



**#117-22**

**Commonwealth of Virginia  
Virginia Department of Education  
Superintendent's Memo #117-22**

**DATE:** June 6, 2022  
**TO:** Division Superintendents  
**FROM:** Jillian Balow, Superintendent of Public Instruction  
**SUBJECT:** **Adoption of the Fiscal Year 2022 Caboose Budget and the 2022-2024 Biennial Budget by the 2022 Special Session I General Assembly**

Section 22.1-93, *Code of Virginia*, requires the Virginia Department of Education (VDOE) within fifteen days following final adjournment to provide "...estimates to be used for budgetary purposes relative to the Basic School Aid Formula..." based upon the budget actions taken by the General Assembly with respect to public education. The revenue estimates provided in this memorandum represent the state funding that is projected to be distributed to school divisions in fiscal years (FY) 2022, 2023, and 2024 based on final budget actions by the 2022 Special Session I General Assembly. The Special Session I General Assembly adopted its final changes to the FY 2022 "Caboose Budget" and the 2022-2024 biennial budget on June 1, 2022.

The amendments adopted to the Direct Aid to Public Education budget for FY 2022 are mostly technical in nature. The budget bill containing the 2022 Special Session I General Assembly's adopted amendments for FY 2022 is House Bill (HB) 29, which now goes to Governor Youngkin for review and action. FY 2022 began on July 1, 2021, and will end on June 30, 2022.

The budget bill containing the 2022 Special Session I General Assembly's adopted amendments for the 2022-2024 biennium is House Bill (HB) 30, which now goes to Governor

Youngkin for review and action. FY 2023 will begin on July 1, 2022, and end on June 30, 2023. FY 2024 will begin on July 1, 2023, and end on June 30, 2024.

The attachments to this memorandum provide information on the budget changes adopted by the 2022 Special Session I General Assembly. Unless changes are specifically noted in the attachments, the proposed amendments contained in the introduced versions of HB 29/SB 29 and HB 30/SB 30 were adopted by both chambers.

**Attachment A** to this memorandum provides detailed information on the funding changes adopted by the 2022 Special Session I General Assembly to the amended FY 2022 budget as introduced (HB 29/SB 29) that impact the Direct Aid to Public Education and the Department of Education Central Office budgets.

**Attachment B** to this memorandum provides detailed information on the funding changes adopted by the 2022 Special Session I General Assembly to the introduced 2022-2024 biennial budget (HB 30/SB 30) that impact the Direct Aid to Public Education and the Department of Education's Central Office budgets.

**Attachment C** to this memorandum provides impacts to state distributions to school divisions based upon amendments to the FY 2022 budget. Please note that a calculation template related to the 2022 Special Session I General Assembly's adopted budget will not be published. However, a calculation template for the final FY 2022 payments will be published later in June after FY 2022 sales tax and No Loss distributions to school divisions are finalized. In the meantime, school divisions should use **Attachment C** and the calculation template referenced in [Superintendent's Memo #325-21](#) to assess the impacts of the actions taken by the 2022 Special Session I General Assembly related to the FY 2022 budget. The final FY 2022 payments calculation template will be communicated to school divisions via a separate Superintendent's Memo.

**Attachment D** to this memorandum provides FY 2023 distributions to school divisions for a bonus payment on December 1, 2022 of \$1,000 per SOQ-funded instructional and support positions that was adopted by the General Assembly (amendment Item 486 #21c). This payment is funded from federal ARPA pandemic relief funds and is not appropriated within Direct Aid, so it is not included in the calculation template. The appropriated amounts in the 2022-2024 biennial budget signed by Governor Youngkin will be the final distributions made to

school divisions. Additional details related to this payment can be found in **Attachment B** to this memo.

In addition to the programs distributed through Direct Aid and administered by VDOE, the 2022 Special Session I General Assembly provides \$22.5 million in each year of the biennium for School Resource Officer Incentive Grants, administered by the Department of Criminal Justice Services. Additional information related to the funding can be found on the [Legislative Information Services website](#).

A downloadable Excel file has been created to assist school divisions in calculating projected state payments and required local matches in FY 2023 and 2024 for most Direct Aid programs. These files give divisions the opportunity to change average daily membership (ADM) to test the effect on projected state funding and local match requirements using VDOE projected ADM or a local projection of ADM. Although the VDOE ADM projections are historically accurate on a statewide basis, VDOE cannot anticipate all factors in each division that may impact enrollment. It may be necessary for divisions to use their own projections instead of the projections provided by VDOE. Divisions are encouraged to substitute their ADM estimates for those provided in this memorandum when using the Excel file if they feel their local projections of enrollment are more accurate.

Please note that changing the ADM values in the Excel file only changes the estimated amount for accounts that are funded on the basis of ADM as described on the “Enrollment Projections” worksheet. The estimated funding for all other accounts is unaffected by changing ADM in the Excel file. Also, for each fiscal year, the amounts of semi-monthly payments for accounts that are paid using ADM are based only on the 2022 Special Session I General Assembly’s adopted budget projections of March 31 ADM, pending the recalculation of payments based on final March 31 ADM and are subject to available state appropriations. Changing the ADM in the Excel file does not impact the current payments that are made to divisions. Actual FY 2023 and 2024 payments will not be finalized until March 31 ADM is finalized for those years. In addition to ADM, the “Enrollment Projections” worksheet provides the option of entering local enrollment projections for the Remedial Summer School, English as a Second Language (ESL), and Virginia Preschool Initiative (VPI) programs for FY 2023 and 2024. Please note that enrollments for VPI are capped at the number of student

slots that are funded in the VPI formula contained in the budget adopted by the General Assembly for the 2022-2024 biennium.

Sales tax estimates in the Excel file are revenue projections only. Actual sales tax payments made to school divisions in FY 2023 and 2024 on a semi-monthly basis will be based on actual sales tax receipts. Pursuant to the Appropriation Act, the Basic Aid entitlement calculation is based on the estimated sales tax appropriation only and is not adjusted for actual sales tax revenues received each fiscal year.

The Excel file referenced in this memorandum shows state payments, required local effort for the SOQ accounts, and required local matches for Incentive and Lottery-funded accounts calculated based on projected March 31 ADM for FY 2023 and 2024.

The Excel file may be downloaded from the following link:

[Website for Downloadable Excel files](#)

For assistance downloading the Excel file, please refer to the instructions available at the following link:

[Website for Download Instructions](#)

The budgets adopted by the 2022 Special Session I General Assembly for FY 2022 and for the 2022-2024 biennium now go to Governor Youngkin for action. Until signed by Governor Youngkin, the FY 2022 caboose budget and the 2022-2024 biennial budget, as adopted by the 2022 Special Session I General Assembly, are not final.

### **For more information**

Questions regarding the 2022 Special Session I General Assembly's adopted amendments to the 2022 budget and the 2022-2024 biennial budget and the revised estimates of Direct Aid

payments for FY 2022, 2023, and 2024 may be directed to Ed Lanza, Director of Budget Office, or Budget Office staff at (804) 225-2025 or by email at [DOEBUDGETOFFICE@doe.virginia.gov](mailto:DOEBUDGETOFFICE@doe.virginia.gov).

JB/eml

- A. Attachment: [General Assembly Amendments to the Fiscal Year 2022 Budget](#) (DOCX)
- B. Attachment: [General Assembly Amendments to the Introduced 2022-2024 Biennial Budget](#) (DOCX)
- C. Attachment: [School Division Distribution Impacts Based on the 2022 Special Session I General Assembly's Adopted Fiscal Year 2022 Budget](#) (XLSM)
- D. Attachment: [School Division Distributions for Fiscal Year 2023 Bonus Payment](#) (XLSX)