FY 2027 Approved Budget Summary

FY 2027 Summary	Amount
I. Revenue Adjustments	
A. County Transfer	($39,652,968)
B. Beginning Balance – State Compensation Equivalent Action	$10,737,970
Total Revenue Adjustment	($28,914,998)
II. Superintendent's Recommendations	
A. Reduce Staffing Reserve	($8,769,630)
B. Leverage Alternate Major Maintenance Funding	($7,500,000)
C. Extend FCPSOn Technology Device Refresh	($5,268,784)
D. Defer Microcredential Funding	($4,901,960)
E. Reduce Math Curriculum Materials	($4,150,839)
F. Reduce Superintendent's Strategic Reserve	($2,510,099)
G. Middle School After-School and Values in Prevention Programs	$4,186,314
Total Recommended Expenditure Adjustments	($28,914,998)

I. Revenue Adjustments

A. County Transfer – ($39.7 million)

The FY 2027 Advertised Budget includes a county transfer request of $2,841.5 million, an increase of $138.4 million over the FY 2026 county transfer. Based on the county's FY 2027 Adopted Budget, the approved county transfer for school operations totals $2,801.8 million, an increase of $98.8 million, or $39.7 million less than requested. This total includes the county transfer for two programs shifting to FCPS, Middle School After-School and Values in Prevention programs.

B. Beginning Balance – State Compensation Equivalent Action – $10.7 million

The FY 2027 beginning balance includes one-time state funding associated with equivalent action compensation requirements. Equivalent action funding was provided to school divisions that implemented qualifying compensation actions for instructional and support positions. FCPS meets these requirements in FY 2026 through compensation increases exceeding the state required percentage increase.

II. Superintendent's Recommended Expenditure Adjustments

A. Reduce Staffing Reserve – ($8.8 million, 70.0 positions)

The staffing reserve is utilized to address staffing requirements that exceed existing allocations and are identified after the budget is finalized. The staffing reserve has been used to increase classroom positions at schools when enrollment exceeds projections, to reduce large elementary class sizes, and to address other extenuating circumstances such as unique special education needs.

The FY 2027 Advertised Budget includes 310.0 positions in the staffing reserve. The staffing reserve is reduced by 70.0 positions resulting in savings of $8.8 million. This decreases the staffing reserve to 240.0 positions for FY 2027. While this will limit flexibility typically afforded by the staffing reserve, it is preferable to a reduction directly impacting school staffing which is disruptive to students and staff.

B. Leverage Alternate Major Maintenance Funding – ($7.5 million, 0.0 positions)

The FY 2027 Advertised Budget includes $13.5 million to address major maintenance initiatives in the form of a transfer from the School Operating Fund to the School Construction Fund. The county included $7.5 million to address facility maintenance needs and indicated that FCPS may choose to use this funding to cover the School Operating Fund gap. By leveraging $7.5 million in county support, FCPS can realize an equivalent budget savings.

The transfer from the School Operating Fund to support major maintenance is reduced by $7.5 million to balance the FY 2027 Approved Budget. This reduction is offset by a corresponding increase of $7.5 million from the county to address facility maintenance needs in FCPS. The FY 2027 Approved Budget includes a net increase of $3.5 million for major maintenance when all funding sources are taken into account.

C. Extend FCPSOn Technology Devices Refresh – ($5.3 million, 0.0 positions)

FCPSOn ensures students have equitable access to technology resources. The initiative allows teachers to provide meaningful learning experiences to all students using multiple strategies including digital tools. FCPS is transitioning from a scheduled device replacement refresh at the grade or school level to an on-demand refresh that will distribute technology device purchases in smaller, more consistent batches. The model will even out purchases over what is expected to be an average of a six-year refresh. Savings in the budget of $5.3 million are realized with this change in replacement philosophy.

D. Defer Microcredential Funding – ($4.9 million, 0.0 positions)

Microcredentialing is a digital verification of an individual's competence in a specific skill or set of skills in their context. It provides a pathway to personalizing and recognizing professional learning beyond traditional seat-based models. Funding to support microcredentials for teachers is deferred resulting in savings of $4.9 million. One-time funding is available in FY 2027 to continue the microcredentialing initiatives that started in FY 2026.

E. Reduce Math Curriculum Materials – ($4.2 million, 0.0 positions)

FCPS maintains a sinking fund model to plan for and fund future curriculum adoption materials. The sinking fund is designed to accumulate resources over time to meet future curriculum adoption obligations. The funding for curriculum adoption materials is reduced by $4.2 million.

F. Reduce Superintendent's Strategic Reserve – ($2.5 million, 0.0 positions)

Funding of $2.5 million for targeted strategic investments is eliminated to balance the FY 2027 budget.

G. Middle School After-School and Values in Prevention Programs – $4.2 million, 0.0 positions

The Middle School After-School Program offers high-quality, structured after-school activities at all middle schools, meeting the need for students to have a safe, supervised learning environment after the regular school day. The Values in Prevention program provides a safe, enriching environment for middle school students during the summer months. Historically, these programs have been jointly funded by FCPS and the county but in FY 2027 the county is fully shifting these programs to FCPS and including $4.2 million in the transfer to schools.

School Operating Fund Summary	
	Amount
Total Revenue Adjustment	($28,914,998)
Total Expenditure Adjustment	($28,914,998)
Total Funds Available	$0

I move that the Division Superintendent be authorized to take whatever actions are necessary to implement the decisions made by the School Board relative to its FY 2027 Approved Budget; and that all policies and regulations inconsistent with the budgetary motions passed tonight are hereby modified and amended accordingly; and the Division Superintendent is to be granted authority to make all necessary minor changes and technical modifications to the budget and to salary scales to comply with the intent of the School Board with regard to its budget actions.

FY 2028 Beginning Balance Requirement	
	Amount
Beginning Balance in FY 2027 Approved Budget	$10,737,970
Set Aside for FY 2028 Beginning Balance	$0
Amount Needed to Maintain FY 2028 Beginning Balance Level with FY 2027 Approved Budget	$10,737,970

III. Other Funds Summary

School Board Funds	FY 2027 Advertised	Adjustments	FY 2027 Approved
School Construction	$267,301,679	$0	$267,301,679
Food and Nutrition Services	$129,358,181	$0	$129,358,181
Adult and Community Education	$9,715,155	$0	$9,715,155
Grants and Self-Supporting Programs*	$98,556,201	$1,126,827	$99,683,027
School Insurance	$40,355,593	$0	$40,355,593
Health and Flexible Benefits	$767,980,150	$0	$767,980,150
Educational Employees' Supplementary Retirement System (ERFC)	$275,949,897	$0	$275,949,897
School Other Post-Employment Benefits (OPEB) Trust	$19,027,500	$0	$19,027,500

*Does not add due to rounding.

School Construction Fund

The county included $7.5 million to address facility maintenance needs and indicated that FCPS may choose to use this funding to cover the School Operating Fund gap. By leveraging $7.5 million in county support, FCPS can realize equivalent budget savings.

The transfer from the School Operating Fund to support major maintenance is reduced by $7.5 million to balance the FY 2027 Approved Budget. This reduction is offset by a corresponding increase of $7.5 million from the county to address facility maintenance needs in FCPS. The FY 2027 Approved Budget includes a net increase of $3.5 million for major maintenance when all funding sources are taken into account.

Food and Nutrition Services Fund

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

Adult and Community Education Fund

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

Grants and Self-Supporting Programs Fund

In total, revenue and expenditures are increasing by $1.1 million and 9.0 positions over the FY 2027 Advertised Budget.

Grants Subfund:

In the Grants Subfund, revenue and expenditures are increasing by $1.1 million over the FY 2027 Advertised Budget. This is primarily due to increases in Title I, Part A; Title III, Part A; and Medicaid offset by a decrease in funding for the cable communication program.

In addition, there is a net increase of 9.0 positions over the FY 2027 Advertised Budget. These include an increase of 10.0 positions to support the PreK and Early Head Start VPI program and a 1.0 Medicaid position, offset by the elimination of a vacant 1.0 school-based mental health position due to the ending of the grant program and a 1.0 Title III, Part A position.

Grants Subfund*	
Grant	**Amount**
Federal	
Title I, Part A	$1,100,406
Title III, Part A	3,285
Medicaid	201,282
Other	
Cable Communication	(178,147)
Total	**$1,126,827**

*Does not add due to rounding.

The Virginia Department of Education requires that the FCPS School Board authorize the Division Superintendent and the School Board Chairman to sign and file the 2026-2027 Elementary Secondary Education Act of 1965 (ESEA) as amended by Every Student Succeeds Act of 2015 (ESSA) entitlement applications. To comply with this requirement, the adoption of the FY 2027 Approved Agenda grants this authority.

Summer School Subfund:

There have been no budget changes made to this subfund between the FY 2027 Advertised and Approved Budgets.

School Insurance Fund

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

School Health and Flexible Benefits Fund

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

Educational Employees' Supplementary Retirement System of Fairfax County (ERFC)

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

School Other Post-Employment Employee Benefits (OPEB) Trust Fund

There have been no budget changes made to this fund between the FY 2027 Advertised and Approved Budgets.

APPENDIX

SCHOOL OPERATING FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ -**	**$ 10,737,970**	**$ 10,737,970**
RECEIPTS:			
Sales Tax	$ 258,175,529	$ 258,175,529	$ -
State Aid	860,823,308	860,823,308	-
Federal Aid	49,854,470	49,854,470	-
City of Fairfax Tuition	77,012,224	77,012,224	-
Tuition, Fees, and Other	29,527,560	29,527,560	-
Total Receipts	**$ 1,275,393,091**	**$ 1,275,393,091**	**$ -**
TRANSFERS IN:			
County - General Fund	$ 2,841,496,955	$ 2,801,843,987	$ (39,652,968)
County - Cable Communications	875,000	875,000	-
Total Transfers In	**$ 2,842,371,955**	**$ 2,802,718,987**	**$ (39,652,968)**
Total Receipts & Transfers	**$ 4,117,765,046**	**$ 4,078,112,078**	**$ (39,652,968)**
Total Funds Available	**$ 4,117,765,046**	**$ 4,088,850,048**	**$ (28,914,998)**
EXPENDITURES:	$ 4,063,912,182	$ 4,042,497,184	$ (21,414,998)
Total Expenditures	**$ 4,063,912,182**	**$ 4,042,497,184**	**$ (21,414,998)**
TRANSFERS OUT:			
School Construction Fund	$ 19,598,097	$ 12,098,097	$ (7,500,000)
Grants & Self-Supporting Fund	29,653,213	29,653,213	-
Adult & Community Education Fund	1,396,250	1,396,250	-
Consolidated County & School Debt Fund	3,205,304	3,205,304	-
Total Transfers Out	**$ 53,852,864**	**$ 46,352,864**	**$ (7,500,000)**
Total Disbursements	**$ 4,117,765,046**	**$ 4,088,850,048**	**$ (28,914,998)**
ENDING BALANCE, JUNE 30	**$ -**	**$ -**	**$ -**

SCHOOL CONSTRUCTION FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ -**	**$ -**	**$ -**
RESERVES:			
Reserve For Turf Fields	$ 572,582	$ 572,582	$ -
Total Reserve	**$ 572,582**	**$ 572,582**	**$ -**
RECEIPTS:			
General Obligation Bonds	$ 230,000,000	$ 230,000,000	$ -
City of Fairfax	20,000	20,000	-
TJHSST Tuition - Capital Costs	1,200,000	1,200,000	-
Miscellaneous Revenue	286,000	286,000	-
Turf Field Revenue	25,000	25,000	-
Total Receipts	**$ 231,531,000**	**$ 231,531,000**	**$ -**
AUTHORIZED BUT UNISSUED BONDS	$ -	$ -	$ -
Total Referendums	**$ -**	**$ -**	**$ -**
TRANSFERS IN:			
School Operating Fund			
Building Maintenance	$ 13,500,000	$ 6,000,000	$ (7,500,000)
Classroom Equipment	1,848,000	1,848,000	-
Facility Modifications	600,000	600,000	-
Turf Fields	3,650,097	3,650,097	-
County General Fund			
Joint BOS/SB Infrastructure Sinking Reserve	$ 15,600,000	$ 23,100,000	$ 7,500,000
Total Transfers In	**$ 35,198,097**	**$ 35,198,097**	**$ -**
Total Receipts and Transfers	**$ 266,729,097**	**$ 266,729,097**	**$ -**
Total Funds Available	**$ 267,301,679**	**$ 267,301,679**	**$ -**
EXPENDITURES AND COMMITMENTS:			
Expenditures	$ 267,301,679	$ 267,301,679	$ -
Total Disbursements	**$ 267,301,679**	**$ 267,301,679**	**$ -**
ENDING BALANCE, JUNE 30	**$ -**	**$ -**	**$ -**

FOOD AND NUTRITION SERVICES FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ 24,928,652**	**$ 24,928,652**	**$ -**
REVENUE:			
State Aid	$ 2,032,993	$ 2,032,993	$ -
Federal Aid	59,726,580	59,726,580	-
Food Sales	41,711,924	41,711,924	-
Other Revenue	958,033	958,033	-
Total Revenue	**$ 104,429,529**	**$ 104,429,529**	**$ -**
Total Funds Available	**$ 129,358,181**	**$ 129,358,181**	**$ -**
EXPENDITURES:			
Expenditures	$ 104,429,529	$ 104,429,529	$ -
Food and Nutrition Services General Reserve	24,928,652	24,928,652	-
Total Disbursements	**$ 129,358,181**	**$ 129,358,181**	**$ -**
ENDING BALANCE, JUNE 30	**$ -**	**$ -**	**$ -**

ADULT AND COMMUNITY EDUCATION FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ -**	**$ -**	**$ -**
REVENUE:			
State Aid	$ 1,144,769	$ 1,144,769	$ -
Federal Aid	2,298,151	2,298,151	-
Tuition and Fees	4,720,985	4,720,985	-
Other	155,000	155,000	-
Total Revenue	**$ 8,318,905**	**$ 8,318,905**	**$ -**
TRANSFERS IN:			
School Operating Fund	$ 1,396,250	$ 1,396,250	$ -
Total Transfers In	**$ 1,396,250**	**$ 1,396,250**	**$ -**
Total Receipts and Transfers	**$ 9,715,155**	**$ 9,715,155**	**$ -**
Total Funds Available	**$ 9,715,155**	**$ 9,715,155**	**$ -**
EXPENDITURES:	**$ 9,715,155**	**$ 9,715,155**	**$ -**
ENDING BALANCE, JUNE 30	**$ -**	**$ -**	**$ -**

GRANTS AND SELF-SUPPORTING PROGRAMS FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1			
Grants	$ -	$ -	$ -
Summer School	-	-	-
Total Beginning Balance	**$ -**	**$ -**	**$ -**
RECEIPTS:			
Grants			
State Aid	$ 8,886,281	$ 8,886,281	$ -
Federal Aid	48,847,401	50,152,374	1,304,974
Unallocated Grants	6,000,000	6,000,000	-
Summer School			
State Aid	470,042	470,042	-
Tuition	3,048,051	3,048,051	-
Industry, Foundation, Other	80,000	80,000	-
Total Receipts	**$ 67,331,775**	**$ 68,636,748**	**$ 1,304,974**
TRANSFERS IN:			
School Operating Fund (Grants)	$ 15,096,815	$ 15,096,815	$ -
School Operating Fund (Summer School)	14,556,398	14,556,398	-
County - Cable Communications Fund (Grants)	1,571,213	1,393,066	(178,147)
Total Transfers In	**$ 31,224,426**	**$ 31,046,279**	**$ (178,147)**
Total Funds Available	**$ 98,556,201**	**$ 99,683,027**	**$ 1,126,827**
EXPENDITURES:			
Grants	$ 74,401,710	$ 75,528,536	$ 1,126,827
Unallocated Grants	6,000,000	6,000,000	-
Summer School	18,154,491	18,154,491	-
Total Expenditures	**$ 98,556,201**	**$ 99,683,027**	**$ 1,126,827**
Total Disbursements	**$ 98,556,201**	**$ 99,683,027**	**$ 1,126,827**
ENDING BALANCE, JUNE 30	**$ -**	**$ -**	**$ -**

SCHOOL INSURANCE FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
Workers' Compensation Accrued Liability	$ 45,074,000	$ 45,074,000	$ -
Other Insurance Accrued Liability	12,738,000	12,738,000	-
Allocated Reserves	8,647,179	8,647,179	-
BEGINNING BALANCE, JULY 1	**$ 66,459,179**	**$ 66,459,179**	**$ -**
RECEIPTS:			
Workers' Compensation			
School Operating Fund	$ 19,138,928	$ 19,138,928	$ -
School Food & Nutrition Services Fund	324,284	324,284	-
Other Insurance			
School Operating Fund	12,245,202	12,245,202	-
Total Receipts	**$ 31,708,414**	**$ 31,708,414**	**$ -**
Total Funds Available	**$ 98,167,593**	**$ 98,167,593**	**$ -**
EXPENDITURES:			
Workers' Compensation Administrative Expenses	$ 1,135,476	$ 1,135,476	$ -
Workers' Compensation Claims Paid	17,036,649	17,036,649	-
Workers' Compensation Claims Management	2,800,000	2,800,000	-
Other Insurance	14,396,418	14,396,418	-
Allocated Reserves	4,987,050	4,987,050	-
Total Expenditures	**$ 40,355,593**	**$ 40,355,593**	**$ -**
ENDING BALANCE, JUNE 30	**$ 57,812,000**	**$ 57,812,000**	**$ -**
Available Ending Balance	**$ 57,812,000**	**$ 57,812,000**	**$ -**
Restricted Reserves			
Workers' Compensation Accrued Liability	$ 45,074,000	$ 45,074,000	$ -
Other Insurance Accrued Liability	12,738,000	12,738,000	-
Total Reserves	**$ 57,812,000**	**$ 57,812,000**	**$ -**
AVAILABLE ENDING BALANCE	**$ -**	**$ -**	**$ -**

SCHOOL HEALTH AND FLEXIBLE BENEFITS FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ 55,364,638**	**$ 55,364,638**	**$ -**
RECEIPTS:			
Employer Contributions	$ 418,767,167	$ 418,767,167	$ -
Employee Contributions	112,239,096	112,239,096	-
Retiree/Other Contributions	74,938,444	74,938,444	-
Interest Income/Rebates	94,580,089	94,580,089	-
Subtotal	**$ 700,524,797**	**$ 700,524,797**	**$ -**
Flexible Accounts Withholdings	$ 12,090,715	$ 12,090,715	$ -
Total Receipts	**$ 712,615,512**	**$ 712,615,512**	**$ -**
Total Funds Available	**$ 767,980,150**	**$ 767,980,150**	**$ -**
EXPENDITURES/PAYMENTS:			
Health Benefits Paid	$ 582,739,807	$ 582,739,807	$ -
Premiums Paid	101,579,353	101,579,353	-
Claims Incurred but not Reported (IBNR)	35,595,400	35,595,400	-
IBNR Prior Year Credit	(30,730,000)	(30,730,000)	-
Health Administrative Expenses	14,089,685	14,089,685	-
Subtotal	**$ 703,274,245**	**$ 703,274,245**	**$ -**
Flexible Accounts Reimbursement	$ 12,090,715	$ 12,090,715	$ -
FSA Administrative Expenses	252,834	252,834	-
Subtotal	**$ 12,343,550**	**$ 12,343,550**	**$ -**
Total Expenditures	**$ 715,617,794**	**$ 715,617,794**	**$ -**
ENDING BALANCE, JUNE 30	**$ 52,362,356**	**$ 52,362,356**	**$ -**
Less:			
Premium Stabilization Reserve	$ 52,362,356	$ 52,362,356	$ -
AVAILABLE ENDING BALANCE	**$ -**	**$ -**	**$ -**

EDUCATIONAL EMPLOYEES' SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ 3,670,883,187**	**$ 3,670,883,187**	**$ -**
REVENUE:			
Contributions	$ 215,175,529	$ 215,175,529	$ -
Investment Income	309,650,000	309,650,000	-
Total Revenue	**$ 524,825,529**	**$ 524,825,529**	**$ -**
Total Funds Available	**$ 4,195,708,716**	**$ 4,195,708,716**	**$ -**
EXPENDITURES:	**$ 275,949,897**	**$ 275,949,897**	**$ -**
ENDING BALANCE, JUNE 30	**$ 3,919,758,818**	**$ 3,919,758,818**	**$ -**

SCHOOL OTHER POST-EMPLOYMENT BENEFITS TRUST FUND STATEMENT

	FY 2027 Advertised	FY 2027 Approved	Variance
BEGINNING BALANCE, JULY 1	**$ 274,956,878**	**$ 274,956,878**	**$ -**
REVENUE:			
Employer Contributions	$ 23,902,000	$ 23,902,000	$ -
Net Investment Income	5,000,000	5,000,000	-
Total Revenue	**$ 28,902,000**	**$ 28,902,000**	**$ -**
Total Funds Available	**$ 303,858,878**	**$ 303,858,878**	**$ -**
EXPENDITURES:			
Benefits Paid	$ 18,902,000	$ 18,902,000	$ -
Administrative Expenses	125,500	125,500	-
Total Expenditures	**$ 19,027,500**	**$ 19,027,500**	**$ -**
ENDING BALANCE, JUNE 30	**$ 284,831,378**	**$ 284,831,378**	**$ -**