

FY 05 Surplus Rollover Policy for Schools
Guidelines

What is the School Surplus Rollover Program?

This program will allow schools which have generated surpluses in select allocation categories to transfer these surpluses, up to a limit described below, into their FY06 budgets. Funds transferred, or “rolled over,” into FY06 will be added to all other FY06 allocations to which schools are entitled, thereby increasing their total budgets in FY06.

Which Schools Can Participate?

All Regional Schools, D.75 schools (Citywide Special Education) and D. 79 schools (Alternative High Schools) which meet the eligibility requirements listed below.

What are the Eligibility Requirements?

Eligibility will be determined by a school snapshot at the close of business on Friday, March 4. A school can participate only if it meets *all* of the following criteria for all Tax Levy and Reimbursable allocation categories except TL Summer, and Grade 3 Summer:

- No Allocation Categories are over-scheduled;
- The sum of all bulk job balances for per session is positive;
- The sum of all bulk job balances for per diems is positive;
- The sum of all OTPS balances is positive;
- No “people without jobs” in active statuses as of February 14 remain without jobs in the school on March 4 (and none remain at the end of the year).

From which Allocation Categories can surpluses be rolled over into FY06?

Any surpluses available in the following Allocation Categories can be rolled to FY06, pursuant to program guidelines:

- Instructional Programs, HS, D79, CW
- TL Special Needs, HS, D 79
- TL Grade 3 Initiative
- TL Host schools
- TL Small Learning Communities
- TL SURR
- TL Restructured Schools (CA-2)
- INSTRUC. PRGRMS SPEC ED HS D79

How much money can a school roll over?

Schools with a net gain in the mid year adjustments may roll over 100% of this net gain. A net mid year gain is defined as follows:

- A mid year increase in excess of what was anticipated (higher than the Register Growth ASA the school had been using) or
- A mid year loss that is smaller than what was anticipated (less than the register loss set aside the school had reserved).

If these schools wish to roll more funds than their net mid year gain, the additional amount is subject to a cap of \$200 per pupil, based upon the audited October 31, 2004 register.

Schools without a mid year gain and all schools in Districts 75 (Citywide Special Education) and 79 (Alternative High Schools) may roll over a maximum of \$200 per pupil, based on the audited October 31, 2004 register.

When can a school apply for the program?

The application period will run from February 16 to March 4th. During this time, schools can work with the Regional Operations Centers to correct any fiscal conditions which might exclude them from participating in the program. For example, scheduled OTPS could be reduced in order to correct an allocation category that is currently over-scheduled. ROC staff will also help schools ensure that they retain sufficient funds to cover expenditures through June 30.

- Schools wishing to roll over their mid-year net gains into FY06 will schedule an amount less than or equal to their mid year net gain on the title "Mid Year Adjustment Carryover" in the Instructional Programs Allocation Category.
- Schools without a mid year net gain who wish to participate in the surplus roll program, and schools wishing to roll over an amount over and above their mid year net gain, should schedule these amounts on the title "Surplus Rollover Set Aside" in one of the seven allocation categories listed above.

The school's FY05 fiscal condition will be assessed as of the close of business on March 4th and again after the end of the year to determine that it has met all eligibility criteria.

- If the school meets all eligibility criteria on March 4th, the funds to be rolled over will be removed from the schools budget for use in FY06.
- If the school does not meet all eligibility criteria, funds that have been placed in the "surplus rollover set aside" will be released back to their original Allocation Categories.

When will a school that rolls over funding receive its monies in FY06?

Fifty percent of the funds rolled over will be added to the school's initial allocation for FY06. These funds will be immediately available to the school for use in FY06.

The remaining fifty percent of rolled funds will be released to schools once the Division of Budget Operations and Review (DBOR) is able to verify that the school ended FY05 with none of the financial conditions listed above which would have disqualified it from the program.

If the school did end FY05 with any of the conditions described above, this amount will be deducted from the remaining fifty percent and any balance left would be released to the school. We anticipate that this review will be complete no later than October, 31 2005.