



PUBLIC SCHOOLS OF NORTH CAROLINA

STATE BOARD OF EDUCATION Howard N. Lee, *Chairman*

DEPARTMENT OF PUBLIC INSTRUCTION June St. Clair Atkinson, Ed.D., *State Superintendent*

WWW.NCPUBLICSCHOOLS.ORG

February 27, 2009

TO: Superintendents
Finance Officers

FROM: Howard N. Lee, Chairman

Clarification on Possible 2009-11 Budget Reductions Options

This correspondence is for the purpose of providing important clarification regarding the possible budget reduction options for the State Public School Fund for the 2009-11 as submitted by the Department to the Office of State Budget and Management (OSBM).

To review, OSBM requested 3%, 5%, and 7% possible budget reduction options of all state agencies in preparation for their submission of a 2009-11 biennial budget. Those possible reduction options have been sent to OSBM, provided to you, and are posted at <http://www.ncpublicschools.org/docs/fbs/budgetreductionoptions.xls>. It is important to understand that these possible options were neither reviewed by the State Board of Education, nor are they endorsed or recommended by the department. What they represent are possible options as required by OSBM.

These options do not represent definite reductions in the 2009-11 biennial budget. At this time, we do not know which, if any, of these options will be part of Governor Perdue's budget submission, the House or Senate budgets, or, most important, the final budget that is passed by the Legislature and signed by Governor Perdue for 2009-11. Furthermore, we do not yet know what specific impact the federal recovery money will have on preK-12 public education in the budget that emerges from this legislative session.

Please know that the Department of Public Instruction and State Board are committed to working closely with you to provide timely updates on important budget information. In addition to our usual work with the Office of the Governor, OSBM, and the General Assembly, we will be working closely with the Governor Perdue's new Office of Economic Recovery and Investment, which is coordinating and tracking North Carolina's handling of federal recovery funds.

These are historic and challenging times. Your leadership will be critical to ensuring that we make decisions in the best interests of our students and the educators who serve them.

c: Philip Price, Chief Financial Officer
Bill Harrison

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