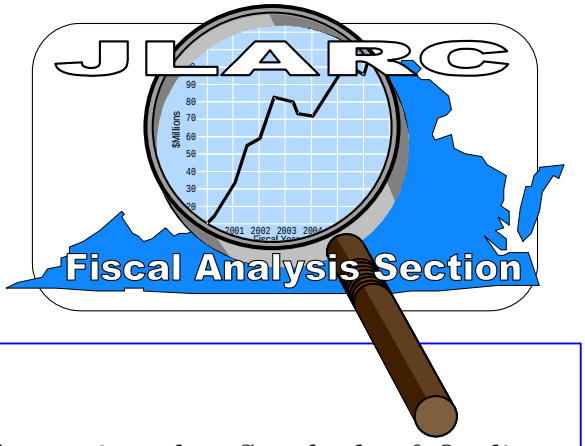
Special Report:

State Spending on Standards of Quality (SOQ) Costs, FY 2007



Summary

Article VIII of the *Constitution of Virginia* requires that Standards of Quality (SOQ) for the school divisions "shall be determined and prescribed from time to time by the Board of Education, subject to revision only by the General Assembly." The standards, which apply to elementary and secondary schools, address various matters, including the availability of types of staff and resources. The costs of the SOQ are to be determined and apportioned by the General Assembly between the State and local units of government.

After determining SOQ costs, the State currently contributes to the costs in two ways. First, it provides State-appropriated sales tax dollars. Second, it pays an average of 55 percent of the remaining SOQ costs (the actual percentage varies from locality to locality, based on local ability to pay). With regard to local government SOQ contributions, the *Code of Virginia* (§22.1-97) states that funding must be provided that is sufficient to meet the "required" expenditure for the SOQ (a locality match for State SOQ expenditures). Appropriation Act language over the years has addressed the question of how required local expenditures are to be calculated. Most localities have consistently provided local funding for education that is well above their SOQ-required expenditure level. However, a few localities have had some difficulties in paying their share of the SOQ cost.

Section 22.1-97 of the *Code of Virginia* was amended by the 2003 General Assembly to require a more formal annual reporting process comparing required SOQ and actual local expenditures by local governments. Reports on local SOQ spending are to be annually prepared by the Virginia Department of Education. In addition, JLARC is required to annually prepare a report on State expenditures for SOQ purposes. This JLARC special report on State SOQ spending in FY 2007 is the fourth annual report.

Based on data reviewed for this report, in FY 2007 the State expended $5.03 billion from SOQ accounts. The major accounts constituting the bulk of these funds were basic aid ($2.95 billion) and State sales tax ($1.14 billion). The amount of State SOQ spending equated to an average of about $4,229 per pupil. The range in State SOQ spending in individual divisions was from $2,064 to $6,827 per pupil. An important factor in the varying size of State SOQ per-pupil spending levels in school divisions is the State's use of a local ability-to-pay index in determining State and local shares of SOQ costs.

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BACKGROUND

Since 1971, the *Constitution of Virginia* has required the State Board of Education to determine and prescribe standards of educational quality for school divisions. These standards are known as the Standards of Quality (SOQ). Under Article VIII of the *Constitution*, which specifically addresses education, the standards are to be "determined and prescribed from time to time by the Board of Education, subject to revision only by the General Assembly."

The standards, which apply at the elementary and secondary school level, address various educational matters, including the availability of different types of staff and other educational resources. The costs of these standards are to be determined and apportioned by the General Assembly between the State and local units of government. The *Commentaries on the Constitution of Virginia* note that the General Assembly "must, by whatever means, see that sufficient funds, state and local, are available to maintain a quality program in every school division in the Commonwealth."

There has been substantial interest over the years in how SOQ costs are calculated, and the extent of funding for the SOQ that is provided by the State and localities. Since the beginning of the SOQ, the State determination of SOQ costs has had two main components: an instructional position component, which determines the number of instructional staff that are required to meet the standards based on quantified personnel ratios, and salary and support cost determinations, which are based on actual support staffing and expenditure data.

For about a decade, the State's share of SOQ costs has consisted of (1) payment of certain sales tax funds that are obtained and appropriated by the State for public education, and (2) payment of an overall average 55 percent share of remaining SOQ costs, after the sales tax funds and any other applicable deductions are made. The particular percentage share of the remaining SOQ costs that is local versus State varies from locality to locality depending on the locality's measured ability to pay.

With regard to local funding responsibilities for the SOQ, the *Code of Virginia* (§22.1-97) indicates that localities must provide education funding levels that are sufficient to meet their "required" expenditure for the SOQ (basically, the balance of SOQ costs not paid by State SOQ expenditures). State Appropriation Act language over the years has addressed the details of how required local expenditure amounts are to be calculated. Most localities have consistently provided local funding for education that is well above their SOQ required expenditure level. However, a few localities have had some difficulties in paying their share of the cost.

At the 2003 Session, the General Assembly amended Section 22.1-97 of the *Code of Virginia* to require the development of annual reports that address local and State spending for the SOQ. (Appendix A to this report provides the statutory language from §22.1-97 that relates to these annual reports). The statute as amended requires that the Virginia Department of Education (DOE) report locality-level data on required local expenditures for the SOQ, as well as locality dollars budgeted and spent for education operating costs that can be compared against the required expenditures. In addition, JLARC is required to "report annually to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health the State expenditure provided each locality for an educational program meeting the Standards of Quality."

JLARC REPORT

This report addresses the charge to JLARC to develop a report on State expenditures for the SOQ. The report provides data for FY 2007, and addresses total State spending for SOQ cost purposes, factors impacting the amount of State SOQ spending, and SOQ spending amounts at the school division level. This report is the fourth in a series of annual reports to meet the requirements of §22.1-97.

TOTAL STATE SPENDING FROM SOQ ACCOUNTS

This section of the report addresses the dollar amounts expended by the State for the SOQ. Total spending across SOQ funding accounts is identified, as well as State spending within individual SOQ funding accounts.

State SOQ Spending, Total for All Accounts

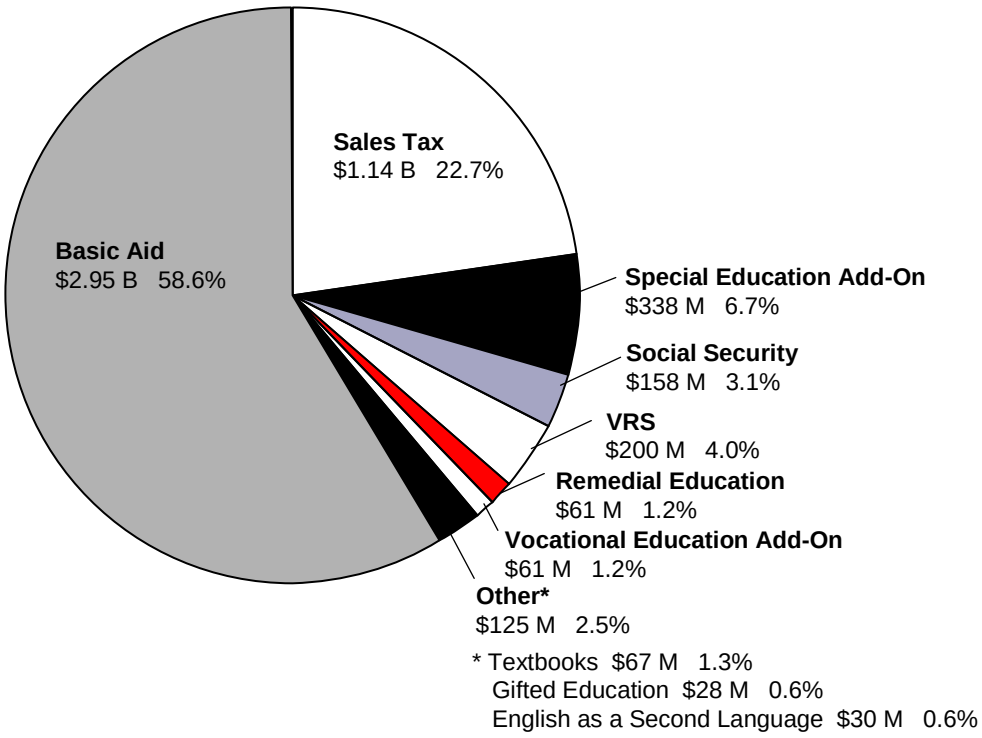
According to data from DOE's accounting system, total SOQ spending by the State in FY 2007 was $5.03 billion. State spending in this context means the funds that the State paid out for school divisions to use in making educational purchases and meeting their costs. The amount the State paid equates to an average of about $4,188 per pupil in fall membership, and about $4,229 per pupil in average daily membership. (Fall membership used to calculate per-pupil costs is based on the number of K-12 students enrolled in Virginia public schools on September 30, 2006, and the daily membership used is the average from the start of school through the end of March, adjusted for half-day kindergarten programs).

State SOQ Spending, by Account

Figure 1 shows the various funding accounts that constitute the $5.03 billion in State SOQ spending. Two accounts constitute about four-fifths of the spending: basic aid and State sales tax. Basic aid, which is spent to assist school divisions in offering a basic education program, constitutes the largest single account, almost 59 percent of total State SOQ spending.

It should be noted that the SOQ costs shown in the figure (and in Tables 7 and 8 on page 11 of this report, and Appendix B) do not include State dollars that were spent to provide a compensation supplement. At local option, this supplement provided the State share of salary increases effective as of December 1, 2006. These costs were not part of the minimum required expenditure for the SOQ in FY 2007. State spending on this supplement did impact the salary amounts directly paid by the State for SOQ personnel, however. The State spent $74.5 million from non-SOQ accounts for this supplement. The supplement is referenced in the instructional salary discussion of this document, and locality-by-locality data on the amounts expended by the State from non-SOQ accounts for this supplement are shown in Appendix C of this report.

Figure 1: FY 2007 State SOQ Spending by Account



Source: Virginia Department of Education data on State payments to school divisions, FY 2007.

FACTORS IMPACTING SIZE OF STATE SOQ SPENDING

DOE is responsible for calculating the costs associated with supporting the SOQ. DOE currently calculates most of the SOQ cost components using an Oracle-based cost model. The "model" that is used to estimate total SOQ costs, and then in turn, State SOQ costs, has numerous inputs that impact the magnitude of the total cost and the State cost. This section of the report bundles some of the detailed inputs into several categories (or factors) that impact the size of total State SOQ costs. These factors include the number of pupils; the number of instructional positions; instructional salary levels; support staff levels and salary levels; fringe benefit levels; non-personnel support cost determinations; deductions from SOQ costs; and State versus local shares of SOQ costs.

Number of Pupils

SOQ costs are mostly estimated by multiplying various unit costs by the number of "units" that need to be funded. For example, the salary costs for SOQ instructional personnel are based on the typical ("prevailing") salary amount that is paid for each type of position (the unit cost) times the number of personnel that are required by the standards (the number of units to be funded).

The number of pupils that are in Virginia's public schools has an impact upon SOQ costs because for some SOQ costs (for example, personnel costs), the number of pupils impacts the number of units that must be provided. For example, the SOQ includes staffing ratios indicating how many staff are needed relative to the number of pupils. SOQ support personnel costs are similarly estimated by determining what the "prevailing" ratios are for support staff to pupils, and then those prevailing ratios are multiplied by the number of pupils in the system to determine the number of support staff to be funded. Most non-personnel support costs are estimated by determining the prevailing cost per pupil, and then multiplying that unit cost by the number of pupils in the system.

Thus, calculations of State and local costs for the SOQ take into account the number of pupils that are being served by the public school system. SOQ cost calculations take into account the number of pupils that are projected to be served in the fiscal year that is being funded. Final allocations by DOE are based on an average of the number of pupils that are members of public schools from the start of the school year to March 31 of each year.

Table 1 shows the number of pupils in 2006-07 that was used in setting DOE's final allocations of State funds. Two numbers are shown—unadjusted and adjusted pupil membership. The largest portion of State SOQ funds is provided on the basis of what is

Table 1: Number of Pupils Used in DOE Final SOQ Allocations, FY 2007

Unadjusted Number of Pupils	Adjusted Number of Pupils
1,190,551	1,189,904

Source: DOE data on final March 31, 2007 ADM.

called "adjusted" pupil membership—a figure that adjusts for the use of half-day kindergarten programs in some school divisions. Some of the smaller State SOQ cost accounts are funded using unadjusted pupil membership. (State sales tax funds are distributed based on school-age population.)

Number of Instructional Positions

Under the SOQ framework, instructional positions include principals, assistant principals, teachers, kindergarten and special education aides, guidance counselors, and librarians. The number of instructional positions included in SOQ cost calculations is determined by applying pupil-to-instructor ratios and class size maximums against pupil counts at the grade, school, and division level.

Standards Used to Calculate SOQ Teacher Positions. Table 2 shows the standards for the maximum number of pupils per teacher that was used in estimating FY 2007 State and local SOQ costs. In addition to the standards shown in the table, two points should be noted. First, beginning in FY 2005, the State has appropriated funds for the State's share of five elementary resource teachers per 1,000 students (to help pay for teachers specializing in art, music, and physical education).

Second, besides the pupil-teacher standards for the basic education program that are reflected in the table, pupil-teacher ratios are also applied to determine SOQ costs for the additional teachers that are needed to provide education programs other than the basic education program—for example, special education, remedial, vocational, and gifted and talented instruction. Whereas the ratios for the SOQ basic education program typically require about one teacher per 24 or 25 students, classes that operate most or all of the day with special education students typically are to have one teacher for every six to eight pupils without an aide, or one teacher for every eight to ten pupils with an aide. Therefore, the need for additional teachers to meet the more demanding ratios is also calculated as part of SOQ costs.

Standards Used to Calculate the Number of Other SOQ Instructional Positions. Table 3 shows the staffing standards for principals, as-

sistant principals, and librarians that are determinative of SOQ costs, and therefore State SOQ spending, for these positions.

Table 2: Maximum Number of Pupils Per Teacher in 2006-07, Standards to Estimate SOQ Basic Education Program Costs

Grade Level of Students	Class Size Standards	School Standards	Division Standards
Kindergarten	29 with aide, else 24		24
First Grade	30		24
Second Grade	30		24
Third Grade	30		24
Fourth Grade	35		25
Fifth Grade	35	21	25
Sixth Grade	35	21	25
Seventh Grade	35	21	25
Eighth Grade		21	
Ninth Grade		21	
Tenth Grade		21	
Eleventh Grade		21	
Twelfth Grade		21	

Note: For grades six to 12, the ratio of pupils to English teachers in a school division must not exceed 24 to one.

Source: DOE SOQ model cost scenario run (# 802) for the 2006-08 biennium.

Table 3: SOQ Principal, Assistant Principal, and Librarian Positions Funded in FY 2007

Type of Position	Range, Number of Pupils in School							
	0 - 299	300-599	600-899	900-999	1,000-1,199	1,200-1,799	1,800-2,399	2,400+
Elementary								
Principals	0.5	1	1	1	1	1	1	1
Assistant Principals	0	0	0.5	1	1	1	1	1
Librarians	0.5	1	1	1	1	1	1	1
Middle								
Principals	1	1	1	1	1	1	1	1
Assistant Principals	0	0	1	1	1	2	3	4
Librarians	0.5	1	1	1	2	2	2	2
Secondary								
Principals	1	1	1	1	1	1	1	1
Assistant Principals	0	0	1	1	1	2	3	4
Librarians	0.5	1	1	1	2	2	2	2

Source: DOE SOQ model cost scenario run (# 802) for the 2006-08 biennium.

In each of these categories, the number of staff that must be available, at a minimum, is determined based on the size of the school. For example, elementary schools with less than 600 pupils are not required to have an assistant principal, and so the State does not include costs for these positions in determining how much the State and localities must spend for the SOQ. However, elementary schools with 600 or more pupils are to have at least a half-time assistant principal, and the costs associated with a half-time assistant principal are included in the cost calculations that determine the size of State SOQ spending. In addition to the positions addressed in Table 3, the State also has standards for guidance counselors that are included in SOQ instructional personnel costs. SOQ costs for guidance counselors are calculated on the basis of 0.2 counselors per 100 pupils enrolled at the elementary school level, 0.2 counselors per 80 pupils enrolled in middle schools, and 0.2 counselors per 70 pupils enrolled in secondary schools.

Appropriation Act Minimum Requirements for the Number of Instructional Positions Per 1,000 Pupils. Each Appropriation Act, pursuant to the *Code of Virginia*, specifies that each school division shall employ, and is funded for SOQ purposes, on the basis of at least 57 positions per 1,000 pupils for basic, special, and vocational education purposes. Any school division credited through the use of class, school, and division personnel standards with fewer than 57 instructional positions per 1,000 pupils for basic, special, and vocational education receives credit for 57 positions per 1,000 pupils under this minimum requirement.

Instructional Salaries

Table 4 shows the salary figures for teachers used in funding SOQ personnel in FY 2007.

Table 4: FY 2007 State-Funded Teacher Salaries
(Base salaries applicable to all divisions, excluding the cost of competing)

Category of Teachers	State Budget, FY 2007 Base Salary for SOQ Spending	State Budget, FY 2007 Base Salary Plus Value of a 4% December Salary Increase
Elementary Level	$39,681	$40,606
Secondary Level	$41,615	$42,585
Combined	$40,561	$41,506

Note: In FY 2007, the estimated linear weighted average salary for teacher positions (elementary and secondary teachers combined) was about $43,811.

Source: JLARC staff analysis of data from the Appropriation Act and the DOE *2007-08 Teacher Salary Survey Results* (December 1, 2007).

Salaries used to determine SOQ costs in this fiscal year were set by determining the prevailing (linear weighted average) cost in FY 2004, and increasing that amount by three percent to take into account a salary increase granted in the State budget for FY 2006, and increasing the amount by 2.33 percent for FY 2007 to take into account the dollar value of a four percent salary increase that was effective December 1, 2006. The State share of the cost for the salary increase was funded through a compensation supplement.

The table also provides an estimate of the overall "combined" salary for elementary and secondary teachers that was therefore paid in FY 2007. The salary level the State funded for SOQ personnel in FY 2007 was about 94.7 percent of the linear weighted average salary for that year (the State's measure of "prevailing" or typical school division costs).

In addition to teacher salaries, the salary costs of other instructional personnel are included in FY 2007 SOQ costs:

- Elementary principals, $70,426 ($68,822 base salary plus a prorated FY 2007 salary increase of 2.33 percent)
- Secondary principals, $77,022 ($75,268 base salary plus the prorated increase)
- Elementary assistant principals, $57,128 ($55,827 base salary plus the prorated increase)
- Secondary assistant principals, $61,177 ($59,784 base salary plus the prorated increase), and
- Classroom aides, $14,150 ($13,828 base salary plus the prorated increase).

It should be noted that for all salary costs—instructional and support personnel—the State includes a cost-of-competing adjustment to SOQ costs for divisions in the Northern Virginia Planning District Commission (PDC), which includes the counties of Arlington, Fairfax, Loudoun, and Prince William, and the cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park. This adjustment is provided to recognize the higher salaries that have long been a part of the competitive market in that part of Virginia. The State also provides a salary adjustment for its own employees who work in this region. The adjustment factor used for SOQ instructional personnel in the Northern Virginia PDC is 9.83 percent. In addition, the following localities receive a partial cost-of-competing adjustment: the counties of Clarke, Culpeper, Fauquier, Frederick, Stafford, Spotsylvania, and Warren, and the cities of Fredericksburg and Winchester.

Number of Support Staff and Support Staff Salaries

Table 5 shows the ratio of support staff positions per 1,000 pupils that was applied in the SOQ cost model in calculating FY 2007 SOQ costs, as well as the salary figures that were used. Separate staffing ratios and salary figures are developed and applied in SOQ cost calculations for professional and non-professional support staff. (Some support positions—school board members, pupil transportation personnel, and school nurses—are recognized as SOQ costs separately from the SOQ model, so the number of positions and salaries for these positions are not included in the table.) The FY 2007 SOQ salary costs for these positions are based on FY 2004 prevailing salary levels increased by a State-recognized three percent salary increase in FY 2006 and increased by 1.75 percent in FY 2007 to take into account the dollar value of a three percent salary increase that is effective part of the fiscal year (starting December 1).

Table 5: SOQ Support Staffing and Salary Levels, FY 2007

Category	Prevailing Positions Per 1,000 ADM	SOQ Base Salary Levels	Salary With Increase
Professional Support	13.138	$40,072	$40,773
Non-Professional Support	11.614	$22,681	$23,078

Source: JLARC staff analysis, and DOE budget office documentation for scenario #802 for the 2006-08 biennium.

Fringe Benefit Costs

Table 6 shows the fringe benefit rates that were used to determine SOQ costs in FY 2007.

The health insurance premium amount of $4,274 was determined in the following manner: DOE staff identified the prevailing school division health insurance premium in FY 2004. That cost of $4,057 was based on a linear weighted average of the school division health insurance premium amounts that are provided to DOE on

Table 6: Fringe Benefit Rates Used to Determine SOQ Costs in FY 2007

Fringe Benefit	FY 2007 Rates
Social Security	.0765 of salary
Instructional VRS Rate	.0969 of salary
Support Staff VRS Rate	.0748 of salary
Group Life	.0045 of salary
Health Care Annual Premium	$4,274

Source: DOE SOQ cost scenario run (#802) for the 2006-08 biennium.

the Annual School Report. Medical inflation factors used by DOE increased that FY 2004 cost by 5.35 percent for FY 2006. The resulting cost was the $4,274 amount. No increase in the premium rate cost was assumed for FY 2007 and FY 2008.

Non-Personnel Support Costs

To determine FY 2007 SOQ non-personnel support costs, prevailing per-pupil costs from FY 2004 were inflated to FY 2006. Inflation rates up to a five percent threshold were fully recognized. For inflation rates greater than five percent, 35 percent of the amount above five percent was also recognized. The resulting per-pupil costs were multiplied by the number of pupils in membership in 2006-07.

Deductions from SOQ Costs

In FY 2007, as in FY 2004, FY 2005, and FY 2006, no deductions were made from SOQ costs for locally-generated revenues. (Locally-generated revenues are revenues raised by schools and school divisions through activities such as charges for the rental of school space during hours outside of the school day).

However, a portion of federal funds were deducted, based on the estimated proportion of the federal dollars that are used to pay for support costs. The proportion of the dollars from these accounts that was deducted from the SOQ cost was 29.22 percent.

State and Local Shares of SOQ Costs

Once deductions are made from SOQ costs for federal funds and State sales tax funding, the State pays an aggregate statewide 55 percent share of the remaining costs for the SOQ. While the aggregate State share is 55 percent, the actual percentage varies from locality to locality, based on local ability to pay. For example, in a locality with a low ability to pay, the State may pay 80 percent or more of the cost. In a locality with a high ability to pay, the State may pay as little as 20 percent of the SOQ cost.

STATE SOQ SPENDING BY SCHOOL DIVISION

Table 7 shows the ten divisions that received the largest SOQ fund amounts from the State in FY 2007. In total, these ten divisions accounted for 45 percent of State SOQ spending and 49 percent of the pupils in the elementary and secondary school system.

Table 8 provides information on State SOQ spending on a per-pupil basis. The table shows the ten school divisions that received

the highest per-pupil payments from the State in FY 2007 and the ten school divisions that received the least. The table also shows the composite index values for these localities

The composite index, which is a measure of local ability to pay, has a major impact on the size of State per-pupil dollars for the SOQ that are received by a school division (although other factors, such as cost factors and sales tax allocations, do have some impact). A higher composite index value indicates a higher measured ability to pay. In general, divisions that benefit from relatively large State

Table 7: Ten School Divisions Receiving Largest State SOQ Fund Amounts, FY 2007

Division	State SOQ Spending ($ millions)	Number of Pupils
1. Fairfax Co.	$ 405.3	158,077
2. Virginia Beach	$ 327.4	71,452
3. Prince William	$ 305.2	69,096
4. Chesterfield	$ 253.9	57,749
5. Henrico	$ 193.9	47,424
6. Chesapeake	$ 189.7	39,453
7. Norfolk	$ 165.4	32,929
8. Newport News	$ 156.9	30,218
9. Loudoun	$ 138.7	49,272
10. Stafford	$ 117.0	26,181
Total, Top Ten	**$2,253.4**	**581,851**

Source: JLARC staff analysis of data provided by DOE from its accounting system.

Table 8: School Divisions With the Most and Least Expenditures Per Pupil From State SOQ Funds, FY 2007

Ten School Divisions With the Most Expenditures Per Pupil from State SOQ Funds			Ten School Divisions With the Least Expenditures Per Pupil from State SOQ Funds		
Division	Funds Per Pupil	Composite Index	Division	Funds Per Pupil	Composite Index
Lee	$6,827	.1769	Goochland	$2,064	.8000
Scott	$5,926	.1962	Williamsburg	$2,095	.8000
Lunenburg	$5,877	.2399	Falls Church	$2,205	.8000
Buckingham	$5,865	.2591	Fairfax City	$2,252	.8000
Brunswick	$5,784	.2540	Arlington	$2,275	.8000
Nottoway	$5,774	.2429	Bath	$2,275	.8000
Halifax	$5,771	.2380	Alexandria	$2,360	.8000
Greensville	$5,764	.2199	Surry	$2,393	.7842
Smyth	$5,737	.2184	Fredericksburg	$2,417	.7538
Petersburg	$5,725	.2188	Fairfax County	$2,564	.7456

Source: JLARC staff analysis of data provided by DOE from its accounting system.

SOQ payments on a per-pupil basis are localities with low composite indices and low ability to pay. Divisions that receive lesser SOQ payments per pupil tend to be divisions where the locality has a high composite index and high ability to pay. No locality has a higher composite index than 0.8000, which is the cap for the composite index under the Appropriation Act. As can be seen in the table, school divisions receiving the most SOQ funds per pupil tend to have composite index values of less than 0.3000, while the least SOQ funds are received by divisions serving localities with a capped composite index, or by divisions serving localities with a composite index figure below the cap but greater than 0.7000.

Appendix B to this report shows State SOQ spending in FY 2007 in all school divisions. The appendix shows State SOQ spending from the basic aid, sales tax, and "other SOQ" accounts, as well as total State SOQ spending. The table also shows the State SOQ spending in per-pupil terms and the local composite index value. Appendix C shows FY 2007 State spending for the compensation supplement from non-SOQ accounts. This spending addresses the State's share of a non-mandated salary increase in FY 2007 for instructional and support personnel that was available for use in funding SOQ personnel.

Appendix A

Study Mandate

Section 22.1-97 of the *Code of Virginia*

§ 22.1-97. Calculation and reporting of required local expenditures; procedure if locality fails to appropriate sufficient educational funds. -- A. The Department of Education shall collect annually the data necessary to make calculations and reports required by this subsection.

At the beginning of each school year, the Department shall make calculations to ensure that each school division has appropriated sufficient funds to support its estimated required local expenditure for providing an educational program meeting the prescribed Standards of Quality, required by Article VIII of the Constitution of Virginia and Chapter 13.2 (§ 22.1-253.13:1 et seq.) of this title. At the conclusion of the school year, the Department shall make calculations to verify whether the locality has provided the required expenditure, based on average daily membership as of March 31 of the relevant school year.

The Department shall report annually to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health the results of such calculations and the degree to which each school division has met, failed to meet, or surpassed its required expenditure.

The Joint Legislative Audit and Review Commission shall report annually to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health the state expenditure provided each locality for an educational program meeting the Standards of Quality.

The Department and the Joint Legislative Audit and Review Commission shall coordinate to ensure that their respective reports are based upon comparable data and are delivered together, or as closely following one another as practicable, to the appropriate standing committees...

[Note: This is the end of the portion of the statutory section that relates to the DOE and JLARC annual reporting responsibilities.]

Appendix B

FY 2007 State SOQ Spending, By Division

Division	Basic Aid Account	Sales Tax Account	Other SOQ Accounts	Total Spending	Spending Per Pupil	Composite Index
Accomack	$15,487,404	$4,965,327	$5,934,478	$26,387,209	$5,185	.3255
Albemarle	$21,533,047	$11,756,266	$6,607,349	$39,896,662	$3,237	.6095
Alleghany	$10,476,887	$2,384,739	$3,150,037	$16,011,663	$5,480	.2423
Amelia	$5,453,790	$1,591,362	$1,802,047	$8,847,199	$4,845	.3431
Amherst	$15,026,423	$4,243,377	$4,493,213	$23,763,013	$5,137	.2870
Appomattox	$7,326,777	$2,001,491	$2,337,760	$11,666,028	$5,200	.2696
Arlington	$16,068,193	$16,786,875	$6,992,294	$39,847,362	$2,275	.8000
Augusta	$31,498,538	$10,780,097	$9,262,261	$51,540,896	$4,773	.3320
Bath	$761,868	$721,950	$256,640	$1,740,458	$2,275	.8000
Bedford	$27,610,916	$8,956,021	$7,372,264	$43,939,201	$4,379	.3632
Bland	$3,165,352	$772,640	$958,149	$4,896,141	$5,339	.3059
Botetourt	$13,118,166	$4,780,231	$4,333,870	$22,232,267	$4,568	.3957
Brunswick	$7,405,209	$2,267,230	$2,808,491	$12,480,930	$5,784	.2540
Buchanan	$10,541,020	$2,995,325	$4,726,992	$18,263,337	$5,317	.3205
Buckingham	$6,975,584	$2,181,979	$2,828,416	$11,985,979	$5,865	.2591
Campbell	$27,978,715	$8,284,761	$7,405,755	$43,669,231	$5,052	.2612
Caroline	$11,051,860	$4,496,827	$3,846,142	$19,394,829	$4,813	.3495
Carroll	$12,842,330	$3,810,207	$4,032,890	$20,685,427	$5,127	.2842
Charles City	$2,537,321	$784,161	$951,083	$4,272,565	$5,011	.4128
Charlotte	$7,626,711	$1,833,292	$2,654,000	$12,114,003	$5,708	.2234
Chesterfield	$157,941,185	$49,621,011	$46,356,561	$253,918,757	$4,397	.3616
Clarke	$4,587,088	$1,978,450	$1,140,764	$7,706,302	$3,507	.5580
Craig	$2,366,695	$731,166	$754,617	$3,852,478	$5,255	.3184
Culpeper	$18,899,868	$6,035,963	$5,492,322	$30,428,153	$4,221	.4062
Cumberland	$4,737,668	$1,399,354	$1,360,230	$7,497,252	$5,288	.2859
Dickenson	$9,085,475	$1,979,218	$2,886,274	$13,950,967	$5,674	.2344
Dinwiddie	$15,640,571	$3,782,558	$4,755,721	$24,178,850	$5,230	.2669
Essex	$4,445,656	$1,509,183	$1,572,876	$7,527,715	$4,600	.4019
Fairfax	$189,332,081	$154,299,162	$61,651,613	$405,282,856	$2,564	.7456
Fauquier	$17,058,639	$11,163,345	$5,319,602	$33,541,586	$3,047	.6443
Floyd	$6,497,949	$1,960,018	$2,094,651	$10,552,618	$5,121	.3212
Fluvanna	$9,833,448	$3,014,526	$2,747,175	$15,595,149	$4,363	.3749
Franklin	$19,381,339	$7,171,115	$6,729,798	$33,282,252	$4,556	.3950
Frederick	$32,816,450	$10,694,845	$10,465,081	$53,976,376	$4,352	.3925
Giles	$8,223,636	$2,376,291	$3,042,191	$13,642,118	$5,282	.2755
Gloucester	$17,724,422	$5,954,552	$4,626,013	$28,304,987	$4,758	.3323
Goochland	$2,062,425	$2,075,990	$610,278	$4,748,693	$2,064	.8000
Grayson	$7,352,635	$2,145,113	$2,191,287	$11,689,035	$5,662	.2780
Greene	$8,434,864	$2,476,135	$2,834,758	$13,745,757	$4,996	.3334
Greensville	$5,822,654	$1,415,483	$2,066,130	$9,304,267	$5,764	.2199
Halifax	$19,916,502	$5,635,819	$8,178,301	$33,730,622	$5,771	.2380
Hanover	$46,034,729	$16,991,172	$13,121,307	$76,147,208	$4,037	.4352
Henrico	$113,322,792	$44,949,840	$35,606,220	$193,878,852	$4,088	.4604
Henry	$23,823,470	$8,135,763	$8,462,044	$40,421,277	$5,375	.2553
Highland	$605,058	$282,636	$278,156	$1,165,850	$4,091	.6380
Isle of Wight	$14,383,974	$5,425,378	$4,315,388	$24,124,740	$4,559	.3753
James City	$18,268,775	$8,562,789	$5,296,143	$32,127,707	$3,458	.5499
King George	$10,424,829	$2,937,722	$2,690,438	$16,052,989	$4,265	.4034

Division	Basic Aid Account	Sales Tax Account	Other SOQ Accounts	Total Spending	Spending Per Pupil	Composite Index
King & Queen	$2,253,450	$864,036	$917,637	$4,035,123	$5,173	.4073
King William	$6,231,209	$2,397,796	$2,195,826	$10,824,831	$5,264	.3267
Lancaster	$1,969,161	$1,316,407	$588,967	$3,874,535	$2,785	.6844
Lee	$13,816,167	$3,599,766	$6,442,518	$23,858,451	$6,827	.1769
Loudoun	$72,649,881	$45,748,593	$20,329,212	$138,727,686	$2,816	.6895
Louisa	$8,588,308	$4,344,757	$2,763,594	$15,696,659	$3,536	.5542
Lunenburg	$5,746,016	$1,726,536	$2,437,008	$9,909,560	$5,877	.2399
Madison	$4,900,330	$1,844,045	$1,665,969	$8,410,344	$4,551	.4362
Mathews	$3,208,421	$1,083,693	$1,023,233	$5,315,347	$4,146	.4701
Mecklenburg	$14,914,066	$3,928,484	$5,470,711	$24,313,261	$5,129	.3056
Middlesex	$2,431,424	$1,228,083	$870,433	$4,529,940	$3,466	.5923
Montgomery	$25,135,980	$9,979,040	$9,141,389	$44,256,409	$4,659	.3737
Nelson	$4,699,559	$2,113,624	$1,650,002	$8,463,185	$4,220	.4874
New Kent	$7,000,190	$2,569,067	$2,223,783	$11,793,040	$4,432	.4044
Northampton	$5,123,392	$1,774,922	$2,058,422	$8,956,736	$5,097	.3925
Northumber-land	$2,371,041	$1,417,019	$825,158	$4,613,218	$3,154	.6517
Nottoway	$7,683,410	$2,185,051	$3,006,126	$12,874,587	$5,774	.2429
Orange	$12,788,020	$4,244,913	$3,793,366	$20,826,299	$4,277	.4323
Page	$11,206,566	$3,069,824	$3,435,350	$17,711,740	$5,014	.2882
Patrick	$8,571,398	$2,387,043	$3,109,366	$14,067,807	$5,480	.2592
Pittsylvania	$29,422,888	$8,594,278	$10,148,192	$48,165,358	$5,297	.2573
Powhatan	$12,525,326	$3,821,727	$3,418,503	$19,765,556	$4,547	.3722
Prince Edward	$8,058,227	$2,943,099	$3,084,673	$14,085,999	$5,429	.2776
Prince George	$20,973,053	$5,545,191	$5,866,565	$32,384,809	$5,354	.2304
Prince William	$189,043,186	$62,481,706	$53,637,404	$305,162,296	$4,417	.4287
Pulaski	$15,066,973	$4,553,662	$5,014,633	$24,635,268	$5,028	.2995
Rappahannock	$1,127,470	$1,096,750	$416,532	$2,640,752	$2,665	.7463
Richmond	$3,497,559	$1,026,091	$1,163,310	$5,686,960	$4,802	.3593
Roanoke	$39,291,130	$14,260,818	$12,536,002	$66,087,950	$4,472	.3757
Rockbridge	$6,601,657	$2,692,720	$2,060,464	$11,354,841	$4,182	.4546
Rockingham	$31,962,347	$11,485,918	$9,657,157	$53,105,422	$4,663	.3299
Russell	$14,030,484	$3,877,025	$4,575,623	$22,483,132	$5,467	.2292
Scott	$14,727,759	$3,279,497	$4,713,322	$22,720,578	$5,926	.1962
Shenandoah	$17,526,953	$5,458,403	$4,958,226	$27,943,582	$4,631	.3419
Smyth	$17,568,861	$4,128,940	$6,628,224	$28,326,025	$5,737	.2184
Southampton	$8,818,557	$3,149,699	$2,991,212	$14,959,468	$5,382	.2671
Spotsylvania	$68,523,214	$21,795,980	$19,000,226	$109,319,420	$4,591	.3455
Stafford	$73,300,400	$24,268,275	$19,393,253	$116,961,928	$4,467	,3503
Surry	$1,012,362	$1,014,570	$369,146	$2,396,078	$2,393	.7842
Sussex	$4,515,055	$1,296,438	$1,600,285	$7,411,778	$5,499	.2912
Tazewell	$21,617,029	$6,467,597	$7,341,213	$35,425,839	$5,232	.2500
Warren	$13,705,598	$5,174,232	$4,428,287	$23,308,117	$4,393	.3956
Washington	$20,623,276	$6,583,570	$6,055,174	$33,262,020	$4,583	.3351
Westmoreland	$5,096,290	$2,092,887	$1,645,598	$8,834,775	$5,061	.4076
Wise	$22,778,354	$5,975,289	$7,143,196	$35,896,839	$5,385	.2036
Wythe	$12,775,270	$3,892,386	$4,071,593	$20,739,249	$4,895	.3086
York	$35,253,912	$10,874,565	$8,321,972	$54,450,449	$4,305	.3749
Alexandria	$9,018,655	$10,653,372	$3,907,880	$23,579,907	$2,360	.8000
Bedford	$2,821,994	$692,765	$728,991	$4,243,750	$4,780	.2889
Bristol	$6,612,084	$2,238,045	$2,680,483	$11,530,612	$4,996	.3366
Buena Vista	$4,293,850	$933,927	$1,489,302	$6,717,079	$5,700	.2172
Charlottesville	$6,222,294	$4,889,292	$2,822,604	$13,934,190	$3,466	.6061
Chesapeake	$112,588,025	$40,400,787	$36,719,715	$189,708,527	$4,808	.3186
Col. Heights	$6,676,320	$2,613,613	$2,168,982	$11,458,915	$3,969	.4565
Covington	$2,862,301	$581,400	$1,242,389	$4,686,090	$5,448	.2918
Danville	$19,665,352	$6,719,512	$7,424,491	$33,809,355	$5,132	.2655

Division	Basic Aid Account	Sales Tax Account	Other SOQ Accounts	Total Spending	Spending Per Pupil	Composite Index
Emporia	$3,062,458	$900,133	$1,103,146	$5,065,737	$5,434	.2836
Fairfax	$2,690,454	$2,675,823	$870,861	$6,237,138	$2,252	.8000
Falls Church	$1,793,073	$1,770,314	$573,948	$4,137,335	$2,205	.8000
Franklin	$4,038,196	$1,155,120	$1,864,195	$7,057,511	$5,485	.2728
Fredericksburg	$2,616,983	$2,386,275	$1,066,764	$6,070,022	$2,417	.7538
Galax	$3,977,562	$999,210	$1,215,188	$6,191,960	$4,737	.2944
Hampton	$70,424,522	$22,693,809	$23,458,165	$116,576,496	$5,354	.2410
Harrisonburg	$10,773,298	$3,604,374	$4,289,828	$18,667,500	$4,286	.4361
Hopewell	$12,783,024	$3,295,625	$4,463,021	$20,541,670	$5,299	.2515
Lexington	$1,636,982	$509,205	$434,087	$2,580,274	$4,065	.3982
Lynchburg	$22,791,710	$8,833,136	$8,208,529	$39,833,375	$4,690	.3500
Manassas	$16,044,957	$6,657,301	$5,523,707	$28,225,965	$4,521	.4335
Manassas Park	$7,293,696	$1,943,121	$2,338,087	$11,574,904	$4,857	.3650
Martinsville	$7,410,136	$2,580,587	$2,931,021	$12,921,744	$5,317	.2470
Newport News	$93,383,540	$32,207,421	$31,314,327	$156,905,288	$5,192	.2577
Norfolk	$98,975,343	$32,027,702	$34,401,749	$165,404,794	$5,023	.2693
Norton	$2,169,380	$647,451	$604,526	$3,421,357	$4,643	.3299
Petersburg	$16,556,323	$4,110,507	$6,389,151	$27,055,981	$5,725	.2188
Poquoson	$7,393,999	$2,172,763	$1,751,984	$11,318,746	$4,406	.3299
Portsmouth	$50,070,435	$12,263,167	$17,193,172	$79,526,774	$5,367	.2185
Radford	$4,567,035	$1,176,625	$1,529,587	$7,273,247	$4,780	.2947
Richmond	$53,366,299	$26,612,308	$24,861,027	$104,839,634	$4,619	.4329
Roanoke	$35,850,539	$12,110,328	$12,120,526	$60,081,393	$4,862	.3763
Salem	$10,388,364	$3,239,559	$2,926,066	$16,553,989	$4,172	.3768
Staunton	$6,282,300	$3,564,436	$2,299,483	$12,146,219	$4,590	.3925
Suffolk	$39,610,514	$14,177,870	$12,327,139	$66,115,523	$4,901	.3014
Virginia Beach	$196,584,793	$72,488,395	$58,314,741	$327,387,929	$4,582	.3492
Waynesboro	$8,438,799	$3,085,184	$2,561,143	$14,085,126	$4,752	.3160
Williamsburg	$676,739	$711,966	$201,766	$1,590,471	$2,095	.8000
Winchester	$6,779,074	$3,412,366	$2,348,116	$12,539,556	$3,382	.5602
Col. Beach	$1,907,356	$0	$678,133	$2,585,489	$4,544	.3131
West Point	$2,732,670	$0	$826,687	$3,559,357	$4,487	.2683
STATEWIDE	**$2,948,073,595**	**$1,140,487,560**	**$943,762,832**	**$5,032,323,987**	**$4,229**	

Note: Total State SOQ spending from the basic aid account, the State-appropriated sales tax account, and other SOQ accounts that are used to help pay for SOQ minimum requirements / costs.

Appendix C

FY 2007 Compensation Supplement

Division	State Spending from Non-SOQ Accounts
Accomack	$ 411,942
Albemarle	$ 534,203
Alleghany	$ 256,815
Amelia	$ 137,940
Amherst	$ 369,400
Appomattox	$ 183,514
Arlington	$ 441,397
Augusta	$ 779,029
Bath	$ 19,431
Bedford	$ 664,579
Bland	$ 78,293
Botetourt	$ 335,308
Brunswick	$ 197,997
Buchanan	$ 296,417
Buckingham	$ 190,771
Campbell	$ 676,987
Caroline	$ 293,599
Carroll	$ 323,454
Charles City	$ 66,092
Charlotte	$ 194,479
Chesterfield	$3,834,148
Clarke	$ 106,839
Craig	$ 60,458
Culpeper	$ 453,756
Cumberland	$ 116,438
Dickenson	$ 224,008
Dinwiddie	$ 382,950
Essex	$ 115,496
Fairfax	$4,705,119
Fauquier	$ 430,766
Floyd	$ 163,669
Fluvanna	$ 236,842
Franklin	$ 503,820
Frederick	$ 813,797
Giles	$ 217,046
Gloucester	$ 425,021
Goochland	$ 50,617
Grayson	$ 187,805
Greene	$ 212,729
Greensville	$ 151,098
Halifax	$ 547,805
Hanover	$1,118,533
Henrico	$2,814,921
Henry	$ 632,820
Highland	$ 17,331
Isle of Wight	$ 360,354
James City	$ 447,453

Division	State Spending from Non-SOQ Accounts
King George	$ 240,293
King & Queen	$ 61,951
King William	$ 160,597
Lancaster	$ 49,175
Lee	$ 396,967
Loudoun	$1,759,363
Louisa	$ 219,641
Lunenburg	$ 160,212
Madison	$ 126,071
Mathews	$ 80,159
Mecklenburg	$ 388,430
Middlesex	$ 63,948
Montgomery	$ 672,331
Nelson	$ 122,321
New Kent	$ 177,512
Northampton	$ 136,650
Northumberland	$ 61,131
Nottoway	$ 205,962
Orange	$ 309,577
Page	$ 276,566
Patrick	$ 224,395
Pittsylvania	$ 763,158
Powhatan	$ 297,438
Prince Edward	$ 221,161
Prince George	$ 502,741
Prince William	$4,500,090
Pulaski	$ 384,410
Rappahannock	$ 30,167
Richmond	$ 88,011
Roanoke	$1,005,538
Rockbridge	$ 167,356
Rockingham	$ 801,259
Russell	$ 361,349
Scott	$ 366,731
Shenandoah	$ 420,931
Smyth	$ 459,269
Southampton	$ 234,280
Spotsylvania	$1,651,890
Stafford	$1,752,015
Surry	$ 27,012
Sussex	$ 117,515
Tazewell	$ 568,742
Warren	$ 352,749
Washington	$ 516,297
Westmoreland	$ 125,125
Wise	$ 578,634
Wythe	$ 325,132
York	$ 814,396
Alexandria	$ 251,812
Bedford	$ 65,659
Bristol	$ 183,735
Buena Vista	$ 109,769
Charlottesville	$ 183,686
Chesapeake	$2,903,400
Colonial Heights	$ 169,459
Covington	$ 77,972
Danville	$ 542,000

Division	State Spending from Non-SOQ Accounts
Emporia	$ 80,139
Fairfax	$ 67,037
Falls Church	$ 45,779
Franklin City	$ 116,030
Fredericksburg	$ 71,717
Galax	$ 95,930
Hampton	$1,834,283
Harrisonburg	$ 270,195
Hopewell	$ 327,898
Lexington	$ 39,728
Lynchburg	$ 618,366
Manassas	$ 403,190
Manassas Park	$ 175,559
Martinsville	$ 206,795
Newport News	$2,467,414
Norfolk	$2,622,655
Norton	$ 53,819
Petersburg	$ 439,331
Poquoson	$ 172,156
Portsmouth	$1,285,478
Radford	$ 116,985
Richmond	$1,583,141
Roanoke	$ 909,523
Salem	$ 254,701
Staunton	$ 180,031
Suffolk	$1,017,824
Virginia Beach	$4,929,087
Waynesboro	$ 216,942
Williamsburg	$ 16,553
Winchester	$ 174,493
Colonial Beach	$ 48,860
West Point	$ 66,745
TOTAL	**$74,505,810**

Source: Data from the DOE accounting system.

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