



#051-21

Commonwealth of Virginia
Virginia Department of Education
Superintendent's Memo #051-21

DATE: February 26, 2021
TO: Division Superintendents
FROM: James F. Lane, Ed.D., Superintendent of Public Instruction
SUBJECT: **Amendments to the Governor's Amended 2020-2022 Biennial Budget as Introduced Proposed by the House of Delegates and the Senate**

On February 10, 2021, the Senate Finance and Appropriations and House Appropriations Committees adopted separate changes to the 2020-2022 biennial budget as introduced by Governor Northam (reference [Superintendent's Memo #325-20](#), dated December 16, 2020). The budget recommendations of the Senate Finance and Appropriations Committee were adopted by the full membership of the Senate and the budget recommendations of the House Appropriations Committee were adopted by the full membership of the House of Delegates on February 12, 2021. The adopted changes affect FY 2021 (FY21), and 2022 (FY22). FY21 began on July 1, 2020, and ends on June 30, 2021. FY22 will begin on July 1, 2021, and end on June 30, 2022.

The respective budget amendments proposed by the House of Delegates and the Senate change the 2020-2022 biennial budget (HB 1800/SB 1100) introduced by Governor Northam. The attachments and links within this memorandum provide information on the changes separately adopted by the House of Delegates and by the Senate. Unless changes are specifically noted in the attachments, Governor Northam's proposed amendments contained in the introduced version of HB 1800/SB 1100 were adopted by both chambers.

Attachment A to this memorandum provides detailed information on the funding changes proposed by the House of Delegates and by the Senate to Governor Northam's amended 2020-

2022 biennial budget (HB 1800/SB 1100) that impact the Direct Aid to Public Education and the Virginia Department of Education (VDOE) Central Office budgets.

Two downloadable Excel files have been created to assist school divisions in calculating projected state payments and required local matches in FY21, and FY22 for most Direct Aid programs. These files give divisions the opportunity to change average daily membership (ADM) to test the effect on projected state funding and local match requirements using the Virginia Department of Education (VDOE) projected ADM or a local projection of ADM. Although the VDOE ADM projections are historically accurate on a statewide basis, VDOE cannot anticipate all factors in each division that may impact enrollment. It may be necessary for divisions to use their own projections instead of the projections provided by VDOE. Divisions are encouraged to substitute their ADM estimates for those provided in this memorandum when using the Excel files if they feel their local projections of enrollment are more accurate.

Modification to the ADM values in the Excel files only changes the estimated funding for accounts that are funded on the basis of ADM as described on the Enrollment Projections worksheet. Estimated funding for all other accounts is unaffected. For each FY, the amount of semi-monthly SOQ account payments is based only on the House of Delegates' and Senate's adopted budget projections of March 31 ADM, pending the recalculation of payments based on actual March 31 ADM and are subject to available state appropriations. Changing the ADM in the Excel files does not impact the current payments that are made to divisions. Final payments to divisions for FY21 will be updated and based on March 31, 2021, ADM and other final program participation information. The final FY21 payments based on actual data will be communicated to school divisions by a separate Superintendent's Memorandum later this year. Actual FY22 payments will not be finalized until after a similar process is followed next year.

In addition to ADM, the Enrollment Projections worksheet provides the option of entering local enrollment projections for the Remedial Summer School, English as a Second Language (ESL), and Virginia Preschool Initiative (VPI) programs for FY22 only. Please note that enrollments for VPI are capped at the number of student slots that are funded in the VPI formula contained in the respective budgets adopted separately by the House of Delegates and by the Senate for the 2020-2022 biennium.

Sales tax estimates in the Excel files are revenue projections only. Payments made to school divisions are made on a semi-monthly basis will be based on actual sales tax receipts. Pursuant to the Appropriation Act, the Basic Aid entitlement calculation is based on the estimated sales tax appropriation only and is not adjusted for actual sales tax revenues received each fiscal year.

The Excel files referenced in this memorandum show state payments, required local effort for the Standards of Quality (SOQ) accounts, and required local matches for Incentive and Lottery-funded accounts calculated based on projected March 31, ADM for FY21 and FY22. The [Excel files](#) may be downloaded to assist divisions with calculating projected payments.

For assistance downloading the Excel files, [please refer to the instructions available on our website](#).

It is important to remember that the budget recommendations proposed by the House of Delegates and the Senate are not final. A Conference Committee will make final recommendations after resolving the differences between the House and Senate budget proposals. For that reason, the estimated payments contained in the Excel files are projections only and are subject to change as a result of final legislative action by the 2021 General Assembly. Final actions on the budget should be completed at the conclusion of the Special Session.

VDOE will provide additional information during the Special Session I General Assembly session as changes to the estimated Direct Aid payments occur. After the conclusion of the session, projected payments based on final General Assembly actions will be sent to you in another Superintendent's Memorandum.

For more information

Questions regarding the Senate's and House of Delegates' adopted amendments to the 2020-2022 biennial budget and the revised estimates of Direct Aid payments for FY21 and FY22 may be directed to Budget Office staff at (804) 225-2025 or by email at DOEBUDGETOFFICE@doe.virginia.gov.

JFL/EML/sw

- A. Attachment: [Senate and House Amendments to the 2020-2022 Biennial Budget](#) (DOCX)