



Joel I. Klein  
Chancellor

Dear Families,

Our priority since Mayor Bloomberg and I took over the schools has been putting children first, helping them learn and make academic progress. These are tough economic times, but our goal does not change in tough times. It guides us.

Today, our City and our country are facing an economic crisis. Tax revenues are down, and the City has no choice but to cut back. It's hard to cut back—especially in education and especially when we've already been allocating our money wisely and efficiently on behalf of our students. But we cannot spend more money than we have so we have no choice but to find areas where we can save.

This fall, the Mayor directed all City agencies to cut back by 2.5% of their City funds in the current school year and by 5% in the coming school year. For the Department of Education, this means \$180 million and \$385 million in reductions. To achieve this objective in a way that puts children's interests first, we undertook a thorough analysis of every dollar we spend to find efficiencies and consolidate overlapping functions. I have made it clear that it is essential that we cut back in a way that allows schools and students to build on recent progress.

This week, the Mayor announced how we will implement these reductions. I felt strongly that it was important to provide the families of New York City with the details so you understand what is going on and know what to expect.

First, it's important to know that non-school budgets will be reduced by 6.5%, resulting in the elimination of about 475 positions. This represents an 8% reduction of non-school-based staff positions. We will cut back dramatically outside of our schools because we want to do all we can to ensure that our schools remain stable and our students continue learning and making academic progress.

But while we're looking for all the savings we can outside of schools, this effort will not provide a complete solution. Just look at where the money is: we have a budget of \$21 billion. Of that, \$13 billion is at the schools. Of the \$8 billion balance, most of the funds are spent on school support services like food and busing. Only \$400 million supports central expenses like family engagement, teaching and learning, human resources, legal, and technology. Only about \$200 million supports field expenses like the integrated service centers and the school support organizations. It is simply impossible to find all of the required savings outside of schools and still provide the level of support they require.

The goal is to have as little impact on schools as possible, and we believe we have achieved that important objective. The deep reduction to our non-school budgets will enable us to limit cuts to school budgets to a relatively small 1.3% in aggregate. We will suggest that principals consult with their school leadership teams to determine how to implement this reduction. While preserving school budgets is one of our core values, the reductions we are about to withstand will not be pain-free. Reducing costs in non-school budgets affects the level of support that schools receive—and some of those costs affect schools directly. Reductions include reducing publication costs, lowering grading costs, reducing assessment costs, spending less on facilities maintenance and repairs, and reducing teacher recruitment expenditures.

For 2010, under the current budget scenario we will have to cut more deeply at the school level, but we will continue to cut more deeply from non-school budgets than from schools. We will reduce non-school budgets by 8.6% in the next fiscal year and reduce school budgets by 3.5%.

We will be sending you more information in the coming weeks and months. I know these cuts present a challenge for all of us—and, as you know, our economic future still remains uncertain. I thank you for your support for your school and for your child throughout this process.

If you have any questions, please don't hesitate to talk to your principal or your parent coordinator. You can also send an e-mail to [DOEbudget@schools.nyc.gov](mailto:DOEbudget@schools.nyc.gov) with questions or comments.

Sincerely,

A handwritten signature in black ink that reads 'Joel I. Klein'.

Joel I. Klein