

## Public Education

The approved 2000-02 budget for Direct Aid to Public Education contains an increase of \$620.6 million GF over the adjusted appropriations for current operations and the transfer of \$110.0 million GF in school construction funds from Central Accounts to Direct Aid to Public Education. A net addition of \$28.8 million GF is recommended for the Department of Education.

The \$620.6 million GF increase recommended for direct aid to public education includes formula-driven and technical changes of: \$477.6 million GF to update the Standards of Quality accounts for increased enrollment, prevailing costs of education, sales tax revenues and revised composite index calculations, and \$20.1 million GF to update costs and participation rates in a number of categorical and incentive programs.

Also included in the \$620.6 million are initiatives totaling \$135.9 million: \$88.9 million for a 2.4 percent teacher salary increase on December 1, 2000; \$15.5 million GF to expand the Early Reading Intervention Program; \$9.1 million GF in the second year for a new remedial math program in middle schools; \$4.8 million GF for technology resource assistance grants; \$3.4 million GF to comply with new federal special education regulations; \$2.9 million GF to provide a first year transition payment to school divisions that have an increase in their composite index of ability-to-pay; \$2.0 million GF to increase the Northern Virginia Cost of Competing differential and to ease the enrollment funding cap at the Thomas Jefferson Governor's School in Fairfax; \$1.5 million to increase the number of children served in regional alternative education programs and to pilot an elementary alternative program; \$1.2 million GF to reduce the caseloads of speech language pathologists; \$1.2 million GF to purchase additional vocational-technical equipment; \$1.1 million GF to provide on-going maintenance for the Student Management Information System; and a number of smaller appropriations for other initiatives. A reduction of \$12.6 million GF in the Standards of Learning (SOL) Instructional Materials program is included to partially off-set the increase in Basic Aid funding for textbooks. An additional reduction of \$5.8 million reflects anticipated balances in various voluntary programs.

Nongeneral fund increases of \$30.5 million include \$13.8 million for a Literary Fund payment to support Virginia Public School Authority Equipment Notes of \$56.7 million each year for school divisions to implement a new computerized instructional and testing system in high schools. Once a school division's high schools are equipped, the division may use its funding for middle and elementary schools. A nongeneral fund increase of \$5.7 million reflects Virginia's portion of the federal Technology Literacy Challenge Fund payments this biennium.

In the Department of Education, increases totaling \$28.8 million GF are recommended: \$11.6 million GF and 3.0 FTE to address various Standards of

Learning testing concerns; \$6.6 million GF and 6.0 FTE to implement a statewide web-based computerized instructional and testing system; \$4.2 million GF and 3.0 FTE to provide assistance to school divisions in meeting the requirements of the Standards of Accreditation; \$2.1 million GF and 2.0 FTE to provide support for the expanded Early Reading Intervention and new middle school remedial math programs; \$2.0 million GF to establish alternate tests for special education students; and \$0.9 million GF and 1.0 FTE to establish an Alternative Licensure program for teacher licensure and to continue on-going testing programs; \$0.5 million GF to increase the number of scholarships awarded in the Virginia Teaching Scholarship Loan Program; \$0.4 million GF to restore funding for the Virginia Vocational Curriculum and Resource Center; \$0.3 million GF to continue the development of SOL instructional materials and to pilot technology resource management training for administrators; and \$0.1 million GF to fund bonuses awarded for teachers currently certified by the National Board for Professional Teaching Standards. A reduction of \$0.5 million GF is adopted to remove one-time funding for a remediation study that will be completed in the current year.

- **Secretary of Education**

- ***Electronic Point of Entry.*** Provides \$250,000 GF the first year for the Electronic Campus of Virginia to develop and maintain a comprehensive electronic entry point for on-line higher education courses and programs. Adds language continuing the Distance Learning Steering Committee, and directs the Committee to seek support from public and private colleges and universities.
- ***Technical Adjustments.*** Adds a net \$50,194 GF the first year and \$50,646 GF the second year to make technical adjustments.
- ***Additional Personnel and Increased Rent and General Liability Premiums.*** Adds a net \$40,620 GF and 1.0 FTE the first year and \$41,706 GF and 1.0 FTE the second year to increase the staff in the Secretary's Office from 5.0 to 6.0 FTE and to provide for increased rent and general liability premium costs.
- ***Regulation of Propriety Schools.*** Adds language requiring the Secretary, with the assistance of the Department of Education and the State Council of Higher Education, to determine the most appropriate education agency to regulate propriety schools.
- ***Strategic Plans.*** Adds language stating the intent of the General Assembly that institutions of higher education develop strategic plans that promote and sustain the quality, access, accountability, and affordability of Virginia's public institutions of higher education and submit to the Secretary of Education a progress report on implementing the current strategic plans. Institutions are directed to evaluate progress and identify the resources needed to

meet the objectives in their plans. Directs the Secretary of Education to report on the status of the institutions' plans by December 1, 2000. Language also allows the Secretary to include recommendations, as deemed appropriate, on institutions that should be considered for development of specific institutional performance agreements, along with a plan for incorporating funding recommendations of the Joint Subcommittee on Higher Education Funding Policies into any such agreement that would be developed.

- **Department of Education**

- **SOL Testing Improvements.** Increases funding by \$5.5 million GF the first year and \$6.3 million GF the second year and 3.0 FTE to improve the statewide Standards of Learning testing program. Funding is recommended to: field test additional test questions in order to improve the security of the tests and allow the release of "used" test items; provide detailed performance information at the class and student level to allow targeted remediation; furnish school divisions with results of the SOL tests in an electronic form; implement the provisions of HB 1020 that allows the 8<sup>th</sup> grade social studies test to be separated into component parts and administered at the 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> grades; and increase the number of staff in the Department of Education working with the implementation and maintenance of the SOL tests and SOL report card.
- **Web-Based Computerized Instruction and Testing.** Appropriates \$4.2 million GF the first year and \$2.4 million GF the second year and 6.0 FTE positions in the Department of Education's management information systems division to support a statewide internet-based computerized testing and instructional system for high schools by the 2003 school year. The funding would provide for: the development of the testing software; testing and validation costs; software license fees; software at the Department; test center costs; manuals; training; and scoring, equating and other test contractor costs. In the first year, the Department would provide the on-site technical support and funding for selected demonstration sites in high schools.
- **SOA Assistance.** Includes \$2.4 million GF the first year and \$1.8 million GF the second year and 3.0 FTE for the Department to develop assessments and surveys as part of an accountability model and to contract with independent reviewers to provide intensive assistance to schools that receive Accredited with Warning status. The initiative assumes approximately 500 schools each year will require this intensive assistance.

- ***Alternate Tests for Special Education Students.*** Adds funding of \$1.0 million GF each year for the estimated costs of developing tests for all special education students and incorporating those tests into the state's accountability program. The development of alternative assessments for special education students is required under recent amendments to the federal Individuals with Disabilities Act (IDEA).
- ***Expand Early Reading Program.*** Funds \$0.7 million GF each year and 1.0 FTE to expand the current Early Reading Intervention program. The program was initiated in 1996 to provide additional reading instruction to kindergarten students who have reading deficiencies, as identified by a diagnostic test. This funding would expand those services into the 1st through the 3rd grades. The Department's additional funding would provide for one reading specialist to implement the program and \$600,000 for the tests. The tests would be given at the beginning of Kindergarten and at the end of Kindergarten, and in 1st and 2nd grades. Additional program funds to school divisions are included in Direct Aid.
- ***Create SOL Algebra Readiness Program.*** Adds \$0.7 million GF the second year and 1.0 FTE to hire a math specialist and provide \$600,000 for diagnostic mathematics tests for a new remediation initiative. The initiative will assist students in grades 6, 7, 8 and 9 who are at-risk of failing the Algebra 1 end-of-course Standards of Learning test. Program funds to school divisions are included in Direct Aid.
- ***New Pilot Programs.*** Adds funding of \$0.8 million GF the first year for two new pilot programs. One program is a year-round school pilot. The other program would provide funding to school divisions for pilots to provide alternative education to elementary students.
- ***Virginia Teaching Scholarship Loan Program.*** Adds funding of \$263,000 GF the first year and \$258,000 GF the second year to increase from 100 to at least 150 the number of scholarships awarded under the Virginia Teaching Scholarship Loan Program, and raises the amount of the scholarship to \$3,720 from the current \$3,000, to reflect the average yearly tuition and mandatory fee cost at Virginia's colleges and universities. Language expands the program to include part-time and graduate students, and to encourage teaching in high poverty areas and rural or urban areas with teacher shortages.
- ***Remove One-Time Funding.*** Reduces funding by \$250,000 GF each year to remove one-time funding for a remediation study that will be completed in the current year.

- **Vocational Curriculum and Resource Center.** Adds funding of \$0.4 million GF the first year for the Virginia Vocational Curriculum and Resource Center. The Center provides vocational curriculum, including correlation to the SOLs, free of charge to all local school divisions. The state funding replaces federal funding that is no longer available for the operation of the Center.
- **Alternative Licensure Position.** Adds funding of \$0.2 million GF each year to fund one position to coordinate alternative licensure activities and provide financial assistance to “career switchers” who want to become teachers. Funding also is provided to pay for the required schooling of these alternative licensure teachers, assuming 100 participants for 15 credit hours at a cost of \$100 per credit hour.
- **SOL Support to Assist School Divisions.** Provides \$0.2 million GF the first year to continue the development of SOL instructional materials and to pilot technology resource management training for administrators. An increase of \$75,000 GF the second year is provided for the development of SOL materials.
- **Bonuses for National Certification.** Provides \$122,500 GF the first year and \$17,500 GF the second year to fund bonuses for the 42 additional Virginia teachers who have become certified by the National Board for Professional Teaching Standards.
- **Additional Position.** Provides one additional position to the teacher licensure office to help keep up with existing workload. Current funding will allow for employment of the full-time position.
- **On-Going Testing.** Reduces funding by \$82,408 GF the first year and then adds a net \$595,025 GF the second year for changes in enrollment, the number of tests administered, and the annual test price for the Standards of Learning, Stanford 9, and Literacy Passport tests.
- **Technical Changes.** Provides \$1.3 million GF and \$1.4 million NGF the first year and \$1.4 million GF and \$1.5 million NGF the second year to cover increased rent costs and other technical changes. The increased rent costs are based on projected increases in charges from the Department of General Services for office space maintenance.
- **Language.** Adopted language requires the Department to: collect technology expenditure data as part of the annual school report; calculate the cost of implementing and complying with the Standards of Accreditation and report these costs to the Governor

and General Assembly; and, provide performance information regarding the Best Practice Centers.

- **Direct Aid to Public Education**

- **Technical Increases.** Includes an additional \$104.1 million GF the first year and \$94.3 million GF the second year to make technical adjustments in Standards of Quality funding due to the following:

- ♦ Update Prevailing Instructional Salaries. The data on which prevailing instructional salaries are calculated for the 2000-02 Standards of Quality budget have been adjusted to reflect prevailing salaries in 1997-98 and the 1998-00 salary increases provided by the General Assembly.

- ♦ Update Prevailing Instructional Support Costs. The data on which prevailing support costs, including textbooks and instructional supplies, are calculated have been updated from 1995-96, using the 1997-98 Annual School Report.

- ♦ Update Projected Enrollment. The 2000-02 Standards of Quality budget has been calculated using updated estimates of student enrollment. Enrollment is expected to increase by 10,890 students (adjusted ADM) the first year above the revised projected enrollment for 1999-00 and another 10,477 students the second year.

- ♦ Revised Inflation Factors. Prevailing support costs, updated to reflect 1997-98 actual costs, are adjusted for inflation through the third quarter of 1999.

- ♦ Revised Fringe Benefits Costs. The 2000-02 Standards of Quality budget includes revised fringe benefit costs for Group Life Insurance (rate moves from a premium holiday in the current year to 0.32 percent for 2000-02) and Health Care (rate increases from \$2,206 per instructional position in this fiscal year to \$2,296 per instructional position for the 2000-02 biennium). Adopted budget requires the Virginia Retirement System (VRS) to do an annual valuation of the portfolio for the fund, and assumes this will result in a decrease in the VRS rates for instructional positions from the 9.61 percent paid in 1999-2000 to 7.92 percent in the new biennium.

- **Sales Tax.** Includes an additional \$83.2 million GF the first year and \$134.0 million GF the second year for the estimated revenues

available from the one-cent portion of the sales tax which is returned for public education.

- **Teacher Salary Increases.** Adds \$32.6 million GF the first year and \$56.3 million GF the second year for the state share of a 2.4 percent salary increase for public school employees December 1, 2000.
- **Textbooks.** Provides an additional \$14.3 million GF the first year and \$14.6 million GF the second year to update the cost of providing textbooks for students. The calculated cost per pupil has been increased from \$38.59 to \$61.25 in the new biennium. Language is added granting school divisions the discretion to use a portion of this funding for instruction materials.
- **Retiree Health Care Benefit.** Funds an increase of \$9.6 million GF the first year and \$15.0 million GF the second year to reflect a rate change from 0.35 percent to 0.58 percent the first year and 0.68 percent the second year in the health insurance credit for retired teachers and other professional school division employees. The Health Care Credit was first authorized by the 1996 General Assembly, and the benefit, which is mandatory and 100 percent state-funded, was adjusted by the 1999 General Assembly. Payments are made directly to VRS by the Department of Education.
- **Enrollment Loss.** Adds \$2.9 million GF the first year and \$3.3 million GF the second year to increase Enrollment Loss funding. Enrollment Loss funding is provided to buffer the impact of funding losses in school divisions with declining enrollment. A total of 68 school divisions are projected to have lower enrollments in each year of the biennium.
- **Remedial Summer School.** Reduces by \$0.4 million GF the first year and increases by \$3.0 million GF the second year the appropriations for remedial summer school. The enrollment in remedial summer school has grown since the adoption of revised Standards of Learning and Standards of Accreditation, and is projected to continue increasing over the course of the new biennium. Enrollment in the program is projected based on historical enrollment data. The per pupil amount is updated to \$328. In addition, language is added that requires school divisions charging tuition for summer high school credit courses to give consideration to students from households with extenuating financial circumstances who are repeating a class in order to graduate.
- **Update Incentive-Based Programs.** Appropriates \$5.6 million GF the first year and \$5.4 million GF the second year to update the costs of a variety of incentive-based programs in Direct Aid to Public Education, due to changes in enrollment, the composite

index, and participation in the federal free lunch program. The incentive-based programs include Lottery, Maintenance Supplement, At-Risk funding, K-3 Class Size Reduction, At-Risk Four-Year-Olds, Early Reading Intervention, SOL Teaching Materials Supplement, SOL Remediation, Additional Teachers, SOL Teacher Training, Truancy, Health Incentive Fund, and GED funding.

- **Update Categorical Programs.** Funds \$4.6 million GF the first year and \$9.6 million GF the second year to update the costs of a variety of categorical programs in Direct Aid to Public Education, due to changes in enrollment, participation rates, and the composite index. The affected categorical programs include: Homebound Instruction, Hospitals, Clinics & Detention Homes, Regional Tuition, Advancement Via Individual Determination, Foster Care, Alternative Education, and Governor's Schools. Included in this total is an increase for the English as a Second Language program -- \$1.6 million GF the first year and \$1.7 million GF the second year due to expected enrollment growth. Increases for the Governor's Schools reflect additional enrollment and an increase in the per pupil add-on from the state share of \$2,900 to \$3,185 per pupil.
- **Transfer School Construction.** Transfers the \$55.0 million GF annual appropriation for school construction funding passed during the 1998 Special Session from Central Accounts to Direct Aid to Public Education. Language is added to the School Construction program to: specify that funding can be used for school safety equipment and modifications; encourage the use of value engineering in school construction projects; allow localities to deposit the funds into escrow accounts for school construction; and allow school divisions to carry forward funding received for this program from the first to the second year.
- **Expand Early Reading Intervention Program.** Adds \$7.8 million GF each year to expand the early reading intervention program from Kindergarten to all grades K-3. Funding is based on the provision of 2.5 hours of additional instruction each week for 36 weeks, at a student to teacher ratio of 5 to 1. The assumed participation rate is based on the number of students participating in the federal free lunch program multiplied by 100 percent in kindergarten, 50 percent in the first and second grades, and 25 percent in the third grade. In the second year, the Department of Education is directed to adjust the funding based on actual student performance on diagnostic tests in the first year. Funding for the diagnostic tests and staff is included in the Department of Education budget.
- **SOL Algebra Readiness Program.** Provides \$9.1 million GF the second year to provide additional instruction to students at-risk of



failing the Algebra 1 end-of-course Standards of Learning test. Schools would receive funding based on the percent of students who did not pass the 8<sup>th</sup> grade math SOL test in 1998. School divisions are allowed to serve students at grades 6, 7, 8 and 9 in the program. Funding is included in the Department to create and administer diagnostic tests to determine which students will need remediation.

- **Technology Plan.** Recommends \$56.7 million NGF each year to implement a statewide internet-based computerized testing and instructional system in high schools by the 2003 school year. To the extent that a division's high schools are sufficiently equipped, the school division may use its funds on any school in the division. Technology payments to school divisions will be made from the proceeds of equipment notes issued by the Virginia Public School Authority and repaid from the Literary Fund. Funding is provided for school divisions based on \$26,000 per elementary, middle and high school and \$50,000 per division. Regional Governor's Schools, vocational centers, Special Education programs, and the two schools for the deaf and the blind are eligible for funding.

A 20 percent local match is required, with at least twenty-five percent of the local match devoted to teacher training in technology.

To receive funds, local school divisions will have to submit a "Plan for the Use of the Funds" to the Department of Education and an "Intent to Participate." The format of the required Plan will be prescribed by the Department of Education with assistance from the Department of Technology Planning, and must include certifications by the local school divisions that they: will be capable of administering the Standards of Learning tests on computers in high schools by May 1, 2003; will appropriate the local match; will review any SOL software they purchase and provide a write-up of their use for other divisions to see; will maximize their use of federal E-Rate funds to reduce the cost of their technology plan; and will submit to the Department of Education a status report on each high school's current technological capacity, along with plans to create the additional capacity necessary to meet the goals of the on-line instruction and testing program.

The Department of Education, with the assistance of the Department of Technology Planning, is directed to develop criteria to determine if a high school is "SOL test-ready."

Finally, language is included to provide additional security to the VPSA Equipment Notes, in the event of a deficiency in the Literary Fund to make principal and interest payments on the Notes when due. The additional security is a sum sufficient appropriation from

the general fund; similar to the security provided to the normal VPSA borrowing program.

The projected sources and uses of Literary Fund revenues are listed below.

<b>Literary Fund Sources &amp; Uses -- 2000-2002 Biennium (Dollars in Millions)</b>		
<u>Sources</u>	<u>FY 2001</u>	<u>FY 2002</u>
Beginning Balance	\$ 1.3	\$ 2.9
Projected Revenues*	120.8	131.9
 <u>Uses</u>		
Teacher Retirement	0.0	0.0
Equipment Notes	39.0	38.9
Transfer to School Constr.	9.0	9.0
2000 Session Equipment Notes	0.0	13.8
Interest Rate Subsidy Grants**	30.0	20.0
Direct Loans	<u>41.2</u>	<u>51.8</u>
Total Uses	\$119.2	\$133.5
 Annual Balance	 \$ 2.9	 \$ 1.4
<p>* Passage of SB 676/HB 763 in the 2000 Session will have a negative impact on the actual Literary Fund Revenues received in the 2000-02 biennium. Any reduction in revenues will be taken from the amount listed for Direct Loans.</p> <p>** Interest Rate Subsidy Grants are used in conjunction with VPSA bonds to leverage school construction funds (four to five times the amount of the grant depending on the interest rate achieved on the VPSA bonds). This program is used to take projects off the Literary Fund First Priority Waiting List.</p>		

- **Reduce SOL Instruction Materials Per Pupil Amount.** Reduces by \$6.3 million GF each year the amounts for Standards of Learning Instructional Materials from \$20 per pupil to \$10 per pupil. The savings represents the amount included as incentive payments in the 1997-98 base year, which was double-counted when textbook per pupil amounts were recalculated for the Standards of Quality funding for the 2000-02 biennium. Textbook per pupil funding increased from \$37.71 per pupil for the 1998-2000 biennium to \$61.25 per pupil for the 2000-02 biennium

- **Technology Resource Assistants Payments.** Includes \$4.8 million GF the second year for on-site support for the technology initiative in high schools. Payments are based on the state share of a grant of \$26,000 per high school. School divisions may use these funds to hire technology resource assistants or to contract for on-site technology support.
- **Reductions for Anticipated Balances.** Reduces the budget by \$2.2 million GF the first year and \$3.6 million GF the second year to reflect balances from nonparticipation anticipated in the following voluntary programs: K-3 Reduced Class Size, At-Risk Four-Years-Olds, SOL Algebra Readiness, and Early Intervention.
- **Composite Index Transition Payments.** Includes \$2.9 million GF the first year for a composite index transition payment, or buffer payment, for the 62 school divisions experiencing a negative state funding impact from the biennial revision of the composite index. Payments are based on a percentage of the difference between the funding a division would have received under its old composite index versus its new one, with the percentage received varying by the relative wealth of the locality.
- **Special Education Services in Jails.** Includes \$1.7 million GF each year to provide 100 percent state funding for the provision of special education services to all eligible students incarcerated in regional and local jails. This funding is a requirement under the amended federal Individuals with Disabilities Education Act (IDEA).
- **Vocational-Technical Education Equipment.** Provides \$1.2 million GF the first year to school divisions for the purchase of secondary vocational-technical equipment. Action will increase the current base allocation from \$1,000 to \$2,000 for every division, with the additional funding distributed on the basis of enrollment in vocational-technical courses.
- **Student Management and Information Systems.** Provides \$1.1 million GF the first year to school divisions for the on-going maintenance and upgrade costs of the administrative and student management information systems purchased through the 1999 General Assembly's initiative to replace these systems. Payments are available to any school division that participated in the initiative and certifies to the Department of Education that necessary upgrades and maintenance will be completed with these funds.
- **Northern Virginia Cost of Competing Adjustment.** Adds \$1.1 million GF the first year for the Northern Virginia Cost of Competing differential for non-instructional positions. The

increase would raise the salary and fringe benefit adjustment to 22.75 percent the first year, from the 20.91 percent differential for these positions in fiscal year 2000.

- ***Changes for Regional and Special Programs.*** Adds \$1.7 million GF the first year and \$1.5 million GF the second year for the following regional and special programs.
  - ♦ **Governor's Schools.** Provides \$701,193 GF the first year and \$867,672 GF the second year for General Assembly actions related to Governor's Schools. Relaxes the cap on academic Governor's School enrollment, from the current 800 students to 1,275 students, increasing funding for the Thomas Jefferson High School for Science and Technology in Fairfax by \$427,993 GF each year. Adds funding for the operation of two new academic year Governor's Schools – the Blue Ridge Virtual Governor's School and the Jackson River Governor's School. Includes planning grants for two new academic year Governor's Schools – one serving four school divisions in the Harrisonburg/Shenandoah area, and the other serving five school divisions in the Western Piedmont area. Includes \$150,000 GF the second year to establish a new summer Governor's School for Agriculture. Finally, funding is included to cover a shortfall in funding for the summer Governor's School program, necessary to continue serving the same number of children served in the summer of 1999.
  - ♦ **Alternative Education Regional Programs.** Adds \$0.6 million GF each year for the regional alternative education programs. Provides funding to increase by 8.5 percent the number of children served in localities already participating in the regional programs. Adds placements for children from Colonial Beach and Southampton to allow these localities to participate in the program. Establishes a new regional program for Bedford and Roanoke counties.
  - ♦ **Teachers for Detention Homes.** Adds \$350,000 GF the first year to implement the provisions of HB 53, which specifies that the student to teacher ratio of 12 to 1 in detention homes be based on each home's bed capacity or average daily attendance from the preceding year, whichever is greater. Reduces \$100,000 GF the second year for the delayed opening of the Shenandoah Detention Home.
  - ♦ **Van Gogh Outreach Program.** Adds \$200,000 GF the first year for the William King Regional Arts Center to expand the Van Gogh Outreach, Art and Standards of Learning

program to additional school divisions in Southwest Virginia.

- ◆ Jobs for Virginia Graduates. Adds \$125,000 GF each year for the Jobs for Virginia Graduates Program.
- ◆ New Century Public Education Consortium. Adds \$50,000 GF each year to the New Century Public Education Consortium and changes the name to the Western Virginia Public Education Consortium.
- ◆ AVID Expansion. Adds \$70,106 GF the first year and \$22,830 the second year to the Advancement Via Individual Determination (AVID) program. Funding includes both years of operation for a new site for Culpeper and first-year expansion funds for the Staunton and Petersburg programs.
- ◆ Northern Neck Public Education Consortium. Adds \$55,000 GF the first year for the new Northern Neck/Middle Peninsula Public Education Consortium.
- ◆ Adult Education. Adds \$50,000 GF the first year for the Virginia Educational Technology Alliance to begin providing teacher training opportunities in the effective use of educational technologies to full-time, part-time and volunteer teachers for adult education and literacy programs.
- ◆ Remove One-Time Funding. Reduces budget by \$115,000 GF each year to remove one-time funding for the Chesapeake Bay Regional Environmental Program and the Lightspan Program.
- ◆ Reduce Funding. Reduces the level of funding by \$50,000 each year for the Hampton Roads Public Education Regional Cooperative.
- ***Speech Language Pathologist Caseloads.*** Provides \$0.7 million GF the first year and \$0.6 million GF the second year to reduce the caseload standards for speech-language pathologists from 70 students to 68 students each year.
- ***School Health Incentive Payments.*** Provides \$0.4 million GF each year for the school health incentive payments to school divisions for the provision of nursing services in public schools.
- ***Expand Clinical Faculty/Mentor Teacher Program.*** Provides \$375,000 GF each year to expand the existing Clinical

Faculty/Mentor Teacher programs. In addition, adds \$200,000 GF each year to provide mentor teachers who will assist new alternatively licensed teachers. The Department of Education projects 100 new alternatively licensed teachers for each year of the biennium. Increased funding would provide school divisions with \$2,000 for each mentor, \$1,000 of which would be a stipend for the mentor teacher. The other \$1,000 would pay for training and teaching materials for the alternatively licensed teacher.

- **Lottery Proceeds Revenue Sharing.** Continues the division of Lottery proceeds between the Basic Aid (61 percent) and the Revenue Sharing (39 percent) programs. Continues the Lottery Hold Harmless payments (renamed Direct Grants) contained in Chapter 935 for FY 2000. Continues the requirement for a local match based on the composite index of ability-to-pay, the requirement for a maintenance of effort in education spending by local governments, and the provisions requiring that 50 percent of the funds be used for non-recurring costs.
- **Block Grant Authority.** Language grants authority for school divisions to block grant state payments for Standards of Quality remediation, Standards of Learning remediation and summer school remediation for any remediation purpose, without restrictions or reporting requirements.

A listing, by locality, of proposed funding for Direct Aid to Public Education is provided in Appendix A and Appendix B.

- **Comprehensive Services Act**

- **Move Comprehensive Services Act Program.** Reflects the passage of HB 1510 by the 2000 General Assembly which names the Secretary of Health and Human Resources as the lead secretary for the program. Therefore, the budget for the program is moved to the Health and Human Resources Secretariat. A reduction of \$186.9 million GF and \$63.8 million NGF for the biennium reflects the change. A corresponding increase is shown under Health and Human Resources.

- **Virginia School for the Deaf and the Blind (Hampton)**

- **Technical Adjustments.** Adds a net \$388,332 GF the first year and \$395,445 GF the second year to make technical adjustments and increase funding for general liability premiums.

- **Virginia School for the Deaf and the Blind (Staunton)**
  - **Technical Adjustments.** Adds a net \$443,512 GF the first year and \$530,615 GF the second year to make technical adjustments and increase funding for general liability premiums.
  - **Additional Student Needs.** Adds \$95,990 GF the first year and \$95,990 GF the second year and 3.0 FTE to provide for the education, supervision and safety of blind students with identified specialized needs.
  - **Training Initiative.** Adds \$78,024 GF each year to increase the contract period for residential staff to allow for mandatory training programs for these staff.