

SUPERINTENDENT'S REPORT

2009-2010 Budget Consolidation of District Sites and Programs

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There is no doubt that the world economy represents a financial crisis. Thanks to the federal stimulus package, signed by President Obama, the State of New Jersey has been able to avoid catastrophic budget cuts to public education. However, due to increased contractual and operating costs, most municipalities and school districts are facing significant reductions in personnel, programs, and services.

Last week, the Paterson Public School District was notified that it will receive flat funding or no increase in funding for the 2009-2010 school year. Subsequently, the State has eliminated \$1 million in funding for adult education and tuition for charter schools will increase by \$1 million, representing a \$2 million reduction in funding for district programs and services. Increases in contractual obligations (e.g., leases, out-of-district tuition, insurance premiums, etc.) and operating expenses (e.g., utilities, fuel, food services, transportation services, etc.) will further reduce available funds. The district is currently in prolonged salary negotiations with the Paterson Education Association, and the projected cost of salaries and benefits for current employees over the two year period will not decrease significantly, if at all.

At the same time, the Paterson Public School District has experienced a significant increase in the number of at-risk students requiring additional academic support and/or special education programs and services. The Paterson Public School District and several low performing schools must be restructured. Consequently, the Paterson Public School District has been forced to reduce administrative and operational expenses and reallocate financial and human resources to increase instructional support and improve student performance.

At its strategic planning session earlier this year, the Board of Education established five priorities for the 2009-2010 school year:

- Improve the quality of language arts and mathematics instruction in preschool and early primary grade levels;
- Increase academic assistance for students who have not yet attained proficiency in language arts and mathematics;
- Improve guidance programs and services;
- Expand alternative programs, schools of choice, and new instructional technology to increase learning opportunities, increase student performance, and reduce dropouts; and
- Reduce administrative and operational expenses.

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To achieve these priorities with fewer financial resources, the administration has implemented the following:

- Consolidate administrative offices from six buildings to a single building to eliminate leases and reduce operational expenses;
- Investigate the sale of obsolete and/or surplus administrative buildings;
- Consolidate/relocate elementary programs and schools to eliminate leases, expand enrollment opportunities in elementary magnet schools and career academies, reduce student mobility, and reduce operational expenses;
- Reduce district administrative and supervisory staff as a result of consolidation and reorganization;
- Reduce building administrative staff as a result of consolidation;
- Reduce support (custodian, instructional aide, secretary, and security) personnel as a result of consolidation and reorganization;
- Reallocate teaching positions, not currently providing direct instruction to students, to increase academic support for students;
- Reduce teaching positions at the elementary (consolidation) and high school levels (loss of student enrollment);
- Redesign federal and state grants to offset the cost of academic support and inclusion teachers; and
- Severe reduction, and possible elimination of the adult school program.

While the elimination of some programs and the reduction of personnel are always difficult, the Paterson Public School District is no different than any of the big three automobile companies; that is, we must adapt and restructure if we are going to be successful. These reallocations and reductions are necessary to offset contractual and inflationary increases within a zero increase budget and provide the instructional resources necessary to support basic educational programs and services. Natural attrition through resignation, leave of absence, and retirement should minimize the impact of personnel reductions.

Despite the economic crisis, the preliminary budget for the 2009-2010 school year provides for:

- An increase in the per pupil allocation for instructional materials and supplies at all levels;
- An increase in academic support and/or inclusion teachers at all levels;
- Expansion of B.U.I.L.D. Academy from grades 6-8 to K-8 to reduce enrollment in School 27 and School 5;
- Establishment of an elementary magnet program at the Dr. Frank Napier, Jr. School to expand enrollment opportunities;
- Expansion of the Academy of Performing Arts from 6-8 to K-8 and relocating it to School 6 as an elementary magnet school to expand enrollment opportunities;
- Relocation of the Alternative Middle School from a leased facility to a district owned building on Smith Street to expand enrollment opportunities;

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- Consolidation of attendance areas for School 12 and School 17 so that all students will attend Dale Avenue in grades K-2 and move to School 12 for grades 3-8;
- Relocate the Urban Leadership Academy from two leased facilities to School 17;
- Purchase of new instructional technology to implement an accelerated learning program at the middle school level at B.U.I.L.D. Academy and Dr. Frank Napier, Jr. School;
- Purchase of new instructional technology to implement an accelerated learning program in mathematics for all ninth grade students at Eastside and John F. Kennedy High Schools;
- Curriculum upgrades in science at H.A.R.P. and P.A.N.T.H.E.R. Academies and humanities at International High School;
- Implementation of a fair and consistent centralized registration process to increase enrollment opportunities in elementary magnet schools and secondary career academies; and
- Maintenance of athletic programs and extra-curricular activities at the high school level.

While the preliminary budget for the 2009-2010 school year represents over \$16 million in reductions and \$28 million in the reallocation of current resources, I believe this restructuring plan provides sufficient funds to improve and maintain educational programs and services. Implementation of this restructuring plan is a critical first step in meeting the challenge of flat funding for the next two years. Unfortunately, additional reallocation or reductions may be necessary, pending further decreases in revenue, completion of contract negotiations, and any unforeseen emergencies.

Dennis J. Clancy, Ed.D.
Interim State District Superintendent
Paterson Public Schools