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Loudoun County School Board, FY25 Operating Budget Work Session* (Staffing Standards; Compensation; Central Office; and Others), Thursday, January 25, 2024

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Place Loudoun County Public Schools / School Board meeting (see BoardDocs / LCPS-TV)
Length 2h 50m (video)

- Official meeting video (Vimeo / LCPS-TV): <https://player.vimeo.com/video/906508496?rel=0>
- BoardDocs (School Board): <https://go.boarddocs.com/vsba/loudoun/Board.nsf/Public>

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[00:00:00] 25 operating budget school board work session we have many presentations today so the board will have a small recess at approximately seven i mean 6 p.m for dinner we will start with item one two remote participation i've been notified that uh miss miss ann donohue would like to remotely participate in tonight's school board meeting miss donohue please state your location and whether this is a medical or personal matter. Thank you, Madam Chair. I'm requesting remote participation

[00:00:37] this evening for a medical reason. I am in my home in the Leesburg area. My 10-year-old child is sick. My two children are the only ones at home with me. They are not here in the room.

[00:00:56] Thank you. So that brings me to my next question. Is anyone present with you at this location? and if so please state their names. My two minor children. Therefore I will entertain a motion that Ms. Donahue's request to participate be remotely granted. Anyone? I move that Ms. Donahue's participation be granted for medical reasons. Moved by Ms. Chernoff. Is there a second? Second.

[00:01:32] Seconded by Ms. Chandler. The motion has been properly moved and seconded. Is there any discussion? Seeing none we will now vote on the motion to approve Ms. Donahue's request to participate

remotely clerk would you please open the vote board members please record your vote clerk please close and display the vote the motion passes eight yes with one not here but welcome to the

[00:02:12] it so it passes welcome to the meeting mrs donahue thank you madam chair and thank you members we will now move on to item two for disclosures i will start as a member of the loudon county school board I make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda regarding the budget and or health insurance and related benefits and any other discussion that may include or affect benefits for LCPS employees.

[00:02:45] Specifically as a school board member, I am eligible to receive health insurance and related benefits as an LCPS employee. These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be effective of which i am included i can and will participate fairly objectively and in the public interest this disclosure will be reflected in the public records of the clerk of the school board for five years miss chandler as a member of the loudon county school board i make the following disclosure to

[00:03:20] the school board and to the general public in connection with the and the item on tonight's agenda regarding the budget and or health insurance and related benefits and any other discussion that may include or affect benefits for LCPS employees. Specifically, as a school board member, I am eligible to receive health insurance and related benefits as an LCPS employee.

[00:03:42] These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be affected, of which I am included. I can and will participate fairly, objectively, and in the public interest. This disclosure will be reflected in the public record of the clerk of the school board for five years. Thank you. Ms. Donohue? Thank you, Madam Chair. As a member of the Loudoun County School Board, I make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda

[00:04:18] regarding employee salaries, the budget, and or health insurance, and any other discussion that may include or affect salary and benefits for LCPS employees, specifically as a school board member. My spouse and I are entitled to enroll in health insurance through LCPS as an employee that may be affected by any potential changes to employee salaries, the budget, and or health insurance. Additionally, my sister-in-law is an LCS employee. However, she does not reside with me

[00:04:54] and is not dependent on me. These subjects include thousands of employees while in excess of the statutory three employees whose interests may be affected of which my spouse my sister-in-law and i am included i can and will participate fairly objectively and in the public interest this disclosure will be reflected in the public records of the clerk of the school board for five years thank you mrs griffiths thank you madam chair as a member of the loudon county school board i make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda regarding the budget and or health insurance and related

[00:05:34] benefits and any other discussion that may include or affect benefits for LCPS employees. Specifically, as a school board member, I am eligible to receive health insurance and related benefits as an LCPS employee. These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be affected, of which I am included.

[00:05:58] I can and will participate fairly, objectively, and in the public's interest. This disclosure will be reflected in the public records of the clerk of the school board for five years. Thank you, Madam Chair. Thank you, Mrs. Griffiths. Mrs. LaBelle.

[00:06:15] Thank you, Madam Chair. As a member of the Loudoun County School Board, I make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda regarding the budget and or health insurance-related benefits and to any other discussion that may include or affect the benefits for LCPS employees.

[00:06:38] Specifically, as a school board member, I am eligible to receive health insurance and related benefits as an LCPS employee. These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be affected, of which I am included.

[00:06:56] I can and I will participate fairly, objectively, and in the public interest. This disclosure will be reflected in the public records of the clerk of the school board for five years. Thank you, Mrs. Aguil. Ms. Chernoff?

[00:07:12] Thank you, Madam Chair. As a member of the Loudoun County School Board, I make the following disclosures to the school board and to the general public in connection with the item on tonight's agenda regarding the budget and or health insurance and related benefits and any other discussion that may include or affect benefits for LCPS employees.

[00:07:28] Specifically, as a school board member, I am eligible to receive health insurance and related benefits as an LCPS employee. These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be affected, of which I am included. I can and will participate fairly, objectively, and in the public interest.

[00:07:46] This disclosure will be reflected in the public records of the Clerk of the School Board for five years. Thank you, Ms. Chernoff. And now we will move on to Agenda Item 3.1, budget questions, to be presented by Ms. Willoughby, our Chief Financial Officer.

[00:08:02] Ms. Willoughby, you have the floor. Thank you, Madam Chair. I'm going to actually just jump in for one second and thank the board for your questions and want to just continue to remind the board as we will throughout to get those questions to us as quickly as we can and a reminder in case you don't see a question that you've asked on the list that will be produced today that some of those will carry over just based on the length of time that it takes to respond.

[00:08:29] But with that, Ms. Willoughby is going to talk about the questions we have received and where they are providing a response and clarify some other questions you may have received. Ms. Willoughby. Thank you. So you do have in front of you the first packet, I'm sure, of many packets that we will be providing to the school board, the school board questions and answers.

[00:08:53] This packet is also included in board docs and it is also published on the budget webpage. So far to date, we have received 11 official questions that we are tracking and you will see that we have provided answers to 10. So there is one question that we are currently still working on.

[00:09:12] The format, since this is the first packet, just to kind of orient you, you'll see the question number, the board member who's asking, the staff member who is the primary person responsible for providing the answer, as well as we provide the date of the request.

[00:09:30] Then we have the question, and then, of course, the answer. So we have multiple of these. Each packet, the next packet, will then begin with question number 11 just to keep the continuity of the questions flowing. And then at the end, when everything is all complete, we actually consolidate all the packets into one and provide that on the website as well to make it easier should anyone want to search the questions.

[00:09:58] So with that, that's all I have in relation to the question and answer packet. And if, Chairman, if you want me to proceed with the next item, the staffing standards. And I have one housekeeping item that's associated with this slide deck.

[00:10:19] Ms. Byrne, I want to make sure you've got the right slide deck. There's the one that had the extra slide in the front. It's actually right there. You were on the right one. So in terms of a housekeeping item, in the FY25C on budget book, I have also handed out to each of you a replacement page 19.

[00:10:48] And we have already replaced this page in the online version of the book. But thanks to the astute eyes of one community member, they brought to our attention an issue that we had with the table and how it was presented on page 19.

[00:11:04] And so on this slide, you'll see on the left, and I know the numbers are a little small, but on the left, what was originally published in the book and then the revised presentation of that table on the right. What is highlighted in yellow are two rows that got suppressed during the conversion from the budget software system to publishing.

[00:11:26] The detail for these two departments, though, are included in the book. So, for example, the superintendent's budget is on page 277 for the school operating fund, and the Department of Support Services for the school operating fund is on page 308.

[00:11:41] So the numbers were embedded throughout the book. If you could see the numbers, I know they're small print. The bottom line totals do not change, so it was not impacting the numbers. It was just, unfortunately, again, those two rows had been suppressed during the publishing of the book.

[00:12:05] And so, oh, go ahead. Thanks, Ms. Willoughby. Does anybody have any questions real quick? No. Thank you so much for your clarification and your quick response to that. And so we can now move on to agenda item 3-2, staffing standards, to be presented by Ms. Willoughby.

[00:12:24] Yes, you're going to hear from me quite a bit this evening. So the first presentation is the staffing standards, and this is where we kick off the supporting detail part of the budget process and the supporting detail regarding what the superintendent had presented and his estimate of needs.

[00:12:41] We typically start with staffing standards since they are adopted each year by the school board and are a key foundational element of the annual budget. Staffing is represented throughout the budget with positions resulting from school board adopted staffing standards captured in the students at the center category as well as new and ongoing initiatives.

[00:13:06] The goal of the Virginia General Assembly and the Board of Education is for public schools to teach the necessary skills that will enable students to reach their full potential and prepare them for their future. With this in mind, the Board of Education has set forth standards of quality that contain staffing requirements for instructional, administrative, and support staff.

[00:13:27] Loudoun County Public Schools adhere to these standards of quality staffing requirements, and like other Virginia school divisions, staff above and beyond the state minimums. The staffing standards are located in the appendix of the Sion book, and actually on page 421, I believe, where they begin. And we have over 200 positions that have an LCPS staffing standard. Also presented will be the LCPS staffing ratio as well as the requirements set forth by the Board of Education or an industry standard. LCPS staffing standards build on the standards of quality to provide a

[00:14:06] base level of equity, assist in transparent budgetary planning, and ensure compliance with state standards. By having a school board approved consistent base level of staffing for all LCPS schools, it allows budget deliberations to focus on additional needs and new initiatives versus deliberating on how many elementary teachers one school should have versus another.

[00:14:31] Also, our 200 plus staffing standards cover, as you see on the slide, 87 and a half. So almost 88 percent of all the positions that we have in the budget. LCPS began development of staffing standards back in fiscal 16. It began with a meeting between the department and the budget office to discuss how positions were currently assigned. Oftentimes ratios were backed into based on current practice. I like to characterize these meetings where the budget team listened to the staffing practice and needs of the department and turned that into a math formula. Essentially they

[00:15:08] are and were the calculator. After a standard is adopted it is reviewed each year during the budget process recognizing that needs circumstances and other variables can change resulting in a change in the staffing ratio. Any proposed changes are also reviewed in terms of affordability. The resulting change is then proposed in the budget for the school board to consider for approval. So as I mentioned the staffing standards are presented in the appendix and they are grouped by level so elementary middle and high as well as by department so for the first couple of

[00:15:46] pages you will see positions in the elementary schools then there's a section for middle and high other schools like the North Star School and the academies are presented separately and finally there are division-wide and other departments listed LCPS has two types of staffing standards tier based and average based this on this slide the standard on this slide is an example of a tier-based staffing standard and will also be used as an example of how to read the staffing standards as they're presented the first column is going to identify the position and then the currently adopted staffing ratio so in this example we've got an assistant principal and

[00:16:25] the current ratio i believe that says two per school and it's too small for me to read i think it's under less than 1600 and if a school is over 1600 they would earn a third principal in the middle is the state staffing requirement or industry standard depending on the type of position so here you can see that the state standard is one per and I believe that says 600 students finally the last set of columns are for any new standards or changes with the revised ratio and resulting FTE and cost impact presented so for this example of a tier based staffing standard highlights how

[00:17:05] one additional student above 16 100 would result in one additional FTE and And that what is being presented as part of the FY25 is an additional criteria that if the elementary school is a Title I school, that they would earn an additional assistant principal.

[00:17:26] And so we have two schools that would earn assistant principals and the costs associated with them. Unique to tier-based staffing standards is the hold harmless provision. Recognizing that enrollment

at a school can fluctuate from one year to the next, the Hold Harmless provision was developed back in FY21 to stabilize staffing and avoid losing an FTE one year to then add it back in the following year.

[00:17:52] This Hold Harmless concept involves looking beyond the budget year enrollment projection and reviewing the next three years enrollment projection that is included in the CIP. The standards are initially calculated using the budget year enrollment, and if this calculation results in a reduction of FTEs, then a review of the next three years projected enrollment occurs to determine if this is a temporary reduction or a sustained reduction.

[00:18:19] If this is a temporary reduction, then the hold harmless would kick in, and then we would just maintain that FTE, again, to maintain a stable staffing at a school. Targeted average is the other grouping of staffing standards that LCPS uses with an example provided on this slide.

[00:18:42] Whereas one additional student can trigger additional FTE for a tiered staffing standard, the targeted average utilizes either a classroom average, school average, or district-wide average to allocate staffing. In this example, teachers are assigned to arrive at an average of 22 students per class.

[00:19:01] If a 23rd student arrived, another teacher would not be assigned. Instead, we have a cap that has been placed so that if a class reaches 25 students, a teacher assistant is assigned with an overall ceiling of classes not to exceed 30 students. The district-wide average is reviewed during budget development to ensure that we are reaching the target of an average of 22 students per class for elementary schools.

[00:19:24] Some classes in schools will be higher and some lower. An example of how a school may be higher is due to space limitations. The school just may simply not have the capacity to add another classroom. As you've heard me describe before, the budget is an example and is the same as with the enrollment projection.

[00:19:46] Both are educated, informed projections that will likely be wrong. Either more kids will arrive on the first day of school or less, just as cost estimates may be more or less than what is included in the budget. To provide additional supports and flexibility, LCPS has four additional standards and strategies to support our schools.

[00:20:05] The first two are currently in place and are the contingency staffing standard and differentiated staffing standard. The contingency has 47 positions included in the FY25 budget and are primarily to address when enrollment exceeds the projection and results in the addition of a position.

[00:20:22] Differentiated staffing provides additional positions to schools with higher percentages of economically disadvantaged students and English learner students. For FY25, there are 91.6 differentiated positions included in that they are spread across 44 schools.

[00:20:43] New for FY25 is a flexible staffing pot that has 34 FTEs for schools to utilize based on identified needs. Also new, but that was piloted this year, is the swapping of positions. This provision allows vacant teacher positions to be swapped for teacher assistance and vice versa.

[00:21:04] Any newly created positions would be for one year only, and the swap must have a budget-neutral impact. So, again, while the staffing standards may sometimes have the perception as being rigid, this is where we try to provide that additional staffing and flexibility, recognizing that there are additional circumstances that may not always fit neatly into a category.

[00:21:27] And with that, I am done with the staffing standard presentation, and we'll entertain any questions. Thank you. Thank you. Board members, do you have any questions about the staffing standards? It seems that there are none.

[00:21:47] So we can move on to item 3.3, other funds, also to be presented by Ms. Willoughby. Thank you.

[00:22:06] So when the school board adopts the budget, while there is a primary focus on the school operating fund, there are other funds that are also being adopted. And so this is the opportunity to make sure that we are being transparent in terms of all of our funds and for the school board to have awareness of what all is included when the adoption occurs.

[00:22:26] The first is actually not a fund, but it's the non-departmental department that is included in the school operating fund and so we want to take an opportunity to discuss this since there just is not a separate presentation for this department the non-departmental department encompasses items that impact the school division as a whole for example this is where many of the compensation items are budgeted to keep a clean breakout of new initiatives in the budget in the operations and maintenance side we also have items such as the property and liability insurance for the division is budgeted here we also have the distribution of the athletic ticket

[00:23:04] sales is budgeted here. And so just as informing of what the athletic ticket sales, that is a revenue sharing model that we instituted a couple years ago where the athletic ticket sales are collected at the division level. So there's actually a corresponding line for the school operating fund showing revenue of athletic ticket sales. And then this line in the non-departmental is where we distribute those ticket receipts out to the schools based on the revenue-sharing model that we did establish.

[00:23:38] This model is based on the number of student-athletes and gate receipts at a school, and it was established to ensure a more equitable and minimum level of funding across the schools. So in non-departmental, the FY25 total budget is \$168 million, and again, you can see many of the items related to compensation initiatives captured here.

[00:24:06] The grant fund is presenting an increase of about 15%, and this is going to be based on the actual projected awards. The grant fund, of course, is established in a manner that we would only spend the money that we actually receive. The grant fund itself, there are three categories of grants.

[00:24:26] There's the federal, which represent about 75% of the grant fund and are primarily title funds, such as our Title 6B for special education. The federal grants are projected to increase by about \$4.2 million. We also then have state grants that are expected to increase by approximately \$300,000 to support the Virginia Preschool Initiative transition to full day.

[00:24:49] And then local grants, we have two local grants that we identify, the Howard Hughes Foundation, which is a recurring grant for \$1 million, and then a smaller Pavan grant. The next fund is our lease purchase fund.

[00:25:06] The lease purchase fund is capped to \$10 million due to IRS provisions related to favorable tax treatment lending institutions receive for these lower dollar debt instruments. The requirements are that the \$10 million that we receive in this arrangement must be for capital equipment.

[00:25:23] And historically, we have used it for support services, vehicles and equipment, and computer and technology equipment, and the Department of Digital Innovation. Specifically, \$2.8 million is allocated for vehicles and \$7.8 million for technology equipment. The small \$2,000 is associated with administrative costs.

[00:25:46] The next grouping is the self-insurance fund. And so this is presented consolidating the workers' comp, the health, the short-term disability, and the Virginia Local Disability Program self-insurance funds.

[00:26:04] The claims in these areas are projected to increase roughly about 5%. Specific to the workers' comp area, there is one additional FTE that is being requested. Right now, there is only one person managing the workers' comp program, and we believe that by adding one additional FTE, this person can help manage the program as well as initiate efforts that would mitigate claims costs that would actually impact all of the funds in this area.

[00:26:33] The health self insurance fund does encompass the majority of the activity, but more specific information will be provided during the salaries and benefits presentation for that fund. And that is some of the loose ends of the other funds for this presentation.

[00:26:52] Thank you, Ms. Willoughby. Are there any questions, board members? I have one, Madam Chair. I was just curious about surplus from any of the items you just presented as far as you're receiving money, any surplus from any of those, like from the grant fund, for example, and how much money is carrying over into this year, if you can explain that for everybody.

[00:27:22] Thank you. Thank you for the question. So different from the school operating fund, where we are required to return any unspent funds back to the county at the end of the fiscal year, these funds, one of the primary reasons why they're also set up separately is these are funds that we are allowed to carry over funds from one year to the next. Specifically with grant funds, those grants oftentimes encompass multiple years and they may span and cross over from one fiscal year to the next. So there is a carryover that occurs. I could take down as a written question, the information would be

[00:28:01] presented in the book. We do present with the beginning fund balance and so you can see the historical carryover of funds from one year to the next with the lease purchase fund there may be a carryover and it may be just simply related to timing of the order and deliveries and similarly with the self-insurance fund we are able to retain our surplus funds from one year to the next as well is anything in the red or you just have surplus none of these funds are in the red are

[00:28:34] any other questions seeing no more questions we will move on to item agenda item 3.4 compensation also to be presented by ms willoughby as well as ms boland so the as mentioned this is a joint presentation by ms boland and myself both our departments the business and financial services department and human resources and talent development department work together on a number of items throughout the year it could be compensation it could be position control benefits

[00:29:12] management just a variety of things we are always we like to say in the same sandbox working together especially with the budget process there is collaboration on new position reviewing new positions for appropriate leveling and costing the HR team was also looking at the hourly pay rates and stipends and providing information to the budget office in terms of recommendations on the The benefits side, the HRTD office manages the benefit plans, and the business financial

[00:29:49] services is looking more at the financial aspects. We like to simply kind of describe the collaboration as a balance between the people piece and the numbers piece of these functions. Again, the FY25C on does fully support the strategic plan.

[00:30:10] is the recruitment and retention which is what we will be focusing on this evening starting with salaries i've highlighted here in blue font it's a little faint but the personnel line and so where you can see that from fy25 compared to fy24 adopted we have a 146 million dollar increase which is the vast majority of the increase overall and so again emphasizing the investment in personnel. There's also the strategic goal of exemplary staff where this investment ties

[00:30:46] directly back to the strategic plan. And then, of course, that our employees continue to be our biggest asset. And we believe that the FY25 Superintendent ESPO needs does reflect that with the continued investment and having LCPS be an employer of choice. You may recall the dollar bill from the superintendent's presentation. I think it just is a very vivid reminder, again, of while this budget is a large budget, that 90 percent is attributed to personnel

[00:31:19] costs, starting with salaries. The FY25 budget does have a number of initiatives, as outlined on this slide. The first item, there is almost \$50 million that is programmed to support annual step increases, as well as one-time top-of-scale payments to those employees who happen to be at the top of the scale. There's also about 50 million associated with a 4% COLA to scale B and

[00:31:55] scale C, which is the universal and auxiliary salary scales. And a 4% COLA means that we simply take the entire scale and apply a 4% increase to every amount for every step and lane so that it's uniform. The strategic scale adjustment for the teachers is an average four percent targeted adjustment and I'll provide more information related to that and what we mean by the targeted adjustment. Included in the governor's proposed budget was funding to support a one-time one percent bonus payment to full-time eligible employees. So the cost for LCPS to initiate

[00:32:33] this would be 11.3 million and that's what we have programmed in along with the state share of revenue for that. And then we have the ongoing classification reviews that the HR team conducts, and we have \$1.7 million associated there. This chart compares historical teacher compensation against inflation going back to fiscal 17. The individual bars along the bottom represent each year's teacher average salary increase in orange, and then that year's CPI inflation index in blue.

[00:33:11] While inflation superseded pay increases during the pandemic era, it's important to note that LCPS and the school board was committed to employee compensation and continued to provide for step increases at a minimum when many of our neighbors did not. The line chart shows this information compounded with the gray line representing the compounded inflation and the yellow line representing the compounded teacher salary increases.

[00:33:36] So as you can see, the investment teacher pay has surpassed inflation during this time period and illustrates the importance of employee pay over the years. A common question that comes up is about the average increases and difference in pay increases.

[00:33:54] This slide shows the minimum, average, and maximum pay increase percentage and annual increase amount for each salary scale. Pay is relative, so the same percentage increase can result in different pay amounts, of course. Further, the structure of the scales results in various percentages for step increases.

[00:34:11] A goal of the scales is to have more consistent step increases, which continues to be a multi-year goal. As for scale A, the teacher scale, there are also the unique multiple lanes representing various education levels for the same position that must be taken into consideration.

[00:34:30] Finally, the strategic scale adjustment for scale A is focused on mid-career steps, which naturally brings down the maximum pay increase provided. And so the targeted application of adjustment was the mid-career steps. And so meaning the beginning steps and the ending steps receive a smaller adjustment to the scale versus the mid-middle.

[00:34:53] And the reason for that is depicted in this slide. This slide is showing the master lane of the teacher scale for LCPS as well as the market average. The FY24 lane is shown in blue, and when compared to the green dotted line that represents the market average, you can see how around step 12, LCPS begins to fall below the market average.

[00:35:15] In red, you can see the FY25 Super Attendant Assessment of Needs master lanes of the teacher scale, and the improvement made with the targeted adjustment. This highlights the smaller percentage adjustment at the beginning, because there's not much gap between the blue and red line, And then, in the end, and then the larger adjustments in the middle, which is where we began to create some space because we're trying to get the mid-career steps closer to the market average.

[00:35:45] Now, of course, our neighbors will likely make adjustments to their own salary scale because we are picking up the FY24 market average. And the market average is Fairfax, Prince William, Arlington, and Alexandria. So recognizing that they still have the opportunity to make adjustments to their salary scales for FY25, the market average may increase, but hopefully not too dramatically, as we are investing, as I shared earlier, over \$30 million just towards the teacher scale alone.

[00:36:20] This slide is another comparison to our neighbors as it relates to the market average. Per the Wavy Guide, there are three points, data points that are reported for teacher salaries. Bachelor's step one, where in this current year we lead and have led the region for multiple years.

[00:36:38] Master's step one, we are currently third, but had been the leader for multiple years. So this is a recent change where we've dropped down to third. And again, this is based on current FY24 pay. Hopefully for our neighbors that don't make changes to top us, but again, it could very likely happen.

[00:36:58] And then finally, the master middle step is where we are currently ranked third and have been for the last couple years. This is actually a promising metric. This is the metric that has showed slow improvement because over the last several years, we've been ranked four and five. And again, this is where we're trying to target the mid-career steps and bring us in a more competitive position.

[00:37:19] Now I will get over to Ms. Boland to provide some additional information related to compensation. Thank you, Ms. Willoughby. Recognizing the importance of our teachers to have the opportunity to participate in professional development and take time when needed without worry.

[00:37:41] While understanding that this means schools require more support from our substitutes, LCPS continues to collaborate on strategies for the recruitment and retention of substitutes. In the fall of 2021, the school board supported the implementation of two substitute incentives, an increased rate for high volume days and a loyalty program.

[00:38:03] We saw improvements in our fill rates with both of those. Recognizing the difficulties LCPS was having securing long-term substitutes, the school board supported an increase to that rate at the beginning of the 2023-24 school year.

[00:38:20] Unfortunately, according to fiscal year 24 data, LCPS currently pays the lowest daily rate to our daily substitutes. Included in this year's budget is a proposal to increase the substitute daily rate as well as the established loyalty rate.

[00:38:37] As a reminder, the loyalty program offers a regular substitute the opportunity to begin receiving a higher daily rate after providing sub-coverage for 25 days during the school year. Next slide.

[00:38:58] Although more information may be provided as part of individual department presentations, I wanted to highlight two additional areas where recommended changes to compensation often occur. The first includes a recommended increase in the stipend for elementary school, middle school, and special education deans, and the addition of a new stipend to support middle school intramural sports, a new pilot program implemented as part of the fiscal year 24 appropriated budget.

[00:39:30] Additionally, each year, a market review of hourly part-time bandit rates is conducted and recommended changes are made as necessary to ensure internal equity and external competitiveness. This year, no proposed changes to bandit rates are included in the budget.

[00:39:51] However, a recommendation was made for a change to a job title associated with the bandit rates based on the job summary and industry standards. All other job titles and pay bands are recommended to remain at fiscal year 24 rates.

[00:40:07] The rates and representative job titles can be found on page 419 of the budget book for reference. Next slide. I am really excited about this next initiative to bring before you tonight.

[00:40:25] It is aimed at attracting top talented educators. Recognizing the nationwide teacher shortage, it is crucial that we take proactive measures to entice qualified individuals to join our team here at LCPS. This proposal includes the implementation of a sign-on bonus program for newly hired eligible teachers with additional incentives for those taking on special education positions and positions in Title I schools. It is our hope that in the years to come we are able to

[00:41:00] not only enhance this program but also implement others. Next slide. I will now turn things over to Ms. Willoughby for a short second to begin the benefits portion of tonight's presentation and provide information regarding the fund balance. So specific to the health fund as I mentioned earlier there's a shared responsibility with this fund in the program and so with the

[00:41:34] health program, the HR team will be looking at what the best plan structure and offerings that can be created, you know, for the employees. And in the business and financial services area, we're looking at what we can afford as well as maintaining, you know, sufficient revenues and premiums coming in to cover the cost and that we maintain a healthy fund balance so that we don't go in the red. Per policy for our self-assurance fund, we want to have a minimum two-month claims expense reserve, meaning we want to have a reserve or a fund balance

[00:42:10] that represents at least two months of our claims expense. This line chart shows the actual number of months reserve we had in fund balance going back to fiscal 18, as well as the projected fund balance reserve going forward. In fiscal 18 and 19, we had significant reserves in the fund balance, but you

can see the reserves drawn down based on declining revenues, which is from employee and employer paid premiums. During this time, we hired less new employees and also began to experience more vacancies, which all impact participation in the plan and incoming

[00:42:47] revenue. At the same time, we began to see an uptick in claims costs. You'll see on the next slide, but between FY18 and 21, there were no premium increases incurred as well. And in FY22, we began a 2% premium increase that was adopted along with several increases since then in addition to increasing premium rates cost mitigation strategies with plan management were enacted and we believe the fund will return to a healthier state so you can see where for FY23 the fiscal year that just ended we ended at a reserve equaling 1.7 we are projected

[00:43:26] to end this year at about 1.1 but again in terms of increasing premiums along with other cost mitigation strategies. We project returning this fund back to exceed the two-month minimum. And with that, I will turn it back over to Ms.

[00:43:45] Boland. As Ms. Willoughby stated, claim costs have continued to increase, which unfortunately has a direct impact on our health premiums. As you can see, calendar year 2023 saw the start of a trend, which would include continuing increase in healthcare costs, including medical treatments and increased utilization of mental health services, as well as the introduction of new pharmaceuticals and the approval of new uses of pharmaceuticals. Although we are still waiting

[00:44:20] the final data through December for calendar year 2023, a review of the available information through November shows an approximate 9% increase over calendar year 2022. In addition to increasing costs, as Ms. Wellaby mentioned, we are not seeing as many new employees and participants added to the plans as we have in the past. Historically, the addition of new employees and family members generated more premium revenue than they did claims expense. That is unfortunately no longer

[00:44:54] the case. Based on this information, the fiscal year 25 budget includes an 8% premium increase for the employee's share of the premium. This slide depicts the changes to the health premium each year. Between 2019 and 2021, rates were held flat. We had two years with a 2% increase per year, and last year we had a 4% increase. The recommendation for an 8% increase will help to maintain our health insurance fund. Further, based on these patterns, our future year projections

[00:45:29] also unfortunately signal the likelihood that we may need to continue increasing premiums as well. This chart depicts the three health plans LCPS offers. Employees select a plan based on their personal health and financial circumstances, along with the level of risk or cost coverage they are comfortable with. The point of service plan has higher premiums, but shifts coverage of costs more to the employer than the employee. The high deductible plan has the lowest premiums

[00:46:04] and shifts costs more to the employee, but also offers other benefits such as a health savings account to offset those costs and which can also be used as a retirement planning vehicle. The open access plan, which could be considered a middle ground and which over half of our employees have chosen, shares costs between the employee and the employer.

[00:46:34] The teal line shows the point of service plan participation, and from a plan management perspective, this is a favorable trend, demonstrating lower participation in this plan. The yellow line represents the high deductible plan, and as you can see, depicts a moderate increase in that plan's participation.

[00:46:56] The trend of distribution of employees across available plans is favorable for the financial management and health of the self-insurance fund. While the incline in premium cost is pretty steep, it's important to put this to scale and highlight the actual dollar amounts associated with the increase.

[00:47:19] As you can see here, the proposed 8% rate increases that would go into effect January 2025 include a relatively modest increase to employees per paycheck. They range from \$0 to \$25.11 per paycheck for the point-of-service family plan.

[00:47:41] LCPS is not the only Northern Virginia school division struggling with increasing health care costs. And LCPS does offer a very competitive and robust health plan. And again, we are working diligently to keep it that way.

[00:47:56] As we try to balance fiscal responsibility with a desire to offer high-quality health insurance options for employees at an affordable price, LCPS analyzes the impact an increase could have on an employee's paycheck.

[00:48:16] This slide depicts that analysis, including the lowest recommended pay increase and the highest potential premium cost increase to ensure that we aren't negatively impacting an employee's paycheck. In other benefits, LCPS continues to identify additional benefits to attract and support employees throughout their career. We are committed to being an employer of choice.

[00:48:50] So in order to end on a high note, and as a reminder, on July 1st, 2022, we implemented the universal leave benefit which provided eligible employees with six weeks paid leave. This addition has been well received and was just the first of many enhancements we hope to make to demonstrate our commitment to our employees in offering competitive salaries and benefits and ensuring that LCPS is the employer of choice. Recognizing that funding is limited, the Department of Human Resources and Talent Development has worked hard to develop a tuition assistance program that could

[00:49:28] be implemented in phases as funding grows. In this year's HRTD budget, you will find a request for funding to support phase one. So you will hear about this again after break.

[00:49:45] And I think we're ready to take any questions you might have. Thank you, Ms. Willoughby. Thank you, Ms. Boland. Board members, do you have any questions? I do, Madam Chair. I'm always concerned with any money left over and that may carry over from last year.

[00:50:03] you give us totals on that I'm sorry operational under operational are you asking for is there a surplus there that would carry over in which one of this year operational funds so the school operating fund is the fund that we are not allowed to carry over that's the one that we are by law we have to return any unspent fund balance to the county my next question thank you thank you miss Chernoff thank you madam chair miss Bolin on slide 14 can you elaborate

[00:50:41] a little bit on the stipends for elementary school, middle school, and special education dean. I see the increase there. Can you just tell us what those stipends cover and what that might be? So I can get you further information, but I believe that information won't be included in the department's presentation. Something we included this year, the reason why you see stipend information and bandit rates is in an effort for us to call out specifically

[00:51:13] um not not only for transparency sake but in an effort with each of you being new and the budget being relatively large um miss willoughby and i wanted to make sure we were calling out any and

all changes to compensation but those specific uh items will be part of departments um presentations because they are they are recommended by those departments all right i appreciate that clarification and i want to thank you for the initiative on the new teacher signing bonuses

[00:51:47] um as we've seen with our data and with our teachers and you know trying to make sure that we're maintaining the staff that we have but also bring in great new staff seeing these bonuses really warms my teacher heart. So I appreciate your work on that. Do we have any more questions?

[00:52:11] Thank you. Hi, Ms. Donahue. Go ahead. Thank you, Madam Chair. First, I wanted to thank Ms. Willoughby and Ms. Boland for preparing and delivering these comprehensive, thorough, and particularly for me, very useful materials.

[00:52:29] I did have a question about the teacher bonuses, which I agree with Ms. Chernoff. I am very happy to see that we're proposing this. But I wondered if you had any information about signing bonuses that other competitive jurisdictions are offering and how our rates or proposed rates compare.

[00:52:48] So I do, I'll ask it, I'll answer it generally and I can provide more information with a written question. We are aware that other divisions are offering sign-on bonuses and the ranges, to be honest with you, they're far and wide.

[00:53:10] um, we would be the first Northern Virginia division offering sign-on bonuses. Yes. I'm, I'm getting a head shake that yes, I'm, I'm correct in saying that. So we would be the first Northern Virginia division. Um, granted, I haven't seen anyone else's fiscal year 25 request yet, but we would be the first Northern Virginia, um, division with sign-on bonuses.

[00:53:46] - Thank you, Ms. Boland, I like the idea even more. - Any other questions? Seeing none, I'm wondering if we could wait for recess for another 30 minutes and go ahead and go on to item 5.1.

[00:54:13] Would that be, Ms. Boland, would you be okay with that? Okay, so we'll continue with item 5.1, Department of Human Resources and Talent Development with Ms. Boland, our Chief Human Resource Officer presenting. Ms. Boland, thank you for being flexible. Okay, I think I'm ready. Okay, good evening. I'm excited to share with you this evening the Department of Human Resources and

[00:54:51] Talent Development's portion of the superintendent's estimate of needs. Before we dive in, I want to take a moment to highlight the superintendent's established priorities shared with you previously for the development of the fiscal year 25 budget, and I'm going to apologize because you're going to see this slide a number of times this evening. We recognize that our staff are one of the most important factors in ensuring the success of our students and the division. This is why the recruitment and retention of our exemplary staff guide our actions and drive our path forward,

[00:55:24] playing a significant role in this year's budget process. The overall proposed fiscal year 25 budget for HRTD reflects an overall increase of a little over a million dollars. This increase is largely due to the addition of three proposed FTEs and services related to the management of the Title IX program resulting from anticipated regulatory changes scheduled to go into effect

[00:55:55] late this spring. HRTD's budget includes a request again for three additional positions for fiscal year 25 which are noted here but will be discussed in more detail on an upcoming slide. According to industry standards with over 13,000 full-time employees, LCPS is considered a large organization.

[00:56:21] As such, LCPS's HR to employee ratio measured by the number of full-time HR employees for every 100 full-time employees in the organization at 0.60 falls below the average of 2.57. HRTD is committed to recruiting, developing, and retaining top diverse talent while also offering competitive salaries and benefits for a workforce of over 13,000 full-time employees and more than 4,500

[00:56:58] part-time, substitute, and hourly employees. The department directs all phases of human resources practices through the planning, organization, and implementation of programs and services. HRTD transitioned away from a generalist model years ago and developed specializing teams that allow HRTD staff to focus on a specific HR function, increase expertise in the area, develop well-defined goals, processes, and timeframes, and positively impact the efficiencies and better serve students, staff, and community members. Department is organized into six

[00:57:38] subject matter expert groups. School-based staffing, recruiting, and substitutes, support staffing, operations, and compensation, employee benefits, employee recognition, and talent development, performance management, and workplace relations, and Title IX. The school-based staffing recruiting and substitute group works with hiring managers on the staffing of school-based positions, including teachers, school counselors, coaches, deans, and principals. The group continues

[00:58:15] to develop new and innovative ways to attract and recruit a talented, diverse workforce, including the expansion of grow-your-own programs and residency partnerships to mitigate a shortage of qualified candidates and maintain a substitute workforce of approximately 3,274 employees to serve LCPS schools. Similarly, sorry I get stuck on that word, the support staffing operations and compensation group works with hiring managers on the staffing of support positions including

[00:58:52] custodians, bus drivers, digital experience specialists, social workers, and central office administrators. This group held 117 in-person new hire sessions and supported the onboarding of over 3,400 new hires. Additionally, this group supports our efforts to retain employees with cyclical reviews of position classification and provides recommendations of equitable and competitive enhancements in employee compensation. The employee benefits group provides orientations,

[00:59:32] education, and training on LCPS benefits for future employees, new hires, rehires, transfers, and retirees, including the management of health plan eligibility and enrollment for approximately 37,000 employee dependent and retiree lives. Last year, this team processed over 5,500 requests for leave, including FMLA, restoration of health, military leave, long-term leave without pay, and the Virginia Local Disability Program. Additionally, in an

[01:00:08] effort to support employee well-being, this group provides wellness offerings for employees and retirees, including weight management and walking challenges. And with a dedicated position provided by our partnership with Cigna, this group is working on enhancements and expansions to this program. The employee recognition and talent development team's efforts include the creation of programs and services that foster growth, development, and professional leadership while helping to cultivate an environment where employees feel valued and respected and appreciated.

[01:00:47] The talent development supervisor provided more than 100 one-on-one talent development coaching sessions for non-instructional leaders, planned and facilitated a four-day support services leadership academy, and worked with senior leaders on the creation and facilitation of customized team workshops for non-instructional teams and departments.

[01:01:10] The Employee Recognition Supervisor coordinates annual awards, including the Washington Post Teacher and Principal of the Year, as well as LCPS Recognition Awards and Employee of the Year programs. The goals for these programs include the expansion of employee categories that are recognized, promotion, and growth of the new peer-to-peer recognition system, support improved staff morale, and increase engagement for all LCPS employees by helping to create a culture of support and recognition embedded in each school and work location.

[01:01:52] The Performance Management and Workplace Relations Group focuses primarily on promoting positive communication between supervisors and employees concerning performance concerns, evaluations, workplace decisions, grievances, problem resolutions, and training to prevent unnecessary employment conflict.

[01:02:12] They provide guidance to principals, supervisors, and employees and investigate alleged policy violations. And finally, the Title IX office provides oversight of Title IX compliance.

[01:02:28] This group conducts ongoing training for school-based administrators and staff on how to respond to possible Title IX violations and sexual harassment complaints. In the event an allegation meets the regulation standard, a formal complaint is filed. This group conducts investigations into allegations of student and employee Title IX sexual harassment and gender inequity. This group provides support for impacted families, students, and employees, and has developed partnerships with community organizations such as law enforcement, advocacy agencies, the Department of Education, and the Office of Civil

[01:03:06] Rights. Although broken out into six individual groups, the Human Resources and Talent Development department works together collaboratively as one team supporting the same mission with a focus on being the employer of choice. Our team is made up of a dedicated, hardworking group of professionals that I am honored to work with and lead. And I know that those slides took a minute, but it was truly important for me to express to you how much this team does to support so many employees that

[01:03:45] then go on to support so very many students. Every day, they work to uphold our mission of recruiting and retaining a high-performing, diverse workforce to empower students to make meaningful contributions to the world. LCPS's Title IX office currently includes three employees, a Title IX coordinator and two deputy Title IX coordinators, to support a school division responsible for the safety and security of over 80,000 students and more than 13,000 employees.

[01:04:22] The current Title IX regulations require LCPS to respond to all incidents that arise to the definition of Title IX sexual harassment and investigate incidents where we receive a formal complaint. The deputy Title IX coordinators are primarily responsible for reviewing sex-based discrimination harassment incidents, working with school administrators to implement supportive measures to involved parties, and investigating all formal complaints of sexual harassment.

[01:04:54] New proposed Title IX regulations anticipated for release in May of 2024 significantly lower the threshold for allegations requiring investigation and remove the requirement of having to file a formal complaint before an investigation can be initiated. As a result, the number of reports of possible Title IX violations requiring response and investigation will significantly increase. Two additional deputy Title IX coordinators and a Title IX

[01:05:31] intake specialist are needed to support LCPS Title IX compliance efforts and are found in HRTD's fiscal year 25 budget requests. As you heard during the superintendent's presentation last Thursday and again earlier tonight during the salary and benefits presentation, the recruitment and retention of our employees is our top priority. The employee life cycle is a model used to explain

[01:06:07] the various stages most employees will experience with an employer. Each stage of the cycle directly overlaps with the core HRTD responsibilities. Throughout each one of these stages, HRTD plays a critical role in creating a positive and rewarding employee experience that drives retention.

[01:06:29] The six stages identify the key areas HRTD teams focus on to track trends and develop strategies to continually improve upon the employee experience. This evening's discussion will focus on proposed efforts to specifically support improvements for the three highlighted stages designed to align with the recruitment and retention of an exemplary staff.

[01:06:58] Supporting and retaining our staff has never been more important than it is today. Goal two of our strategic plan is focused heavily around the concept that LCPS be an employer of choice. While compensation has been proven to motivate employees and boost productivity, There are other considerations of equal and or greater significance, which provide increased job satisfaction impacting employee retention.

[01:07:25] In order to make our vision become a reality, we need to ensure that we provide our employees with strong leadership, frequent feedback, recognition and appreciation, opportunities for advancement and growth, competitive compensation packages, and an understanding of the need for a good work-life balance.

[01:07:48] It is with great enthusiasm and a deep sense of commitment that I present four initiatives in the fiscal year 25 estimate of needs designed to prioritize the recruitment and retention of an exemplary staff. At the heart of our success lies a fundamental truth.

[01:08:07] LCPS employees are our most valuable asset. Their dedication, passion, and tireless efforts shape the future of our students and the community. Because you received an overview of three of these initiatives just a few moments ago, actually, in the salary and benefits presentation, I will just touch on them briefly here.

[01:08:29] Three of these initiatives don't actually sit in HRTD's budget, but they are initiatives that HRTD proposes. The first initiative, designed to support teacher retention with an objective of addressing the nationwide teacher shortage by attracting top-tier educators through proactive measures, includes a request for funding to support the sign-on bonus program.

[01:08:55] The second initiative is the Substitute Rate Increase Initiative. Again, demonstrating support for retention, recruitment, and retention that supports teachers. The third initiative includes the Tuition Assistance Program implementation.

[01:09:19] The fourth initiative, a new initiative that you have not yet heard about, supports the need for a dedicated counselor, a dedicated LCPS EAP counselor to help support the employee mental health and well-being. This initiative prioritizes the mental well-being of employees to create a supportive work environment. The initiatives proposed are a testament of our

[01:09:54] commitment to fostering an environment where every member of the LCPS family thrives both personally and professionally. Thank you for your attention this evening, and I look forward to working together to shape the future of LCPS as the unparalleled employer of choice. And I'm happy to take any questions. Thank you so much, Mrs. Boland. Does anybody have any questions, board?

[01:10:24] Ms. Chernoff. I just had a clarification. Which ones of those fall under your HRTD budget and which ones don't? Sorry, I think I missed it. So because most of them involve all employees, They sit in-- - They're budgeted in the non-departmental since they're supporting the division.

[01:10:45] - Okay, thank you. - So the only one that truly sits in HR's budget is the tuition assistance program. - Okay, understood. And then, yeah. - Okay, thank you. - Anyone else? - Yes. - Mr. Vice Chair.

[01:11:01] - Thank you, Ms. Willoughby. Thank you for the presentation. When it comes to the tuition assistance program implementation, are there details that we could find related to how the rollout of or the eligibility for tuition assistance related to these funds, where can we access that information?

[01:11:21] Is that in a future presentation? - So it will need to be in a future presentation because it will largely depend on the funding that we get. We have a program built out that will take many phases.

[01:11:37] \$300,000, although we are very grateful, doesn't go very far. - Thank you very much. I think I see Ms. Donahue. Go ahead.

[01:11:53] Thank you, Madam Chair. Thank you, Ms. Mullen, for the presentation. I have, I think, three questions. My first question is regarding the breakdown of employees in HRTD admin.

[01:12:13] So I was curious, I was looking at slide number four in your presentation that has the summary of where employees, where your employees, which units they work for within HRTD.

[01:12:37] But then comparing that to Slides 5 through 11, for example, you have 10 employees listed on Slide 4 under Chief Human Resources Officer and 13 under Office of Workplace Relations.

[01:12:53] But those two are not listed as offices on Slides 5 through 11. So I was wondering if you could clarify that, and then I do have another question after that.

[01:13:08] I will do my best. So I completely understand the confusion. Unfortunately, the way that the offices are set up on slide four is essentially by director, if that makes sense. It was very difficult to split for a personnel summary because I have a, for example, I have an executive director where the office of school-based staffing recruitment and substitutes and the

[01:13:47] office of support staffing compensation and operations both sit under that executive director but so does the talent development supervisor and the recognition supervisor so it would be difficult for me to break out on the personnel summary separately under an executive director Whereas on slide five, those are the major offices for the major tasks that we complete.

[01:14:23] And for example, although I represent the talent development and employee recognition as a team or as an office, that's made up of two individuals, an employee recognition supervisor and a talent development supervisor.

[01:14:44] But those are important pieces of the puzzle to complete the tasks necessary within HR. I don't even know if that helps answer your question at all. It does. It does. Thank you, Ms. Mullan. So I then have another question regarding the Title IX office and slide 13.

[01:15:10] Just to clarify, do we already have three Title IX office employees and you are requesting three additional or these are three new? And then my actually my part two of that question is you have the salaries listed there.

[01:15:28] how does that compare to, do these positions exist in other school districts? And if so, how does the compensation that you are listing in this presentation compare to the compensation that these positions receive in other districts? Okay. So as far as your first question is concerned, yes, we currently have three employees in our Title IX office, and this would be a request for three additional employees in the Title IX office. As far as the compensation is

[01:16:00] concerned the deputy title nine coordinator position already exists it already has a placement on our current levels um that can be found in the budget book and and online and the the calculation is of this cost is based on a particular step it's an estimated step um to present it and then the the intake specialist position we have like specialist positions already within the division

[01:16:39] and so that is what was utilized to garner that compensation thank you for that information um do you have any comparable data for title ix offices in other districts so i don't have it now but what I will I mean we are I'm happy to get it for you we do do when these positions were

[01:17:12] originally developed we did a comp study at that time and we do do routine comp studies for positions as part of our cyclical review process. Thank you very much Ms. Baldwin. Are there any other questions? Ms. Chernoff. This is sort of an add-on to that but I was wondering if is there ever a practice where lcps would consider outsourcing those positions so you're not spending close to six hundred thousand dollars and benefits in addition to help close those gaps or is that not

[01:17:49] best practice so we outsource decision making okay there there are several stages to a title nine process one of them is decision making we outsource decision making and part of the increase in our costs for the Title IX offices is the increased cost of decision-making.

[01:18:14] We have found that it is, for these positions, it would be more expensive to outsource them. May I also tag on to that answer in terms of your question?

[01:18:31] The dollar amounts that Ms. Bolin has presented are salaries and benefits. It is not just salaries, and benefits for LCPS is a significant portion of that dollar amount that's presented. So I just want to make sure, because I think I heard you say salaries and thinking that there would be additional cost for benefits on top of that, and that is not the case.

[01:18:51] Thank you for clarifying that misconception. I really appreciate it. Thank you, guys, both. Board members, any other questions? I have one, Madam Chair. As far as the bonuses, getting back to that, I really appreciate that. The new teacher bonuses, how do current teachers feel?

[01:19:09] Are they going to receive bonuses as well? to retain them? I'm sorry if I didn't catch that. So we do not currently have funding for retention bonuses. Like I mentioned, the goal would be not only to increase sign-on bonuses, but to work through a retention bonus program. In fact, I spoke with Ms. Willoughby just earlier today about work that HR was doing to kind of already preempt next year's budget for those

[01:19:40] purposes are there any other questions seeing none um i think that we should go back to item 4.1 which is a recess for 30 minutes to go have some dinner and then we when we come back we will move

on to 5.

[01:20:12] 02 so we are now in recess all right everyone the board is back from recess and we

[01:52:08] have five more presentations for our FY25 operating budget school board work session. We will restart with item 5-2, Department of Business and Financial Services with Mrs. Willoughby presenting. Ms. Willoughby. Thank you. I am very excited to present to you the budget request for the Department of Business and Financial Services for FY25. Our mission is to provide support for schools the departments and the school board related to financial matters

[01:52:44] and then of course to make sure that those financial matters are managed in a fiscally responsible manner how we accomplish this mission is that I am very fortunate to lead a department that is full of professionals that are committed to the sound financial management and fiscal operations. This is a chart outlining the department. I like to break it up into three main branches starting with the branch on the right which is the school nutrition operation. That is our operational component. The activities there are housed in the school nutrition fund and so I will

[01:53:23] present separately related to their operations but we have 419 staff members there that are providing meals to students. They prepare over 40,000 meals every day. They also are dedicated to wellness initiatives as well as food recovery for our schools. The two branches on the left are what you would probably typically think of when you think of a finance department.

[01:53:54] We have our budget and financial analytics team and then the financial services. The budget and Financial analytics office, of course, they're supporting what we're doing today. They work with departments in preparing the budget, the book, all the materials.

[01:54:10] They also work to prepare quarterly financial reports, the state annual school report, and a variety of other reports and analysis throughout the year. Financial services, we have 52 employees there that perform the functions of accounting, procurement, payroll.

[01:54:30] We also have our internal compliance team as well as our team of trainers where we work with all the financial techs at the school to provide support. Aside from the school nutrition team, as I mentioned, which is operational, the other two operations are support and are definitely behind the scenes but are very important to the functioning of the entire division.

[01:54:56] The example that I like to use that I think gets taken for granted is the bi-weekly processing of payroll. Payroll is very near and dear to all of our employees, and this team is consistently able to produce over 15,000 checks on a bi-weekly basis.

[01:55:15] They were all clustered together today working on validating W-2s, and I'd like to use that as an example where many may think, oh, you just press a few buttons and the numbers fall into a form on the boxes of the W-2, But the process is so much more complicated than that, as well as that we also set a very high standard.

[01:55:35] So they spend a tremendous amount of time that after all the little boxes are populated, that they're validating and checking and cross-checking so that we make absolutely sure that before we release the thousands and thousands of W-2s that they are accurate. And they will be loaded and available on January 31st.

[01:55:56] Again, since we are predominantly a support department, we don't have specific action items related to 1LCPS except for school nutrition, and I will highlight the one there. Rather, we support the division as a whole.

[01:56:12] Our school operating fund budget, which again is encompassing those first two branches of budget and the financial services, there are really no new initiatives. The budget increase related to the personnel is related to base adjustments.

[01:56:28] And then the increase in operations and maintenance are a result from an increase of additional credit card fees as well as increase in external audit costs with the opening of two new schools. The school nutrition fund, again, is where the financial activity of the school nutrition operation is housed.

[01:56:53] It is managed in its own separate special revenue fund. This operation is referred to as the largest restaurant chain in the county that not only follows the health code with each kitchen being inspected twice a year, but must also meet the stringent USDA nutritional, operational, financial, and program guidelines, such as the free and reduced program and the summer feeding program.

[01:57:16] The school nutrition operation must also manage a fine line between revenues and expenses. So whereas a commercial restaurant is all about the bottom line and, of course, having a net profit, the net profit in this operation is capped to no more than three months of expenditures by the USDA.

[01:57:35] If that occurs, if we have more than three months in our fund balance, we must seek permission from the state on the usage of those excess funds. So it's very regulated. On the other hand, this operation has been self-sufficient and does not require any local funds to subsidize its operations.

[01:57:54] Finally, every five years, a federal program administrative review audit occurs. And lucky for us, this year, actually in March, we will have the state auditors out and they will be reviewing our school nutrition operation. All these highlight how sophisticated the school nutrition program is and the expertise our staff have to run it.

[01:58:16] This table is pulled from page 369 of the budget book. Our department works diligently to stabilize the operations and financial position of this fund, especially following the pandemic-era operations.

[01:58:37] During the pandemic, the fund was flush in federal funding that covered the costs of universal free meals for all of our students. Since then, we have experienced increased food costs and compensation costs against the backdrop of reduced revenues that leave us reliant on our carryover fund balance to balance the budget. Of course, the goal is to have revenues cover expenses, so the FY25 budget includes several initiatives that focus on increasing revenues and reducing expenditures to rebalance over the coming fiscal years. On the revenue side of the equation,

[01:59:15] the FY25 budget includes a 20-sit meal price increase. The last meal price adjustment occurred back in fiscal 18 and is not something that we take lightly recommending. Cafeteria sales though represent 51% of total revenue for this operation so a meal price adjustment will help the bottom line and still keep us comparatively priced compared to our neighbors. So for example for this fiscal year elementary lunches range from \$2.60 at Prince William to \$3.25 at Fairfax

[01:59:48] And secondary lunches range from \$2.75 at Prince William to \$3.50 at Fairfax and Arlington. So you can see with the 20 cent meal price increase, we would be bringing the elementary lunch up to \$3.25 and the secondary lunch to \$3.35.

[02:00:09] Also related to the cafeteria sales revenue stream is meal participation rates, which is also included in the 1LCPS strategic plan. Under Empowered Students, School Nutrition has a strategic action to increase meal participation rates.

[02:00:27] You can see the baseline and targeted rates on this slide and the targeted rates for the following years and how for FY23, we exceeded the goal. Meal participation is crucial, recognizing the importance of feeding healthy minds. Financially, increased meal participation would also increase cafeteria sales.

[02:00:46] Last year, we employed an executive chef to assist with menu design and training our school cafeteria staff. One example is his work with the new pizza ovens at our secondary schools. The executive chef performed one-on-one training with every manager and their staff.

[02:01:03] And as a result, we have seen as much as a 30% increase in pizza sales when compared to pizza sales prepared the previous way. We also completed two of four middle school server line renovations at Sterling Middle School and Blue Ridge Middle School.

[02:01:19] with Simpson Middle School and Seneca Ridge Middle School next in line. The new design is to be more inviting and modern for students and staff and will become the prototype for the next middle school. Since the pandemic and federal funding to provide universal free meals, LCPS, along with other school divisions across the country, have experienced increased meal debt.

[02:01:46] Per the Education Data Initiative, over 96% of schools have experienced increased meal debt since the federal funding ended. Last year, LCPS experienced over \$130,000 in meal debt that was transferred and covered by the School Operating Fund since the School Nutrition Fund cannot carry or cover any debt, and this is per the USDA.

[02:02:07] This year, we are already at \$102,000 in meal debt. Recognizing how important nutrition is for students, LCPS supports the legislative action to ensure meals are provided free for all students. The question often comes up, why can't LCPS provide universal free meals?

[02:02:24] And the answer boils down to funding and how to pay for it. Recall about half of total revenue comes from cafeteria cells. So about \$22 million is needed from either federal funding, the state, or local, meaning the county.

[02:02:41] I will also share that there have been eight states so far that have passed initiatives to provide funding for schools to provide universal free meals. And I understand that I believe there are two bills in Richmond supporting an initiative in this manner as well. so we remain optimistic. So I've shared information about increasing revenues, and so now I'd like to share our plan to reduce expenses. In this fund, 53% of the total costs are related to personnel costs. We have been running a shortage rate in staffing of about 18% since the beginning of the

[02:03:19] school year, meaning we are short 18% or about 77 staff to run the school cafeteria operations efficiently. To address this, we've worked with the HRTD team to develop an apprenticeship program to highlight the position and career ladder within LCPS. Many may have the misperception of a school nutrition worker being the stereotypical lunch lady making and handing out meals. The position is so

much more sophisticated than that and requires not only food preparation skills, but safety skills, management skills that supersede the skill set of many fast food

[02:03:56] restaurant positions. This apprenticeship program is designed to highlight this and support new recruits so that they can transition into a full-time position in a school. I'm also happy to share that on Monday in collaboration between the school nutrition team and the human resources and talent development team, a job fair was conducted and we were able to make 24 offers for our apprenticeship program. So we're very excited to the turnout, the reception, and that hopefully

[02:04:28] we can get these people on board quickly. Related to the issue of vacancies are our pool of school nutrition worker floater positions. These are school nutrition workers that aren't assigned to a specific school and rather they fill in at schools when someone is out sick or on leave.

[02:04:48] and again when you think about 98 schools invariably someone's always out and so having this dedicated pool has been helpful and valuable however we have not been able to fully fill all the floater positions that we have and so it's been tying up resources so in the FY25 budget 17 school nutrition worker floaters are reduced because we also expect positive outcomes from our apprenticeship program to help fill vacancies we also expect that that would help reduce the need and size of our floater pool. The FY25 budget also has reallocated two vacant school

[02:05:28] nutrition specialist positions to fund a new assistant director position. This budget neutral request is sorely needed to help manage the size of the school nutrition operation we have. When we look to our neighbors, they have a structure where there's a director, an assistant director, and then coordinators. At LCPS, we currently have one director and then four coordinators.

[02:05:52] And so we believe by adding this additional level of senior leadership that it is just, again, very much needed for the business and financial operation that we are running. Community eligibility provision schools is an option created by the Healthy Hunger Free Kids Act of 2010 that allows economically disadvantaged schools to offer breakfast and lunch to all students at no charge without collecting free and reduced meal applications.

[02:06:24] Instead, eligibility is established based on direct certification through federal benefit programs such as SNAP or Medicaid. Currently, a school qualifies to be a CEP school if 40% or more of their student population is identified or direct certified.

[02:06:41] Based on the current threshold for this year, LCPS has 11 CEP schools where we are able to provide the entire school population free meals at no charge. For the upcoming school year, LCPS will be able to take advantage of the new lower threshold established by the USDA, which brings that threshold from 40% down to 25%.

[02:07:05] Based on preliminary data, we believe that an additional 12 schools could become eligible. However, we won't know until the official VDOE notification to us by May 1st. So once we have that information, we will publicize it so families are informed for the upcoming school year.

[02:07:23] It's important to note, though, that this program is optional. Further, that the federal funding received does not cover all the costs. The uncovered program costs are covered by the other revenue streams in the fund. So this is a great program. You know, it is still important that I highlight all the aspects associated with offering this program to all our eligible schools.

[02:07:47] And it is our intention to offer this program at all of our eligible schools. And then again, just another reason for the legislative action for the state or federal government to provide funding that would support universal free meals for all students at all of our schools.

[02:08:08] And that concludes my presentation for the Business and Financial Services Department, and I'll happily take any questions you may have. Thank you, Ms. Willoughby. Board members, do you have any questions?

[02:08:27] Yes, Ms. Chandler. Thank you, Madam Chair, and thank you, Ms. Willoughby, for this presentation. I am curious, on slide number 11, where you list the amount of meal debt in fiscal year 23 and 24, do we have any situational awareness of what is – I'm sorry, I'll go back.

[02:08:50] It seems as if we're approaching the number that we had for the entire fiscal year 23. Do we have any situational awareness of what is causing this increase in debt? What we have experienced and what I read and have heard from other school divisions across the nation is that when the federal funding stops supporting universal free meals, that the transition back to paid meals has been challenging.

[02:09:25] What is also required of all schools that participate in the school lunch program is that we are prohibited from turning a student down for failure to pay, which regardless we would not want to do that but it is also a requirement. So all students are fed a meal and of course that makes it difficult to sometimes receive payment. We're also limited and appropriately so that the communication needs to be directly with family so there's nothing to occur at the school like there should be no lunch shaming. So we're very sensitive to that but I think all of those are probably little factors that kind of build up that lead us to

[02:10:05] where we're at with the meal debt unfortunately thank you there any more questions oh I did thank you sorry yeah you can thank you go ahead as far as the salaries for the cafeteria workers were they reduced can you explain that school nutrition workers salaries have not been reduced I'm wondering if you may be referring to cafeteria monitors cafeteria monitors are not in the school nutrition program they're in the school operating fund and i think actually in the department of

[02:10:44] school leadership last year we proposed and was a rate was adopted that lowered the cafeteria monitor part-time rate i also want to emphasize this is a part-time position to be more commiserate with the the market as well as other part-time positions and also benchmarking off of the full time school nutrition worker salaries when that was completed though that also means that some part-time employees would have experienced reduction in pay what was then enacted was

[02:11:17] basically a hold harmless for existing part-time cafeteria monitors any new part-time cafeteria monitors that are brought on would be hired appropriately or paid appropriately based on the adopted hourly banded rate scale.

[02:11:34] So there really should be none. Nobody should have been negatively impacted because they would be either grandfathered in or they weren't with us to begin with, and so they're a new employee and they receive the scale or the pay as adopted on the hourly band chart.

[02:11:53] Any more questions? Yes, Ms. Chernoff. On slide 12, when you talk about reducing the floater positions by 17, how many will that leave in the pool? And do you feel that that will be adequate to meet the needs of the sick workers? So we started with a pool of 34, which would be two per cluster is basically

how we arrived at that. So this still leaves us as one per cluster. It may be a little thin, but again, we're very optimistic in terms of filling vacancies so that we can just have more staff

[02:12:33] regardless and then we also have a very flexible team of specialists and even the coordinators if need be you know no one's afraid to jump into the kitchen and help out as needed so i think we we've we've looked at this cautiously but feel confident that it won't negatively impact our operations and then when you say they're assigned by cluster does that mean they can only work for that cluster or you just mean that's how you got the number that's how we bribed out their number. Thank you so much. Any other questions? Thank you, Ms. Willoughby. I'm

[02:13:09] seeing none. So we will move on to item 5-3, school board office with Dr. Smith, our chief of staff, presenting. All right. Thank you very much. Good evening. I'm pleased to be able to present the FY25 budget overview for the school board. This budget specifically covers the personnel costs and operations and maintenance for the school board. The school board is responsible for the operations of the county's public schools in accordance with the Virginia Department of Education regulations in the Code of Virginia. As you know, five of our board members were elected

[02:13:44] to four-year terms and four were elected to two-year terms in the November election. Letton's eighth elected school board took office January 2, 2024. Each school board member is provided a budget that allows for up to one full-time equivalent as a board aide. The clerk of the school board oversees the compilation of board minutes and the official communications to the board. The 1LCPS strategic plan drives our priorities within the budget of the school board.

[02:14:17] As you can see on this slide, there are no significant increases in these areas in terms of the school board budget. The FY25 superintendent estimate of needs for the school board is included on page 269 of the budget book. Personnel expenditures account for 86.1 of the total budget for the school board, and the operations and maintenance expenditures account for 13.9%. There are no capital outlay expenditures. The 10 positions that are noted here include the nine board aides and the clerk of the board. There are no new FTEs requested for FY25. To go in a

[02:14:54] little bit more detail here, the school board budget includes 10 FTEs and there are no requested increases for FY25. Increases in the personnel line accounts for salary increases approved by the previous school board that went into effect January 1st, 2024. There's also requests for additional funding for overtime for support staff to support board meetings.

[02:15:14] Operations and maintenance includes items like translation services for board communication, software and software licenses and travel. Software licenses for under the school board includes items such as board docs and then O&M cost for the school board also includes education staff development for the school board which typically it references the VSBA conferences. That concludes my presentation of the school board's budget for the FY25 superintendent's estimate of needs happy to take any questions you may have thank you dr. Smith do we have any questions yes miss miss Griffith thank

[02:15:52] you madam chair can you clarify our budget for the school board all right I'm sorry so you're talking about the the total budget yeah total budget on on slide on slide four you'll see that the FY25 total proposed budget is one million six hundred fourteen thousand eight hundred eighty two dollars does Does anyone else have any more questions, board members?

[02:16:30] Seeing none, I think I will. Madam Chair. Oh, I'm sorry. Yes, Ms. Donahue. I apologize. Yes, Dr. Smith, could you provide us any additional insight into the 14% increase, proposed increase for operations and maintenance, what that will be going towards?

[02:16:55] Sure, I'm happy to provide some of that, and I can also follow up with additional information if you'd like. In terms of O&M, there is, most of them are due to inflation and some additional costs. So, for example, there was an additional cost for board docs renewal that's included in there.

[02:17:14] There's a cost for software and licensings for the Delete Me app. There was an increase in registration and hotel fees in terms of some of the educational staff development and travel with that. Those were the main items that that's associated.

[02:17:31] And because it's such a small number, small increases there will result in a higher percentage. Thank you. Are there any more questions? All right.

[02:17:49] Seeing no questions, we will move on to item 5-4, superintendent's office with Dr. Smith presenting. Okay. So I'll be presenting tonight the FY25 budget overview for the Department of the superintendent. The superintendent's office is a department when we talk about the structure of our budget and organization.

[02:18:08] So you'll hear me tonight reference the department of the superintendent and superintendent's office interchangeably. Note that these refer to the same section of the budget in our organization. The superintendent's office includes the superintendent, chief of staff, division counsel, auditor general, ombuds, diversity, equity, inclusion, and accessibility, and safety and security.

[02:18:29] In the past, the superintendent's office and the individual offices that report either directly or indirectly to the superintendent have been captured under the heading of central support. In FY25, the central support heading has been updated to the Department of Superintendent. In addition, the offices that were previously rolled together under the superintendent's page, such as the Auditor General, Chief of Staff, Division Council, and Ombuds, have been divided into their own sections for better visibility.

[02:18:55] A section for the Division of Diversity, Equity, Inclusion, and Accessibility has also been added due to the reorganization in FY24, which moved its reporting responsibility from the department instruction to the superintendent. The 1LCPS strategic plan continues to drive the priorities of the superintendent and our organization.

[02:19:15] Of note here, you will see that the students in the center includes \$0.1 million, and that is for a one SSO at Watson Mountain Middle School. The superintendent's priorities in the category of reallocations and new ongoing initiatives includes three FTEs for the diversity, equity, inclusion, and accessibility instructional facilitators.

[02:19:41] Personnel accounts for approximately 81% of the budget in the Department of the Superintendent. And the personnel increases represents changes in salary and benefits. O&M increases represent adjustments for inflation and other ancillary expenses, including contracted services for our Allied security supports.

[02:20:03] The base budget for the Office of the Superintendent includes a total of 135 positions, with 81% or 109 of those positions are in the Division of Safety and Security. Each office within the Department of the Superintendent is listed here, separated by personnel and the operations and maintenance.

[02:20:21] Requested positions for FOA 25 are noted here and we'll share it in more detail in the next slide. For FOA 25, the Office of the Superintendent is requesting four new positions. Three instructional facilitators are being requested for the Division of Diversity, Equity, Inclusion, and Accessibility.

[02:20:39] With these positions, we'll be able to expand our capacity to provide the offerings and opportunities to support, collaborate, and partner with individual schools, clusters, leadership, departments, and external stakeholders. The focus will continue to be on building the capacity of all persons responsible for supporting and implementing equitable student learning opportunities, providing welcoming and affirming school environments, culture responsive and asset-based instruction.

[02:21:05] Further, the maintenance of external relationships and the capacity of liaison with community organizations. The DEIA positions that are requested will be essential as we move to support the new standard six and the evaluation criteria from the Virginia Department of Education.

[02:21:21] This was started last year and all licensed personnel are held accountable to that standard. One new school security officer in the Division of Safety and Security is being requested to support the established staffing standard as we open Watson Mountain Middle School.

[02:21:38] Returning to this slide as we shift to operations and maintenance, as I shared earlier, this includes adjustments for inflation, other ancillary expenses, including our allied security support. Note that there is no capital outlay in the department of the superintendent. Operations and maintenance costs for the office of the superintendent include some items listed on this slide.

[02:21:59] Increases in the O&M costs are due to inflation and additional needs. A large portion of the increase is in the Division of Safety and Security for Allied Security, which is our contracted security for visitor management and board meetings. Examples of other O&M costs with the superintendent's office include printing and marketing materials, such as for ombuds and the auditor general, uniforms for safety and security, dues and associate memberships for various needs in our organizations such as ombuds, auditor general, division counsel, chief of staff, and superintendent.

[02:22:32] That concludes my presentation for the Department of Superintendents for the FY25 superintendents estimate of needs. Happy to take any questions you may have. - Thank you, Dr. Smith. Board members, do you have any questions? Yes, Vice Chair Strafi. - Thank you, Madam Chair.

[02:22:48] Thank you, Dr. Smith. Just was curious as to the staffing standards related to the SSO, the new SSO position, and in general SSO positions across the board and just wanted to get some additional detail. So in terms of SSOs at the middle school level specifically, I'll speak to you because that's the one position included in the FY25 estimate of needs, is that there is one middle school SSO at each one of our middle schools.

[02:23:15] We have been able to recently secure additional SSOs through grant funding, and so with some of our larger schools and schools that may need it, we have placed four additional SSOs at the middle school level, but those were based on grant funds. But other than that, everyone has one SSO at the middle school level. - Thank you.

[02:23:31] And I'm trying to understand, has there been any differences from that standard? For example, and I'm still understanding this, right? Differentiated positions, whether that's flexible or swap positions, as we start to understand how we'll utilize these positions.

[02:23:46] But based on kind of more needs-based thoughts around SSOs or other positions, this is probably a larger conversation, but I just wanted to throw that curiosity out there. Sure. I mean, definitely welcome the larger conversation around that.

[02:24:02] In terms of the, when we received the grant funds for the four SSOs that we recently received, we really did look at more of a needs-based approach with those. We looked at our largest middle schools. We looked at our discipline data. We looked at some of that information to drive some of those decisions. So we've used them in that case most recently, but happy to have a larger conversation around that.

[02:24:23] That's very helpful. Thank you. Yes, Ms. Chernoff? I'll piggyback off of that. Were there any additional given to high schools in the same manner, or were the four extra just for middle? And has that consideration been made? So, thanks for the question.

[02:24:40] So, in, and I believe, I'll say it correctly, in FY23, I believe, I'll check and follow up, but I believe it was FY23, FY24, high schools were provided one additional SSO, so they went from two SSOs at each high school to three SSOs at each high school, and so they had just received that additional SSO staffing at the time. And so when we received the grant funding for the four SSOs, we specifically targeted middle schools at that time. Thank you. And then I'm going to pivot here to slide number six. For the new instructional facilitator role, having served in a facilitator role

[02:25:18] myself, I'm just curious what the current equity facilitators are, the DEIA facilitators. How many schools do they currently support and how will this alleviate their workload by adding three more? Yeah, I'm gonna let Dr. Ellis Williams speak to the work that they're doing and how they're allocated across the schools right now and then talk about how they'll be allocated with okay and that might come later. I just no, she can speak, she knows not a problem at all. Um, actually, I could use about 300 more. I bet you could. We opted for three. Um, and how we actually are dispersed, we serve all

[02:25:52] of our schools K to 12, um, 100 plus, and we are, you know, small and mighty. We work with CLTs, we work with individual clusters, we work with individual schools, docile leadership. We work with every auspice of LCPS, including internal and external stakeholders. So we definitely have our work cut out for us. I believe it would go back to the inception of the division with the best intentions if we had had more persons at the table to be able to describe what this need was then, has evolved to now, because the scope of the work has increased past just the buzzword of equity

[02:26:29] and is now inclusivity, accessibility, et cetera. So that's where we are at this juncture. Next year, I'd be happy to have another conversation. I definitely will be asking for more personnel to be able to do this very important work that LCPS has leaned into as being a priority.

[02:26:46] Can you remind us all how many you have right now? Right now, I have, we are a team of eight. Okay, thank you. And then I think that's all I had. Thank you. But to be clear, there's currently three instructional facilitators in that office, and then this would be adding three additional.

[02:27:08] Any more questions, board members? Seeing none, we will move on to item 5.5, the Department of Communication and Community Engagement with Ms. Allen, our Chief Communications and Community Engagement Officer.

[02:27:48] Good evening, Chair Mansfield, Vice Chair Estreffi, members of the board, and Dr. Spence. The one LCPS strategic plan drives the priorities for the Department of Communications and Community Engagement. We serve as the voice of LCPS, we provide information to the public and LCPS stakeholders

using two-way communications in an accurate and timely manner to foster a welcoming environment for students and staff. The department works across the entire division to ensure all communications needs are met, consulting with internal stakeholders to tell their good news stories, share information and support initiatives, as well as assist with staff recruitment and retention. We have an amazing team here. The department core functions

[02:28:25] include strategic communications planning and execution, content creation and storytelling, social media campaigns and advertising to include employee recruitment, public relations and media relations, crisis and incident communications, branding consistency, videography, photography and graphic design, website and social media channels, and LCPS TV. Embedded throughout all strategic plan goals, the communications and community engagement functions are mission critical to delivering the trust-building and consistent communications and outreach necessary for the success of all initiatives and programs across the division.

[02:29:04] The Department of Communications and Community Engagement's budget reflects an overall increase from FY24 to 25. This increase is due to additional web maintenance personnel to include a designated lead web developer and an additional web developer. This is to ensure consistency across not only the division website but also the employee intranet and school sites. At this time individual departments oversee their own pages. We would create a ticketing system similar to what is in DDI right now to ensure pages were updated and accurate at all times. We've heard a lot of stakeholder feedback about the website being difficult to navigate and that it is outdated

[02:29:43] or has inconsistent information and this will help correct that. These positions as well as migrating the website would help consolidate sources of information for families. It would streamline information and enhance user experience. Also added in this budget is a part-time recruitment marketing specialist to support the strategic goal of cultivating a team of high-performing professionals. The specialist would be responsible for a variety of communications functions to include strategic design and placement of recruitment communications and ads, developing and maintaining communication tools, coordinating and promoting job fairs and hiring events through

[02:30:19] multiple platforms, both paid and earned media, creating and distributing high-quality marketing materials to support LCPS in becoming the employer of choice, and the recruitment marketing specialists would be responsible for analyzing and leveraging analytics in order to make strategic data-driven decisions.

[02:30:39] The communications function in school divisions has expanded widely over the last decade and has been a topic we consistently hear about needing to improve upon in surveys, listening sessions, focus groups, etc. According to a 2022 representative survey of members of the National School Public Relations Association, districts with more than 75,000 students most commonly have communications teams of 15 or more, which would mean we're in line with districts of our size.

[02:31:08] And I'll take any questions you have at this time. Thank you, Ms. Allen. Could you repeat that last part just a little bit about how much staff is required for other districts of our size and what you guys are actually working with?

[02:31:27] Yes, so the National School Public Relations Association did a representative survey of members, and in that survey, districts with more than 75,000 students most commonly have

communications teams of 15 or more, and so we would be increasing to 16 with this new budget with the web developers added, which would mean we're in line with school divisions our size.

[02:31:51] Right now, we're understaffed is what that basically boils down to. Yes, thank you very much. I appreciate that clarification. Thank you for the question. Board members, anybody else? Any other questions? Ms. Donahue.

[02:32:11] Thank you, Madam Chair. Thank you, Ms. Allen, for your presentation. I am curious, excuse me, I am curious, the proposed increase of funds for personnel purposes uh on page four is that is that wholly accounted for by those two new positions and if not what uh what other uses um necessitate those that increase it's the two positions as well as that

[02:32:48] part-time marketing specialists i talked about and there's also some overtime funds in there and that's for our staff who record school board meetings and live stream them and that kind of thing. Thank you and if I could ask a follow-up also I understand the desire to make some improvements to the LCPS website but and what you're talking about sounded like a short-term

[02:33:23] specific project but is is this position of hiring two new web developers I assume you're expecting it to be you know not to be a limited short-term position but an ongoing position yes an ongoing position we constantly have to update the website just with new information events new content for departments and things and right now departments are left to their own devices a little bit having to update their own and this position would make it so that that process was streamlined and there wasn't an individual in each department having to update the site we would be doing that

[02:34:02] on our end so that there was more consistency and assurances that things were consistently updated as well thank you thank you board members any other questions thank you mrs allen and with No more questions, I think we will go on to, I believe, our last item of the night, 5.6, Department of Digital Innovation with Mr. Smith, our Chief Technology Officer.

[02:34:45] Good evening. Good evening, Chair Mansfield, Vice Chair Streffy, and board members. I'm pleased and excited to be here tonight to share the Department of Digital Innovation's estimate of needs for FY25. DDI's goal in developing this estimate of needs was to be as cost-neutral as possible. We've made every effort to reallocate funds and be as efficient ineffective with their funding allocation and to focus on students at the center. Students are our why and drive our work and as you can see on this slide our estimate of needs begins on page 197 of the superintendent's estimated needs. The largest increase of the DGI budget overall are personnel

[02:35:24] costs and most of this increase is due to the overall compensation and benefits changes. DDI is requesting minimal staff and funding increases to support a handful of specific initiatives that I'll cover on future slides. Here is our organizational chart which can be found on our website. But before we discuss the estimate of needs, I wanted to provide a quick overview of the DDI teams. DDI is composed of five teams that you see on the left, which incorporates all across the top of our organization. So those five teams are the CTO office, which supports project management, IT security, and department leadership, the digital experience team, which is the largest,

[02:36:02] by far the largest team, comprising almost two-thirds of DDI staff, who provide hands-on support for staff and students across all LCPS sites and manage all aspects of our IT asset lifecycle management. Digital experience specialists are located at all LCPS schools. The enterprise solutions team,

which manages systems such as Phoenix, our student information system, data interoperability, data modeling, data analytics, and application development using our low-code solution. The ERP team, which provides technical support for Oracle and other business and HR platforms. And then the last team, the infrastructure and engineering team, which supports cloud and core services such as Google, AWS, Microsoft, network, internet,

[02:36:41] wireless, software distribution, image building, and technology support center. Now on to our FY25 Estimate of Needs Requests. So what's in our baseline budget? Included in our baseline request is the continuation of the following standard operating practices.

[02:37:00] The deployment, each year we deploy approximately over, we deploy over 25,000 devices for students as part of our standard refresh cycle. New devices are deployed to students in grades K, 3, 6, and 9. And all students in grades pre-K through 12 are provided a one-to-one device.

[02:37:18] We replace over 1,000 Promethean boards in classrooms as part of our standard refresh cycle. to ensure all classrooms have modern equipment. We do device replacement for about 2,800 staff each year based on our four-year replacement cycle. And we have ongoing costs for software, including Microsoft, Google, Adobe, our student information system, and various other systems.

[02:37:39] Please note that all equipment refresh cycles can be found on the DDI website on lcps.org. Also included in our FY25 requests are the continuation of existing cybersecurity tools and services, standard refresh of network and AV equipment, which include gymnasiums and auditoriums, And ongoing costs for internet, telephony, network connectivity, cellular costs related to cell phones, hotspots, and bus Wi-Fi.

[02:38:06] On this slide is our personnel summary. The FY25 request includes five additional positions, requests that I will cover on the following slides. The chart shows the breakdown of all positions in the department. Note that the digital experience team is our largest team, and almost all those staff members are in schools providing direct support to staff and students.

[02:38:24] One thing that I am particularly proud of and would like to highlight tonight is that all 262 FY24 positions are currently filled. We have zero vacancies and zero openings in DDI. So two of the position requests are digital experience specialists.

[02:38:42] These are staffing standards for the opening of two new schools this year. Another request is our service desk engineer. The service desk engineer position is actually a transition of a part-time staff member to a full-time staff member due to the call volume logs. We had an increase in call volumes basically with the addition of new staff and providing additional equipment to staff such as teacher assistants who previously did not have laptops, just creating a larger volume of calls into the service desk.

[02:39:10] Both of these position types already exist in DDI and are needed to provide the best possible support to our customers. Two new positions are also being requested. The supervisor of data science, this current position, the current position of the supervisor of data science and digital solutions is stretched thin to fully manage all of our initiatives.

[02:39:30] There are currently two independently separate teams, both focused on solutions and custom development across different technology stacks. These teams design and create work product using critical thinking and problem solving and the supervisor is critical to align the vision of a solution of someone who is a requester of a solution with the expected outcome of the product.

[02:39:51] Having one supervisor to manage two teams with vastly different needs has caused a lack of coherence for the digital solutions in the data science teams. This causes an impact on customers who include our students, staff, and families, meaning that new development work creates a backlog for solutions. DDI's many requests for application developments as well as data modeling, data visualization that are currently on hold.

[02:40:11] The goal of this position is to separate these staff into two separate focus teams to provide the best possible delivery for solutions. The second position is the supervisor of IT project management. DDI currently has one IT project manager. This new position will allow DDI to establish a division-wide IT project management process, similar to a project management office in a large organization, while keeping up with the IT project management workload.

[02:40:35] Every new initiative is really an IT project, from an all-in-Virginia, including expansion applications to IB schools needing student application process to new textbooks that bring new software titles. This position will also be critical to assist with managing our new ERP system implementation that is included as part of the capital budget. DDI was able to reallocate several funding sources as part of our efforts to be effective and efficient with our spending. The team was able to restructure cell phone and hotspot agreements to bring plans into alignment. Now that almost all equipment is on an established refresh cycle, DDI was also able to level set device and equipment purchases to align with

[02:41:12] current enrollment projections and standardized refresh cycles, and the team also worked to off-board applications that were no longer needed. Two new initiatives that are included as part of the DDI budget are a new cybersecurity service to provide IT security operations center for 24-7, 365 monitoring, and the purchase of new devices for new positions that are included throughout the budget in everyone's department. The cybersecurity service will be critical. The current IT security team is comprised of four staff members, so providing after-hours, weekends, and holiday support is best effort and difficult.

[02:41:50] This is also when threats are most likely to occur, as hackers know these are times when staff are usually not available. This service will ensure that LCPS services and systems are monitored continuously around the clock year-round. Also, as there are new staff added, DDI must purchase devices for them to use.

[02:42:07] This is a standard item for each position with a standard allocation per position that's added. So one big change this year is why is there such a large capital increase in DDI? The FY25 Estimate of Needs shows a large capital increase, however, it is just a reallocation of funds to align with new financial requirements.

[02:42:28] In FY24, all software purchases were budgeted on operating funds. However, with the implementation of GASB 96, we must now categorize any software title over \$5,000 as a capital expense. Examples of this software include Microsoft Licensing Agreements, Google, Adobe, Student Information System, Financial Systems, LCPS Go, Gaggle, Service Desk, Data Visualizations, and system visualization applications, just to name a few.

[02:42:53] This change is simply a realignment of funds, and this will be how the funding is shown moving forward in future budget years. Thank you for the opportunity to present DDI's FY25 estimate of needs, and I'm happy to take any questions or provide any additional information.

[02:43:09] - Thank you, Mr. Smith. Board members, do you have any questions? - Yes, Dr. Rasheed. - Thank you for that presentation, that was great. Just maybe this could be a separate conversation for you and me, but I was wondering if there could be a breakdown on, I think it was slide three, with operations and maintenance.

[02:43:31] So when it comes to like allocations of funds, there it is, slide three. When it comes to the amount that you have for the budget, if you can provide how much of that goes into, for example, virtual Loudoun, our students in virtual Loudoun, and I know that you mentioned Chromebooks and devices go to the students. And also for, I think I saw hotspots in there. I'm assuming the hotspots are for the students. Am I correct? That's correct. We pay subscription fees for hotspots for students. So if also, if you can provide some sort of, I guess, breakdown of how much of that

[02:44:08] can go to students in our Western Loudoun areas or any of the areas in Loudoun County that have limited access to Wi-Fi or there's just not a great Wi-Fi network in that area. Again, I don't expect it now, but maybe it would be great to have a separate conversation about that. Sure, we can certainly follow up with that.

[02:44:24] Okay, thank you. Thank you. Board members, anybody else? Any other questions? Yes, Ms. Donahue. Thank you, Madam Chair. Thank you, Mr. Smith, for your excellent presentation.

[02:44:40] And I'm particularly impressed with the information that you included about reallocating funds to streamline your budget. Well done. I do have just, I think, two questions. Does LCPS issue a Chromebook or laptop or device to every teacher?

[02:45:04] Every LCPS teacher and teacher assistant is given a device, a Windows laptop device for all of those users, including a bunch of additional staff. But yes, they do receive a Windows device. Thank you. And if one of them, if a teacher leaves mid-year or even at the end of the year, or someone who has been issued one of these devices, what happens with the device?

[02:45:28] We have an extensive asset lifecycle management process where we physically inventory devices three, four times a year where we put eyeballs and hands on devices. And any time a device leaves a network, the account is disabled and the device is actually disabled via some applications that we have.

[02:45:48] And then do we reuse that device or what happens afterwards? Yes, it'll be redeployed. Usually we will capture that device, we will re-image it, get it back to up to a baseline operating, and then we will redeploy that device. I see. Thank you. And just for my own curiosity, why do we have Wi-Fi on the buses?

[02:46:11] We do have Wi-Fi on our buses. It was procured through CARES Act funding. And this is actually, this is exciting. This is the first year that that is E-Rate eligible. So we've actually have that out as part of our E-Rate application right now. Thank you.

[02:46:30] Any more questions? Yes, Vice Chair Strafi. Thank you, Madam Chair. Mr. Smith, thank you very much for the presentation. I've enjoyed, thoroughly enjoyed our conversations because I kind of, my past life in terms of technology and geeking out with you on multiple occasions.

[02:46:48] Just wanted to comment on how you have matured, you and this team have matured the IT enterprise and how you continue to do so with such efficiency. And just this, just separating out the data science component from software development and establishing, you know, more thought leadership

when it comes to IT project management, it's something that is so difficult to do in real life, is to mature all of these processes.

[02:47:21] And we know by how many, you know, IT initiatives end up failing. But this is, if I can say, a well-oiled engine. So I really appreciate all of the efforts. From what I can see, I wanted to ask about how do we utilize third-party services across the LCPS kind of IT landscape?

[02:47:45] Is it specifically for cybersecurity, or where are we in-housing versus using third-party providers or service providers or consultants? And what is the general approach when we make those decisions?

[02:48:04] Sure. So there's lots of reasons to use a third party provider, whether that's an application that's being offered by a third party. But what we really try and do is not take on technical debt. Like if something exists and it meets our needs, we will contract and we will have appropriate agreements in place with a third party provider to do that work. We don't want to recreate the wheel and then have a maintenance backlog for those systems. So we really try and do our due diligence with what already exists in the market and even what already exist in LCPS before we move into some sort of, it really has to be a niche, and I'm guessing you're more talking to, I'm speaking more to like software development, application development.

[02:48:39] It really has to be a unique to Loudon niche application before we take on a development responsibility. So we don't wanna recode a Microsoft Office type solution. There's lots of products out there that do those type of things. We really try and pinpoint where there are those gaps and then meet those needs with our development staff.

[02:48:57] - And then if I may, on the cybersecurity front, in terms of ensuring information security across the IT landscape? What's our general approach to how we do that? - Sure, so we do have four internal staff members and we have a myriad of tools.

[02:49:13] Hesitant to dive too much into details because I don't want to give too much away for anyone who's listening and wants to do something bad. But we do use a myriad of tools. We use industry best practices. We use MSI SAC, we use K-12 Security Exchange, which is a K-12 specific IT security function that comes in and provides us best practices.

[02:49:33] We use CISA, we use Department of Homeland Security. So we use a lot of tools that are available to K-12 in those areas to kind of drive what we do. And then we use tools, whether it's a firewall tool or a content filter tool that meet the best needs of K-12. So not every solution is great in K-12.

[02:49:51] It may really work well in a workplace environment. So we really have to find those solutions that are really fitted towards K-12 IT security. - Thank you for indulging me. - Anybody else, any more questions?

[02:50:07] Well, if there are no more questions, I think the January 25, 2020, 24, FY25, operating budget school board work session is adjourned. Please drive home safely. Thank you.



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