EDUCATION

DESCRIPTION

Grounded by its strategic plan, Journey to 2030, Henrico County Public Schools (HCPS) is responsible for the instructional programming, construction, operation, educational research, student testing and assessment, program audit services, policy management, and maintenance of educational facilities in the County. The School Board, elected by the voters of Henrico County by magisterial district, is charged with providing a total educational environment to prepare the students of today for the world of tomorrow. The Superintendent, appointed by the School Board as the Chief Administrative Officer, is charged with establishing and supervising the policies of the Henrico County Public Schools in accordance with the laws of the Commonwealth of Virginia, the regulations adopted by the State Board of Education, and the directives of the Henrico County School Board, which are guided by the mission statement: *Henrico County Public Schools, through engagement with our families and community, equips students with the knowledge and skills to be ready for life and a successful future.*

The HCPS divisions of Chief of Staff; School Leadership; Operations; Learning; Finance and Administration; Human Resources; Empowerment, Development, and Opportunity; Communications; Family and Community Engagement; and School Board and Superintendent have been established to accomplish the educational objectives of the county. A description of each follows:

The **Division of the School Board and the Superintendent** is responsible for complying with federal and state laws, regulations, and standards, and conducting policy management, constituency services, educational research, student testing and assessment, and program audit services.

The **Division of the Chief of Staff** oversees policy, constituent services, and the department of assessment, research, and evaluation

ANNUAL FISCAL PLAN SUMMARY

Description	FY25 Actual	FY26 Original	FY27 Approved	% Change
Personnel	$694,354,857	$734,495,745	$748,624,950	1.9%
Operation	118,183,814	135,067,119	146,037,974	8.1%
Capital	25,562,770	19,521,150	19,626,243	0.5%
Debt Service	53,630,933	54,908,638	57,105,576	4.0%
Total	$891,732,374	$943,992,652	$971,394,743	2.9%
Personnel Complement	7,867	8,064	8,170	105
Superintendent's Reserve	0	0	62	62
Average Daily Membership	49,007	48,973	48,864	(109)

DESCRIPTION (CONTINUED)

The **Division of School Leadership** provides a supportive structure that develops current and future school leaders. The division creates a climate of collaboration by establishing structures that foster shared learning across all 74 schools and centers. It includes the department of disciplinary review.

The **Division of Operations** supports building construction and maintenance, warehousing, pupil transportation, planning, technology, and school safety and security.

The **Division of Learning** includes the departments of teaching, learning, innovation, exceptional education, student support and wellness, alternative programs and engagement, federal programs and foundational learning, and professional leadership. These departments provide instructional programs to students in pre-K through 12th grade and provide support in the areas of exceptional education, foundational learning, school counseling, professional development, school quality, school psychology, school social work, school-based mental health, student health services, and extended learning.

The **Division of Finance and Administration** includes the areas of school finance, budget, payroll, and school nutrition services.

The **Division of Human Resources** provides support to all HCPS divisions through recruitment, selection, assignment, evaluation of personnel, and support for Oracle, as well as the school division's human resources management system.

The **Division of Empowerment, Development, and Opportunity** develops, implements, and assesses the school division's short and long-range equity and cultural diversity strategic plans, and coordinates related professional development for staff members

The **Division of Communications** supports meaningful two-way communication with students and their families, employees, and the Henrico community. The communications team is also responsible for media, television, and legislative services.

Finally, The **Division of Family and Community Engagement** provides support to various HCPS divisions through guidance and direction for engagement strategies, connections to families and communities, and best practice frameworks regarding the school division's family and community engagement efforts.

OBJECTIVES

- All students will engage in rigorous and meaningful learning experiences to build character and develop knowledge, citizenship, communication, collaboration, critical thinking and creative thinking skills.
- All students and staff will learn and work in safe, welcoming, and innovative spaces.

Education

- All students and staff will be provided the opportunity to engage in support and services designed to address physical, social, emotional, and mental health.
- All students will benefit from the support and expertise of staff who are valued as professionals, recognized for their contributions, and well compensated for their work.

BUDGET HIGHLIGHTS

The total County Manager's Recommended Budget for Henrico County Public Schools in FY27, which includes the General Fund, School Cafeteria Fund, State and Federal Grants Fund, and the education portion of the Debt Service Fund, is $970,994,743. This reflects an increase of $27,002,091, or 2.9%, when compared to the FY26 approved budget.

Description	FY25 Actual	FY26 Original	FY27 Approved	% Change
Personnel	$637,567,836	$669,719,781	$691,492,020	3.3%
Operation	72,961,948	79,240,592	83,410,733	5.3%
Capital	19,489,907	15,096,695	14,217,835	(5.8%)
Total	$730,019,691	$764,057,068	$789,120,588	3.3%
Personnel Complement	7,019	7,216	7,307	91
Superintendent's Reserve			62	62
Average Daily Membership	49,007	48,973	48,864	(109)

The total Manager's recommended General Fund budget, as shown above, is $789,120,588 and represents 81.2% of the total HCPS budget. The General Fund reflects an overall increase of $25,063,520, or 3.3% when compared to the FY26 budget. The funding for the General Fund budget is accounted for as follows: State revenues are expected to fund $429,550,000 or 54.4% of the FY27 budget, Federal revenues account for $385,000, and local resources fund $359,185,588. Of the General Fund increase, $24,538,520 or 97.9% is local funding. In order to balance to reduced State revenues, this budget includes an operating adjustment of $22,921,712, which is equivalent to 3% of HCPS's FY26 approved budget. Working with the Superintendent to bring this budget proposal to balance, adjustments have been made throughout the budget to deploy these changes.

HCPS' personnel component includes a salary increase, an increase for employee health insurance, continuation of career ladders, and additional funding for 91 positions added by the School Board since the FY26 approved budget. Again, working with the Superintendent a recommended adjustment of 62 positions, to the Superintendent's reserve complement was made.

The operating component of the General Fund budget includes $3,000,000 to meet utility rate increases for existing, new and renovated buildings.

Education

A total of $678,585 and 5 positions and the telehealth contract for the third-year expansion of the Henrico CARES program, bringing the 3-year total to 15 HCPS positions supporting the mental health and wellness of Henrico's youth and families. In an environment where students with mental health disorders experience three times higher rates of suspension and expulsion and where one in five children have had or will have a serious debilitating mental illness. This spending continues a multi-year effort in partnership with Henrico Mental Health and private providers offering all children in Henrico County access to high quality and timely mental health care and related services. The mission is to provide a comprehensive mental health system with Henrico County Public Schools' children, youth, and families that can be easily accessed and navigated with a full array of coordinated and integrated mental health services of various levels of intensity.

Cares Support

	Positions	Personnel	Operating	Total
FY25	5	$497,542	$673,842	$1,171,384
FY26	5	522,342	0	522,342
FY27	5	534,585	144,000	678,585
FY28*	5	558,139	0	558,139
FY29*	5	558,139	0	558,139
Total	25	$2,670,747	$817,842	$3,488,589

* Planned

To provide a future ready education to the students in Henrico County, Education's FY27 General Fund and Special Revenue Fund Budgets include $35,996,532 for technology, which includes funding for laptop leases. The laptop initiative began in FY02 when the School division entered into an agreement to provide laptop computers to all high school students and 7th and 8th graders. In FY03, the agreement was amended to include 6th-grade students. The projected cost for the laptop initiative in FY27 is $10,564,826, which is a decrease of $435,177 or 4.0% compared to FY26.

There are two components of the HCPS budget included in the Special Revenue Fund. These components are the School Cafeteria Fund and the State and Federal Grants Fund. There are no local tax dollars allocated to these funds except for support for the Children's Services Act (CSA). In the case of grants within the State and Federal Grant Fund that require a local match, those dollars are provided through utilization of General Fund expenses.

The FY27 budget for the School Cafeteria Fund is $34,820,772, which reflects a decrease of $589,632 or 1.7% compared to the FY26 budget. The budget includes salary and benefit adjustments including support for an annual salary increase.

The FY27 budget for the State and Federal Grants Fund is $90,347,807, which reflects an increase of $731,265 or 1.0% when compared to the FY26 approved budget. The budget includes salary and benefit adjustments including support for an annual salary increase offset by the inclusion of an operating decrease of $2,208,308 aligned with the grant reserve and not associated with the CSA portion of the budget, which is equivalent to 3% of the FY26 approved budget. Special revenue funding will be adjusted during FY27 as grant opportunities arise since this fund is where HCPS accounts for grant funds, mostly from the Commonwealth of Virginia or the Federal Government. Examples include the Title I-A program, the Algebra Readiness Grant, and the Head Start Program. Included in the FY27 State and Federal Grants fund is $16,006,273 in grant funding related to the Children's Services Act (CSA). These funds are expected to cover expenses for children referred for CSA services by HCPS, including private day placements for students in foster care. Additional information can be found in the CSA narrative, located elsewhere in this document.

The amount budgeted for debt service related to education is $57,105,576, which reflects an increase of $2,196,938 or 4.0% compared to the last fiscal year and includes a projection for the third debt issue associated with the 2022 General Obligation (G.O.) Bond Referendum. The education debt service is for outstanding debt related to the issuance of G.O. bonds and bonds issued through the Virginia Public School Authority (VPSA). More information on debt issued and total debt service can be found in the debt service fund narrative within this document.

The capital budget for HCPS in FY27 totals $84.0 million. This includes $46.0 million for projects from the 2022 G.O. Bond referendum. A total of $40.0 million is for the construction of a Fairfield Area Elementary School, and $6.0 million is to initiate and plan the Highland Springs Elementary School replacement. In FY27, funding of $38.0 million will go towards maintenance projects including $9.0 million of meals tax for maintenance capital projects, $6.0 million for school bus replacements, $20.0 million will be allocated for mechanical improvements, $1.0 million to continue Playground replacements, and $2.0 million for technology infrastructure.

County and School leadership continue to work together to improve efficiency and optimize service and cost savings by combining services. Operations already combined include accounts payable, payroll, Enterprise Planning, County Attorney, Purchasing, Risk Management, Print Shop, Crossing Guards, School Resource Officers, athletic field maintenance, and MS4 initiatives. In FY18, the technology section for HCPS began collaborating with the general government's Information Technology Department to gain efficiencies within the data storage. In FY19, the County Attorney's budget included a new attorney position for HCPS' special education cases. In FY20, the Internal Audit functions of HCPS and the general government were combined to reduce redundant operations. The FY27 budget includes the beginning of a process to consolidate the HCPS non-bus vehicle fleet into CAM with incremental funding for fleet replacement planned for successive budgets based on consolidation efficiencies and results. Additionally, support has been added to the Recreation and Parks budget to maintain all Middle School athletic fields, removing this burden from HCPS. Combining activities is a continued effort to direct more budget resources to student instruction. In FY26, the school division took part in a fiscal health assessment, similar to the one conducted by General Government, to find $6 million in recommended efficiencies across HCPS general fund operations.