



CHESTERFIELD COUNTY PUBLIC SCHOOLS

Marcus J. Newsome, Ed.D., Superintendent

Dec. 8, 2008

Dear colleague,

Last week in the Chesterfield County Public Schools employee newsletter, I wrote about the daunting challenges to the FY2010 budget that are presented by the current state and local economic climate. These are unprecedented times to which few people in the community, state or country are immune. I write today to provide additional information in an ongoing effort to ensure our employees are informed and knowledgeable about the difficult decisions that are ahead.

Most recent projections show that Chesterfield County Public Schools will face a \$38.4 million budget reduction in state and local revenue to CCPS for FY2010. We are awaiting firmer budget figures from the commonwealth; it is possible this budget crisis could become more severe. Currently, it is projected that we will receive \$15 million less in state funding, \$14 million less in county funding, \$4.8 million less in state sales tax funding and \$4.6 million less in state funding for enrollment purposes.

The Superintendent's Budget Advisory Committee met last week for the first time. This group of internal and external stakeholders is charged with providing me recommendations regarding potential cuts we will be forced to make in the FY2010 budget.

My top priority is protecting the integrity of every classroom. However, this economic crisis ultimately will impact every employee in our division and every student we serve. Approximately 80 percent of our operating budget is devoted to compensation and benefits. Another 16 percent goes to fixed expenditures such as debt service, capital improvement program reserve, central services (certain activities have been consolidated with the county government to achieve cost efficiencies), utilities, risk management, etc. Administrative costs are 2.4 percent, which is lower than the state average.

Recent audits have shown that Chesterfield County Public Schools is one of the most efficient school divisions in Virginia. Traditionally, Chesterfield has the lowest cost per student when compared to other large localities, so cutting almost \$38 million from the operating budget will be difficult. With a projected operating budget less than it was three years ago when we served almost 1,000 fewer students, we are now forced to do more with less.

The FY2010 budget approved in 2008 included a 1 percent pay raise for all employees.

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Unfortunately, that will not occur at this time. As approved, the FY2010 budget also included an increase in pupil-teacher ratios in middle and high schools. We now must consider raising pupil-teacher ratios across the board with the potential of an even larger increase. I noted in recent presentations to administrators, teacher representatives and parents that positions not required by the Standards of Quality could be eliminated as well. That means we will be looking at staffing standards in the Central Office, in school administration, in the classroom and in instructional and clerical support positions. Some positions will have to be eliminated.

It is our hope that this will not be an overall reduction in the workforce, but based on the information we just received from state and local government leaders the economic situation has grown much worse since the beginning of the school year. As recently as mid-October, budget figures from state and local government leaders indicated that any potential budget cuts could be made with a minimal direct impact on instruction. While the annual attrition of employees will allow us to place many employees whose current positions may be eliminated, the current reality is that attrition of employees alone now will not cover the widening reduction of state and local funding.

We will continue to share information as it becomes available to us. This news is not something that I enjoy sharing. However, I feel a professional, moral and personal obligation to inform our hard-working, dedicated employees of the challenges ahead. Thank you for the personal commitment that you have made to our children to help make this school division what it is today, an award-winning system that is widely recognized as a Virginia leader in public education.

Sincerely,

A handwritten signature in blue ink that reads "Marcus J. Newsome". The signature is written in a cursive, flowing style.

Marcus J. Newsome, Ed.D.