing Adjustment (COCA)

## **Fully restore support personnel Cost of Competing Adjustment (COCA) funding**

- COCA is an adjustment applied to Planning District 8 (and surrounding jurisdictions) instructional and support salaries in state funding formulas, intended to reflect NOVA's unique wage market.
- State employee salary scales already account for Northern Virginia cost of living via NOVA Pay Bands (with 19-28% higher maximum salaries).
- COCA for support positions was reduced in FY 2013 and again in FY 2014 and eliminated in FY 2015 and FY 2016 (full adjustment rate prior to elimination was 24.61%).
- Partially restored for FY 2017 and FY 2018 at an adjustment rate of 10.6%.
- Full restoration to 24.61% in FY 2018 would have resulted in \$23.2M in overall additional funding -- approximately \$7.7M for Fairfax.

# Draft Joint Position: Cost of Living

**Recognize cost of living variations throughout the Commonwealth in state funding formulas, in order to more accurately determine a locality's true ability to pay**

- Cost of living is substantially higher in NOVA than in any other metropolitan area in VA, which affects statewide comparisons of teacher salaries, property values, etc.
- In 2014, the National Council on Teacher Quality ranked Fairfax teacher salaries 19th out of the 125 largest school systems in America. When adjusted for cost of living that ranking drops to 98th.



# Draft Joint Position: State Funding for Special Needs Populations

**Support appropriate and adequate recognition in funding formulas of the increased costs required to serve children with greater service needs, including students receiving special education and mental health services, English language learners, and those living in economically disadvantaged households**

Could take the form of:

- Additional staffing (per SOQ position)
- Additional per pupil allocations for specific populations (example):
  - Fairfax receives \$13.3M for ESL in FY 2018; or \$384 per pupil
  - Fairfax additional cost per service for English language learners: \$4,047

# Draft Joint Position: Early Childhood

## **Support additional state resources for early childhood education programs**

- State per pupil funding for a single Virginia Preschool Initiative (VPI) slot in FY 2018: \$6,125
- State/local share of that per pupil funding is determined based on the LCI (but capped at .5000) – so Fairfax receives \$3,063 per student from the state (and is required to at minimum match the other half with local funds).
- Total FCPS FY 2018 Approved Budget cost per pupil for pre-K is a little over \$15,000, making the effective required local match to pay for a pre-K slot almost \$12,000.

# Draft Joint Position: Opposition Positions

- **Oppose cuts which disproportionately target NOVA (e.g. COCA reductions)**
- **Oppose policies which divert K12 education funding away from local public schools (*proposed addition*)**
- **Oppose structural cuts in education funding formulas and unfunded mandates**

# Proposed Next Steps

- Joint Letters
  - One to Governor McAuliffe with requests for the 2018-2020 biennial budget (budget being drafted now, released mid-December)
  - One to Governor-elect with additional budget advocacy
- Board Review/Adoption of Legislative Positions
  - Board of Supervisors (scheduled adoption Dec. 5)
  - School Board (scheduled adoption Nov. 20)
- Continued collaboration with other local jurisdictions, and with organizations like VASS, VSBA, VACO and VML on education funding issues

# Discussion