

## SCHOOL ALLOCATION MEMORANDUM NO. 37, FY 12

**DATE:** July 8, 2011

**TO:** Community Superintendents  
High School Superintendents  
Children First Networks  
School Principals

**FROM:** Veronica Conforme, Chief Financial Officer

**SUBJECT:** Centrally Funded Excess

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For the school year 2011-2012, schools with sufficient budgets are expected to fund all staff. In extraordinary circumstances, Centrally Funded Excess Staff funds (CFES) will be used to pay for staff when schools meet the criteria described below. All requests for CFES will be carefully evaluated. In particular, excessing of teachers or guidance counselors/social workers needs to be limited so as not to deplete overall department resources. Principals also are reminded that excessing is not a permissible way to deal with unsatisfactory teachers.

### **Guidelines for Receiving Centrally Funded Excess Staff Funds**

Schools are eligible to receive CFES only if they meet *both* of the following thresholds:

#### **1. Excess Reason Threshold**

Schools will be considered for eligibility to receive CFES if at least one of the following excess reasons applies:

- *Budget Cut*: Schools which can demonstrate their inability to achieve the FY12 budget cut (based upon criteria below)
- *Register Loss*: Schools experiencing a register loss of at least 3.5 percent when compared to the audited October 30, 2010 register for school year 2010-11.
- *Grant Funding*: Schools which can demonstrate a significant *unanticipated* loss or reduction to grant funding (and confirmed by CFN);
- *Grade Loss*: Schools experiencing loss of grade from prior year (and confirmed by CFN)

If none of these reasons apply, a school will continue to fund staff which cannot be excessed based on the current guidelines.

#### **2. Financial Threshold:**

*In addition to complying with the excess reasons stated above*, schools will need to demonstrate an inability to self-fund excess staff. Each school's budget will be considered in its entirety when assessing its ability to self-fund. The following criteria will be applied to make this assessment:

- FY12 percent of FSF is at a maximum 82.7% of formula
- Schools' scheduled amounts do not cumulatively exceed benchmark pupil per capita targets in:
  1. OTPS (excluding NYSTL)
  2. Per Session
  3. Per Diem
  4. Secretaries, School aides, DC37 Para's, Family workers, Business managers, and other F-status and H-bank titles

Per capitas capture scheduled data in the following Allocation Categories:

*Contract for Excellence FY09 (HS); School Support Supplement; Title I SWP; Title I Targeted Assistance; Title IIA Supplemental; TL 09 C4E CTT (HS); TL Children First Network Support (HS); TL Computer Maintenance (CW/HS); TL Deferred Program Planning Initiative (CW/HS); TL Fair Student Funding (HS); TL FSF Legacy Teacher Supplement (HS); TL Funds Over Formula (HS); TL IEP Teacher (HS); TL Instructional Programs; and TL One-Time Allocations (HS)*

Please find the benchmarks, specified by school size and school type below.

Excessing Thresholds							
Level	Size*	% of FSF Entitlement	OTPS	Per Session	Per Diem	CUMULATIVE**	Un/(Over) Scheduled
EL	Non-Small	82.7%	\$136.00	\$22.00	\$0.00	\$381.00	\$1.00
EL	Small	82.7%	\$173.00	\$26.00	\$0.00	\$467.00	\$1.00
MS	Non-Small	82.7%	\$126.00	\$27.00	\$0.00	\$341.00	\$1.00
MS	Small	82.7%	\$241.00	\$41.00	\$0.00	\$472.00	\$1.00
HS	Non-Small	82.7%	\$168.00	\$75.00	\$0.00	\$450.00	\$1.00
HS	Small	82.7%	\$291.00	\$101.00	\$0.00	\$533.00	\$1.00

\* Size determinant is whether schools are above or below 500 pupils in register

\* To account for fixed cost inflation of small school per capitas, per capitas for small schools below a register of 250 were adjusted to reflect a register of 250.

\*\* Cumulative per capita reflects the aggregation of spending on Secretaries, School Aides, Family Workers, H-Bank employees, and F-Status Employees.

- Schools that self-fund summer school site costs are expected to absorb the cost of excesses at least up to the value of the amount used for site costs.
- Scheduled vacancies must be inappropriate for proposed excess staff.
- Any unscheduled balances will be reviewed to determine if they are appropriate to fund proposed excess staff, except that school budgets must also:
  - Accommodate returns from leave and sabbatical;
  - Accommodate Register Loss Set Aside.
- Increases in the levels of support staff from prior year levels will be reviewed.

**Staff Who Were Funded with CFES in FY11:**

All staff who were funded with CFES in FY11, including those who were removed from school payrolls to serve in the Absence Teacher Reserve, must be re-evaluated for CFES in school year 2011-2012. Schools will need to demonstrate compliance with the above guidelines before Centrally Funded Excess Staff funds can be provided for these staff.

**Centrally Funded Excess Staff funding is a loan to schools and is subject to repayment.**

The impact of receiving CFES includes:

- Schools with CFES funded staff will be restricted in the amount of ASA register growth they can receive.
- Schools with CFES funded staff will still be required to fund the "register loss set aside" if applicable.
- Schools with CFES funded staff will need to apply any increments in their budgets due to budget adjustments during the school year, such as those for enrollment not needed to fund register-related teaching positions, to self-fund CFES staff.
- Schools with CFES funded staff will be ineligible to participate in the Surplus Rollover Program unless the CFES is fully repaid.
- Schools with CFES funded staff will have vacancies created throughout the school reviewed to determine whether CFES funded staff can be placed into these vacancies.
- Schools with CFES funded staff will have all modifications reviewed to ensure that accruals that become available during the school year are applied to offset CFES funded staff costs whenever feasible. For example, accruals generated by staff retirement should be used whenever possible to offset CFES in lieu of other discretionary uses such as additional OTPS purchases. School budgets with CFES funds will be routinely reviewed to ensure accruals are applied to offset CFES whenever possible.

Please contact your CFN if you have questions regarding this SAM.

[Click here to download a copy of the School Allocation Memorandum.](#)

VC: kw