

Guidelines for FY'07 Surplus Rollover Program (revised as of 2/2/2007 – revisions highlighted in yellow)

What is the Surplus Rollover Program?

This program will allow schools that have generated surpluses in select allocation categories to transfer these surpluses into their FY'08 budgets.

How much can a school roll over?

A school can roll over available funds up to a \$150 per capita limit, based upon audited October 31, 2006 registers. Schools with audited registers of 400 pupils or less will be able to roll the greater of the per capita limit or \$60,000.

Which schools can participate?

All regional and empowered schools, district 75 schools (Citywide Special Education) and district 79 schools (alternative high schools) which meet the eligibility requirements listed below may participate in the program.

What are the eligibility requirements?

In addition to the seven criteria used in last year's surplus roll program, **five** new criteria are being added and three of the original seven criteria are being modified; modified criteria are indicated with an asterisk.

Current Criteria:

- No allocation categories are over-scheduled. Schools are held accountable for any allocation category overscheduled by more than \$100. Exempt allocation categories include TL Summer AC and ASA HH. Please note that schools are responsible for covering costs associated with deleted per-session bulk jobs that are automatically restored to their tables of organization to cover costs due to a lag in payroll postings.
- * Total combined per session **and overtime** budgets are greater than or equal to expenditures. The sum of per session bulk job **and overtime** balances for each, tax levy and reimbursable funded ACs, is positive. Tax levy and reimbursable ACs will not be combined for the purpose of evaluating this criterion. Therefore, tax levy balances must be greater than or equal to zero and reimbursable balances must be greater than or equal to zero.
- * Total combined prep period and per diem budgets are greater than or equal to expenditures. The sum of per diem and prep period coverage bulk job balances for each, tax levy and reimbursable funded ACs, is positive. Tax Levy and reimbursable funds will not be combined for the purpose of evaluating this criterion. Therefore Tax levy balances must be greater than or equal to zero and Reimbursable balances must be greater than or equal to zero.
- * OTPS budgets are greater than or equal to OTPS expenditures. The sum of OTPS balances for each, tax levy and reimbursable funded ACs, is positive. Tax levy and reimbursable funds will not be combined for the purpose of evaluating

this criterion. Therefore Tax levy balances must be greater than or equal to zero and Reimbursable balances must be greater than or equal to zero.

- No “people without jobs” in active status as of February 14, 2007, remain without jobs in the school on March 9, 2007, and none remain at the end of the fiscal year on June, 30, 2007.
- No “B-segments” are scheduled in the ASA for Hold Harmless allocation category. Exempted from this criteria are all Hold Harmless items with the following reason codes: “Arbitration Reassignment”, “Right to Return”, “long-term absence”, “leave with pay”, “pending line-of-duty injury”, or “reassigned pending investigation.” B-segments are jobs scheduled in Galaxy which have an end date prior to the current date. For example, on March 10, 2007, B-segments are all jobs with end dates through March 9th. When schools are evaluated next October on this criterion for their budget status as of June 30, 2007, any job with ASA Hold Harmless funding-- except those with the above reason code exemptions -- regardless of end date, will constitute a criterion failure and will result in a reduction to the remaining 50% payment.
- No funds are scheduled at the end of the year in ASA for Anticipated Allocations. **This condition will only be implemented next October when schools are evaluated on their budget status as of June 30, 2007.**

New Criteria:

- No rolled open encumbrances from FY06 remain on the school’s Table of Organization as of March 9, 2007.
- No funds scheduled in the “ASA Centrally Funded Excess Staff” allocation category. (Please see SAM # 36)
- No add discrepancies (people with jobs not on the TO) in active status as of February 14, 2007 remain as a discrepancy on March 9, 2007 (and none remain at the end of the fiscal year).
- No funds are scheduled in the “ASA Return from Reassignment” allocation category as of June 30, 2007. **This condition will only be applied in October when schools are evaluated on their budget status as of June 30, 2007.**
- No funds scheduled in the “ASA Returns from Leave” allocation category as of June 30, 2007. **This condition will only be applied in October when schools are evaluated on their budget status as of June 30, 2007.**

Where charges in a school need to be paid by another location, schools must ensure that ROCs move allocations where appropriate. For allocation transfers that cannot be completed by the ROC/ISC, the ROC/ISC must submit an e-mail requesting the switch to DBOR to move funds by March 7. Requests to switch allocation after this date may not be completed until after the surplus roll deadline or with enough time for the schools to complete necessary scheduling actions.

From which allocation categories can surpluses be rolled over into FY’08?

Any surpluses in the following allocation categories can be rolled into FY’08, pursuant to program guidelines. An additional four allocation categories have been added to the original list.

District 75 schools are subject to the restrictions specified in the Budget Methodology and Management Matrix issued by the Linden Place Regional Operations Center (ROC). The ROC staff will assist schools in identifying eligible funds.

Allocation Categories:

Instructional Programs (including ES,HS, D79 and CW)
 TL Special Needs (including ES, HS and D79)
 TL SMALLER LEARNING COMMUNITIES
 TL TARGETED INITIATIVE
 TL Early Grade Initiative
 TL EARLY GRADE INITIATIVE EXEMPT
 TL EARLY GRADE INITIATIVE ES
 TL EARLY GRADE INITIATIVE CW ES
 TL EMPOWERMENT SCHOOL SUPL FUNDS
 TL Empowerment Schl Supl Funds CW

When can a school apply for the program?

The application period for schools will run from February 14th through March 9, 2007.

How can a school set aside funds to roll over?

Funds identified to roll over should be scheduled on the title “Surplus Rollover Set Aside” in one of the sixteen allocation categories listed above.

What happens next?

ROC and ISC staff will have two additional business days from March 12th through the 13th during which they can continue to approve the surplus set asides scheduled by the schools. Once the application and ROC/ISC review period is closed, Division of Budget Operations and Review (DBOR) staff will use a snapshot of the Galaxy condition from close of business March 13, 2007 to determine whether the criteria identified above have been met.

- For schools that meet all eligibility criteria, the funds to be rolled over will be removed from the school’s budget for re-allocation in FY’08.
- For schools that do not meet all of the eligibility criteria, funds that have been placed on the titles “Surplus Rollover Set Aside” will be released back to their original allocation categories. Schools can then schedule these funds where needed, keeping in mind the mod processing deadlines.

Note: On January 31, February 14th and March 12th, DBOR will e-mail to the ROCs and ISC a report on schools that are meeting and not meeting the criteria based on the relevant data available. This will help the ROCs/ISC to work with the schools to meet the deadlines of this program.

When will a school that rolls over funds receive its money in FY’08?

Fifty percent of the funds rolled over will be added to the school's initial allocation for FY'08. The remaining fifty percent of rolled funds will be released to schools once DBOR staff verifies that schools ended FY'07 passing all of the aforementioned financial conditions. If the school fails any of the criteria above, the amount of the failed criteria will be deducted from the remaining fifty percent and any balance left will be released to the school. We anticipate that this review will occur in October, 2007.

On June 1st and June 15th DBOR will send the ROCs/ISC reports on the schools that are participating in the surplus roll program, but which are at risk of not meeting one or more of the **twelve (12)** criteria that schools need to meet when their financial condition is evaluated for the end of the year. ROCs/ISC can use these reports to help schools take the necessary steps to finish the year passing all criteria.

How can a school appeal a decision to deny participation in the program?

If a school is denied participation in the program it can request that the decision be reconsidered through an appeal. The following is the process for submitting an appeal:

1. Schools should contact their respective ROC/ISC for guidelines on submitting documentation for appeals.
2. ROC or ISC staff will conduct an initial review of all appeals.
3. Appeals will be handled through a joint effort by DBOR and ROC/ISC staff.

Please note that the deadline for appeals to be submitted to DBOR is March 19, 2007. This will ensure that schools whose appeals are denied can schedule their surplus funds as needed before the Galaxy mod deadline for use in the current year.