

# FLORIDA DEPARTMENT OF EDUCATION



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## MEMORANDUM

**DATE:** June 23, 2008

**TO:** District School Superintendents

**FROM:** Eric Smith, Commissioner

**SUBJECT:** 2008-09 Budget Information

Today the attached memorandum was provided to state agencies indicating that the Governor's Office of Policy and Budget, in collaboration with the House and Senate, has taken the precautionary action of withholding 1 percent from the quarterly releases of general revenue for the 2008-09 state budget for the first three quarters of the fiscal year. The amount of the final quarterly release has not yet been determined. This move is in response to concerns regarding revenue collections during the last several months. You will recall that a holdback of 1 percent was also taken on 2007-08 general revenue quarterly releases.

In light of this action, I am recommending that school districts develop 2008-09 budgets that reflect contingency funding plans that reduce total Florida Education Finance Program (FEFP) expenditures by approximately 2 percent in order to achieve a statewide reduction of 4 percent in state funding. Contingency plans for all other state funded programs, such as Workforce Development and Voluntary Prekindergarten, should continue to include an expenditure reduction of 4 percent. This will allow districts to maintain fiscal stability until the actual status of revenue collections is known.

The current economic circumstances represent a significant challenge and it is important that we work together to maintain the quality of education for our children. As soon as additional information is available, it will be shared with you.