§ 2576. Annual estimate. 1. The board of education in each city having a population of less than one million shall prepare annually an itemized estimate for the current or ensuing fiscal year of such sum of money as it may deem necessary for the purposes stated in this section, after crediting thereto the amount anticipated in the next apportionment of school funds from the state and the estimated amount to be received from all other sources. Such itemized estimate in such cities shall be filed at such times and in such manner as city departments or officers are required to submit estimates for such departments or officers. The board of education in each other city shall prepare annually an itemized estimate for the ensuing fiscal year and file the same on or before the first day of September. Such estimates shall be for the following purposes:

a. The salary of the superintendent of schools, associate, district or assistant or other superintendents, examiners, directors, supervisors, principals, teachers, lecturers, special instructors, claims auditors, deputy claims auditors, medical inspectors, nurses, attendance officers, clerks, custodians and janitors and the salary, fees or compensation of all other employees appointed or employed by said board of education. In addition, the expenses of personnel utilized to fulfill the internal audit function pursuant to section twenty-one hundred sixteen-b of this title.

b. The other necessary incidental and contingent expenses, including ordinary repairs to buildings and the purchase of fuel and light, supplies, textbooks, school apparatus, books, furniture and fixtures and other articles and service necessary for the proper maintenance, operation and support of the schools, libraries and other educational, social or recreational affairs and interests under its management and direction. The provisions of this section in regard to the purchase of light shall not apply to a city having a population of one million or more.

c. The remodelling or enlarging of buildings under its control and management, the construction of new buildings for uses authorized by this chapter and the furnishing and equipment thereof, the purchase of

real property for new sites, additions to present sites, playgrounds or recreation centers and other educational or social purposes, and to meet any other indebtedness or liability incurred under the provisions of this chapter or other statutes, or any other expenses which the board of education is authorized to incur. Nothing contained in this chapter shall prevent the financing, in whole or in part, of any expenditure enumerated in this subdivision pursuant to the local finance law.

2. In the city school districts of Syracuse, Rochester and Yonkers such estimate shall be filed with the mayor or city manager. Such officer shall place such estimate before the board of estimate and apportionment or other similar body at the same time and in the same manner as estimates from city departments or officers are placed before said board or body, and such estimate shall thereafter be subject to the same consideration, action and procedure as all other estimates from city departments or officers and said board or body may increase, diminish or reject any item contained in said estimate, except for fixed charges for which the city is liable and subject to the limitations provided by subdivision five-b of this section. When such estimate is adopted, the said board or body shall file it with the common council.

4. In the city school district of Buffalo such estimate shall be filed with the officer authorized to receive other department estimates and the same acted on by such officer and by the council of such city in the same manner and with the same effect as other department estimates except that such actions shall be subject to the limitations provided by subdivision five-b of this section. The council is also authorized, in its discretion, to include in such budget a sum for any of the purposes enumerated in paragraph c of subdivision one of this section, and any further amount for such purposes as may be authorized by a tax election held in such city pursuant to the provisions of this chapter. After the adoption of such budget the council shall cause the amount thereof to be included in the tax and assessment roll of the city and the same shall be collected in the same manner and at the same time as other taxes of the city are collected, and placed to the credit of the board of education.

* 5. In the city school district of the city of New York, such

estimate shall be filed with the mayor. Actions on such estimates shall be subject to the limitations provided by subdivision five-a of this section. The board of education shall administer all moneys appropriated or available for educational purposes in the city, subject to the provisions of law relating to the audit and payment of salaries and other claims by the comptroller.

* NB Effective until June 30, 2028

* 5. In a city which had, according to the federal census of nineteen hundred forty, a population of one million or more such estimate shall be filed with the mayor. If the total amount requested in such estimate shall be equivalent to or less than an amount equal to the average proportion of the total expense budget of such city, as amended, appropriated for the purposes of the city school district of such city in the three fiscal years of such city immediately preceding the year for which said estimate is filed, the city shall appropriate such amount. If the total amount contained in such estimate shall exceed the amount so computed, such estimate shall, as to such excess, be subject to such consideration and such action by the board of estimate, the council, and the mayor as that taken upon departmental estimates submitted to the mayor. The city is authorized to make additional appropriations for educational purposes authorized by this chapter. The board of education shall administer all moneys appropriated or available for educational purposes in the city, subject to the provisions of law relating to the audit and payment of salaries and other claims by the comptroller.

* NB Effective June 30, 2028

5-a. a. For the purposes of this subdivision, the terms:

(i) "city funds" shall mean funds of the city of New York derived from any source except funds contained within the capital budget and funds derived from any federal, state or private sources over which the city has no discretion.

(ii) "city amount" shall mean the total amount of expenditures funded by city funds for the support of the city school district of the city of New York, not including city payments to bond or note holders for debt service or payments for pension benefits for employees of such district, as contained within the budget as adopted by the city of New York.

(iii) "base year" shall mean the fiscal year immediately preceding the fiscal year for which the budget referred to in subparagraph (ii) of this paragraph is adopted. The initial base year shall be fiscal year ending June thirtieth, two thousand three.

b. The city amount in a budget adopted by the council pursuant to section two hundred fifty-four of the New York city charter shall not be less than the city amount appropriated in the base year as determined at the time of adoption of the budget for the ensuing fiscal year and shall be consistent with the requirements of the certification described in subdivision six of section two hundred eleven-d of this chapter. Provided, however, in the event the total amount of city funds relied upon to balance such budget is lower than the total amount of city funds appropriated in the base year, determined at the time of adoption of such budget pursuant to a process developed by the department in consultation with the city of New York and the labor organization representing teachers that identifies a methodology for the allocation of appropriations between fiscal years and prescribes a form upon the approval of the director of budget for the certifications required by this subdivision, the city amount may be reduced by up to the same percentage as the overall percentage decrease in city funds between the base year and the ensuing fiscal year. Before such budget may be certified pursuant to section two hundred fifty-six of the New York city charter, the mayor of the city of New York and an independent certified public accountant shall certify to the commissioner, in a form prescribed by the commissioner upon the approval of the director of budget, that the city amount appropriated in such budget is (i) in compliance with this paragraph; (ii) consistent with the requirements of subdivision six of section two hundred eleven-d of this chapter; and (iii) sufficient to ensure individual schools can meet the class size compliance targets set forth in subdivision two of section two hundred eleven-d of this chapter. If a budget is adopted pursuant to section two hundred fifty-four of the New York city charter or certified pursuant to section two hundred fifty-six of such charter in violation of this paragraph, the council shall have sixty days to adopt a budget compliant with this paragraph and have such budget certified in accordance with the provisions of this paragraph. Should the budget not be adopted and

certified within sixty days, the amount by which the budget is non-compliant shall be withheld from the foundation aid allotment until such time as the budget is certified as compliant with this paragraph.

c. Actual budget expenditures shall be certified in October following the close of the fiscal year to ensure compliance with paragraph b of this subdivision. If the budget expenditures are not compliant with paragraph b of this subdivision, the council will appropriate funds in the amount of the discrepancy as part of the November modification, pursuant to subdivision b of section one hundred seven of the New York city charter.

5-b. a. For the purposes of this subdivision, the terms:

(i) "city funds" shall mean funds of each city having a population of one hundred twenty-five thousand or more inhabitants and less than one million inhabitants derived from any source except funds contained within the capital budget, funds from county sales tax revenues shared with such city, funds derived from any federal source and funds derived from any state or private sources over which the city has no discretion, as defined pursuant to regulations developed by the commissioner and approved by the director of the budget.

(ii) "city amount" shall mean the total amount of expenditures funded by city funds for the support of the city school district of each city having a population of one hundred twenty-five thousand or more inhabitants and less than one million inhabitants, not including city payments to bond or note holders for debt service payments of such district, as contained within the budget as adopted by such city.

(iii) "base year" shall mean the fiscal year immediately preceding the fiscal year for which the budget referred to in subparagraph (ii) of this paragraph is adopted. The initial base year shall be the fiscal year ending June thirtieth, two thousand seven.

b. The city amount shall not be less than the city amount appropriated in the base year determined at the time of adoption of the budget for the ensuing fiscal year, and shall not be less than the city amount expended in the base year determined as of the end of the school year. Provided, however, in the event the total amount of city funds relied

upon to balance such budget is lower than the total amount of city funds appropriated in the base year, as determined at the time of adoption of such budget, the city amount may be reduced by up to the same percentage as the overall percentage decrease in city funds between the base year and the ensuing fiscal year.

c. Upon the enactment of a city budget, for the two thousand nine--two thousand ten school year budget and annually thereafter, the chief executive officer of the city, as defined pursuant to subdivision five-a of section 2.00 of the local finance law, shall annually certify to the commissioner, in a form prescribed by the commissioner upon approval of the director of the budget, as to the city amount in such budget, the city amount in the base year, and that the city amount appropriated in such budget is in compliance with paragraph b of this subdivision.

d. The school district audit report certified to by an independent certified public accountant or an independent accountant pursuant to section twenty-one hundred sixteen-a of this title for the two thousand eight--two thousand nine school year budget and annually thereafter shall include a certification by the accountant, in a form prescribed by the commissioner upon approval of the director of the budget, as to the city amount expended in the school year covered by such audit report, the city amount in the prior school year, and that the city amount expended in the school year covered by such audit report is in compliance with paragraph b of this subdivision.

6. A board of education may, to meet emergencies which may arise, submit a special estimate in which items for extraordinary expenses may be submitted to meet such emergencies. Such estimate shall contain a complete statement of the purposes for which the items are requested and the necessity therefor. The same method of procdure shall be followed in submitting such estimate and such estimate shall be subject to the same consideration and action as is required in the submission, consideration and action upon the regular annual estimate submitted by a board of education. The common council or other legislative body in such city shall have power to make the appropriations requested by a board of education in such special estimate.

7. A board of education shall not incur a liability or an expense chargeable against the funds under its control or the city for any purpose in excess of the amount appropriated or available therefor or otherwise authorized by law.

8. In a city in which, under the statutes in effect prior to June eighth, nineteen hundred seventeen, it was provided that the estimate of expenditures for the support and maintenance of the public schools of the city shall not be less than a specified per capita sum, based on the number of pupils enrolled in the public schools of the city, the amount authorized or required to be included in the estimate of school expenditures as provided in this article shall not be less than the per capita sum specified in such statute.

9. In any city in which the annual estimate and budget of the board of education is subject to change by some other city authority, such annual budget shall give detailed schedules for all purposes and shall indicate the entire amount to be expended by the board of education for school purposes, including the amount to be levied for debt service on account of bonds, notes or certificates of indebtedness issued for school purposes, whether the amount to be expended is on account of local revenues or to be derived from state aid. The total amount on account of local revenues and the total amount to be derived from state aid shall be separately indicated. In any such city having a population of less than one million the annual estimate and budget shall contain a statement of the amount of revenues over and above those set forth in the budget for the preceding year, which the board of education estimates it will receive in the current year. Any surplus funds shall at the close of the fiscal year be transferred to an existing capital fund or appropriated by the proper authority to other school purposes.

10. In any city with a population of one million or more, amounts appropriated to effectuate the implementation of a five-year educational facilities capital plan for such city shall be appropriated as a single item in such city's capital budget in accordance with subdivision four of section twenty-five hundred ninety-p of this chapter.