



EXCELLENCE EQUITY & OPPORTUNITY

2023-30 STRATEGIC PLAN

October 10, 2024

Executive Limitation 5: Financial Planning



Executive Limitation #5: Financial Planning



The Superintendent shall not fail to develop and maintain a multi-year financial plan that is data-driven, comprehensive, transparent, and part of a long-term plan to achieve the Board's Strategic Plan goals for students. In preparing the Division budget, the Superintendent shall not fail to utilize best practices for budgetary planning and financial reporting, implement needs based resource allocation, and substantially involve all appropriate stakeholder groups.

Executive Limitation #5: Financial Planning

1. Take Develop an annual budget that:

- a. Reflects Board priorities expressed as a part of the annual budgeting process and the Division's Strategic Plan;
- b. Is based on realistic assumptions and a current and ongoing assessment of local, state, and federal funding sources;
- c. Is easily accessible, transparent, and understandable by the community;
- d. Presents all material budgetary assumptions;
- e. Accurately describes revenues and expenditures;
- f. Explains how new, expanded, or eliminated budget initiatives are aligned with the priorities within the Division's Strategic Plan;
- g. Shows the amount budgeted for each major fund type for the most recently completed fiscal year, for the current fiscal year, and the next fiscal year;
- h. Uses budgeting practices and procedures that are sustainable and typical for similar and highly effective organizations;
- i. Includes program evaluations in budgetary planning discussions;
- j. Maintains a School Board Flexibility Reserve of budgeted General Fund expenditures of no less than \$8 million;
- k. Includes such amounts as the Board determines to be necessary for its governing function, including School Board staff, Board member training, consultation, attendance at professional conferences and events, and other matters determined by the Board to be necessary for it to effectively perform its governance duties.

Executive Limitation #5: Financial Planning

2. Provide the Board with a multi-year plan that:
 - a. Projects fiscal needs five (5) years into the future;
 - b. Considers the needs of schools and departments;
 - c. Is responsive to projections of student enrollment, student needs, and programmatic needs;
 - d. Anticipates changes in employee compensation and benefits;
 - e. Analyzes current trends to identify relevant investment needs;
 - f. Identifies unfunded obligations.
3. Provide timely advice to the Board, allowing the Board adequate time to consider the information presented of:
 - a. Actual or anticipated material deviations in the adopted, annual and/or four (4) year budget, as early as possible;
 - b. Changes or conditions that reasonably are expected to materially affect the Division's financial condition;
 - c. Material variances in the budget.
4. Take all reasonable, prudent, anticipatory and proactive actions in securing financial resources for the Division from relevant funding/revenue sources.

FY 2026 Budget Timeline (tentative)

DATE	ACTIVITY
June-December 2024	FCPS Conducts Internal Program Reviews and Gather Community and Employee Feedback
November 12	School Board Conducts Work Session on Strategic Budget Planning and Fiscal Forecast
November 26	Joint Meeting with Board of Supervisors to Discuss Budget Forecast
December 19	Governor Introduces State Budget
January 23, 2025	Superintendent Releases Proposed Budget
February 4	School Board Conducts Budget Work Session on Proposed Budget School Board Holds Public Hearing on Budget (February 5 if needed)
February 18	Fairfax County Executive Presents Advertised Budget School Board Conducts Budget Work Session on Proposed Budget
February 20	School Board Adopts FY 2026 Advertised Budget
February 25	Joint Meeting with Board of Supervisors
March 4	Board of Supervisors Advertises Tax Rate
April 8	School Board Budget Presentation to Board of Supervisors
April 8-10	Fairfax County Board of Supervisors Conducts Public Hearings on Budget
April 25	Fairfax County Board of Supervisors Budget Pre-Markup
April 29	Fairfax County Board of Supervisors Budget Markup, Determine Budget Package, and Tax Rates
May 6	County Board of Supervisors Adopts Budget, Tax Rates, and Transfer to FCPS
May 8	Approved Budget Presented to School Board
May 13	School Board Holds Public Hearing on Budget (May 14 if needed)
May 20	School Board Conducts Budget Work Session
May 22	School Board Adopts Approved Budget
July 1	FY 2026 Begins

Develop an Annual Budget

- On September 9, 2024 [FCPS was recognized with the Baldrige Spirit Award](#) at The Ohio State University for completing the Baldrige organization profile.
- FCPS budget documents have [received awards](#) from both the Association of School Business Officials International (ASBO) and the Government Finance Officers Association (GFOA).
 - FCPS received the 2024–2025 Meritorious Budget Award (MBA) from ASBO.
 - FCPS submitted the FY 2025 Approved Budget document to ASBO for the Meritorious Budget Award and GFOA for the Distinguished Budget Presentation Award Program.
- In response to the Joint Legislative Audit & Review Commission (JLARC) report on Virginia's K-12 Funding Formula, FCPS communications, budget, and government relations staff collaborated on public facing social media infographics and supporting documentation.

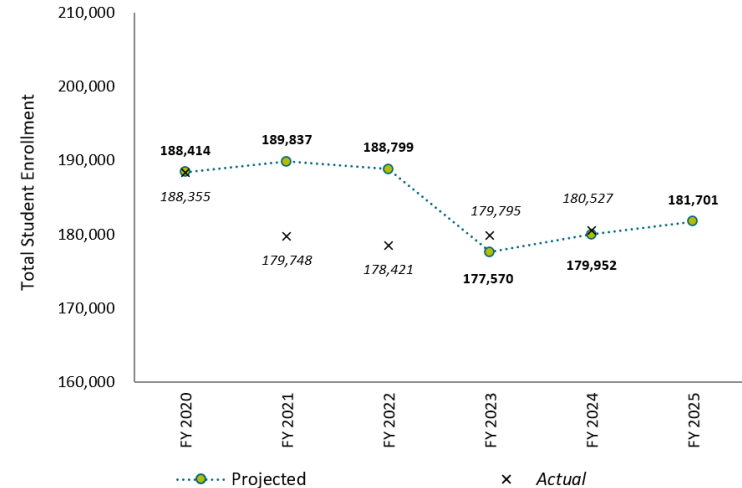


Provide the Board with a Multi-Year Plan

- The FY 2026 Approved Budget will incorporate five year projections.
- FCPS plans to accelerate the timeline for student enrollment projections to allow for incorporation into the fiscal forecast.

FCPS is the Largest Virginia School Division

Projected and actual enrollment from FY 2020 to FY 2025



Provide the Board with a Multi-Year Plan

- The JLARC study indicated that Fairfax could receive an estimated additional \$568.7 million in state revenue if the General Assembly were to adopt all of JLARC's Near- and Long-Term Recommendations
 - The General Assembly created a Joint Subcommittee to Study Elementary and Secondary Education funding to further consider the possible implementation of JLARC recommendations, with an initial meeting on September 16, 2024 and future meetings planned for October 31, 2024, and December 9, 2024.
 - FCPS continues to advocate for the adoption of JLARC recommendations, including meetings with Joint Subcommittee members and collaboration with our County funding partners and other interested K-12 education stakeholders.

Provide Timely Advice to the Board

- During the FY 2025 budget process, 114 [budget questions](#) were answered, more than double the prior fiscal year. Enhancements to the budget question process are planned for FY 2026.

Budget Questions			
	FY 2023	FY 2024	FY 2025
Number of Budget Questions Answered	50	55	114

Take All Reasonable, Prudent, Anticipatory and Proactive Actions in Securing Financial Resources for the Division

- Grants development is presented in the quarterly budget review process. Below is a summary of grants showing an increase in submissions and higher award rate from FY 2024 3rd Quarter to FY 2024 4th Quarter. FY 2025 updates will be posted on the [FCPS Quarterly Budget Reviews webpage](#) when available.

Competitive Grants for FY 2024				
	As of 3rd Quarter FY 2024		As of 4th Quarter FY 2024	
Competitive grants submitted	\$41.1 million	40 grants	\$63.6 million	75 grants
Competitive grants awarded	\$21.2 million	31 grants	\$22.9 million	52 grants
Competitive grants denied	\$19.7 million	3 grants	\$19.9 million	10 grants
Competitive grants pending	\$0.4 million	6 grants	\$21 million	13 grants



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