

APS School Board's FY 2022 Budget Direction

The mission of the Arlington Public Schools is to ensure all students learn and thrive in safe, healthy, and supportive learning environments. The School Board is committed to providing a high-quality education to our students and our aim with this budget direction is to ensure APS financially supports its mission in the FY 2022 budget.

Arlington County consistently provides strong financial support to APS, demonstrating our community's commitment to public education. APS and Arlington County will work together to continue this strong, focused support despite the severe economic effects of the COVID-19 pandemic. The economic downturn caused by the pandemic has resulted in significantly decreased revenues for APS while at the same time the school system is experiencing additional costs due to the pandemic as well as continuing cost pressures due to projected ongoing student enrollment growth, increasing debt service, and staff compensation requirements. In the spring, because of the pandemic, the School Board needed to make deep cuts in the FY 2021 budget – eliminating staff compensation increases, significantly reducing Minor Construction/Major Maintenance funding, and increasing class size by one at grades K-12 among others – and needed to use \$17 million in reserve funds to balance the budget. These actions put APS at a significant disadvantage for the FY 2022 budget.

To fulfill our mission and goals, the School Board directs the Superintendent to prepare an FY 2022 budget that maintains our large and diverse school system, focuses on supporting our staff, and emphasizes the School Board's three overarching goals:

- Focus on an excellent education regardless of the delivery model.
- Support staff to be innovative and deliver high-quality virtual and in-person instruction.
- Continue the focus on equity.

The School Board is also focused on the need to ensure long-term efficiency and sustainability. The School Board therefore also directs the Superintendent to:

- Present a budget that is consistent with APS's Mission, Vision, Core Values and Strategic Plan
- Include funding to support the growth of our large and diverse system that is allocated to deliberately ensure targeted and differentiated investment in teaching and learning experiences for the varied and unique needs of each student while maintaining a strong instructional program for all students and maximizing student achievement and well-being.
- Continue to implement requirements in the English Learners (DOJ) Settlement Agreement to meet deadlines.
- The School Board waives Salary Policy G 3.2.1. for one year to provide maximum flexibility to the Superintendent his staff as they work to balance the 2022 budget. Understanding that employees are APS's most valuable asset and did not receive a salary increase in FY 2021 due to the COVID-19 pandemic and its financial fallout, the School Board requests that the Superintendent work to find some sort of compensation increase for employees in FY 2022 if at all possible. Further, we request that the Superintendent work with the School Board and employee groups to prioritize employee compensation as revenues return and proceed with the compensation study with the goal of having recommendations to inform future compensation increases.

- If possible,
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 - continue the implementation of the initiative to provide additional Technical Support Center technicians to meet the Standards of Quality begun in the FY 2020 budget;
 - consider steps to continue to implement recommendations from the evaluations of Services for Students with Special Needs and English Learners, including but not limited to phasing in over three to five years those recommendations with budget implications.
- Present a needs-based budget with options for reductions and repurposing of funds as needed that are focused on equitable strategic changes in service delivery across the school division.

The Superintendent is further directed to:

- Review all budget categories to identify potential efficiencies and cost savings.
- Explore longer-term strategies for efficiencies, such as collaboration with the County on services and service fees.
- Present a transparent budget that provides details for significant changes in a major expenditure category (salaries, benefits, purchased services, etc.).
- Consider recommendations from the 2019-20 citizen advisory council reports and advice provided during this budget development process, program evaluations, internal audits, and other relevant reports.
- Explore increases in revenue, including a review of all APS fees, including a cost-benefit analysis.
- Consider reserve funds as needed in FY22 in accordance with School Board practice.
- Provide three-year forecasts of revenues and expenditures to gauge long-term financial sustainability.
- Ensure that APS complies with all federal, state and local laws.

Adopted November 5, 2020