



**FOR IMMEDIATE RELEASE**

**Contact:** Kathleen Bodie, Ed.D.  
Superintendent of Schools  
Arlington Public Schools  
kbodie@arlington.k12.ma.us  
(781) 316-3501

## **ARLINGTON PUBLIC SCHOOLS -- FACING ONGOING FISCAL CHALLENGES -- SLATED TO RECEIVE \$490,929 FROM FEDERAL EDUCATION JOBS BILL**

ARLINGTON (August 25, 2010) – On Wednesday, the Arlington Public Schools received long-awaited news that the District will receive \$490,929 from the \$26 billion Federal jobs bill that was signed into law by President Obama earlier this month. Ten billion dollars of this appropriation were specifically earmarked to help local school districts throughout the country to preserve jobs.

Reacting to the news, Joseph Curro, chair of the Arlington School Committee said, “I am very pleased that the Federal government has recognized the position that local school districts find themselves in and that the Congress and the President have seen fit to extend this relief. While this is no magic bullet, this assistance will help to make a very tough time a little easier.” Curro said that he expects the School Committee to review administration proposals for use of the new funds when the committee meets later this week.

Even as they prepare for a very difficult year in Fiscal Year 2011, the leadership of the Arlington Public Schools continues working to reconcile the effects of numerous financial shocks in Fiscal Year 2010.

Early last year, in the wake of the national recession, school officials feared a revenue gap of up to \$2.6 million, as the State sharply curtailed local aid, grant and other credit revenue declined, and the District faced unanticipated costs for out-of-district special education placements.

As the magnitude of this problem became apparent, measures were immediately taken to implement a freeze on less crucial expenses and to implement strict purchase order controls. These efforts succeeded in achieving \$1.1 million in savings without mid-year teacher layoffs.

Despite best efforts, the school district has been left with a \$1.5 million shortfall as officials work to close the books on Fiscal Year 2010.

Part of this gap is a result of late payments of grants and fees to the District. These revenues were received after the close of the fiscal year, and the School administration is working with Town officials

on cash management measures to address this issue. Some of these measures will likely require action by a Special Town Meeting in the fall.

Arlington Public Schools leaders are proposing to address the remaining portion of the shortfall through savings in the FY11 budget, which will be available due to conservative estimates of grant, fee, and credits revenue as well as savings through continued tight financial controls.

Discussing the situation, Superintendent of Schools Kathleen Bodie said, "The volatility of out-of-district special education costs always presents a challenge in any year, but an \$800,000 increase in out-of-district costs coupled with \$1.8 million in lost revenue created an enormous strain on the school department last year. Every measure to save money was taken, short of laying off teachers mid-year, which would not have been in the best interest of children. Going forward, our experience last year underscores the importance of planning for the volatility of special education costs when developing the next multi-year fiscal stability plan."

Even as activity continues to resolve lingering issues from fiscal year 2010, Arlington Public Schools Chief Financial Officer Diane Fisk Johnson is rolling out a major initiative to improve the tracking of all school district revenues, salaries, and other expenses. These efforts, which have been underway for many months and have received the strong endorsement of the School Committee, will greatly improve the ability of the School District to track and forecast trends and to flag worrisome trends with greater accuracy. Commenting on the initiative, Ms Johnson said, "The Business Office has been working diligently all year to better refine cost monitoring measures; including the introduction of a purchasing manual, consolidating fee collection practices, creating a formalized position control process and developing a new chart of accounts. We have much better financial monitoring tools in place for FY11."

The Arlington School Committee plans to discuss the situation at a special meeting on Thursday, August 26 at 7:00 p.m.

- end -