
Joint Legislative Audit and Review Commission



**State Spending on Standards of Quality
(SOQ) Costs, FY 2007**

Commission Briefing

December 10, 2007



Study Mandate

- Section 22.1-97 of the *Code of Virginia* requires annual reports on SOQ spending

- DOE is required to
 - Report annually on whether school divisions have sufficient budgeted funds to meet their required local expenditure
 - Verify that localities have provided their required local expenditure for the SOQ
 - Report to the House Committees on Education and Appropriations and the Senate Committees on Finance and Education and Health

- JLARC is required to
 - Report annually on the State expenditure provided each locality for an educational program meeting the SOQ
 - Report to the same committees as DOE

State and Local SOQ Spending

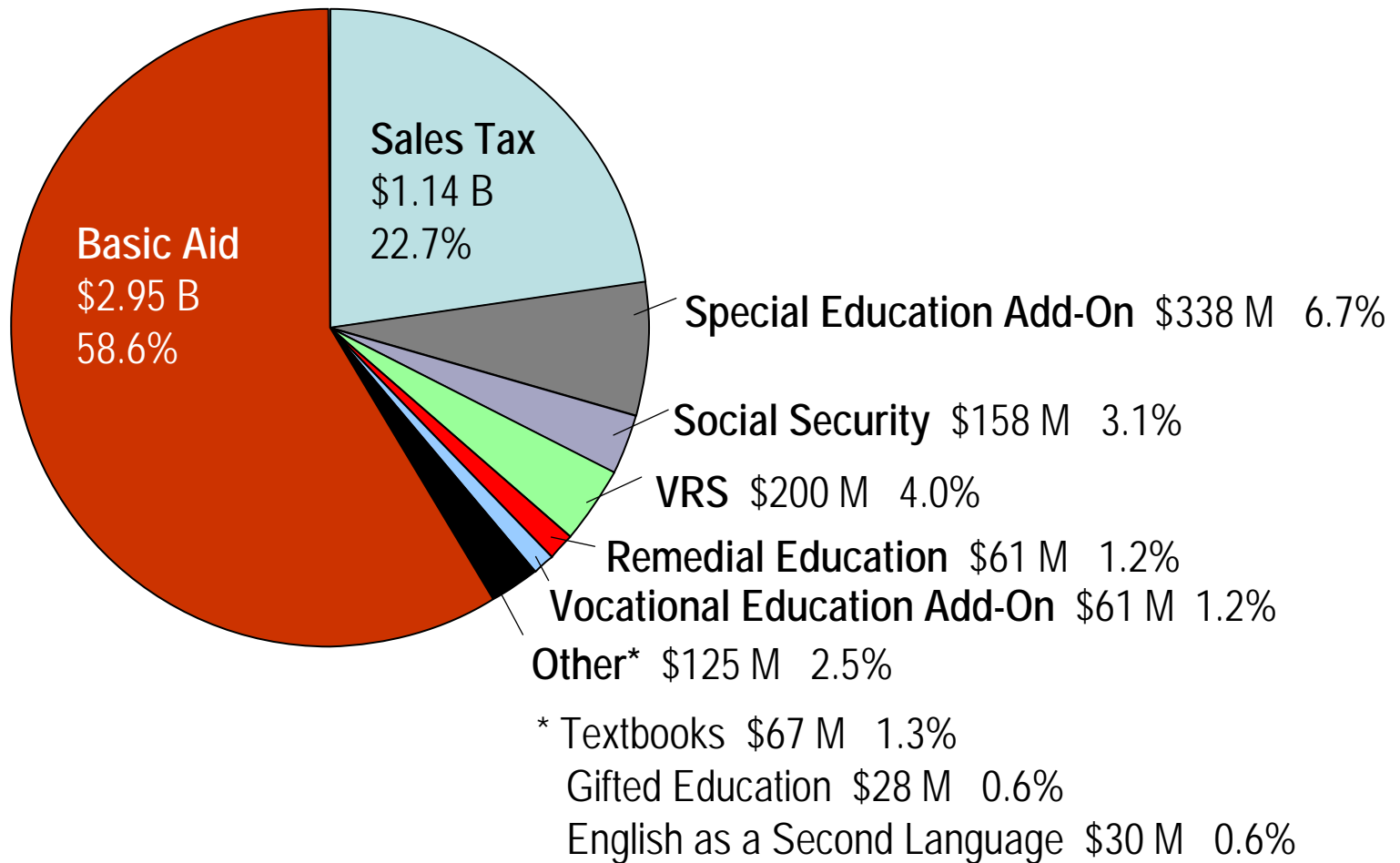
- *Constitution of Virginia* requires State Board of Education to determine and prescribe Standards of Quality (SOQ)
- Standards are subject to revision by the General Assembly
- General Assembly determines costs of the standards and apportions costs between State and local governments
- State spending on SOQ is done through its allocation of State funds to school divisions
- Required SOQ costs not paid by the State are paid by local governments (the “required local expenditure”)

State SOQ Spending, Total for All Accounts

- According to data from DOE, total State spending from SOQ accounts in FY 2007 was **\$5.03 billion**
- Equates to about **\$4,229 per pupil**

(Based on average number of pupils in public schools from start of the school year to March 31, 2007, adjusted for half-day K programs)

State SOQ Spending Totaled \$5.03 Billion



Source: DOE data on State payments to school divisions, FY 2007.

Factors Impacting the Size of Total State SOQ Spending

- Number of pupils
- Number of instructional positions required by SOQ
- Instructional salary levels
- Prevailing support staff levels and salaries
- Fringe benefit costs
- Non-personnel support costs
- Deductions from SOQ costs
- State and local shares of SOQ costs

Ten Divisions with the Largest Expenditures from State SOQ Fund Accounts, FY 2007

Division	State SOQ Spending (\$ millions)	Number of Pupils
Fairfax County	\$ 405.3	158,077
Virginia Beach	\$ 327.4	71,452
Prince William	\$ 305.2	69,096
Chesterfield	\$ 253.9	57,749
Henrico	\$ 193.9	47,424
Chesapeake	\$ 189.7	39,453
Norfolk	\$ 165.4	32,929
Newport News	\$ 156.9	30,218
Loudoun	\$ 138.7	49,272
Stafford	\$ 117.0	26,181
Total, Top Ten	\$2,253.4	581,851

Ten School Divisions with the Most and Least State SOQ Spending Per Pupil, FY 2007

<u>MOST</u> Per Pupil			<u>LEAST</u> Per Pupil		
Division	State SOQ Per Pupil	Composite Index	Division	State SOQ Per Pupil	Composite Index
Lee	\$6,827	.1769	Goochland	\$2,064	.8000
Scott	\$5,926	.1962	Williamsburg	\$2,095	.8000
Lunenburg	\$5,877	.2399	Falls Church	\$2,205	.8000
Buckingham	\$5,865	.2591	Fairfax City	\$2,252	.8000
Brunswick	\$5,784	.2540	Arlington	\$2,275	.8000
Nottoway	\$5,774	.2429	Bath	\$2,275	.8000
Halifax	\$5,771	.2380	Alexandria	\$2,360	.8000
Greensville	\$5,764	.2199	Surry	\$2,393	.7842
Smyth	\$5,737	.2184	Fredericksburg	\$2,417	.7538
Petersburg	\$5,725	.2188	Fairfax County	\$2,564	.7456

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For More Information

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and on the table by the door.

