



**Resolution in Support of Amnesty for School Budget Deficits  
February 11, 2021**

**Whereas:**

1. In 2021, many public schools are burdened with significant budget deficits because actual enrollment is well below what schools could have reasonably projected during the pandemic;
2. Through last fall, many families made difficult and personal decisions to leave the public school system due to health and safety concerns. Some, who were able, enrolled their students in education programs that provided more in-person learning and/or safety when faced with the ongoing pandemic. Lack of clarity from the city about when schools would reopen, if they could provide a safe learning environment, limited and inadequate blended learning options and changing rules for opting back into blended learning all contributed to widespread under enrollment;
3. New York City public schools are primarily funded on a per student basis through Fair Student Funding;
  - a. In late May, each school submits an estimated budget to the Department of Education (DOE) for the next school year based on enrollment projections;
  - b. Each school is subject to *midyear adjustment* of funding based on how actual enrollment compares to enrollment projections from late May. If a school's student register exceeds its projection, the school will receive additional funds to support its operations; however, if a school's student register is below projections, the school must pay back funding for lost student enrollment;
  - c. More than 90% of Fair Student Funding is used to pay salaries for teachers and support staff, making midyear adjustment extremely difficult for most schools;
  - d. Many schools are still not funded at 100% of the Fair Student Funding formula, in essence starting the school year with a deficit;
4. Under the DOE's Deficit Repayment Plan, schools with deficits greater than \$100,000 typically "repay" funds over a several year installment plan, saddling schools with debt during the time they need more resources not less to invest in staffing and technology and address learning loss and social-emotional trauma suffered during the pandemic; and,
5. In 2013, the DOE instituted an amnesty program in recognition of successive years of budget reductions following the great recession that made it difficult for schools to repay their deficits.

**Therefore be it resolved that** Village Independent Democrats calls on the City of New York, Mayor Bill de Blasio, and New York City Department of Education to institute amnesty for school deficits, as well as, provide additional funding for students living in poverty and temporary housing, so that our schools can emerge from this pandemic financially sound and best positioned to meet the learning needs of our city's students, particularly our most vulnerable students.