



Report of the Subcommittee on  
Education

(Senate Bills 29 and 30,  
as Introduced)

Senate Finance Committee  
Virginia General Assembly

February 17, 2002





SENATE OF VIRGINIA

## Senate Finance Committee

### **2002 REPORT OF THE EDUCATION SUBCOMMITTEE JOHN H. CHICHESTER, CHAIRMAN**

Members of the Committee:

The members of the Education Subcommittee are pleased to present to you our package of budget recommendations. Let me turn first to our recommendations for higher and other education.

#### **Higher Education and Other Education**

The members of the Joint Subcommittee on Higher Education Funding Policies have worked for three years to develop new funding guidelines for higher education. Our findings show that our colleges and universities are funded about \$260 million below where the guidelines tell us they should be.

Last session, we began to chip away at this shortfall by providing some \$30 million in the Senate budget to address base adequacy funding. At that time, we had hoped that THIS would be the year that we could begin to make real progress. Clearly, the situation is just the opposite.

As a result, the budget we offer today reduces general funds at the colleges and universities by \$133 million the first year, and \$172 million in the second year – an amount equal to over ten percent of the higher education general fund budget.

The multiple downward revenue revisions over the course of the session have not allowed us to relieve the proposed cuts in higher education. But we were concerned that the proposed funding approaches

treated all institutions alike – and we don't believe that a one-size-fits-all approach works for funding higher education.

**If we had let the cuts stand as proposed, some institutions would have fallen significantly below 80 percent of the new funding guidelines.** Our subcommittee found that to be unacceptable, even in these tough budget times. In response, we devised a way to reallocate the general fund reductions in a manner that corresponds to the institution's relative funding position compared to the guidelines.

We also took into consideration what a reasonable tuition increase might generate, should the Boards of Visitors wish to exercise the authority given them. With this revenue, we believe the institutions would be able to offset a significant portion of the budget reductions.

Let me repeat something I just said. The tuition remains on the campus to help offset the reductions. The tuition is not – I repeat not – being “sent to Richmond”.

Within some reasonable guidelines, we have re-established the authority of the Boards of Visitors to set tuition for their students. We feel confident that the boards, with advice from their presidents and staff, will make prudent decisions that continue to promote access to higher education for Virginia residents. They know we will be watching closely to see how they do.

To ensure that access is sustained, we recommend \$8.2 million in general funds to maintain our current level of financial aid, based on assumed tuition increases of about 5 percent per year. We also encourage the institutions to use a portion of any tuition increase for additional financial aid.

We have also scraped together enough funding to provide another \$10 million in the first year for the important Higher Education Equipment Trust Fund, on top of the \$25 million already provided.

With no increases for faculty salaries, we will lose ground against our goal of providing increases at the 60<sup>th</sup> percentile, and we fear that we will lose our best and brightest during this economic downturn. To that end, we are providing an amount equal to 2.5 percent of the faculty salary base to be used by the institutions for rewarding and retaining faculty. We hope that this will, in some small way, encourage them to stay with us while we work our way out of this woeful budget.

Let me also mention what is perhaps the brightest ray of hope in this session – the Building Virginia’s Future capital program that has been enthusiastically endorsed by both the House and Senate. Not only will higher and other education receive some \$1.3 billion in capital funding through this package, perhaps even more importantly we have put in place an action plan for providing a capital budget on a routine, predictable basis.

We hope that these recommendations express our commitment to higher education, and to one day – hopefully soon – implementing the findings of the Joint Subcommittee.

### **Public Education**

I would like to bring your attention now to our recommendations in Public Education. The revenue picture in the introduced budget was dismal. And, since we began considering this budget we have had to account for **revenue reductions of over \$200 million in the current year and almost \$400 million for the 2002-04 biennium**. When you consider the fact that Public Education receives about one-third of all the general fund dollars that flow into our state treasury, it is obvious that this Subcommittee had the unenviable task of determining how to cut funds from Public Education as those dollars flew **out** of the state treasury. And we did cut.

To that end, we accepted Governor Warner’s recommendation to take the final \$53.0 million in Literary Fund revenues from the capital program and allow school divisions to use those funds for operations this

year. That got us through the current year and we turned our attention to paring back the next biennium.

I want to digress a moment here. As you know, JLARC released a report last November that told us there were some problems with the way we distribute Public Education funding. We received that report in November and we were briefed on some of the merits – and some of the warts – contained in that report.

There are some who may want us to adopt the JLARC recommendations piece-meal – like a take-out menu -- take some from Column A but ignore others, take one or two from Column B, and maybe you've got yourself a meal. This Subcommittee did not go down that path.

Call us patient – we waited three years on the Higher Education Funding Guidelines but when we were through we had guidelines that will last for years, and we are content that everyone got an opportunity to thoroughly examine those guidelines. This has not been the case with the JLARC report. These proposals have not yet been thoroughly examined. I am sure there is much that can be mined from the JLARC report after it has been reviewed and with the return of normal revenues. But, the circumstances are not right yet. So, we maintained the existing distribution methods in our recommendations.

The Subcommittee's approach to this budget was to cut as honestly as possible. At the end of the day we are offering recommendations that reduce the funding for Public Education by \$110.6 million from the introduced budget. We have taken the Governor's recommendation to eliminate the explicit funding in the introduced budget for a teacher salary increase – this is not something any of us wanted to do, but we could see little choice. We hope the additional funding that is still in Direct Aid for Public Education will allow local school boards to give their employees a raise.

After hearing from local superintendents, we did put back half of the School Construction funding that was taken in the introduced budget.

We heard testimony that localities relied on this funding to pay debt service on bonds, and so we felt we had to do something in this area.

Finally, I would like to point out that, even after our recommended reductions, **school divisions will receive more than \$200 million in additional funding from the state in the 2002-04 biennium than they received this biennium.**

Spreadsheets outlining the Subcommittee's recommendations and language amendments in both Higher Education and Public Education are attached. We offer them to the Committee for its consideration.

## 2002 Education Subcommittee Actions

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
<b>All Colleges &amp; Universities</b>			
Eliminate Increase for Faculty Salaries		(16,351,941)	(30,188,189)
Eliminate Financial Aid Increase as Introduced		(5,649,356)	(7,005,199)
Financial Aid to Maintain Current % of Remaining Need with 5% Inc.		2,672,538	5,511,184
Defer Microelectronics Initiative		(698,682)	(1,257,843)
Reduce Public Service & Research Centers (Central Account Item)			(1,637,459)
<b>Secretary of Education</b>			
Language on Tuition Policy	Language		Language
Technology Study			Language
<b>State Council of Higher Education</b>			
Eliminate OCR Funding per New Agreement		(3,421,655)	(3,384,218)
Partially Restore Virtual Library of Virginia Funding		213,135	213,135
Apply 7% and 8% Reductions to TAG		(3,173,250)	(3,626,571)
Move SREB Dues to Comm. On Intergov. Cooperation		(157,315)	(157,315)
Move FY 02 Gear Up Grant Match into FY 03	(1,050,000)	1,050,000	
Update Strategic Planning Language			Language
<b>Institution Specific</b>			
Eliminate Overmatch of Federal Extension Funds (VSU)	(878,471)	(878,471)	(878,471)
Eliminate Marketing Oper. for Biotech Center (VCU)		(150,000)	(150,000)
Defer Funding for Hampton Roads Econ. Dev. (VIMS)		(198,000)	(150,000)
Savings from New Position Vacancies, Language (VSU)		(970,000)	
Eliminate Increase for Council on Econ. Ed (VCU)		(50,000)	(50,000)
Eliminate Increase for Youth Leadership Initiative (UVA)		(100,000)	(100,000)
Savings from New Position Vacancies, Language (NSU)		(1,030,000)	
Increased Auxiliary NGF (RU)		NGF	NGF
Student Loan Balance and Melchers Monroe Language (MWC)			Language
<b>Library of Virginia</b>			
Reduce Cuts in Aid to Local Libraries from 25% to 7% and 8%		3,687,398	3,428,542
<b>Science Museum of Virginia</b>			
Address Funding Shortfall Due to Operation & Maintenance	450,000	450,000	450,000



## 2002 Education Subcommittee Actions

	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>
<b>Jamestown-Yorktown Foundation</b>			
Modify Language on Treasury Loan		Language	
Eliminate Seed Funding Restoration		Language	
<b>SURA-Jefferson Labs</b>			
Delete Authorization for Free Electron Laser project		Language	
<b>Central Accounts</b>			
Commonwealth Research Fund - 10% and 15% Reductions		(860,000)	(1,140,000)
Increase ATB Cuts to 7% and 8% for Higher Education		(13,055,844)	(24,565,681)
Faculty Retention Funds (equal to approx. 2.5 percent of salary base)		Language	
Gov's Amendment to Reduce Tuition Reversion		4,396,378	24,392,876
Apply ATB Reductions to Exempt Institutions (2%/6%/6%)	(1,324,235)	(4,454,024)	(4,429,771)
Move ATB Cuts to New Item		89,647,554	101,157,391
Eliminate Tuition Policy as Introduced		43,100,000	90,100,000
<i>Create New Item for Higher Education Budget Reductions</i>		(132,805,200)	(171,294,286)
<b>Higher Education Equipment Trust Fund</b>			
Increase HEETF from \$25.0 to \$35.0 First Year (Debt Svc.)		Language	
<b>Treasury Board</b>			
Capital Fee of \$.50/CH for 2-year; \$1/CH 4-year - Offset Debt Svc.		(5,250,000)	(5,250,000)
<b>Part IV Language</b>			
Tuition Policy Reference		Language	
Capital Construction Fee		Language	
TCO Study Exemption for VCCS		Language	
Revise Site Approval Language		Language	
<b>Legislative</b>			
Continue Joint Subcommittee on Higher Education Funding Policies		Language	

## General Fund Reductions for Higher Education

	<u>FY 2003</u>	<u>FY 2004</u>
Christopher Newport U.	(1,750,448)	(2,219,064)
College of William and Mary	(6,205,648)	(8,105,751)
George Mason U.	(13,047,777)	(16,598,768)
James Madison U.	(4,868,139)	(6,091,391)
Longwood	(1,646,523)	(2,133,298)
Mary Washington	(2,401,343)	(3,026,163)
Norfolk State U.	(4,320,002)	(5,316,926)
Old Dominion U.	(7,487,661)	(9,734,228)
Radford U.	(3,150,446)	(4,095,580)
Richard Bland College	(277,600)	(360,880)
U. of Virginia	(25,395,869)	(33,007,666)
UVA-Wise	(564,767)	(734,307)
Va. Comm. College System	(13,577,528)	(18,206,899)
Va. Commonwealth U.	(19,629,556)	(25,038,735)
Va. Military Institute	(1,458,289)	(1,918,159)
Va. State U.	(2,803,061)	(3,450,562)
VPI & State U.	(24,220,544)	(31,255,909)
<b>Total</b>	<b>(132,805,200)</b>	<b>(171,294,286)</b>

**FY 2003**

<b>Institution</b>	<b>Current % of Gdline</b>	<b>Reduction</b>	<b>Potential Tuition Revenue</b>	<b>Potential Net Reduction Percent</b>
Christopher Newport U.	89%	1,750,448	521,350	3.6%
College of William and Mary	91%	6,205,648	3,231,980	3.1%
George Mason U.	91%	13,047,777	4,485,731	4.3%
James Madison U.	82%	4,868,139	3,619,412	<2%
Longwood	90%	1,646,523	551,828	3.5%
Mary Washington	95%	2,401,343	997,157	3.9%
Norfolk State U.	>100%	4,320,002	1,797,577	3.8%
Old Dominion U.	88%	7,487,661	3,387,117	2.7%
Radford U.	88%	3,150,446	1,372,557	2.8%
Richard Bland College	99%	277,600	84,757	2.8%
U. of Virginia	96%	25,395,869	11,778,756	4.0%
UVA-Wise	>100%	564,767	146,336	3.0%
Va. Comm. College System	83%	13,577,528	5,152,379	<2%
Va. Commonwealth U.	96%	19,629,556	6,033,922	4.7%
Va. Military Institute	>100%	1,458,289	697,735	3.4%
Va. State U.	>100%	2,803,061	1,301,885	3.5%
VPI & State U.	95%	24,220,544	9,154,331	4.4%
<b>All Institutions</b>	<b>93%</b>	<b>132,805,200</b>	<b>54,314,808</b>	<b>3.4%</b>

**FY 2004**

<b>Institution</b>	<b>Current % of Gdline</b>	<b>Reduction</b>	<b>Potential Tuition Revenue</b>	<b>Net Reduction Percent</b>
Christopher Newport U.	89%	2,219,064	1,099,987	3.3%
College of William and Mary	91%	8,105,751	6,323,909	<2%
George Mason U.	91%	16,598,768	9,088,759	3.7%
James Madison U.	82%	6,091,391	7,289,619	<2%
Longwood	90%	2,133,298	1,233,959	2.9%
Mary Washington	95%	3,026,163	1,992,868	2.9%
Norfolk State U.	>100%	5,316,926	2,572,213	4.1%
Old Dominion U.	88%	9,734,228	6,771,078	<2%
Radford U.	88%	4,095,580	2,764,295	<2%
Richard Bland College	99%	360,880	173,093	2.7%
U. of Virginia	96%	33,007,666	23,260,823	2.9%
UVA-Wise	>100%	734,307	303,208	3.1%
Va. Comm. College System	83%	18,206,899	10,454,943	<2%
Va. Commonwealth U.	96%	25,038,735	12,752,393	4.2%
Va. Military Institute	>100%	1,918,159	1,364,255	2.5%
Va. State U.	>100%	3,450,562	2,198,880	2.9%
VPI & State U.	95%	31,255,909	17,975,394	3.8%
<b>All Institutions</b>	<b>93%</b>	<b>171,294,286</b>	<b>107,619,677</b>	<b>2.7%</b>

- 1) Assumes institutions may increase tuition 5% in-state and 8% out-of-state in each year
- 2) Funds for new programs at VSU and NSU are excluded from the reductions.

**Microelectronics Consortium**

	<u><b>FY 2003</b></u>	<u><b>FY 2004</b></u>
CWM	(111,845)	(204,620)
GMU	(107,754)	(200,157)
ODU	(96,347)	(187,713)
UVA	(113,677)	(206,620)
VCU	(104,035)	(196,101)
VCCS	(57,014)	(62,197)
VPI	(108,010)	(200,435)
<b>Total</b>	<b>(698,682)</b>	<b>(1,257,843)</b>

**Faculty Salaries**

	<u><b>FY 2003</b></u>	<u><b>FY 2004</b></u>
CNU	(247,300)	(456,552)
CWM	(746,185)	(1,377,572)
RBC	(34,772)	(64,194)
VIMS	(89,844)	(165,865)
GMU	(1,590,356)	(2,936,041)
JMU	(803,347)	(1,483,103)
LC	(169,968)	(313,787)
MWC	(216,837)	(400,315)
NSU	(353,407)	(652,442)
ODU	(808,648)	(1,492,888)
RU	(407,139)	(751,641)
UVA	(2,745,012)	(5,067,713)
UVAW	(76,699)	(141,597)
VCU	(2,246,655)	(4,147,672)
VCCS	(2,476,113)	(4,571,283)
VMI	(117,818)	(217,511)
VPI	(2,532,737)	(4,675,821)
VPIEXT	(447,310)	(825,802)
VSU	(221,902)	(409,666)
VSUEXT	(19,892)	(36,724)
<b>Total</b>	<b>(16,351,941)</b>	<b>(30,188,189)</b>

	<b>Financial Aid</b>	
	<b>FY 2003</b>	<b>FY 2004</b>
CNU	\$71,227	\$147,568
CWM	70,828	147,312
GMU	269,731	556,661
JMU	96,697	198,076
LC	63,214	130,330
MWC	29,859	60,897
NSU	102,075	211,549
ODU	234,996	483,142
RBC	11,790	24,130
RU	103,692	215,142
UVA	133,892	274,951
UVAW	25,328	52,378
VCCS	527,420	1,088,222
VCU	352,825	723,649
VMI	20,745	43,096
VPI	494,640	1,022,719
VSU	63,577	131,362
<b>Total</b>	<b>\$2,672,536</b>	<b>\$5,511,184</b>

**Legislative Department**

General Assembly Of Virginia

Language

**Language:**

Page 7, strike lines 18 through 20 and insert:

"5.a. The Joint Subcommittee is hereby continued to provide direction and oversight of higher education funding policies. The Joint Subcommittee shall review and articulate policies and funding methodologies on (a) the appropriate share of education and general costs that should be borne by students; (b) student financial aid; (c) undergraduate medical education funding; and (d) the mix of full-time and part-time faculty.

b. Based on the findings and recommendations of its November 13, 2001 report, the Joint Subcommittee shall coordinate with the State Council of Higher Education, the Secretary of Education, and the Department of Planning and Budget in incorporating the higher education funding guidelines into the development of budget recommendations.

6. As part of its responsibilities to ensure the fair and equitable distribution and use of public funds among the public institutions of higher education, the State Council of Higher Education shall incorporate the funding guidelines established by the Joint Subcommittee into its budget recommendations to the Govenor and the General Assembly."

**Explanation:**

(This amendment continues the Joint Subcommittee on Higher Education Funding Guidelines.)

**Education: Elementary & Secondary**

Secretary Of Education

Language

**Language:**

Page 91, after line 8 insert:

"D. The Secretary of Education, in cooperation with the Electronic Campus of Virginia and the State Council of Higher Education for Virginia, shall evaluate the

report entitled *Consulting Report to the Electronic Campus of Virginia (2001)*. Based on the evaluation, the Secretary shall develop a recommendation, including funding requirements, on initiatives that address educational needs in technologically innovative and cost efficient ways. The Secretary shall report the recommendations to the chairmen of the Senate Finance Committee and House Appropriations Committees by November 1, 2002."

**Explanation:**

(This amendment is self-explanatory.)

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Education Subcommittee

Item 136 #5s

**Education: Elementary &  
Secondary**

Secretary Of Education

Language

**Language:**

Page 91, after line 8 insert:

"D. 1. Consistent with the authorization provided in Section 4-2.01 b. of this Act, the Boards of Visitors or other governing bodies of institutions of higher education shall determine tuition, fees, and charges for each fiscal year of the 2002-2004 biennium, provided that the Board of Visitors shall make every effort to minimize the cost of tuition and fee increases for in-state undergraduate students. It is expected that tuition increases for undergraduate in-state students shall not exceed nine percent per year.

2. In setting tuition and fee increases, the Boards of Visitors are directed to consider the following factors:

- a. The consumer price index.
- b. The share of cost borne by the student.
- c. Comparable tuition and fee rates at public peer institutions.
- d. The impact of tuition increases on access and the availability of student aid.
- e. The impact of a tuition increase on the composition of the institution's applicant pool.
- f. The feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal, and private

resources.

g. Maximizing other revenues by setting tuition rates for out-of-state students, graduate students and first professional students at least at market rate without adversely impacting the access of in-state students to Virginia's public colleges and universities.

3. Communication of the policy for the first year of the biennium (fiscal year 2003) is specified in Item 131 (F) of House Bill No. 29 (2002). The institution shall communicate its policy for the second year (fiscal year 2004) by April 15, 2003, to the Secretary of Education, the State Council of Higher Education, and the Chairmen of the Senate Finance Committee and House Appropriations Committees."

**Explanation:**

(This amendment sets tuition policy for the 2002-2004 biennium.)

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Education Subcommittee

Item 164 #2s

**Education: Higher Education**

**FY 02-03**

**FY 03-04**

State Council Of Higher Education  
For Virginia

(\$3,173,250)

(\$3,626,571) GF

**Language:**

Page 138, line 17, strike "\$51,866,353" and insert "\$48,693,103".

Page 138, line 17, strike "\$51,866,353" and insert "\$48,239,782".

Page 140, after line 18 insert:

"10. Funding for the Tuition Assistance Grant program shall be reduced by \$3,173,250 the first year and \$3,626,571 the second year to effect 7 percent and 8 percent general fund savings. In allocating the reduction, the State Council of Higher Education shall give priority to new undergraduate students over new or returning graduate students."

**Explanation:**

(This amendment applies budget reductions to the Tuition Assistance Grant program, consistent with other reductions applied to other areas of state government. The program had been exempted from the reductions in the budget as introduced.)

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Education Subcommittee

Item 164 #3s

**Education: Higher Education**

**FY 02-03**

**FY 03-04**



State Council Of Higher Education                      \$1,050,000                      \$0    GF  
For Virginia

**Language:**

Page 138, line 17, strike "\$51,866,353" and insert "\$52,916,353".

Page 140, line 19 strike "\$1,050,000" and insert "\$2,100,000".

**Explanation:**

(This amendment moves the FY 2002 state match for the GEAR UP grant into FY 2003.)

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Education Subcommittee

Item 166 #4s

**Education: Higher Education**

State Council Of Higher Education  
For Virginia

Language

**Language:**

Page 143, line 13, strike "direct the" and insert "provide guidelines for the overall".

Page 143, strike lines 21 and 22 and insert:

"1) progress in meeting both system-wide and institutional goals; 2) specific actions to restructure institutional activities and programs to meet system-wide and institutional goals; and 3) measurable outcomes related to each goal."

**Explanation:**

(This amendment updates language relating to strategic planning for higher education.)

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Education Subcommittee

Item 197 #1s

**Education: Higher Education**

Mary Washington College

Language

**Language:**

Page 158, after line 6, insert:

"Notwithstanding the provisions of §4-5.01.5.b) of this Act, Mary Washington College is hereby authorized to transfer the balance of its discontinued student loan funds to an endowment fund established by the College to be used for scholarships for full- and part-time students pursuing graduate degrees in the field of education."

**Explanation:**

(This amendment allows Mary Washington College to transfer student loan funds from a discontinued program to an endowment for scholarships for graduate students in education.)

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Education Subcommittee

Item 200 #1s

**Education: Higher Education**

Melchers-Monroe Memorials

Language

**Language:**

Page 158, line 43, before "Out" insert "A."

Page 158, after line 46 insert:

"B. The Governor may make appointments to the Board of Regents of the James Monroe Law Office Museum and Memorial Library from a list of qualified persons submitted to him by the James Monroe Foundation and Mary Washington College Board of Visitors on or before the first day of March in any year in which the terms of any regents shall begin or expire. Such list shall contain at least three names for each vacancy to be filled. The Governor shall not be limited in his appointments to the persons so nominated."

**Explanation:**

(This amendment clarifies the process for appointments to the Board of Regents of the James Monroe Law Office Museum and Memorial Library.)

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Education Subcommittee

Item 202 #2s

**Education: Higher Education**

Norfolk State University

**FY 02-03**  
(\$1,030,000)

**FY 03-04**  
\$0 GF

**Language:**

Page 159, line 22, strike "\$70,925,800" and insert "\$69,895,800".

Page 159, line 33, strike "\$4,110,823" and insert "\$3,080,823".

Page 159, after line 48, insert:

"4. In conjunction with the Secretary of Education, Norfolk State University shall develop the following:

a. a timetable for implementing the new academic programs funded in A.1. above, including a plan for recruiting faculty, staff, and students;

b. a means by which to assess the effectiveness toward meeting the goals of the new

programs; and

c. periodic reports on the expenditures of the funds provided."

**Explanation:**

(This amendment assumes savings in the first year from vacancies among the 75 new positions provided in the budget as introduced for the development of new programs. The amendment also sets out reporting requirements on the use of the new funding.)

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Education Subcommittee

Item 249 #2s

**Education: Higher Education**

**FY 02-03**

**FY 03-04**

Virginia State University

(\$970,000)

\$0 GF

**Language:**

Page 191, line 35, strike "\$46,633,642" and insert "\$45,663,642".

Page 191, line 46, strike "\$3,287,728" and insert "\$2,317,728".

Page 192, after line 11, insert:

"4. In conjunction with the Secretary of Education, Virginia State University shall develop the following:

a. a timetable for implementing the new academic programs funded in A.1. above, including a plan for recruiting faculty, staff, and students;

b. a means by which to assess the effectiveness toward meeting the goals of the new programs; and

c. periodic reports on the expenditures of the funds provided."

**Explanation:**

(This amendment assumes savings in the first year from vacancies among the 22 new positions provided in the budget as introduced for the development of new programs. The amendment also sets out reporting requirements on the use of the new funding.)

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Education Subcommittee

Item 257 #3s

**Education: Other**

Jamestown 2007

Language

**Language:**

Page 196, line 49, after ".", insert "The Jamestown-Yorktown Foundation shall report quarterly to the Secretary of Finance and the Secretary of Education regarding its

request for, and planned use of, funds loaned pursuant to this provision, and the funds so requested shall be disbursed with the approval of the Secretary of Finance and the Secretary of Education."

Page 196, line 50, after "Finance", insert ", with the concurrence of the Secretary of Education,".

Page 196, strike line 54.

Page 197, strike lines 1 through 7.

**Explanation:**

(This amendment modifies language relating to the use of a treasury loan to assist in funding Jamestown 2007 activities.)

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Education Subcommittee Item 258 #1s

<b>Education: Other</b>	<b>FY 02-03</b>	<b>FY 03-04</b>	
The Library Of Virginia	0.00	4.00	FTE

**Language:**

Page 198, after line 9, insert:

"C. The responsibility for the maintenance and operation of the Library of Virginia building shall be assumed by the Library of Virginia from the Department of General Services effective no later than July 1, 2003, provided:

- 1) the transfer of responsibility shall not result in a net increase in cost to any agency or institution of the Commonwealth, unless funding has been specifically provided for in this act for such purpose, and
- 2) a mutually agreed to allocation of such responsibility has not been established, in writing, by the two agencies as an alternative to the transfer of responsibility."

**Explanation:**

(This amendment transfers responsibility for the maintenance and operation of the Library of Virginia building from the Department of General Services to the Library of Virginia, effective July 1, 2003.)

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Education Subcommittee Item 269 #1s

<b>Education: Higher Education</b>	<b>FY 02-03</b>	<b>FY 03-04</b>	
Southeastern Universities Research Association, Incorporated	\$0	(\$3,000,000)	NGF

**Language:**

Page 204, line 26, strike "\$3,821,275" and insert "\$821,275".

**Explanation:**

(This amendment deletes \$3.0 million in VPBA bond authorization provided in the budget as introduced for construction of an addition to the Free Electron Laser facility at the Jefferson Lab.)

Education Subcommittee

Item 270 #1s

**Education: Higher Education**

Virginia College Building Authority

Language

**Language:**

Page 206, line 11, strike "\$25,000,000" and insert "\$35,000,000".

Page 206, strike line 51 and insert:

"Total \$484,007,845 \$35,000,000 \$25,000,000".

**Explanation:**

(This amendment provides an additional \$10.0 million of bond authorization in FY 2003 for the acquisition of instructional equipment through the Higher Education Equipment Trust Fund. The budget as introduced provided \$25.0 million in the first year. A companion amendment to the Treasury Board provides the debt service for this increase.)

Education Subcommittee

Item 296 #3s

**Finance**

**FY 02-03**

**FY 03-04**

Treasury Board

\$0

\$995,000 GF

**Language:**

Page 221, line 38, strike "\$261,603,658" and insert "\$262,598,658".

Page 223, line 4, strike "\$21,077,113" and insert "\$22,072,113".

**Explanation:**

(This amendment provides debt service to cover the issuance of an additional \$10.0 million in FY 2003 for instructional equipment purchases through the Higher Education Equipment Trust Fund.)

**Finance**

Treasury Board

**FY 02-03**  
(\$5,250,000)  
\$5,250,000

**FY 03-04**  
(\$5,250,000) GF  
\$5,250,000 NGF

**Language:**

Page 221, line 48, after "A." insert "1."

Page 221, after line 52, insert :

"2. Out of this appropriation \$5,250,000 the first year and \$5,250,000 the second year from nongeneral funds is provided to support the debt service costs of bonds issued under the Building Virginia's Future Capital program. The source of the nongeneral funds shall be the Capital Construction Fee authorized in Section 4-2.01 c of this Act. The Director, Department of Planning and Budget shall transfer the nongeneral funds collected through the fee from the institutions of higher education to the Treasury Board."

**Explanation:**

(This amendment offsets general funds provided for debt service with a fee to be assessed in support of the Building Virginia Future's Capital program.)

**Transfers**

Interfund Transfers

Language

**Language:**

Page 419, after line 24, insert:

"AA. Contingent upon passage of Senate Bill 124 by the 2002 General Assembly, and as such bill becomes law, the State Comptroller shall transfer to the general fund, on or before June 30, 2003 and on or before June 30, 2004, from the University of Virginia Medical Center the actual amount of interest income earned by the investment of the University of Virginia Medical Center's nongeneral operating cash balances pursuant to Section 23-77.4.C., Code of Virginia, or \$2,500,000 whichever is less."

**Explanation:**

(This amendment allows the University of Virginia Medical Center to retain the interest earned on balances in the general account, consistent with SB 124, but requires a transfer to the general fund in a like amount for fiscal years 2003 and 2004.)

**Revenues**

Nongeneral Fund Revenues

Language

**Language:**

Page 429, after line 42 insert:

"10. In the development of tuition and fee rates for FY 2003 and FY 2004, the Boards of Visitors shall implement a Capital Construction Fee of 50 cents per credit hour at the Virginia Community College System and Richard Bland College, and a fee of \$1.00 per credit hour at the four-year institutions of higher education. The fee shall be used to defray a portion of the cost of the debt service for the Building Virginia's Future Capital Program."

**Explanation:**

(This amendment establishes a Capital Construction fee to be used to defray a portion of a the cost of debt service associated with the Building Virginia's Future capital program. A companion amendment to Item 496 directs the transfer of the fee revenue from the institutions of higher education to the Treasury Board.)

**Revenues**

Nongeneral Fund Revenues

Language

**Language:**

Page 429, strike lines 12 through 14 and insert:

"a) Increases in tuition and mandatory educational and general fees for Virginia resident undergraduate students in fiscal year 2003 and fiscal year 2004 shall be in accordance with the language set forth in Item 136 of this act, except for additional tuition and fees in conformity with the policy set forth in Section 4-2.01 c. of this act."

**Explanation:**

(This amendment clarifies that the tuition policy in place for the 2002-2004 biennium is set forth in Item 136, the Secretary of Education. A companion amendment to Item 136 sets out the new guidance.)

## **Special Conditions and Restrictions on Expenditures**

Services and Clients

Language

### **Language:**

Page 550, strike lines 10 through 17 and insert:

"No state institution of higher education shall plan for or establish any off-campus location without the prior approval of the State Council of Higher Education for Virginia. For the colleges of the Virginia Community College System, the State Board for Community Colleges shall be responsible for approving off-campus locations. Activities governed by this requirement are those at any locations not contiguous to the main campus of the institution, including locations outside Virginia, where credit or noncredit offerings are provided and for which full-time or part-time faculty or staff are employed. Planning shall not be initiated for any new locations nor any operations begin at a new locations without first referring the matter to the State Council of Higher Education for Virginia for information, consideration, and recommendation to the Governor and General Assembly and without subsequent prior approval of the General Assembly."

### **Explanation:**

(This amendment revises language regarding approval of off-campus locations of Virginia's public colleges and universities.)

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Education Subcommittee

Item 4-5.06 #1s

## **Special Conditions and Restrictions on Expenditures**

Goods and Services

Language

### **Language:**

Page 442, line 15, after "institutions of higher education" insert "except for the Virginia Community College System".

### **Explanation:**

(This amendment provides an exception for the Virginia Community College System from the requirement to perform a Total Cost of Ownership evaluation prior to the acquisition of any desktop computers. Since the VCCS is responsible for some 22,000 desktops, performing a TCO study would be costly and burdensome.)



## Aid for Public Education Recommendations of the Education Subcommittee

RECOMMENDED ADJUSTMENTS	GF	GF	GF	NGF	NGF	NGF
	FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Literary Funds for Teacher Retirement	(53,000,000)	0	0	53,000,000		
Update Lottery	6,000,000	9,891,427	10,018,773			
Update K-3 Reduced Class Size	(2,326,676)	769,818	615,743			
Lottery Hold Harmless Off-Set	(452,662)	0	0			
State Share Addt'l Lottery Proceeds	(3,599,990)	(5,979,518)	(6,035,884)			
Defer Web-Based Testing One Year		(2,988,537)	(446,189)			
Eliminate Best Practice Centers		(1,849,995)	(2,381,582)			
Savings from Academic Review Teams		(373,720)	(357,471)			
Group Life - Active Emp. Only (ESL)		(20,189)	(24,093)			
Elim. Teacher Salary Increase (ESL)		(97,317)	(196,799)			
Group Life - Active Emp. Only		(3,825,533)	(4,194,705)			
Elim. SOL Teaching Materials Add-On		(3,208,790)	(3,227,564)			
Update Inflation Factors (3rd)		(22,175,903)	(22,315,210)			
At-Risk Four-Year-Olds Participation	(3,062,025)	(1,500,000)	(3,000,000)			
Group Life - Active Emp. Only (K-3 & At-Risk)		(1,245,884)	(1,342,730)			
Elim. Teacher Salary Increase (Basic Aid)		(28,317,854)	(48,756,995)			
Fund National Bd. Cert. Incentive	325,000	875,000	1,520,000			
Authorize Add'l. Debt Service Equip.	0	0	0			200,000
Restore 1/2 of School Construction	0	27,500,000	27,500,000			
Update VRS for Support Positions	(740,440)	(2,649,156)	(2,604,693)			
Correct Gov. Schools (Net Change)	29,867	178,656	409,949			
Correct Fringe Benefits	0	958,392	0			
Correct AVID	42,276	(45,000)	2,276			
Correct VPSA Technology Distribution (NGF)	0	0	0		208,000	208,000
Correct VPSA Debt Service (NGF)	0	0	0		(434,687)	100,000
Exempt VSDB's from Cuts	99,781	320,106	320,106			
Eliminate Jobs for Virginia Graduates		(325,000)	(325,000)			
Local Share of Teacher Training		(7,619,725)	(7,715,244)			
Correct Lexington/Rockbridge H.S. Enrollment		(13,078)	(14,354)			

## Aid for Public Education Recommendations of the Education Subcommittee

RECOMMENDED ADJUSTMENTS	GF	GF	GF	NGF	NGF	NGF
	FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Eliminate GF Support for Alt. Education Pilots		(60,000)	(60,000)			
Eliminate GF Support for Blue Ridge Reg. Prog.		(50,000)	(50,000)			
Eliminate GF Support for Student Exchange Prog.		(10,000)	(10,000)			
Eliminate GF Support for School Health Pilots		(1,500,000)	(1,500,000)			
Eliminate GF Support for Achievable Dream		(450,000)	(450,000)			
Eliminate GF Support for School To Work		(75,000)	(75,000)			
Eliminate GF Support for VA Bus. Ed. Partnership		(97,948)	(97,948)			
Reduce GF Support for Clinical Faculty/Mentor Teacher		(687,500)	(687,500)			
Update Alternative Education Salaries		(269,012)	(191,675)			
Language: Museum Exhibit Financing		Language	Language			
Language: Clarify Technology For Consolidated	Language	Language	Language			
Language: Clarify School Construction for Consol.	Language	Language	Language			
Language: Correct VPSA Equipment	Language	Language	Language			
Language: Remove Teacher Training Evaluation	Language	Language	Language			
Language: Correct Basic Aid Fringes		Language	Language			
Language: Correct Literary Fund Rate for Consol.		Language	Language			
Language: Correct Early Reading Language	Language	Language	Language			
Language: Remedial Funding Flexibility		Language	Language			
Language: Sec. Of Education IDA Authority PPSA		Language	Language			
Language: School Food Allergy Program		Language	Language			
Language: DMAS to Work on Medicaid		Language	Language			
	(56,684,869)	(44,941,260)	(65,673,789)	53,000,000	(226,687)	508,000

## Recommendations for Direct Aid to Public Education FY 2002 (SB 29)

DIVISION	ADM (Unadj.)	Composite Index	Chapter 1073	SB 29 Introduced <sup>1, 2, 4</sup>	Technical Changes <sup>3</sup>	SB 29 Recommended <sup>1, 2, 4</sup>
ACCOMACK	5,173	0.3151	\$24,300,483	\$24,240,659	(\$90,592)	\$24,150,068
ALBEMARLE	11,994	0.6339	33,812,459	31,412,126	(22,999)	31,389,127
ALLEGHANY	2,087	0.3128	9,331,673	9,449,085	13,898	9,462,983
AMELIA	1,711	0.3500	7,607,119	7,200,624	5,183	7,205,807
AMHERST	4,589	0.3182	19,222,704	18,734,302	8,894	18,743,196
APPOMATTOX	2,337	0.3121	10,370,804	10,008,500	8,042	10,016,542
ARLINGTON	18,291	0.8000	37,954,636	35,687,654	11,892	35,699,546
AUGUSTA	10,715	0.3638	41,338,077	39,860,868	14,846	39,875,714
BATH	802	0.8000	1,809,343	1,700,769	(3,775)	1,696,994
BEDFORD	9,566	0.3996	34,650,779	33,284,152	(15,553)	33,268,599
BLAND	877	0.2748	4,820,634	4,726,544	1,753	4,728,297
BOTETOURT	4,745	0.4148	17,238,785	17,479,689	(25,807)	17,453,882
BRUNSWICK	2,364	0.2822	13,096,529	12,098,346	17,053	12,115,399
BUCHANAN	3,846	0.2573	20,145,196	19,254,658	(137,282)	19,117,376
BUCKINGHAM	2,246	0.2694	11,207,522	11,095,037	(37,339)	11,057,698
CAMPBELL	8,655	0.3056	34,682,389	33,856,544	(85,104)	33,771,439
CAROLINE	3,661	0.3169	15,929,472	15,288,581	(9,159)	15,279,421
CARROLL	3,971	0.2952	18,197,253	17,545,155	11,632	17,556,787
CHARLES CITY	939	0.4048	4,282,183	4,254,427	(4,077)	4,250,349
CHARLOTTE	2,207	0.2469	11,549,894	10,844,149	13,277	10,857,426
CHESTERFIELD	52,547	0.4055	171,965,447	170,361,553	(369,808)	169,991,745
CLARKE	2,034	0.5170	6,504,832	6,310,187	6,890	6,317,077
CRAIG	702	0.3416	3,341,810	3,316,300	4,270	3,320,570
CULPEPER	5,752	0.3999	21,486,329	21,032,261	(81,925)	20,950,335
CUMBERLAND	1,312	0.3394	6,569,277	6,075,802	(12,814)	6,062,988
DICKENSON	2,640	0.2358	13,142,453	12,820,375	33,646	12,854,021
DINWIDDIE	4,292	0.2940	18,446,623	17,733,180	(9,667)	17,723,513
ESSEX	1,581	0.4529	6,735,910	6,192,928	(49,480)	6,143,447
FAIRFAX	155,569	0.7171	344,955,116	329,931,730	(143,260)	329,788,470
FAUQUIER	9,571	0.6115	25,525,732	24,323,148	(876)	24,322,272
FLOYD	2,029	0.3496	8,255,632	8,432,338	8,364	8,440,702
FLUVANNA	3,129	0.3817	12,172,855	12,066,127	(386)	12,065,741
FRANKLIN	7,022	0.3923	26,952,202	25,996,917	(15,187)	25,981,730
FREDERICK	10,647	0.3842	38,439,472	36,881,295	(95,375)	36,785,920
GILES	2,513	0.3182	10,891,639	10,413,844	(3,612)	10,410,232
GLOUCESTER	6,336	0.3255	26,439,414	25,144,496	(64,755)	25,079,741
GOOCHLAND	2,013	0.8000	4,205,655	4,069,985	(2,527)	4,067,458
GRAYSON	2,260	0.2859	11,283,598	10,968,679	3,402	10,972,081
GREENE	2,635	0.3267	12,091,092	11,938,675	5,996	11,944,671
GREENSVILLE	1,621	0.2483	8,387,069	8,358,957	64,544	8,423,501
HALIFAX	5,948	0.2380	25,823,352	28,959,609	130,424	29,090,034
HANOVER	17,199	0.4693	52,353,683	49,800,345	(12,706)	49,787,638
HENRICO	42,397	0.5214	129,329,579	125,323,710	(112,937)	125,210,773
HENRY	8,595	0.3070	38,957,284	36,814,994	(64,502)	36,750,492
HIGHLAND	324	0.5502	1,614,127	1,511,307	(5,356)	1,505,951
ISLE OF WIGHT	4,967	0.3749	19,622,899	18,899,559	12,300	18,911,859
JAMES CITY	7,764	0.6404	17,966,769	18,647,439	(81,363)	18,566,076
KING GEORGE	3,066	0.3539	12,199,134	11,818,661	16,848	11,835,509
KING QUEEN	940	0.4021	4,589,527	4,481,138	(13,540)	4,467,598
KING WILLIAM	1,798	0.3662	7,846,450	7,565,440	1,892	7,567,331
LANCASTER	1,432	0.6395	4,185,788	3,920,313	(12,174)	3,908,139
LEE	3,770	0.1886	22,076,056	21,176,351	26,164	21,202,515
LOUDOUN	34,131	0.6571	79,397,635	75,902,505	(180,496)	75,722,009
LOUISA	4,124	0.6624	11,137,914	10,161,090	(19,331)	10,141,758
LUNENBURG	1,774	0.2448	9,012,477	8,910,424	5,464	8,915,888

## Recommendations for Direct Aid to Public Education FY 2002 (SB 29)

DIVISION	ADM (Unadj.)	Composite Index	Chapter 1073	SB 29 Introduced <sup>1, 2, 4</sup>	Technical Changes <sup>3</sup>	SB 29 Recommended <sup>1, 2, 4</sup>
MADISON	1,860	0.4005	7,365,833	7,065,339	17,990	7,083,329
MATHEWS	1,296	0.4798	4,625,450	4,603,101	(9,060)	4,594,041
MECKLENBURG	4,806	0.3346	21,351,037	20,929,999	(98,052)	20,831,947
MIDDLESEX	1,312	0.5658	4,572,847	4,357,255	(9,432)	4,347,823
MONTGOMERY	9,049	0.3812	36,119,322	35,098,507	(7,185)	35,091,322
NELSON	2,038	0.5036	7,220,744	7,051,491	2,298	7,053,790
NEW KENT	2,376	0.4230	8,885,936	8,398,067	703	8,398,770
NORTHAMPTON	2,113	0.3230	9,990,151	9,778,814	8,666	9,787,480
NORTHUMBERLAND	1,508	0.6221	4,298,086	4,315,615	1,277	4,316,892
NOTTOWAY	2,425	0.2584	12,419,425	12,190,857	(9,421)	12,181,436
ORANGE	4,016	0.4294	14,596,358	14,556,995	(3,468)	14,553,527
PAGE	3,496	0.3088	15,856,019	14,816,427	30,052	14,846,479
PATRICK	2,635	0.2993	12,257,710	11,527,702	(51,025)	11,476,677
PITTSYLVANIA	9,001	0.2805	40,471,850	38,976,084	3,236	38,979,320
POWHATAN	3,657	0.4034	13,913,431	12,933,966	6,104	12,940,070
PRINCE EDWARD	2,630	0.3262	11,807,584	11,627,680	(15,739)	11,611,942
PRINCE GEORGE	5,831	0.2723	25,127,393	23,801,060	(6,907)	23,794,153
PRINCE WILLIAM	56,720	0.4031	203,480,978	205,373,318	(808,127)	204,565,191
PULASKI	4,940	0.3257	21,263,604	20,515,103	(11,993)	20,503,110
RAPPAHANNOCK	1,036	0.7130	2,854,171	2,765,264	(7,614)	2,757,650
RICHMOND	1,251	0.3477	5,039,081	5,101,996	(4,610)	5,097,385
ROANOKE	13,900	0.4264	48,650,012	47,562,006	83,188	47,645,194
ROCKBRIDGE	2,822	0.4232	11,433,133	10,950,088	10,776	10,960,864
ROCKINGHAM	10,716	0.3674	41,285,620	39,534,400	38,420	39,572,820
RUSSELL	4,154	0.2705	19,720,412	19,323,441	(8,029)	19,315,412
SCOTT	3,628	0.2298	18,606,150	18,563,340	(5,206)	18,558,135
SHENANDOAH	5,521	0.3908	20,355,661	20,464,760	3,904	20,468,665
SMYTH	5,076	0.2625	23,985,368	23,497,103	(16,660)	23,480,444
SOUTHAMPTON	2,754	0.3093	12,600,796	12,285,963	(40,785)	12,245,178
SPOTSYLVANIA	20,048	0.3692	70,742,638	70,570,919	(194,727)	70,376,192
STAFFORD	22,320	0.3429	77,176,794	77,144,387	31,995	77,176,382
SURRY	1,172	0.8000	2,645,882	2,524,922	796	2,525,718
SUSSEX	1,405	0.3229	7,251,725	6,873,511	(70,425)	6,803,086
TAZEWELL	6,941	0.2753	31,409,012	30,278,806	22,893	30,301,699
WARREN	5,012	0.3951	17,873,296	17,298,001	(10,192)	17,287,809
WASHINGTON	7,162	0.3532	28,343,075	27,591,839	(108,641)	27,483,198
WESTMORELAND	1,967	0.3909	7,898,567	7,841,537	2,068	7,843,606
WISE	6,850	0.2237	32,069,993	31,542,964	(4,326)	31,538,638
WYTHE	4,300	0.3282	18,381,225	17,599,756	4,732	17,604,488
YORK	11,942	0.3881	41,201,863	39,510,502	2,938	39,513,440
ALEXANDRIA	11,235	0.8000	23,639,771	22,147,870	(47,549)	22,100,320
BRISTOL	2,305	0.3583	10,235,207	10,007,022	3,954	10,010,976
BUENA VISTA	1,119	0.2518	5,661,976	5,343,180	1,887	5,345,068
CHARLOTTESVILLE	4,169	0.5509	17,182,224	16,380,724	(7,397)	16,373,327
CLIFTON FORGE	875	0.3128	3,661,999	3,335,860	(16,132)	3,319,729
COLONIAL HEIGHTS	2,744	0.4940	8,928,908	8,528,437	(39,651)	8,488,786
COVINGTON	942	0.3358	4,053,233	4,223,004	(4,210)	4,218,794
DANVILLE	7,382	0.3037	32,145,393	31,706,965	(30,222)	31,676,742
FALLS CHURCH	1,757	0.8000	3,648,815	3,305,874	(5,752)	3,300,122
FREDERICKSBURG	2,291	0.6859	5,855,531	6,007,158	4,072	6,011,230
GALAX	1,272	0.3339	5,542,954	5,061,253	(3,392)	5,057,862
HAMPTON	23,049	0.2803	99,444,877	95,198,889	(47,529)	95,151,360
HARRISONBURG	3,837	0.5493	11,249,538	11,524,057	(3,014)	11,521,043
HOPEWELL	3,962	0.2673	17,432,014	17,263,220	(13,421)	17,249,800
LYNCHBURG	8,952	0.3901	37,031,660	35,638,222	(23,001)	35,615,221

## Recommendations for Direct Aid to Public Education FY 2002 (SB 29)

DIVISION	ADM (Unadj.)	Composite Index	Chapter 1073	SB 29 Introduced <sup>1, 2, 4</sup>	Technical Changes <sup>3</sup>	SB 29 Recommended <sup>1, 2, 4</sup>
MARTINSVILLE	2,642	0.3210	11,056,724	11,095,644	(103,786)	10,991,857
NEWPORT NEWS	31,342	0.2799	134,455,268	130,071,037	(69,441)	130,001,597
NORFOLK	34,656	0.2763	160,657,456	159,685,768	(399,306)	159,286,462
NORTON	726	0.3501	3,032,906	3,111,024	4,862	3,115,886
PETERSBURG	5,730	0.2240	31,783,620	30,097,181	42,838	30,140,019
PORTSMOUTH	16,478	0.2225	83,845,087	79,504,428	(66,647)	79,437,781
RADFORD	1,556	0.3313	6,626,742	6,193,692	3,915	6,197,607
RICHMOND CITY	25,613	0.4536	103,660,695	101,431,742	(238,735)	101,193,007
ROANOKE CITY	13,015	0.4078	55,001,993	52,881,769	(152,524)	52,729,246
STAUNTON	2,697	0.4131	12,579,964	11,945,962	6,263	11,952,225
SUFFOLK	11,876	0.3229	50,801,426	49,285,578	(42,410)	49,243,169
VIRGINIA BEACH	75,412	0.3523	281,456,823	271,770,795	80,993	271,851,788
WAYNESBORO	2,948	0.3730	10,705,135	10,412,950	(2,734)	10,410,216
WILLIAMSBURG	655	0.8000	2,848,591	2,664,926	(29,532)	2,635,393
WINCHESTER	3,499	0.5643	10,988,425	10,520,575	(1,663)	10,518,912
FAIRFAX CITY	2,688	0.8000	4,952,573	4,697,469	(18,452)	4,679,018
FRANKLIN CITY	1,357	0.2973	6,661,738	6,858,515	(133,787)	6,724,728
CHESAPEAKE CITY	37,937	0.3517	145,991,637	140,452,899	(36,485)	140,416,414
LEXINGTON	641	0.4578	2,285,954	2,380,715	(12,791)	2,367,924
EMPORIA	1,050	0.3299	4,667,776	4,583,394	(67,741)	4,515,653
SALEM	4,006	0.4370	13,276,639	12,792,709	7,847	12,800,557
BEDFORD CITY	900	0.3360	3,947,073	3,752,827	6,258	3,759,085
POQUOSON	2,477	0.3414	8,812,929	8,443,036	4,518	8,447,554
MANASSAS CITY	6,362	0.4296	23,777,182	22,675,696	(103,371)	22,572,325
MANASSAS PARK	2,109	0.3184	9,394,379	9,619,856	105	9,619,961
COLONIAL BEACH	570	0.3020	2,998,744	2,712,451	4,209	2,716,660
WEST POINT	848	0.3203	3,726,159	3,669,719	(3)	3,669,716
	<b>1,142,577</b>		<b>\$4,076,308,732</b>	<b>\$3,960,010,510</b>	<b>(\$4,135,637)</b>	<b>\$3,955,874,872</b>

Note: Includes state funds for Standards of Quality accounts (Group 1), Incentive-Based accounts (Group 2), and Categorical accounts (Group 3). Federal funds are not included.

1 Includes \$45,000 AVID Reduction (Correction) for Newport News.

2 Includes VPSA Technology grants from Non-General Funds.

3 Includes: Alt. Ed. Fiscal Agent Change; Updated Additional Lottery and the revised offset to Lottery Hold Harmless based on additional Lottery distributions; Updated VRS Support; VPSA Technology Update; At-Risk 4's Actual; K-3 Actual; Gov. School Adjustment; and, AVID Corrections.

4 Estimated distributions are based on projected ADM and participation rates. Final entitlements will be calculated when actual March 31 ADM and final participation rates are available.

## Recommendations for Direct Aid to Public Education FY 2003 (SB 30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1,2,4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1,2,3,4</sup>
ACCOMACK	5,115	0.2929	\$25,105,074	(\$189,544)	\$24,915,530
ALBEMARLE	12,032	0.6220	32,642,425	(288,066)	32,354,359
ALLEGHANY	2,971	0.2975	12,900,344	(67,030)	12,833,314
AMELIA	1,689	0.3360	7,235,226	20,372	7,255,598
AMHERST	4,566	0.3034	19,823,548	(117,750)	19,705,798
APPOMATTOX	2,323	0.2899	10,525,180	(9,258)	10,515,921
ARLINGTON	18,474	0.8000	36,341,002	(327,652)	36,013,350
AUGUSTA	10,693	0.3532	42,014,964	(212,694)	41,802,270
BATH	779	0.8000	1,523,156	79,127	1,602,283
BEDFORD	9,641	0.3943	34,399,121	(260,604)	34,138,517
BLAND	859	0.3019	4,591,377	72,237	4,663,615
BOTETOURT	4,764	0.4256	17,721,069	(124,044)	17,597,025
BRUNSWICK	2,317	0.2702	12,202,025	(23,736)	12,178,289
BUCHANAN	3,659	0.2452	19,031,795	(111,822)	18,919,973
BUCKINGHAM	2,243	0.2709	11,474,384	(67,882)	11,406,502
CAMPBELL	8,704	0.2837	35,940,818	(310,303)	35,630,516
CAROLINE	3,631	0.3104	15,127,021	(84,265)	15,042,756
CARROLL	3,972	0.3123	17,606,216	(106,851)	17,499,365
CHARLES CITY	934	0.4370	3,833,745	50,066	3,883,811
CHARLOTTE	2,205	0.2392	11,297,098	(166,035)	11,131,063
CHESTERFIELD	53,168	0.3882	184,082,318	(2,117,120)	181,965,198
CLARKE	2,078	0.5297	6,328,589	18,969	6,347,558
CRAIG	698	0.3410	3,136,970	67,223	3,204,193
CULPEPER	5,833	0.3849	21,859,098	(159,861)	21,699,237
CUMBERLAND	1,334	0.3203	6,370,363	19,700	6,390,062
DICKENSON	2,559	0.2624	12,605,272	(21,106)	12,584,166
DINWIDDIE	4,305	0.2877	18,435,537	(128,486)	18,307,051
ESSEX	1,557	0.4122	6,496,310	16,136	6,512,446
FAIRFAX	158,290	0.7518	314,830,718	(4,546,743)	310,283,975
FAUQUIER	9,643	0.5848	26,332,733	(203,455)	26,129,278
FLOYD	2,059	0.3470	8,703,342	(411)	8,702,930
FLUVANNA	3,230	0.3721	12,457,403	(54,593)	12,402,810
FRANKLIN	7,048	0.3874	27,121,417	(242,271)	26,879,146
FREDERICK	10,755	0.3756	39,750,447	(353,875)	39,396,572
GILES	2,504	0.3140	10,633,544	(28,781)	10,604,764
GLOUCESTER	6,246	0.3132	26,002,490	(201,184)	25,801,306
GOOCHLAND	2,030	0.8000	3,859,146	46,112	3,905,258
GRAYSON	2,268	0.2912	11,423,191	(28,174)	11,395,018
GREENE	2,663	0.3183	11,986,917	(28,813)	11,958,104
GREENSVILLE	1,612	0.2196	8,535,266	61,994	8,597,260
HALIFAX	5,894	0.2380	30,533,447	(121,692)	30,411,756
HANOVER	17,683	0.4756	53,325,370	(607,536)	52,717,834
HENRICO	43,230	0.5113	135,248,475	(1,589,504)	133,658,971
HENRY	8,452	0.2930	38,091,464	(40,175)	38,051,289
HIGHLAND	305	0.6224	1,107,697	81,034	1,188,730
ISLE OF WIGHT	4,976	0.3632	19,369,500	(117,314)	19,252,186
JAMES CITY	7,740	0.6228	18,908,146	(97,106)	18,811,040
KING GEORGE	3,101	0.3514	11,760,280	(27,510)	11,732,770
KING QUEEN	938	0.3658	4,740,629	44,579	4,785,209
KING WILLIAM	1,812	0.3459	7,924,558	4,581	7,929,138
LANCASTER	1,391	0.6258	3,860,651	53,422	3,914,073
LEE	3,716	0.1859	21,256,011	(71,973)	21,184,037
LOUDOUN	37,464	0.6851	80,249,482	(1,149,736)	79,099,746

## Recommendations for Direct Aid to Public Education FY 2003 (SB 30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1, 2, 4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1, 2, 3, 4</sup>
LOUISA	4,151	0.6086	11,369,392	(26,774)	11,342,618
LUNENBURG	1,728	0.2481	9,111,342	(1,401)	9,109,941
MADISON	1,857	0.4150	7,490,089	31,342	7,521,431
MATHEWS	1,308	0.4786	4,715,128	39,621	4,754,750
MECKLENBURG	4,741	0.3346	20,988,587	(169,992)	20,818,595
MIDDLESEX	1,292	0.5572	4,407,206	41,690	4,448,896
MONTGOMERY	9,051	0.3875	36,466,607	(352,372)	36,114,235
NELSON	2,042	0.4831	7,323,210	22,538	7,345,749
NEW KENT	2,402	0.4219	8,862,502	(10,761)	8,851,741
NORTHAMPTON	2,083	0.3407	10,049,309	(9,126)	10,040,182
NORTHUMBERLAND	1,503	0.5972	4,262,295	57,230	4,319,525
NOTTOWAY	2,414	0.2451	12,209,618	(51,893)	12,157,725
ORANGE	4,060	0.4221	14,861,998	(88,301)	14,773,697
PAGE	3,481	0.2959	15,401,597	(47,120)	15,354,477
PATRICK	2,628	0.2813	11,812,651	(22,484)	11,790,166
PITTSYLVANIA	8,929	0.2793	40,602,206	(402,997)	40,199,209
POWHATAN	3,742	0.3956	13,629,728	(71,065)	13,558,663
PRINCE EDWARD	2,624	0.3108	12,137,248	(49,644)	12,087,604
PRINCE GEORGE	5,871	0.2596	25,479,950	(209,247)	25,270,703
PRINCE WILLIAM	58,989	0.3895	224,328,505	(2,493,116)	221,835,390
PULASKI	4,911	0.3263	20,789,497	(145,097)	20,644,401
RAPPAHANNOCK	1,031	0.7170	2,573,414	67,813	2,641,227
RICHMOND	1,233	0.3455	4,962,518	38,523	5,001,041
ROANOKE	13,959	0.4177	50,148,175	(338,476)	49,809,700
ROCKBRIDGE	2,805	0.4271	10,810,770	(73,050)	10,737,721
ROCKINGHAM	10,760	0.3516	41,757,820	(272,390)	41,485,431
RUSSELL	4,079	0.2548	19,608,846	(128,113)	19,480,733
SCOTT	3,588	0.2286	18,089,822	(113,132)	17,976,691
SHENANDOAH	5,582	0.3825	21,389,062	(46,171)	21,342,892
SMYTH	5,029	0.2498	24,605,643	(194,374)	24,411,268
SOUTHAMPTON	2,719	0.2919	13,615,603	(79,320)	13,536,283
SPOTSYLVANIA	21,085	0.3548	79,059,084	(866,369)	78,192,715
STAFFORD	23,540	0.3296	85,664,896	(996,091)	84,668,804
SURRY	1,155	0.8000	2,362,773	70,272	2,433,045
SUSSEX	1,374	0.3003	6,732,359	28,053	6,760,412
TAZEWELL	6,773	0.2678	31,957,826	(234,556)	31,723,269
WARREN	5,086	0.3781	18,899,608	(86,657)	18,812,951
WASHINGTON	7,056	0.3484	28,630,662	(229,619)	28,401,043
WESTMORELAND	1,916	0.3719	7,930,835	28,881	7,959,715
WISE	6,693	0.2146	32,384,489	(270,126)	32,114,363
WYTHE	4,293	0.3125	18,438,902	(107,573)	18,331,329
YORK	12,115	0.3792	42,481,585	(427,608)	42,053,977
ALEXANDRIA	11,275	0.8000	22,411,822	(216,814)	22,195,008
BRISTOL	2,297	0.3748	10,268,579	(22,340)	10,246,239
BUENA VISTA	1,121	0.2373	5,453,039	37,014	5,490,053
CHARLOTTESVILLE	4,124	0.5710	15,599,469	(68,533)	15,530,936
COLONIAL HEIGHTS	2,747	0.4755	8,776,718	(10,997)	8,765,721
COVINGTON	942	0.3407	4,146,016	45,540	4,191,556
DANVILLE	7,225	0.2927	32,839,152	(294,598)	32,544,555
FALLS CHURCH	1,808	0.8000	3,180,367	52,836	3,233,203
FREDERICKSBURG	2,328	0.7011	5,978,157	27,825	6,005,982
GALAX	1,270	0.3378	5,029,137	32,431	5,061,568
HAMPTON	22,884	0.2613	102,790,060	(950,092)	101,839,968

## Recommendations for Direct Aid to Public Education FY 2003 (SB 30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1, 2, 4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1, 2, 3, 4</sup>
HARRISONBURG	3,936	0.5286	12,573,684	(43,187)	12,530,497
HOPEWELL	3,949	0.2496	18,406,367	(119,609)	18,286,758
LYNCHBURG	8,850	0.3833	36,751,632	(330,739)	36,420,892
MARTINSVILLE	2,622	0.2990	11,676,456	(70,778)	11,605,678
NEWPORT NEWS	31,163	0.2675	139,638,020	(1,531,001)	138,107,019
NORFOLK	34,289	0.2655	167,765,499	(1,894,427)	165,871,071
NORTON	713	0.3435	3,125,329	73,190	3,198,519
PETERSBURG	5,615	0.2196	29,381,145	(192,316)	29,188,829
PORTSMOUTH	16,174	0.2164	81,498,731	(809,582)	80,689,149
RADFORD	1,530	0.3232	6,060,410	31,113	6,091,523
RICHMOND CITY	25,291	0.4456	107,312,972	(1,395,667)	105,917,305
ROANOKE CITY	12,969	0.3949	55,645,781	(564,933)	55,080,847
STAUNTON	2,639	0.3959	13,038,774	(38,973)	12,999,801
SUFFOLK	12,018	0.3018	52,731,679	(471,159)	52,260,520
VIRGINIA BEACH	74,785	0.3394	284,500,479	(2,959,930)	281,540,549
WAYNESBORO	2,934	0.3651	10,841,203	22,376	10,863,579
WILLIAMSBURG	666	0.8000	2,514,059	84,389	2,598,448
WINCHESTER	3,573	0.5587	11,185,696	(26,464)	11,159,232
FAIRFAX CITY	2,734	0.8000	4,625,084	50,970	4,676,054
FRANKLIN CITY	1,267	0.3173	6,481,448	13,696	6,495,143
CHESAPEAKE CITY	38,380	0.3344	152,561,535	(1,746,291)	150,815,244
LEXINGTON	640	0.4544	2,136,293	109,251	2,245,544
EMPORIA	1,043	0.2889	4,896,577	(12,154)	4,884,423
SALEM	4,034	0.4166	13,533,331	(57,234)	13,476,097
BEDFORD CITY	907	0.3446	3,642,270	58,609	3,700,879
POQUOSON	2,485	0.3294	8,982,629	(10,800)	8,971,829
MANASSAS CITY	6,455	0.4109	23,944,609	(111,724)	23,832,885
MANASSAS PARK	2,216	0.3200	9,922,058	(22,537)	9,899,521
COLONIAL BEACH	549	0.2921	2,597,622	48,759	2,646,381
WEST POINT	865	0.2823	3,655,707	54,286	3,709,993
	<b>1,153,140</b>		<b>\$4,135,165,322</b>	<b>(\$35,189,049)</b>	<b>\$4,099,976,273</b>

*Note:* Includes state funds for Standards of Quality accounts (Group 1), Incentive-Based accounts (Group 2), and Categorical accounts (Group 3). Federal funds are not included.

<sup>1</sup> Includes VPSA Technology grants from Non-General Funds.

<sup>2</sup> Includes correction in SB30 of (\$23,263) for Halifax's Fringe Benefit Rollover that was not funded in SB30.

<sup>3</sup> Includes Eliminating Teacher Salary Increase; Eliminating SOL Materials; Local Share Teacher Training; 3rd Qtr. Inflation; VRS & Group Life Updates; Additional Lottery and Basic Aid Off-Set; K-3 Actual; At-Risk 4's Actual; Governor School Updates; VPSA Technology Correction; Restoration of \$27.5 million School Construction Funding.

<sup>4</sup> Estimated distributions are based on projected ADM and participation rates. Final entitlements will be calculated based on actual March 31 ADM and/or final participation rates.



## Recommendations for Direct Aid to Public Education FY 2004 (SB30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1, 2, 4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1, 2, 3, 4</sup>
ACCOMACK	5,079	0.2929	\$25,172,745	(\$313,209)	\$24,859,537
ALBEMARLE	12,068	0.6220	33,336,806	(446,861)	32,889,945
ALLEGHANY	2,932	0.2975	12,825,088	(129,965)	12,695,122
AMELIA	1,666	0.3360	7,242,751	(17,868)	7,224,883
AMHERST	4,566	0.3034	19,907,570	(226,721)	19,680,849
APPOMATTOX	2,309	0.2899	10,598,641	(69,935)	10,528,706
ARLINGTON	18,616	0.8000	37,415,358	(477,305)	36,938,053
AUGUSTA	10,672	0.3532	42,424,079	(507,705)	41,916,374
BATH	762	0.8000	1,532,093	73,215	1,605,308
BEDFORD	9,719	0.3943	35,054,212	(436,303)	34,617,909
BLAND	849	0.3019	4,575,434	46,011	4,621,446
BOTETOURT	4,711	0.4256	17,772,019	(219,553)	17,552,466
BRUNSWICK	2,272	0.2702	12,082,642	(93,660)	11,988,982
BUCHANAN	3,495	0.2452	18,314,335	(224,131)	18,090,204
BUCKINGHAM	2,235	0.2709	11,563,616	(131,944)	11,431,672
CAMPBELL	8,760	0.2837	36,473,274	(504,501)	35,968,773
CAROLINE	3,602	0.3104	15,136,393	(166,765)	14,969,628
CARROLL	3,973	0.3123	17,777,158	(201,577)	17,575,581
CHARLES CITY	918	0.4370	3,808,246	30,720	3,838,967
CHARLOTTE	2,204	0.2392	11,359,799	(226,321)	11,133,478
CHESTERFIELD	53,770	0.3882	188,008,390	(3,076,745)	184,931,645
CLARKE	2,125	0.5297	6,524,910	(16,448)	6,508,462
CRAIG	691	0.3410	3,147,806	50,059	3,197,865
CULPEPER	5,931	0.3849	22,405,040	(267,202)	22,137,838
CUMBERLAND	1,357	0.3203	6,519,398	(12,742)	6,506,656
DICKENSON	2,479	0.2624	12,349,366	(91,001)	12,258,365
DINWIDDIE	4,327	0.2877	18,649,210	(232,340)	18,416,870
ESSEX	1,534	0.4122	6,515,207	(19,211)	6,495,996
FAIRFAX	161,054	0.7518	325,500,132	(6,055,883)	319,444,249
FAUQUIER	9,710	0.5848	26,866,947	(343,274)	26,523,673
FLOYD	2,099	0.3470	8,913,243	(47,642)	8,865,600
FLUVANNA	3,344	0.3721	13,022,032	(125,174)	12,896,858
FRANKLIN	7,061	0.3874	27,454,842	(380,987)	27,073,855
FREDERICK	10,865	0.3756	40,616,383	(578,181)	40,038,202
GILES	2,493	0.3140	10,695,405	(86,759)	10,608,646
GLOUCESTER	6,152	0.3132	25,889,490	(338,552)	25,550,938
GOOCHLAND	2,035	0.8000	3,953,663	31,672	3,985,335
GRAYSON	2,268	0.2912	11,524,806	(91,040)	11,433,766
GREENE	2,695	0.3183	12,141,184	(89,673)	12,051,511
GREENSVILLE	1,604	0.2196	8,583,350	16,068	8,599,418
HALIFAX	5,834	0.2380	30,511,542	(318,912)	30,192,630
HANOVER	18,164	0.4756	55,153,875	(923,745)	54,230,131
HENRICO	44,059	0.5113	139,179,690	(2,316,652)	136,863,038
HENRY	8,311	0.2930	37,999,821	(247,673)	37,752,148
HIGHLAND	295	0.6224	1,083,055	75,659	1,158,713
ISLE OF WIGHT	4,980	0.3632	19,603,732	(211,823)	19,391,909
JAMES CITY	7,784	0.6228	19,137,210	(182,167)	18,955,043
KING GEORGE	3,121	0.3514	11,928,737	(87,850)	11,840,887
KING QUEEN	937	0.3658	4,788,678	20,015	4,808,693
KING WILLIAM	1,826	0.3459	8,044,787	(42,072)	8,002,715
LANCASTER	1,351	0.6258	3,866,393	34,531	3,900,923
LEE	3,657	0.1859	21,032,551	(193,707)	20,838,844
LOUDOUN	40,629	0.6851	87,104,432	(1,673,739)	85,430,693
LOUISA	4,163	0.6086	11,626,437	(82,217)	11,544,220

## Recommendations for Direct Aid to Public Education FY 2004 (SB30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1, 2, 4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1, 2, 3, 4</sup>
LUNENBURG	1,707	0.2481	9,072,579	(52,209)	9,020,371
MADISON	1,853	0.4150	7,558,313	(9,700)	7,548,613
MATHEWS	1,319	0.4786	4,810,320	15,140	4,825,461
MECKLENBURG	4,678	0.3346	20,903,968	(285,215)	20,618,754
MIDDLESEX	1,272	0.5572	4,414,661	19,912	4,434,572
MONTGOMERY	9,039	0.3875	36,915,429	(552,940)	36,362,489
NELSON	2,042	0.4831	7,413,568	(12,646)	7,400,922
NEW KENT	2,413	0.4219	8,982,272	(60,623)	8,921,649
NORTHAMPTON	2,056	0.3407	10,036,117	(61,742)	9,974,375
NORTHUMBERLAND	1,471	0.5972	4,251,628	38,389	4,290,017
NOTTOWAY	2,405	0.2451	12,248,759	(119,148)	12,129,611
ORANGE	4,122	0.4221	15,210,976	(169,808)	15,041,168
PAGE	3,457	0.2959	15,499,123	(131,907)	15,367,217
PATRICK	2,529	0.2813	11,650,715	(77,487)	11,573,228
PITTSYLVANIA	8,890	0.2793	40,710,291	(617,737)	40,092,554
POWHATAN	3,867	0.3956	14,209,341	(155,475)	14,053,865
PRINCE EDWARD	2,628	0.3108	12,217,369	(110,260)	12,107,109
PRINCE GEORGE	5,904	0.2596	25,844,090	(347,240)	25,496,851
PRINCE WILLIAM	61,336	0.3895	235,056,293	(3,806,194)	231,250,099
PULASKI	4,896	0.3263	20,932,371	(258,102)	20,674,269
RAPPAHANNOCK	1,025	0.7170	2,618,634	57,350	2,675,985
RICHMOND	1,209	0.3455	4,933,577	12,387	4,945,964
ROANOKE	13,998	0.4177	50,846,994	(618,294)	50,228,700
ROCKBRIDGE	2,787	0.4271	10,836,722	(131,815)	10,704,907
ROCKINGHAM	10,810	0.3516	42,389,864	(501,094)	41,888,769
RUSSELL	4,003	0.2548	19,475,603	(239,048)	19,236,556
SCOTT	3,556	0.2286	18,066,541	(211,023)	17,855,518
SHENANDOAH	5,525	0.3825	21,530,286	(149,768)	21,380,518
SMYTH	4,986	0.2498	24,646,043	(322,013)	24,324,030
SOUTHAMPTON	2,702	0.2919	13,576,166	(148,646)	13,427,521
SPOTSYLVANIA	22,181	0.3548	83,535,021	(1,349,483)	82,185,537
STAFFORD	24,717	0.3296	90,430,116	(1,516,562)	88,913,553
SURRY	1,135	0.8000	2,389,875	61,068	2,450,943
SUSSEX	1,341	0.3003	6,702,834	(7,378)	6,695,456
TAZEWELL	6,605	0.2678	31,538,589	(412,476)	31,126,112
WARREN	5,162	0.3781	19,366,031	(194,870)	19,171,161
WASHINGTON	6,953	0.3484	28,566,878	(377,317)	28,189,561
WESTMORELAND	1,871	0.3719	7,854,591	(13,169)	7,841,423
WISE	6,548	0.2146	31,982,779	(449,707)	31,533,073
WYTHE	4,271	0.3125	18,551,526	(207,015)	18,344,511
YORK	12,269	0.3792	43,386,963	(675,041)	42,711,922
ALEXANDRIA	11,418	0.8000	23,160,714	(309,444)	22,851,270
BRISTOL	2,241	0.3748	10,309,869	(72,970)	10,236,899
BUENA VISTA	1,125	0.2373	5,499,122	6,523	5,505,646
CHARLOTTESVILLE	4,081	0.5710	15,778,703	(136,210)	15,642,493
COLONIAL HEIGHTS	2,761	0.4755	8,926,306	(59,492)	8,866,814
COVINGTON	950	0.3407	4,203,057	21,724	4,224,780
DANVILLE	7,105	0.2927	32,710,664	(474,810)	32,235,854
FALLS CHURCH	1,850	0.8000	3,297,747	37,847	3,335,594
FREDERICKSBURG	2,264	0.7011	5,998,618	6,607	6,005,224
GALAX	1,267	0.3378	5,083,418	6,281	5,089,699
HAMPTON	22,710	0.2613	103,136,466	(1,510,006)	101,626,461
HARRISONBURG	3,988	0.5286	12,915,653	(106,489)	12,809,164
HOPEWELL	3,895	0.2496	18,387,085	(223,223)	18,163,862

## Recommendations for Direct Aid to Public Education FY 2004 (SB30)

DIVISION	ADM (Unadj.)	Composite Index	SB 30 Introduced <sup>1, 2, 4</sup>	Recommended Changes <sup>3</sup>	SB 30 Recommended <sup>1, 2, 3, 4</sup>
LYNCHBURG	8,758	0.3833	36,724,529	(533,135)	36,191,394
MARTINSVILLE	2,566	0.2990	11,625,185	(139,656)	11,485,529
NEWPORT NEWS	30,957	0.2675	140,498,574	(2,315,390)	138,183,185
NORFOLK	33,955	0.2655	167,750,050	(2,768,270)	164,981,780
NORTON	701	0.3435	3,116,036	56,259	3,172,295
PETERSBURG	5,516	0.2196	29,057,392	(327,309)	28,730,082
PORTSMOUTH	15,873	0.2164	80,563,454	(1,280,034)	79,283,421
RADFORD	1,500	0.3232	6,022,831	(2,795)	6,020,036
RICHMOND CITY	24,905	0.4456	107,171,186	(1,950,603)	105,220,583
ROANOKE CITY	12,923	0.3949	56,123,039	(839,446)	55,283,593
STAUNTON	2,586	0.3959	13,045,985	(83,534)	12,962,452
SUFFOLK	12,232	0.3018	54,231,306	(758,309)	53,472,996
VIRGINIA BEACH	74,127	0.3394	285,644,629	(4,457,815)	281,186,814
WAYNESBORO	2,919	0.3651	10,882,400	(35,357)	10,847,043
WILLIAMSBURG	675	0.8000	2,614,323	78,710	2,693,033
WINCHESTER	3,559	0.5587	11,357,045	(76,079)	11,280,966
FAIRFAX CITY	2,781	0.8000	4,793,676	31,520	4,825,196
FRANKLIN CITY	1,202	0.3173	6,259,073	(24,351)	6,234,722
CHESAPEAKE CITY	38,883	0.3344	156,025,418	(2,571,359)	153,454,059
LEXINGTON	642	0.4544	2,169,597	97,193	2,266,790
EMPORIA	1,029	0.2889	4,862,049	(38,932)	4,823,117
SALEM	4,049	0.4166	13,744,958	(130,188)	13,614,770
BEDFORD CITY	906	0.3446	3,794,134	36,735	3,830,869
POQUOSON	2,488	0.3294	9,050,495	(60,524)	8,989,971
MANASSAS CITY	6,549	0.4109	24,525,217	(248,231)	24,276,986
MANASSAS PARK	2,331	0.3200	10,503,909	(73,383)	10,430,526
COLONIAL BEACH	532	0.2921	2,567,147	33,424	2,600,571
WEST POINT	870	0.2823	3,686,624	33,775	3,720,399
	<b>1,163,318</b>		<b>\$4,203,695,502</b>	<b>(\$57,459,433)</b>	<b>\$4,146,236,069</b>

*Note:* This analysis includes state funds for Standards of Quality accounts (Group 1), Incentive-Based accounts (Group 2), and Categorical accounts (Group 3). Federal funds are not included in this analysis.

<sup>1</sup> Includes VPSA Technology grants from Non-General Funds.

<sup>2</sup> Includes correction in SB30 of (\$23,263) for Halifax's Fringe Benefit Rollover that was not funded in SB30.

<sup>3</sup> Includes Eliminating Teacher Salary Increase; Eliminating SOL Materials; Local Share Teacher Training; 3rd Qtr. Inflation; VRS & Group Life Updates; Additional Lottery and Basic Aid Off-Set; K-3 Actual; At-Risk 4's Actual; Governor School Updates; VPSA Technology Correction; Restoration of \$27.5 million School Construction Funding.

<sup>4</sup> Estimated distributions are based on projected ADM and participation rates. Final entitlements will be calculated based on actual March 31 ADM and/or final participation rates.

**Education: Elementary &  
Secondary**

Department Of Education, Central  
Office Operations

Language

**Language:**

Page 107, line 52, strike "and \$100,000 the".

Page 107, line 53, strike "second year".

**Explanation:**

(This amendment corrects language regarding an assessment in FY 2002 of the Teacher Training Standards of Learning program to reflect the Department of Education's loss of that funding through the implementation of the current year budget reduction plan.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 140, line 25, strike "\$58,080,000" and insert "\$58,130,000".

Page 140, line 34, strike "\$58,080,000" and insert "\$58,130,000".

Page 141, after line 20, insert:

"d) Pursuant to Section 15.2-1302, Code of Virginia, and in the event that two or more school divisions became one school division, whether by consolidation of only the school divisions or by consolidation of the local governments, such resulting division shall be provided funding through this program on the basis of having the same number of school divisions as they had prior to September 30, 2000."

**Explanation:**

(This amendment clarifies that the technology funds are to be provided to school divisions pursuant to the provisions of Section 15.2-1302, Code of Virginia, which states that any state funds that were distributed to a locality, including a local school board, in support of a governmental program or function prior to a consolidation of such program or function or the governmental consolidation of the entities providing such programs or functions, shall continue to be distributed to the entity or entities carrying out the program or function after consolidation. Further, it states that if the consolidation results in the consolidation of constitutional officers of the entities and the consolidation of school divisions and local school boards of the entities, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of fifteen fiscal years following the consolidation. )

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 147, line 16, strike "adjust" and insert "adjusted".

Page 147, line 25, strike "." and insert:

"and adjusted in the following manner:

Kindergarten      100%

Grade 1              50%

Grade 2              50%

Grade 3              25%".

**Explanation:**

(This amendment corrects an error in the Early Reading Intervention program in the introduced budget.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 139, line 38, strike "\$15,615,387" and insert "\$15,180,700".

Page 140, line 25, strike "\$58,080,000" and insert "\$58,288,000".

Page 140, line 34, strike "58,080,000" and insert "\$58,288,000".

Page 140, line 9, after "(VPSA)" insert "issued".

**Explanation:**

(This amendment corrects language describing the VPSA Equipment Note Program for Educational Technology.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 150, after line 44, insert:

"d. Pursuant to Section 15.2-1302, Code of Virginia, and in the event that two or more school divisions became one school division, whether by consolidation of only the school divisions or by consolidation of the local governments, such resulting division shall be paid School Construction Grant payments on the basis of having the same number of school divisions as they had prior to September 30, 2000."

**Explanation:**

(This amendment clarifies that School Construction Grants are to be provided to school divisions pursuant to the provisions of Section 15.2-1302, Code of Virginia, which states that any state funds that were distributed to a locality, including a local school board, in support of a governmental program or function prior to a consolidation of such program or function or the governmental consolidation of the entities providing such programs or functions, shall continue to be distributed to the entity or entities carrying out the program or function after consolidation. Further, it states that if the consolidation results in the consolidation of constitutional officers of the entities and the consolidation of school divisions and local school boards of the entities, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of fifteen fiscal years following the consolidation. )



**Education: Elementary &  
Secondary**

Secretary Of Education

Language

**Language:**

Page 91, after line 8, insert:

"D. The Secretary of Finance and the Secretary of Education jointly shall examine the cost and funding options relating to establishing an equipment and exhibit replacement program in state-operated museums, including the feasibility of using the Master Equipment Lease Program. The Secretaries shall report their findings and recommendations to the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2002."

**Explanation:**

(This amendment is self-explanatory.)

**Education: Elementary &  
Secondary**

Secretary Of Education

Language

**Language:**

Page 91, after line 8, insert:

"D. The Secretary of Education is hereby authorized to make allocations of the portion of the tax-exempt private activity bond limitation amount to be allocated annually to the Commonwealth of Virginia pursuant to the Economic Growth and Tax Relief Reconciliation Act of 2001 (P.L. 107-16)(Section 142(k)(5) of the Internal Revenue Code of 1986, as amended) for the development of education facilities using public-private partnerships, and to provide for carryovers of any unused limitation amount. In making such allocations, the Secretary is directed to give priority to public-private partnership proposals that will serve as demonstration projects concerning the leveraging of private sector contributions and resources, the achievement of economies or efficiencies associated with private sector innovation, and other benefits that are or may be derived from public-private partnerships in contrast to more traditional approaches to public school construction and renovation. The Secretary is directed to report annually not later than August 31 (commencing August 31, 2002) to the Chairmen of the Senate Finance Committee and the House Appropriations Committee regarding any guidelines implemented and any allocations made pursuant to this paragraph."

**Explanation:**

(This amendment allows the Secretary of Education to authorize the use of a new allocation of the Commonwealth's portion of tax-exempt private activity bond authority which has been made available under federal law. This allocation is available only for educational facilities and will not affect the allocation otherwise available to the Commonwealth and localities.)

**Education: Elementary &  
Secondary**

Department Of Education, Central  
Office Operations

Language

**Language:**

Page 94, after line 30, insert:

"P. The Department of Education shall develop recommendations for a school food allergy program, to include recommendations for the provision of educational materials for school principals, nurses, teachers, and food service staff in creating a safe school environment for food-allergic children. In developing these program recommendations the Department shall seek the input and guidance of the United States Departments of Education and Agriculture, the Food Allergy & Anaphylaxis Network, and representatives of local school divisions around the Commonwealth. Further, the Department shall provide a report on their recommendations and their estimate of the state and local cost of any such recommendations to the Chairmen of the Senate Finance, Senate Education and Health, House Appropriations and House Education Committees by November 15, 2002."

**Explanation:**

(This amendment is self-explanatory.)

**Education: Elementary &  
Secondary**

Department Of Education, Central  
Office Operations

Language

**Language:**

Page 94, after line 30, insert:

"P. The Department of Education shall work with the Department of Medical Assistance Services to expand the services covered under the special education billing program, generating additional federal Medicaid funds for local school divisions, and provide a report on the results to the Chairmen of the Senate Finance and House Appropriations Committees by December 1, 2002."

**Explanation:**

(This amendment is self-explanatory.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 121, line 18, strike "\$57,890,000" and insert \$57,940,000".

Page 122, after line 4, insert:

"d) Pursuant to Section 15.2-1302, Code of Virginia, and in the event that two or more school divisions became one school division, whether by consolidation of only the school divisions or by consolidation of the local governments, such resulting division shall be provided funding through this program on the basis of having the same number of school divisions as they had prior to September 30, 2000."

**Explanation:**

(This amendment clarifies that the technology funds are to be provided to school divisions pursuant to the provisions of Section 15.2-1302, Code of Virginia, which states that any state funds that were distributed to a locality, including a local school board, in support of a governmental program or function prior to a consolidation of such program or function or the governmental consolidation of the entities providing such programs or functions, shall continue to be distributed to the entity or entities carrying out the program or function after consolidation. Further, it states that if the consolidation results in the consolidation of constitutional officers of the entities and the consolidation of school divisions and local school boards of the entities, the state funds shall not be reduced below the amounts that would have been received by each entity from the Commonwealth for the governmental program or function computed on the premise that no consolidation occurred for a period of fifteen fiscal years following the consolidation. )

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 107, line 43, after "b." insert "1)".

Page 108, after line 2, insert:

"b. 2) Pursuant to paragraph b.1) above, if the composite index of a consolidated school division is reduced during the course of the fifteen year period to a level that would entitle the school division to a lower interest rate for a Literary Fund loan than it received when the loan was originally released, the Board of Education shall reduce the interest rate of such loan for the remainder of the period of the loan. Such reduction shall be based on the interest rate that would apply at the time of such adjustment. This rate shall remain in effect for the duration of the loan and shall apply only to those years remaining to be paid."

**Explanation:**

(This amendment is self-explanatory.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 110, after line 46 insert:

"11. School divisions may choose to use state payments provided for Standards of Quality remediation and Standards of Learning remediation as a block grant for remediation purposes, without restrictions or reporting requirements, other than reporting necessary as a basis for determining funding for the program."

**Explanation:**

(This amendment restores language providing for flexibility in use of several remedial funding streams. This language was omitted from the introduced budget.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 127, line 2, strike "the first" and insert "each".

Page 127, line 8, strike "adjust" and insert "adjusted".

**Explanation:**

(This amendment corrects an error in the early reading intervention program in the introduced budget.)



**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 120, line 34, strike "\$13,589,400" and insert "\$13,689,400".

Page 120, line 34, strike "\$13,383,688" and insert "\$13,483,688".

Page 120, line 52, strike "\$57,890,000" and insert "\$58,608,000".

Page 120, line 53, strike "\$57,890,000" and insert "\$58,608,000".

Page 121, line 2, strike "\$13,682,000" and insert "\$13,982,000".

Page 121, line 18, strike "\$57,890,000" and insert "\$58,608,000".

Page 122, line 22, after "(VPSA)" insert "issued".

Page 122, line 23, strike "issued subsequent to".

Page 122, line 24, strike "June 30, 2000,".

**Explanation:**

(This amendment corrects some references in the introduced budget in the VPSA Equipment Note program.)

**Education: Elementary &  
Secondary****FY 02-03****FY 03-04**

Direct Aid To Public Education

\$27,500,000

\$27,500,000 GF

**Language:**

Page 105, line 2, strike "\$2,706,307,904" and insert "\$2,733,807,904".

Page 105, line 2, strike "\$2,720,585,511" and insert "\$2,748,085,511".

Page 105, after line 20, insert:

"School Construction Grant Program (17527)    \$27,500,000    \$27,500,000".

Page 130, after line 18, insert:

"20. School Construction Grants Program

a. This appropriation includes \$27,500,000 the first year and \$27,500,000 the second year from the general fund to provide grants to school divisions for nonrecurring expenditures by the relevant school division. Nonrecurring costs shall include school construction, additions, infrastructure, site acquisition, renovations, technology, and other expenditures related to modernizing classroom equipment, payments to escrow accounts pursuant to Chapter 391 Acts of Assembly of 1999, school safety equipment or school safety renovations, and debt service payments on school projects completed during the last ten years.

b. School divisions are encouraged to utilize value engineering in school construction projects funded with these grant proceeds.

c. Any funds provided to school divisions the first year for school construction that are unexpended as of June 30, 2003, shall be carried on the books of the locality to be appropriated to the school division the second year for use for the same purpose.

d. Pursuant to Section 15.2-1302, Code of Virginia, and in the event that two or more school divisions became one school division, whether by consolidation of only the school divisions or by consolidation of the local governments, such resulting division shall be paid School Construction Grant payments on the basis of having the same number of school divisions as they had prior to September 30, 2000."

**Explanation:**

(This amendment restores half of general fund support school construction grants eliminated in the introduced budget.)

**Education: Elementary & Secondary**

**FY 02-03**

**FY 03-04**

Direct Aid To Public Education

\$178,656

\$409,949 GF

**Language:**

Page 132, line 9, strike "\$11,499,289" and insert "\$11,677,945".

Page 132, line 9, strike "\$11,517,203" and insert "\$11,927,152".

**Explanation:**

(This amendment makes a number of technical corrections to address shortfalls in the Governor's Schools account. This amendment ensures sufficient funding to continue the Summer Residential Agriculture School, move Danville and Pittsylvania student funding from the Southside Governor's School to the Piedmont Governor's School, and fund the Piedmont and Massanutten Governor's School's anticipated enrollment.)