

their associated costs. In addition to the benefits of a process developed in collaboration with other states, the use of a third party brings independent objectivity to the process.

The 2005 General Assembly passed two pieces of legislation, Senate Bill 1136 and House Bill 2602, requiring the state Board of Education to provide a report, by October 1 of this year, regarding the fiscal implications of NCLB. Specifically, the second enactment clauses within these pieces of legislation read as follows:

“2. That the Board of Education shall examine the fiscal and other implications for the Commonwealth and its local governments in the event that Virginia continues its compliance with, or withdraws from participation in, the federal No Child Left Behind Act. The Board shall convey its findings from such examination to the House Committees on Education and Appropriations and the Senate Committees on Education and Health and Finance no later than October 1, 2005. “

Data collection related to the study of the fiscal implications of NCLB is currently underway at both the state and local levels. The report provided to you today is intended to summarize the methodology used to collect and analyze these data.

Summary of Major Elements: The costs structure developed by CCSSO and APA is made up of the following seven components:

- Standards and Assessment
- Accountability
- Technical Assistance
- School Choice and Supplemental Services
- High-Quality Educators
- NCLB Data Management; and
- NCLB Titles

Components are further divided into areas and areas are divided into tasks. States participating in the cost consortium are charged with identifying activities specific to each task. The activities developed by the department were provided to the General Assembly in December of 2004 and have been structured around Virginia’s statewide system of accountability and support, consistent with the requirements of NCLB. Once activity development was completed, the department began moving forward with assigning costs to the components, areas, tasks, and activities at the state level.

While state data are being collected and analyzed, cost estimates for Virginia’s school divisions must also be developed. In order to undertake this effort in an approach consistent with the CCSSO/APA framework, the department has contracted with APA to coordinate the cost study at the local school district level. The methodology for the local cost study uses a representative sampling of school districts, all of which are “self-selected”. The following school divisions are participating in the local cost study:

Region I – Henrico County;
Region II – Norfolk City;
Region III - Fredericksburg City;
Region IV – Fairfax County;
Region V – Albemarle County;
Region VI – Roanoke County;
Regional VII – Washington County; and
Region VIII – Halifax County.

The data collected for each of these school divisions will be used to generate a statewide cost per pupil that will be used to extrapolate the costs of NCLB for all Virginia school divisions.

Superintendent's Recommendation: N/A

Impact on Resources: The “costing-out” of the fiscal implications of NCLB is a significant undertaking at both the state and local level. Department staff as well as the staff of the eight representative divisions have spent and will continue to spend considerable time analyzing data and identifying significant fiscal and policy issues surrounding NCLB. The department is deeply appreciative of the efforts undertaken at the local level regarding participation in this study.

Timetable for Further Review/Action: At this time, analyses of the cost data collected at both the state and local level is underway. A full report of these data will be provided to the Board at its September meeting for review and approval. Once approved, this report will be submitted to the General Assembly.