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2001 NY A.B. 11627

NEW YORK 225TH ANNUAL LEGISLATIVE SESSION

ASSEMBLY BILL 11627

STATE OF NEW YORK  
11627  
IN ASSEMBLY  
JUNE 10, 2002

INTRODUCED BY COMMITTEE ON RULES -- (AT REQUEST OF M. OF A. SILVER, SANDERS, GREEN, P. RIVERA, PHEFFER, LAVELLE, BOYLAND, CLARK, A. COHEN, DIAZ, ESPAILLAT, GIANARIS, GORDON, HEASTIE, KAUFMAN, KLEIN, LOPEZ, MAYERSOHN, MCLAUGHLIN, NOLAN, NORMAN, ORTIZ, POWELL, J. RIVERA, SEDDIO, STRINGER, ARROYO, M. COHEN, COOK, CYMBROWITZ, DAVIS, GOTTFRIED, JACOBS, LAFAYETTE, LENTOL, MILLMAN, ROBINSON, WEINSTEIN) -- (AT REQUEST OF THE GOVERNOR) -- READ ONCE AND REFERRED TO THE COMMITTEE ON EDUCATION

BILL TRACKING REPORT: 2001 Bill Tracking NY A.B. 11627

*2001 Bill Text NY A.B. 11627*

**VERSION:** Enacted

VERSION-DATE: June 12, 2002

**SYNOPSIS:** AN ACT to amend the education law, in relation to reorganization of the New York city school construction authority, board of education, and community boards; to repeal paragraph (a) of subdivision 2 of section 2590-b and section 2590-c of the education law, relating to New York city community school boards, subdivision 1 of section 2590-b of the education law, relating to the New York city board of education and to repeal portions of section 2554 of the education law pertaining to the power of the board of education of a city of one million or more; to amend the public authorities law, in relation to the New York city school construction authority; to repeal subdivision 9 of section 1727 of the public authorities law relating to the continuity of the New York city construction authority; to amend chapter 738 of the laws of 1988 amending the administrative code of the city of New York, the civil service law and other laws, relating to the New York city school construction authority, in relation to the effectiveness thereof; to repeal paragraph c of subdivision 2 of section 2590-d of the education law relating to community involvement in certain by-laws, regulations and decisions; to repeal subdivision 1 of section 2590-e of the education law relating to certain powers and duties of community boards; to repeal subdivisions 28, 30 and 30-a of section 2590-h of the education law relating to certain powers and duties of the chancellor; and providing for the repeal of certain provisions upon expiration thereof

**NOTICE:** [A> UPPERCASE TEXT WITHIN THESE SYMBOLS IS ADDED <A]  
[D> Text within these symbols is deleted <D]

**TEXT: THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:**

Section 1. Subdivision 1 of section 453 of the education law, as amended by chapter 330 of the laws of 1969, is amended to read as follows:

1. There is hereby created the "New York city educational construction fund." The fund shall be a corporate governmental agency constituting a public benefit corporation. The board of trustees of the fund is hereby continued. It shall consist of the chancellor of the city school district of the city of New York, [D> the president of the interim board of education or of the board of education, <D] who shall be [D> chairman <D] [A> CHAIR <A] , and [D> one trustee <D] [A> TWO TRUSTEES <A] appointed by the mayor who shall [A> EACH <A] serve [D> a term coterminous with that <D] [A> AT THE PLEASURE <A] of the mayor.

Section 2. The opening paragraph and subdivisions 7-a, 24, 25, and 26 of section 2554 of the education law, subdivision 7-a as added by chapter 377 of the laws of 2001, subdivision 24 as added by chapter 474 of the laws of 1996, subdivision 25 as amended by chapter 147 of the laws of 2001, and subdivision 26 as added by chapter 180 of the laws of 2000, such section as renumbered by chapter 762 of the laws of 1950, are amended to read as follows:

Subject to the provisions of this chapter, the board of education in a city [A> , EXCEPT THE CITY BOARD OF THE CITY OF NEW YORK, <A] shall have the power and it shall be its duty:

7-a. To develop a plan to ensure that all instructional materials to be used in the schools of the district are available in a usable alternative format for each student with a disability, as defined in section forty-four hundred one of this chapter, and for each student who is a qualified individual with a disability as defined in the rehabilitation act of nineteen hundred ninety-three (29 U.S.C. 701), as amended, in accordance with his or her educational needs and course selection, at the same time as such instructional materials are available to non-disabled students [D> ; provided that in the city school district of the city of New York, such plan shall be developed by the chancellor of the city district <D] . As part of such plan, the board of education shall amend its procurement policies to give a preference in the purchase of instructional materials to vendors who agree to provide materials in alternative formats. For purposes of this subdivision, "alternative format" shall mean any medium or format for the presentation of instructional materials, other than a traditional print textbook, that is needed as an accommodation for a disabled student enrolled in the school district, including but not limited to Braille, large print, open and closed captioned, audio, or an electronic file in an approved format, as defined in the regulations of the commissioner. When an electronic file is provided, the plan shall specify how the format will be accessed by students and/or how the district shall convert to an accessible format. Such plan shall identify the needs of students residing in the district for alternative format materials. Such plan shall also specify ordering time-lines to ensure that alternative format materials are available at the same time as regular format materials. Such plans shall include procedures to address the need to obtain materials in alternative format without delay for disabled students who move into the school district during the school year.

24. [D> In every city school district in a city having a population of less than one million inhabitants, each <D] [A> EACH <A] year, the board of education shall prepare a school district report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include measures of the academic performances of the school district, on a school by school basis, and measures of the fiscal performance of the district, as prescribed by the commissioner. Pursuant to regulations of the commissioner the report card shall also compare these measures to statewide averages for all public schools, and statewide averages for public schools of comparable wealth and need, developed by the commissioner. Such report card shall include, at a minimum, any information on the school district regarding pupil performance and expenditure per pupil required to be included in the annual report by the regents to the governor and the legislature pursuant to section two hundred fifteen-a of this chapter; and any other information required by the commissioner. School districts (i) identified as having fifteen percent or more of their students in special education, or (ii) which have fifty percent or more of their students with disabilities in special education programs or services sixty percent or more of the school day in a general education building, or (iii) which have eight percent or more of their students with disabilities in special education programs in public or private separate educational settings shall indicate on their school district report card their respective percentages as defined in this paragraph and paragraphs (i) and (ii) of this subdivision as compared to the statewide average.

25. a. Shall require, for purposes of a criminal history record check, [D] except in the city school district of the city of New York, <D] the fingerprinting of all prospective employees pursuant to section three thousand thirty-five of this chapter, who do not hold valid clearance pursuant to such section or pursuant to section three thousand four-b of this chapter or section five hundred nine-cc or twelve hundred twenty-nine-d of the vehicle and traffic law. Prior to initiating the fingerprinting process, the prospective employer shall furnish the applicant with the form described in paragraph (c) of subdivision thirty of section three hundred five of this chapter and shall obtain the applicant's consent to the criminal history records search. Every set of fingerprints taken pursuant to this subdivision shall be promptly submitted to the commissioner for purposes of clearance for employment.

b. Upon the recommendation of the superintendent, the board may conditionally appoint a prospective employee. A request for conditional clearance shall be forwarded to the commissioner along with the prospective employee's fingerprints, as required by paragraph a of this subdivision. Such appointment shall not commence until notification by the commissioner that the prospective employee has been conditionally cleared for employment and shall terminate when the prospective employer is notified of a determination by the commissioner to grant or deny clearance, provided that if clearance is granted, the appointment shall continue and the conditional status shall be removed. Prior to commencement of such conditional appointment, the prospective employer shall obtain a signed statement for conditional appointment from the prospective employee, indicating whether, to the best of his or her knowledge, he or she has a pending criminal charge or criminal conviction in any jurisdiction outside the state.

c. Upon the recommendation of the superintendent, the board may make an emergency conditional appointment when an unforeseen emergency vacancy has occurred. When such appointment is made, the process for conditional appointment pursuant to paragraph b of this subdivision must also be initiated. Emergency conditional appointment may commence prior to notification from the commissioner on conditional clearance but shall terminate twenty business days from the date such appointment commences or when the prospective employer is notified by the commissioner regarding conditional clearance, whichever occurs earlier, provided that if conditional clearance is granted, the appointment shall continue as a conditional appointment. Prior to the commencement of such appointment, the prospective employer must obtain a signed statement for emergency conditional appointment from the prospective employee, indicating whether, to the best of his or her knowledge, he or she has a pending criminal charge or criminal conviction in any jurisdiction. An unforeseen emergency vacancy shall be defined as: (i) a vacancy that occurred less than ten business days before the start of any school session, including summer school, or during any school session, including summer school, without sufficient notice to allow for clearance or conditional clearance; (ii) when no other qualified person is available to fill the vacancy temporarily; and (iii) when emergency conditional appointment is necessary to maintain services which the district is legally required to provide or services necessary to protect the health, education or safety of students or staff. The provisions of subparagraph (i) of this paragraph shall not apply if the board finds that the district has been unable to fill the vacancy despite good faith efforts to fill such vacancy in a manner which would have allowed sufficient time for clearance or conditional clearance.

d. Shall develop a policy for the safety of the children who have contact with an employee holding conditional appointment or emergency conditional appointment.

26. Shall, [D] except in the city school district of the city of New York, <D] upon commencement and termination of employment of an employee by the city school district, provide the commissioner with the name of and position held by such employee.

Section 3. Subdivisions 3, 5, and 8, paragraph b of subdivision 13, subdivision 14, paragraphs b, d, and e of subdivision 15, and subdivisions 17 and 21 of section 2554 of the education law are REPEALED.

Section 4. Subdivision 25 of section 2554 of the education law, as added by chapter 180 of the laws of 2000, is amended to read as follows:

25. Shall require, for purposes of a criminal history record check, [D] except in the city school district of the city of New York, <D] the fingerprinting of all prospective employees pursuant to section three thousand thirty-five of this chapter, who do not hold valid clearance pursuant to such section or pursuant to section three thousand four-b of this chapter or section five hundred nine-cc or twelve hundred twenty-nine-d of the vehicle and traffic law. Prior to initiating the fingerprinting process, the prospective employer shall furnish the applicant with the form described in paragraph (c) of subdivision thirty of section three hundred five of this chapter and shall obtain the applicant's consent to the criminal history records search. Every set of fingerprints taken pursuant to this subdivision shall be promptly submitted to the commissioner for purposes of clearance for employment.

Section 5. Subdivision 5 of section 2576 of the education law, as amended by chapter 132 of the laws of 1976, is amended and a new subdivision 5-a is added to read as follows:

5. In [D] a city which had, according to the federal census of nineteen hundred forty, a population of one million or more <D> [A] THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK, <A> such estimate shall be filed with the mayor. [D] 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. <D> [A] ACTIONS ON SUCH ESTIMATES SHALL BE SUBJECT TO THE LIMITATIONS PROVIDED BY SUBDIVISION FIVE-A OF THIS SECTION. <A> 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.

[A] 5-A. A. FOR THE PURPOSES OF THIS SUBDIVISION, THE TERMS: <A>

[A] (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. <A>

[A] (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. <A>

[A] (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. <A>

[A] B. THE CITY AMOUNT 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. 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, 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. <A>

Section 6. Subdivision 1 of section 2590-b of the education law is REPEALED and a new subdivision 1 is added to read as follows:

[A] 1. (A) THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK IS HEREBY CONTINUED. SUCH BOARD OF EDUCATION SHALL CONSIST OF THIRTEEN MEMBERS: ONE MEMBER TO BE APPOINTED BY EACH BOROUGH PRESIDENT OF THE CITY OF NEW YORK; SEVEN MEMBERS TO BE APPOINTED BY THE MAYOR OF THE CITY OF NEW YORK; AND THE CHANCELLOR. THE CHANCELLOR SHALL SERVE AS THE CHAIRPERSON OF THE CITY BOARD. ALL TWELVE APPOINTED MEMBERS SHALL SERVE AT THE PLEASURE OF THE APPOINTING AUTHORITY AND SHALL NOT BE EMPLOYED IN ANY CAPACITY BY THE CITY OF NEW YORK, OR A SUBDIVISION THEREOF, OR THE CITY BOARD. EACH BOROUGH PRESIDENT'S APPOINTEE SHALL BE A RESIDENT OF THE BOROUGH FOR WHICH THE BOROUGH PRESIDENT APPOINTING HIM OR HER WAS ELECTED AND SHALL BE THE PARENT OF A CHILD ATTENDING A PUBLIC SCHOOL WITHIN THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK. EACH MAYORAL APPOINTEE SHALL BE A RESIDENT OF THE CITY. ANY VACANCY SHALL BE FILLED BY APPOINTMENT BY THE APPROPRIATE APPOINTING AUTHORITY. NOTWITHSTANDING ANY PROVISION OF LOCAL LAW, THE MEMBERS OF THE BOARD SHALL NOT HAVE STAFF, OFFICES, OR VEHICLES ASSIGNED TO THEM OR RECEIVE COMPENSATION

FOR THEIR SERVICES, BUT SHALL BE REIMBURSED FOR THE ACTUAL AND NECESSARY EXPENSES INCURRED BY THEM IN THE PERFORMANCE OF THEIR DUTIES. <A]

[A> (B) THE CITY BOARD SHALL HOLD AT LEAST TWELVE MEETINGS PER YEAR; ANY ADDITIONAL MEETINGS MAY BE CALLED AT THE REQUEST OF THE CHANCELLOR. <A]

Section 7. Paragraph (a) of subdivision 2 of section 2590-b of the education law is REPEALED.

Section 8. Section 2590-c of the education law is REPEALED.

Section 9. Intentionally omitted.

Section 10. Subdivision 2 of section 2590-f of the education law, as added by chapter 720 of the laws of 1996, is amended to read as follows:

2. In exercising such powers and duties each community superintendent shall comply with all applicable provisions of law, by-laws, rules or regulations, directives or agreements of [D> the city board, <D] the chancellor and his or her community board and with the [A> CITY-WIDE <A] educational policies established by the city board and his or her community board, including performance standards addressed to administration and educational effectiveness, and any requirements for continuing training and education, embodied in standards, circulars or regulations promulgated by the chancellor.

Section 11. Section 2590-g of the education law, as added by chapter 720 of the laws of 1996, subdivisions 5 and 6 as added by chapter 385 of the laws of 1998, is amended to read as follows:

Section 2590-g. Powers and duties of the city board. The city board shall advise the chancellor on matters of policy affecting the welfare of the city school district and its pupils. [D> Except as otherwise provided by law, the <D] [A> THE <A] board shall exercise no executive power and perform no executive or administrative functions. [A> NOTHING HEREIN CONTAINED SHALL BE CONSTRUED TO REQUIRE OR AUTHORIZE THE DAY-TO-DAY SUPERVISION OR THE ADMINISTRATION OF THE OPERATIONS OF ANY SCHOOL WITHIN THE CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK. <A] The board shall have the power and duty to:

1. (a) approve standards, policies, objectives, and regulations proposed by the chancellor directly related to educational achievement and student performance; [A> AND <A] (b) [D> approve standards, policies, objectives and regulations directly related to maintaining the internal fiscal integrity of administrative operations by the chancellor, the community districts and the schools; and (c) <D] consider and approve any other standards, policies, objectives [A> , <A] and regulations [D> at the request of the chancellor, or otherwise only <D] as specifically authorized or required by state or federal law or regulation;

2. for all purposes, be the government or public employer of all persons appointed or assigned by the city board or the community districts; [A> PROVIDED, HOWEVER, THAT THE CHANCELLOR SHALL HAVE THE AUTHORITY TO APPOINT STAFF PURSUANT TO SUBDIVISION FORTY-ONE OF SECTION TWENTY-FIVE HUNDRED NINETY-H OF THIS ARTICLE; <A]

3. serve as the appeal board as provided in section twenty-five hundred ninety-l of this article, and subject to such powers, duties, and restrictions as were in effect before the effective date of this section;

4. subject to the provisions of section twenty-five hundred ninety-i of this article, maintain such jurisdiction over [A> CITY-WIDE EDUCATIONAL <A] policies governing the special, academic, vocational, and other high schools authorized by this article before the effective date of this section as the respective community boards maintain over the schools within their jurisdiction, which shall not be construed to require or authorize the day-to-day supervision or the administration of the operations of such schools.

5. [D> (a) Prescribe regulations and bylaws requiring members of the city board, the chancellor, and any other officer or employee in schools and programs under the jurisdiction of the city board and the chancellor, to make annual written disclosure to the city board, of the following information: <D]

[D> (i) the employment by the city school board or any community board of any person related within the third degree of consanguinity or affinity to the person making disclosure, including the employment of any such person for which a two-thirds vote was required under paragraph e of subdivision four of section twenty-five hundred ninety-j of this article with a notation of the date such vote was taken. <D]

[D] (ii) the source of any income, reimbursement, gift or other form of compensation for services rendered together with a description of such services. <D]

[D] (b) Regulations and bylaws authorized herein shall apply with equal force and effect to community board members, community superintendents and all other officers and employees in schools and programs under the jurisdiction of the community boards. <D]

[D] (c) The city board shall review, at least once annually, compliance with the requirements of subdivisions five and six of section twenty-five hundred ninety-e of this article and regulations or bylaws prescribed hereunder. Any community board member, community superintendent or other officer or employee required to make disclosure who fails to make such disclosure shall be notified in writing of their failure to do so and given thirty days within which to comply. <D]

[D] (d) Willful failure to make full and timely disclosure shall constitute cause for removal from office of any member of the city board or for any other officer or employee disciplinary action and such other penalty as provided by law. <D]

[D] (e) Disclosures made pursuant to the requirements herein and any notification of failure to make disclosures shall be made available for public inspection during regular business hours on regular business days; and <D]

[D] 6. (a) Prescribe regulations and bylaws requiring members of the city board, the chancellor and, for good cause shown, any other officer or employee in schools and programs under the jurisdiction of the city board and the chancellor, to submit to the city board, in the discretion of the city board, financial reports for themselves and their spouses. <D]

[D] (b) The frequency and period of coverage, the designation of persons to submit such reports by name, title or income level or by a combination thereof, and the content of such reports, including minimum dollar amounts, shall be determined by the city board and such reports may include but not necessarily be limited to the following: <D]

[D] (i) amount and source of income for services rendered, together with a description of such services; <D]

[D] (ii) amount and source of gifts, capital gains, reimbursements for expenditures, and honoraria; <D]

[D] (iii) investments in securities and real property; <D]

[D] (iv) amount of debts and names of creditors; (v) outstanding loans and other forms of indebtedness due to person reporting or spouse, by name and amounts; <D]

[D] (vi) trusts and other fiduciary relationships and their assets in which a beneficial interest is held. <D]

[D] (c) Regulations and bylaws authorized herein shall apply with equal force and effect to community board members, community superintendents and all other officers and employees in schools and programs under the jurisdiction of the community boards. <D]

[D] (d) Willful failure to file required financial reports shall constitute cause for removal from office of any member of the city board or for any other officer or employee disciplinary action and such other penalty as provided by law. <D] [A] APPROVE CONTRACTS THAT WOULD SIGNIFICANTLY IMPACT THE PROVISION OF EDUCATIONAL SERVICES OR PROGRAMMING WITHIN THE DISTRICT. <A]

[A] 6. APPROVE LITIGATION SETTLEMENTS ONLY WHEN SUCH SETTLEMENT WOULD SIGNIFICANTLY IMPACT THE PROVISION OF EDUCATIONAL SERVICES OR PROGRAMMING WITHIN THE DISTRICT. <A]

Section 12. The opening paragraph and subdivisions 16, 17, 18, 29, 36, and 37 of section 2590-h of the education law, the opening paragraph and subdivisions 16, 17, and 18 as amended and subdivisions 28, 29, 36, and 37 as added by chapter 720 of the laws of 1996, are amended and eleven new subdivisions 16-a, 38-a, 39, 40, 41, 42, 43, 44, 45, 46, and 47 are added to read as follows:

The office of chancellor of the city district is hereby continued. [D] It shall be filled by a person <D] [A] SUCH CHANCELLOR SHALL SERVE AT THE PLEASURE OF AND BE <A] employed by the [D] city board <D] [A] MAYOR OF THE CITY OF NEW YORK <A] by contract [D] for a term not to <D] [A] . THE LENGTH OF SUCH CONTRACT SHALL NOT <A] exceed by more than [D] one year <D] [A] TWO YEARS <A] the term of office of the [D] city board <D] [A] MAYOR <A] authorizing such contract [D] , subject to removal for cause <D] . The chan-

cellor shall receive a salary to be fixed by the [D] city board [D] [A] MAYOR [A] within the budgetary allocation therefor. He or she shall exercise all his or her powers and duties in a manner not inconsistent with the [A] CITY-WIDE EDUCATIONAL [A] policies of the city board. The chancellor shall have the following powers and duties as the superintendent of schools and chief executive officer for the city district, which the chancellor shall exercise to promote an equal educational opportunity for all students in the schools of the city district, promote fiscal and educational equity, increase student achievement and school performance and encourage local school-based innovation, including the power and duty to:

16. Promulgate such rules and regulations as he or she may determine to be necessary or convenient to accomplish the purposes of this act, not inconsistent with the provisions of this article and the [A] CITY-WIDE EDUCATIONAL [A] policies of the city board.

[A] 16-A. CREATE STANDARDS, POLICIES, AND OBJECTIVES AND PROMULGATE REGULATIONS DIRECTLY RELATED TO MAINTAINING THE INTERNAL FISCAL INTEGRITY OF ADMINISTRATIVE OPERATIONS BY THE CHANCELLOR, THE COMMUNITY DISTRICTS, AND THE SCHOOLS. [A]

17. Possess those powers and duties described in section twenty-five hundred fifty-four of this [D] chapter [D] [A] TITLE [A] , the exercise of which shall be in a manner not inconsistent with the provisions of this article and the [A] CITY-WIDE EDUCATIONAL [A] policies of the city board.

18. Possess those powers and duties contained in section nine hundred twelve of this chapter and those provisions of article fifteen [D] thereof [D] [A] OF THIS CHAPTER [A] which relate to non-public schools, those powers and duties contained in section five hundred twenty-two of the New York city charter, and those powers and duties contained in article seventy-three of this chapter, the exercise of which shall be in a manner not inconsistent with the provisions of this article and the [A] CITY-WIDE EDUCATIONAL [A] policies of the city board.

29. Promulgate regulations [D] , subject to the approval of the city board, [D] establishing educational, managerial, and administrative qualifications, performance record criteria, and performance standards for the positions of superintendent and principal.

36. Develop [D] in consultation with the city board, [D] a procurement policy for the city school district of the city of New York [D] , [D] and the districts and public schools therein. Such policy shall ensure the wise and prudent use of public money in the best interest of the taxpayers of the state; guard against favoritism, improvidence, extravagance, fraud, and corruption; and ensure that contracts are awarded consistent with law and on the basis of best value, including, but not limited to, the following criteria: quality, cost and efficiency. Such policy shall also include: (a) standards for quality, function, and utility of all material goods, supplies, and services purchased by the chancellor, superintendents, or schools; (b) regulations for the purchase of material goods, supplies, and services by the chancellor, the superintendents, and the schools, including clearly articulated procedures which require a clear statement of product specifications, requirements or work to be performed, a documentable process of soliciting bids, proposals, or other offers, and a balanced and fair method, established in advance of receipt of offers, for evaluating offers and awarding contracts; (c) regulations which enable superintendents and schools to purchase material goods, supplies, and services directly from vendors or suppliers when such products are available at prices or other terms more economically beneficial for the purposes of the acquiring superintendent or school; and (d) regulations shall include repair services and building supplies, as defined in such regulations, for expenditures from each district's minor repair and purchasing funds pursuant to section twenty-five hundred ninety-r of this article.

37. Establish [D] , subject to the approval of the city board, [D] guidelines and a system of internal controls, including internal administrative controls and internal accounting controls, with provisions for internal audits, as such terms are defined in section nine hundred fifty of the executive law. Such system shall also include a system of internal control review designed to identify weaknesses and identify actions to rectify them; a clear and concise statement of the generally applicable management policies and standards made available to each officer and employee relevant to fiscal and expenditure control, in addition to education and training efforts to ensure adequate understanding of internal control standards and evaluation techniques; and the designation of an internal control officer for each community district, each of whom shall report to the chancellor and the auditor general, to execute a regular internal audit function, which shall operate in accordance with generally accepted governmental auditing standards. The internal auditors for the community districts shall operate in cooperation with the auditor general, appointed by the chancellor [D] subject to the approval of the city board [D] , who shall, in addition to the functions of the internal auditors, monitor and conduct random audits of school districts at least once every two years for fraud, waste [A] , [A] and mismanagement. Notwithstanding any provision of state law or state [D] , [D] [A] OR [A] city [D] or city board [D] regulation, the inter-

nal auditors, and the auditor general, shall be entitled, upon their request, to all and any documents and materials bearing in their judgment on the finances and cost-effectiveness of the schools and the school districts that is in the possession of the community districts, the schools, or any officer thereof.

[A> 38-A. TO EXERCISE ALL OF THE DUTIES AND RESPONSIBILITIES OF THE EMPLOYING BOARD AS SET FORTH IN SECTION THREE THOUSAND TWENTY-A OF THIS CHAPTER WITH RESPECT TO ANY MEMBER OF THE TEACHING OR SUPERVISORY STAFF OF SCHOOLS WHICH ARE NOT COVERED UNDER SUBDIVISION THIRTY-EIGHT OF THIS SECTION. PROVIDED, HOWEVER THAT THE CITY BOARD SHALL MAINTAIN JURISDICTION OVER ANY CONSEQUENCE RESULTING FROM AN EMPLOYEE WAIVER OF A HEARING, AS PROVIDED FOR IN PARAGRAPH (D) OF SUBDIVISION TWO OF SECTION THREE THOUSAND TWENTY-A OF THIS CHAPTER. <A]

[A> 39. (A) PRESCRIBE REGULATIONS AND BY-LAWS REQUIRING MEMBERS OF THE CITY BOARD, THE CHANCELLOR, AND ANY OTHER OFFICER OR EMPLOYEE IN SCHOOLS AND PROGRAMS UNDER THE JURISDICTION OF THE CITY BOARD AND THE CHANCELLOR TO MAKE ANNUAL WRITTEN DISCLOSURE TO THE CHANCELLOR, OF THE FOLLOWING INFORMATION: <A]

[A> (I) THE EMPLOYMENT BY THE CITY SCHOOL BOARD OR ANY COMMUNITY BOARD OF ANY PERSON RELATED WITHIN THE THIRD DEGREE OF CONSANGUINITY OR AFFINITY TO THE PERSON MAKING DISCLOSURE, INCLUDING THE EMPLOYMENT OF ANY SUCH PERSON FOR WHICH A TWO-THIRDS VOTE WAS REQUIRED UNDER PARAGRAPH E OF SUBDIVISION FOUR OF SECTION TWENTY-FIVE HUNDRED NINETY-J OF THIS ARTICLE, WITH A NOTATION OF THE DATE SUCH VOTE WAS TAKEN. <A]

[A> (II) THE SOURCE OF ANY INCOME, REIMBURSEMENT, GIFT, OR OTHER FORM OF COMPENSATION FOR SERVICES RENDERED, TOGETHER WITH A DESCRIPTION OF SUCH SERVICES. <A]

[A> (B) REGULATIONS AND BY-LAWS AUTHORIZED IN THIS SUBDIVISION SHALL APPLY WITH EQUAL FORCE AND EFFECT TO COMMUNITY BOARD MEMBERS, COMMUNITY SUPERINTENDENTS, AND ALL OTHER OFFICERS AND EMPLOYEES IN SCHOOLS AND PROGRAMS UNDER THE JURISDICTION OF THE COMMUNITY BOARDS. <A]

[A> (C) THE CHANCELLOR SHALL REVIEW, AT LEAST ONCE ANNUALLY, COMPLIANCE WITH THE REQUIREMENTS OF SUBDIVISIONS FIVE AND SIX OF SECTION TWENTY-FIVE HUNDRED NINETY-E OF THIS ARTICLE AND REGULATIONS OR BY-LAWS PRESCRIBED IN THIS SUBDIVISION. ANY COMMUNITY BOARD MEMBER, COMMUNITY SUPERINTENDENT, OR OTHER OFFICER OR EMPLOYEE REQUIRED TO MAKE DISCLOSURE, WHO FAILS TO MAKE SUCH DISCLOSURE, SHALL BE NOTIFIED IN WRITING OF HIS OR HER FAILURE TO DO SO AND GIVEN THIRTY DAYS WITHIN WHICH TO COMPLY. <A]

[A> (D) WILLFUL FAILURE TO MAKE FULL AND TIMELY DISCLOSURE SHALL CONSTITUTE CAUSE FOR REMOVAL FROM OFFICE OF ANY MEMBER OF THE CITY BOARD OR FOR ANY OTHER OFFICER OR EMPLOYEE DISCIPLINARY ACTION AND SUCH OTHER PENALTY AS MAY BE PROVIDED BY LAW. <A]

[A> (E) DISCLOSURES MADE PURSUANT TO THE REQUIREMENTS OF THIS SUBDIVISION AND ANY NOTIFICATION OF FAILURE TO MAKE DISCLOSURES SHALL BE MADE AVAILABLE FOR PUBLIC INSPECTION DURING REGULAR BUSINESS HOURS ON REGULAR BUSINESS DAYS. <A]

[A> 40. (A) PRESCRIBE REGULATIONS AND BY-LAWS REQUIRING MEMBERS OF THE CITY BOARD, THE CHANCELLOR, AND, FOR GOOD CAUSE SHOWN, ANY OTHER OFFICER OR EMPLOYEE IN SCHOOLS AND PROGRAMS UNDER THE JURISDICTION OF THE CITY BOARD AND THE CHANCELLOR, TO SUBMIT TO THE CHANCELLOR, IN THE DISCRETION OF THE CHANCELLOR, FINANCIAL REPORTS FOR THEMSELVES AND THEIR SPOUSES. <A]

[A> (B) THE FREQUENCY AND PERIOD OF COVERAGE, THE DESIGNATION OF PERSONS TO SUBMIT SUCH REPORTS BY NAME, TITLE, OR INCOME LEVEL, OR BY A COMBINATION THEREOF, AND THE CONTENT OF SUCH REPORTS, INCLUDING MINIMUM DOLLAR AMOUNTS, SHALL BE DETERMINED BY

THE CHANCELLOR, AND SUCH REPORTS MAY INCLUDE BUT NOT NECESSARILY BE LIMITED TO THE FOLLOWING: <A]

[A> (I) AMOUNT AND SOURCE OF INCOME FOR SERVICES RENDERED, TOGETHER WITH A DESCRIPTION OF SUCH SERVICES; <A]

[A> (II) AMOUNT AND SOURCE OF GIFTS, CAPITAL GAINS, REIMBURSEMENTS FOR EXPENDITURES, AND HONORARIA; <A]

[A> (III) INVESTMENTS IN SECURITIES AND REAL PROPERTY; <A]

[A> (IV) AMOUNT OF DEBTS AND NAMES OF CREDITORS; (V) OUTSTANDING LOANS AND OTHER FORMS OF INDEBTEDNESS DUE TO PERSON REPORTING OR SPOUSE, BY NAME AND AMOUNTS; AND <A]

[A> (VI) TRUSTS AND OTHER FIDUCIARY RELATIONSHIPS AND THEIR ASSETS IN WHICH A BENEFICIAL INTEREST IS HELD. <A]

[A> (C) REGULATIONS AND BY-LAWS AUTHORIZED BY THIS SUBDIVISION SHALL APPLY WITH EQUAL FORCE AND EFFECT TO COMMUNITY BOARD MEMBERS, COMMUNITY SUPERINTENDENTS, AND ALL OTHER OFFICERS AND EMPLOYEES IN SCHOOLS AND PROGRAMS UNDER THE JURISDICTION OF THE COMMUNITY BOARDS. <A]

[A> (D) WILLFUL FAILURE TO FILE REQUIRED FINANCIAL REPORTS SHALL CONSTITUTE CAUSE FOR REMOVAL FROM OFFICE OF ANY MEMBER OF THE CITY BOARD OR FOR ANY OTHER OFFICER OR EMPLOYEE DISCIPLINARY ACTION AND SUCH OTHER PENALTY AS MAY BE PROVIDED BY LAW. <A]

[A> 41. APPOINT AND SET SALARIES FOR STAFF IN NON-REPRESENTED MANAGERIAL TITLES. <A]

[A> 42. (A) TO DISPOSE OF SUCH PERSONAL PROPERTY USED IN THE SCHOOLS AND OTHER BUILDINGS OF THE CITY OF NEW YORK UNDER THE CHARGE OF THE CITY BOARD AS SHALL NO LONGER BE REQUIRED FOR USE THEREIN. SUCH DISPOSITION SHALL BE MADE IN THE NAME OF THE CITY OF NEW YORK AND FOR SUCH CITY. <A]

[A> (B) THE CHANCELLOR MAY SELL, AT PRICES AS MAY BE AGREED UPON, SUCH MANUFACTURED ARTICLES OR OTHER PRODUCTS OF ANY SCHOOL OF THE DISTRICT, DAY AND EVENING, AS MAY NOT BE UTILIZED BY THE CITY BOARD, AND ALL MONEYS REALIZED BY THE SALE THEREOF SHALL BE PAID INTO THE CITY TREASURY AND SHALL AT ONCE BE APPROPRIATED BY THE CITY TO A SPECIAL FUND TO BE ADMINISTERED BY THE CITY BOARD FOR SUCH PURPOSES AS SUCH BOARD, IN ITS DISCRETION, MAY DETERMINE. ALL OTHER MONEYS REALIZED BY THE SALE OF PERSONAL PROPERTY SHALL BE PAID INTO THE CITY TREASURY AND SHALL AT ONCE BE APPROPRIATED BY THE CITY TO THE SPECIAL SCHOOL FUND OF THE CITY BOARD FOR USE IN THE BOROUGH IN WHICH THE PROPERTY SOLD WAS SITUATED. <A]

[A> (C) SUCH METHOD OF DISPOSAL SHALL BE DEEMED NOT TO APPLY TO THE DISPOSITION OF SCHOOL BOOKS PURSUANT TO SUBDIVISION FORTY-THREE OF THIS SECTION. <A]

[A> 43. TO DISPOSE OF, TO THE BEST ADVANTAGE OF THE CITY OF NEW YORK, EITHER BY SALE OR ON THE BASIS OF MONEY ALLOWANCE FOR WASTE PAPER, ALL BOOKS DELIVERED TO THE SEVERAL PUBLIC SCHOOLS OF SUCH CITY THAT HAVE BEEN DISCARDED EITHER BY REASON OF BEING OBSOLETE, NO LONGER REQUIRED BY THE COURSE OF STUDY, WORN BY LONG USAGE, OR MUTILATED BY ACCIDENT. IF DISPOSAL IS MADE BY SALE, IT SHALL BE TO THE HIGHEST BIDDER, AND THE MONEY REALIZED SHALL BE PAID INTO THE CITY TREASURY AND SHALL AT ONCE BE APPROPRIATED BY THE CITY TO THE SPECIAL SCHOOL FUND OF THE CITY BOARD ENTITLED "SUPPLIES". IF DISPOSAL IS MADE ON THE BASIS OF MONEY ALLOWANCE FOR WASTE PAPER, IT SHALL BE TO THE HIGHEST BIDDER. SUCH DISCARDED BOOKS MAY BE DISPOSED OF WITHOUT PUBLIC ADVERTISEMENT OR ENTRY INTO A FORMAL CONTRACT. SHOULD THE DISCARDED BOOKS BE IN SUCH CONDITION THAT NO SALE OR EXCHANGE CAN BE MADE, OR SHOULD THERE BE REASON TO BELIEVE THAT SUCH DISCARDED BOOKS HAVE BECOME INFECTED THROUGH DISEASE AMONG THE PUPILS, OR SHOULD THE SUPERINTENDENT OF SCHOOLS CERTIFY THAT SUCH

DISCARDED BOOKS CONTAIN ERRONEOUS, INACCURATE, OBSOLETE, OR ANTIQUATED SUBJECT MATTER, ILLUSTRATIONS, MAPS, CHARTS, OR OTHER MATERIAL, THE COMMITTEE ON SUPPLIES OF THE BOARD OF EDUCATION, IF SUCH BOOKS CANNOT BE SOLD, GIVEN AWAY, OR OTHERWISE SALVAGED AS WASTE PAPER WITHOUT DANGER TO THE PUBLIC HEALTH, MAY AUTHORIZE THEIR DESTRUCTION BY FIRE, IN WHICH EVENT THE SUPERINTENDENT OF SCHOOL SUPPLIES SHALL OBTAIN AND FILE IN HIS OR HER OFFICE A CERTIFICATE THAT SUCH BOOKS HAVE BEEN SO DESTROYED, SIGNED BY THE PRINCIPAL OF THE SCHOOL IN WHICH THE BOOKS ARE LOCATED. <A]

[A> 44. TO PROVIDE THE PROPER BOOK OR BOOKS IN WHICH HE OR SHE SHALL CAUSE THE CLASS TEACHERS UNDER THE DIRECTION AND SUPERVISION OF THE PRINCIPAL TO ENTER THE NAMES, AGES, AND RESIDENCES OF THE PUPILS ATTENDING THE SCHOOL, THE NAME OF THE PARENT OR GUARDIAN OF EACH PUPIL, AND THE DAYS ON WHICH THE PUPILS SHALL HAVE ATTENDED RESPECTIVELY, AND THE AGGREGATE ATTENDANCE OF EACH PUPIL DURING THE YEAR, AND ALSO THE DAY UPON WHICH THE SCHOOL SHALL HAVE BEEN VISITED BY THE SUPERINTENDENT OF SCHOOLS OR BY AN ASSOCIATE SUPERINTENDENT OF SCHOOLS OR BY AN ASSISTANT SUPERINTENDENT, OR BY MEMBERS OF THE CITY BOARD, OR BY MEMBERS OF THE COMMUNITY SCHOOL BOARD, OR BY ANY OF THEM, WHICH ENTRY SHALL BE VERIFIED BY SUCH OATH OR AFFIRMATION OF THE PRINCIPAL AS MAY BE PRESCRIBED BY THE CHANCELLOR. SUCH BOOKS SHALL BE PRESERVED AS THE PROPERTY OF THE CHANCELLOR AND SHALL AT ALL TIMES BE OPEN TO INSPECTION BY MEMBERS OF THE CITY BOARD, BY MEMBERS OF THE COMMUNITY SCHOOL BOARDS AND BY THE SUPERINTENDENT OF SCHOOLS, OR BY ANY ASSOCIATE SUPERINTENDENT OF SCHOOLS, OR BY THE ASSISTANT SUPERINTENDENTS. <A]

[A> 45. MAKE RULES AND REGULATIONS FOR THE CONDUCT, OPERATION, AND MAINTENANCE OF EXTRA CLASSROOM ACTIVITIES AND FOR THE SAFEGUARDING, ACCOUNTING, AND AUDIT OF ALL MONEYS RECEIVED AND DERIVED THEREFROM. IN THE CASE OF ANY EXTRA CLASSROOM ACTIVITY AS IT SHALL DEEM PROPER, AND NOTWITHSTANDING THE PROVISIONS OF SECTION TWENTY-FIVE HUNDRED THIRTY OF THIS TITLE, IT MAY DIRECT THAT THE MONEYS RECEIVED OR DERIVED FROM THE CONDUCT, OPERATION, OR MAINTENANCE OF SUCH AN EXTRA CLASSROOM ACTIVITY BE DEPOSITED WITH THE AUDITOR, WHO IN SUCH EVENT SHALL BE THE TREASURER OF SUCH AN EXTRA CLASSROOM ACTIVITY, THE MONEYS OF WHICH ARE REQUIRED TO BE SO DEPOSITED. IN THE PROCUREMENT OF ARTICLES AND SERVICES FOR THE CONDUCT, OPERATION, AND MAINTENANCE OF A CAFETERIA OR RESTAURANT SERVICE, THE CHANCELLOR SHALL BE SUBJECT TO APPLICABLE PROVISIONS OF LAW, EXCEPT THAT SAID CHANCELLOR NEED NOT HAVE DULY ADVERTISED FOR ESTIMATES IN ORDER TO CONTRACT FOR SUCH ARTICLES OR SERVICES IN AN AMOUNT EXCEEDING ONE THOUSAND DOLLARS. THE CHANCELLOR SHALL ALSO HAVE POWER TO ASSIGN ANY OFFICERS OR EMPLOYEES TO PERFORM SUCH DUTIES AS HE OR SHE MAY PRESCRIBE IN CONNECTION WITH AN EXTRA CLASSROOM ACTIVITY AND TO DESIGNATE SUCH OFFICERS AND EMPLOYEES WHEN SO ASSIGNED FROM WHOM A BOND SHALL BE REQUIRED FOR FAITHFUL PERFORMANCE OF THEIR DUTIES AND TO FIX THE SUM IN WHICH EACH SUCH BOND SHALL BE GIVEN. <A]

[A> 46. TO MAINTAIN, THROUGH SUCH REPRESENTATIVES AS HE OR SHE MAY DESIGNATE, AN EFFECTIVE VISITATION AND INSPECTION OF ALL SCHOOLS AND CLASSES MAINTAINED IN INSTITUTIONS CONTROLLED BY THE DEPARTMENT OF CORRECTION OF THE CITY OF NEW YORK. <A]

[A> 47. TO ASSIGN, IN HIS OR HER DISCRETION, ONE OR MORE EMPLOYEES OF THE CITY BOARD TO SERVE AS TRIAL EXAMINER WITH POWER TO CONDUCT INVESTIGATIONS AND HEARINGS ON BEHALF OF THE CHANCELLOR. EACH TRIAL EXAMINER SHALL REPORT THE RESULT OF ANY SUCH INVESTIGATION OR HEARING TO THE CHANCELLOR. <A]

Section 13. Paragraph (c) of subdivision 2 of section 2590-i of the education law, as added by chapter 720 of the laws of 1996, is amended to read as follows:

(c) Principals shall be selected consistent with regulations of the chancellor establishing a process that promotes parental and staff involvement in the recruitment, screening, interviewing and recommendation of candidates. Candidates must meet the requirements of regulations of the chancellor [D> and the city board <D] establishing educational, mana-

gerial, and administrative qualifications, including evaluation of each candidate's record of performance in comparable positions. In the case of schools under the jurisdiction of the community districts, a candidate approved by a community superintendent may nonetheless, before assuming the position, be rejected by the chancellor for cause.

Section 14. Paragraph b of subdivision 3 of section 2590-m of the education law, as added by chapter 330 of the laws of 1969, is amended to read as follows:

b. If an auditor shall have been appointed by the [D> city board <D] [A> CHANCELLOR <A] or any community board, such orders shall be signed by such auditor; provided, however, that the [D> city board <D] [A> CHANCELLOR <A] and any such board may in addition require the signature of such other officer or officers as [D> it <D] [A> THE CHANCELLOR MAY DIRECT OR AS SUCH BOARD <A] may by resolution direct.

Section 15. Subdivision 6 of section 2590-m of the education law, as added by chapter 330 of the laws of 1969, is amended to read as follows:

6. The [A> CHANCELLOR, <A] city board and each board referred to in this section shall make, in addition to such classification of its funds as it desires for its own use and information, such further classification of the funds credited to it and of the disbursement thereof as the comptroller of the city of New York shall require; provided that the classification of funds by community boards shall be in accordance with the altered schedules developed pursuant to subdivision eight of section twenty-five hundred ninety-i of this article. The [A> CHANCELLOR, <A] city board and community boards shall furnish such data in relation to such funds and their disbursements as the comptroller of the city of New York shall require.

Section 16. Subdivision 1 of section 2590-n of the education law, as amended by chapter 741 of the laws of 1988, is amended to read as follows:

1. It shall be unlawful for any community board member, community superintendent [A> , <A] or any such other officer or employee in schools and programs under the jurisdiction of the community board as the [D> city board <D] [A> CHANCELLOR <A] by regulation shall specify, to be directly or indirectly interested in the furnishing of any supplies or materials, or in the doing of any work or labor, or in the sale or leasing of any real estate, or in any proposal, agreement, or contract for any of these purposes, in any case in which the price or consideration is to be paid, in whole or in part, directly or indirectly, out of any school moneys, or who shall have received from any source whatever any commission or compensation in connection with any of the matters aforesaid.

Section 17. Subdivision 3 of section 2590-o of the education law, as added by chapter 738 of the laws of 1988, is amended to read as follows:

3. No later than January first, nineteen hundred ninety-three, the chancellor shall prepare and submit a preliminary proposed revision to the educational facilities master plan to the city board and to each community school board. This proposed revision shall reflect the progress achieved during the first three years of the master plan and shall incorporate such changes to the master plan as the chancellor deems necessary. Each such community school board shall conduct a public hearing and shall prepare and submit recommendations to the chancellor on or before March first, nineteen hundred ninety-three with respect to matters in the plan that involve that school district. The chancellor shall consider the recommendations received from the community school boards, and, on or before April first, nineteen hundred ninety-three, shall submit a final proposed revision to the master plan to the city board for its approval. On or before May first of such year, the city board shall approve the revision to the educational facilities master plan submitted by the chancellor [D> or such plan as is determined by the city board <D] .

Section 18. Paragraph b of subdivision 3, paragraph a of subdivision 5, and paragraphs c, d and f of subdivision 6 of section 2590-p of the education law, as added by chapter 738 of the laws of 1988, are amended to read as follows:

b. Commencing on November first, nineteen hundred ninety-three, and every five years thereafter, the chancellor shall submit a proposed five-year educational facilities capital plan to take effect on the succeeding July first to each community school board, which shall conduct a public hearing and shall prepare and submit recommendations to the chancellor on or before January first of the ensuing year with respect to matters in the plan that involve that school district. The chancellor shall consider the recommendations received from the community school boards, and, on or before February first of such year, shall submit a final proposed five-year educational facilities capital plan to the city board for its approval. On or before March first of such year, the city board shall approve the five-year educational facilities capital plan submitted by the chancellor [D> or such plan as is determined by the city board <D] .

a. The chancellor may in his [A] OR HER [A] discretion submit amendments to an approved five-year educational facilities capital plan to the city board [A] , MAYOR, AND CITY COUNCIL [A] for [D] its [D] [A] THEIR [A] approval.

c. The chancellor shall prepare preliminary scopes (i) for each project contained within the program elements defined in paragraphs a and b of subdivision two of this section and, where appropriate, paragraph g of subdivision two of this section, (ii) for each major modernization project contained in paragraph c of such subdivision two, and (iii) for each new construction project contained in paragraph d of such subdivision two, and shall transmit such preliminary scopes to the affected community school boards. The community school board may hold hearings on such scope [D] , [D] [A] ; [A] provided, however, that the community school board must submit any comments to the chancellor no later than thirty days following the date of submission. The chancellor shall consider the comments in preparing the scope that he [A] OR SHE [A] will submit to the director of management and budget of the city pursuant to paragraph d of this subdivision.

d. For projects to be funded pursuant to subdivision four of this section, the chancellor shall transmit the detailed scope of each such project to the director of management and budget of the city for approval.

(i) Except as provided in paragraph b of this subdivision, no expenses shall be incurred by the city board or the authority for any such project prior to approval of the detailed scope of any such project.

(ii) No detailed scope of project shall be approved unless the total estimated costs of such project, together with the aggregate estimated costs of all projects for which a detailed scope has theretofore been approved, are within city capital budget appropriations available therefor. A detailed scope of project that is not disapproved by the director of management and budget within thirty days of its submission shall be deemed approved. To the extent the director disapproves all or part of a scope, he [A] OR SHE [A] shall set forth in writing the reasons therefor.

(iii) Upon approval of the detailed scope of project, the chancellor shall refer such project to the New York city school construction authority for implementation in accordance with an agreement between the authority and the city board and shall transmit the approved project scope to the comptroller, whereupon the total estimated costs of such project as set forth in such approved project scope shall be available for expenditure.

(iv) Approval of the director of management and budget shall be required for any material change in the approved detailed scope of project or for any increase in the total cost of such project in excess of any reserve provided in the approved detailed scope of project. Such approval shall be given or deemed given in the manner provided herein.

(v) The provisions of this paragraph shall not apply to emergency projects undertaken pursuant to paragraph h of subdivision two of this section, the estimated costs of which, together with the costs of other projects undertaken pursuant to said paragraph h, does not exceed the amount set forth in the educational facilities capital plan for activities pursuant to paragraph h of subdivision two of this section.

f. The chancellor [D] and [D] [A] , IN HIS OR HER CAPACITY AS [A] the president of the New York city school construction authority, shall notify the mayor of the amount of appropriated funds projected to be spent for (i) development of detailed scopes, (ii) development of preliminary plans, (iii) site acquisition and (iv) emergencies, and the mayor shall thereupon authorize the issuance of bonds therefor in accordance with the local finance law and shall notify the city comptroller of his [A] OR HER [A] authorization to expend such amounts for such purposes. Such notice shall be given or amended at least ten days prior to any expenditure included therein; provided that the chancellor [D] , the president of the authority [D] and the mayor shall develop procedures to expedite authorization of emergency expenditures. Neither the city board nor the authority shall expend funds for such purposes in excess of the amounts specified in such notice until the chancellor shall have amended such notice to reflect such excess. Upon approval of the detailed scope of a project, the mayor shall authorize the issuance of bonds therefor in accordance with the local finance law and shall notify the city comptroller of his [A] OR HER [A] authorization to expend appropriated funds for the entire estimated cost of such project.

Section 19. Subdivision 4 of section 2590-p of the education law, as amended by chapter 562 of the laws of 1990, is amended to read as follows:

4. Following approval by the city board of a five-year educational facilities capital plan, the chancellor shall [D] transmit [D] [A] SUBMIT [A] such plan to the mayor and the council of the city of New York [A] FOR THEIR APPROVAL [A] . After consultation with the chancellor and the city board, the mayor shall include in the city's executive capital budget for the fiscal year in which the five-year plan is to commence an appropriation for educational facili-

ties in an amount he [A] OR SHE [A] recommends as sufficient to provide for the funding of a five-year capital program for the city board and shall specify amounts for each fiscal year within such five year period. Such five-year appropriation, which shall specify the annual amounts for each fiscal year to be made available, shall be subject to adoption, veto, and, except as hereinafter provided, amendment in accordance with the procedures set forth in the charter of the city of New York. Upon adoption of a five-year appropriation pursuant to such process, the capital program of the city board shall, if the amount so appropriated differs from the cost estimated in the plan approved by the city board, be amended to reflect the funding so provided. No reduction shall thereafter be made by the city in the amount of such appropriation until completion of the plan, unless (i) [A] THE CHANCELLOR WITH THE APPROVAL OF [A] the city board shall so recommend or (ii) a general, across-the-board reduction is made in the city's capital appropriations in order to accommodate an unforeseen reduction in the availability of city capital funds. In the event [A] THE CHANCELLOR WITH THE APPROVAL OF [A] the city board so recommends or such a reduction is made, the appropriation may be reduced in accordance with such recommendation or proportionately to the reduction in the city's general capital appropriations. In the event [A] THE CHANCELLOR WITH THE APPROVAL OF [A] the city board requests additional appropriations from such city during the five-year period of the then effective plan, the [D] city board [D] [A] CHANCELLOR [A] shall specify the needs to be met by such additional appropriations. The city may appropriate [A] AN [A] additional amount for the five-year educational facilities capital plan [D] , [D] [A] ; [A] provided that in no event shall such an additional appropriation be conditioned upon a reduction or alteration of the five-year plan then in effect. The authority may not spend more in any fiscal year of the capital program than the amount specified in the five-year city appropriation therefor, as amended from time to time; provided that any amounts not expended during a fiscal year may be expended in any succeeding fiscal year [D] , [D] [A] ; [A] and provided further that the mayor may authorize funds to be expended at a rate faster than the amounts so specified, within the balance of the five-year appropriation available therefor.

Section 20. Section 2590-q of the education law, as added by chapter 330 of the laws of 1969, subdivision 7 as amended by chapter 546 of the laws of 1971, subdivision 16 as added by chapter 1003 of the laws of 1971, subdivision 17 as added by chapter 178 of the laws of 1989, subdivision 18 as added and such section as renumbered by chapter 720 of the laws of 1996, is amended to read as follows:

Section 2590-q. Budgetary and fiscal processes. 1. The chancellor shall annually advise the community boards with respect to the form and content of the budget requests and accompanying fiscal estimates required to be submitted by the mayor of the city of New York for the next ensuing fiscal year, together with such additional information as he [A] OR SHE [A] may require.

4. On such date as the mayor shall direct, the [D] city board [D] [A] CHANCELLOR [A] shall submit to the mayor:

(a) estimates, as adopted [A] BY THE CITY BOARD [A] , of the total sum of money which it deems necessary for the operation of the city district (other than functions to be financed from funds provided for in the capital budget of the city) during the next fiscal year of the city, together with the estimates submitted by the community boards [D] , as originally submitted and as modified pursuant to subdivision three of this section [D] ;

(b) estimates of the amount to be received as a result of the apportionment of moneys payable from the state in such fiscal year; and

(c) estimates of the amount to be received for school system expenditures by the city district in such fiscal year from sources other than appropriations of city funds or appropriations or other provisions of funds in the capital budget of the city or apportionment of moneys from the state payable in such fiscal year.

5. All estimates submitted by the [D] city board [D] [A] CHANCELLOR [A] shall be prepared in the manner prescribed by the New York city charter for submission of departmental estimates for current expenses to the mayor and shall set forth the total amounts proposed for programs or activities of the community boards in units of appropriation separate from those set forth for programs or activities operated by the city board; provided, however, that nothing shall prevent the [D] city board from including [D] [A] INCLUSION [A] in such estimates [A] OF [A] a unit or units of appropriation to be allocated to [D] it in its discretion, to [D] community boards pursuant to subdivision ten of this section to finance innovative programs or activities by such community boards.

6. In acting on the proposed units of appropriation for programs or activities of community boards, the [D] board of estimate and [D] city council of the city of New York may, subject to the veto of the mayor, increase or decrease the total amount of each such unit of appropriation but, notwithstanding any provision of the New York city charter or any

other law to the contrary, [D] they [D] [A] IT [A] shall not have power to add any other unit of appropriation for one or more community boards.

7. (b) Not later than thirty days after the amount of such funds becomes determined by adoption of the budget pursuant to subdivision six [A] OF THIS SECTION [A], by allocation pursuant to subdivisions ten, eleven, fourteen, and fifteen of this section, or otherwise, the chancellor shall transmit to each community board a statement enumerating the federal, state, city, and private funds which have been allocated thereunder to such community board for its programs.

(c) At the same time, the chancellor shall transmit to the community boards a statement of the allocation of the balance of such funds to the several programs administered by him [A] OR HER [A] and the city board including the distinct amounts assigned to each category of schools and programs set forth in section twenty-five hundred ninety-i [A] OF THIS ARTICLE [A] and the amount allocated for the operation of the city board, his [A] OR HER [A] office, and the other administrative bureaus and divisions thereof.

9. Special estimates to meet extraordinary expenses of emergencies which may arise in the course of a fiscal year may be submitted to the chancellor by any community board and, pursuant to subdivision six of section twenty-five hundred seventy-six of this [D] chapter [D] [A] TITLE [A], the chancellor may, in [D] its [D] [A] HIS OR HER [A] discretion, submit such special estimates to the mayor of the city of New York. The chancellor may also submit special estimates to the mayor in connection with the schools and programs under his [A] OR HER [A] jurisdiction.

10. Notwithstanding any provisions of law to the contrary, any moneys appropriated to or authorized for expenditure by the city board including moneys so appropriated to finance innovative programs or activities by community boards (but other than moneys so appropriated for the exercise of powers or duties reserved to the city board) may be allocated by the chancellor to any community board. Allocations made pursuant to this subdivision shall be based on the needs of the recipient community boards, considered in conjunction with the needs of the schools and programs under the jurisdiction of the city board, in the case of moneys appropriated for innovative programs or activities, the relative merit of the programs or activities proposed by the respective community boards.

11. The chancellor shall perform all functions in connection with article seventy-three of this chapter; provided that the chancellor shall allocate to the community boards the state funds apportioned to the city district pursuant to [A] SUCH [A] article seventy-three, less the amount of such funds necessary to enable the chancellor to carry out his [A] OR HER [A] responsibilities, on the basis of an objective formula established by [A] THE CHANCELLOR AND APPROVED BY [A] the city board annually, after consultation with the community boards and the mayor, which formula shall reflect the relative educational needs of the community districts to the maximum extent feasible.

12. The chancellor shall perform all functions in connection with sections twenty-five hundred seventy-six, twenty-five hundred seventy-seven, twenty-five hundred seventy-nine, twenty-five hundred eighty-one, twenty-five hundred eighty-two, twenty-five hundred eighty-three, and twenty-five hundred eighty-four of this [D] chapter [D] [A] TITLE [A].

13. The city board through the chancellor shall perform all functions in connection with the capital budget as provided in chapter nine of the charter of the city of New York, except as otherwise provided herein.

14. With respect to special, federal, state [A], [A] and private funds, each community board may:

(a) contract for and receive funds to be transmitted to the city board and disbursed through the chancellor. No special funds may be used as a means of bringing about the elimination of existing personnel lines, titles, or employees. Community boards may use budget funds allocated and resources obtained within the scope of existing law and contractual obligations to design programs of educational excellence tailored to the needs and peculiar characteristics of the district;

(b) enter into contracts necessary or convenient to the discharge of the powers and duties with the city, state, and federal governments, private foundations, agencies and individuals, the city board, and other community boards, subject to the approval of the chancellor;

(c) in the case of federal or state funds not allocated to the city district on a formula basis, to apply to the funding agency, as a local educational agency, and to accept any funds granted or apportioned in this connection for its use and account [D], [D] [A]; [A] provided, however, that as to federal funds available to areas affected by federal activities pursuant to public law eight hundred seventy-four, community boards shall not be considered local educational agencies and shall have no power to apply directly to the funding agency, but such funds shall be reallocated to community

boards by the chancellor in accordance with a formula [D] determined [D] [A] ESTABLISHED BY THE CHANCELLOR AND APPROVED [A] by the city board as provided in subdivision ten of this section; and

(d) in the case of special funds allocated to the city district on a formula basis, to submit proposals to the chancellor for a review as to form only and prompt transmittal to the funding agency; provided, however, that in the case of such special funds community boards shall not be considered local educational agencies; and provided further that the total amount of such proposals submitted by any community board shall not exceed the amount of an apportionment made by the chancellor on the basis of a formula [D] determined [D] [A] ESTABLISHED BY THE CHANCELLOR AND APPROVED [A] by the city board, after considering the recommendation of the chancellor and after consultation with community boards and the mayor, which formula reflects the same educational and economic factors as the formula for apportionment of such special funds to the city district; and provided further that each community board shall consult fully with non-public school authorities on a continuing basis with respect to any of such special funds applicable to non-public school programs and students subject to the power and duty of the city board through the chancellor to ensure that applicable provisions of state and federal law and regulations with respect to programs for students in attendance at non-public schools throughout the city district shall be carried out.

15. With respect to special, federal, state, and private funds, the chancellor shall provide community boards with information about the availability of such funds and furnish technical assistance with respect to the preparation of proposals, record keeping, and the administration of such programs.

16. On or before October first of each year, the [D] city board [D] [A] CHANCELLOR [A] shall submit to the commissioner, in the form to be prescribed by him [A] OR HER [A], the annual budget for the city district for the current fiscal year.

17. (a) Each community superintendent shall prepare semi-annual reports which shall be due by December fifteenth and April fifteenth of each year. Each report shall include but not be limited to an accounting of all funds received and expended by the subject community board from all sources, including appropriations for programs and activities of the school board and receipts from external sources.

(b) In addition, a final year-end report shall be due on August fifteenth and shall include an accounting of all funds received and expended by the subject community board from all sources, including appropriations for programs and activities of the school board.

(c) Copies of reports outlined in paragraphs (a) and (b) of this subdivision shall be given to the [D] city board [D] [A] CHANCELLOR [A] and the subject community board and shall be available to the public.

18. Notwithstanding any provision of law to the contrary, the powers and duties conferred on a community school board by this section shall be exercised exclusively by the community superintendent employed by such board.

Section 21. Subdivision 2 of section 1727 of the public authorities law, as added by chapter 738 of the laws of 1988, is amended to read as follows:

2. The authority shall be governed by and its powers shall be exercised by a board of trustees consisting of three members. The members shall be the chancellor, or acting chancellor if the position of chancellor is vacant, and two [A] OTHER [A] members, [D] one to be appointed by the governor and one [D] to be appointed by the mayor. The [D] appointee of the mayor [D] [A] CHANCELLOR OR ACTING CHANCELLOR [A] shall serve as the [D] chairman [D] [A] CHAIRPERSON [A] of the board of trustees. No member of the city board or of a community school board shall be one of the appointed members of the board, nor shall an officer or employee of the city or state be one of the appointed members of the board. The appointed members shall serve at the pleasure of the [D] appointing authority [D] [A] MAYOR [A].

Section 22. Subdivision 9 of section 1727 of the public authorities law is REPEALED.

Section 23. The public authorities law is amended by adding a new section 1748 to read as follows:

[A] SECTION 1748. INVESTIGATIONS. THE DEPARTMENT OF INVESTIGATION OF THE CITY OF NEW YORK SHALL BE AUTHORIZED TO CONDUCT INVESTIGATIONS RELATING TO THE AUTHORITY PURSUANT TO CHAPTER THIRTY-FOUR OF THE NEW YORK CITY CHARTER. [A]

Section 24. Task force on community school district governance reform. 1. A task force on community school district governance reform shall be appointed by the temporary president of the senate and the speaker of the assembly,

each of whom shall appoint ten members. Each appointing authority shall designate one of their appointees to serve as co-chair of the task force. In making their appointments to the task force, the appointing authorities shall ensure that the appointees are representative and reflective of the communities of the city of New York and that such appointees are residents of the city of New York.

2. The task force shall develop a proposal and make recommendations regarding the community school boards and their powers and duties. In developing such proposal and recommendations, such task force shall ensure that there is a process to maximize meaningful participation by the public, parents and the communities which would be affected by changes to the community school board system, including, but not limited to:

(a) holding its meetings in public and on the record;

(b) holding at least one public hearing in each of the boroughs of the city of New York and however many additional hearings as may be necessary to ensure sufficient public input by the community school districts;

(c) having meetings and forums as necessary to hear concerns and address the needs raised by any interested parties, including parents in the community affected; and

(d) publicizing all such meetings, hearings, or forums to the greatest extent possible and ensuring such events are held at times to optimize participation by all members of the community including parents.

3. The task force shall submit a preliminary report to the governor and legislature by December 15, 2002 and shall submit a final report containing its proposal and recommendations to the governor and the legislature no later than February 15, 2003.

4. The task force may request and shall receive from any school district, the board of elections of the city of New York, the New York city board of education, any department, division, board, bureau, commission, or agency of the state or any political subdivision thereof such assistance and data as it deems necessary or desirable to carry out its powers and duties under this section. Members of the task force shall not be disqualified from holding any public office or employment, nor shall they forfeit any office or employment by reason of their appointment under this section, notwithstanding the provisions of any general, special, or local law, ordinance, or city charter.

Section 25. Section 19 of chapter 738 of the laws of 1988, amending the administrative code of the city of New York, the civil service law and other laws relating to the New York city school construction authority, as amended by chapter 410 of the laws of 1999, is amended to read as follows:

Section 19. This act shall take effect immediately, provided, however, that the provisions of subdivision 6 of section 209 of the civil service law, as added by section four of this act, shall expire and be deemed repealed on and after June 30, 1995, and further provided that the provisions of section 1735 of the public authorities law, as added by section fourteen of this act, shall expire and be deemed repealed on [D> July 1, 2002 <D] [A> JUNE 30, 2004 <A] .

Section 26. Paragraph c of subdivision 2 of section 2590-d of the education law is REPEALED.

Section 27. Subdivision 1 of section 2590-e of the education law is REPEALED.

Section 28. Subdivision 28 of section 2590-h of the education law is REPEALED.

Section 29. Subdivision 30 of section 2590-h of the education law is REPEALED and a new subdivision 30 is added to read as follows:

[A> 30. SELECT AND APPOINT A COMMUNITY SUPERINTENDENT, IN COMPLIANCE WITH THE QUALIFICATIONS REQUIRED BY SUBDIVISION TWENTY-NINE OF THIS SECTION AND SUBJECT TO THE PROVISIONS OF SUBDIVISION TWO OF SECTION TWENTY-FIVE HUNDRED NINETY-J OF THIS ARTICLE, AT A SALARY TO BE FIXED WITHIN THE BUDGETARY ALLOCATION THEREFOR. <A]

Section 30. Subdivision 30-a of section 2590-h of the education law is REPEALED.

Section 31. Subdivision 4 of section 1728 of the public authorities law, as amended by chapter 232 of the laws of 2000, is amended to read as follows:

4. To appoint officers and employees, fix their compensation and require background investigations, including but not limited to the criminal history of all applicants for employment to determine the suitability of such applicants for employment. Such investigation shall include but not be limited to the taking of fingerprints of such officers and em-

ployees [D] by such authority's office of the inspector general <D] as a prerequisite for employment; provided, however, that every set of fingerprints taken pursuant to this subdivision shall be promptly submitted to the division of criminal justice services where it shall be appropriately processed and forwarded to the federal bureau of investigation, at a rate required by such agencies for state and national criminal history record checks;

Section 32. Notwithstanding any powers transferred from the city board to the chancellor pursuant to this act, any regulation or by-law in force on the effective date of this act, issued pursuant to earlier statutory authority, shall continue in force until duly amended, superceded, or repealed by the chancellor. In addition, the chancellor shall have the power to continue any business, proceeding or other matter commenced by the city board involving powers transferred pursuant to this act.

Section 33. Severability. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

Section 34. This act shall take effect July 1, 2002; provided, that sections one through twenty, twenty-four, and twenty-six through thirty of this act shall expire and be deemed repealed June 30, 2009; provided, further, that notwithstanding any provision of article 5 of the general construction law, on June 30, 2009 the provisions of subdivisions 3, 5, and 8, paragraph b of subdivision 13, subdivision 14, paragraphs b, d, and e of subdivision 15, and subdivisions 17 and 21 of section 2554 of the education law as repealed by section three of this act, subdivision 1 of section 2590-b of the education law as repealed by section six of this act, paragraph (a) of subdivision 2 of section 2590-b of the education law as repealed by section seven of this act, section 2590-c of the education law as repealed by section eight of this act, paragraph c of subdivision 2 of section 2590-d of the education law as repealed by section twenty-six of this act, subdivision 1 of section 2590-e of the education law as repealed by section twenty-seven of this act, subdivision 28 of section 2590-h of the education law as repealed by section twenty-eight of this act, subdivision 30 of section 2590-h of the education law as repealed by section twenty-nine of this act, subdivision 30-a of section 2590-h of the education law as repealed by section thirty of this act shall be revived and be read as such provisions existed in law on the date immediately preceding the effective date of this act; provided, however, that sections seven and eight of this act shall take effect on June 30, 2003; provided further that the amendments to subdivision 25 of section 2554 of the education law made by section two of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 12 of chapter 147 of the laws of 2001, as amended, when upon such date the provisions of section four of this act shall take effect.

**SPONSOR:** Assembly Rules Committee

**SUBJECT:** SCHOOL BOARDS (94%); SCHOOL BUILDINGS (91%); INSTITUTIONAL CONSTRUCTION (90%); EDUCATION LAW (90%); CONSTRUCTION (90%); EDUCATION SYSTEMS & INSTITUTIONS (89%); EDUCATION (89%); STUDENTS & STUDENT LIFE (79%); SCHOOL PERFORMANCE (59%); AUDITS (59%); ACCOUNTING STANDARDS (59%); FINGERPRINTING (59%); TEACHING MATERIALS & MEDIA (59%); SCHOOL SAFETY & SECURITY (59%); PUBLIC SCHOOLS (59%); CIVIL SERVICES (59%); LEGISLATION (59%); GOVERNMENT BUDGETS (59%); GOVERNMENT CONTROLLERS & AUDITORS (59%); CITY GOVERNMENT (59%); APPROPRIATIONS (59%); LEGISLATORS (59%); DISABLED PERSONS (59%); US FEDERAL GOVERNMENT (59%); ACCOUNTING (59%);

**COUNTRY:** UNITED STATES (98%);

**STATE:** NEW YORK, USA (98%);

**CITY:** NEW YORK, NY, USA (98%);

**LOAD-DATE:** June 14, 2002