



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

BRET SCHUNDLER
Commissioner

April 22, 2010

To Mayors, School Board Presidents and Superintendents:

With the recent defeat of many local school budgets, communities across New Jersey will be required to work together to craft an appropriate spending plan for the next school year. Our Departments have come together to help you understand how this budget review process works and to provide guidance that we hope you will find helpful.

Before turning to that guidance, we encourage you to consider the message sent by the residents of New Jersey on Tuesday as they went to the polls in record numbers for a school election. Clearly the challenge before all of us is significant -- we must find a common ground that preserves and protects the quality of education while reducing the cost to residents and property tax payers.

As you carefully scrutinize each and every line item in the school budget, please avoid reductions which may cause essential learning programs to become ineffective. As you may be aware, school boards may appeal a local governing body's decision. The Commissioner of Education is required to consider the appeal in an impartial manner and if proposed spending reductions would make it impossible for a school district to provide a thorough education to students, the Commissioner will support the district's appeal.

That said, there are ways for school districts to reduce costs without impacting education in the classroom. For instance, during the period of your deliberations and until the state budget is adopted at the end of June, we will be encouraging school districts to continue to work with all their district personnel to voluntarily allow their wages to be frozen for a year. The Department of Education through the County Executive Superintendents will work with districts that achieve wage freezes and/or immediate contributions to the cost of employee health benefits to reconfigure their budgets within the funding levels established through your deliberations and the standards established by the Department.

We would also remind you that the Governor's proposed Toolkit reforms are expected to be available this year and will make district savings possible. These reforms -- which are described in the attachment to this letter -- will be presented to the Legislature in May. We believe they will

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be passed expeditiously and could significantly assist in making it possible for most school districts to achieve further savings and rescind pink slips before any layoffs are actually implemented.

In an effort to provide latitude and flexibility for municipal and school officials, the budget process will be different this year. Due to the extreme economic crisis, the State will be permitting school districts to continue making adjustments long after the usual budgeting process has run its course. This means that school districts will be able to respond in a variety of ways to any reductions recommended by local governing bodies.

Further Guidance for Communities

As noted above, boards of education must submit their spending plans to the local government for review, and then meet with town councils or committees to discuss the proposed budget. We would strongly encourage you as the leaders of your community to come together and to work collaboratively on this very important process.

Local governing bodies will be able to make suggestions about what should be cut. The school board will not be required to follow those specific recommendations. But the board must reduce the budget by the amount the governing body recommends, as long as the recommendations conform to state law.

The Department of Education website provides substantial guidance relative to this process. You can review it by clicking on the links that follow:

- [2010-2011 Defeated Budget Packet](#)
- [2010-2011 Defeated Budget Presentation](#)

The people are counting on you to diligently review the budgets that are presented to you. Operate within the guidelines we have provided and use your best judgment. We or our respective staffs are available to assist you throughout this process.

Sincerely,



Lori Grifa
Acting Commissioner of Community Affairs



Bret Schundler
Commissioner of Education