

**REVISED May 10, 2011 following the School Board work session on May 9, 2011**

Date: May 6, 2011

For ACTION     X    

For INFORMATION         

Board Agenda: Yes   X    
No         

**FROM:** Jean Sina, Chief Financial Officer *jean B. sina*

**THRU:** Margaret Barkley Byess, Deputy Superintendent *M B Byess*  
Planning and Support Operations

**TO:** Morton Sherman, Ed.D., Superintendent of Schools *M Sherman*

**COPY:** The Honorable Yvonne Folkerts, Chair, and Members of the Alexandria City School Board

Executive Staff

**TOPIC:** Motion to Adopt the FY 2012 Final Combined Funds Budget, Fund Balance Resolution, VRS Member Contribution Resolution, and Supplemental Retirement Employee Contribution Resolution

**BACKGROUND:** The School Board is required to approve the FY 2012 final ACPS budget for all funding sources. This approval incorporates adjustments resulting from City Council decisions and other recommendations for changes not included in the Board's FY 2012 budget approved on March 17, 2011. The recommended adjustments contained in the attached documents will be reviewed at the May 9, 2011 School Board work session and presented for approval on May 12, 2011. If necessary, further adjustments may be incorporated following the May 9 School Board work session.

As part of the budget process each year, the Superintendent and staff review major trends in revenues and expenditures before presenting the final budget adjustments. This thorough review includes, but is not limited to, the latest compensation data, benefits analysis, organizational structure and staffing requirements, legislative changes, and ongoing program and contract analysis for cost savings. As a result of this analysis, expenditure adjustments have been identified for needs-driven instructional staffing, repurposed central office positions, and custodial and other general services.

In addition, the School Board's approved operating budget included a flexible 0.5 FTE per elementary school (representing approximately \$37,816 per school) for principals to use at their discretion for any personnel cost necessary to meet the changing needs of our students. Elementary principals have confirmed their intended use of this discretionary allocation and these adjustments are reflected in Attachment 2.

**ACPS#419-09-10**



## **Operating Fund**

As approved by City Council on May 2, 2011, ACPS will receive additional funding in the amount of \$196,992 to add two preschool classrooms for FY 2012. These additional classrooms will allow ACPS to serve up to an additional 32 preschool students. With this increase in funding from the City, total operating revenues will increase from \$201,148,990 to \$210,569,152, an increase of \$9.4 million, or approximately 4.7% over the FY 2011 final budget.

Net operating expenditures will also increase from \$196,225,477 to \$210,569,152, representing an increase of \$14.3 million, or approximately 7.3% over the FY 2011 final budget. For the same period, total operating fund FTEs increase by 61.40 from 1950.35 to 2011.75. This increase is primarily driven by student enrollment growth and program needs. The details related to all revenue and expenditure adjustments can be found in Attachments 2 and 3.

## **School Nutrition Fund**

As communicated in the School Board memo dated April 25, 2011, Section 205 of *The Healthy, Hunger Free Kids Act of 2010* requires school boards to establish equity in meal pricing. This section mandates that lunch prices for a fully paid meal must equal the federal reimbursement of a free lunch less the paid meal reimbursement. To meet the requirements of Section 205, which allows for a phased approach to meal price increases and to cover the rising costs of food and labor, ACPS staff recommend an increase in lunch prices of \$.05 to \$2.25 for elementary and \$2.50 for secondary as well as an increase in breakfast prices of \$0.10 to \$1.25 for all schools. These price increases will take effect school year 2011 – 2012 and will be reflected in pricing schedules, accordingly.

Though meal prices will increase, lower participation for paid meals may offset potential revenue increases that result from the higher federal reimbursement for free meals. As a result, an estimated net increase of \$15,000 has been added to the local revenue account.

Food and nutrition services revenues total \$6,508,205, an increase of approximately 4.3% over the FY 2011 final budget while expenditures total \$6,493,205, an increase of approximately 4.3%. For FY 2012, the budget includes a total of 70.00 full-time equivalents (FTEs) for the food and nutrition services fund. The details and fund statement are shown in Attachments 4 and 5.

## **Grants and Special Projects Fund**

There are currently no recommended adjustments to the revenue or expenditure budgets of the grants and special projects fund since these budget adjustments are usually made in the early fall. The grants and special projects budget is adjusted later in the fiscal year as a result of the final, audited year-end figures that will be used to derive confirmed carry-over funding. In addition, funding from new grant applications for both federal entitlement grants as well as any awarded competitive grants will be incorporated as part of the working budget throughout the fiscal year as appropriate. Full-time equivalents (FTEs) are updated as approved by all grantors to appropriately and fully execute the requirements of the grant.

As presented during the May 4, 2011 work session, carry-over funding from the Individuals with Disabilities Education Act (IDEA) grant will be used during FY 2012 to hire an additional 9.00 FTE based on the recommendations of the Autism and Inclusion work groups. The FY 2012 carry-over amount for the IDEA grant will total approximately \$1.2 million. In addition, the annual plan for the 2011-2012 award year of IDEA funding is recommended for approval by the



School Board at their May 12, 2011 meeting. This annual plan includes 27.20 FTE and totals \$2.54 million.

As approved on March 17, 2011, grants and special project revenues total \$15,728,581, an increase of approximately 2.2% over the FY 2011 final budget and expenditures total \$15,007,095, an increase of approximately 3.5% over FY 2011. For FY 2012, the budget includes a total of 113.16 FTEs for the grants and special projects fund. The detailed fund statement is shown in Attachments 6 and 7.

### **Capital Improvement Program (CIP)**

As directed by City Council and the School Board at the joint work session held on March 14, 2011, City and ACPS staff worked collaboratively to come up with agreed upon CIP allocations for FY 2012 – FY 2015. City and Schools are not in agreement on the remaining years. City and Schools staff will work together over the next year to come to agreement on enrollment projections—the major driver of the difference between the two CIP budgets. As shown in Attachment 8, the School Board's recommended figures are included for FY 2016 – FY 2021. The Final CIP budget for FY 2012 totals \$21,986,475 and the ten-year final CIP budget recommended for Board adoption amounts to \$345,030,951 as shown in Attachment 8.

### **FY 2012 Budget Resolutions**

Accompanying the attached motion and budget summaries are the necessary FY2012 budget resolutions that address accounting and/or policy changes that will be effective July 1, 2011 and must be approved by the School Board. The topics addressed are as follows:

- Governmental Accounting Standards Board (GASB) Statement No. 54 Fund Balance Requirements and the Virginia Retirement System (VRS) Designated Set-Aside
- Virginia Retirement System (VRS) Plan 2 Member Contribution
- Supplemental Retirement Employee Contribution

**RECOMMENDATION:** Adopt the FY 2012 Final Combined Funds Budget (Operating Fund, School Nutrition Fund, and Grants and Special Projects Fund) and the FY 2012 – 2021 Capital Improvement Program (CIP) including all attachments as listed below.

**IMPACT:** Adoption of the FY 2012 budget establishes expenditure levels for operating, school nutrition, and grants and special projects funds, and provides authority to implement CIP projects for FY 2012.

**CONTACT PERSON:** Jean Sina

### **ATTACHMENTS:**

1. Motion to Adopt the FY 2012 Final Combined Funds Budget (Operating Fund, School Nutrition Fund, and Grants and Special Projects Fund) and the FY 2012 – 2021 Capital Improvement Program (CIP)
2. Adjustments to the FY 2012 Approved Operating Budget
3. FY 2012 Operating Fund Statement
4. Adjustments to the FY 2012 Approved School Nutrition Fund Budget
5. FY 2012 School Nutrition Fund Statement
6. Adjustments to the FY 2012 Approved Grants and Special Projects Fund Statement
7. FY 2012 Grants and Special Projects Fund Statement



**REVISED May 10, 2011 following the School Board work session on May 9, 2011**

8. Adjustments to the FY 2012 - 2021 Approved Capital Improvement Program (CIP) Budget
- ~~9. Fund Balance and Designated Virginia Retirement System (VRS) Set Aside Resolution~~  
(Pending further discussion; To be adopted by the School Board by June 30, 2011)
10. Virginia Retirement System (VRS) Plan 2 Member Contribution Resolution
11. Supplement Retirement Employee Contribution Resolution



**Motion to Adopt the FY 2012 Final Combined Funds, FY 2012 – 2021 Capital Improvement Program (CIP) Budget**

Madam Chairman, I move that the Alexandria City Public School Board approve the FY 2012 Final Combined Funds Budget. This includes:

- Operating Fund revenues and expenditures totaling \$210,569,152 each;
- School Nutrition Fund revenues totaling \$6,508,205, and expenditures totaling \$6,493,205;
- Grants and Special Projects Fund revenues totaling \$15,728,581 and expenditures totaling \$15,007,095;
- FY 2012 – 2021 Capital Improvement Program (CIP) expenditures totaling \$21,986,475 for FY 2012 and \$345,030,951 for FY 2012 – FY 2021

The above are shown in Attachments 1 through 8. This motion incorporates all adjustments shown in the attachments.

The Superintendent is granted the authority to make the necessary minor changes to comply with the intent of the School Board.



<b>Superintendent's Recommended Changes to the FY 2012 Approved Operating Budget as Adopted on March 17, 2011</b>		
<b>FINAL TO BE APPROVED BY THE SCHOOL BOARD ON MAY 12, 2011</b>		
<b>Last Revised: May 10, 2011 following the School Board Work Session on May 9, 2011</b>		
	Amount	FTE
<b>FY 2012 Approved Operating Revenue (approved on March 17, 2011)</b>	<b>\$ 210,372,160</b>	
1 Additional City Revenue for two additional preschool classrooms as adjusted by the City Council. This is the ACPS share of the additional \$450,000 "below the line" request that was added to the FY 2012 budget by City Council during the May, 2011 Add/Delete work session. ACPS will be able to serve an additional 32 students with this funding. Because the City's per pupil cost is higher than ACPS's, its portion is greater.	196,992	
<b>2 Total, Net Revenue Adjustments</b>	<b>196,992</b>	
<b>3 FY 2012 Final Operating Revenue</b>	<b>\$ 210,569,152</b>	
<b>FY 2012 Approved Operating Expenditures (approved on March 17, 2011)</b>	<b>\$ 210,372,160</b>	<b>2,011.37</b>
<b>Expenditure Adjustments</b>		
4 Per revised enrollment projections, add 1.00 FTE third-grade homeroom teacher at Mount Vernon Community School and add 2.00 FTE ELL teachers. These increases are offset by a reduction 3.00 FTE from the FY 2012 Staffing Reserve. This leaves 8.00 FTE in the staffing reserve.	-	-
5 Realign 3.76 FTE custodian and 1.00 FTE building engineer positions (totaling \$237,036) for conversion of custodial services to external provider at Mount Vernon Community School (totaling \$158,735). Net savings total \$78,301.	(78,301)	(4.76)
6 Recognize savings from renegotiated contract with printer/copier service and equipment provider (\$250,000) offset by the addition of 1.00 FTE Assistant Budget Director (\$98,000) due to Budget Office realignment. Net savings total \$152,000.	(152,000)	1.00
7 Add two additional preschool classrooms: 2.00 FTE teacher, 2.00 FTE paraprofessional, materials and supplies, and equipment totaling \$292,992 offset by additional Virginia Preschool Initiative (VPI) funding (\$96,000, 2.00 FTE) received as a result of serving additional 32 students. See item #1, above.	196,992	2.00
8 Perform background checks for ACPS volunteers (Placeholder pending School Board Policy Committee recommendations)	75,000	
9 Flexible use FTE: 0.50 FTE was allocated to each elementary school to be used at the Principal's discretion. This adjustment removes the placeholder items from the budget and adds the FTE at each elementary school as recommended by Principals. Principals elected to use their 0.50 FTE allocation to add reading, ELL, and special education teachers as well as support staff and paraprofessionals.	-	1.14
10 Add 1.00 FTE front office support specialist at Mount Vernon due to school size	38,166	1.00
11 Add stipends for new teacher orientation (\$150 per day for five days)	144,309	
12 Reduce tuition fees for special education due to decreased special education enrollment	(147,423)	
13 Adjust secondary staffing due to changes in course registration, enrollment, and review of the master schedule (Add 7.00 FTE teachers, reduce 7.00 FTE teachers).	-	-
14 Provide summer clerical support for registrars to ensure complete, prompt, and accurate enrollment of students prior to school opening, and to assist in the re-registration at three grade levels.	106,080	
15 Eliminate current school practices of charging families for snacks and storing snacks in classroom refrigerators by systematizing provision of snacks for kindergarten and pre-K students through Food and Nutrition Services during the school year.	127,643	
16 Reinstate one week of intersession at Mount Vernon Community School (Placeholder pending further School Board discussion after receipt of June report)	61,026	
17 Reduce substitute costs through decentralization and implementation of new regulations	(174,500)	
<b>18 Total, Net Expenditure Adjustments</b>	<b>196,992</b>	<b>0.38</b>
<b>19 FY2012 Final Operating Expenditure Budget</b>	<b>\$ 210,569,152</b>	<b>2,011.75</b>
<b>Remaining Funding Surplus/ (Deficit)</b>	<b>0</b>	



<b>Superintendent's Recommended Changes to the FY 2012 Approved Operating Budget as Adopted on March 17, 2011</b> <b>FINAL TO BE APPROVED BY THE SCHOOL BOARD ON MAY 12, 2011</b> <b>Last Revised: May 10, 2011 following the School Board Work Session on May 9, 2011</b>		
	Amount	FTE
FY 2011 Final Revenue	\$ 201,148,990	
\$ Change in Revenue, FY 2012 to FY 2011	9,420,162	
<b>% Change in Revenue, FY 2012 to FY 2011</b>	<b>4.7%</b>	
FY 2011 Final Expenditures and FTE	\$ 196,225,477	1,950.35
\$ Change in Expenditures and FTE, FY 2012 to FY 2011	14,343,675	61.40
<b>% Change in Expenditures and FTE, FY 2012 to FY 2011</b>	<b>7.3%</b>	<b>3.1%</b>



**Fund Statement  
Operating Fund**

Revenue Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Beginning Balance	\$ 4,922,056	\$ 7,886,233	\$ 13,139,007	\$ 6,647,199	\$ 6,985,475	\$ 338,276	5.1%
State Funds	26,592,454	29,862,536	26,511,975	25,383,882	27,026,899	1,643,017	6.5%
Local Funds	869,072	982,969	1,167,777	1,165,188	1,524,605	359,417	30.8%
Federal Funds	69,686	66,154	75,752	66,154	75,752	9,598	14.5%
City Appropriation	160,239,697	167,953,749	164,594,674	167,886,567	174,956,420	7,069,853	4.2%
<b>TOTAL REVENUE:</b>	<b>\$ 192,692,966</b>	<b>\$ 206,751,641</b>	<b>\$ 205,489,185</b>	<b>\$ 201,148,990</b>	<b>\$ 210,569,152</b>	<b>\$ 9,420,162</b>	<b>4.7%</b>

Expenditure Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Salaries	\$ 116,586,532	\$ 122,861,904	\$ 122,642,742	\$ 127,074,276	\$ 136,338,700	\$ 9,264,424	7.3%
Employee Benefits	43,103,596	45,615,300	44,120,346	42,337,328	45,395,861	3,058,533	7.2%
Purchased Services	8,468,409	8,870,560	9,352,455	10,346,755	10,678,856	332,101	3.2%
Internal Services	82,882	90,154	101,263	95,488	130,554	35,066	36.7%
Other Charges	8,308,131	7,880,990	6,690,523	7,833,142	7,743,103	(90,039)	-1.1%
Materials and Supplies	5,389,296	5,448,149	5,701,755	6,363,863	7,870,234	1,506,371	23.7%
Capital Outlay	2,287,111	2,965,402	2,435,032	2,174,625	2,411,844	237,219	10.9%
Other Uses of Funds	580,778	(119,825)	-	-	-	-	-
<b>TOTAL EXPENDITURES:</b>	<b>\$ 184,806,733</b>	<b>\$ 193,612,634</b>	<b>\$ 191,044,116</b>	<b>\$ 196,225,477</b>	<b>\$ 210,569,152</b>	<b>\$ 14,343,675</b>	<b>7.3%</b>
Unexpended Funds: Undesignated Funds							
Designated for FY 2008							
Designated for City Schools MOU							
Designated for FY 2009	1,009,222						
Designated for Health Benefits	1,250,000	1,500,000					
Designated for FY 2010	4,355,938	4,355,938					
Designated for FY 2011		5,647,199	5,647,199				
Designated for FY 2012			4,925,341				
VRS 4th Q designated for Secondary Transformation for FY 2011			1,000,000				
VRS 4th Q designated for Secondary Transformation for FY 2012			1,000,000				
Prepaid Items	536,953	676,358	628,070				
Encumbered Carryover	734,121	959,512	1,244,459				
Designated for future VRS obligations as rates increase				4,923,513			
<b>Ending Balance</b>	<b>\$ 7,886,233</b>	<b>\$ 13,139,007</b>	<b>\$ 14,445,069</b>	<b>\$ 4,923,513</b>	<b>\$ (0)</b>	<b>\$ (4,923,513)</b>	<b>-100%</b>

Note: Numbers may vary due to rounding.



<b>Superintendent's Recommended Changes to the FY 2012 Approved School Nutrition Fund Budget as Adopted on March 17, 2011</b> <b>FINAL TO BE APPROVED BY THE SCHOOL BOARD ON MAY 12, 2011</b> <b>Last Revised: May 10, 2011 following the School Board Work Session on May 9, 2011</b>		
	Amount	FTE
<b>FY 2012 Approved School Nutrition Fund Revenue (approved on March 17, 2011)</b>	<b>\$ 6,493,205</b>	
1 Additional Local Revenue (a la carte services)	15,000	
<b>2 Total, Net Revenue Adjustments</b>		
<b>3 FY 2012 Final School Nutrition Fund Revenue</b>	<b>\$ 6,508,205</b>	
<b>FY 2012 Approved School Nutrition Fund Expenditures (approved on March 17, 2011)</b>	<b>\$ 6,493,205</b>	<b>70.00</b>
<b><u>Expenditure Adjustments: Additions</u></b>		
None		
<b>4 Subtotal: Expenditure Additions</b>	-	-
<b><u>Expenditure Adjustments: Reductions</u></b>		
None		
<b>5 Subtotal: Expenditure Reductions</b>	-	-
<b>6 Total, Net Expenditure Adjustments</b>	-	-
<b>7 FY2012 Final School Nutrition Fund Expenditure Budget</b>	<b>\$ 6,493,205</b>	<b>70.00</b>
<b>Remaining Funding Surplus/ (Deficit)</b>		<b>15,000</b>



**Fund Statement  
School Nutrition Fund**

Revenue Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Beginning Balance	\$ 896,561	\$ 1,040,298	\$ 1,370,189	\$ -	\$ -	\$ -	
State Funds	52,225	57,474	62,872	96,438	63,000	(33,438)	-34.7%
Local Funds	1,985,718	2,065,104	1,863,922	2,189,817	2,285,497	95,680	4.4%
Federal Funds	3,148,929	3,585,354	3,780,951	3,937,140	4,159,708	222,568	5.7%
Encumbered Carryover						-	
<b>TOTAL:</b>	<b>\$ 6,083,433</b>	<b>\$ 6,748,230</b>	<b>\$ 7,077,934</b>	<b>\$ 6,223,395</b>	<b>\$ 6,508,205</b>	<b>\$ 269,810</b>	<b>4.3%</b>

Expenditure Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Salaries	\$ 1,829,295	\$ 1,884,905	\$ 1,888,260	\$ 2,021,503	\$ 2,103,701	\$ 82,198	4.1%
Employee Benefits	760,550	790,539	800,823	818,326	914,666	96,341	11.8%
Purchased Services	258,666	203,005	212,814	289,300	343,000	53,700	18.6%
Internal Services	4,381	2,808	4,558	3,200	4,000	800	25.0%
Other Charges	62,649	21,879	17,024	30,925	32,900	1,975	6.4%
Materials and Supplies	2,120,766	2,420,184	2,440,852	2,855,141	2,909,938	54,797	1.9%
Capital Outlay	6,828	54,617	52,221	205,000	185,000	(20,000)	-9.8%
Other Uses of Funds	-	-	-	-	-	-	
<b>TOTAL:</b>	<b>\$ 5,043,136</b>	<b>\$ 5,377,937</b>	<b>\$ 5,416,552</b>	<b>\$ 6,223,395</b>	<b>\$ 6,493,205</b>	<b>\$ 269,810</b>	<b>4.3%</b>
Unexpended Funds:							
Designated for FY 2007						-	
Designated for FY 2008							
Designated for FY 2009	39,837						
Designated for FY 2010							
Undesignated reserve*	832,255	1,166,659	1,334,139	0	15,000		
Inventory	87,274	158,618	114,667				
Prepaid	13,390	13,836	13,323				
Encumbered Carryover	67,438	31,076	199,253				
Ending Balance	\$ 1,040,298	\$ 1,370,293	\$ 1,661,382	\$ -	\$ 15,000	\$ -	

\*The School Nutrition Fund is required to keep sufficient reserves on hand to fund three months of operations. Undesignated reserve funds are used for this purpose.  
Note: Numbers may vary due to rounding.



<b>Superintendent's Recommended Changes to the FY 2012 Approved Grants and Special Projects Fund Budget as Adopted on March 17, 2011</b> <b>FINAL TO BE APPROVED BY THE SCHOOL BOARD ON MAY 12, 2011</b> <b>Last Revised: May 10, 2011 following the School Board Work Session on May 9, 2011</b>		
	Amount	FTE
FY 2012 Approved Grants and Special Projects Fund Revenue (approved on March 17, 2011)	\$ 15,728,581	
None		
<b>1 Total, Net Revenue Adjustments</b>		
2 FY 2012 Final School Nutrition Fund Revenue	\$ 15,728,581	
FY 2012 Approved School Nutrition Fund Expenditures (approved on March 17, 2011)	\$ 15,007,095	113.16
<b>Expenditure Adjustments: Additions</b>		
None		
<b>3 Subtotal: Expenditure Additions</b>	-	-
<b>Expenditure Adjustments: Reductions</b>		
None		
<b>4 Subtotal: Expenditure Reductions</b>	-	-
<b>5 Total, Net Expenditure Adjustments</b>	-	-
6 FY2012 Final School Nutrition Fund Expenditure Budget	\$ 15,007,095	113.16
<b>Remaining Funding Surplus/ (Deficit)</b>		<b>721,486</b>



**Fund Statement  
Grants and Special Projects Fund**

Revenue Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Beginning Balance	\$ 2,117,781	\$ 1,552,093	\$ 1,536,897	\$ 886,882	\$ 1,303,485	\$ 416,603	47.0%
State Funds	1,816,891	2,493,722	2,611,768	2,207,541	2,670,405	462,864	21.0%
Local Funds	736,624	582,374	1,525,889	436,244	495,500	59,256	13.6%
Federal Funds	6,175,827	6,826,116	10,811,650	11,852,848	11,259,191	(593,657)	-5.0%
<b>TOTAL:</b>	<b>\$ 10,847,123</b>	<b>\$ 11,454,305</b>	<b>\$ 16,486,204</b>	<b>\$ 15,383,515</b>	<b>\$ 15,728,581</b>	<b>\$ 345,066</b>	<b>2.2%</b>

Expenditure Type	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Final Budget	FY 2012 Final Budget	Change FY 2011 to FY 2012 Final Budget	Percent Change
Salaries	\$ 5,610,927	\$ 5,814,692	\$ 5,714,611	\$ 7,333,616	\$ 7,905,639	\$ 572,023	7.8%
Employee Benefits	1,762,381	1,830,356	1,628,042	1,987,869	2,376,270	388,400	19.5%
Purchased Services	361,485	697,180	3,994,679	2,374,185	2,074,839	(299,346)	-12.6%
Internal Services	60,201	89,378	71,013	170,000	58,599	(111,401)	-65.5%
Other Charges	130,407	175,417	1,024,936	111,553	168,734	57,181	51.3%
Materials and Supplies	587,485	492,190	900,099	809,536	1,166,194	356,658	44.1%
Capital Outlay	622,394	494,521	556,751	1,220,631	271,596	(949,035)	-77.7%
Other Uses of Funds	159,750	323,676	328,925	489,243	985,224	495,981	101.4%
<b>TOTAL:</b>	<b>\$ 9,295,030</b>	<b>\$ 9,917,408</b>	<b>\$ 14,219,056</b>	<b>\$ 14,496,633</b>	<b>\$ 15,007,095</b>	<b>\$ 510,462</b>	<b>3.5%</b>
Unexpended Funds:							
Undesignated	1,552,093	1,536,897	2,267,148		721,485		
Prepaid Items							
Encumbered Carryover							
Ending Balance	\$ 1,552,093	\$ 1,536,897	\$ 2,267,148	\$ 886,882	\$ 721,485	\$ (165,397)	-7.3%

Note: Numbers may vary due to rounding.



Capital Improvement Program Budget Summary

	Approved CIP, Approved March 17, 2011	Final CIP, Recommended for Adoption May 12, 2011	City Approved CIP, Adopted May 2, 2011	Change, Final to Approved	Change, Final to City Approved
FY 2012	30,037,516	21,986,475	21,986,475	(8,051,042)	-
FY 2013	34,716,383	30,949,356	30,949,356	(3,767,028)	-
FY 2014	60,957,676	24,930,211	24,930,211	(36,027,465)	-
FY 2015	45,462,690	31,371,027	31,371,027	(14,091,663)	-
FY 2016	32,343,821	42,652,481	36,386,123	10,308,660	6,266,358
FY 2017	42,018,628	49,353,624	12,000,000	7,334,996	37,353,624
FY 2018	45,467,441	56,890,042	13,000,000	11,422,600	43,890,042
FY 2019	27,875,633	33,698,383	13,500,000	5,822,750	20,198,383
FY 2020	42,870,975	37,845,290	13,366,000	(5,025,684)	24,479,290
FY 2021	10,856,885	15,354,062	13,564,267	4,497,177	1,789,795
<b>TOTAL</b>	<b>\$ 372,607,649</b>	<b>\$ 345,030,951</b>	<b>\$ 211,053,458</b>	<b>\$ (27,576,697)</b>	<b>\$ 133,977,493</b>



Comparison of ACPS CIP Budget Requests, FY 2012-2021

Resource Constrained, School Board Approved

Source	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
ADA	1,860,090	310,726	-	-	-	-	-	-	-	-	-
Asset Loss Prevention	1,103,722	276,774	716,063	286,717	3,037,167	3,102,150	2,246,726	163,517	170,716	180,073	2,170,816
Asset Replacement	696,000	377,000	616,027	447,104	9,620,348	9,620,348	525,315	538,448	551,911	565,709	11,283,624
Capacity	11,195,200	17,347,105	36,722,029	28,976,345	19,086,992	14,825,984	28,788,261	15,576,553	26,800,016	622,121	199,318,485
Ecocity	1,876,159	736,895	1,091,442	3,510,520	2,659,613	1,450,972	1,470,180	593,869	622,121	656,871	14,649,242
Equipment and Systems Replacements	1,276,125	730,442	285,376	661,874	600,288	678,422	600,288	1,157,489	674,386	1,056,075	8,340,190
Facility Maintenance	10,016,495	9,600,548	8,166,342	5,786,116	2,615,395	9,617,124	6,197,872	7,542,657	8,127,550	7,477,099	75,147,198
Instructional environment	1,235,000	756,452	2,015,945	662,887	678,845	695,817	713,213	731,045	749,322	768,056	9,005,983
Shared Program Priorities	778,125	4,580,442	11,344,453	4,573,887	2,844,838	2,027,812	4,925,587	1,572,055	5,174,953	153,001	37,475,151
Grand Total	\$ 30,037,516	\$ 34,716,383	\$ 60,957,676	\$ 45,462,690	\$ 32,343,821	\$ 42,018,628	\$ 45,467,441	\$ 27,875,633	\$ 42,870,975	\$ 10,856,885	\$ 372,607,649

Final CIP

Source	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
ADA	1,860,090	310,726	-	-	-	-	-	-	-	-	-
Asset Loss Prevention	1,103,722	276,774	210,408	286,717	2,351,107	902,963	978,892	1,491,642	170,716	3,178,605	2,170,816
Asset Replacement	419,000	377,000	405,896	447,104	1,279,098	10,046,899	641,297	538,448	551,911	565,709	10,951,544
Capacity	3,260,000	19,886,238	16,061,963	20,161,568	30,386,890	23,650,299	45,223,294	16,051,496	26,800,016	201,481,765	15,272,362
Ecocity	1,976,417	736,895	849,241	1,153,003	2,104,789	3,034,171	2,393,112	1,306,012	622,121	656,871	14,832,632
Equipment and Systems Replacements	1,440,125	938,576	285,376	866,493	661,874	678,422	600,288	1,157,489	674,386	1,056,075	8,359,104
Facility Maintenance	10,016,495	7,603,143	5,080,367	7,772,314	5,167,799	10,090,471	6,197,872	7,912,252	8,127,550	7,477,099	75,445,362
Instructional environment	1,235,000	756,452	2,015,945	662,888	678,845	695,817	713,213	731,045	749,322	768,056	9,005,983
Shared Program Priorities	675,625	63,552	21,015	21,541	22,080	254,583	142,074	4,509,999	149,268	1,651,646	7,511,384
Grand Total	\$ 21,986,475	\$ 30,949,356	\$ 24,930,211	\$ 31,371,027	\$ 42,652,481	\$ 49,353,624	\$ 56,890,042	\$ 33,698,383	\$ 37,845,280	\$ 15,356,062	\$ 345,030,953

Changes Compared to School Board Approved

Source	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
ADA	-	-	-	-	-	-	-	-	-	-	-
Asset Loss Prevention	-	-	(505,655)	-	(686,060)	(2,199,188)	(1,267,834)	1,328,125	-	2,998,532	(332,080)
Asset Replacement	(277,000)	-	(210,131)	-	-	426,551	115,982	-	-	-	55,402
Capacity	(7,935,200)	2,539,133	(20,660,065)	(8,814,777)	11,299,898	8,824,316	16,635,033	474,943	-	-	2,169,280
Ecocity	99,658	-	(242,201)	(2,357,517)	(534,824)	1,583,199	922,952	712,143	-	-	189,391
Equipment and Systems Replacements	164,000	208,134	-	(353,220)	2,552,403	473,347	-	369,595	-	-	18,914
Facility Maintenance	-	(1,997,405)	(9,085,975)	-	-	-	-	-	-	-	298,163
Instructional environment	-	-	-	-	-	-	-	-	-	-	-
Shared Program Priorities	(102,500)	(4,516,890)	(11,323,438)	(4,552,346)	(2,322,757)	(1,773,229)	(4,783,513)	2,937,944	(5,025,684)	1,498,646	(29,963,677)
Grand Total	\$ (8,051,042)	\$ (3,767,028)	\$ (36,027,465)	\$ (14,091,663)	\$ 10,308,660	\$ 7,334,986	\$ 11,422,600	\$ 5,822,750	\$ (5,025,684)	\$ 4,497,177	\$ (27,576,697)



COMPARISON OF ACPS CIP BUDGET REQUEST BY SITE, FY 2012-2021

Resource Constrained, School Board Approved

Site	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
Building systems modernization	724,575	777,278	892,730	952,750	1,032,755	1,726,111	1,004,170	653,818	686,679	728,132	9,178,999
Capacity Projects	60,000	4,411,828	6,774,436	-	-	-	3,618,250	15,576,553	26,800,016	-	57,241,083
Charles Barrett	2,226,320	557,530	1,079,660	350,446	29,085	1,129,643	657,846	42,169	56,860	257,021	6,386,579
Cora Kelly	322,035	312,483	1,05,228	119,475	3,523,102	14,907,166	25,253,225	-	-	-	44,542,715
DASH Bus Facility	44,135	55,282	777,512	97,934	-	92,621	-	-	54,881	57,125	1,179,490
Douglas MacArthur	87,223	819,143	1,995,749	2,978,069	126,689	112,217	1,612,069	88,897	241,111	8,061,167	
FF&E	359,000	377,000	405,896	447,104	506,425	512,501	525,315	538,448	551,911	565,709	4,789,309
Francis C. Hammond	1,235,373	136,442	485,016	1,980,170	841,995	719,492	12,062	574,362	2,226,090	2,448,763	11,745,163
George Mason	529,251	70,334	448,863	166,660	305,837	2,807,960	276,411	1,514,037	66,294	6,633,336	
George Washington	2,230,055	2,270,981	1,272,973	828,357	804,184	91,088	28,923	74,620	539,857	370,543	13,786,448
James K. Polk	4,034,446	191,347	123,066	110,469	-	-	-	-	-	-	39,499,669
Jefferson-Houston	3,191,750	13,505,146	22,802,773	479,234	1,452,454	96,553	2,060,674	316,451	316,451	316,451	8,163,388
John Adams	2,393,600	796,103	568,318	-	-	-	-	-	-	-	3,671,293
Lyles Crouch	140,806	278,268	100,386	294,399	62,410	484,488	737,578	879,148	564,837	229,359	3,671,293
Matthew Maury	39,120	212,402	100,386	513,581	962,580	29,658	855,187	12,344	17,266	-	2,742,524
Mount Vernon	1,323,120	558,780	521,158	84,856	35,684	942,357	591,070	1,294,063	-	358,396	5,709,483
Patrick Henry	4,443,767	3,272,278	13,633,863	20,768,927	699,880	39,405	100,934	1,542,369	146,248	96,249	44,743,922
Renovations	763,625	782,716	802,284	822,341	842,899	863,974	885,575	907,716	930,411	953,673	8,555,213
Rowing facility	66,385	41,288	-	631,264	24,262	33,472	-	82,100	-	-	878,771
Samuel Tucker	399,016	470,272	-	49,013	-	-	-	-	-	-	1,023,667
School buses and vehicles	1,086,500	536,076	86,151	1,015,508	452,563	442,950	13,983	85,480	1,434,792	217,279	3,113,783
Shared Program Priorities	250,625	256,892	4,596,937	4,711,863	276,647	463,877	380,379	779,778	599,454	819,254	6,219,541
TC Williams: King Street Campus	337,000	49,136	1,419,458	18,104	276,647	283,566	5,074,175	450,232	5,174,953	313,017	21,388,906
TC Williams: Minnie Howard Campus	1,172,903	1,106,950	2,034,929	8,707,350	19,728,045	4,421,017	-	1,446,413	859,341	20,994	33,764,498
Transportation Facility	125,696	322,489	1,182,7	172,296	772,673	9,284,754	99,604	77,962	20,481	35,884	10,923,667
William Ramsay	2,451,192	44,743	298,755	645,080	871,645	37,524	96,901	1,071,200	1,071,200	2,221,773	7,738,813
<b>Grand Total</b>	<b>\$ 30,037,316</b>	<b>\$ 34,716,383</b>	<b>\$ 60,957,676</b>	<b>\$ 45,462,680</b>	<b>\$ 32,343,821</b>	<b>\$ 42,018,628</b>	<b>\$ 45,467,441</b>	<b>\$ 27,875,633</b>	<b>\$ 42,870,975</b>	<b>\$ 10,856,885</b>	<b>\$ 372,607,649</b>

Final CIP

Site	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
Building systems modernization	724,575	777,278	892,730	952,750	1,032,755	1,726,111	1,004,170	653,818	686,679	728,132	9,178,999
Capacity Projects	60,000	-	-	-	-	-	3,618,250	15,576,553	26,800,016	-	46,054,819
Charles Barrett	242,520	2,590,927	574,005	350,446	29,085	1,129,643	657,846	614,277	56,860	257,021	6,502,628
Cora Kelly	322,035	312,483	1,05,228	119,475	3,523,102	14,907,166	25,253,225	-	-	-	44,542,715
DASH Bus Facility	44,135	55,282	777,512	97,934	-	92,621	-	-	54,881	57,125	1,179,490
Douglas MacArthur	87,223	819,143	1,753,548	272,828	2,027,696	1,266,721	1,612,069	88,897	241,111	8,061,167	
FF&E	359,000	377,000	405,896	447,104	506,425	512,501	525,315	538,448	551,911	565,709	4,789,309
Francis C. Hammond	529,251	70,334	448,863	166,660	305,837	2,807,960	276,411	1,514,037	66,294	6,633,336	
George Mason	2,230,055	1,553,479	561,970	1,557,137	305,837	918,752	2,984,170	2,458,490	72,620	539,857	13,182,367
George Washington	2,050,646	2,518,098	123,066	10,353,239	110,469	-	91,088	28,923	-	1,258,216	6,371,852
James K. Polk	3,191,750	11,826,196	14,422,986	358,619	-	-	-	-	-	-	39,794,171
Jefferson-Houston	2,393,600	796,103	266,220	-	-	-	-	-	-	-	8,360,440
John Adams	140,806	278,268	100,386	294,399	62,410	484,488	737,578	879,148	564,837	229,359	3,689,733
Lyles Crouch	39,120	212,402	100,386	513,581	962,580	29,658	855,187	12,344	17,266	-	2,742,524
Matthew Maury	1,323,120	558,780	521,158	84,856	35,684	942,357	591,070	1,294,063	-	358,396	5,709,483
Mount Vernon	476,167	4,141,069	1,799,030	10,115,002	26,350,223	512,752	100,934	1,542,369	146,248	96,249	45,280,044
Patrick Henry	763,625	782,716	802,284	822,341	842,899	863,974	885,575	907,716	930,411	953,673	8,555,213
Renovations	66,385	41,288	-	223,231	24,262	33,472	-	82,100	-	-	899,433
Samuel Tucker	399,016	470,272	-	49,013	-	-	-	-	-	-	1,023,667
School buses and vehicles	1,250,500	744,210	86,151	1,015,508	452,563	442,950	13,983	85,480	1,434,792	217,279	3,113,783
Shared Program Priorities	148,125	151,829	4,596,937	4,711,863	276,647	463,877	380,379	779,778	599,454	819,254	6,238,455
TC Williams: King Street Campus	60,000	49,136	1,419,458	18,104	276,647	283,566	5,074,175	450,232	5,174,953	313,017	2,865,355
TC Williams: Minnie Howard Campus	1,272,561	1,106,950	2,034,929	8,707,350	19,728,045	4,421,017	-	1,446,413	859,341	20,994	35,194,728
Transportation Facility	125,696	322,489	1,182,7	172,296	772,673	9,284,754	99,604	77,962	20,481	35,884	10,974,567
William Ramsay	2,451,192	44,743	298,755	645,080	871,645	37,524	96,901	1,071,200	1,071,200	2,221,773	7,738,813
<b>Grand Total</b>	<b>21,986,475</b>	<b>30,949,356</b>	<b>24,930,211</b>	<b>31,371,027</b>	<b>42,652,481</b>	<b>49,953,624</b>	<b>56,990,042</b>	<b>33,698,383</b>	<b>37,895,290</b>	<b>15,354,062</b>	<b>345,030,951</b>



Attachment 8

Changes Compared to School Board Approved

Site	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Grand Total
Building Systems modernization	-	-	-	-	-	-	-	-	-	-	-
Capacity Projects	-	(4,411,828)	(6,774,436)	-	-	-	-	-	-	-	-
Charles Barrett	(1,983,800)	2,033,397	(505,655)	-	-	-	-	572,107	-	-	(11,186,264)
Cora Kelly	-	-	-	-	-	-	-	-	-	-	116,049
DASH Bus Facility	-	-	-	-	1,901,007	1,154,504	-	-	-	-	-
Douglas MacArthur	-	-	(242,201)	(2,705,240)	-	-	-	-	-	-	-
FE&E	-	-	-	-	-	-	-	-	-	-	108,070
Francis C. Hammond	-	(1,678,710)	-	1,437,314	(3,345,239)	-	-	1,808,945	-	-	222,310
George Mason	-	-	-	-	-	-	(530,257)	-	-	571,032	40,775
George Washington	(1,983,800)	(717,502)	(711,003)	728,780	-	(1,889,208)	-	1,984,851	-	-	(604,082)
James K. Polk	-	2,033,397	-	-	-	(804,184)	-	-	-	-	133,086
Jefferson-Houston	-	(1,678,950)	(8,379,787)	10,353,239	-	-	-	-	-	887,673	294,502
John Adams	-	-	(302,099)	(120,615)	-	(1,395,004)	-	474,943	-	1,539,827	197,053
Lyles Crouch	-	-	-	-	-	-	(737,578)	756,018	-	-	18,440
Matthew Maury	-	-	-	-	-	-	-	-	-	-	-
Mount Vernon	-	-	-	-	-	-	-	-	-	-	-
Patrick Henry	(3,967,600)	868,791	(11,834,834)	(10,653,925)	25,650,342	473,347	-	-	-	-	536,122
Renovations	-	-	-	-	-	-	-	-	-	-	-
Rowing facility	-	-	-	-	-	-	-	-	-	-	-
Samuel Tucker	-	-	-	(408,032)	-	428,695	-	-	-	-	20,663
School buses and vehicles	164,000	208,134	-	(353,220)	-	-	-	-	-	-	-
Shared Program Priorities	(102,500)	(105,063)	(4,441,311)	(4,552,346)	(113,141)	4	(4,783,513)	2	(5,025,684)	-	18,914
T.C. Williams: King Street Campus	(277,000)	-	(885,128)	581,490	-	542,526	115,982	(1,426,430)	-	1,498,646	150,086
T.C. Williams: Minnie Howard Campus	99,658	-	(1,951,013)	(8,399,107)	(15,784,310)	8,824,316	17,257,965	1,282,720	-	-	1,430,230
Transportation Facility	-	-	-	-	-	-	-	369,595	-	-	50,900
William Ramsay	-	-	-	-	-	-	-	-	-	-	-
Grand Total	\$ (8,051,042)	\$ (3,767,028)	\$ (36,027,465)	\$ (14,091,663)	\$ 10,308,660	\$ 7,334,996	\$ 11,422,600	\$ 5,822,750	\$ (5,025,684)	\$ 4,487,177	\$ (27,576,697)



**ALEXANDRIA CITY PUBLIC SCHOOLS  
Fund Balance Resolution of the Alexandria City School Board**

**WHEREAS**, the Governmental Accounting Standards Board (GASB) has adopted Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the School Board to make certain decisions regarding the use of resources and classifications of ending fund balance in order for the annual financial reports and audits to be in compliance with generally accepted accounting principles (GAAP);

**WHEREAS**, fiscal year 2010-2011 is the first year GASB No. 54 must be implemented for financial statements ending on June 30, 2011;

**WHEREAS**, the intent of GASB No. 54 is to improve the usefulness of the amounts reported in ending fund balances on the year-end financial reports and audits by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions;

**WHEREAS**, GASB No. 54 establishes a hierarchy of fund balance classifications based primarily on the extent to which the school division is bound by the constraints placed on resources reported in those funds;

**WHEREAS**, the school division Superintendent recommends the fund balance classifications outlined below as required by GASB No. 54;

**NOW THEREFORE BE IT RESOLVED** the School Board hereby adopts the following fund balance classifications:

**Nonspendable fund balance**: includes amounts that must be maintained intact legally or contractually. (Included in this category would be amounts reserved for inventories, prepaid items or corpus of a permanent fund.)

**Restricted fund balance**: includes amounts that can be spent only for the specific purposes stipulated through enabling legislation or external resource providers. (Included in this category would be grant balances that can be used only for grant-specified purposes.)

**Committed fund balance**: includes amounts that can be used only for the specific purposes determined by a formal action of the Alexandria City School Board representing the public entity's highest level of decision-making authority. The Board action to constrain these resources must occur prior to year-end (June 30), although the exact amount can be determined later in the subsequent budget period. The VRS set-aside funds will be in this category based on the School Board's adoption of this fund balance



resolution. The School Board commits at least \$3.9 million of its June 30, 2011, General Fund Balance to fund future increases to the VRS contributions rates or for other extraordinary purposes. Use of any portion of this amount for an extraordinary purpose requires a separate resolution of the Board.

Assigned fund balance: includes amounts that do not meet the definitions of either restricted or committed fund balance. These funds are set aside without a formal action of the Alexandria City School Board, the entity's highest decision-making authority. Per the requirements of GASB 54, the School Board delegates the authority to the Chief Financial Officer or the Director of Accounting to make assignments of fund balance. [Note: This is equivalent to prior years' practice of encumbering carryover.]

Unassigned fund balance: represents the lowest level of fund balance, also known as "residual fund balance". The School Board's Unassigned General Fund Balance will be maintained to provide sufficient working capital for subsequent budget periods.

**RESOLVED** that the School Board decides to allocate any remaining or residual fund balance at the end of FY 2011 as the beginning balance for budget development purposes for FY 2013.

This Resolution is adopted by the Alexandria City School Board this 12th day of May, 2011.

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Board Chair

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Clerk of the School Board



## Attachment 10

The Virginia General Assembly, in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2" employees). The legislation amended VA Code § 51.1-144 to provide that Plan 2 employees will pay their 5 percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414 (h). Internal Revenue Code § 414 (h) provides that a governmental employer may "pick-up" mandatory employee contributions and thereby cause the contributions to be made on a pre-tax basis. The formal written action required by Internal Revenue Code § 414 (h) to effect the pick-up has been taken by the General Assembly with the Governor's signature.

The legislation also permits each county, city, town, local public school board or other local employer to pick-up, in whole or in part (in 1 percent increments), the 5 percent member contribution as an additional benefit not paid as salary. The employer's optional payment of the 5 percent member contribution may be phased in over a period approved by the VRS Board not to exceed 6 years and may only be made on a uniform basis for all its Plan 2 employees. The formal written action required by Internal Revenue Code § 414 (h) to effect the pick-up using the alternatives permitted by the legislation must be taken by the governing body of the specific employing entity and must be effective only on a prospective basis.

Please indicate, by selecting one option below, how member contributions will be paid:

- This is to acknowledge that \_\_\_\_\_ (Employer Name) will have the employees pay the 5 percent member contribution according to the terms of the legislation. This action does not require action by your governing body. \_\_\_\_\_ (Authorized Signature) \_\_\_\_\_ (Date)
- This is to acknowledge that Alexandria City Public Schools (Employer) elects to pick-up some or all of the 5 percent member contributions as detailed in the following duly approved resolution.

### RESOLUTION

#### **Authorization to Pick-up the Employee's Contribution to VRS Under § 414(h) of the Internal Revenue Code For Plan 2 Employees**

WHEREAS, the Virginia General Assembly, in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2 Employees"). The legislation stipulates that Plan 2 Employees will pay their 5 percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414 (h) on a pre-tax basis; and

WHEREAS, the legislation allows certain employers, including the Alexandria City Public Schools to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary; and

WHEREAS, the election to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary shall, once made, remain in effect for the applicable fiscal year (July 1 - June 30) and shall continue in effect beyond the end of such fiscal year absent a subsequent resolution changing the way the 5 percent member contribution is paid; and



WHEREAS, employee contributions that are picked-up as an additional benefit not paid as salary are not considered wages for purposes of VA Code § 51.1-700 et seq. nor shall they be considered salary for purposes of VA Code § 51.1-100 et seq.; and

WHEREAS, the Alexandria City Public Schools desires to pick-up and pay its Plan 2 Employees' member contributions to VRS as an additional benefit not paid as salary in an amount equal to 4% of creditable compensation; and

WHEREAS, VRS tracks such picked-up member contributions and is prepared to treat such contributions as employee contributions for all purposes of VRS.

NOW, THEREFORE, IT IS HEREBY RESOLVED that effective the first day of July 2011, the Alexandria City Public Schools shall pick-up member contributions of its Plan 2 Employees for Professional & Nonprofessional Groups to VRS as an additional benefit not paid as salary in an amount equal to 4% of creditable compensation subject to the terms and conditions described above; and it is further

RESOLVED that such contributions, although designated as member contributions, are to be made by the Alexandria City Public Schools in lieu of member contributions; and it is further

RESOLVED that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the picked-up contributions made by the Alexandria City Public Schools directly instead of having them paid to VRS.

Adopted in \_\_\_\_\_, Virginia this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Authorized Signature      Title



**ALEXANDRIA CITY PUBLIC SCHOOLS  
ACPS Supplemental Retirement Plan  
Resolution of the Alexandria City School Board**

**WHEREAS**, the Alexandria City School Board has decided to provide ACPS employees with a supplemental retirement benefit, above and beyond the one provided by the Virginia Retirement System (VRS);

**WHEREAS**, the plan named above gives the employer the right to amend it any time;

**WHEREAS**, the participation to ACPS supplemental retirement plan is mandatory for all ACPS employees;

**NOW THEREFORE BE IT RESOLVED** the School Board hereby adopts the following contribution rates starting with fiscal year 2012:

- Employee's contribution: 2.25% of the employee's compensation
- Employer's contribution: none

The above Resolution is adopted this 12th day of May, 2011.

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Board Chair

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Clerk of the School Board

