

BOSTON PUBLIC SCHOOLS



OFFICE OF THE SUPERINTENDENT

February 5, 2010

Dear Boston Public Schools Staff:

This week, we presented to the Boston School Committee our preliminary budget recommendation totaling \$809 million for the 2010 – 2011 school year. I am writing to keep you up to date on the budget review process, and to underscore our need to work together to see our school district through these difficult economic times.

The Fiscal Year 2011 budget builds on the work we have done this year to move the Acceleration Agenda forward by funding key priorities and programs. Despite our budget challenges, we have continued to invest in the work in our classrooms. This budget proposes an additional \$10 million to increase the number and quality of programs for English Language Learners (ELLs) to ensure that every ELL student receives appropriate instruction. Through grants and private funds, we continue to expand literacy and mathematics initiatives, Advanced Placement courses, safety nets, arts and athletic opportunities. Through the American Reinvestment and Recovery Act (ARRA), we expect to provide funds to support our turnaround schools, special education reform, and other critical areas.

Even with these investments, we cannot ignore the financial realities we face. As you know, the last few years we have experienced a pattern of declining revenues while facing rising costs.

Fiscal Year 2011 will prove no exception, as we encounter:

- \$28 million in increased cost of doing business due to rising salaries, health benefits, and transportation costs;
- \$11 million in federal and state grant losses;
- \$8 million reduction in our target appropriation from the City of Boston.

These financial realities, combined with our commitment to increase our investment in ELL students, created a \$57.7 million challenge for the district at the start of our Fiscal Year 2011 budget development. We have made progress in closing the gap by taking the following steps:

- \$11 million from central office reductions and consolidations;
- \$1.3 million in savings due to no step increase for FY11 for all management employees, principals and headmasters (see second attachment for further detail);
- \$7 million in cost savings from schools;
- \$5.9 million in additional strategic reductions.

Despite this progress, a gap of \$32.5 million remains. The choices for closing the gap are more difficult than previous years, as we have already had several years of significant reductions.

Areas that we will explore include the following:

- Additional reductions to the central office
- Transportation / student assignment
- Collective bargaining
- Program changes
- School closings

We know that any of these options would be difficult to pursue at this time. However, we are facing tough challenges that require difficult choices, and nothing can be off the table.

As we confront the serious challenges for Fiscal Year 2011, we are also looking ahead to Fiscal Year 2012. Unfortunately, the financial landscape only worsens: \$31 million in ARRA funding goes away, and additional charter schools come on line due to the lifting of the cap. We cannot continue on a path of incremental reductions. The fiscal challenges at the state and local level require us to look for solutions from within BPS. We will begin immediately to identify strategies that will help us address this fiscal gap. If we avoid these difficult decisions, we put the Acceleration Agenda and all of our schools and programs at risk. Our intent is not to scare our staff or the community, but to provide a realistic view of what we face.

We invite you to attend one of our budget hearings prior to the School Committee vote on March 24th. Please visit our website for more details (www.bostonpublicschools.org/budget) and we look forward to receiving your feedback and ideas on strategies for FY11 and beyond.

We must create a pathway to success that will put us in the strongest position for the long term. Through decisive action, creative problem-solving, the use of all available strategies, and a commitment to provide a world class education for all children, we will deliver on our mission to graduate all students prepared for college and career success. Their future is our future. We appreciate and thank you for your continued service on behalf Boston's students.

Sincerely,



Carol R. Johnson
Superintendent