



JOEL I. KLEIN, *Chancellor*

DIVISION OF FINANCIAL PLANNING AND MANAGEMENT
52 Chambers Street, New York, NY 10007

SCHOOL ALLOCATION MEMORANDUM NO. 20, FY10

DATE: May 10, 2010

TO: **COMMUNITY SUPERINTENDENTS, HIGH SCHOOL SUPERINTENDENTS, INTEGRATED SERVICE CENTERS AND SCHOOL PRINCIPALS**

FROM: Annie Finn, Director of School Budget Planning and Operations

SUBJECT: **FY09 Deficit Rollover**

Schools unable to absorb their cut or budget adjustments may be allowed deferred payment of the balance based on a 4-year payment plan in order to cover the deficit. Such schools are defined as those that show deficits in select Tax Levy allocation categories which they are unable to fund through reductions of uncommitted or through unscheduled balances in other Allocation Categories, received an allocation restoring part or their entire cut to offset the deficit. The following policies govern the repayment.

- Repayment of the restored cut follows the guidelines below:
 - In the first year of repayment, the lower of (1) a minimum of \$25,000, or (2) 100% of the restored cut was withheld from schools' budgets.
 - Any remaining balances will be repaid during the following 3 years. In Year 2, the minimum payment is 1/3 of the remaining balance after deducting the Year 1 payments. In Year 3 the minimum payment is 1/2 of the balance remaining after deducting Year 1 and Year 2 paybacks. All remaining balances must be paid by Year 4.
- Schools with payback plans will not be permitted to participate in the surplus roll program until repayment is complete.
- Schools with funds available at current year close can apply that surplus amount against their cut only after ensuring that current year liabilities are covered. This process will take place as follows:
 - Schools with restored cuts in FY09 (specifically schools using TL PEG Shortfall, TL Mid Year Hold Harmless, or schools who have not completed their deficit payback from FY 08) will be able to schedule available funds on the "FY09 cut payback" set aside in selected TL Allocation categories on their Galaxy Table of Organization with the help of their ISC. Schools will have until June 30, 2009 to identify surpluses and schedule funds on this set aside line.

- In October, 2009, DFPM will analyze remaining FY09 deficits by applying the same review used in the second half of the surplus roll program (see: http://schools.nyc.gov/offices/d_chanc_oper/budget/dbor/allocationmemo/fy09_10/FY10_PDF/sam05.pdf for the surplus roll guidelines). These deficits will then be deducted from surpluses set aside on the “FY 09 cut payback” line.
- Positive balances will be restored to the school’s FY10 FSF allocation category.
- Negative balances will be deducted from the school’s FY10 FSF allocation category.
- Negative balances identified as a result of this October 2009 fiscal review which exceed \$25,000 will be applied to the payment plan in equal installments for the remainder of the pay plan period.

Tax Levy Allocation categories where available balances can be used to offset deficit roll:

TL Children First Funding	TL FSF Legacy Supplement
TL Children First Funding HS	TL FSF Legacy Supplement HS
TL Fair Student Funding	TL Host School MS
TL Fair Student Funding HS	TL HOST SCHOOL HS
TL Fair Student Funding Incremental	TL Instructional Programs
TL Fair Student Funding Incremental HS	TL Instructional Programs HS
TL FSF General Hold Harmless	TL One-Time Allocations
TL FSF General Hold Harmless HS	TL One-Time Allocations HS
TL Summer	

Summary of Appendices

Appendix A: Deficit rollover summary by school

AF: dz

Cc: Eduardo Contreras
Tafaro Rosemary

Deficit Rollover Plan - FY10 tracking

BN	School	Total Deficit as of FY10	FY10 Deficit paid	FY11 Deficit	FY12 Deficit	FY13 Deficit
M063	01M063	\$32,234	\$25,000	\$7,234	\$0	\$0
M188	01M188	\$3,000	\$3,000	\$0	\$0	\$0
M361	01M361	\$79,264	\$25,000	\$18,088	\$18,088	\$18,088
M450	01M450	\$75,000	\$25,000	\$25,000	\$25,000	\$0
M509	01M509	\$37,022	\$25,000	\$12,022	\$0	\$0
M305	02M305	\$40,106	\$25,000	\$15,106	\$0	\$0
M440	02M440	\$109,653	\$109,653	\$0	\$0	\$0
M440	02M440	\$28,467	\$28,467	\$0	\$0	\$0
M442	02M442	\$20,123	\$20,123	\$0	\$0	\$0
M460	02M460	\$459,865	\$25,000	\$144,955	\$144,955	\$144,955
M543	02M543	\$23,666	\$23,666	\$0	\$0	\$0
M544	02M544	\$49,711	\$49,711	\$0	\$0	\$0
M149	03M149	\$16,478	\$16,478	\$0	\$0	\$0
M208	03M208	\$72,785	\$25,000	\$25,000	\$22,785	\$0
M415	03M415	\$111,202	\$25,000	\$28,734	\$28,734	\$28,734
M182	04M182	\$24,628	\$24,628	\$0	\$0	\$0
M695	04M695	\$17,819	\$17,819	\$0	\$0	\$0
M036	05M036	\$77,184	\$25,000	\$17,395	\$17,395	\$17,394
M133	05M133	\$21,450	\$21,450	\$0	\$0	\$0
M175	05M175	\$35,173	\$25,000	\$10,173	\$0	\$0
M197	05M197	\$46,834	\$25,000	\$7,278	\$7,278	\$7,278
M200	05M200	\$26,677	\$25,000	\$559	\$559	\$559
M369	05M369	\$125,098	\$31,275	\$31,275	\$31,274	\$31,274
M469	05M469	\$391,600	\$25,000	\$122,200	\$122,200	\$122,200
M499	05M499	\$67,768	\$33,884	\$33,884	\$0	\$0
M499	05M499	\$44,836	\$25,000	\$19,836	\$0	\$0
M670	05M670	\$42,854	\$25,000	\$17,854	\$0	\$0
M052	06M052	\$163,384	\$54,461	\$54,462	\$54,461	\$0
M098	06M098	\$49,311	\$25,000	\$24,311	\$0	\$0
M115	06M115	\$27,000	\$27,000	\$0	\$0	\$0
M366	06M366	\$19,804	\$19,804	\$0	\$0	\$0
M368	06M368	\$27,386	\$27,386	\$0	\$0	\$0
X296	07X296	\$40,527	\$40,527	\$0	\$0	\$0
X547	07X547	\$20,582	\$20,582	\$0	\$0	\$0
X655	07X655	\$225,092	\$25,000	\$66,697	\$66,697	\$66,698
X282	08X282	\$17,430	\$5,810	\$5,810	\$5,810	\$0
X301	08X301	\$16,845	\$16,845	\$0	\$0	\$0
X117	09X117	\$81,912	\$25,000	\$18,971	\$18,971	\$18,970
X166	09X166	\$108,745	\$54,373	\$54,372	\$0	\$0
X215	09X215	\$8,037	\$8,037	\$0	\$0	\$0
x239	09X239	\$23,754	\$23,754	\$0	\$0	\$0
X250	09X250	\$21,490	\$21,490	\$0	\$0	\$0
X252	09X252	\$40,505	\$25,000	\$5,168	\$5,168	\$5,169
X303	09X303	\$37,892	\$25,000	\$4,294	\$4,294	\$4,304
X324	09X324	\$23,839	\$23,839	\$0	\$0	\$0
X279	10X279	\$86,639	\$86,639	\$0	\$0	\$0
X399	10X399	\$23,393	\$23,393	\$0	\$0	\$0
X265	11X265	\$11,749	\$11,749	\$0	\$0	\$0
X006	12X006	\$79,578	\$65,870	\$13,708	\$0	\$0
X318	12X318	\$50,020	\$25,000	\$8,340	\$8,340	\$8,340
K003	13K003	\$21,044	\$21,044	\$0	\$0	\$0
K133	13K133	\$11,557	\$11,557	\$0	\$0	\$0
K256	13K256	\$17,053	\$17,053	\$0	\$0	\$0
K307	13K307	\$25,168	\$25,168	\$0	\$0	\$0
K336	13K336	\$71,061	\$23,687	\$23,687	\$23,687	\$0
K592	13K592	\$102,620	\$25,655	\$25,655	\$25,655	\$25,655

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BN	School	Total Deficit as of FY10	FY10 Deficit paid	FY11 Deficit	FY12 Deficit	FY13 Deficit
K596	13K596	\$61,559	\$20,520	\$20,520	\$20,519	\$0
K257	14K257	\$7,420	\$7,420	\$0	\$0	\$0
K429	15K429	\$186,620	\$46,655	\$46,655	\$46,655	\$46,655
K448	15K448	\$150,944	\$37,736	\$37,736	\$37,736	\$37,736
K463	15K463	\$155,166	\$38,779	\$38,779	\$38,779	\$38,829
K464	15K464	\$137,384	\$45,795	\$45,795	\$45,794	\$0
K464	15K464	\$36,238	\$25,000	\$11,238	\$0	\$0
K498	15K498	\$27,131	\$27,131	\$0	\$0	\$0
K026	16K026	\$23,238	\$23,238	\$0	\$0	\$0
K040	16K040	\$39,691	\$25,000	\$14,691	\$0	\$0
K243	16K243	\$181,899	\$50,000	\$60,633	\$35,633	\$35,633
K309	16K309	\$27,065	\$27,065	\$0	\$0	\$0
K385	16K385	\$171,292	\$25,000	\$48,764	\$48,764	\$48,764
K627	16K627	\$18,782	\$18,782	\$0	\$0	\$0
K636	16K636	\$20,764	\$20,764	\$0	\$0	\$0
K114	18K114	\$134,080	\$44,693	\$44,694	\$44,693	\$0
K279	18K279	\$36,405	\$12,135	\$12,135	\$12,135	\$0
K285	18K285	\$63,145	\$21,048	\$21,049	\$21,048	\$0
K214	19K214	\$1,349	\$1,349	\$0	\$0	\$0
K218	19K218	\$32,499	\$25,000	\$7,499	\$0	\$0
K420	19K420	\$405,844	\$405,844	\$0	\$0	\$0
K510	19K510	\$24,422	\$24,422	\$0	\$0	\$0
K540	21K540	\$282,023	\$133,000	\$0	\$63,348	\$85,675
K284	23K284	\$226,861	\$25,000	\$67,287	\$67,287	\$67,287
K298	23K298	\$81,064	\$25,000	\$18,688	\$18,688	\$18,688
K327	23K327	\$55,627	\$25,000	\$10,212	\$10,207	\$10,208
Q125	24Q125	\$35,142	\$35,142	\$0	\$0	\$0
Q025	25Q025	\$126,645	\$25,000	\$33,882	\$33,882	\$33,882
Q067	26Q067	\$48,908	\$48,908	\$0	\$0	\$0
Q106	27Q106	\$45,662	\$25,000	\$6,888	\$6,887	\$6,887
Q055	28Q055	\$44,425	\$44,425	\$0	\$0	\$0
Q190	28Q190	\$59,619	\$25,000	\$17,310	\$17,309	\$0
Q220	28Q220	\$40,001	\$35,000	\$5,001	\$0	\$0
Q470	28Q470	\$106,279	\$25,000	\$27,093	\$27,093	\$27,093
Q035	29Q035	\$39,238	\$39,238	\$0	\$0	\$0
Q109	29Q109	\$188,758	\$25,000	\$54,586	\$54,586	\$54,586
Q118	29Q118	\$54,633	\$54,633	\$0	\$0	\$0
Q231	29Q231	\$56,366	\$18,789	\$18,789	\$18,788	\$0
Q231	29Q231	\$156,588	\$59,694	\$9,169	\$43,863	\$43,862
Q238	29Q238	\$17,184	\$17,184	\$0	\$0	\$0
Q251	29Q251	\$41,839	\$25,000	\$5,613	\$5,613	\$5,613
Q011	30Q011	\$60,555	\$25,000	\$11,852	\$11,852	\$11,851
Q111	30Q111	\$48,655	\$25,000	\$7,885	\$7,885	\$7,885
Q145	30Q145	\$180,829	\$25,000	\$51,943	\$51,943	\$51,943
Q235	30Q235	\$55,468	\$25,000	\$10,156	\$10,156	\$10,156
Q445	30Q445	\$64,871	\$21,624	\$21,624	\$21,623	\$0
Q445	30Q445	\$67,116	\$25,000	\$14,039	\$14,039	\$14,038
TOTAL		\$7,661,207	\$3,391,890	\$1,644,273	\$1,468,156	\$1,156,889