

APS Budget Advisory Council Year-End Report (2024-25)

Improving Budget Transparency, Traceability, and Accountability

*This 2024-25 Year-End Report highlights
BAC contributions to improve the Joint
Proposed FY2026 Budget through the lens
of fiscal integrity, public confidence, and
wise stewardship of taxpayer resources*

May 2025

Executive Summary

According to the Code of Virginia, the fundamental goal of public school is to help each student reach their full potential by developing the skills (*competencies*) and demonstrating sufficient skill growth and mastery (*proficiencies*) necessary for success in school and in preparation for life after graduation. These skills are grouped by subject area, content matter, and grade level (K-12), and are published by VDOE as Standards of Learning. At its core, these collective skills, concepts, and practical applications are introduced in the classroom by certified teachers and seasoned instructors, enhanced and accelerated with digital tools and experiential learning (e.g., field trips, Planetarium, Outdoor Lab), and reinforced with supplemental at-home exercises and through after-school enrichment programs. Classrooms are generally organized by the physical/spatial constraints of school buildings (capital assets), educator/staffing availability and cost drivers (workforce supply), and the specific needs of a diverse array of students (workforce demand). Every year, each school system strives to define its instructional priorities and optimally align limited workforce resources to meet the myriad demands of a fresh cohort of students within a limited time frame (~180 instructional school days). It is this explicit connection between *content-classroom-student* (and requisite support services) that form the “**north star**” guidance foundation for a school system’s budget.

Budgeting – *the process by which programs and services are planned, and funds are allocated to accomplish their goals*¹ – is critical to an organization’s success. Simply put, plans drive budgets (and not vice versa). In school systems, budget decisions impact the education and outcomes of current and future generations. The budget process is a road map, a tool for transparency and requirements traceability, and a framework for ensuring accountability. Education budgeting best practices center around a comprehensive plan that connects finance with academic leadership and operations management to best align resources to meet desired student achievement outcomes. Budgeting requirements are linear: (1) student needs drive (2) instructional priorities which drive (3) workload estimates which drive (4) school system goals which drives (5) revenue needs which drives (6) workforce resource allocations. Too often, school systems start with revenue needs and work backwards to address student needs, however this approach tends to overlook or minimize the needs of all students. A student-need starting position asks: “this is what we need, how can we deliver?” whereas a revenue outlook starting position asks: “what can we deliver with available resources?” A student-need starting position is a classroom-based, bottom-up approach. A revenue-outlook starting position is an enterprise-based, top-down approach. When budgeting begins with understanding student needs as the driving force towards establishing instructional delivery requirements, school systems are better positioned to request specific resources to close instructional delivery gaps.

The Proposed FY26 Budget document has a similar look and feel to prior year budgets. The layouts are similar (lengthy Executive Summary), with focus on revenues and funds first, then cursory overview of aggregated site-based workforce staffing and associated costs at each school, followed by a lengthier section to support each central office department. Aggregate data at the school and department level limits visibility into classroom, subject area, and grade-level workforce needs. The budget does not show grade-level or subject-specific workforce allocations and associated costs. This approach, when paired with analysis of recent summative student achievement scores that show declining performance

¹ *Best Practices in School Budgeting*, Government Finance Officers Association (GFOA), 2017

results, raises questions about return on investment for taxpayer funds and whether workforce capacity is sufficiently meeting workforce demands. This perceived lack of traceability from the funding source to the classroom to the student outcome can impact public confidence.

Complicating matters further, these are challenging times. Economic and societal disruption is impacting Arlington and Arlington Public Schools (APS) in significant ways and with cascading consequences. Historically rock-solid government revenue streams are suddenly in jeopardy as the US Federal government seeks to aggressively reform executive operations, including public education. More than 10% of Arlington's workforce (over 25,000 people) are civilian federal employees, and many more are federal contractors. In addition to roughly \$24 million annually from the Federal government, APS receives nearly half (46.8% or \$647 million) of Arlington County's revenue – if overall County revenues decline, APS receives a smaller percentage share. While the ripple effects of the velocity and veracity of federal policy and operational changes are hard to quantify, Arlington and APS must brace for impact while continuing to deliver value-based services with finite resources. With significant threats to revenues, it becomes even more important to design expenditures to deliver optimal value. If there is a silver lining, it is simply this – disruption can spur innovation to purposefully evolve programs and systems to better meet stakeholder needs.

The APS Budget Advisory Council (BAC) is a small group of motivated citizen volunteers, charged with providing advice and insight to the APS School Board to help maintain fiscal integrity, public confidence, and wise stewardship of taxpayer resources. Given recent significant and sustained market turbulence, leveraging skills around integrity, confidence, and stewardship are vital to navigating the way forward. Fifteen volunteers (including four former BAC Chairs) participated in the FY26 Budget evaluation with the understanding that this year's efforts would be a chance to address and recommend fundamental changes to address structural deficiencies. These efforts included understanding and exploring statutory requirements, traceability (from statutory code to operating plans to operating budgets to student outcomes), efficiency, reliability, sustainability, and viability.

This year's BAC activities were organized into two categories: (A) monthly meetings until the mid-March 2025 release of the Proposed Joint Budget centered on research, analysis, and discussion of school budgeting best practices, prior year adopted budgets, prior BAC recommendations, various APS reports, and statutory requirements; followed by (B) weekly meetings from mid-March to early April to review, discuss, and recommend improvements to the Proposed Budget. In October 2024 the BAC delivered Budget Direction Guidance and in March 2025 provided feedback to Policy D-15 External Funding. Given the number of new BAC members that joined this year, there was a concerted effort to help explain budget layout, content, and terminology to help ramp up awareness and understanding.

In its October 2024 Budget Direction Guidance, the BAC encouraged the School Board to (1) more thoroughly define a *needs-based vs. wants-based* budget, (2) publish the entire APS Comprehensive Plan as the cohesive operating plan and foundation to evaluating the corresponding operating budget, (3) align budget investments (both new and existing) with performance objectives, strategies, and student outcomes, and (4) organize the Budget around our students by strategic function to improve public understanding and improve data-driven decision making. APS took steps to publish most of the Comprehensive Plan and the FY26 Budget organizes investments and cuts with the five broad strategic plan goals. However, there are still gaps in defining needs vs wants built on a foundation of statutory

requirements, and being able to convey and articulate the budget in terms that most Arlingtonians can easily understand. The two most important components of the Budget – our diverse student population and our teachers – are largely hidden within the document, and a reframing of the document around these core stakeholder groups would resonate with the public and serve as a tool for better decision making.

While there was some thought that the Proposed Budget might have dramatically different layout, structure, and content, the draft document is similar in design² to prior year budgets except broadly aligned to the five goals of the APS 2024-2030 Strategic Plan instead of the Board’s top three annual priorities. The APS Joint Proposed FY26 Budget totals \$845.4 million - a \$19.1 million increase over FY25 adopted budget. Like prior years³, the FY26 Budget process began with a significant structural deficit (\$41.4 million) where reserves are proposed to defray operating costs. The FY26 Budget was incrementally built using the FY25 Budget as baseline. Spending investments, adjustments and allocations are broadly aligned to the five goals of the APS 2024-2030 Strategic Plan. However, it remains unclear how these investments or cuts directly correlate to the specific measurable objectives within the Strategic Plan. As APS works to finalize the FY2026 Joint Budget by May 1, it is important to ask not only whether new investments are effectively raising student achievement but how do current baseline investments maximize teaching and student learning. This is an overall concern: ***how is APS connecting incomes with outcomes?***

² APS Budgets are built using Association of School Business Officials International, *Meritorious Budget Award* framework

³ FY25 and FY24 Budgets began with \$53.6 million and \$41 million structural deficits, respectively

Table of Contents

- 1.0 Introduction6**
 - 1.1 Different Definitions of “Budget” 6
 - 1.2 Budget Foundation Requirements 7
 - 1.3 Community Concerns Regarding Student Achievement and Value 8
 - 1.4 Revenue Disruptions Can Spur Educational Service Delivery Innovation 8
- 2.0 The Role of the APS Budget Advisory Council (BAC).....8**
- 3.0 Defining Budget Priorities9**
 - 3.1 BAC October 2024 Budget Direction Guidance and Response 10
 - 3.2 Align Budget Priorities around Functional Priorities that Support the Strategic Plan 10
 - 3.3 Analyze Student Achievement Data as Part of Budget Planning 11
- 4.0 Improving the Structure and Content of the Operating Budget.....12**
 - 4.1 Connecting Multiple Datasets to understand Budget and Expenses..... 12
 - 4.2 Organizing Principles to Help Public Understand Budget Content 13
 - 4.3 Building the Budget around Functional Priorities 13
- 5.0 Evaluating how proposed budget supports best fiscal practices and School Board priorities....14**
- 6.0 Looking Ahead 15**
- Appendix 1: Useful Resources for School Budgeting16**
- Appendix 2: Survey and Analysis of Prior Year BAC Recommendations17**

1.0 Introduction

According to the Code of Virginia, the fundamental goal of public school is to help each student reach their full potential by developing the skills (competencies) and demonstrating sufficient skill growth and mastery (proficiencies) necessary for success in school and in preparation for life after graduation. These skills are grouped by subject area, content matter, and grade level (K-12), and are published by VDOE as Standards of Learning. At its core, these collective skills, concepts, and practical applications are introduced in the classroom by certified teachers and seasoned instructors, enhanced and accelerated with digital tools and experiential learning (e.g., field trips, Planetarium, Outdoor Lab), and reinforced with supplemental at-home exercises and through after-school enrichment programs. Classrooms are generally organized by the physical/spatial constraints of school buildings (capital assets), educator/staffing availability and cost drivers (workforce supply), and the specific needs of a diverse array of students (workforce demand). Every year, each school system strives to define its instructional priorities and optimally align limited workforce resources to meet the myriad demands of a fresh cohort of students within a limited time frame (~180 instructional school days). It is this explicit connection between *content-classroom-student* (and requisite support services) that form the “**north star**” foundation for a school system’s budget.

1.1 Different Definitions of “Budget”

Budgeting – *the process by which programs and services are planned, and funds are allocated to accomplish their goals*⁴ – is crucial to an organization’s success. Simply put, plans drive budgets (and not vice versa). In school systems, budget decisions impact the education and outcomes of future generations. The budget process is a road map, a tool for transparency and requirements traceability, and a framework for ensuring accountability. Education budgeting best practices center around a comprehensive plan that connects finance with academic leadership and operations management to best align resources to meet desired student achievement outcomes. Budgeting requirements are linear: (1) student needs drive (2) instructional priorities which drive (3) workload estimates which drive (4) school system goals which drives (5) revenue support which drives (6) workforce resource allocations.

Too often, school systems start with anticipated revenue streams and work backwards to address student needs, however this approach tends to overlook or minimize the needs of all students. A student-need starting position asks: “this is what we need, how can we deliver?” whereas a revenue outlook starting position asks: “what can we deliver with these available resources?” A student-need starting position is a classroom-based, bottom-up approach. A revenue-outlook starting position is an enterprise-based, top-down approach. When budgeting begins with understanding student needs as the driving force towards establishing instructional delivery requirements, school systems are better positioned to request specific resources to close instructional delivery gaps.

In simple terms, budgeting is the process of using various information to prioritize organizational needs and allocate finite resources to fund those needs. School budgeting uses information about school staff, students, and facilities to meet student learning needs and goals.

⁴ *Best Practices in School Budgeting*, Government Finance Officers Association (GFOA), 2017

1.2 Budget Foundation Requirements

Per the Constitution of Virginia, Article VIII Section 1: “the General Assembly shall provide for a system of free public elementary and secondary schools for all children of school age throughout the Commonwealth, and shall seek to ensure that an educational program of high quality is established and continually maintained.”

Per the Code of Virginia, the “Virginia General Assembly and the Virginia Board of Education (VBOE) believe that the fundamental goal of the public schools of the Commonwealth must be to enable each student to develop the skills that are necessary for success in school, preparation for life, and reaching their full potential.” The General Assembly and VBOE find that the quality of education is dependent on the provision of four things:

- 1) **Working Conditions** – appropriate working environment, salaries, and benefits of high-quality instructional personnel;
- 2) **Learning Conditions** – the appropriate learning environment designed to promote student achievement;
- 3) **Quality Instruction** – teaching content and methods that enables each student to become a productive and educated citizen of Virginia and the United States; and
- 4) **Resource Commitments** – the adequate commitment of other resources

VBOE establishes educational objectives known as the **Standards of Learning**, which form the core of Virginia’s educational program, and other educational objectives, which together are designed to ensure the development of the skills that are necessary for success in school and for preparation for life in the years beyond. At a minimum, VBOE establishes Standards of Learning for (1) English, (2) mathematics, (3) science, and (4) history/social science. The SOLs include (but are not limited to) the following:

- 1) The basic skills of communication (listening, speaking, reading, and writing)
- 2) Computation and critical reasoning, including problem solving and decision making
- 3) Proficiency in the use of computers and related technology
- 4) Computer science and computational thinking, including computer coding
- 5) Skills to manage personal finances and make sound financial decisions

The Code of Virginia requires that local school boards implement the Standards of Learning or objectives specifically designed for their school divisions that are equivalent to (or exceed) the VBOE’s requirements. Students shall be expected to achieve the educational objectives established by the school division at appropriate age or grade levels. The curriculum adopted by the local school division shall be aligned to the Standards of Learning. In simple terms, “curriculum” is the planned sequence of instruction and learning experiences designed to help students achieve specific educational goals or objectives.

1.3 Community Concerns Regarding Student Achievement and Value

Arlington Public Schools (APS) have long been recognized as one of the best school districts in the Commonwealth of Virginia. For the 2024-25 school year, Niche.com ranks APS as the #2 best school district in Virginia, with an overall A+ grade. However, not all schools within APS receive such high marks, and looking at APS in aggregate can overlook the challenges of some schools, particularly neighborhood elementary schools. Other prominent ranking companies like US News & World Report, Greatschools, and Schooldigger show less favorable ratings for APS schools for elementary, middle, and high schools.

1.4 Revenue Disruptions Can Spur Educational Service Delivery Innovation

These are challenging times. Economic and societal disruption is impacting Arlington and APS in significant ways and with cascading consequences. Historically rock-solid government revenue streams are suddenly in jeopardy as the US Federal government seeks to aggressively reform executive operations, including public education. More than 10% of Arlington’s workforce (over 25,000 people) are civilian federal employees, and many more are federal contractors. In addition to roughly \$24 million annually from the Federal government, APS receives nearly half (46.8% or \$647 million) of Arlington County’s revenue. If overall County revenues decline, APS receives a smaller percentage share.

While the ripple effects of the velocity and veracity of federal policy and operational changes are hard to quantify, Arlington and APS must brace for impact while continuing to deliver value-based services with finite resources. With significant threats to revenues, it becomes even more important to design expenditures to deliver optimal value. If there is a silver lining, it is simply this – *disruption can spur innovation to purposefully evolve programs and systems to better meet stakeholder needs.*

2.0 The Role of the APS Budget Advisory Council (BAC)

The APS Budget Advisory Council (BAC) is a small group of motivated citizen volunteers, and per APS policy, is charged with providing advice and insight to the APS School Board to help maintain fiscal integrity, public confidence, and wise stewardship of taxpayer resources. While these terms are not defined by APS Policy, we can further define them below (paraphrased, using Google’s Gemini AI):

- **Fiscal Integrity** – *ensuring financial systems operate cleanly, transparently, and accountably, adhering to legitimate rules and standards, contributing to sustainable development*
- **Public Confidence** – *aggregate trust and belief in the competence, trustworthiness, and reliability of an organization or system, a crucial factor in maintaining social order and stability*
- **Wise Stewardship of Taxpayer Resources** – *responsible management of financial resources to ensure they are used efficiently, effectively, and sustainably*

Given recent significant and sustained market turbulence, leveraging skills around integrity, confidence, and stewardship are vital to navigating the way forward. Fifteen volunteers (including four former BAC Chairs) participated in the FY26 Budget evaluation with the understanding that this year’s efforts would

be a chance to address and recommend fundamental changes to address structural deficiencies. These efforts included understanding and exploring statutory requirements, traceability (from statutory code to operating plans to operating budgets to student outcomes), efficiency, reliability, sustainability, and viability.

Per APS Policy, the BAC advises and makes recommendations in five areas:

- 1) Annual budget priorities
- 2) Policies and practices related to the presentation of the operating budget and the financial management of the school system
- 3) The degree to which the proposed budget supports best fiscal practices and School Board priorities
- 4) Assists in educating the Arlington community about the budgeting process
- 5) Provides ad hoc study and recommendations on special topics or concerns

This year's BAC activities were organized into two categories:

- (A) **Monthly meetings** until the mid-March 2025 release of the Proposed Joint Budget centered on research, analysis, and discussion of school budgeting best practices, prior year adopted budgets, prior BAC recommendations, various APS reports, and Code of Virginia statutory requirements. In October 2024 the BAC delivered Budget Direction Guidance and in March 2025 provided feedback to Policy D-15 External Funding.
- (B) **Weekly meetings** from mid-March to early April to review, discuss, and recommend improvements to the Proposed Budget, culminating in the BAC Work session with the APS Board in mid-April.

Given the number of new BAC members that joined this year, there was a concerted effort to help explain budget layout, content, and terminology to help ramp up awareness, understanding, and participation.

3.0 Defining Budget Priorities

The VBOE's *Comprehensive Plan 2024-2029* sets the strategic destination for education across Virginia and provides a high-level road map, and outlines seven (7) key priorities as follows:

- Priority 1: To set and help every learner meet high expectations
- Priority 2: To support learning loss recovery
- Priority 3: To ensure that every K-12 student has a high-quality, licensed teacher
- Priority 4: To create innovative pathways for every learner
- Priority 5: To advance safe and healthy schools
- Priority 6: To empower parents as partners

- Priority 7: To research and move towards a student-based funding formula

Per VBOE, every school district in Virginia is required to have its own 10-part Comprehensive Plan. This statutory requirement was part of the BAC’s October 2024 Budget Direction Guidance.

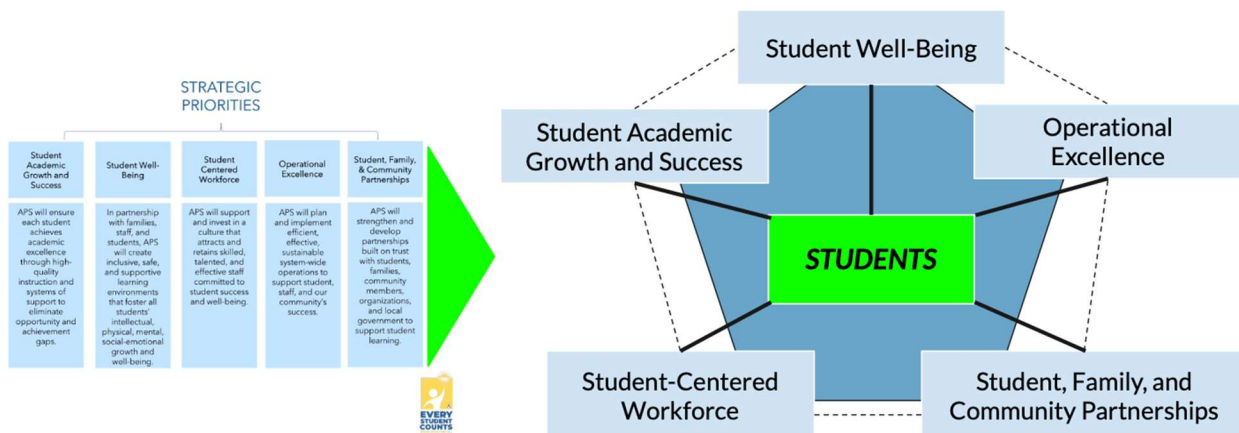
3.1 BAC October 2024 Budget Direction Guidance and Response

In its October 2024 Budget Direction Guidance, the BAC encouraged the School Board to (1) more thoroughly define a *needs-based vs. wants-based* budget, (2) publish the entire APS Comprehensive Plan as the cohesive operating plan and foundation to evaluating the corresponding operating budget, (3) align budget investments (both new and existing) with performance objectives, strategies, and student outcomes, and (4) organize the Budget around our students by strategic function to improve public understanding and improve data-driven decision making.

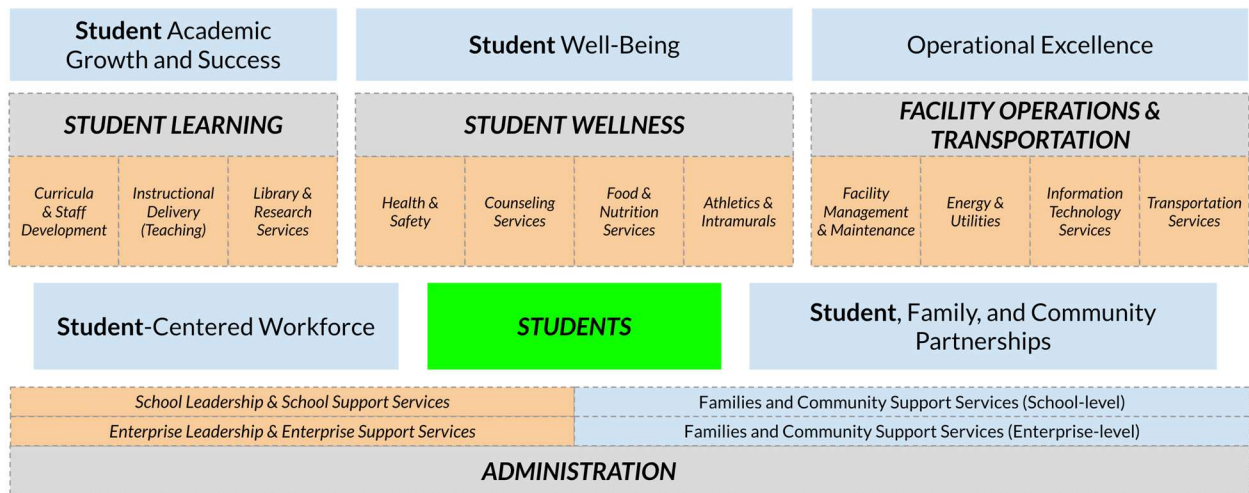
APS took steps to publish most of the Comprehensive Plan on its website. The FY26 Budget organizes investments and cuts across the five broad strategic plan goals. However, there are still gaps in defining needs vs wants built on a foundation of statutory requirements, and being able to convey and articulate the budget in categorical terms that most Arlingtonians can easily understand. The two most important components of the Budget – *our diverse student population and our teachers* – are largely hidden within the document. Teachers, arguably our most important instructional delivery assets, are aggregated under a handful of budget object codes. It is impossible to tell from the Budget document precise FTEs and labor costs per grade, or by subject. A reframing of the budget document around these core stakeholder groups would resonate with the public and serve as a tool for better decision making.

3.2 Align Budget Priorities around Functional Priorities that Support the Strategic Plan

APS Strategic Plan Priorities are aligned around the *Student* (e.g., *Student Academic Growth and Success, Student Well-Being, Student Centered Workforce*).



With Strategic Priorities centered around Students, the Budget can be built around **Functional** Priorities that align with each Strategic Priority, as follows:



3.3 Analyze Student Achievement Data as Part of Budget Planning

BAC reviewed report created by the Arlington CCPTA that looked at year-over-year comparisons of summative SOL scores for elementary school students in Math and Reading. This report pulled publicly available data published on APS’s website and summarized comparisons not only against prior year performance but also against School Action Plan targets. Unfortunately, the analysis revealed that in many schools, students did not meet scores achieved by the prior year’s cohort. Additionally, scores did not meet planned and published targets.

APS Action Plan Performance - Goal #2: Reducing Reading SOL Achievement Gaps										
Heat Map Analysis comparing Spring 2024 results vs. 2023 Baseline results										
#	APS Elementary School	All Students	Asian	Black	Hispanic	Multiple Races	White	English Learners	SWD	Econ Disadv.
1	Abingdon	-2%		-12%	-6%			-1%	7%	-2%
2	Alice West Fleet				3%			-11%	-8%	-6%
3	Arlington Science Focus			35%	-10%			-3%	-16%	5%
4	Arlington Traditional	2%	2%					11%	-18%	5%
5	Ashlawn				13%			5%	-7%	-7%
6	Barcroft				-3%			-7%	1%	0%
7	Barrett	-2%		19%	-9%			-5%	-9%	-1%
8	Campbell			11%	1%			6%	0%	10%
9	Cardinal			-20%	7%			36%	11%	-7%
10	Carlin Springs	6%	6%	-1%	7%	N/A	10%	5%	12%	12%
11	Claremont Immersion				1%			3%	14%	1%
12	Discovery			N/A				36%	7%	20%
13	Drew	4%	31%	3%	0%	N/A	7%	-3%	4%	-1%
14	Glebe			19%	-11%			3%	13%	7%
15	Hoffman-Boston	1%		0%	-5%			3%	-16%	2%
16	Innovation			8%	-1%			4%	-15%	4%
17	Jamestown						12%	18%		
18	Escuela Key Immersion				4%			1%	-4%	5%
19	Long Branch			0%	-16%			0%	-4%	-7%
20	Montessori Public School			3%	11%			16%	12%	8%
21	Nottingham			N/A	-4%			25%	4%	0%
22	Oakridge	0%		5%	4%			7%	-17%	8%
23	Randolph			6%	1%			-2%	-5%	-2%
24	Taylor		32%	3%	16%			54%	8%	37%
25	Tuckahoe			N/A	6%			14%	19%	-20%

Key
Greater than 0 = met or exceeded baseline
Between 0 and -5% = slightly below baseline
Between -5% and -10% = below baseline
less than -10% = significantly below baseline

APS Action Plan Performance - Goal #1: Reducing Math SOL Achievement Gaps
Heat Map Analysis comparing Spring 2024 results vs. 2023 Baseline results

#	APS Elementary School	All Students	Asian	Black	Hispanic	Multiple Races	White	English Learners	SWD	Econ Disadv.
1	Abingdon	-5%		3%	-7%			-10%	6%	-3%
2	Alice West Fleet				-3%			-8%	-3%	-7%
3	Arlington Science Focus	-1%		23%	-12%			-7%	-26%	5%
4	Arlington Traditional	-2%		-5%	-1%			-6%	-9%	-3%
5	Ashlawn				-1%			-14%	-7%	-10%
6	Barcroft				5%			5%	-4%	8%
7	Barrett	-1%		30%	-10%			-8%	-3%	-1%
8	Campbell				7%			-2%	10%	9%
9	Cardinal			-6%	0%			28%	0%	-19%
10	Carlin Springs	0%	1%	-2%	-1%	N/A	22%	-3%	-7%	4%
11	Claremont Immersion			N/A	4%			12%	0%	6%
12	Discovery			N/A	10%			29%	29%	50%
13	Drew	-4%	3%	-3%	-11%	N/A	11%	-9%	-14%	-4%
14	Glebe				-6%			-8%	6%	-10%
15	Hoffman-Boston			9%	-9%			3%	-7%	2%
16	Innovation			-2%	5%			7%	-17%	-1%
17	Jamestown							1%		
18	Escuela Key Immersion			N/A	3%			5%	-1%	3%
19	Long Branch			-9%	-7%			-3%	-13%	-7%
20	Montessori Public School		9%	-12%				-27%	-7%	-8%
21	Nottingham			N/A	-10%			0%	-2%	4%
22	Oakridge	-4%		-10%	10%			-3%	-32%	-1%
23	Randolph			-1%	-3%			-9%	-7%	-4%
24	Taylor		23%	20%	7%			30%	14%	27%
25	Tuckahoe			N/A	20%			36%	11%	50%

Key
Greater than 0 = met or exceeded baseline
Between 0 and -5% = slightly below baseline
Between -5% and -10% = below baseline
less than -10% = significantly below baseline

4.0 Improving the Structure and Content of the Operating Budget

In its current form, the APS Proposed Budget is built using the ASBO International MBA framework, which focuses on revenues, and then uses site-based budgeting for schools, certain programs, and central office departments. There is more emphasis on the activities of the central office departments than on the staffing models and instructional delivery approaches at each of the schools.

4.1 Connecting Multiple Datasets to understand Budget and Expenses

- Reviewed Code of Virginia to understand the statutory requirements that apply to every local school board in Virginia (e.g., primary goal of public schools, high-quality Educational Objectives and Standards codified as subject-specific Standards of Learning, District-Wide Comprehensive Plan 10-part de facto Operating Plan)
- Reviewed the ASBO budget submission criteria to understand why APS presents the budget document in the manner and layout. several school budgeting best practices documents which Policies and practices related to the presentation of the operating budget and the financial management of the school system
- Reviewed best practice primers and reports including Best Practices in School Budgeting (GFOA), School Budgets 101 (AASA), Smart School Budgeting: Resources for Districts (Rennie Center) and various, Student-Based Budgeting Primers

- Connected with various Arlington communities to understand their budget concerns
- Reviewed prior APS Budgets, Budget Detail Sheets, and Arlington County’s Comprehensive Annual Financial Report (which includes information on OPEB Trust Fund and School Activity Funds)

4.2 Organizing Principles to Help Public Understand Budget Content

People generally don’t think about budgets in terms of cost centers and line-item codes. They think about budgets in terms of broad categories that are readily understood. In its “School Budgets 101” white paper, AASA⁵ shares that there are around 10-12 broad categories that apply to most schools around the country, shown below:

What are the major budget categories for school districts? While specific budget lines and items vary district to district and state to state, there are broad general categories that apply to most schools. These categories include, but are not limited to:

- *Transportation* - buses and drivers to transport students
 - *Facilities* – to ensure students attend schools that are clean and well maintained
 - *Energy* - the school is lit during the day, heated in the winter and cooled in the summer
 - *Health and Safety* - the school nurse cares for the ill student, and security measures keep staff and students safe
 - *Instruction* - students have a qualified teacher, teachers have instructional aides, and classrooms have supplies
 - *Curriculum and Staff Development* - curriculum, training and instructional support to ensure teachers are able to provide students with necessary knowledge and skills
 - *Food Services* - nutritious, affordable breakfast and lunch
 - *Library Services* - the library and librarian/staff provide research assistance and resources
 - *Counseling Services* - counselors for testing prep, college prep, drug/alcohol abuse programs, and supporting family needs in seeking outside counseling
 - *School Leadership and Support* - principal, assistant principals and administrative support staff
- (Source: Round Rock ISD)

The APS Budget also organizes planned expenditures into six categories:

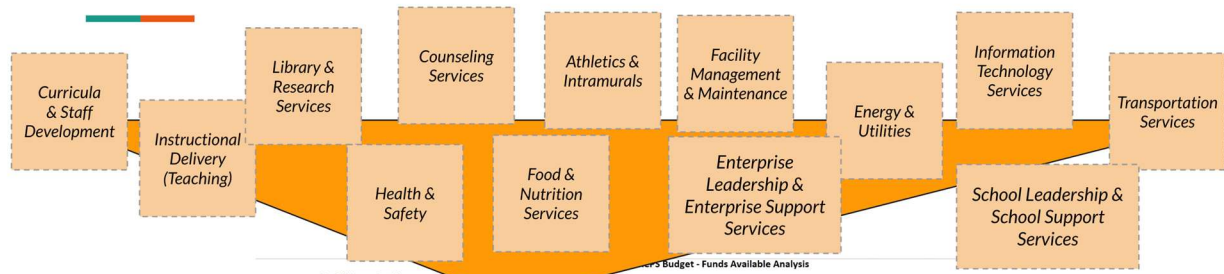
- 1) Personnel Services
- 2) Employee Benefits
- 3) Purchased Services
- 4) Other Charges
- 5) Materials & Supplies,
- 6) Capital Outlay

4.3 Building the Budget around Functional Priorities

Using the newly defined Functional areas, these can be inserted into APS’s current budget financial system, where the Function code is not currently used (as shown in the graphic below). This is a straightforward opportunity to add context to budget line items and group them by Functional Area. It would also provide insight into how much APS budgets and spends into certain operational areas that could use more visibility, particularly Curricula & Staff Development and Athletics & Intramurals.

⁵ American Association of School Administrators, School Budgets 101 white paper

Object Codes by Function helps create hierarchy of needs



Period Name: Oct-24

APR Budget - Funds Available Analysis

Account ID	Account Fund	Cost Center	Location	Object	Function NOT USED	Fiscal Year	Description	Budget	Encumbrance	Actual	Funds Available
100-101000-00-41200	100	101000	00	41200	0000	25	School Operating-School Board-Systemwide-School Board Members-2025	202,012	89,959	37,042	75,012
100-101000-00-41300	100	101000	00	41300	0000	25	School Operating-School Board-Systemwide-Central - Secretarial-2025	302,448	213,115	86,144	1,186
100-101000-00-41311	100	101000	00	41311	0000	25	School Operating-School Board-Systemwide-Central & Secretarial-Part-time-2025	1,630	0	0	1,630
100-101000-00-41317	100	101000	00	41317	0000	25	School Operating-School Board-Systemwide-Overtime-2025	5,305	0	0	5,305
100-101000-00-41318	100	101000	00	41318	0000	25	School Operating-School Board-Systemwide-Director-2025	0	121,862	50,178	117,690
100-101000-00-42415	100	101000	00	42415	0000	25	School Operating-School Board-Systemwide-Employee HSA Costs-2025	34,185	0	12,834	21,351
100-101000-00-42419	100	101000	00	42419	0000	25	School Operating-School Board-Systemwide-VRS Retirement-2025	36,935	0	9,438	27,497
100-101000-00-42420	100	101000	00	42420	0000	25	School Operating-School Board-Systemwide-Health Premiums-2025	30,863	0	12,977	17,885
100-101000-00-42422	100	101000	00	42422	0000	25	School Operating-School Board-Systemwide-VRS Life Insurance-2025	1,982	0	1,623	3,359
100-101000-00-42425	100	101000	00	42425	0000	25	School Operating-School Board-Systemwide-Dental Plan-2025	1,142	0	333	809
100-101000-00-42428	100	101000	00	42428	0000	25	School Operating-School Board-Systemwide-VRS-Retiree Health Care Credit-2025	3,596	0	1,664	1,932
100-101000-00-42429	100	101000	00	42429	0000	25	School Operating-School Board-Systemwide-VRS Life Insurance-2025	12,549	0	10,102	2,447
100-101000-00-42436	100	101000	00	42436	0000	25	School Operating-School Board-Systemwide-403(b) Matching-2025	902	0	466	436
100-101000-00-42439	100	101000	00	42439	0000	25	School Operating-School Board-Systemwide-VD/PVVA Local Disability Program-2025	609	0	169	440
100-101000-00-43440	100	101000	00	43440	0000	25	School Operating-School Board-Systemwide-Income Protection Premiums-2025	1,060	0	264	796
100-101000-00-43402	100	101000	00	43402	0000	25	School Operating-School Board-Systemwide-Agenda Notices-2025	562	0	0	562
100-101000-00-43453	100	101000	00	43453	0000	25	School Operating-School Board-Systemwide-Membership Fees-2025	16,900	0	1,500	15,400
100-101000-00-43563	100	101000	00	43563	0000	25	School Operating-School Board-Systemwide-Consultant Fees-2025	8,450	3,500	0	4,950
100-101000-00-43587	100	101000	00	43587	0000	25	School Operating-School Board-Systemwide-Printing & Duplicating Costs-2025	845	0	3	842
100-101000-00-45468	100	101000	00	45468	0000	25	School Operating-School Board-Systemwide-Registration Fees-2025	10,985	1,115	1,020	8,650
100-101000-00-45471	100	101000	00	45471	0000	25	School Operating-School Board-Systemwide-Service Awards-2025	0	0	230	1,010
100-101000-00-45478	100	101000	00	45478	0000	25	School Operating-School Board-Systemwide-Travel Professionals-2025	13,520	0	159	13,361

5.0 Evaluating how proposed budget supports best fiscal practices and School Board priorities

We reviewed the following data: (1) Consolidated Annual Financial Report (CAFR) from Arlington County (June 2024) which revealed surprising information about the existence of the Other Post Employment Benefit (OPEB) Trust Fund (~\$120M) and the School Activity Fund (which has roughly \$3M in dormant holdings); (2) FY17-FY24 Budget-Encumbrance-Expenditure data (same data shared with the budget consultant); (3) Prior year Detail Budget Sheets; and (4) October 2024 snapshots of Student Activity Funds across all APS schools.

The FY26 Budget was a The Proposed Joint Budget follows ASBO International framework and layout. It's great that APS is awarded (annually) the distinction of the Meritorious Budget Award by ASBO. However, arguably the more important and relevant framework to follow is the one published by Government Finance Officers Association (GFAO) entitled "Best Practices in School Budgeting." While there was some thought that the Proposed Budget might have dramatically different layout, structure, and content, the draft document is similar in design⁶ to prior year budgets except broadly aligned to the five goals of the APS 2024-2030 Strategic Plan instead of the Board's top three annual priorities. The Proposed Joint Budget is very much a site-based budgeting document, with separate budgets for every school (and some programs) and central office departments. It's not clear how resource allocations are tied to student achievement.

⁶ APS Budgets are built using Association of School Business Officials International, *Meritorious Budget Award* framework

The APS Joint Proposed FY26 Budget totals \$845.4 million - a \$19.1 million increase over FY25 adopted budget. Like prior years⁷, the FY26 Budget process began with a significant structural deficit (\$41.4 million) where reserves are proposed to defray operating costs. The FY26 Budget was incrementally built using the FY25 Budget as baseline. Spending investments, adjustments and allocations are broadly aligned to the five goals of the APS 2024-2030 Strategic Plan. However, it remains unclear how these investments or cuts directly correlate to the specific measurable objectives within the Strategic Plan. As APS works to finalize the FY2026 Joint Budget by mid-May, it is important to ask not only whether new investments are effectively raising student achievement but how do current baseline investments maximize teaching and student learning. This is an overall concern: ***how is APS connecting incomes with outcomes?***


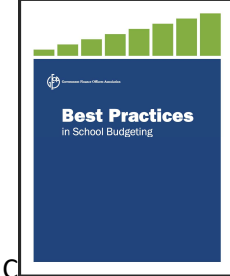
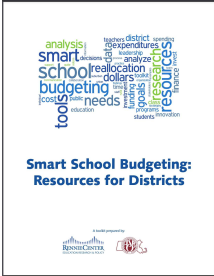
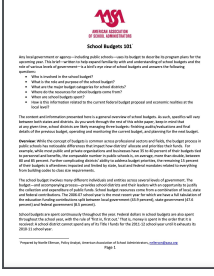
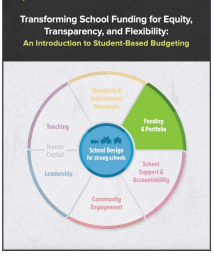
As a last contingency resort, in the event APS loses its ~\$24M in Federal funding, state and local funding is significantly lower than anticipated, APS has the opportunity to draw down further from its OPEB Trust Fund. APS should also continue to work with each school to activate dormant School Activity Fund money, applying it to current students in the next fiscal year.

6.0 Looking Ahead

The last scheduled BAC meeting of the year is scheduled for June 11. New BAC leadership will be selected as we transition into FY27 Budget planning and next steps.

⁷ FY25 and FY24 Budgets began with \$53.6 million and \$41 million structural deficits, respectively

Appendix 1: Useful Resources for School Budgeting

<p>www.asbointl.org/MBA</p>	 <p>The cover features the ASB International logo at the top, followed by the word 'CHECKLIST' in large, bold letters. Below it is the website 'www.asbintl.org/MBA' and the ASB Association of International Officials logo at the bottom.</p>
<p>GFOA Best Practices in School Budgeting</p>	 <p>The cover has a blue background with a bar chart at the top. The title 'Best Practices in School Budgeting' is centered in white text. The GFOA logo is in the bottom left corner.</p>
<p>Rennie Center “Smart School Budgeting: Resources for Districts”</p>	 <p>The cover features a word cloud with terms like 'analysis', 'school', 'budgeting', 'needs', 'education', 'tools', 'smart', 'school', 'education', 'budgeting', 'needs', 'education', 'tools'. Below the word cloud is the title 'Smart School Budgeting: Resources for Districts' and logos for Rennie Center and the Harvard Center for Education.</p>
<p>American Association of School Administrators “School Budgets 101”</p>	 <p>The cover has a white background with a red 'ASA' logo at the top. Below it is the title 'School Budgets 101' and a list of bullet points. At the bottom are logos for the American Association of School Administrators and the National School Boards Association.</p>
<p>ERS, “Transforming School Funding for Equity, Transparency, and Flexibility”</p>	 <p>The cover features a circular diagram with 'School Budgeting for every child' in the center. Surrounding it are five colored segments: 'Charitable & Independent Foundations', 'Teaching & Periods', 'School Support & Accountability', 'Community Engagement', and 'Trustees & Leadership'. The title 'Transforming School Funding for Equity, Transparency, and Flexibility: An Introduction to Student-Based Budgeting' is at the top.</p>

Appendix 2: Survey and Analysis of Prior Year BAC Recommendations

Introduction: The Budget Advisory Council (BAC) perceived the utility of a document that would collect its recommendations from the past five years (2020 - 2024). Recommendations included in the BAC’s Annual Report to the School Board and other communications are tabulated below, with the intent that it will illuminate themes and reveal our “greatest hits.” We hope this can serve as a tracking tool whereby the APS staff has an opportunity to comment on the recommendations, and the School Board can record its actions and dispensation of the recommendations.

Notation: Each recommendation is sequentially numbered with the year of the BAC Annual Report and the order of its mention in the report. If a previous year’s report mentions a substantially similar recommendation, they are grouped together with the more recent incident of the recommendation on top. The frequent recommendation to review “structure” does not generally make a specific actionable recommendation, but is still a notable indication that the subject was on the BAC’s mind. The “structure review” recommendations are notated with an “X.” Some valuable recommendations were not contained in the written Annual Report, but in other correspondence with the School Board—particularly the presentation to the board. These are also captured in the table and designated with letters instead of numbers. On the occasions where the table becomes thick with repeated or related recommendations of a kind, those recommendations are awarded the “theme” status indicated by the bold font.

Budget Theme	Prior BAC Recommendation	BAC Comments
Priorities	<p><u>2024 - 1</u></p> <p><u>2023 - 1</u></p> <p>School Board Priorities need to be more explicit</p> <p>– continue to prioritize, and define “operational efficiency”</p>	<p>- need to be clear what specifically is a priority, and—of equal importance—what is not a priority for the coming year</p> <p>- operational efficiency investments must have measurable costs and benefits/value</p>
<p><u>Metrics</u></p> <p>Programs</p>	<p><u>2024 - 2</u></p> <p><u>2023 - 2</u></p> <p>Need to have metrics/ performance measurements for all baseline increases and new increases</p> <p>– include proposed timelines for funding need (‘24)</p>	<p>- permits evaluation of the benefits / ROI of investment requests</p> <p>- helps prioritize investment decisions when funds are limited</p> <p>- allows continuing evaluation of programs over time to see which are successful and worthy of expanding, and which are not working out and should be stopped so that the funds could be applied elsewhere</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
	<p><u>2024 - 11</u></p> <p>Revisit last three year’s budgets and retroactively set metrics for new programs and investments</p> <p>– evaluate the results</p>	
<p><u>Reserve Management</u></p>	<p><u>2024 - 3</u></p> <p><u>2023 - 4</u></p> <p>Budget Direction should include a set of principles for the use of reserves</p> <p><u>2022 - 7</u></p> <p>Define a set of principles to clarify on what reserves and one-time funds should be used</p> <p>– could include plan to take advantage of possible closeout funds, rather than waiting for the next budget year</p> <p><u>2021 - 6</u></p> <p>Moderate the use of reserves to close gaps in the operating budget</p>	<p>- one-time funds—including reserves—should be used for one-time costs only (‘23 and ‘24)</p> <p>- future years reserve balance should be kept proportionate to out-years forecasted deficit</p> <p>- reserve funds can be used to offset only ½ of cost increases (the remainder would need to be covered by offsets elsewhere)</p> <p>- minimize use of one-time funding to address recurring expenses (‘22 and ‘21)</p> <p>- fund one-time investments (which may span multiple years) if they will—in a measurable way— reduce or avoid future costs</p> <p>- provide funds to tackle one-time, unforeseen challenges that arise</p> <p>– e.g. pandemic ‘learning loss’ response</p> <p>- using all reserves for operating costs in next 1-2 years yields a very risky situation</p>
<p><u>Balanced Budget</u></p>	<p><u>2024 - 4</u></p> <p><u>2023 - 8</u></p> <p>The proposed budget needs to be balanced for both the current year and projected out-years</p>	<p>- budget proposal should start with a balance rather than deficit</p> <p>- may include desired increases</p> <p>- to the extent out-year budgets cannot be balanced, the budget will provide a contingency plan to identify how future deficits may be addressed or how future</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
	<p><u>2022 - 1</u></p> <p>Broadly balance expenses and revenue</p> <p><u>2021 - 12</u></p> <p>Return Budget Direction to instruction for a balanced budget</p>	<p>surpluses may be utilized</p>
Deficit Planning	<p><u>2024 - 5</u></p> <p><u>2023 - 6</u></p> <p>Develop a comprehensive contingency plan, and kick-off associated studies, which would lay out options for various deficit scenarios</p> <p><u>2022 - 3</u></p> <p>Stress-test proposed budget for various headwinds and scenarios and use these results to inform mitigation measures and reserve policy</p>	<ul style="list-style-type: none"> - the Budget Direction should state which significant risks need to be identified and documented as part of the budgeting process - for each risk, a contingency plan would provide options for addressing the risk should it come to fruition - this contingency plan should become part of standard practice and formally included in APS Policies and PIPs
<u>Communication</u> Cost-per-Pupil	<p><u>2024 - 6</u></p> <p><u>2023 - 7</u></p> <p>Evaluate cost-per-pupil at a granular level to articulate both the costs that drive the numbers as well as the benefits that we realize</p> <p>– e.g. options schools and programs may add \$X to the cost but there is an intrinsic quantitative and qualitative value in those programs that may far</p>	<ul style="list-style-type: none"> - may be addressed by default due to state-wide transition away from “staff-based” to “student- based” budgeting model (‘24) - Arlington has the highest cost-per-pupil in the region (‘23) - consistent topic of concern among community members (‘23) -- attracts outsized regard by the community (‘20) -- creates a public confidence issue related to APS’s stewardship of taxpayer funds (‘23)

Budget Theme	Prior BAC Recommendation	BAC Comments
	<p>exceed the cost</p> <p><u>2020 - 3</u></p> <p>Add a line chart portraying the cost per pupil as it would be adjusted for inflation</p>	<p>- an inflation adjusted chart could reveal any cost efficiencies achieved and better communicate such with the community ('20)</p>
<p><u>Budget Document</u></p> <p>Cost Categorization</p>	<p><u>2024 - 7</u></p> <p><u>2023 – 10</u></p> <p>Budget Document should organize new expenditures into three categories</p> <p><u>2020 - 6</u></p> <p>Classify costs into a spectrum of need categories ranging from “statutory” to “non-essential,” the latter being programs that may enhance the educational experience, but are not vital to the functioning of our school system</p>	<p>- 1. “keep the lights on” types of costs. These would be items such as increases in building maintenance, supplies, electricity, trash removal, etc. due to inflation. These are necessary costs of ‘doing business’ and should not necessarily require metrics to be established as a budgetary requirement</p> <p>- 2. costs and headcount directly tied to supporting enrollment increases. These costs are directly tied to the application of our Planning Factors and should not necessarily require metrics to be established as a budgetary requirement</p> <p>- 3. discretionary expenditures. All other requested expenditures would be considered discretionary. Metrics should be identified to measure the associated costs and value / benefits, objectives established, and timelines proposed so that the requests can be prioritized relative to available budget</p> <p>- The utility of this categorization is to demonstrate the strength of each budget item in its structural place in the budget ('20)</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
<u>Budget Process</u>	<u>2024 - 8</u> Return to budget process where work sessions are conducted over a series of weeks	- recent work sessions were conducted during one workday - near impossible for BAC and public to attend - time for input much compressed - no time for staff to react to issues or questions
<u>Budget Document</u>	<u>2024 - 9</u> Budget document (or process) should illuminate new one-time or permanent expenditures	
<u>Metrics</u> System-Wide	<u>2024 - 10</u> <u>2023 – 12</u> Measure and publish specific metrics to help address on-going challenges	- e.g. Cost per Student: to rationalize APS’s cost per pupil relative to neighboring districts and to set a baseline to measure against in future years - e.g. Staff Attrition: to better understand challenges for attracting and retaining APS staff and correspondingly identify the most effective ways to keep them
<u>Budget Planning</u>	<u>2024 - 12</u> Develop a plan to transition to student-based budgeting model - identify any process or system changes needed - layout transition timeline	- expect Virginia to transition from “staff-based” to “student-based budgeting model.” - “SBB” allocates funds to schools based on the number of enrolled students and their individual needs - each student receives a funding weight that addresses several problems and inequities that befall APS - e.g. multitude of non-English languages spoken among student population

Budget Theme	Prior BAC Recommendation	BAC Comments
<u>BAC</u>	<u>2024 - a</u> Consider altering BAC's direction for next year to focus on specific topics / priorities vs. on the budget generally	
<u>Reserve Fund Management</u>	<u>2024 - b</u> Move close-out funds to operating reserves where they would only be available for one-time expenditures	- this would include compensation reserves where the funds could cover one-time compensation (e.g., bonuses) but not ongoing increases (i.e., Step increases or COLA adjustments)
<u>Communication</u>	<u>2024 - c</u> Budget document should elaborate on cases where school enrollment will increase but FTE counts will decline	- so the community understands the rationale
<u>Specific</u>	<u>2024 - d</u> Create a cross-council task force to look at class sizes across APS and identify opportunities to better balance class size, teachers and space	- e.g. simplify the secondary course catalog and remove niche courses that are undersubscribed - e.g. consolidate similar niche classes into a single virtual and/or dual enrollment class
<u>Specific</u>	<u>2024 - e</u> Define how much variance in class size is acceptable	- in addition to the current criteria defined in the class size report
<u>Specific</u>	<u>2024 - f</u> Reassess provision of 1:1 technology at all elementary school grades – evaluate (1) if Chromebooks would align with APS curriculum needs / standards and if so (2) evaluate the cost savings	- possibly refer to ACTL

Budget Theme	Prior BAC Recommendation	BAC Comments
	(including hardware, reliability, and support) would deliver significant savings in the short and long-term	
<u>Specific</u>	<u>2024 - g</u> APS should either (1) restructure the job responsibilities of any Interventionist / Coach / ITSC positions that do not directly interact with students to require at least 50% of their time be spent directly working with students or (2) eliminate these roles	
<u>Specific</u>	<u>2024 - h</u> Shift the AP and IB testing cost to parents (on a needs basis) or cover only the first six tests for a student	- this may be the approach that Fairfax County takes
<u>Specific</u>	<u>2024 - i</u> Consider eliminating the TJSST option pending a more detailed cost evaluation	- while the calculated cost per student of this program is less than the avg Arlington Cost-per-pupil, shifting the students back into schools would not result in additional cost given they would be spread across the county and absorbed into current cohorts
-	<u>2024 - X</u> <u>2023 - X</u> Need to consider costs & benefit impacts for significant structure changes to be able to consider for contingency planning	Could include: - option schools and programs (see 2022 - 5 and 2021 - 5) - class sizes (see 2021 - 3) - realigning capacity - school consolidation/ closure - staffing pyramids - merge APS bus fleet with ART (see 2022 - 4

Budget Theme	Prior BAC Recommendation	BAC Comments
		<p>and 2021 - 2)</p> <p>- re-evaluate non-school based positions and admin staffing levels (see 2023 - 9)</p>
-	<p><u>2023 - 3</u></p> <p>Budget Direction must include need to focus on learning loss</p>	<p><i>PANDEMIC CONTEXT</i></p>
<u>BAC</u>	<p><u>2023 - 5</u></p> <p>Leverage the capabilities of the BAC by merging specific councils and committees to focus on providing a holistic assessment and response on specific topics</p> <p><u>2022 - 10</u></p> <p>Establish teams across advisory councils to ...</p>	<p>- example topics include:</p> <ul style="list-style-type: none"> - comprehensive review of planning factors to develop a staffing model, including growth in the administrative staff [See 2021 - 3 and 4] -- learning loss recovery plan -- comprehensive review of costs and benefits of the option school programs [See 2021 - 5] -- compensation (including collective bargaining implications) - transportation options with Arlington County
<u>Admin Costs</u>	<p><u>2023 - 9</u></p> <p>Implement guidelines to manage growth of non-school based resources so that they don't disproportionately increase relative to classroom based resources.</p> <p><u>2021 - 4</u></p> <p>Reduce size of central office staff relative to school staff</p>	<p>- e.g. non-school based staff growth cannot be more than X% (e.g., 33%) of school-based staff growth in any given year ('23)</p> <p>- has been growing disproportionately ('21)</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
<u>Budget Process</u>	<u>2023 – 11</u> The School Board should begin the review cycle in Working Session #1 by looking at the 3-year forecast	- provides an upfront view of the fiscal sustainability of the proposed budget as context for all other working sessions
<u>Staff Costs</u>	<u>2022 - 2</u> Stabilize staffing levels	- staff levels should reflect how we wish to instruct and administer the school system without frequent expansion or contraction - project an objective staffing level across all scales, and its impact on future expenses and revenue requirements
<u>Structural Costs</u> Transportation	<u>2022 - 4</u> Continue to promote study [of transportation structures] <u>2021 - 2</u> Explore options to reduce transportation costs (Note 2024 - X and 2023 - X mention of merging APS bus fleet with ART) (Note also <u>2020 - Xc</u>)	- e.g., larger walk zones, more neighborhood schools, hub stops, merging transport with the county, aligning bell schedules to optimize lowest cost transport, etc.
<u>Structural Costs</u> Option Schools	<u>2022 - 5</u> Provide a public report on the costs and benefits of option schools programs relative to the general education program <u>2021 - 5</u> Evaluate cost/benefit of options schools, especially at the lower levels	- reduce complexity, transportation, etc.

Budget Theme	Prior BAC Recommendation	BAC Comments
	(Note also <u>2020 - Xd</u>)	
<u>Staff Costs</u>	<p><u>2022 - 6</u></p> <p>Conclude the multi- year compensation study and develop a sustainable COLA model</p> <p><u>2021 - 7</u></p> <p>Provide compensation for existing APS staff before adding to staff</p> <p>(Note also <u>2020 - Xa</u>)</p>	<p>- be clear about compensation philosophy and model ('21)</p> <p>- prioritize current staff above future staff ('21)</p> <p>- reallocate roles and responsibilities before adding staff ('21)</p>
-	<p><u>2022 – 8</u></p> <p>Develop and price a comprehensive student recovery plan</p>	<p><i>PANDEMIC CONTEXT</i></p> <p>- <i>address learning loss</i></p> <p>- <i>also student social and emotional needs, as well as possible trauma</i></p>
<p><u>Structural Costs</u></p> <p>Class Size</p>	<p><u>2022 - 9</u></p> <p>Implement class size reductions in phases where the changes with the highest likely impact are implemented first.</p> <p>– requires metrics; a data- driven approach to evaluate if the investments are ultimately successful</p>	<p><i>PANDEMIC CONTEXT: Seems to be in context of DECREASING class sizes as reaction to pandemic learning loss</i></p>

Budget Theme	Prior BAC Recommendation	BAC Comments
<u>Budget Document</u>	<u>2021 – 1</u> <u>2020 – 1</u> Extend forecast of revenues and expenditures from three to five years	<ul style="list-style-type: none"> - warranted for the rapid and expensive growth expected ('20) - supports Capital Improvement Plans and debt issuance needed to service it ('20) - tends to comfort the parent and taxpayer base with concerns about the division's ability to adequately plan for the growth and expenses ('20) - shows the community how APS plans to address structural budget deficits ('21)
<u>Structural Costs</u>	<u>2021 - 3</u> a. Re-evaluate planning factors; (Note also <u>2020 - Xb</u>) b. Increase class sizes	<ul style="list-style-type: none"> - based on student demographics and overall equity goals - benchmark to neighboring districts
<u>Budget Planning</u>	<u>2021 - 8</u> Start conversations early with the County to understand potential for additional investment (or not) <u>2020 - 8</u> Renegotiate the revenue sharing agreement with the County Board to establish a higher share above the current 47% as a "funding floor"	<ul style="list-style-type: none"> - Merely acknowledges future deficit and political realities and serves mostly to traverse that territory ahead of the budget season instead of during it ('20) - fortunate that the community appreciates the value of good education, translated through reliable political support by the County Board ('20) - reinforce the reasons to invest in APS ('21)
-	<u>2021 - 9</u> Continue/refine virtual schooling for interested high school students – aggregate smaller classes across	<ul style="list-style-type: none"> - can reduce number of undersubscribed classes - might use a central source

Budget Theme	Prior BAC Recommendation	BAC Comments
	<p>high schools</p> <p>– set adequate planning deadlines for families to determine their mode of instruction_</p>	<p>– e.g. Virtual Virginia</p>
<u>Budget Process</u>	<p><u>2021 - 10</u></p> <p><u>2020 - 4</u></p> <p>Propose a more transparent, early preview process for the budget, especially when larger changes are proposed</p>	<p>- significant items are revealed earlier in the budget process so that the community is aware of and can become educated on the major issues for discussion ahead of the short window for formal budget review and approval ('20); give community time to weigh-in and participate in the conversation, before large decisions are made ('21)</p> <p>– e.g. class size</p> <p>- sensitive items requiring confidentiality would not be disclosed in this process</p> <p>– e.g. reductions in force</p> <p>- longer-term studies can be undertaken when there's potential to have an outsized impact on the budget</p> <p>– e.g, transportation, energy, planning factors, options programs, etc.</p> <p>- could also transform the role of the BAC into a more effective advisory council</p>
<u>Third Parties</u>	<p><u>2021 - 11</u></p> <p><u>2020 - 9</u></p> <p>Collaborate with third parties that can contribute in a fashion that stretches budget resources ('20)</p> <p>– focus on revenue- generating and cost- mitigating opportunities</p>	<p>- need partners outside of the school system to provide direct services to our students that can address gaps and inequities, and stretch our budget resources</p> <p>– eg. the National Alliance for Mental Illness (NAMI) for Family Support Partner Services, providing free access to mental health and wellness services for child, youth, and young adults</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
	('21)	<p>– eg. Northern Virginia Community College and George Mason University to explore the potential for expanding cooperation beyond the current dual-enrollment program</p> <p>– eg. Amazon (receiving County tax breaks) and the Virginia Tech Innovation Campus may offer opportunities to expand partnerships at Arlington Tech/Career Center, STEM focused activities, TJHSST, Outdoor Lab, Planetarium, etc.</p>
<p><u>Other Recommendations</u></p>	<p><u>2021 - 12</u></p> <ul style="list-style-type: none"> a. Ensure community activity fees more than cover expenses (e.g., Pools) b. Reduce HS class choice (looking at low enrollment classes) c. Repurpose fractional allocations across schools d. Add or increase activity and sports fees (on a sliding scale) e. Delay/re-evaluate any upcoming school moves f. Rebalance staff pyramid to bring in more early tenure teachers g. Explore energy savings (long term idea that showed up in several budgets without further explanation) h. Ensure enrollment estimates are not overstated (which leads to overstaffing and smaller class sizes) i. Evaluate technology spend, 	

Budget Theme	Prior BAC Recommendation	BAC Comments
	<p>especially in the younger grades</p> <p>j. Reevaluate the role of the BAC</p>	
<p><u>Metrics</u></p> <p>Equity Policy and PIP</p>	<p><u>2020 - 2</u></p> <p>Establish which measurable data points and target outcomes (grounded in student achievement) will be used to assess the Equity Policy</p>	<p>- the policy lacks the specificity necessary to measure its success or to be a useful tool to achieve a core value in the Strategic Plan</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
<p><u>Communication</u></p> <p>Budget Document</p>	<p><u>2020 - 5</u></p> <p>Format for a budget action where the budget change is proposed, category of need is assigned, and arguments (both pro and con) are provided side-by-side</p> <p>– Additional paragraph to address data and metrics that have been collected</p>	<p>- no budget action should be contemplated without being data-driven and benefitting from a reasonable degree of data analysis</p>
<p>Other Recommendations</p>	<p><u>2020 - 7</u></p> <p>a. Explore long-term collaboration with the County for cost efficiencies on facilities, services, and service fees</p> <p>b. Explore increases in revenue, including a review of all APS fees.</p> <p>c. Consider recommendations from previous citizen advisory committee reports, program evaluations, internal audits, and other relevant reports</p>	
<p>Structural Costs</p>	<p><u>2020 - X</u></p> <p><u>See 2021 - 7, 3, 2, and 5</u></p> <p>Accomplish a systematic and comprehensive review of our cost structures</p> <p>- a. start with the personnel and compensation costs where the greatest impact can be made and the most work has been deferred</p> <p>- b. review of the planning factors</p>	<p>- While our people are our greatest asset, they are our largest cost. And while we want to pay our people competitive salaries to attract and retain high quality talent to APS, we are concerned about having the highest cost per pupil in the Washington Area Boards of Education (WABE) Guide ('20)</p> <p>- we may need a slightly smaller workforce so that we can afford competitive salaries and become more consistent on raises ('20)</p>

Budget Theme	Prior BAC Recommendation	BAC Comments
	<ul style="list-style-type: none">- c. transportation- d. options programs- e. energy usage	