



# Popular Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2019



COMPONENT UNIT OF THE COUNTY OF FAIRFAX, VIRGINIA





December 1, 2019

It is with great pleasure that I present Fairfax County Public Schools' (FCPS) Popular Annual Financial Report (PAFR) for the fiscal year (FY) ended June 30, 2019, to the citizens of Fairfax County, Virginia. This report provides an overview of the school system's financial operations and highlights key accomplishments of interest to parents, teachers and community members.

The information in this report is derived from the financial information contained in our Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The CAFR is a more detailed report prepared in accordance with generally accepted accounting principles (GAAP). FCPS' financial statements received an unmodified audit opinion, the highest audit rating, by our independent auditors, Cherry Bekaert LLP. While the PAFR is prepared consistent with GAAP, it is unaudited and simplifies reporting by summarizing FCPS' financial activities in an easy to understand format. For more detailed financial information, a copy of the CAFR is available on the FCPS' website at [www.fcps.edu](http://www.fcps.edu).

FCPS is continuing to experience student enrollment growth. Enrollment has increased nearly 6.0% or 10,500 students since 2012. In addition, there continues to be a demographic shift in FCPS' enrollment. English for Speakers of Other Languages, Special Education, and free and reduced-price meals services continue to increase.

In July 2015 the School Board approved the long-term Strategic Plan called Ignite. The Strategic Plan provides a framework for decision-making that builds upon a common mission, vision, and guiding principles held by the School Board and the community. The Strategic Plan represents the cooperative work of the School Board and Leadership Team to create a long-term Strategic Plan for FCPS. Input was gathered from more than 30,000 stakeholders. The four strategic goals include: student success, caring culture, premier workforce, and resource stewardship.

The PAFR should help stakeholders understand how their tax dollars are being utilized to educate our students. Our goal is to provide financial transparency in an understandable manner.

Sincerely,



Scott S. Brabrand, Ed.D.  
Superintendent of Schools

SCHOOL BOARD MEMBERS



**Karen Corbett Sanders**  
Chair  
Mount Vernon District



**Tamara Derenak Kaufax**  
Vice-Chair  
Lee District



**Sandy Evans**  
Mason District



**Pat Hynes**  
Hunter Mill District



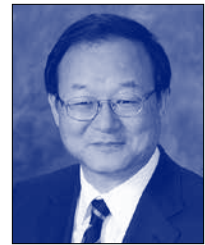
**Karen Keys-Gamarra**  
Member-at-Large



**Ryan McElveen**  
Member-at-Large



**Megan McLaughlin**  
Braddock District



**Ilryong Moon**  
Member-at-Large



**Dalia Palchik**  
Providence District



**Elizabeth Schultz**  
Springfield District



**Jane Strauss**  
Dranesville District

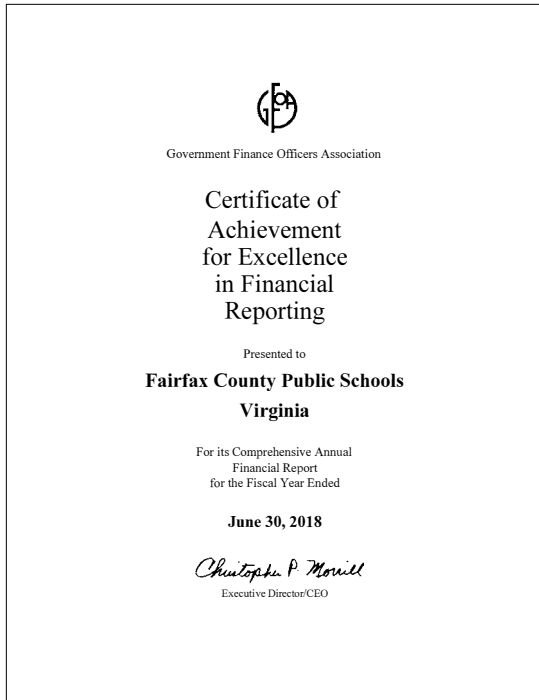


**Thomas Wilson**  
Sully District



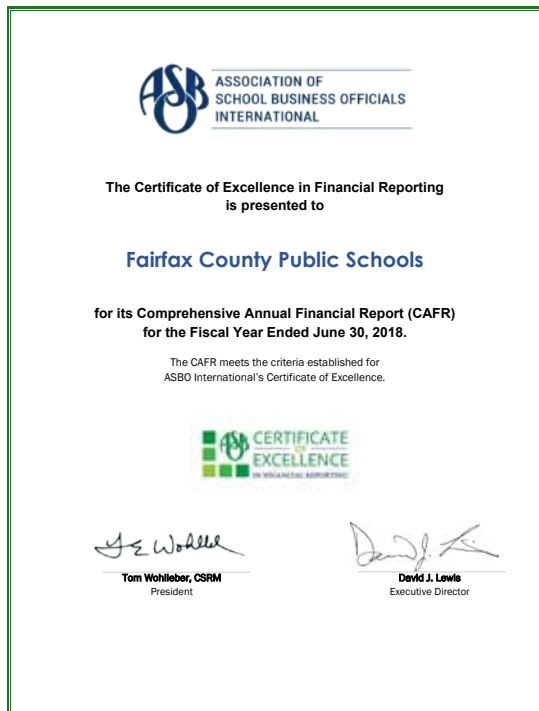
**Kimberly Boateng**  
Student Representative

DIVISION RECOGNITION



Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to FCPS for its CAFR for the fiscal year ended June 30, 2018. FCPS has received the Certificate of Achievement for Excellence in Financial Reporting for 25 consecutive years.



Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to FCPS for its CAFR for the fiscal year ended June 30, 2018. FCPS has received this award for 25 consecutive years.

## ACCOMPLISHMENTS

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### HIGHLIGHTS

#### OUR SCHOOLS

**10th** largest school division in the U.S.

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Largest school division in Virginia

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**198** Schools and Centers

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**99.5%** of our schools are accredited

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141 Elementary Schools

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3 Middle Schools (6-8)

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20 Middle Schools (7-8)

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3 Secondary Schools (7-12)

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22 High Schools (9-12)

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2 Alternative Schools

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7 Special Education Centers

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#### SCHOOL BUSES

**1,600** school buses run daily offering transportation to **142,000** eligible students.

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#### DAILY STUDENT MEALS

**108,000** student meals served per day.

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#### LARGEST EMPLOYER IN FAIRFAX COUNTY

**93.4%** School-Based employees

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**6.6%** Nonschool-Based employees

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#### FY 2020 BUDGET

**\$3 Billion** Budget

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**86%** OF OUR BUDGET IS SPENT ON INSTRUCTION

supporting students, teaching staff, and instructional support.

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#### BEST SCHOOL DISTRICT

FCPS named a 2020 Best School District by Niche and given an overall grade of A.

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#### DEMOGRAPHICS



**187,474**  
STUDENTS

They come from **204** countries with over **200** different languages spoken at home.

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#### STUDENT COMMUNITY ENGAGEMENT AND SERVICE LEARNING SCHOOL YEAR (SY) 2018-19

**595,068** hours served by our students

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**34,465** students engaged in service

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**91.3%**

4-YEAR ON-TIME GRADUATION RATE

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STUDENT ACHIEVEMENT

Individual students and groups annually earn honors and awards in all academic, extracurricular, and athletic areas in regional, state, and national competitions.

For SY 2018-19, FCPS' average overall composite SAT score was 1218, compared to the State average of 1113 and the national average of 1039. The highest possible combination score one can receive on the SAT is 1600.

Eight FCPS high schools made the *U.S. News & World Report* 2019 list of top ten Best High Schools in Virginia. Thomas Jefferson High School for Science and Technology (TJHSST) was ranked number one Best High School in Virginia, and fourth best high school in the National Rankings.

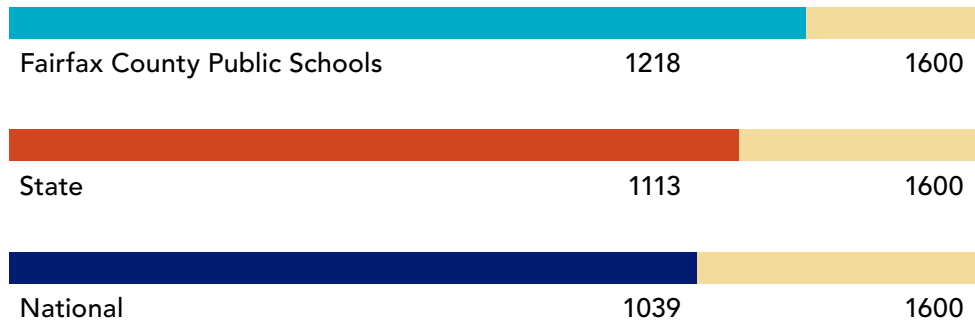
Five schools earned the Governor's Award for Educational Excellence, the highest Virginia Index of Performance award for advanced student learning and achievement. Of the five schools, four were FCPS schools.

Twenty-six FCPS students were named winners of 2019 National Merit Scholarship Corporation awards.

FCPS students earned 21 national medals in the Scholastic Art and Writing Awards program.

Six FCPS students have been named recipients of the 2019 Congressional Award's Gold Medal, the U.S. Congress's award for young Americans.

SY 2018-19 Average SAT Scores

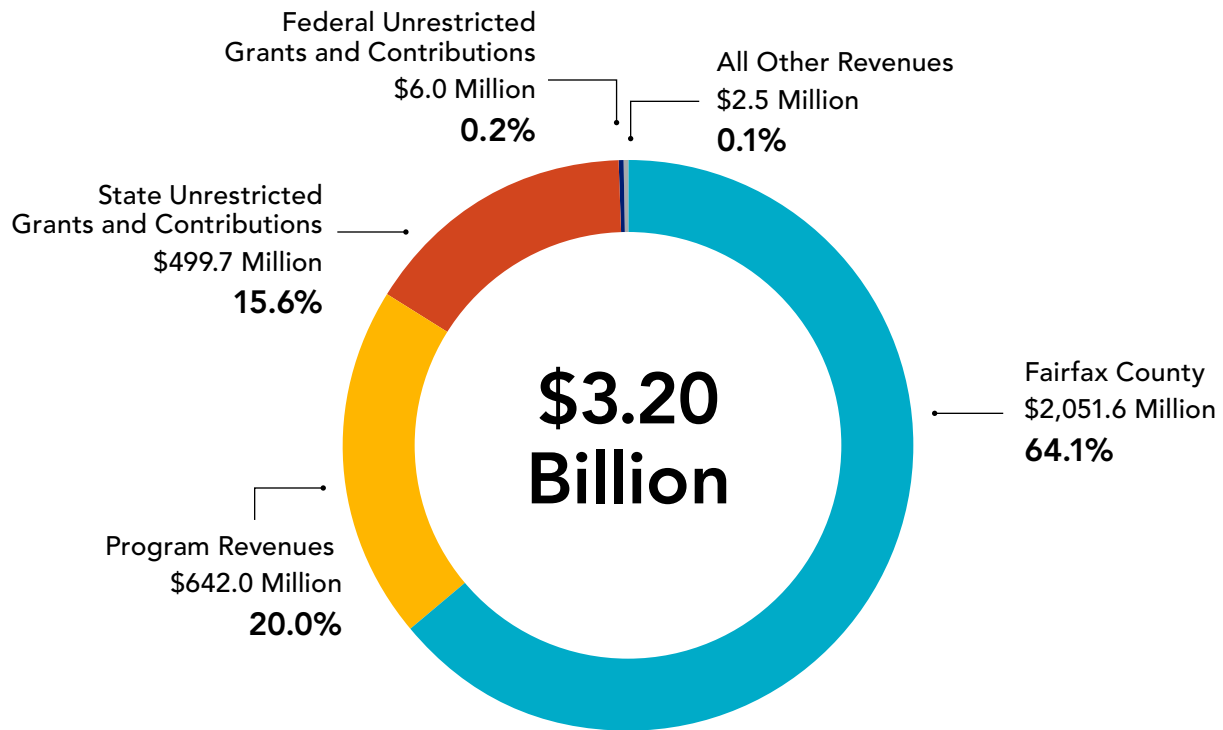


FINANCIAL OVERVIEW

Financial information in the report is derived from the CAFR. The CAFR is prepared in conformity with GAAP, as applicable to governmental units and includes detailed information of significant financial and nonfinancial events. This report is prepared consistent with GAAP, but does not include the level of detail presented in the CAFR. It presents an overview of FCPS' governmental funds and highlights key revenue and expenditure information that occurred during the fiscal year.

REVENUES BY SOURCE

Total revenues for FCPS' governmental activities were \$3,201.8 million in FY 2019, representing an increase of \$157.0 million, or 5.2 percent, over FY 2018. The primary source of revenue for FCPS comes from Fairfax County, which in turn derives the majority of its revenue from real and personal property taxes. In FY 2019, Fairfax County increased funding by \$84.7 million over prior year.

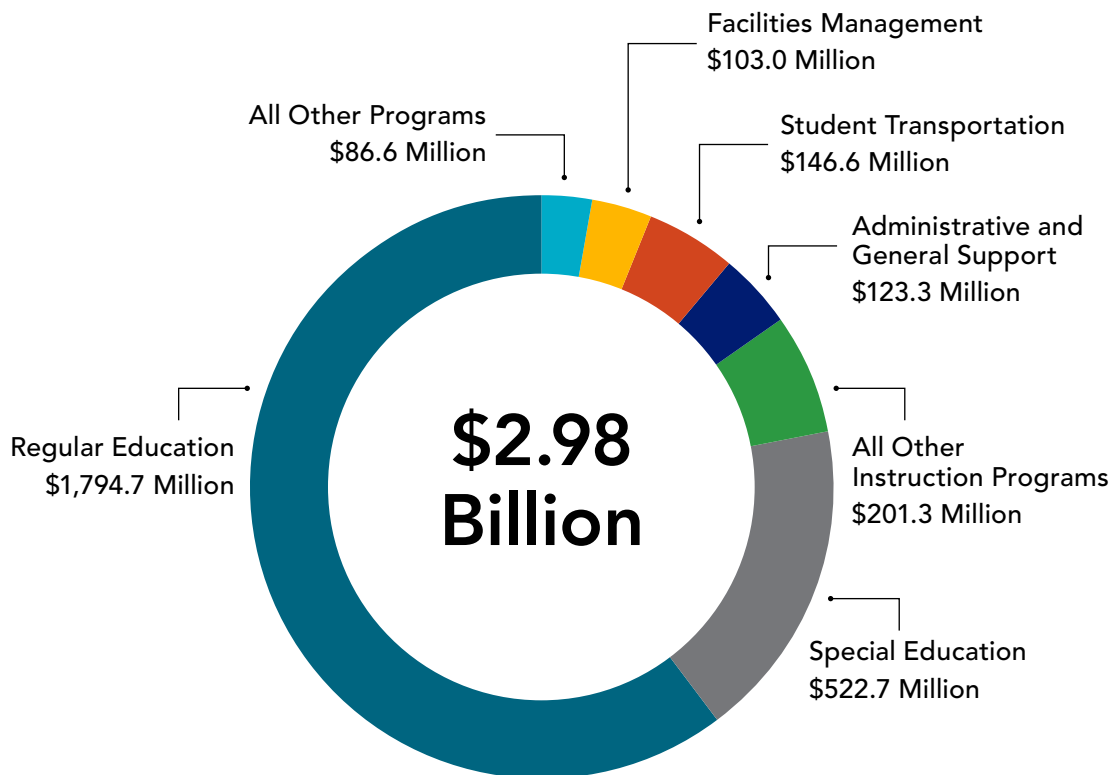




EXPENSES BY PROGRAM

The total program expenses of FCPS' governmental activities for FY 2019 were \$2,978.2 million, representing an increase of \$87.9 million or 3.0 percent over FY 2018. As the chart indicates, regular education is FCPS' largest program. Regular education includes activities and programs conducted during the

regular instructional day for students in grades K-12. Special education, FCPS' second largest program, includes activities for students with special needs. Such activities include programs specifically designed to overcome disabilities, alternative education, Head Start, and preschool programs.



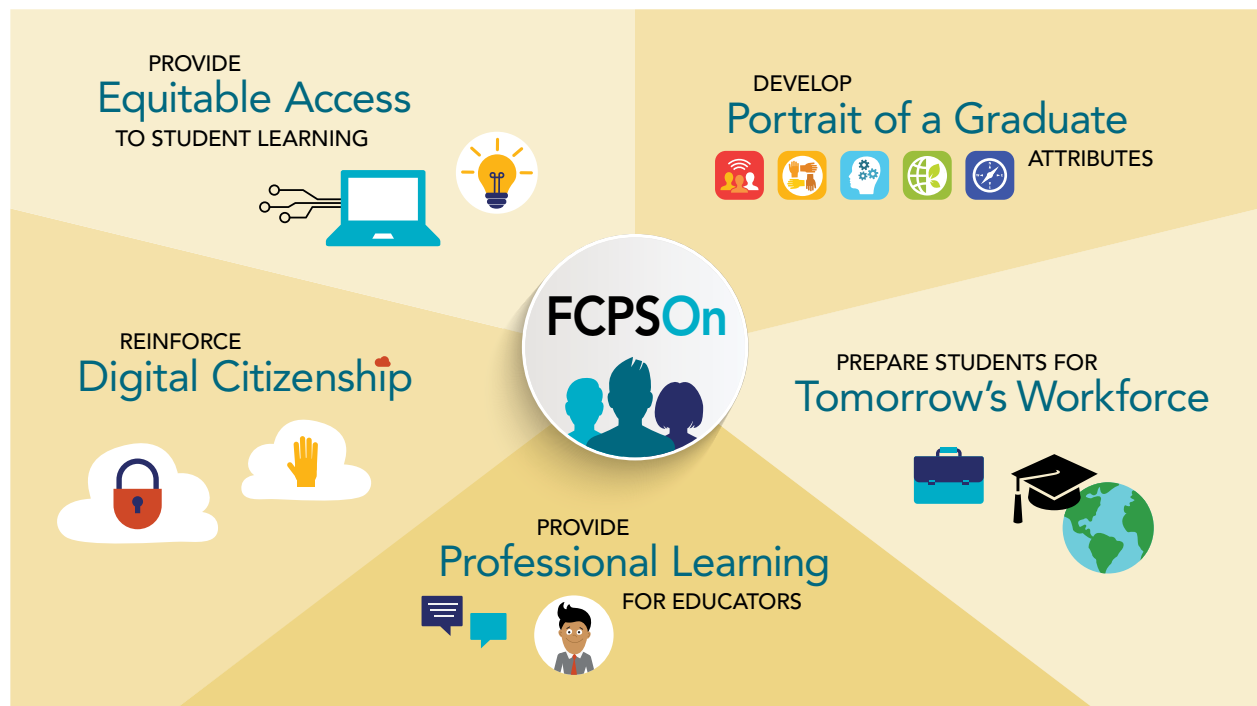
## TECHNOLOGY

FCPSOn is a transformation of learning for students and educators. At its core, it provides students with equitable access to meaningful learning experiences and technology to support their learning.

In FCPSOn schools, each student receives an FCPS-issued laptop to access dynamic resources and participate in learning tailored to the student's individual needs. Students will have access to the device at school, and in

some schools and grade levels, they will also be able to take their device home. FCPSOn provides them with real-world technology skills that will be essential as adults.

FCPSOn supports teachers in doing what they do best. Teachers are supported through ongoing, dynamic professional learning that will result in purposeful, collaborative student learning experiences.



PLANNED CAPITAL PROJECTS WITH ESTIMATED COST

FCPS operates and maintains 220 schools and administrative centers. An annual Capital Projects budget is prepared, which allocates funds for new construction, facilities renovations, expansions, and improvement projects. Funding for capital improvement projects is currently limited by a \$180 million yearly cap on school bond sales. The School Board and Fairfax County Board of Supervisors have formed a committee to study ways to solve the long renovation cycle of our schools due to the limited capital funding available.

The FY 2020–24 five-year capital requirement totals approximately \$972 million or roughly \$194 million per year. \$315 million approved by county voters in the 2017 School Bond Referendum allows the planning of one new elementary school, construction of one new elementary school, planning of three high school additions, the relocation of one modular addition, renovation of five elementary schools, two middle schools, and one high school, along with renovation planning of five elementary schools, one middle school, and one high school. The unfunded balance of the five-year requirement has been addressed by the bond referendum in the fall of 2019.



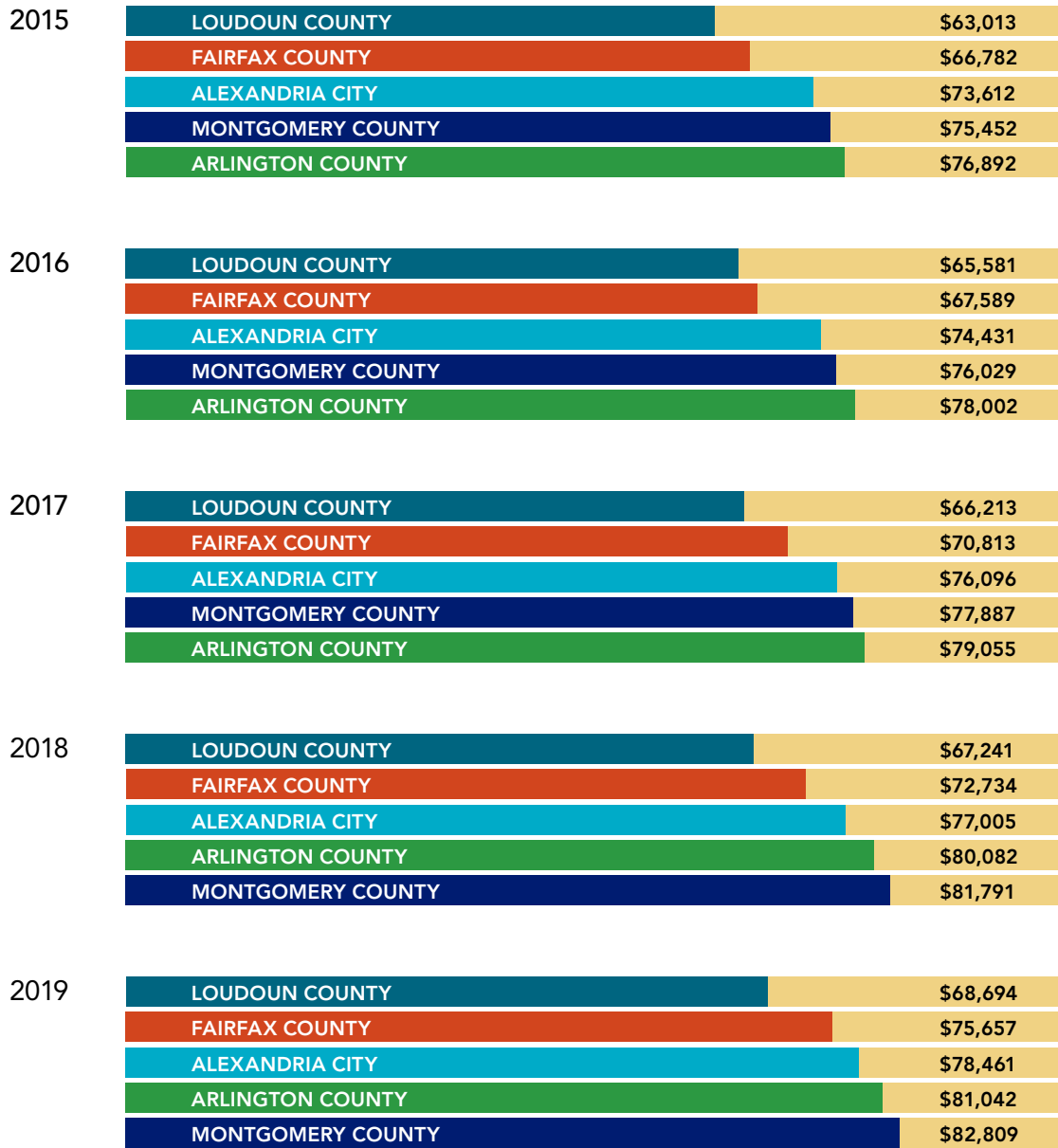
Capital Projects Summary FY 2020-24

	UNDER CONSTRUCTION		IN PLANNING	
Elementary School	8 Renovations	1 New Construction	5 Renovations	1 New Construction
Middle School	2 Renovations	---	2 Renovations	---
High School	3 Renovations	---	1 Renovation	3 Additions

## AVERAGE TEACHER SALARY TRENDS

FCPS supports the Premier Workforce goal which includes compensation increases for teachers, classroom instructional assistants, school-based administrators, as well as administrative and support staff. With

investment in the teacher salary scales in FY 2019, we have succeeded in bringing teacher salaries to the market average allowing us to attract and retain a premier teaching staff to serve our students and our community.

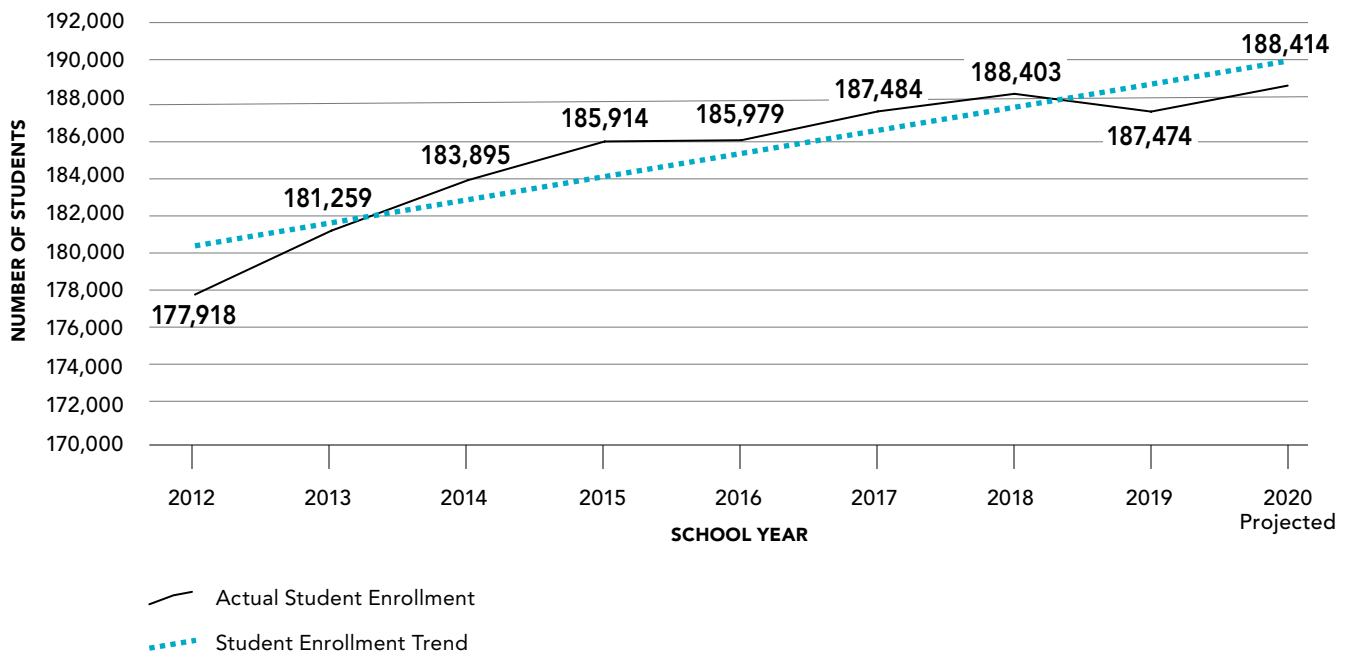


## ENROLLMENT GROWTH

FCPS closely monitors the student enrollment growth to ensure current and future facility space is available. As of September 30, 2018, the total membership declined by 1,011 students for a total membership of 188,018 students between SY 2017–18 to SY 2018–19. This is the first decline in membership FCPS

has experienced in over a decade, which mirrors a decline at the state level. This year's decline was due to several factors which include a decrease in the size of entering kindergarten cohorts and a negative net migration, meaning more students withdrew than were enrolled in SY 2017–18.

**Student Enrollment**



**COST PER PUPIL**

Cost-per-pupil calculations provide an overall view of the cost of all programs that can be used to compare how school systems spend their funds. It includes both the direct as well as the indirect costs of programs. A systemwide

cost per pupil, which includes general and special education but excludes Audit and Community Education, is computed using the methodology agreed on by the Washington Area Boards of Education (WABE).

**FCPS Cost Per Pupil**

FY 2015	\$13,519
FY 2016	\$13,718
FY 2017	\$14,432
FY 2018	\$14,767
FY 2019	\$15,293

The table below compares the FY 2019 cost per pupil for local jurisdictions. FCPS maintained its ranking in the middle of other school districts in the metropolitan area with a cost per pupil of \$15,293.

**Cost Per Pupil by School Division**

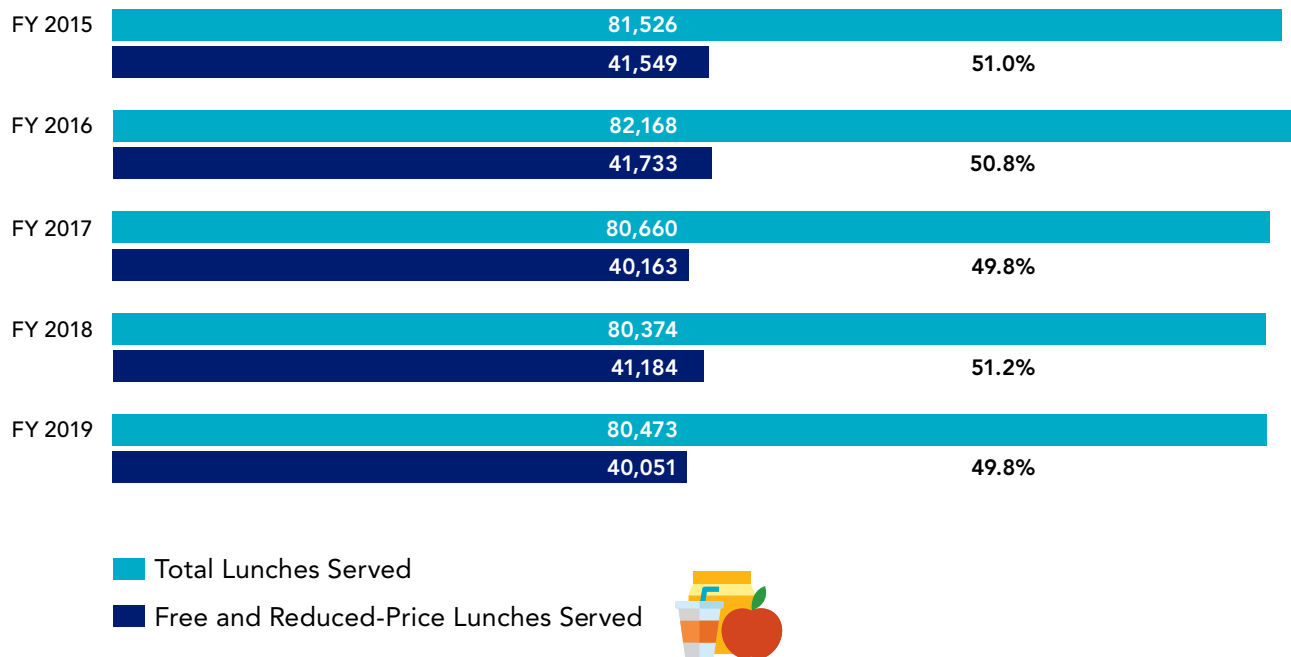
LOUDOUN COUNTY	\$14,260
FAIRFAX COUNTY	\$15,293
ALEXANDRIA CITY	\$17,606
MONTGOMERY COUNTY	\$16,281
ARLINGTON COUNTY	\$19,348

FOOD AND NUTRITION

FCPS Food and Nutrition Services (FNS) operates a year-round nationally recognized community nutrition program that is financially self-supporting. The primary goal of FNS is to support students' health, wellness, and readiness to learn while embracing the school

system and its stakeholders. FNS offers a variety of healthy food choices, strives to exceed established government regulations, and proudly serves more than 146,000 customers daily.

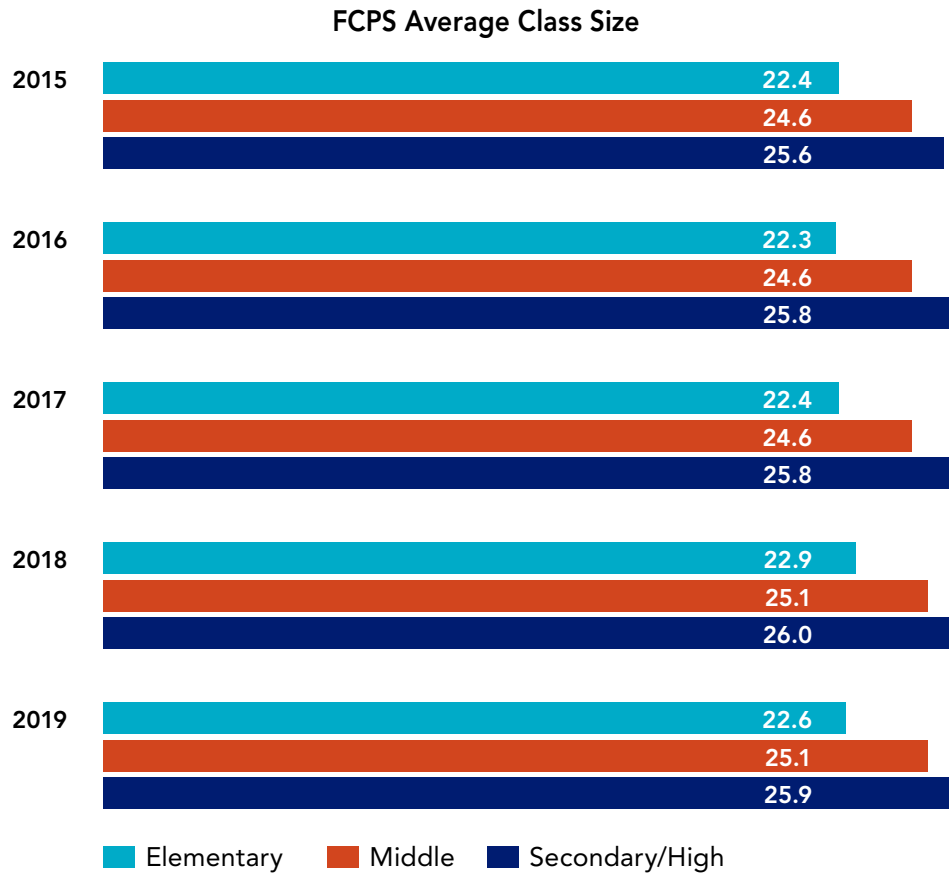
**Percentage of Free and Reduced-Price Lunches Compared to Total Student Lunches Served Daily**



## INSTRUCTIONAL STAFFING

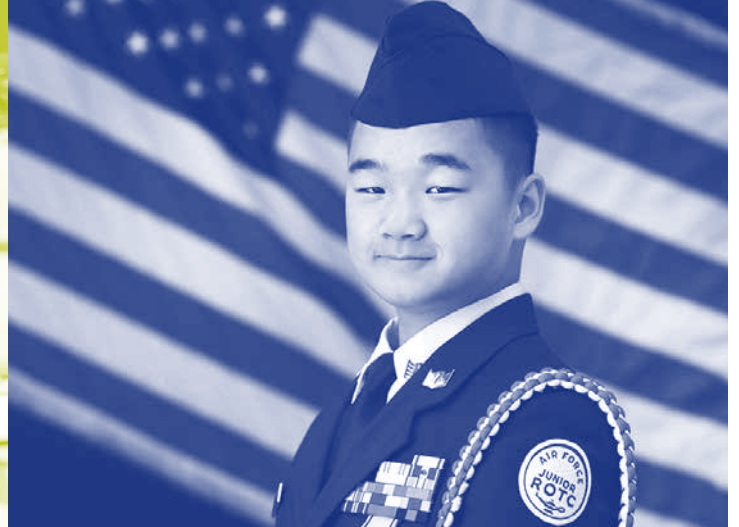
Over the years, there have been significant adjustments in school-based staffing. Positions assigned to a school are determined by formulas approved by the School Board. School-based staffing will vary depending on student

enrollment, eligibility for free or reduced-price meals (FRM), the number and level of students receiving English for Speakers of Other Languages (ESOL) services, and the number and level of special education services provided.









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Fairfax County Public Schools  
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