

## Response to Questions on the FY 2017 Budget

**Request By:** Supervisor McKay

**Question:** The FY 2016 Approved Budget projected an increase of 2,631 students. Based on the FY 2016 Revised Budget projection, student enrollment grew 584, a difference of 2,047 students. What is the estimated savings in expenditures from the lower than projected student enrollment increase for FY 2016?

**Response:** The following response was prepared by Fairfax County Public Schools (FCPS):

Each year the budget includes a staffing reserve. In the staffing reserve, teacher and instructional assistant positions and related funding are budgeted as a contingency for staffing requirements that vary from the approved budget allocations. The staffing reserve is used to increase classroom positions at schools when enrollment exceeds projections, address unique special education circumstances, and to address large class sizes. When enrollment is lower than projected in the approved budget, positions are returned to the staffing reserve when the actual enrollment results in fewer positions than allocated. Positions are allocated and returned during normally scheduled staffing meetings with the majority of general education adjustments occurring in the months of August and September. Special education adjustments continue throughout the school year as students are required to receive special education services.

The following chart shows an example of the calculations that are used when making reserve allocations:

Staffing Reserve Adjustment Example											
		Projected			Actual			Variance in Students	Reserve Adjustments		
		FY 2016 Students	FY 2016 Teachers	FY 2016 IA	FY 2016 Students	FY 2016 Teachers	FY 2016 IA		Formula Adjust.	Expected Growth	Class Size Adjust.
School A	Kindergarten	58	3.0	3.0	56	2.0	2.0	(2)	(2.0)	2.0	
	Grades 1-6	323	12.0	0.0	336	12.0	0.0	13	0.0		2.0
School B	Kindergarten	93	5.0	5.0	80	4.0	4.0	(13)	(2.0)		
	Grades 1-6	477	23.0	0.0	457	22.0	0.0	(20)	(1.0)		
School C	Kindergarten	161	6.0	6.0	146	6.0	6.0	(15)	0.0		
	Grades 1-6	816	31.0	0.0	826	31.0	0.0	10	0.0		2.0
<b>Example Total</b>		<b>1,928</b>	<b>80</b>	<b>14</b>	<b>1,901</b>	<b>77</b>	<b>12</b>	<b>(27)</b>	<b>(5.0)</b>	<b>2.0</b>	<b>4.0</b>

Due to the lower actual enrollment as compared to the projections, a total of 156.76 positions were returned to the reserve totaling \$10.3 million. In addition, elementary schools where the actual enrollment was within five students from qualifying for another position were able to retain the additional position to mitigate potential disruptions during the school year.

When reserve positions are not needed, they are returned at a quarterly budget review or as part of the ending balance at year end. When unused positions are returned, the one-time funding available for that year is available for the School Board to allocate to other

needs at a quarterly budget review. For example, at the FY 2013 Third Quarter Budget Review, 74.6 positions were returned and the funding was allocated towards the beginning balance for FY 2014. All of the reserve positions that were not allocated in FY 2016 were returned at the FY 2016 Third Quarter Budget Review. A one-time expenditure decrease of \$7.0 million results from positions that were not allocated this school year. FCPS' FY 2016 Third Quarter Budget Review is available at <http://www.boarddocs.com/vsba/fairfax/Board.nsf/goto?open&id=9YUPP25FFF60>