



What is the Fulton County School System’s current budget? Where does the money come from?

In June 2009, the school board approved a \$856 million operating budget, commonly referred to as the General Fund, for FY 2010. The general fund consists of three types of revenue – local, state and federal. Local sources total \$562 million, of which \$551 million comes from Fulton County property taxes.

State budget cuts, however, have decreased the amount of revenue that was expected from the state for FY 2010, bringing the budget to approximately \$844 million – an approximate \$11.6 million in reduced funding. State funding sources total \$265.2 million, which includes \$254 million for the system’s main source of state revenue called QBE (Quality Basic Education) funding. Also included in state revenue is approximately \$11.2 million in state grants, such as \$6 million for transportation.

Federal revenue sources total \$17.6 million, of which \$16.9 million is ARRA Stabilization (federal stimulus) funding. Other federal funding includes \$663,000 for the JROTC program.

How is the budget allocated?

The majority of the school system’s budget is spent on services directly related to instruction.

Instruction	\$ 540,862,329
Operations and Maintenance	78,780,022
School Administration	53,244,586
Student Transportation	45,778,368
Pupil Services	31,812,528
Transfer to Capital Projects	24,500,000
Support Services – Business	16,790,990
Improvement of Instructional Services	16,608,820
Other Support Services	15,215,041
Educational Media Services	14,116,265
Support Services – Central	14,090,023
General Administration	2,473,135
Operating Transfers	2,170,015

Total Approved Expenditures \$ 856,442,124

How does the school system determine where money should be focused in the budget?

The school system starts by examining the current year’s budget and then looks for new state and federal mandates that require funding. Then, a budget process calendar is determined by the school board. Superintendent Cindy Loe meets with key leaders in the central office, called the Cabinet, and also works with a budget focus group consisting of school-based and central office administrators. Dr. Loe also seeks ideas from principals at meetings held each month.

In addition, the school board schedules special budget discussions and public hearings. They also engage with parents, members of the general public and other taxpayers at their monthly community meetings. If a community member can’t make it to one of the scheduled school board meetings, he or she can watch the discussion through the Internet, either live during the meeting or through an archived recording.

What are the challenges facing the current year’s budget? What about next year’s budget?

The biggest challenge facing Fulton County Schools, as well as every school district locally and nationally, is the declining revenue caused by a struggling economy. This has caused higher unemployment rates and home foreclosures, which reduces Fulton’s state and local revenue streams. Simply put, less money is coming to the school system yet the cost to maintain programs continues to rise. At the beginning of the current fiscal year, July 1, 2009, Fulton County Schools lost \$11.6 million in state revenue, and the school system anticipates losing another \$13 million before the fiscal year is over, which is June 30, 2010. This is \$23 million in funding that was already allocated to operating the school system and must be trimmed somewhere.

As for the FY 2011 budget, initial reviews of the Governor’s budget indicate more of the same. It is expected that Fulton County Schools will lose approximately \$34.2 in state funds when compared to the original budget for 2010, plus the loss of an additional \$2.8 million in federal stimulus funding.

What did the school system cut during the 2008-09 and 2009-10 school years?

For FY 2009, which was for the 2008-09 school year, \$43.8 million was cut from the budget, and \$62.5 million was cut from the FY2010 budget, which was for the 2009-10 school year. The charts on the next page indicate the areas where budget reductions were made.

How can community members and other interested parties stay involved in the budget process?

The school system recommends that individuals attend school board meetings, including public hearings and community meetings, as well as sign up to receive email news blasts from the school system. Information about this is available on the web site as well as a calendar of all budget meetings and public hearings.

Also, the school system’s tentative budget, once developed, will be available at all Fulton County libraries and posted on the Fulton County Schools web site. In closing, it will be a tough financial year to budget but Superintendent Loe will keep the instruction of children as the Number 1 priority.

2008-09 School Year

Summary of FY 2009 Mid-Year Budget Adjustments and Cuts		Estimated Amount
1.	Froze all non-instructional positions	\$ 1,500,000
2.	Reduced central office overtime	240,000
3.	Reduced SRO overtime	250,000
4.	Scaled back courier delivery	31,000
5.	Delayed language arts adoption until spring	10,000,000
6.	Reduced field trips, except Teaching Museums	500,000
7.	Reduced central department budgets by 5%	1,535,949
8.	Reduced Connect Academy's budget due to enrollment	88,775
9.	Restructured summer school options	795,283
10.	Froze instructional reserve	3,200,000
11.	Saved on land purchase	875,000
12.	Saved on the acceleration of Ison Road project	742,258
13.	Saved on bus parts and radios	398,000
14.	Additional lapsed salary - school based cost center	843,736
Additional FY 2009 Budget Adjustments		
15.	Decreased frozen instructional positions	500,000
16.	Decreased natural gas	642,107
17.	Decreased water and sewer	22,653
18.	QBE health insurance savings	21,694,000
Total FY 2009 Budget Cuts		\$ 43,858,761

2009-10 School Year

Summary of FY 2010 Budget Cuts During Budget Development Process		Estimated Amount
1.	Froze all non-instructional positions	\$ 1,500,000
2.	Reduction to out-of-system travel, software, & registration - depts.	284,000
3.	Reduction to 240 workdays including equivalent to Supt's contract	852,681
4.	Increased class size at K-8 by 1 student and by 2 at 9-12	10,800,000
5.	Eliminated .50 undistributed positions funded in FY2009	3,200,000
6.	Increased square footage from 23,000 to 25,000 for custodial allocations	2,014,000
7.	Did not restore instructional reserve	3,200,000
8.	Eliminated Connected Academy	375,000
9.	Continued delay of K-8 language arts/reading textbook adoption	685,360
10.	Eliminated "hold harmless" for EIP - 10.0 positions	980,000
11.	Reduced work days for all employees except classroom teachers, media specialists, school-based 10-month PAs, school technology specialists and food service managers (currently all 190 day)	8,426,925
12.	Increased dental premiums for employees by \$15 per month	2,000,000
13.	Decreased substitute pay by 10%	1,000,000
14.	Reduced local funding share for Pre-K resource coordinators (two-year phase in)	200,000
15.	Eliminated social security on subs and part time by implementing social security alternative plan that is employee contribution only	1,000,000
16.	Eliminated attendance incentive pay	48,000
17.	Decreased per pupil allotment to schools from \$111.88 to \$90	1,969,200
18.	Revised charter school funding	2,500,000
19.	Eliminated 12.00 central office positions	1,025,643
20.	Reduced Professional Learning	1,414,240
21.	Reduced Maintenance (painting)	1,549,977
22.	Reduced media materials for new schools	165,600
23.	Reduced school-based benefits from 30% to 29.3%	5,500,000
24.	Additional budget cuts to central office - contracted services, in system travel, out-of-system travel, office supplies, etc.	1,421,160
FY 2010 Budget Adjustments after Board-approved Budget Adoption		
25.	3-day furlough for classroom teachers, media specialists, school-based 10-month PAs, school technology specialists and food service managers	8,039,995
26.	Reduced utilities	2,000,000
27.	Delayed paint cycle	406,666
Total FY 2010 Budget Cuts and Adjustments		\$ 62,558,447