DEREK FIALKIEWICZ, EdD Superintendent ROBIN LINDEEN-BLAKELEY Deputy Clerk REGINA SAMPSON Chief Financial Officer



## CORBETT SCHOOL DISTRICT NO. 39

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 503-261-4236

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16 October 2024

## Cardinal Community,

The Corbett School District had contracted with an outside entity for many years for our accounting and budgeting needs. This is common practice for smaller school districts. Last Spring, we decided to discontinue with these services and hire an in-house CFO employed by CSD, Mrs. Regina Sampson. Over the last few months, Mrs. Sampson, has uncovered significant accounting errors made over the previous few years by the outside contractor, which have placed the district in a challenging financial position. As of now, we are facing a substantial negative ending fund balance that we must correct by the end of the school year. We are currently negotiating compensation from the outside contractor.

Unfortunately, the circumstances that led to this situation were out of the District's control, but we are committed to restoring our financial health while maintaining the quality of education for our students. In order to balance the budget, we will need to implement severe budget cuts totaling around 10% of our overall budget. However, we want to assure you that we are dedicated to keeping class sizes unaffected and protecting the core aspects of our educational mission as well as the safety of our students and staff. Cuts will focus on non-instructional areas wherever possible.

Dr. Fialkiewicz and the entire leadership team are working diligently to make the necessary adjustments. We are also committed to transparency throughout this process and will keep you informed as we proceed.

Our Board of Trustees fully supports Dr. Fialkiewicz and Mrs. Sampson in their efforts to correct the past errors and ensure our district can fully recover. New systems of checks and balances have already been implemented to prevent future issues. Our focus remains on providing the best possible education for our students, despite the financial challenges we currently face. We want to emphasize that we are taking the necessary steps to safeguard our district's current and future ability to provide a high quality education to our students.

Mr. Todd Mickalson, Board Chair, would like to share from the school board's perspective: "Dr. Fialkiewicz and Mrs. Sampson have our full confidence in navigating this situation. Their proactive efforts demonstrate their dedication to both fiscal responsibility and the well-being of our students. We are committed to working together as a team to guide the district through this period of recovery." Thank you for your understanding and support.

Sincerely,

Dr. Derek Fialkiewicz Superintendent Corbett School District

Mr. Todd Mickalson Chair Corbett School Board