

**Summary of Governor McDonnell's Proposed Amendments
to the 2012-2014 Biennial Budget Impacting the Direct Aid to Public Education and
Department of Education Central Office Budgets**

This document summarizes the budget changes proposed by Governor McDonnell to the current 2012-2014 biennial budget (Chapter 3, 2012 Special Session I Acts of Assembly) that impact the Direct Aid to Public Education and the Department of Education Central Office budgets in fiscal years 2013 and 2014. The current biennial budget (i.e., Chapter 3) is the budget against which the Governor's proposed changes are made. The Governor's introduced budget bill to the 2013 General Assembly containing his amendments is House Bill 1500/Senate Bill 800. A summary of proposed amendments to the Department of Education Central Office budget follows the proposed amendments to the Direct Aid to Public Education budget.

Information related to the Direct Aid to Public Education and the Department of Education Central Office budget amendments is organized into the following two sections:

Section A: Amendments to the Direct Aid to Public Education Budget

1. Technical Updates to Existing Direct Aid Programs
2. Direct Aid Budget Policy Changes
3. Language-Only Amendments for Direct Aid Programs Included in HB 1500/SB 800

Section B. Department of Education Central Office Budget

1. Amendments to Central Office Included in HB 1500/SB 800 Impacting School Divisions
2. Language-Only Amendments to Central Office Included in HB 1500/SB 800

**SECTION A: AMENDMENTS TO THE DIRECT AID TO PUBLIC EDUCATION
BUDGET**

1. Technical Updates to Existing Direct Aid Programs

- **Update Average Daily Membership (ADM) and Fall Membership**
Projections of unadjusted and adjusted average daily membership (ADM) for fiscal years 2013 and 2014 are revised for each school division based on the latest actual ADM and fall membership data available. Projected ADM was originally forecast by the Department of Education based on actual data through September 30, 2011, fall membership. The most recent projections contained in the Governor's introduced budget amendments have been revised based on actual March 31, 2012, ADM and September 30, 2012, fall membership.

On a statewide basis, the revised unadjusted ADM projections are 1,183 students lower in fiscal year 2013 and 1,290 students lower in fiscal year 2014 than the original projections

contained in Chapter 3 (as communicated in [Superintendent's Memorandum No. 134-12](#), dated May 18, 2012). The ADM-based payments for fiscal years 2013 and 2014 have been recomputed based on these revised projections. In addition, all accounts that are allocated on the basis of fall membership have been updated for actual fall membership in fiscal year 2013 and re-projected fall membership in fiscal year 2014. The ADM and fall membership updates result in an estimated decrease in Direct Aid payments on a statewide basis of \$8.3 million in fiscal year 2013 and \$10.9 million in fiscal year 2014.

- **Update Sales Tax Projections and School-Age Population Estimate**

The Governor's amendments reflect the most recent estimate of sales tax revenue dedicated to public education for fiscal years 2013 and 2014, as calculated by the Department of Taxation. The revised estimate of sales tax revenues includes both the one percent portion and the one-eighth percent portion that are appropriated for distribution to school divisions based on school-age population. The projected sales tax payments contained in [Attachment B](#) and in the Excel calculation file reflect the revised estimates for these two sales tax sources, which are shown in [Attachment B](#) and in the Excel file as a single revenue line item.

The Department of Taxation's latest estimate of the one percent and one-eighth percent sales tax revenue is \$1,211.6 million for fiscal year 2013 and \$1,257.5 million for fiscal year 2014. These revised sales tax estimates are approximately \$9.1 million higher in fiscal year 2013 and \$8.4 million higher in fiscal year 2014 than the projections contained in Chapter 3. As required by the Basic Aid funding formula, estimated state Basic Aid payments have been adjusted to reflect the decreased state share of cost resulting from the projected increase in sales tax revenues. The amount of the Basic Aid offset depends on each division's composite index of local ability-to-pay. The state share of Basic Aid decreases approximately \$5.1 million in fiscal year 2013 and \$4.7 million in fiscal year 2014 due to the revised sales tax estimates. The net change in state funding to school divisions (due to both the estimated sales tax revenue increase and the Basic Aid offset) is an increase of \$4.0 million in fiscal year 2013 and an increase of \$4.7 million in fiscal year 2014.

The Governor's amendments also reflect the updated Weldon Cooper Center population estimate used to distribute the sales tax revenue for fiscal year 2014 only. The school-age population estimates are updated by the Weldon Cooper Center annually for the purpose of distributing sales tax revenues to school divisions on a budgeted and actual basis. July 1, 2011, school-age population estimates will be used to distribute fiscal year 2014 sales tax revenues. The fiscal year 2014 sales tax distribution was amended to reflect the July 1, 2011, estimate. The fiscal year 2013 school-age population estimate remains the same as in Chapter 3, and continues to use the July 1, 2010, estimate to distribute sales tax revenue in fiscal year 2013. This action does not change the total amount of sales tax distributed to divisions, just the distribution to individual divisions.

- **Update Lottery Revenue Estimate**

The Governor's amended budget increases the Lottery proceeds estimate by \$35.2 million to \$492.5 million in fiscal year 2013, as compared to the projection contained in Chapter 3. This increase reflects a carry-over balance from fiscal year 2012. The Governor's amended budget maintains the estimate of \$462 million for fiscal year 2014, as contained in Chapter 3.

- **Technical Updates to SOQ, Incentive, Categorical, and Lottery-funded Accounts**

Various technical adjustments have been made to SOQ, incentive, categorical, and Lottery-funded accounts to reflect the latest information on special education enrollment, PALS assessment data, and actual and updated projected participation in programs. State funding is reduced by approximately \$12.7 million in fiscal year 2013 and \$5.1 million in fiscal year 2014 based on these technical updates. Additional information regarding these adjustments is discussed in more detail in the following paragraphs.

 - *SOQ Technical Updates*

In addition to the SOQ updates based on ADM and Fall Membership mentioned above in the paragraph entitled "Update Average Daily Membership (ADM) and Fall Membership," the Governor's amended budget includes updates to the Remedial Summer School program in fiscal year 2013 and fiscal year 2014. Funding for the Remedial Summer School program is reduced by \$522,470 in fiscal year 2013, and is increased by \$242,665 in fiscal year 2014, based on actual participation in the Remedial Summer School program in 2012.
 - *Incentive Technical Updates*

The Governor's amended budget includes technical updates to the Governor's School and VPSA Technology grants accounts. Funding for the Governor's School program is reduced by \$294,026 in fiscal year 2013 and \$186,745 in fiscal year 2014, based on actual enrollment in fiscal year 2013. VPSA Technology grants were updated for schools reporting fall membership for fiscal year 2013, and were also updated for those schools qualifying for supplemental grants based on their accreditation status.
 - *Categorical Technical Updates*

The Governor's amended budget recognizes savings to categorical accounts of \$702,105 in fiscal year 2013 and \$373,460 in fiscal year 2014 based on actual program participation. Funding for the Special Education Homebound program is reduced by \$183,100 in fiscal year 2013 and \$126,719 in fiscal year 2014 based on the actual state's share of local program costs in fiscal year 2013. Funding for the Special Education Jails Program account is reduced by \$277,963 in fiscal year 2013 and \$246,741 in fiscal year 2014 based on actual payments for fiscal year 2012 and updated program plans for fiscal year 2013. Funding for the Special Education State Operated Programs account is reduced by \$241,042 in fiscal year 2013 based on actual payments for fiscal year 2012 and updated program plans for fiscal year 2013. The division distribution of state funds for the School Lunch program account for fiscal year 2013 and fiscal year 2014 was updated to reflect fiscal year 2012 actual payments; the total state funding for this program remains the same as in Chapter 3, only the distribution was updated.
 - *Lottery Technical Updates*

The Governor's amended budget includes technical updates based on actual participation and revised estimates to the following Lottery-funded accounts: Virginia Preschool Initiative, English as a Second Language, Special Education – Regional Tuition, Alternative Education, SOL Algebra Readiness, Textbooks, K-3 Primary Class Size Reduction, Early Reading Intervention, School Breakfast, and

Foster Care. These actions for fiscal years 2013 and 2014 result in savings in Lottery funding that is used to supplant general fund support for other programs.

- **Update Funding for National Board Certification Bonuses**

The Governor's amended budget updates funding for bonuses provided by the state to classroom teachers who are certified by the National Board of Professional Teaching Standards. This update is based on the actual number of teachers eligible to receive the bonus payments in fiscal year 2013, resulting in a decrease of \$85,000 in fiscal year 2013 and an increase in fiscal year 2014 of \$125,000. The increase in fiscal year 2014 is based on the additional teachers achieving a National Board Certification in fiscal year 2013. The fiscal year 2013 initial certification bonuses will be paid in fiscal year 2014.

- **Update Bedford County's Fiscal Year 2014 Local Composite Index Based on the Reversion of Bedford City to Town Status**

Effective July 1, 2013, Bedford City will revert to town status, which will result in the consolidation of Bedford City and Bedford County and, consequently, the consolidation of their respective school divisions. Pursuant to Chapter 3, 2012 Special Session I Acts of Assembly (Item 139, Paragraph A.4.c.1), the consolidated Bedford County school division is entitled to state payments based on the lower of the composite indices for the two separate school divisions for a period of fifteen years. For fiscal year 2014, the use of Bedford City's lower composite index for the consolidated school division results in an increase in state funds to Bedford County of approximately \$6.2 million.

2. Direct Aid Budget Policy Changes

- **Fund the State's Share of a Two Percent Salary Increase for All Funded SOQ Instructional Positions in Fiscal Year 2014**

The Governor's amended budget proposes funding the state's share of a two percent salary increase for all funded SOQ instructional positions in fiscal year 2014, effective July 1, 2013. The state's share of the cost to fund this salary increase is approximately \$58.7 million in fiscal year 2014. Funded SOQ instructional positions based on the SOQ staffing standards include teachers, principals, assistant principals, guidance counselors, librarians, and instructional aides. This funding is contingent on passage of the Teaching Excellence Act, as proposed by the Governor and submitted to the 2013 Session of the General Assembly for approval. This Act will reform areas such as teacher probationary status and the relationship between performance evaluations and contracts, and streamline the grievance process. (Note: The Teaching Excellence Act is expected to be renamed the Educator Fairness Act upon introduction in January 2013.)

These compensation supplement funds are intended to be incentive funds, and would not be included as part of required local effort; however, in order to receive the state funds, a local match would have to be provided based on the composite index of local ability to pay. The local match certification will be collected on the Department's annual Required Local Effort and Required Local Match data collection.

State funds would be paid to school divisions that certify to the Department of Education that equivalent salary increases have been granted locally in fiscal year 2014. School divisions are permitted to begin local salary increases after July 1. The table below provides the equivalent salary increases for local start dates subsequent to the July 1 start date for the state-funded increase. Please note that the equivalent salary increases are based on a twelve-month year.

Local Salary Increase Start Date	Required Equivalent Percentage Salary Increase in Fiscal Year 2014
July 1, 2013	2.00
August 1, 2013	2.18
September 1, 2013	2.40
October 1, 2013	2.67
November 1, 2013	3.00
December 1, 2013	3.43
January 1, 2014	4.00

- **Implement the Strategic Compensation Grants Initiative**

The Governor's amended budget provides \$15 million in fiscal year 2014 to support the implementation of the Strategic Compensation Grants (SCG) Initiative. The SCG Initiative is intended to award competitive grants to school divisions that design and implement compensation systems for teachers that provide incentives based on each participating school division's strategic goals and objectives. The budget language on this proposed program contained in the Governor's amended budget is provided below:

37. Strategic Compensation Grants Initiative

a. Out of this appropriation, \$15,000,000 the second year from the general fund is provided to support implementation of the Strategic Compensation Grants (SCG) Initiative. This program will award competitive grants to school divisions for the design and implementation of compensation systems for teachers that provide incentives that are tailored to each participating school division's strategic goals and objectives.

b. Any locality which desires to apply for this grant program must submit a proposal to the Department of Education by July 15, 2013. The proposal must designate the groups or types of teachers targeted for incentives in the compensation system. Incentives may focus on all teachers where quantitative student achievement data are available or specific groups of teachers within a division or school. These proposals may include, but are not limited to, the following incentives: 1) rewarding teachers who help students make significant academic progress; 2) rewarding teachers who seek opportunities to assist in the leadership needs of the school division, such as serving as instructional coaches or professional developers; 3) providing pay incentives for effective teachers with needed expertise who are willing to

transfer to hard-to-staff or low-performing schools; 4) providing incentives for team performance in schools that achieve student learning goals; or 5) rewarding effective teachers who are assigned to teach critical shortage areas, such as mathematics and special education.

c. In order to be eligible to receive a strategic compensation grant, a school division's proposal must meet the following criteria: 1) stakeholder involvement in the development and implementation of the strategic compensation model at the school division; 2) teachers in the initiative must be evaluated using an effective evaluation system with quality measure systems, consistent with the Board of Education's evaluation standards and criteria, including a weight of 40 percent on student academic progress for the summative evaluation; 3) a significant component of the model for awarding incentives must include measureable and appropriate achievement goals for student academic progress; and 4) professional development must be an integral component of the model, including how a teacher will be supported to develop a school culture of teaching and learning, to improve instruction, and to increase student achievement. The Department of Education may also consider the geographic distribution of school divisions and the percentage of students attending hard-to-staff schools in making the competitive grant awards.

d. In order to be eligible to receive an award from the incentive program administered by the local school division and supported by the state SCG initiative, a teacher must meet the following eligibility criteria as well as other requirements established by the school division to receive incentives: 1) the teacher must be licensed to teach in Virginia and endorsed in the subject or grade level of the assignment; 2) in the case of federal core areas, the teacher must be highly qualified; 3) the teacher must be employed under a teacher contract (substitute teachers, hourly employees, or teacher aides are not eligible for an award); 4) the teacher must be employed by the local school board and provide or support direct instruction; and 5) the teacher receiving the award must be rated as successful, which shall be defined as "proficient or above" in performance evaluation ratings.

e. Any incentive for teachers included in a compensation system developed and implemented by a local school division must meet the following criteria: 1) designate incentive payments as a range or tiers for target groups, such as differentiating between the teacher of record or teachers in support positions; 2) have a maximum payment to a teacher of \$5,000 per year; 3) prorate payments for teachers who have taught for less than a full school year; and 4) performance evaluations for participating teachers must be completed in a timeline that provides sufficient time to distribute incentive funds to teachers and submit reimbursement requests to the Department of Education no later than June 1, 2014.

- **Remove the Cost of Competing Adjustment (COCA) from the Support Position Portion of State SOQ Basic Aid Funding in Fiscal Year 2014**

The Governor's amended budget eliminates the cost of competing adjustment (COCA) factor for funded SOQ Basic Aid support positions for school divisions in Planning District Eight and certain adjacent divisions (specified in the appropriation act) in fiscal year 2014.

Chapter 3, 2012 Special Session I Acts of Assembly, provides the state's share of funding for a support COCA rate of 9.83 percent for SOQ funded support positions in Planning District Eight school divisions and a phased-in rate of 2.46 percent for certain adjacent divisions.

The Governor's amended budget proposes the elimination of state funding for both the full and phased-in COCA factors for SOQ funded support positions in fiscal year 2014. This action results in a decrease in state funding of \$12.2 million in fiscal year 2014.

- **Provide Funding to Support the Board of Education's Recommended Staffing Standard for Blind or Visually Impaired Students**

The Governor's amended budget provides \$4.9 million in fiscal year 2014 to fund the state's share of the Board of Education's recommended staffing standard for students who are blind or visually impaired. The Board's staffing recommendation as well as the Governor's funding methodology for blind or visually impaired students is based on the following:

- Level I, Resource teachers – 24 students to one teacher;
- Level II, self-contained with an aide, 10 students to one teacher;
- Level II, self-contained without an aide, eight students to one teacher; or,
- Level II, self-contained, student weight of 2.5.

This amendment is a funding standard only, not a mandated staffing standard, which would require enacting a specific mandated staffing standard in the SOQ, the appropriation act, or Board of Education regulations.

- **Provide Funding for a Targeted Reading Specialists Initiative**

The Governor's amended budget proposes an additional \$1.4 million in fiscal year 2014 for the state's share of one reading specialist per elementary school that scored below 75 percent on the third grade reading Standards of Learning test. School divisions receiving these funds are required to match the funding based on their composite index of local ability to pay.

- **Revise Methodology in Fiscal Year 2014 for Calculating Early Intervention Reading Third Grade Funding**

The Governor's amended budget proposes updating the methodology used to calculate the state's share of fiscal year 2014 funding for the Early Intervention Reading Initiative, for third grade only. The number of eligible students is currently based on the percentage of students needing services as determined by the Phonological Awareness Literacy Screening (PALS) diagnostic. This percentage is calculated by dividing the number of students identified as needing intervention by the number students tested. The Governor's amended budget proposes changing this percentage to be the total number of third-grade students identified as needing intervention as determined by PALS divided by total third grade fall membership, consistent with grades kindergarten through two. The methodology for funding kindergarten through second grade remain unchanged. State funding is reduced by \$425,331 in fiscal year 2014 based on this methodology change.

- **Expand the Effective Schoolwide Discipline Initiative**

The Governor's amended budget provides \$341,040 in fiscal year 2014 for the Effective Schoolwide Discipline Initiative, which provides models for schools that have significant rates of suspension or expulsion to reduce disruptive classroom behavior. Funding is provided for 58 schools with high suspension/expulsion rates to implement or expand the initiative. Associated funding to develop this initiative and provide for statewide training is

proposed in the Department of Education Central Office budget; please see the paragraph below labeled "Develop an Effective Schoolwide Discipline System" for further details.

- **Increase Funding for the Math and Science Teacher Recruitment and Retention Pilot Initiative**

The Governor's amended budget provides an additional \$708,000 in fiscal year 2014 for the Math and Science Teacher Recruitment and Retention Pilot Initiative. This increase is being supported by the transfer of state funding from the existing Virginia Teaching Scholarship Loan Program and eliminating that program effective with fiscal year 2014.

- **Increase Path to Industry Certification Funding**

The Governor's amended budget provides \$266,331 in additional funding in fiscal year 2014 for the Path to Industry Certification program. The additional funding is provided to partially offset the increases in costs of credentialing exams and the number of students taking the examinations.

- **Increase Funding for Charter School Supplement**

The Governor's amended budget includes an additional \$100,000 to support supplemental grants to charter schools in fiscal year 2014.

- **Develop a Summer Regional Governor's Program for Entrepreneurship**

The Governor's amended budget provides \$210,000 to establish summer regional Governor's Schools for Entrepreneurship in fiscal year 2014. The Department of Education will partner with regional collaborations of school divisions to offer two-week summer regional programs that provide Virginia middle school students with the opportunity to solve problems through product innovation and to explore entrepreneurship in a global market. The curriculum will focus on entrepreneurship, globalization, team building, design thinking, project management, product design, and leadership within a culturally diverse environment.

- **Increase Literary Fund Transfer**

The Governor's amended budget increases the transfer from the Literary Fund to support the state's share of cost for teacher retirement by \$9.0 million in fiscal year 2013, from \$131.1 million to \$140.1 million. The increased transfer amount in fiscal year 2013 will be supplanted by a corresponding state general fund decrease of \$9.0 million in fiscal year 2013. These changes do not affect division per pupil amounts or projected payments for VRS retirement in fiscal year 2013.

- **Textbook Fund Source**

The Governor's introduced budget includes several proposed actions that affect multiple programs funded by Lottery proceeds. Details for these actions are provided in the paragraphs above. After all actions, the portion of Textbooks payments that will be funded by Lottery proceeds increases by \$46.3 million in fiscal year 2013 and \$4.4 million in fiscal year 2014, compared to the portion of Textbooks payments funded by Lottery proceeds in Chapter 3. This fund source change does not impact the projected payment amounts to divisions for textbooks.

3. Language-Only Amendments for Direct Aid Programs Included in HB 1500/SB 800

- **Move September 30 Submission Deadline for National Board Certification Bonus Program to October 15**

The Governor's amended budget proposes moving the submission deadline for the National Board Certification program from September 30 to October 15 in order to allow time for school divisions to determine the eligibility of teachers as of September 30 and then report the data to the Department by October 15.

- **Clarify K-3 Language to Set Deadline of December 1 for Additional Actions Required to Meet K-3 Program Requirements**

The Governor's amended budget includes new language requiring divisions to complete any additional actions required to meet the K-3 Primary Class Size Reduction program requirements by December 1 annually. These actions include hiring additional K-3 staff (classroom or resource teachers), adjusting the number of students per class within a specific grade, and seeking a waiver from the Superintendent of Public Instruction on the maximum K-3 class size requirement. The Governor's amended budget language is provided below:

139.C.10.e. School divisions may elect to have eligible schools participate at a higher ratio, or only in a portion of grades kindergarten through three, with a commensurate reduction of state and required local funds, if local conditions do not permit participation at the established ratio and/or maximum individual class size. In the event that a school division requires additional actions to ensure participation at the established ratio and/or maximum individual class size, such actions must be completed by December 1 of the impacted school year. Special education teachers and instructional aides shall not be counted towards meeting these required pupil/teacher ratios in grades kindergarten through three.

- **Modify School Nurse Funding Methodology Beginning with the 2014-2016 Biennium**

The Governor's amended budget includes language directing the Department of Education to change the school nurse funding methodology. Beginning with the 2014-2016 biennium, funding for school nurses would be based on one nurse per school, plus one additional nurse for schools with at least 1,500 students reported in fall membership. The Governor's amended budget also includes language encouraging the Board of Education to consider adopting a staffing standard for school nurses in the Standards of Quality consistent with this funding methodology. In addition, the Governor's proposal eliminates the requirement for school divisions to spend school nurse funds for school nurse positions with the 2014-2016 biennium. No changes were made to school nurse funding for the 2012-2014 biennium.

- **Eliminate a Portion of the Annual Required Local Effort/Required Local Match Data Collection**

The Governor's amended budget proposes eliminating a portion of the annual "Certification of Adequate Funds Budgeted to Meet Required Local Effort for the Standards of Quality and Local Match Requirements for Certain State Funds" data collection. If adopted, school divisions will no longer be required to submit data indicating whether they have budgeted sufficient local funds to meet required local effort for the Standards of Quality and required local match for any optional match programs in which the division participates. Divisions would still certify participation and program compliance in optional match programs through

the Single Sign-on for Web System (SSWS). The Governor's amended budget proposes moving the annual deadline for certifying participation in the optional match programs from October 1 to July 1. School divisions would still be required to meet actual required local effort for Standards of Quality accounts and required local match for any optional programs in which they elect to participate. Actual Required Local Effort and Required Local Match calculations will remain as part of the Annual School Report due annually on September 15 for the prior fiscal year.

- **Increase Flexibility for the Virginia Workplace Readiness Skills Assessment**
The Governor's amended budget proposes modifying the Virginia Workplace Readiness Skills Assessment to permit its use for the Path to Industry Certification. School divisions will be granted additional flexibility to use Virginia Workplace Readiness Skills Assessment grant funds for actual readiness skills assessment purposes or for other industry certification preparation or testing purposes to help meet the new standard diploma requirements.
- **Virginia Preschool Initiative Proposal Deadline**
The Governor's amended budget proposes moving the annual Virginia Preschool Initiative proposal deadline from May 15 to June 15 each year to provide additional time for the completion of local school division budgets.

SECTION B: DEPARTMENT OF EDUCATION CENTRAL OFFICE BUDGET

1. Central Office Policy Changes Impacting School Divisions

- **Establish the Virginia Opportunity School District (VOSD)**
The Governor's amended budget provides an additional \$600,926 in fiscal year 2014 to develop the Virginia Opportunity School District (VOSD) office within the Department of Education.
- **Increase Academic Review Funding**
The Governor's amended budget provides an additional \$500,000 in fiscal year 2014 to support an increase in the number of schools requiring academic reviews during the 2013-2014 academic school year. The academic review process is used to assist schools that are not fully accredited in the development of improvement planning processes to help schools progress toward being fully accredited. Additional funding for the academic review program was included in Chapter 3 for fiscal year 2013 only, and the Governor's amended budget provides the same level of funding for the academic review program in fiscal year 2014.
- **Develop an Effective Schoolwide Discipline System**
The Governor's amended budget provides \$277,000 in additional funding in fiscal year 2014 to support the development of an effective schoolwide discipline system. This funding will also support statewide training. The additional funding is intended to support the Effective Schoolwide Discipline Initiative, referred to above in the paragraph entitled "Expand the Effective Schoolwide Discipline Initiative."

- **Additional Funding for the Administration of the Early Intervention Reading Initiative Program**

The Governor's amended budget provides an additional \$104,753 in fiscal year 2014 to support the Phonological Awareness Literacy Screening (PALS) diagnostic assessment tool that is used to identify students to be served through the Early Intervention Reading Initiative program. Funding is provided to develop online professional development materials for teachers, contract for professional data management services, and recognize increasing operational costs for the PALS office at the University of Virginia.

- **Virginia Longitudinal Data System**

The Governor's amended budget provides an additional \$156,060 in fiscal year 2014 to provide additional support for the Virginia Longitudinal Data System (VLDS). The VLDS is a multi-agency initiative designed to provide information on education and work force programs. The VLDS was started with a federal grant, and the additional funding provided is intended to support the ongoing operation of the VLDS by the Department of Education.

- **Innovative Education Technical Advisory Group**

The Governor's amended budget provides an additional \$100,000 in fiscal year 2014 for the Innovative Education Technical Advisory Group. The Innovative Education Technical Advisory Group was developed to assist in the development of charter school, college laboratory school, virtual schools, and other instructional delivery or school governance models in Virginia.

- **Establish the Virginia Center for Excellence in Teaching**

The Governor's amended budget provides \$220,191 in fiscal year 2014 to establish the Virginia Center for Excellence in Teaching, which will offer a series of residential summer professional development academies for teachers. The Governor's amended budget includes the following language:

G. Out of this appropriation, \$220,191 the second year from the general fund is provided to establish the Virginia Center for Excellence in Teaching. The Department of Education will solicit competitive proposals for funding from institutions of higher education to create and operate the Center. The Center will offer a series of residential summer professional development academies for exemplary teachers. The curriculum developed for the academies will incorporate national issues, current research, and trends in education aligned with the focus areas of instructional supervision, strategies for school improvement, addressing the learning needs of diverse populations, assessment practices and use of data to drive instructional decision making, grant utilization and partnership opportunities, and community outreach. The Center will incorporate experiential learning through exploration of case studies on educational policy and instructional leadership. To be eligible to attend the Center, teachers must meet the following criteria: 1) hold a teaching license issued by the Virginia Department of Education; 2) have a minimum of 5 years of successful teaching experience; 3) a consistent record of effective instruction; and 4) demonstrated leadership ability. The institution of higher education selected to create and operate the Center will be responsible for the selection of teachers to attend the academies.