

**THE COUNCIL
THE CITY OF NEW YORK
FINANCE DIVISION
250 BROADWAY, 15TH FLOOR
NEW YORK, N.Y. 10007-2594**

TO: Honorable Christine Quinn
Speaker

Honorable Domenic M. Recchia, Jr.
Chairman, Finance Committee

FROM: Preston Niblack
Director, Finance Division

DATE: April 14, 2010

SUBJECT: A budget modification (MN-3) for Fiscal Year 2010 to realign appropriations within the budget of the Department of Education.

INITIATION: By letter dated April 5, 2010, the Director of the Office of Management and Budget submitted to the Council, pursuant to section 107(b) of the New York City Charter, a request for approval to transfer funds totaling \$380,000,000, between various units of appropriation within the budget of the Department of Education (“DOE”) in Fiscal Year 2010.

BACKGROUND: MN-3 represents the realignment of appropriations within the budget of DOE to reflect actual DOE spending.

FISCAL IMPACT: The net effect of this modification is zero.

**PRECONSIDERED
RESOLUTION NO.**

By Council Member Recchia, Jr.

**RESOLUTION APPROVING THE MODIFICATION
(MN-3) OF UNITS OF APPROPRIATION WITHIN
THE BUDGET OF THE DEPARTMENT OF
EDUCATION PROPOSED BY THE MAYOR
PURSUANT TO SECTION 107(b) OF THE
CHARTER OF THE CITY OF NEW YORK**

Whereas, at a meeting of the Committee on Finance of the City Council of the City of New York (the "City Council") on April 14, 2010, the Committee on Finance received a communication, dated April 5, 2010 from the Office of Management and Budget of the Mayor of The City of New York (the "Mayor"), of a proposed request, attached hereto as Exhibit A (the "Modification"), to modify units of appropriation and transfer city funds in the amount of \$380,000,000 between various units of appropriation within the budget of the Department of Education in the Fiscal Year 2010 expense budget as adopted by the Council on June 19, 2009, pursuant to Section 107(b) of the Charter of the City of New York (the "Charter"); and

Whereas, pursuant to Section 107(b) of the Charter, the City Council has thirty (30) days after the first stated meeting of the City Council following such receipt within which to act upon the Modification;

NOW, THEREFORE, The Council of The City of New York hereby resolves as follows:

- 1. Approval of Modification.** The City Council hereby approves, pursuant to Section 107(b) of the Charter, the actions proposed by the Mayor as set forth in the Modification.
- 2. Effective Date.** This resolution shall take effect as of the date hereof.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by The Council of The City of New York on _____ on file in this office.

Clerk of The Council of The City of New York

THE COUNCIL

REPORT OF THE COMMITTEE ON FINANCE RESOLUTION APPROVING THE MODIFICATION (MN-3) OF UNITS OF APPROPRIATION WITHIN THE BUDGET OF THE DEPARTMENT OF EDUCATION PROPOSED BY THE MAYOR PURSUANT TO SECTION 107(b) OF THE CHARTER OF THE CITY OF NEW YORK

The Committee on Finance, to which was referred the above-captioned resolution, respectfully submits to The Council of the City of New York the following

REPORT

Introduction. At a meeting of the Committee on Finance of the City Council of the City of New York on April 14, 2010, the Committee on Finance received a communication, dated April 5, 2010, from the Office of Management and Budget of The City of New York, of a proposed request, (the "Modification"), to modify units of appropriation within the budget of the Department of Education ("DOE") in the Fiscal 2010 Expense Budget (as defined below) pursuant to Section 107(b) of the Charter of the City of New York (the "Charter").

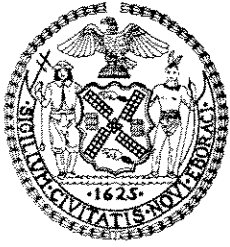
Analysis. The Council annually adopts the City's budget covering expenditures other than for capital projects (the "expense budget") pursuant to Section 254 of the Charter. On June 19, 2009, the Council adopted the expense budget for fiscal year 2010 (the "Fiscal 2010 Expense Budget"). This Modification represents the approval to transfer funds totaling \$380,000,000, between various units of appropriation within the budget of the Department of Education (DOE) in Fiscal Year 2010 to reflect actual DOE spending. The net effect of this Modification is zero.

Funding in the amount of \$380,000,000 will be transferred from DOE's Special Education Instruction and School Leadership PS unit of appropriation to DOE's PS and OTPS General Education Instruction and School Leadership unit of appropriations. Specifically, \$320,000,000 will be transferred to the General Education Instruction and School Leadership unit of appropriation for personal services, and \$60,000,000 will be transferred to the General Education Instruction and School Leadership unit of appropriation for other than personal services

Procedure. If the Mayor wishes to transfer part or all of any unit of appropriation to another unit of appropriation from one agency to another or such that the transfer results in any unit of appropriation being increased or decreased by the greater of five percent or \$50,000, Section 107(b) of the Charter requires that the Mayor must first notify the Council of the proposed action. Within 30 days after the first stated meeting of the Council following receipt of such notice, the Council may disapprove such proposed

action. If the Council fails to approve or disapprove such proposed action within such 30-day period, the proposed action becomes effective and the Mayor has the authority to make such transfer.

Description of Above-captioned Resolution. In the above-captioned resolution, the Council would approve the Modification pursuant to Section 107(b) of the Charter. Such resolution would take effect as of the date of adoption.



The City of New York
Office of Management and Budget
75 Park Place • New York, New York 10007-2146
Telephone: (212) 788-5900 • Fax: (212) 788-6300

Mark Page
Director

April 5, 2010

TO THE CITY COUNCIL

Dear Council Members:

In accordance with Section 107(b) of the New York City Charter, I request your approval to transfer City funds between various units of appropriation within the Department of Education's expense budget in fiscal year 2010.

This modification (MN-3) will implement a realignment of appropriations within the Department of Education to reflect spending as projected in the Department's Financial Status Report (FSR) for February. These changes were also reflected in the City's January Financial Plan modification.

Your approval of modification MN-3 is respectfully requested.

Yours truly,


Mark Page

Fiscal Year 2010 Budget Modification

-MN 3-

From

040 Department of Education

403 SE Instr. & School Leadership -380,000,000

-380,000,000

Fiscal Year 2010 Budget Modification

-MN 3-

To

040 Department of Education

401 GE Instr. & School Leadership 320,000,000

402 GE Instr. & School Leadership 60,000,000

380,000,000

0

Appendix A

From

040 Department of Education

403 SE Instr. & School Leadership

Realignment -
Schools

-380,000,000

Unit of Appropriation Total

-380,000,000

-380,000,000

Appendix A

To

040 Department of Education

401 GE Instr. & School Leadership

Realignment - 320,000,000
Schools

Unit of Appropriation Total 320,000,000

402 GE Instr. & School Leadership

Realignment - 60,000,000
Schools

Unit of Appropriation Total 60,000,000

380,000,000

0