

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Education
Virginia Administrative Code (VAC) Chapter citation(s)	8 VAC 20-281
VAC Chapter title(s)	Regulations Governing Jointly Owned and Operated Schools and Jointly Operated Programs
Action title	Periodic Review
Date this document prepared	August 30, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Periodic Review

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. Indirect Costs: Describe the indirect costs of the proposed change. Direct Benefits: Describe the direct benefits of this proposed change here. Indirect Benefits: Describe the indirect benefits of the proposed change.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. Indirect Costs: Describe the indirect costs of the proposed change. Direct Benefits: Describe the direct benefits of this proposed change here. Indirect Benefits: Describe the indirect benefits of the proposed change.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Describe the direct costs of this proposed change here. Indirect Costs: Describe the indirect costs of the proposed change. Direct Benefits: Describe the direct benefits of this proposed change here. Indirect Benefits: Describe the indirect benefits of the proposed change.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: There are no direct costs. Indirect Costs: There are no indirect costs. Direct Benefits: By establishing a joint board and managing schools or programs collectively, local partners benefit from shared costs, reducing the financial burden on individual school boards for expenses like infrastructure, staffing, and maintenance. The joint operation leads to economies of scale, where purchasing supplies, hiring staff, and maintaining facilities become less costly per unit due to the larger scale of operation. Indirect Benefits: The regulation leads to more efficient operations, as shared governance streamlines decision-making processes and reduces redundancy, indirectly saving costs over time. Local partners indirectly benefit from better resource allocation across schools and programs, thereby leading to potential cost savings in areas like curriculum development, special education, or technical programs.
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	<p>Jointly operated programs, particularly specialized ones like Governor's schools or career and technical centers, typically lead to improved educational outcomes, which, while difficult to monetize, are a significant benefit.</p> <p>The regulation fosters stronger collaboration among school boards, leading to shared best practices, improved professional development for staff, and a more unified approach to addressing regional educational needs.</p>	
(4) Assistance		
(5) Information Sources		

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs.</p> <p>Indirect Costs: There are no indirect costs.</p> <p>Direct Benefits: Families could see direct benefits if the regulation results in the creation or maintenance of specialized educational programs, such as Governor's schools or technical education centers. These programs can provide higher-quality education or unique opportunities that might otherwise require expensive private schooling.</p> <p>If the joint programs enhance the quality of public education, families might save on costs associated with private education or tutoring, which they might have otherwise considered to compensate for a perceived lack of quality in local public schools.</p> <p>Indirect Benefits:</p>
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	<p>Better-managed schools and programs can lead to improved educational outcomes for students, which may have long-term economic benefits for families, such as higher future earnings for children due to better educational opportunities.</p> <p>High-quality regional schools can enhance local property values, indirectly benefiting families who own homes in the area. This is an indirect financial benefit, as better schools typically make neighborhoods more desirable.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	<p>Families might benefit from the broader range of programs and services available through joint schools, which can offer a more enriching educational experience for students. This could include access to advanced coursework, specialized extracurricular activities, or better resources, all of which contribute to a more well-rounded education.</p> <p>The regulation could foster a sense of broader community among families from different localities who come together through regional schools and programs. This enhanced social network can provide additional support and resources for families.</p>	
(4) Information Sources		

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs.</p> <p>Indirect Costs: There are no indirect costs.</p> <p>Direct Benefits: If the regulation leads to the expansion of programs or the construction of new facilities, small businesses in construction, supply, or related industries might see a direct increase in demand for their services. This could lead to higher revenues from contracts with the joint board.</p> <p>Small businesses that specialize in educational services or supplies might benefit from new contracting opportunities as the joint board seeks to standardize or expand its offerings across multiple schools.</p> <p>Indirect Benefits:</p>
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	<p>The regulation could lead to more stable, long-term contracts for small businesses as the joint board might prefer to establish consistent relationships with service providers. This could provide small businesses with a more predictable revenue stream. Small businesses might benefit indirectly if they are able to negotiate better terms with suppliers or reduce their own costs through increased volume or more consistent business with the joint board, taking advantage of economies of scale.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)	<p>Successfully working with a joint board and managing contracts that span multiple schools could enhance a small business's reputation, potentially leading to more business opportunities within and outside the education sector.</p> <p>The regulation creates opportunities for small businesses to network with other vendors and stakeholders involved in the joint operation, leading to potential partnerships or collaborative opportunities that could benefit the business in the long term.</p>	
(4) Alternatives		
(5) Information Sources		

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
	(M/A):				
	(D/A):				
	(M/R):				
	(D/R):				
				Grand Total of Changes in Requirements:	(M/A):
					(D/A):
					(M/R):
					(D/R):

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself.

(D/A): Discretionary requirements affecting agency itself.

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies.

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).