

DESCRIPTION OF
2006-07 NEW YORK STATE SCHOOL AID PROGRAMS

EDUCATION UNIT
NEW YORK STATE DIVISION OF THE BUDGET
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SCHOOL AID/STAR OVERVIEW

This bulletin presents a summary of the 2006-07 school aid programs in the Aid to Localities Budget Bill (S.6453-C/A.9553-C) as well as the related Article VII bill (S.6458-C/A.9558-B) and additional legislation (S.7265/A.10653, S.8470/A.12044 and S.8471/A.12045) which was passed by the Legislature and subsequently became law as Chapters 53, 58, 61, 108 and 109 of the Laws of 2006.

For the 2006-07 school year, funding for General Support for Public Schools will increase by \$1,268.51 million, or 7.74 percent, from \$16,387.53 million to \$17,656.04 million. Major elements of State support for elementary and secondary education include the following:

- An overall increase of \$1,268.51 million (7.74 percent) in school aid, including an increase of \$1,100.16 million (6.97 percent) in formula-based computerized aids, \$128.15 million in grant programs, and \$40.2 million for Fiscal Stabilization Grants.
- School districts statewide will receive \$8,587.42 million in Flex Aid, an increase of \$85.03 million or 1.00 percent.
- Sound Basic Education Aid funding will total \$699.85 million for the 2006-07 school year, an increase of \$374.98 million.
- A new Supplemental Extraordinary Needs Aid will provide \$136.15 million for school districts statewide.
- New funding of \$20.55 million will be available to support programs for students with limited English proficiency.
- An increase of \$125.30 million (4.69 percent) will be provided for Public and Private Excess Cost Aid for special education programs.
- Continued funding is provided for prekindergarten programs (\$201.36 million) and class size reduction (\$139.49 million). An additional \$50.00 million is provided outside the computerized aid total for expansion of existing prekindergarten programs, along with \$3.32 million for supplemental allocations.

- A total of \$1.95 million is provided for Full-Day Kindergarten Conversion Aid, reflecting a decline of -\$1.80 million due to a reduction in the number of applications from school districts.
- Building Aid funding of \$1,616.44 million is provided for the 2006-07 school year, an increase of \$91.68 million (6.01 percent).
- A total of \$261.34 million, an increase of \$0.29 million, is provided for expense-based instructional materials aids including computer software, computer hardware and textbook aid. Computer Software Aid will increase by \$0.73 million or 1.59 percent. Computer Hardware Aid is increased by \$0.18 million or 0.62 percent. The existing statutory formula for Textbook Aid will result in a decrease of -\$0.62 million or -0.33 percent.
- For 2006-07, Library Materials Aid will total \$19.28 million, a decrease of -\$0.01 million.
- An increase of \$98.75 million (8.10 percent), for a total of \$1,318.54 million, is provided for expense-based Transportation Aid. Statewide, up to \$5.00 million continues to be available for reimbursement of summer school transportation expenses.
- Aid for BOCES services will total \$605.26 million, an increase of \$58.14 million, or 10.63 percent.
- For the 2006-07 school year, \$148.30 million, an increase of \$6.14 million, will be available for Special Services Aid for career education programs and school computer services. This aid is provided to both Big Five City school districts and other districts that are non-components of BOCES.
- An increase of \$76.58 million is provided for Tax Limitation Aid which provides funding to school districts based on district tax levy from residential property and overall district income and approved operating expense per pupil. In addition, \$19.97 million is provided outside the computerized aid total for a new High Tax Aid for districts within counties where the countywide tax levy from residential property exceeds four percent of the overall income.
- Growth Aid will increase by \$1.96 million to \$17.00 million for the 2006-07 school year.

- A new Enrollment Adjustment Aid will be funded at \$26.70 million. Districts will qualify for aid based on their increase in pupils between the 2000-01 and 2004-05 school years.
- Funding is continued for various categorical aid programs including Teacher Support Aid (\$67.48 million), Small Cities Aid (\$81.88 million) and Bilingual Grants (\$11.20 million).
- The "Teachers of Tomorrow" initiative will be increased by \$5.00 million to \$25.00 million. This program provides assistance to school districts, including the Big Five City schools, in their efforts to increase the supply of qualified entry-level teachers and to improve teacher retention.
- The Teacher-Mentor Intern program will be continued at \$6.00 million and Teacher Centers will be funded at a level of \$37.00 million, an increase of \$6.00 million.
- Funding of \$5.00 million each is provided for two new programs: Engineers of the Future and Summer Institutes for Math and Science. The \$5.00 million for the Engineers of the Future program will enable 500 middle and high schools to offer their students pre-engineering programs. The Summer Institutes for Math and Science is a \$5.00 million program which includes \$2.50 million for summer math and science programs at community colleges for middle school students and \$2.50 million to support university-based programs to refresh and renew the competency of math and science teachers in state-of-the-art technology, equipment and pedagogy.
- New funding of \$13.84 million is provided to support school health services in the Big Four City school districts.
- A total of \$44.14 million is provided for Fiscal Stabilization Grants, representing an increase of \$40.20 million.
- In addition to Building Aid, a total of \$2.60 billion will be provided for additional school construction from bonds issued by the Dormitory Authority of the State of New York under the new EXCEL (Expanding our Children's Education and Learning) program.

- School tax relief under the STAR program will increase from \$3.21 billion in 2005-06 to an estimated \$4.29 billion in 2006-07.

The STAR cost of living adjustment (COLA) for senior income eligibility has raised the income ceiling from \$64,650 to \$66,050 for 2006-07. This COLA ensures that modest increases in Social Security or other retirement income will not make seniors who had received enhanced STAR benefits ineligible in subsequent years.

In addition, the enhanced STAR exemption for seniors will be adjusted from \$50,000 to \$56,800 to reflect increases in the cost of living since the full implementation of STAR. This will generate STAR savings of \$72.00 million in 2006-07.

2006-07 SCHOOL AID PROGRAMS

For the 2006-07 school year, the enacted 2006-07 State Budget includes a \$8.59 billion Flex Aid program, a \$699.85 million Sound Basic Education Aid program and several new aid categories. These and other aid provisions for the 2006-07 school year are described in greater detail below.

A. GENERAL SUPPORT FOR PUBLIC SCHOOLS

The enacted school aid program will increase the aids comprising General Support for Public Schools (GSPS) by \$1,268.51 million, from \$16,387.53 million in 2005-06 to \$17,656.04 million in the 2006-07 school year, an increase of 7.74 percent. Formula-based computerized aids will increase by \$1,100.16 million, or 6.97 percent, to \$16,890.74 million, and grant programs increase by \$128.15 million, and a \$40.2 million increase in Fiscal Stabilization Grants.

FORMULA-BASED AIDS

Flex Aid: For 2006-07, school districts statewide will receive \$8,587.42 million in Flex Aid - an increase of \$85.03 million. Each district will receive an amount equal to its 2005-06 Flex Aid and Additional Aids plus an increase of 1.00 percent.

Supplemental Extraordinary Needs Aid: For 2006-07, this new three-tiered formula will distribute \$136.15 million to qualifying school districts based on factors such as district wealth and the proportion of high need pupils. The State's 207

high need districts, including New York City, will receive \$102.80 million, or 75.5 percent, of the statewide aid total.

Limited English Proficiency (LEP) Aid¹: For 2006-07, the per pupil calculation for LEP Aid, which is based on Formula Operating Aid, has been revised. School district programs for the education of students with limited proficiency in English will be supported by \$20.55 million. A limited English proficiency set-aside requirement will ensure school district compliance with Federal requirements and the continuation of services to pupils with limited proficiency in English.

Sound Basic Education (SBE) Aid: A total of \$699.85 million, an increase of \$374.98 million, will be available for Sound Basic Education Aid to ensure that schools have the resources they need to meet the State's educational standards. New York City will receive \$421.49 million, or 60.2 percent, of overall SBE funding. Nearly 86 percent of Sound Basic Education Aid will be targeted to the State's 207 high need school districts.²

Tax Limitation Aid: For 2006-07, this aid category will provide a total of \$211.63 million, an increase of \$76.58 million, to school districts. In order to maintain funding stability, current year funding of \$135.05 million will be continued in the 2006-07 school year. Two additional formula tiers will distribute the increased aid. Formula elements will target additional aid to districts based on property and income wealth, a district's residential property tax levy and income compared to a State average for residential levy as a percent of income, and a district's approved operating expense per pupil if greater than the statewide average of \$9,250.

In addition to Tax Limitation Aid, a new High Tax Aid will provide \$19.97 million to districts within counties where the

¹ Where appropriate to the aid category calculation, Formula Operating Aid (as cited in subdivision 13 of Section 3602 of the Education Law) will be used. The calculation for Formula Operating Aid is described more fully in subdivision 12 of Section 3602 of the Education Law.

² For 2006-07, each school district will receive a share of the \$375 million SBE Aid increase equivalent to its share of 2005-06 SBE Aid. For each district, the apportionment will be equal to \$375 million multiplied by the ratio of the district's 2005-06 SBE Aid to the 2005-06 State total SBE Aid (\$324.9 million). No district will receive less than \$53,837. The Legislature also provided for a Sound Basic Education Aid replacement fund appropriation of \$262.5 million to ensure that no district will receive less than the amount reported in the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted State Budget.

countywide tax levy from residential property exceeds four percent of the overall income.

Public Excess Cost Aid: Public Excess Cost Aid will total \$2,563.93 million in 2006-07, an increase of \$116.55 million. This program supports the additional costs of providing a free and appropriate education in a public school setting for students with disabilities. Aid payable in 2006-07 will be calculated based on approved operating expense and total aidable pupils for expense of the 2004-05 school year. The statewide average approved operating expense per pupil is \$9,250. The aid ratio is determined using the Combined Wealth Ratio and is based on a 49 percent State share for a district of average wealth and a minimum aid ratio of 25 percent.

Funding for the Declassification Support Services Aid program is also included within the estimates for Public Excess Cost Aid. Under this program, moneys are provided to school districts for the provision of support services for teachers and pupils in the first year that a pupil moves from a special education program to a full-time regular education program. This aid equals 50 percent of a district's Public Excess Cost Aid per pupil multiplied by the number of pupils moving to a regular education program.

Private Excess Cost Aid: This program supports special education programs serving public school children placed in private school settings and in the State-operated schools at Rome and Batavia. All existing provisions of law are continued. State funding in 2006-07 will total \$232.61 million, an increase of \$8.75 million.

BOCES Aid: For 2006-07, aid to reimburse districts for expenditures for BOCES services in the 2005-06 school year will total \$605.26 million, an increase of \$58.14 million.

Special Services Aid: Special Services Aid funds career education programs and computer services for school districts which are not components of a BOCES. The career education aid ceiling for 2006-07 is increased to \$3,900. Computer services aid is based upon an aid ratio multiplied by expenses up to \$62.30 multiplied by the district's K-12 enrollment. For 2006-07, this aid will total \$148.30 million, an increase of \$6.14 million.

Transportation Aid: Transportation Aid will total \$1,318.54 million in 2006-07, an increase of \$98.75 million compared to the previous year. The minimum aid ratio for Transportation Aid continues to be 6.5 percent (dependent on district wealth, aid will range from 6.5 percent to 90 percent of a district's

approved transportation expenses). The aid ratio choice permitting school districts to receive aid based on public and non-public enrollments is continued and will benefit districts transporting large numbers of nonpublic school students. Districts will be eligible for reimbursement for capital expenditures based on the assumed useful life of the asset. District expenditures for transportation to and from school district operated summer classes to improve student performance will be aided up to a maximum of \$5.00 million statewide.

Reorganization Incentive Operating Aid: The statutory provisions for Reorganization Incentive Operating Aid remain unchanged. For 2006-07, aid will amount to \$15.44 million, a decrease of -\$0.32 million. Reorganization Incentive Operating Aid is provided for operating expenses incurred by school districts that reorganize. It is paid as a supplement based on Formula Operating Aid when districts meet certain conditions prescribed by law. Since 1992, the operating aid enhancement for reorganizing districts has been 40 percent per year for the first five years, after which the percentage of additional operating aid decreases by four percent per year.

Textbook and Computer Aids: For the 2006-07 school year, the following provisions based on existing statutory formula apply:

- Textbook Aid: These funds reimburse school districts for the purchase of textbooks which are loaned to both public and nonpublic pupils. Schools are also able to qualify for reimbursement based on eligible purchases of content-based instructional materials in an electronic format. The lottery funded portion of Textbook Aid is \$15.00 per pupil. The general fund portion will be \$42.30 per pupil, for a combined maximum textbook aid payment of \$57.30 per pupil. Under the existing statutory formula, this aid will total \$185.66 million in 2006-07, a decrease of -\$0.62 million.
- Computer Software Aid: Under this program, aid is apportioned to districts for the purchase and loan of computer software. Software programs designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils pursuant to the Rules of the Board of Regents. For the 2006-07 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2006-07, Computer Software Aid will total \$46.61 million, an increase of \$0.73 million.

- Instructional Computer Hardware and Technology Equipment Aid: This aid category provides funding for the lease or purchase of mini- and micro-computers, computer terminals and technology equipment for instructional purposes, for repair costs and for staff development. For the 2006-07 school year, \$29.07 million, an increase of \$0.18 million, is provided.

Library Materials Aid: Districts are reimbursed for expenses up to \$6.00 per pupil based on public and nonpublic school enrollment. For 2006-07, Library Materials Aid will total \$19.28 million, a decrease of -\$0.01 million. Materials purchased under this program and designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils.

Prekindergarten and Early Grade Class Size Reduction Aid: Beginning in 1998-99, State funds were provided to expand the availability of prekindergarten programs for four-year-old children statewide. In 1999-00, a class size reduction initiative was also implemented to enable school districts to reduce class size in kindergarten and in grades one through three. The school aid computer listing entitled "SA060-7" released in March 2006 in support of the 2006-07 enacted Budget estimated funding level requirements of \$201.36 million for prekindergarten programs and \$139.49 million for class size reduction programs. Each school district shall receive funding up to the amount that such district was eligible for in the 2005-06 school year.

For the 2006-07 school year, an additional \$50.00 million is provided outside the computerized aid total for expansion of existing prekindergarten programs, along with \$3.32 million for supplemental allocations.

Full-Day K Conversion Aid: This aid category provides funding to encourage school districts to establish full-day kindergarten programs intended to strengthen the quality of education for five-year-old children. School districts first offering full-day kindergarten programs in 2006-07 will receive current year Formula Operating Aid for any increase in the number of students served in full-day programs in 2006-07 compared to 2005-06. For 2006-07, a total of \$1.95 million, a decrease of -\$1.80 million, is provided for this program reflecting a decline in new applications from school districts.

Building/Reorganization Incentive Building Aid³: For 2006-07, Building Aid to support school building projects throughout the State (including Reorganization Incentive Aid for building expenses incurred by those school districts that reorganize under section 3602 of the Education Law) will total \$1,616.44 million, an increase of \$91.68 million. Projects receive aid based on the date of approval by voters with Building Aid based on the greater of their current year AV/RWADA aid ratio or their 1999-00 Building Aid ratio reduced by 10 percentage points. An additional enrichment of up to 10 percent is provided for projects approved July 1, 1998 and thereafter.

For aid payable for projects approved after July 1, 2005, for high need school districts including the Big Five City schools, districts may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98 percent of the project's approved costs.

For projects for which a contract is signed July 1, 2004 or later, the 2005-06 Enacted Budget included changes to the Building Aid formula that address increased costs specific to New York City. These are continued in 2006-07. The cost allowance will include legitimate extraordinary costs related to:

- multistory construction necessitated by substandard site sizes,
- site security costs,
- difficulties with delivery of construction supplies,
- increased fire resistance and fire suppression costs,
- site acquisition,
- environmental remediation and
- building demolition costs.

Additionally, consistent with legislation enacted with the 2004-05 State Budget, payment for new construction projects otherwise eligible for aid is deferred in instances in which the school district did not file a notice that a general construction contract has been signed with the Commissioner of Education by the February 15, 2006 database.

³ An additional \$2.60 billion will be available for school construction through bonds issued by the State Dormitory Authority for the EXCEL (Expanding our Children's Education and Learning) program. New York City will receive up to \$1.80 billion in EXCEL grants. An additional \$400 million in EXCEL funding will be available for the State's high need school districts with the remaining \$400 million in EXCEL funding allocated to fund projects in average and low need districts.

In total, \$11.2 billion has been authorized for 2006-07 to support school construction in New York City. The \$11.2 billion consists of \$1.8 billion in school construction aid and a \$9.4 billion authorization for the New York City Transitional Finance Authority to issue bonds for the modernization and expansion of school building infrastructure.

Growth Aid: Growth Aid will be paid as a separate apportionment to qualifying districts in June 2007. As provided for in Chapter 474 of the Laws of 1996, a district's growth index is calculated based on the change in enrollment. For 2006-07, Growth Aid will total \$17.00 million, an increase of \$1.96 million.

Enrollment Adjustment Aid: This new aid category will provide \$26.70 million to districts statewide based on district wealth and the increase in enrollment between the 2000-01 and 2004-05 school years.

Teacher Support Aid: For the 2006-07 school year, \$67.48 million will continue to be available for this Big Five City school district program.

GRANT PROGRAMS AND OTHER AID CATEGORIES

Teachers of Tomorrow: For 2006-07, \$25.00 million, an increase of \$5.00 million, be available for incentives such as awards and stipends to retain and attract teachers into New York's classrooms, particularly in areas where teacher shortages exist. Of available funds, up to \$15.00 million, or 60 percent, will go to New York City.

Teacher Resource and Computer Training Centers: General Support for Public Schools funding is available to support a \$37.00 million program in the 2006-07 school year, an increase of \$6.00 million.

Teacher-Mentor Intern: Under this program \$6.00 million in General Support for Public Schools funding will continue to be available to support school-year programs through which new teachers work with an experienced teacher as their mentor.

Engineers of the Future: This new \$5.00 million program will enable 500 middle and high schools to offer pre-engineering programs. These programs will help to cultivate interest and proficiency in engineering and increase the number of students pursuing engineering careers.

Summer Institutes for Math and Science: This new \$5.00 million program includes \$2.50 million for summer math and science programs at community colleges for middle school students and \$2.50 million to support university-based programs to refresh and renew the competency of math/science teachers in state-of-the-art technology, equipment and pedagogy.

School Health Services: For the 2006-07 school year, \$13.84 million in new funding is available to provide necessary health services to students in the Big Four City school districts.

High Tax Aid: This new aid category provides \$19.97 million to school districts in counties where the countywide residential property tax levy exceeds four percent of the adjusted gross income of county residents.

Categorical Reading Aid: This aid is provided to the Big Five City school districts to help improve pupil reading and mathematic skills as well as overall academic performance. A total of \$63.95 million in 2006-07, the same amount as last year, is provided to be distributed as follows:

- New York City \$29.95 million
- Buffalo 17.50 million
- Syracuse 6.00 million
- Rochester 5.50 million
- Yonkers 5.00 million

Improving Pupil Performance: Funding of \$66.35 million, the same amount as last year, is continued to support a program of incentive grants for improving pupil performance in the Big Five City school districts. These funds will be allocated as follows:

- New York City \$36.20 million
- Buffalo 10.50 million
- Yonkers 9.10 million
- Rochester 6.95 million
- Syracuse 3.60 million

Magnet and Demonstration Schools: Magnet school programs offer special curricula that are intended to attract students of different backgrounds in order to reduce racial isolation. A total of \$158.20 million, an increase of \$20.60 million, is provided for 22 school districts (including \$136.70 million to the Big Five cities). School districts may use these funds to support the costs of magnet school programs or alternative instruction programs intended to reduce racial isolation and/or enhance academic standards:

- Yonkers \$49,500,000
- New York City 48,175,000
- Buffalo 17,025,000
- Rochester 11,000,000
- Syracuse 11,000,000
- Newburgh 4,645,000

• Poughkeepsie	2,475,000
• Albany	2,050,000
• Mount Vernon	2,000,000
• Schenectady	1,800,000
• Utica	1,700,000
• New Rochelle	1,410,000
• Port Chester	1,150,000
• White Plains	900,000
• Niagara Falls	600,000
• Beacon	566,000
• Amsterdam	500,000
• Freeport	400,000
• Hudson	400,000
• Middletown	400,000
• Greenburgh	300,000
• Peekskill	200,000

Fort Drum Area School Districts: A total of \$3.49 million, an increase of \$0.49 million, is provided to continue grants to school districts in the Fort Drum area that have pupil enrollments that are impacted due to the influx of personnel at the Fort Drum military reservation.

Aid to Small City School Districts: Aid for small city school districts was instituted as a grant program by Chapter 288 of the Laws of 1979, and was intended to provide funds to districts at or near constitutional tax limits. With the removal of small city constitutional tax limits by a referendum in 1985, aid to small city school districts is provided to permit such districts to adjust their taxes gradually to an appropriate level. A total of \$81.88 million, the same amount as in 2005-06, will be allocated to small city school districts for the 2006-07 school year.

Employment Preparation Education (EPE) Aid: EPE funding is available for adult education programs such as literacy, basic skills and high school equivalency programs for persons who are 21 years of age or older who have not received a high school diploma. School districts and BOCES offering such programs are required to submit plans of service to the Commissioner of Education for approval. Total aid will be \$96.00 million for the 2006-07 school year, the same amount as in 2005-06. Approved claims above such amount will be subject to proration. Up to \$2.50 million of the 2006-07 school year total will be available for services to individuals over the age of 21 who possess a high school or equivalency diploma but who fail to demonstrate basic educational competencies.

Urban-Suburban Transfer: A total of \$1.13 million will be provided in 2006-07 to districts that participate in a voluntary interdistrict transfer between urban and suburban school districts to reduce racial isolation. Related transportation expenses are eligible for Transportation Aid.

Education of Homeless Children: Chapter 348 of the Laws of 1988 amended Section 3602 of the Education Law to institute this program of State aid under which school districts where homeless children are temporarily located are reimbursed for the direct cost of educating such children. This cost to the State is partially recaptured from the district of last attendance for each such homeless child by deducting an amount equal to the district's basic contribution per pupil from the district's State aid. The net cost of aid for homeless pupils is estimated at \$6.48 million, the same amount as in 2005-06.

Aid for Incarcerated Youth: A total of \$16.50 million is provided for support for the provision of educational services to youth detained in local correctional facilities. Pursuant to the provisions of Chapter 53 of the Laws of 1992, such services may now be provided, and aided, during summer sessions as well as the regular school year.

Bilingual Education Grants: In 2006-07, \$11.20 million will be used to continue existing funding of regional bilingual programs at BOCES and to support innovative Two-Way Bilingual Education Programs. Such programs employ two languages (one of which is English) for the purpose of instruction and involve students whose native language is other than English.

Education of OMH/OMR Pupils: A total of \$34.00 million is continued in the General Support for Public Schools appropriation for apportionment to school districts for the purpose of providing educational services for children who are residents in, and those released from, Office of Mental Health and Office of Mental Retardation and Developmental Disabilities facilities pursuant to Chapter 66 of the Laws of 1978 and subdivision 5 of section 3202 of the Education Law. Aid is also provided for children who reside in intermediate care facilities for the mentally retarded who receive educational services pursuant to Chapter 721 of the Laws of 1979.

Learning Technology Grants: Learning technology programs, including services benefiting nonpublic school students, will continue to be funded at \$3.29 million.

Bus Driver Safety: A total of \$400,000 is continued in funding for grants to schools for training purposes including,

but not limited to, funding of a statewide school bus driver safety program and the distribution of training materials.

Roosevelt School District: For the 2006-07 school year, \$6.00 million is continued for academic improvement in the Roosevelt School District.

Education of Native Americans: A total of \$30.00 million for the 2006-07 school year, an increase of \$2.25 million, is provided for the full cost of elementary and secondary education (including transportation expenses) for Native American children as authorized by Article 83 of the Education Law. The program benefits approximately 2,500 children living on 9 reservations and educated in 3 reservation schools, 13 public school districts and 4 BOCES.

Fiscal Stabilization Grants: The 2006-07 enacted Budget includes \$44.14 million in fiscal stabilization grants. This represents an increase of \$40.20 million over 2005-06 levels, with such increase allocated to New York City.

B. OTHER STATE AID PROGRAMS

The aids highlighted below are shown in Table II-B on a State fiscal year basis. These programs affect school districts, but they are typically not funded in the General Support for Public Schools appropriations.

Basic Education for Public Assistance Recipients: For 2006-07, \$2.00 million is continued for basic education programs including reading, mathematics, and life skills offered to public assistance recipients 16 years of age or older who have a reading level below the ninth grade.

Children of Migrant Workers: A total of \$90,000, the same as for 2005-06, is provided to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: For 2006-07, an appropriation of \$4.32 million, an increase of \$1.00 million, is provided for a program of adult literacy consisting of competitive grants to community-based organizations, literacy volunteer organizations, and two- and four-year colleges and libraries.

Targeted Prekindergarten Program: The Targeted Prekindergarten program provides health, psychological and social services to three- and four-year-old children from economically deprived neighborhoods. A total of \$50.20 million,

the same amount as in 2005-06, has been allocated for the 2006-07 school year. Grants to support existing programs will be awarded based on Regulations of the Commissioner subject to the approval of the Director of the Budget.

New York State Center for School Safety: For 2006-07 \$475,000 will be made available through the New York State Center for School Safety to disseminate information and provide training and technical assistance on violence prevention to schools and communities.

Civility, Citizenship and Character Education Curriculum: In 2000, the Legislature enacted the Safe Schools Against Violence in Education (SAVE) initiative which incorporated recommendations of the Task force on School Violence chaired by Lieutenant Governor Mary Donohue. For 2006-07, a total of \$475,000 is provided to support the development of curricula in grades K-12 that will instruct children on principles such as honesty, tolerance, personal responsibility, respect for others, observance of laws and rules, courtesy and dignity.

Lunch/Breakfast Programs: A total of \$31.70 million in State funds, the same amount as last year, including support for additional expenses of school breakfast programs for schools with extraordinary needs, is provided to subsidize school lunch and school breakfast programs. The Federal share of the School Lunch and Breakfast Program under the Food and Nutrition Fund will equal \$705.60 million for the 2006-07 Federal fiscal year.

Health Education Program: For 2006-07, \$750,000 is appropriated for a Health Education Program to consolidate programs and to eliminate duplication in the provision of services to school districts by the statewide and regional health networks. All of the programs previously funded under the comprehensive school health demonstration, school health demonstration project and AIDS prevention education programs are eligible for funding under the new program.

Primary Mental Health Project: A total of \$970,000 is continued in 2006-07 for State support of school-based programs for the early detection and prevention of school adjustment and learning problems experienced by children in the primary grades.

Transferring Success: For 2006-07, an appropriation of \$629,800 is made available for this program, which seeks to validate and support the replication of exemplary education programs.

Workplace Literacy: Under this program, \$1.38 million is provided in 2006-07 to aid labor organizations in the operation of programs in basic literacy and job skills.

Consortium for Worker Education: This not-for-profit organization, which provides adult education services to union members and workers in New York City, is funded at \$11.50 million in 2006-07.

Apprenticeship Training: For 2006-07, \$1.83 million is provided to local education agencies for apprenticeship training programs pursuant to a formula contained in section 3610 of the Education Law.

Extended School Day/School Violence Prevention: A total of \$30.20 million, the same as in 2005-06, is provided to fund local school-based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Schools Under Registration Review: A total of \$1.90 million is available in State aid to these schools.

Academic Intervention for Nonpublic Schools: A total of \$1.00 million continues to be available to support a program of academic intervention services to enhance the educational performance of students attending nonpublic schools.

Nonpublic School Aid: A total of \$87.50 million is appropriated to reimburse the actual expenses incurred by nonpublic schools for specified State testing and data-collection activities, pursuant to the provisions of Chapters 507 and 508 of the Laws of 1974.

Private Schools for the Blind and Deaf: A total of \$111.10 million, an increase of \$1.89 million is provided, under Article 85 of the Education Law, for allowances to eight private schools for the deaf, two private schools for the blind, and the Henry Viscardi School for children with multiple disabilities.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$635.00 million, an increase of \$65.99 million, is provided for the State's 59.5 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 2005-06, prior year claims on file with the State Education Department as of April 1, 2006 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2006-07 will receive priority status for payment in 2007-08.

Summer School Program for Disabled Students: An appropriation of \$237.90 million, an increase of \$48.00 million, is provided to meet the State's 70 percent share of costs of summer school programs for school-age pupils with disabilities pursuant to Section 4408 of the Education Law. The 2006-07 appropriation will fund prior year liabilities and up to 70 percent of the 2006-07 school year obligations with the remainder to be funded in the subsequent State fiscal year.

Center for Autism and Related Services (CARD): For 2006-07, a total of \$500,000 in State funds is provided to this SUNY-affiliated resource center that provides evidence-based training and support to families, professionals, school districts and peers of people with autism and related disabilities. This State funding is supplemented by \$500,000 in funding through Federal Individuals with Disabilities Education Act (IDEA) resources for a total of \$1.00 million.

Special Education - Federal Medicaid Recovery: For the 2006-07 State fiscal year, Chapter 53 includes a \$170.0 million offset to State special education costs based on recovery of Federal Medicaid funds for medically related services provided to eligible children in special education programs.

Targeted Special Education Teacher Salary Supplement: A total of \$2.0 million is provided to continue support to private special education providers that serve students with disabilities to allow them to provide targeted adjustments to teacher salaries to help allow these schools to attract new teachers and prevent excessive turnover of existing teaching staff.

Summer Food Program: A total of \$3.30 million in State funds, the same as last year, is appropriated to subsidize summer food service programs operating during the 2006-07 school year.

Advances to Hurd City School Districts: A total of \$5,431,000 in loan funds (Hurd advances) is appropriated in 2006-07 for city school districts first eligible to receive loans pursuant to Chapter 280 of the Laws of 1978. Commencing with 1992-93, pursuant to Chapter 280 of the Laws of 1978 as amended by Chapter 53 of the Laws of 1991, district advances are being reduced by 5 percent per year, until no advances are made in the 2011-2012 school year.

District/School Specific Appropriations: In addition to the above programs, district-specific or school-specific appropriations have been added by the Legislature to the State Education Department's Elementary, Secondary Education program

in the 2006-07 State fiscal year. These programs total \$81,456,250. Included within this amount is school year funding of \$500,000 for the National Board for Professional Teaching Standards Certification. Also included are seventy percent of a \$26,670,000 2006-07 school year Teacher Resource and Computer Training Center program and seventy percent of a \$4,000,000 2006-07 school year Teacher-Mentor Intern program.⁴

⁴ Total 2006-07 school year funding of \$37.00 million is provided for the Teacher Resource and Computer Training Center program and \$6.00 million for the Teacher-Mentor Intern program. (See Table II-A)

SCHOOL TAX RELIEF (STAR) PROGRAM

Chapter 389 of the Laws of 1997 enacted a School Tax Relief (STAR) program for homeowners and provided for the full reimbursement of school districts for their revenue losses. Senior homeowners at least 65 years old and with incomes up to \$66,050 are eligible to receive exemptions in 2006-07 of at least \$56,800 from the full value of their primary residences for school tax purposes. Other homeowners are eligible for a \$30,000 exemption from the full value of their primary residence for school property tax purposes. In those counties where the median value of homes exceeds the statewide median home value, as determined by the State Office of Real Property Services (ORPS), the value of the exemptions will be increased. The State will reimburse school districts dollar-for-dollar for the property tax revenues foregone from these exemptions.

School District Reimbursement for STAR

STAR exemptions have no effect on determining tax levies, rates or school aid. School districts are reimbursed for the taxes foregone upon application to the State Office of Real Property Services. ORPS certifies to the Commissioner of Education amounts payable under the STAR program and school districts receive reimbursement from the State Education Department. The 2006-07 Budget includes \$2.70 billion for this purpose. For the 2006-07 school year, STAR reimbursements will be made according to the following schedule:

- 35 percent by October 15, 2006;
- 70 percent by November 15, 2006;
- 80 percent by December 15, 2006; and
- 100 percent by January 1, 2007.

Any increase in STAR reimbursement that occurs as a result of adjustments made after January 1 will be paid by March 31, 2007.

New York City Tax Reduction

Under the STAR program, New York City's more than 3 million resident personal income taxpayers will receive a flat refundable credit and a rate reduction. Total local taxpayer savings - reflecting newly enacted credit increases -- will be \$888 million, which will be reimbursed to the City in three equal installments on or before September 15, 2006, December 15, 2006 and June 15, 2007.

STAR Rebate Check Program

In 2006-07, a newly enacted Local Property Tax Rebate program will provide \$700 million in direct rebates to STAR-eligible homeowners. Rebates to homeowners that currently receive STAR will be paid by October 31. Homeowners that are eligible for, but did not receive, STAR in 2006-07 may apply for the rebate any time before January 20, 2007.

OTHER INITIATIVES

Math and Science: In 2006 a series of initiatives were signed into law to expand interest and proficiency in math, science, and engineering among both students and teachers. These include:

- Engineers of the Future: This program provides grants to schools to implement rigorous pre-engineering programs at both the middle and high school levels.
- Math/Science Summer Institutes: These summer institutes are designed to refresh and renew teacher competency in state-of-the-art technology in math and science.
- Math and Science High Schools: Three new regional math/science academies will be created to provide expanded learning opportunities similar to those provided by the Tech Valley Regional Institute in the Capital District.

Tech Valley Regional Institute: A new Tech Valley High School program will provide Capital Region students in Grades 9 through 12 from school districts served by the Capital Region BOCES and Questar III BOCES programs with instruction in technology-related coursework. Legislation relating to accountability, voter participation and fiscal oversight provides for:

- Creation of a joint board comprised of the existing board members of the two local BOCES to oversee the operation of the high school program;
- Creation of an advisory council consisting of members of the Capital District business community;
- Authorization for high school diplomas to be awarded by the student's school district of residence indicating that the student attended and completed the Tech Valley High School program;
- Clarification of the educational status of the program as a regional institute rather than a freestanding high school; and,
- Establishing provisions comparable to other BOCES-approved programs for accountability, voter participation and fiscal oversight.

School Construction - Syracuse and Buffalo: The enacted State Budget includes legislation to allow the City of Syracuse and the Syracuse City School District to move forward with the \$220 million phase one of Syracuse's plan to rehabilitate and modernize the district's aging school building infrastructure.

The new legislation provides greater financial flexibility and allows Syracuse City schools to finance its first round of school rehabilitation projects through the Syracuse Industrial Development Agency (IDA) or the Municipal Bond Bank Agency (MBBA), without receiving a reduction in State building aid. The bill:

- Ensures the credit worthiness of the bonds for phase one by providing for a State aid intercept when the district finances projects through the IDA or the MBBA, which reduces the interest costs and provides savings for State and local taxpayers; and
- Allows the full interest cost of the project to be State aided, but requires the Syracuse Joint School Construction Board and the Syracuse City Schools to select the financing mechanism that results in the lowest possible cost to State and local taxpayers.

In addition, the enacted State Budget includes \$31.6 million, part of a \$2.6 billion statewide Expanding our Children's Education and Learning (EXCEL) package, to support school construction in the City of Buffalo. This new \$31.6 million in direct school construction aid, coupled with existing State school building aid, brings total 2006-2007 State construction aid for the Buffalo City School District to \$80.1 million.

STATE OF NEW YORK

II

SUMMARY OF 2006-07 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2006-07 New York State aid programs relating to support for public schools: the 2006-07 school year which runs from July 1, 2006 through June 30, 2007; and the 2006-07 State fiscal year which runs from April 1, 2006 through March 31, 2007. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for General Support for Public Schools and the 2005-06 and 2006-07 State fiscal year appropriations from the General Fund and Lottery Fund.

- Table II-A shows the school year changes for aid programs funded within the General Support for Public Schools appropriations for 2006-07. Computerized aids increase by 6.97 percent.
- Table II-B gives the 2005-06 and 2006-07 State fiscal year appropriations from the General Fund, School Tax Relief Fund, and Lottery Fund.

TABLE II-A
SUMMARY OF AIDS FINANCED THROUGH GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS
-- 2005-06 AND 2006-07 SCHOOL YEARS -- NEW YORK STATE

AID CATEGORY	2005-06	2006-07	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Flex Aid	\$8,502.39	\$8,587.42	\$85.03	1.00 %
Supplemental ENA	0.00	136.15	136.15	NA
LEP	0.00	20.55	20.55	NA
Excess Cost - Public	2,447.38	2,563.93	116.55	4.76
Excess Cost - Private	223.86	232.61	8.75	3.91
Tax Limitation Aid	135.05	211.63	76.58	56.70
BOCES	547.12	605.26	58.14	10.63
Special Services (Career Ed./Computer Admin.)	142.16	148.30	6.14	4.32
Textbooks (Incl. Lottery)	186.28	185.66	(0.62)	(0.33)
Computer Software	45.88	46.61	0.73	1.59
Computer Hardware	28.89	29.07	0.18	0.62
Library Materials	19.29	19.28	(0.01)	(0.05)
Transportation (Including Summer)	1,219.79	1,318.54	98.75	8.10
Prekindergarten	201.36	201.36	0.00	0.00
Class Size Reduction	139.49	139.49	0.00	0.00
Building/Reorganization Building	1,524.76	1,616.44	91.68	6.01
Reorganization Incentive (Operating)	15.76	15.44	(0.32)	(2.03)
Full-Day K	3.75	1.95	(1.80)	(48.00)
Teacher Support Aid	67.48	67.48	0.00	0.00
Enrollment Adjustment	0.00	26.70	26.70	NA
Growth Aid	15.04	17.00	1.96	13.03
Sound Basic Education (SBE) Aid	324.87	699.85	374.98	115.42
Formula-Based Aids Incl. SBE Aid	\$15,790.58	\$16,890.74	\$1,100.16	6.97 %
II. Grant Programs and Other Aid Categories:				
Teachers of Tomorrow	20.00	25.00	5.00	25.00
Teacher Centers	31.00	37.00 (a)	6.00	19.35
Teacher-Mentor Intern	6.00	6.00 (a)	0.00	0.00
Engineers of the Future	0.00	5.00	5.00	NA
Summer Institutes for Math and Science	0.00	5.00	5.00	NA
School Health Services	0.00	13.84	13.84	NA
High Tax	0.00	19.97	19.97	NA
Roosevelt	6.00	6.00	0.00	0.00
Categorical Reading	63.95	63.95	0.00	0.00
Improving Pupil Performance	66.35	66.35	0.00	0.00
Magnet Schools	137.60	158.20	20.60	14.97
Aid to Small City School Districts	81.88	81.88	0.00	0.00
Fort Drum	3.00	3.49	0.49	16.33
Urban-Suburban Transfer	1.13	1.13	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	6.48	6.48	0.00	0.00
Incarcerated Youth	16.50	16.50	0.00	0.00
Bilingual	11.20	11.20	0.00	0.00
Education of OMH/OMR Pupils	34.00	34.00	0.00	0.00
Special School Districts	2.20	2.20	0.00	0.00
Chargebacks	(31.00)	(31.00)	0.00	0.00
Tuition Adjustment	1.18	1.18	0.00	0.00
CVEEB	0.92	0.92	0.00	0.00
BOCES Aid for Special Act Districts	0.68	0.68	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Shared Services Incentive	0.20	0.20	0.00	0.00
Native American Building	2.50	2.50	0.00	0.00
Native American Education	27.75	30.00	2.25	8.11
Bus Driver Safety	0.40	0.40	0.00	0.00
Supplemental Univ Prekindergarten	0.00	50.00	50.00	NA
Add'l Univ Prekindergarten	3.32	3.32	0.00	0.00
Add'l Class Size Reduction	0.48	0.48	0.00	0.00
Subtotal	593.01	721.16	128.15	21.61
SCHOOL YEAR TOTAL	\$16,383.59	\$17,611.90	\$1,228.31	7.50 %
Fiscal Stabilization Grants	3.94	44.14	40.20	1,020.30
GSPS Total	\$16,387.53	\$17,656.04	\$1,268.51	7.74 %

(a) Partially funded outside of GSPS.

Source: State Education Department computer runs of March 2006.

TABLE II-B
2005-06 AND 2006-07 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2005-06	2006-07	Change Amount	Percent %
School Aid and STAR	\$19,168,008,000	\$21,683,177,000	\$2,515,169,000	13.12
General Support for Public Schools	12,685,702,000	13,694,991,000	1,009,289,000	7.96
BOCES	499,154,000	544,726,000	45,572,000	9.13
Magnet Schools	95,270,000	96,318,000	1,048,000	1.10
Employment Preparation Education	90,000,000	96,000,000	6,000,000	6.67
Small City School Districts	57,316,000	57,314,000	(2,000)	0.00
Improving Pupil Performance	46,445,000	46,445,000	0	0.00
Categorical Reading	44,765,000	44,765,000	0	0.00
	13,518,652,000	14,580,559,000	1,061,907,000	7.86
Homeless Pupils	4,536,000	4,533,000	(3,000)	(0.07)
Bilingual Grants	7,840,000	8,140,000	300,000	3.83
Learning Technology	2,299,500	2,300,000	500	0.02
Urban-Suburban Transfer	791,000	791,000	0	0.00
Native American Building	1,400,000	1,750,000	350,000	25.00
Incarcerated Youth	11,550,000	11,550,000	0	0.00
Fort Drum	1,837,500	2,100,000	262,500	14.29
Education of OMH/OMR Pupils	21,000,000	23,800,000	2,800,000	13.33
Special Act Districts	1,540,000	1,540,000	0	0.00
Bus Driver Training	280,000	280,000	0	0.00
Tuition Adjustment	826,000	823,000	(3,000)	(0.36)
Shared Services Incentive	140,000	140,000	0	0.00
Teachers of Tomorrow	14,000,000	0	(14,000,000)	(100.00)
Teacher-Mentor Intern	4,200,000	1,400,000	(2,800,000)	(66.67)
Teacher Resource Center	21,700,000	7,231,000	(14,469,000)	(66.68)
Teacher Support Aid	47,236,000	47,236,000	0	0.00
	141,176,000	113,614,000	(27,562,000)	(19.52)
Special Academic Improvement Grants	4,200,000	4,200,000	0	0.00
Education of Native Americans	0	21,000,000	21,000,000	NA
Fiscal Stabilization Grants	0	44,136,000	44,136,000	NA
School Health Services Grants	0	4,039,000	4,039,000	NA
Add'l Rochester School Health Services Grants	0	2,520,000	2,520,000	NA
Add'l Rochester School Health Services Grants	0	910,000	910,000	NA
Add'l Buffalo School Health Services Grants	0	2,219,000	2,219,000	NA
	4,200,000	79,024,000	74,824,000	1781.52
Total General Fund	13,664,028,000	14,773,197,000	1,109,169,000	8.12
STAR: School Tax Relief Fund	3,222,000,000	4,288,000,000	1,066,000,000	33.09
Lottery - Education	2,054,480,000	2,034,480,000	(20,000,000)	(0.97)
Lottery - Sound Basic Education Aid	227,500,000	325,000,000	97,500,000	42.86
Lottery - Sound Basic Education Aid	0	262,500,000	262,500,000	NA
Other Public Elementary and Secondary Education Programs	\$315,131,000	\$368,821,600	\$53,690,600	17.04
Targeted Prekindergarten	50,200,000	50,200,000	0	0.00
Children of Migrant Workers	90,000	90,000	0	0.00
Transferring Success	629,800	629,800	0	0.00
Adult Basic Education	2,000,000	2,000,000	0	0.00
Adult Literacy Education	3,324,700	4,324,700	1,000,000	30.08
Workplace Literacy	1,376,100	1,376,100	0	0.00
Apprenticeship Training	1,830,000	1,830,000	0	0.00
Lunch/Breakfast Programs	31,700,000	31,700,000	0	0.00
Education of Native Americans and Remaining 2005-06 Payments	24,000,000	6,700,000 (a)	(17,300,000)	(72.08)
Nonpublic School Aid	87,500,000	87,500,000	0	0.00
New York State Center for School Safety	475,000	475,000	0	0.00
Civility, Citizenship and Character Education Curriculum	475,000	475,000	0	0.00
Health Education Program	750,000	750,000	0	0.00
Academic Intervention for Nonpublic Schools	1,000,000	1,000,000	0	0.00
Extended School Day/School Violence Prevention	30,200,000	30,200,000	0	0.00
Schools Under Registration Review	1,900,000	1,900,000	0	0.00
Primary Mental Health Project	970,000	970,000	0	0.00
Summer Food Program	3,300,000	3,300,000	0	0.00
Consortium for Worker Education	11,500,000	11,500,000	0	0.00
Charter School Start Up Grants	6,000,000	6,000,000	0	0.00
New York State Historical Association	0	180,000	180,000	NA
Rural Education Advisory Council	0	100,000	100,000	NA
College of Saint Rose Lab Renovation	0	500,000	500,000	NA
Math and Science High Schools	0	1,500,000	1,500,000	NA
Hudson Magnet School	0	280,000	280,000	NA
Beacon Magnet School	0	140,000	140,000	NA
Yonkers Magnet School	0	14,000,000	14,000,000	NA
Missing Children	0	1,000,000	1,000,000	NA
Additional Fort Drum	0	344,750	344,750	NA
Center for Autism and Related Disabilities - SUNY Albany	500,000	500,000	0	0.00
Teacher Resource & Computer Centers - Remaining 2003-04 Payments	300,000	0	(300,000)	(100.00)
Grants-in-aid for Certain School Districts	27,110,400	81,456,250 (b)	54,345,850	200.46
Prior Year Claims/Fiscal Stabilization Grants (a)	28,000,000	25,900,000	(2,100,000)	(7.50)

Other School Programs	2005-06	2006-07	Change Amount	Percent
	<u>\$688,636,000</u>	<u>\$804,520,000</u>	<u>\$115,884,000</u>	<u>16.83 %</u>
Private Schools for the Blind & Deaf (G.F.)	109,210,000	111,100,000	1,890,000	1.73
Private Schools for the Blind & Deaf (Lott.)	20,000	20,000	0	0.00
Special Education Targeted Adjustment	2,000,000	2,000,000	0	0.00
Preschool Special Education	569,006,000	635,000,000	65,994,000	11.60
Summer School Handicapped	189,900,000	237,900,000	48,000,000	25.28
Less: Special Education Medicaid Offset	(170,000,000)	(170,000,000)	0	0.00
Less: Consortium for Worker Education Offset	(11,500,000)	(11,500,000)	0	0.00
Fiscal Year Total (excluding Hurd Loans)	<u>\$20,171,775,000</u>	<u>\$22,856,518,600</u>	<u>\$2,684,743,600</u>	<u>13.31 %</u>
Sound Basic Education Replacement Fund (c)	0	262,500,000	262,500,000	NA
Advances to Hurd City School Districts (c)	<u>6,515,000</u>	<u>5,431,000</u>	<u>(1,084,000)</u>	<u>(16.64)</u>
FISCAL YEAR TOTAL	<u>\$20,178,290,000</u>	<u>\$23,124,449,600</u>	<u>\$2,946,159,600</u>	<u>14.60 %</u>

(a) 2006-2007 school year funding for all or a portion of this program is provided within school aid.

(b) Includes additional funds designated by Chapter 53 of the Laws of 2006 for Teacher Centers, the Teacher-Mentor program and the National Board for Professional Teaching Standards.

(c) As loans or contingency appropriations these appropriations do not impact the financial plan.

Source: Laws of the State of New York: Chapters 53, 57 and 62, Laws of 2005; Chapters 53, 58, 61, 108 and 109, Laws of 2006.

General Effects of Aid Changes: Statewide, New York City, Big Five Cities and Rest of State

Enacted school aid provisions will increase payments to 659 major school districts by a total of \$1,105.80 million in the 2006-07 school year. There are 18 districts that are projected to have decreases of -\$5.64 million. The combined total of increases and reductions produce a net increase statewide of \$1,100.16 million, or 6.97 percent.

- Table II-C lists the aid amounts allocated to each of the Big Five city school districts under selected General Support programs. The aids analyzed are those shown in Table II-A.
- Table II-D lists changes in all General Support individual aid categories for New York City. The net increase for all aids is 8.01 percent.
- In Table II-E, major 2006-07 aid categories have been combined to show the overall impact upon school districts in the State's 18 most populous counties, New York City, and the rest of the State.

The State average increase for these aids will be 6.97 percent. The 369 districts in the 18 most populous counties contain 49.13 percent of the State's public school pupils. These districts will receive 43.02 percent of the 2006-07 combined aids total. Districts in the 18 most populous counties will have an average increase in combined aids of 7.12 percent. Districts in the rest of the State, exclusive of New York City, will have an average increase of 6.41 percent and will receive 18.63 percent of the 2006-07 combined aids total.

TABLE II-C
SUMMARY OF SELECTED AIDS TO THE BIG FIVE CITY SCHOOL DISTRICTS FINANCED THROUGH
GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS: 2005-06 AND 2006-07

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	2005-06	Est. 2006-07	2005-06	Est. 2006-07	2005-06	Est. 2006-07	2005-06	Est. 2006-07	2005-06	Est. 2006-07
I. Formula-Based Aids:	(Amounts in Millions)									
Flex Aid	\$3,466.65	\$3,501.32	\$240.86	\$243.27	\$174.51	\$176.25	\$108.66	\$109.75	\$56.53	\$57.10
Supplemental ENA	0.00	43.32	0.00	5.51	0.00	6.68	0.00	4.46	0.00	3.03
LEP	0.00	13.78	0.00	0.61	0.00	0.60	0.00	0.35	0.00	0.27
Excess Cost - Public and Private	1,025.15	1,078.49	71.30	78.85	69.27	72.45	38.09	43.88	24.89	28.00
Special Services (Career Ed/Computer Admin.)	103.37	107.57	12.61	13.10	8.40	8.77	5.06	5.59	4.26	4.46
Computer Software	19.61	19.53	0.78	0.75	0.62	0.60	0.34	0.36	0.45	0.44
Library Materials	7.85	7.82	0.28	0.30	0.25	0.23	0.14	0.14	0.18	0.18
Textbooks	74.91	74.61	2.27	2.81	2.38	2.31	1.41	1.44	1.84	1.80
Computer Hardware	11.27	11.14	0.70	0.69	0.59	0.58	0.26	0.38	0.17	0.16
Transportation (Including Summer)	353.39	403.80	29.65	30.83	35.97	37.11	9.34	10.49	10.14	12.51
Prekindergarten	145.53	145.53	7.10	7.10	7.06	7.06	3.22	3.22	2.60	2.60
Class Size Reduction	88.84	88.84	4.97	4.97	5.25	5.25	3.30	3.30	4.60	4.60
Building Aid	494.58	497.95	35.12	48.46	14.49	16.59	7.02	7.26	2.76	3.25
Tax Limitation Aid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.36
Enrollment Adjustment Aid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Growth Aid	0.87	0.00	0.00	0.00	0.00	0.00	1.42	0.00	0.00	0.00
Teacher Support Aid	62.71	62.71	1.74	1.74	1.08	1.08	0.81	0.81	1.15	1.15
Sound Basic Education (SBE) Aid	195.65	421.49	9.46	20.38	8.35	17.99	4.32	9.31	3.84	8.27
Formula-Based Aids Total	\$6,050.38	\$6,477.90	\$416.85	\$459.38	\$328.23	\$353.55	\$183.40	\$200.75	\$113.62	\$128.17
Change from 2005-06 School Year		\$427.52		\$42.53		\$25.32		\$17.35		\$14.55
Percent		7.07%		10.20%		7.71%		9.46%		12.81%
II. Grant Programs and Other Aid Categories:										
Teachers of Tomorrow	12.00	15.00	0.85	1.06	2.08	2.60	0.41	0.51	1.73	2.16
Teacher Centers (a)	11.63	14.53	0.73	0.73	0.47	0.47	0.47	0.47	0.30	0.30
Teacher-Mentor Intern (a)	2.41	2.41	0.20	0.20	0.10	0.10	0.15	0.15	0.00	0.00
School Health Services	0.00	0.00	0.00	5.30	0.00	6.29	0.00	1.08	0.00	1.17
Supplemental Univ Prekindergarten	0.00	25.00	0.00	1.05	0.00	0.73	0.00	0.88	0.00	0.75
Add'l Universal Prekindergarten	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Categorical Reading	29.95	29.95	17.50	17.50	5.50	5.50	6.00	6.00	5.00	5.00
Improving Pupil Performance	36.20	36.20	10.50	10.50	6.95	6.95	3.60	3.60	9.10	9.10
Magnet Schools	48.18	48.18	17.03	17.03	11.00	11.00	11.00	11.00	29.50	49.50
Subtotal	140.37	172.27	46.81	53.37	26.10	33.64	21.63	23.69	45.63	67.98
SCHOOL YEAR TOTAL SELECTED AIDS	\$6,190.75	\$6,650.17	\$463.66	\$512.75	\$354.33	\$387.19	\$205.03	\$224.44	\$159.25	\$196.15
Change from 2005-06 School Year		\$459.42		\$49.09		\$32.86		\$19.41		\$36.90
Percent		7.42%		10.59%		9.27%		9.47%		23.17%
Fiscal Stabilization Grants	0.00	40.20	1.20	1.20	1.48	1.48	0.00	0.00	0.00	0.00
TOTAL	\$6,190.75	\$6,690.37	\$464.86	\$513.95	\$355.81	\$388.67	\$205.03	\$224.44	\$159.25	\$196.15
Change from 2005-06 School Year		\$499.62		\$49.09		\$32.86		\$19.41		\$36.90
Percent		8.07%		10.56%		9.24%		9.47%		23.17%

(a) Partially funded outside of GSPS.

Source: State Education Department computer runs of March 2006.

TABLE II-D
SUMMARY OF AIDS FINANCED THROUGH GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS
-- 2005-06 AND 2006-07 SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	2005-06	Estimated 2006-07	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Flex Aid	\$3,466.65	\$3,501.32	\$34.67	1.00 %
Supplemental ENA	0.00	43.32	43.32	NA
LEP	0.00	13.78	13.78	NA
Excess Cost - Public	922.14	975.88	53.74	5.83
Excess Cost - Private	103.01	102.61	(0.40)	(0.39)
Tax Limitation Aid	0.00	0.00	0.00	NA
BOCES	0.00	0.00	0.00	NA
Special Services (Career Ed./Computer Admin.)	103.37	107.57	4.20	4.06
Textbooks (Incl. Lottery)	74.91	74.61	(0.30)	(0.40)
Computer Software	19.61	19.53	(0.08)	(0.41)
Computer Hardware	11.27	11.14	(0.13)	(1.15)
Library Materials	7.85	7.82	(0.03)	(0.38)
Transportation (Including Summer)	353.39	403.80	50.41	14.26
Prekindergarten	145.53	145.53	0.00	0.00
Class Size Reduction	88.84	88.84	0.00	0.00
Building/Reorganization Building	494.58	497.95	3.37	0.68
Reorganization Incentive (Operating)	0.00	0.00	0.00	NA
Full-Day K	0.00	0.00	0.00	NA
Teacher Support Aid	62.71	62.71	0.00	0.00
Enrollment Adjustment	0.00	0.00	0.00	NA
Growth Aid	0.87	0.00	(0.87)	(100.00)
Sound Basic Education (SBE) Aid	195.65	421.49	225.84	115.43
Formula-Based Aids Incl. SBE Aid	<u>\$6,050.38</u>	<u>\$6,477.90</u>	<u>\$427.52</u>	<u>7.07 %</u>
II. Grant Programs and Other Aid Categories:				
Teachers of Tomorrow	12.00	15.00	3.00	25.00
Teacher Centers	11.63	14.53 (a)	2.90	24.94
Teacher-Mentor Intern	2.41	2.41 (a)	0.00	0.00
Engineers of the Future	0.00	0.00	0.00	0.00
Summer Institutes for Math and Science	0.00	0.00	0.00	0.00
School Health Services	0.00	0.00	0.00	0.00
High Tax	0.00	0.00	0.00	0.00
Categorical Reading	29.95	29.95	0.00	0.00
Improving Pupil Performance	36.20	36.20	0.00	0.00
Magnet Schools	48.18	48.18	0.00	0.00
Employment Preparation Education	33.50	33.50	0.00	0.00
Homeless Pupils	0.00	0.00	0.00	0.00
Incarcerated Youth	0.00	0.00	0.00	0.00
Bilingual	4.50	4.50	0.00	0.00
Education of OMH/OMR Pupils	12.00	12.00	0.00	0.00
Chargebacks	(7.00)	(7.00)	0.00	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
Shared Services Incentive	0.00	0.00	0.00	0.00
Supplemental Univ Prekindergarten	0.00	25.00	25.00	NA
Add'l Univ Prekindergarten	0.00	1.00	1.00	NA
Add'l Class Size Reduction	0.00	0.00	0.00	0.00
Subtotal	<u>184.50</u>	<u>216.40</u>	<u>31.90</u>	<u>17.29</u>
SCHOOL YEAR TOTAL	<u>\$6,234.88</u>	<u>\$6,694.30</u>	<u>\$459.42</u>	<u>7.37 %</u>
Fiscal Stabilization Grants	0.00	40.20	40.20	NA
GSPS Total	<u>\$6,234.88</u>	<u>\$6,734.50</u>	<u>\$499.62</u>	<u>8.01 %</u>

(a) Partially funded outside of GSPS.

Source: State Education Department computer runs of March 2006.

TABLE II-E
CHANGE IN COMBINED MAJOR AIDS (a) FOR 2005-06 AND 2006-07 SCHOOL YEARS:
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dtrs.	Percent of Total State TAPU (b)	2006-07 Combined Aids		Change in Aid from 2005-06 to 2006-07		Number of Districts		
			2005-06 Combined Aids	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)									
Albany	13	1.46	\$177,707	\$191,440	1.13	\$13,733	7.73	11	2
Broome	12	1.12	198,147	211,383	1.25	13,236	6.68	12	0
Chautauqua	18	0.81	180,920	189,729	1.12	8,809	4.87	18	0
Dutchess	13	1.66	198,350	212,679	1.26	14,329	7.22	13	0
Erie	28	4.86	863,564	932,678	5.52	69,114	8.00	27	1
Monroe	18	4.19	714,721	756,790	4.48	42,069	5.89	17	1
Nassau	56	7.53	619,111	681,891	4.04	62,780	10.14	56	0
Niagara	10	1.20	229,822	242,360	1.43	12,538	5.46	10	0
Oneida	15	1.30	264,780	283,476	1.68	18,696	7.06	14	1
Onondaga	18	2.71	461,149	493,315	2.92	32,166	6.98	18	0
Orange	17	2.41	372,874	401,949	2.38	29,075	7.80	17	0
Rensselaer	11	0.81	152,089	159,203	0.94	7,114	4.68	11	0
Rockland	8	1.50	140,479	150,932	0.89	10,453	7.44	8	0
Saratoga	12	1.26	175,052	182,278	1.08	7,226	4.13	12	0
Schenectady	6	0.84	118,294	126,930	0.75	8,636	7.30	5	1
Suffolk	65	9.38	1,382,875	1,462,709	8.66	79,834	5.77	62	3
Ulster	9	0.98	148,232	158,424	0.94	10,192	6.88	9	0
Westchester	40	5.11	385,311	428,543	2.54	43,232	11.22	38	2
18 Most Populous Counties	369	49.13	\$6,783,478	\$7,266,710	43.02	\$483,232	7.12	358	11
New York City	1	36.64	6,050,377	6,477,902	38.35	427,525	7.07	1	0
Rest of State	307	14.23	2,956,725	3,146,123	18.63	189,398	6.41	300	7
TOTAL STATE	677	100.00	\$15,790,580	\$16,890,735	100.00	\$1,100,155	6.97	659	18

(a) 2006-07 aids include flex aid, supplemental ENA, limited english proficiency, public and private excess cost aids, tax limitation, BOCES, special services, textbook, computer software, computer hardware, library materials, transportation (including summer), prekindergarten, class size reduction, building, teacher support aid, reorganization incentive (operating and building), full-day k, enrollment adjustment, growth and sound basic education aid.

(b) The TAPU for payment pupil count used for 2006-07 formula operating aid.

Source: State Education Department computer runs of March 2006.

III

APPENDICES

The third section consists of four appendices. Each of the appendices is described below.

- Appendix III-A summarizes the School Aid categories and adjustments enacted for 2006-07 and compares them with the 2005-06 aid categories.
- Appendix III-B provides the mathematical formulas for computing 25 different aids for 2006-07 school aid payments.
- Appendix III-C describes the pupil counts used in aid formulas.
- Appendix III-D describes the payment schedule for aids payable under section 3609 of the Education Law in the 2006-07 school year.

APPENDIX III-A
COMPARISON OF 2005-06 AND 2006-07 GENERAL SUPPORT FOR PUBLIC SCHOOLS PROGRAMS

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
<u>FLEX AID</u>	A district's 2005-06 selected Flex Aid equals the lesser of 2005-06 total Flex Aid (the sum of Tier 1, 2 and 3 aid subject to a minimum aid guarantee and wealth-adjusted maximum increase limit) or the 2005-06 Flex Aid as shown on the 2005-06 Executive Budget Computer run BT033-1.	For the 2006-07 school year each district will receive an amount equal to the sum of its 2005-06 Flex Aid and Additional Aids plus a one percent increase.
Tier 1 Aid	The sum of a district's 2004-05 Comprehensive Operating, Summer School, Minor Maintenance, ERSSA, Extraordinary Needs, and Limited English Proficiency Aid	
Tier 2 Aid		
Formula Ceiling	\$6.00 plus the product of \$55.00 times Regional Cost Index times Flex Aid Ratio	
Regional Cost Index	Geographic Cost of Education Index-based cost adjustment ⁵	
State Share	1.37 - (Flex Combined Wealth Ratio ⁶ x 1.10)	
Minimum Aid Ratio	.05	

⁵ The GCEI-based cost adjustment is a statewide index reflecting variations in teacher compensation among school districts. The index for each district is listed under the heading "Tier 1 Flex Aids" in the "Flex Aid" computer listing produced by the commissioner of education in support of the enacted budget for the 2005-06 school year and entitled "SA050-6."

⁶ A district's Flex Combined Wealth Ratio for 2005-06 is equal to: (.5 x District Flex Pupil Wealth Ratio) + (.5 x District Flex Alternate Pupil Wealth Ratio). The district's Flex Pupil Wealth Ratio is equal to:

$$\frac{2002 \text{ Actual Valuation}/2003-04 \text{ Flex TWPU}}{\$315,000} ; \text{ and the}$$

Flex Alternate Pupil Wealth Ratio is equal to:

$$\frac{2002 \text{ District Income}/2003-04 \text{ Flex TWPU}}{\$107,700}$$

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
Pupils	Flex Selected Total Aidable Pupil Units (Flex Selected TAPU) ⁷	
Allowed Maximum	2.50 Percent/Flex CWR	
Tier 3 Aid		
Eligible Districts	A district's Flex Combined Wealth Ratio must be less than 1.2 and its K-6 FRPL percent greater than 50 percent	
Formula Ceiling	\$9.00 multiplied by the ratio of a district's FRPL percent divided by 50 percent	
State Share	1.00 - (Flex CWR x .64)	
Minimum Aid Ratio	.10	
Pupils	2004-05 enrollment	
<u>ADDITIONAL AIDS</u>	The sum of: Tier 2 Comprehensive Operating Aid (the product of \$109.40 x (1.30 - (1.85 x CWR)) x Selected TAPU) plus a district will receive any increase that it would be eligible for over its base-year amount (i.e., the positive remainder of 2005-06 aid minus the lesser of aid for 2004-05 as shown on the 2005-06 Executive Budget computer run BT033- 1 or the current 2004-05 appropriation) for each of the following aids: Educationally Related Support Services Aid, Extraordinary Needs Aid, LEP Aid, Summer School Aid and Minor Maintenance and Repair Aid	None

⁷ For 2005-06 new weightings added to a district's Flex TAPU and Flex TWPU reflect the higher needs of school districts that have concentrations of pupils living in poverty, in rural settings, or with limited proficiency in English.

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
<u>GROWTH AID</u>	Growth Index in excess of 1.004 * Formula Operating Aid ⁸	Same
<u>ENROLLMENT ADJUSTMENT AID</u>		
Formula Ceiling	None	\$1,725.00
State Share	None	Combined Wealth Ratio-based State Sharing Ratio ⁹ which is the greatest of: 1.37 - (1.23 * CWR) 1.00 - (0.64 * CWR) 0.80 - (0.39 * CWR) 0.51 - (0.22 * CWR) The maximum aid ratio is 0.90. For a district of average wealth (CWR = 1.000), the aid ratio is 0.41.

⁸ For the 1997-98 school year and after, the Growth Index is defined as a measure of enrollment rather than attendance. Where appropriate to the aid category calculation, such as for Growth Aid, Formula Operating Aid (as cited in subdivision 13 of Section 3602 of the Education Law) will be used. The calculation for Formula Operating Aid is described more fully in subdivision 12 of Section 3602 of the Education Law.

⁹ A district's 2005-06 Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to: $\frac{2002 \text{ Actual Valuation}}{2003-04 \text{ TWPU}}$ $\frac{\$346,400}{\$118,500}$; and the Alternate Pupil Wealth Ratio is equal to: $\frac{2002 \text{ District Income}}{2003-04 \text{ TWPU}}$

A district's 2006-07 Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to: $\frac{\text{Selected Actual Valuation}}{2004-05 \text{ TWPU}}$ $\frac{\$382,200}{\$121,800}$; and the Alternate Pupil Wealth Ratio is equal to: $\frac{2003 \text{ District Income}}{2004-05 \text{ TWPU}}$

Beginning with the 1997-98 school year, income and actual valuation data moved back one year from the previous year-prior-to-the-base-year data. For the 2006-07 school year 2003 Adjusted Gross Income will be used.

Selected Actual Valuation is the lesser of 2003 Actual Valuation or 117 percent of the 2002 Actual Valuation. The State average of the 2003 AV per 2004-05 Total Wealth Pupil Unit (TWPU) is \$382,200. The State average of 2003 Adjusted Gross Income per 2004-05 Total Wealth Pupil Unit is \$121,800. Some formulas use the Resident Weighted Average Daily Attendance (RWADA) wealth ratio; the State average Selected AV per 2004-05 RWADA is \$456,700. For a description of pupil counts for wealth and aid see Appendix III-C.

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
Pupils	None	The increase in enrollment between 2000 and 2004
<u>URBAN-SUBURBAN TRANSFER SUPPLEMENTATION</u>	Qualifying districts will receive the same aid that they would have received in the 2000-01 school year.	Same
<u>LIMITED ENGLISH PROFICIENCY AID</u>	LEP is one of six aids replaced by Flex Aid. See ADDITIONAL AIDS above.	
Weighting	.293	.056
<u>EXTRAORDINARY NEEDS AID</u>	ENA is one of six aids replaced by Flex Aid. See ADDITIONAL AIDS above.	None
Formula Ceiling	A minimum of 11% of the Formula Operating Aid ceiling. If more than 74.5% of a district's enrolled students have extraordinary needs, it receives more than 11% of its Formula Operating Aid ceiling. Additional increments are provided if more than 79.9% of a district's enrolled students have extraordinary needs, or if a district's enrollment per square mile is greater than 1,500, and to the Big Four City school districts.	
Wealth Measure	Alternate Pupil Wealth Ratio	
State Share	.60	
Save-Harmless	100% of 2004-05 aid	
Pupil Count	The sum of the percentage of K-6 free and reduced price lunch eligible applicants times 2004 enrollment, plus the number of Limited English Proficiency students, plus	

Category2005-06 School Year2006-07 School Year

a sparsity factor based on
a calculation of
enrollment per square mile
times 2004 enrollment.

SUPPLEMENTAL EXTRAORDINARY
NEEDS AID

Tier 1 Aid		
Eligible Districts	None	A district's CWR must be less than 0.805
Formula Ceiling	None	\$207.50 x State Sharing Ratio (see Enrollment Adjustment Aid)
Pupils	None	Selected TAPU
State Share	None	(0.805 - CWR) plus a sparsity adjustment
Sparsity Adjustment	None	(25 - 2005 enrollment/square mile)/68
Tier 2 Aid		
Eligible Districts	None	A district's CWR (based on February 2006 data) must be greater than 0.975 and its Extraordinary Needs Percent ¹⁰ greater than 35 percent
Formula Ceiling	None	\$125.00
Pupils	None	Selected TAPU x (EN% - 15%)
Tier 3 Aid		
Formula Ceiling	None	\$45.40 plus an additional ceiling amount
Additional Ceiling Amount	None	For city school districts with a population: > 250,000 < 1,000,000 = \$10.00 > 210,000 < 250,000 = \$65.00

¹⁰ The Extraordinary Needs percent (EN%) equals the Extraordinary Needs pupil count divided by 2005 enrollment times 100. The EN pupil count is the sum of the percentage of K-6 free and reduced price lunch eligible applicants times 2005 enrollment, plus the number of Limited English Proficiency students, plus a sparsity factor based on a calculation of enrollment per square mile times 2005 enrollment.

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
		> 160,000 < 210,000 = \$10.00
		> 100,000 < 160,000 = \$90.00
		> 80,000 < 100,000 = \$65.00
Pupils	None	The Extraordinary Needs pupil count.
<u>EXCESS COST AID FOR DISABLED PUPILS</u>		
Public Excess Cost Aid:		
Disabled Pupil Classifications	Three	Same
Ceiling Range for Aid	\$2,000 - \$8,500	\$2,000 - \$9,250
Wealth Measure	Combined Wealth Ratio	Same
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	4 x AOE/TAPU or \$10,000	Same
Save-Harmless	95% of 2004-05 aid (including declassification aid but not integrated settings aid)	95% of 2005-06 aid (including declassification aid but not integrated settings aid)
Integrated Settings Aid (not subject to save-harmless):		
Ceiling	Basic Excess Cost Aid per pupil	Same
Pupil Count	Year prior to base year pupils who received special education services in a general education setting at least 60 percent of the time x 0.50	Same
Declassification Support Services Aid:		
Ceiling	Basic Excess Cost aid Per Pupil x 0.50	Same
Pupil Count	Base Year Pupils in Need	Same
Private Excess Cost Aid:		
Ceiling Range for Aid	Tuition - Deduct	Same

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
Deduct	Local Levy/Enrollment	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.85	Same
Minimum Aid Ratio	.50	Same
Pupils	Attending private or State run schools	Same
<u>EDUCATIONALLY RELATED SUPPORT SERVICES AID</u>	ERSSA is one of six aids replaced by Flex Aid. See ADDITIONAL AIDS above.	None
Ceiling(s)	\$365.00/\$635.00	None
Wealth Measure	Combined Wealth Ratio	None
State Shares	Formula Operating Aid Ratio/Public Excess Cost Aid Ratio	None
Minimum Aid Ratio	.25	None
Pupil Counts	9% of Selected TAPU and 15% of Selected TAPU times Extraordinary Needs percent in excess of 60%	None
<u>BOCES AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Selected Actual Valuation/Full Year Attendance RWADA
State Share	.49	Same
Minimum Aid Ratio	.36	Same
Salary Ceiling	\$30,000	Same
Millage Formula	8 mills	Same
Save-Harmless	100% of 1967-68 Aid	Same
<u>FULL-DAY K CONVERSION AID</u>		
Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2004-05 it had half-day kindergarten enrollment <u>or</u>	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2005-06 it had half-day

<u>Category</u>	<u>2005-06 School Year</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2004-05.	<u>2006-07 School Year</u> kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2005-06.
Pupil Count	2005-06 Estimated Full-Day K Enrollment - 2004-05 Full-Day K Enrollment	2006-07 Estimated Full-Day K Enrollment - 2005-06 Full-Day K Enrollment
Aid Per Pupil	A district's Formula Operating Aid per pupil.	Same
<u>TRANSPORTATION AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA or a district's Combined Wealth Ratio	Selected Actual Valuation/Full Year Attendance RWADA or a district's Combined Wealth Ratio
State Share	The greater of: 1.01 - (.46 * AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * AV/enrollment wealth ratio)	The greater of: 1.01 - (.46 * Selected AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * Selected AV/enrollment wealth ratio)
Sparsity Adjustment	(21 - 2003-04 enrollment/square mile)/317.88	Same except for use of 2004-05 enrollment
Minimum Aid Ratio	.065	Same
Maximum Aid Ratio	.90	Same
Base	Approved Expenditures	Same
Urban-Suburban Transfer	Approved expenditures of transportation of pupils in voluntary interdistrict programs.	Same
<u>BUILDING AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Selected Actual Valuation/Full Year Attendance RWADA

Category	2005-06 School Year	2006-07 School Year
Aid Ratio Choice	<p>Districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year.</p> <p>Starting with all new building projects approved by the voters beginning July 1, 2000, the selected building aid ratio is based upon the greater of a district's current-year building aid ratio or the ratio selected for use in 1999-00 reduced by 10 percentage points.</p>	Same
	<p>School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the school year in which the project was approved and the approval date was between 7/1/00 and 7/1/04 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.</p>	Same
HNSBAR	<p>High Need Supplemental Building Aid Ratio: For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, high need school districts, including the Big Five City schools, may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98% of the project's approved costs.</p>	Same
Base	Approved Expenditures	Same
Additional Adjustments	<p>For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts</p>	Same

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
	will receive an additional 10% State reimbursement. In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.	
<u>REORGANIZATION INCENTIVE AID</u>		
Prior to July 1, 1983:		
Operating Aid:		
Additional Percentage (5 years)	10%	Same
Taper	1%/9 years	Same
Building Aid:		
Additional Percentage	25%	Same
Effective July 1, 1983:		
Operating Aid:		
Additional Percentage (5 years)	20%	Same
Taper	2%/9 years	Same
Building Aid:		
Additional Percentage	30%	Same
Effective July 1, 1992:		
Operating Aid:		
Additional Percentage (5 years)	40%	Same
Taper	4%/9 years	Same
Eligibility Date:		
New Projects	July 1, 2006 or approved by voters within ten years of reorganization.	July 1, 2008 or approved by voters within ten years of reorganization.
<u>SPECIAL SERVICES AID</u>		
Eligible Districts	Big Five City school districts and other districts that are non-components of BOCES	Same
Career Education Aid:		
State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$3,720	\$3,900
Wealth Measure	Combined Wealth Ratio	Same

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
Computer Administration Aid:		
State share	.49	Same
Minimum Aid Ratio	.30	Same
Ceiling	\$62.30/pupil	Same
Wealth Measure	Combined Wealth Ratio	Same
<u>INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID</u>	Based on approved expense (up to an amount equal to \$19.25 x TAPU x current year Building Aid ratio)	Same
<u>TEXTBOOK AID</u>	Up to \$57.30 per public and nonpublic pupil (district of residence)	Same
	Aid cannot exceed the amount of base-year textbook expenditures.	
<u>COMPUTER SOFTWARE AID</u>	Up to \$14.98 per public and nonpublic pupil (district of attendance)	Same
	Aid cannot exceed the amount of base-year software expenditures.	
<u>LIBRARY MATERIALS AID</u>	Up to \$6 per public and nonpublic pupil (district of attendance)	Same
	Aid cannot exceed the amount of base-year library expenditures.	
<u>PREKINDERGARTEN AID</u>	Each school district shall be eligible to receive the amount such district was eligible for in the 2004- 05 school year.	Each school district shall be eligible to receive an amount up to the amount such district was eligible for in the 2005-06 school year. An additional \$50 million in Supplemental Prekindergarten Aid will be available for program expansion.
<u>SUPPLEMENTAL PREKINDERGARTEN AID</u>		
Pupil Count	None	Lesser of pupils served or aidable prekindergarten pupils

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u> as displayed on the computer listing entitled "SA060-7" released in March 2006.
Wealth Measure	None	Combined Wealth Ratio
Per Child Amount	None	Greater of calculated grant per pupil or 2000-01 grant per pupil
Minimum/Maximum Per Child Amount	None	\$2,700, \$4,000
<u>CLASS SIZE REDUCTION</u>	Each school district shall be eligible to receive the amount such district was eligible for in the 2004- 05 school year.	Each school district shall be eligible to receive an amount up to the amount it was eligible for in the 2005-06 school year.
<u>CATEGORICAL READING AID</u>	\$63.95 million	Same
<u>IMPROVING PUPIL PERFORMANCE</u>	\$66.35 million	Same
<u>FORT DRUM GRANTS</u>	\$3.00 million	\$3.49 million
<u>MAGNET SCHOOL AID</u>	\$137.60 million	\$158.20 million
<u>TEACHER SUPPORT AID</u>	\$67.48 million	Same
<u>MINOR MAINTENANCE AND REPAIR AID</u>	Minor Maintenance Aid is one of six aids replaced by Flex Aid. See ADDITIONAL AIDS above.	None
Maximum District Aid	A district's 2004-05 enrollment x the average age of its instructional facilities (compared to a statewide average) x its 1993-94 enrollment divided by its 1989-90 enrollment. This result is divided by the statewide sum of these values and then the district's ratio is multiplied by \$16,670,000.	None
Minimum District Aid	\$2,000	None
<u>SUMMER SCHOOL AID</u>	Summer School aid is one of six aids replaced by Flex Aid. See ADDITIONAL	None

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
	AIDS above.	
Formula Ceiling	\$200.00 x summer session index	None
Index	Formula Operating Aid ratio x concentration factor (based on district's extraordinary needs percent)	None
Pupils	2004-05 unweighted summer school ADA for pupils in programs to improve student performance	None

TAX LIMITATION AID

Tier 1 Aid

For the 2005-06 school year a district will receive a continuation of its 2004-05 Tax Limitation aid.

For the 2006-07 school year a district will receive a continuation of its 2005-06 Tax Limitation aid.

Qualifying districts will receive additional Tier 2 or Tier 3 aid as described below.

Qualifying districts will receive additional Tier 2 or Tier 3 aid as described below.

Tier 2 Aid
Eligible Districts

A district's Combined Wealth Ratio must be less than 1.50 and the ratio of its 2002 tax levy on residential real property (including condominium property) divided by the district's 2002 adjusted gross income compared to the state average of residential tax levy divided by income (2.57 percent for 2005-06) must be greater than 1.60.

A district's Combined Wealth Ratio must be less than 2.00 and the ratio of its 2003 tax levy on residential real property (including condominium property) divided by the district's 2003 adjusted gross income compared to the state average of residential tax levy divided by income (2.78 percent for 2006-07) must be greater than 1.80.

Formula Ceiling

\$109.80 multiplied by the ratio of a district's residential levy divided by income compared to the state average (2.57 percent).

\$50.00 multiplied by the ratio of a district's residential levy divided by income compared to the state average (2.78 percent).

Wealth Measure

Combined Wealth Ratio

Same

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
State Share	.50	.52
Pupils	Pupils for Tax Aid	Same
Tier 3 Aid	Additional Aid is available for districts with an AOE/TAPU for Expense greater than the State Average (\$8,500)	Additional aid is available for districts with an AOE/TAPU for Expense greater than the State Average (\$9,250)
State Share	.50	.535
Pupils	Selected TAPU	Same
<u>HIGH TAX AID</u>		
Eligible Districts	None	Aid is available to school districts in counties where the sum of the districts' 2003 tax levy on residential real property (including condominium property) divided by the districts' 2003 adjusted gross income is greater than 4 percent.
Formula Ceiling	None	\$29.90
Pupils	None	2005-06 public enrollment
Minimum District Aid	None	\$25,000
<u>TEACHER CENTERS</u>	\$31.0 million	\$37.0 million
<u>TEACHER-MENTOR INTERN</u>	\$6.0 million	Same
<u>ENGINEERS OF THE FUTURE</u>	None	\$5.0 million
<u>SUMMER INSTITUTES FOR MATH AND SCIENCE</u>	None	\$5.0 million
<u>SCHOOL HEALTH SERVICES</u>	None	\$13.84 million
<u>INCARCERATED YOUTH</u>	\$16.5 million	Same

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same
<u>SMALL CITY SCHOOL DISTRICT AID</u>	\$81.88 million. For the 2005-06 school year, a district's <u>Hurd</u> aid was the same as its 2004-05 aid	\$81.88 million. For the 2006-07 school year, a district's <u>Hurd</u> aid will be the same as its 2005-06 aid
<u>EMPLOYMENT PREPARATION EDUCATION AID¹¹</u>		
Ceiling	\$8.50/contact hour	\$9.25/contact hour
Wealth Measure	AV/TWPU	Selected AV/TWPU
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same
<u>SOUND BASIC EDUCATION AID</u>	A district will receive its 2005-06 Sound Basic Educational Aid as shown on the 2005-06 Executive Budget computer run BT033-1. Formula components are described below	A district will receive its 2006-07 Sound Basic Educational Aid as described below For 2006-07, each school district will receive a share of the \$375 million SBE Aid increase equivalent to its share of 2005-06 SBE Aid. For each district, the apportionment will be equal to \$375 million multiplied by the ratio of the district's 2005-06 SBE Aid to the 2005-06 State total SBE Aid (\$324.9 million). No district will receive less than \$53,837. The Legislature also provided for a Sound Basic Education Aid replacement fund appropriation of \$262.5 million to ensure that no district will

¹¹ For the 2006-07 school year, a \$96.00 million funding limit is provided, the same as for the 2005-06 school year.

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
		receive less than the amount reported in the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted Budget.
English Language Learners Aid:		
Ceiling	\$715.00	
Regional Cost Index	Geographic Cost of Education Index-based cost adjustment ¹²	
Wealth Measure	Combined Wealth Ratio	
State Share	.60	
Minimum Aid Ratio	.05	
Pupil Count	20% of Limited English Proficient pupils	
Economically Disadvantaged Student Aid:		
Ceiling	\$715.00	
Additional Ceiling	\$60.00 if a district's 2004 enrollment per square mile is greater than 1,200	
Regional Cost Index	Geographic Cost of Education Index-based cost adjustment	
Wealth Measure	Combined Wealth Ratio	
State Share	.60	
Minimum Ratio	.05	

¹² The GCEI-based cost adjustment is a statewide index reflecting variations in teacher compensation among school districts. The index for each district is listed under the heading "Tier 1 Flex Aids" in the "Flex Aid" computer listing produced by the commissioner of education in support of the enacted budget for the 2005-06 school year and entitled "SA050-6."

<u>Category</u>	<u>2005-06 School Year</u>	<u>2006-07 School Year</u>
Pupil Count	35% of pupils calculated as the percentage of K-6 free and reduced lunch eligible applicants times 2004 enrollment	
Sparsity Aid	Districts qualify for an additional amount if their enrollment per square mile is less than 25	
Minimum Aid:	\$25,000	

APPENDIX III-B
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas¹³ for calculating flex aid, sound basic education aid, public and private excess cost aids, BOCES aid, textbook aid, library materials aid, special services aid, transportation aid, computer software aid, instructional computer hardware and technology equipment aid, employment preparation education aid, incarcerated youth aid, tax limitation aid, building aid and reorganization incentive building aid, reorganization incentive operating aid, full-day K incentive aid, growth aid, limited English proficiency aid, supplemental extraordinary needs aid, enrollment adjustment aid, supplemental prekindergarten aid, high tax and EXCEL aid are presented in this appendix.

For aids other than Flex Aid, the State average wealth measures for use in the calculation of 2006-07 aid ratios are:

Selected Actual Valuation ¹⁴ /2004-05 TWPU	\$382,200
2003 Adjusted Gross Income/2004-05 TWPU	\$121,800
Selected Actual Valuation/2004-05 RWADA	\$456,700

Note that all aid ratios are assumed to have a minimum of .000 and a maximum of 1.000 unless otherwise stated.

Details of pupil counts for Flex Aid are included with the formula description in this appendix. Details of pupil counts for other aids appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

TAPU.....Total Aidable Pupil Units
TWPU.....Total Wealth Pupil Units
ADA.....Average Daily Attendance
RWADA.....Resident Weighted Average Daily Attendance

¹³ For formulas and calculations, see Chapters 53, 58 and 61 of the Laws of 2006 and the Education Law sections cited in this appendix.

¹⁴ Selected Actual Valuation is the lesser of 2003 Actual Valuation or 117 percent of the 2002 Actual Valuation.

FLEX AID

Chapters 53 and 58 of the Laws of 2006

For the 2006-07 school year, each district will receive Flex Aid equal to the amount of its base year Flex Aid and Additional Aids plus an increase of 1.00 percent.

SUPPLEMENTAL EXTRAORDINARY NEEDS AID

Chapters 58 and 61 of the Laws of 2006

A district's Supplemental Extraordinary Needs Aid will equal the sum of Tier 1, 2 and 3 aid.

Tier 1 Aid

Districts are eligible for Tier 1 Aid if their Combined Wealth Ratio is below 0.805. The Tier 1 formula =

$(\$207.50 \times \text{Formula Operating Aid State Sharing Ratio}^{15}) \times \text{Selected TAPU for payment} \times \text{EN Aid Ratio (plus a sparsity adjustment)}$

Operating Aid Ratio = The greatest of the following but not less than zero nor more than .90:

- 1.37 - (1.23 x CWR)
- 1.00 - (0.64 x CWR)
- 0.80 - (0.39 x CWR)
- 0.51 - (0.22 x CWR)

Combined Wealth Ratio = $(.5 \times \text{Pupil Wealth Ratio}) + (.5 \times \text{Alternate Pupil Wealth Ratio})$

Extraordinary Needs (EN) Ratio = $0.805 - \text{CWR}$

Sparsity Adjustment =

$$\frac{25.00 - 2005 \text{ Public Enrollment/Square Mile}}{68.00}$$

Tier 2 Aid

Districts are eligible for Tier 2 Aid if their Combined Wealth Ratio (based on data on file with the State Education Department as of February, 2006) is greater than 0.975 and their percentage of Extraordinary Needs pupils is greater than 35 percent. The Tier 2 formula =

$\$125.00 \times \text{Selected TAPU for payment} \times (\text{Extraordinary Needs percent} - .15)$

¹⁵ Where appropriate to the aid category calculation, such as for Supplemental ENA, Limited English Proficiency Aid and Growth Aid, Formula Operating Aid or aid components will be used. Formula Operating Aid is cited in subdivision 13 of Section 3602 of the Education Law. The calculation for Formula Operating Aid is described more fully in subdivision 12 of Section 3602 of the Education Law.

Extraordinary Needs percent = Extraordinary Needs Count/2005 Enrollment
Extraordinary Needs Count = The sum of:

- (i) 2005-06 public enrollment x percentage of K-6 eligible applicants for the free and reduced price lunch program as of October 2004.
- (ii) Limited English Proficiency students
- (iii) For districts operating a K-12 program, a sparsity count equal to 2005-06 enrollment times:

$$\frac{(25.00 - 2005-06 \text{ Enrollment/Square Mile})}{50.9}$$

and has no maximum

Tier 3 Aid

The Tier 3 formula =

$$(\$45.40 + \text{Additional Ceiling}) \times \text{Extraordinary Needs Count}$$

Additional Ceiling for city school districts with a population:

> 250,000 < 1,000,000	= \$10.00
> 210,000 < 250,000	= \$65.00
> 160,000 < 210,000	= \$10.00
> 100,000 < 160,000	= \$90.00
> 80,000 < 100,000	= \$65.00

LIMITED ENGLISH PROFICIENCY AID (LEPA)

Education Law, Section 3602, Subdivision 22, Chapter 58, Laws of 2006

A district operating programs for pupils with limited English proficiency may receive limited English proficiency aid. Program participants are those scoring below the 40th percentile on an English language assessment instrument. A limited English proficiency set-aside requirement will ensure school district compliance with Federal requirements and the continuation of services to pupils with limited proficiency in English.

$$\text{LEPA} = .056 \times 2006-07 \text{ Formula Operating Aid per TAPU} \times 2005-06 \text{ program participants}$$

GROWTH AID

Education Law, Section 3602, Subdivision 13

For the 2006-07 school year, Growth Aid is distributed to districts that are eligible due to an increase in enrollment. Districts whose growth index is greater than 1.004 receive Growth Aid.

$$\text{Growth Aid} = \frac{(\text{Growth Index} - 1.004) \times \text{Formula Operating Aid}}$$

$$\text{Growth Index} = \frac{2006-07 \text{ Estimated Enrollment}}{2005-06 \text{ Enrollment}}$$

ENROLLMENT ADJUSTMENT AID

Chapter 58 of the Laws of 2006

A district with pupil growth between 2000 and 2004 will receive Enrollment Adjustment Aid.

Enrollment Adjustment Aid =

$$(\$1,725.00 \times \text{Formula Operating Aid State Sharing Ratio}) \times (\text{2004 Enrollment} - \text{2000 Enrollment})$$

EXCESS COST AID FOR PUBLIC SCHOOL PUPILS

Education Law, Section 3602, Subdivision 19

A district receives public excess cost aid for pupils with disabilities in programs run by public school districts or BOCES. Basic excess cost aid applies to all such programs. In addition, high cost excess cost aid provides aid for students in resource intensive programs. A save-harmless provision also applies.

Basic Excess Cost Aid

All districts with pupils with disabilities who are served in public school programs receive basic public excess cost aid based on the following formula:

$$\text{Basic EC Aid} = \frac{\text{Aidable Expense}}{\text{Expense}} \times \frac{\text{Aid Ratio}}{\text{Ratio}} \times \frac{\text{Weighted Pupils}}{\text{With Disabilities}}$$

$$\text{Aidable Expense} = \frac{\text{2004-05 Approved Operating Expenses (AOE)}}{\text{2004-05 TAPU for Expense}}$$

Minimum: 2,000

Maximum: The maximum aidable expense is \$9,250.
(The State average is \$9,250.)

$$\text{Excess Cost Aid Ratio} = 1 - (\text{Combined Wealth Ratio} \times .51)$$

Minimum: .250

Weighted Pupils: Pupils with disabilities served by a district in the base year are weighted according to the level of special services and programs that they are required to receive:

- At least 60% of the day 1.65
- At least 20% of the week or five periods
(at least 180 minutes) per week 0.90
- Direct/Indirect Consultant Teacher 0.90

An additional 0.50 weighting is provided for those children who require special education services at least 60 percent of the time and who received these services in a general education setting in the year prior to the base year. Such integrated settings aid is not subject to the Public Excess Cost Aid save-harmless calculation.

High Cost Excess Cost Aid

Additional aid is available for public school pupils with disabilities in programs in which the cost exceeds the lesser of:

\$10,000 or 4 x AOE/TAPU (without limits)

Per Pupil Calculation:

High Cost Excess Cost Aid = $\frac{\text{Excess Cost}}{(\text{Approved Program Cost} - (3 \times \text{AOE/TAPU})) \times \text{Aid Ratio}}$

Declassification Support Services Aid

Education Law, Section 3602, Subdivision 19, paragraph 7

Any district which provides support services to teachers and pupils in the first year that a pupil moves from a special education program to a full-time regular education program is eligible to receive declassification support services aid.

Declassification Support Services Aid = $\frac{\text{Basic Public Excess Cost} \times .50 \times \text{2005-06 Declassified Pupils}}{\text{Aid Per Pupil}}$

Save-Harmless Provision

A district is eligible to receive the greater of:

- (i) 2006-07 Basic Excess Cost Aid + High Cost Aid + Declassification Support Services Aid, or
- (ii) 95 percent of 2005-06 Total Public Excess Cost Aid

Save-harmless funding does not include apportionments generated by the 0.50 pupil weighting for year prior to base year pupils who received services at least 60 percent of the time in a general education setting.

EXCESS COST AID FOR PRIVATE SCHOOL PUPILS

Education Law, Section 4405, Subdivision 3, paragraphs a and b
Education Law, Section 4401, Subdivision 6 and 7

A district receives private excess cost aid for pupils with disabilities in private school settings and the two State-operated schools. The aid is computed on a student-by-student basis, a district receiving private excess cost aid for each student.

Private Excess Cost Aid

Private Excess Cost Aid = $\frac{\text{Aidable Cost} \times \text{Excess Cost Aid Ratio}}{\text{(per pupil)}}$

Aidable Cost = Tuition - (Basic Contribution per enrolled pupil)

Basic Contribution = A district's tax levy based on its property and non-property taxes divided by its base-year (2005-06) resident enrollment.

Excess Cost aid Ratio = $1 - (\text{Combined Wealth Ratio} \times .15)$

Minimum: .50

SPECIAL SERVICES AID

Education Law, Section 3602, Subdivision 17

Districts that are non-components of a BOCES, including the Big 5 City school districts, are eligible to receive career education aid and computer administration aid.

Career Education Aid = $\$3,900 \times \text{Aid Ratio} \times \text{Career Ed Pupils}$

Aid Ratio = $1 - (\text{Combined Wealth Ratio} \times .59)$

Minimum: .360

Career Education Pupils = 2005-06 Grade 10-12 ADA in a Career Education Trade Sequence + (.16 x Business Sequence ADA)

Computer Administration Aid = $(\text{Expenses up to } \$62.30 \times \text{Enrollment}) \times \text{Computer Expenses Aid Ratio}$

Enrollment = Fall 2005 public enrollment attending in the district

Computer Expenses Aid Ratio = $1 - (\text{Combined Wealth Ratio} \times .51)$

Minimum: .300

REORGANIZATION INCENTIVE OPERATING AID

Education Law, Section 3602, Subdivision 14, paragraphs d and f

A district which has reorganized within the past 14 years is eligible to receive reorganization incentive operating aid in addition to its regular operating aid.

$$\text{Reorganization Incentive Operating Aid} = \text{Formula Operating Aid} \times \text{Incentive Aid Percentage}$$

The sum of a district's Formula Operating Aid and Incentive Operating Aid may not exceed 95 percent of its AOE.

Reorganization Prior to July 1, 1983:

Incentive Operating Aid was available for school districts which reorganized prior to July 1, 1983, for 14 years beginning with the first school year of operation as a reorganized district. For the first five years the Incentive

Aid Percentage was 10 percent, and for the next nine years the percentage of such operating aid decreased 1 percent per year.

Reorganization After July 1, 1983:

For districts which reorganized after July 1, 1983, the reorganization percentage was 20 percent for a period of five years, to be reduced by 2 percent per year for nine years.

Reorganization After July 1, 1992:

For districts which reorganize after July 1, 1992, the reorganization percentage will be 40 percent for a period of five years, to be reduced by 4 percent per year for nine years.

BOCES AID

Education Law, Section 1950, Subdivision 5

Districts which are components of Boards of Cooperative Educational Services (BOCES) are eligible to receive BOCES operating, capital, and rental aids, with the total subject to a save-harmless provision.

BOCES Operating Aid = Base Year Approved Expenses x Aid Ratio

Approved Expenses includes salaries of BOCES employees up to \$30,000

Aid Ratio = greater of:

- (i) $1 - \frac{.008 \text{ (.003 for central high schools and component districts)}}{\text{District Actual Valuation Tax Rate (Local Revenue/Selected Actual Valuation)}}$
- (ii) $1 - \frac{(\text{Selected Actual Valuation}/2004-05 \text{ RWADA}) \times .51}{\text{Statewide Average } (\$456,700)}$

Minimum: .360

Maximum: .900

BOCES Capital Aid = 2006-07 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2006-07 Rental Expense x RWADA Aid Ratio

Save-Harmless Provision A district may receive the greater of:

- (i) 2006-07 BOCES Operating, Capital and Rental aids, or
- (ii) BOCES aid received during 1967-68

TRANSPORTATION AID

Education Law, Section 3602, Subdivision 7

Districts are allotted reimbursement for transportation expenses through the transportation aid formula. Districts will be eligible for reimbursement for capital expenditures based on the assumed useful life of the asset.

Transportation Aid = [Aid Ratio + Sparsity Factor] x Approved Expenses

Aid Ratio = greatest of three aid ratio calculations, two of which are based on a district's Actual Valuation per pupil:

- (i) 1.263 x Formula Operating Aid State Sharing Ratio
- (ii) $1.010 - \frac{(\text{Selected AV/2004-05 RWADA} \times .46)}{\text{Statewide Average } (\$456,700)}$
- (iii) $1.010 - \frac{(\text{Selected AV/2004-05 Resident Public+Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$397,600)}$

Minimum: .065

Maximum: .900

Sparsity Factor =

$$\frac{21.00 - 2004-05 \text{ Public Enrollment/Square Mile}}{317.88}$$

Approved Transportation Expenses include:

- Health and life insurance
- Collision insurance
- Equipment
- Uniforms
- Driver and mechanic salaries
- Supervisor and other salaries
- Operating and maintenance expenses
- Social Security payments on all salaries
- Full contract expenses
- Retirement benefits
- Computerized bus routing services
- Transportation of children to and from day care centers
- Transportation of pupils in voluntary interdistrict programs
- District expenditures for transportation of pupils to and from district-operated summer classes to improve student performance will be aided up to a maximum of \$5.0 million statewide

But do not include:

- Transportation of pupils less than 1-1/2 miles from school
- Field trips
- Salaries of assistant drivers on regular buses (district operated programs)
- Salaries of drivers and mechanics who work on other than bus-type vehicles
- Bus purchase expenses exceeding the State contract price

BUILDING AID

Education Law, Section 3602, Subdivision 6

School districts with approved building projects may receive building aid to be paid according to an assumed amortization schedule. Aid is available for expenses related to the installation of computer laboratory hardware and for the purchase of stationary metal detectors.

Building Aid = Selected Aid Ratio x Approved Building Expenses

Current Aid Ratio = 1 - (Selected Actual Valuation/2004-05 RWADA x .51)
Statewide Average (\$456,700)

Approved Building Expenses:

For projects associated with any existing bonds, bond anticipation notes (BANs) and lease-purchase agreements that have principal remaining as of July 1, 2002, an assumed amortization will be applied to determine Building and Reorganization Incentive Building Aid. The assumed amortization is based on approved project costs, the term of borrowing and an assumed interest rate. New projects subject to prospective assumed amortization are those that were either approved by the Commissioner of Education on or after December 1, 2001, or, for which debt (bonds, BANs, and capital notes) is first issued on or after such date. Each project is assigned a useful life, cost allowance and assumed interest rate.

Starting in 2005-06, for projects in New York City for which a contract is signed July 1, 2004 or later, the cost allowance will include legitimate extraordinary costs related to:

- multistory construction necessitated by substandard site sizes,
- site security costs,
- difficulties with delivery of construction supplies,
- increased fire resistance and fire suppression costs,
- site acquisition,
- environmental remediation and
- building demolition costs.

The State share of financing costs associated with refinancings are reimbursed in full to districts. In addition, districts are reimbursed for lease expenses and on a one year lag for costs of exceptional expenses including metal detectors, condition surveys, and capital outlay exception.

Selected Aid Ratio:

Districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year.

Starting with all new building projects approved by the voters after July 1, 2000, the selected Building Aid ratio is based upon the greater of a school district's current-year Building Aid ratio or the aid ratio selected for use in 1999-00 reduced by 10 percentage points. School districts with a pupil wealth ratio greater than 2.50 and an alternate

pupil wealth ratio less than .850 in the school year in which the project was approved and the approval date was between 7/1/00 and 7/1/04 may select an aid ratio equal to 1.263 multiplied by the district's Formula Operating Aid State Sharing Ratio.

For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, for high need school districts including the Big Five City schools, districts may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98% of the project's approved costs.

Incentive:

For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts will continue to receive an additional 10 percent State reimbursement. However, the sum of the incentive and the selected aid ratio may not exceed .950 except that, for projects approved in high need districts, by the voters or the board of education in the Big Four dependent districts or the chancellor in New York City, on or after 7/1/2005, the sum of the incentive and the selected aid ratio, including the high-need supplemental Building Aid ratio, may not exceed .980.

In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.

REORGANIZATION INCENTIVE BUILDING AID

Education Law, Section 3602, Subdivision 14, paragraphs e and f

For building projects related to reorganization, the district may receive reorganization incentive building aid in addition to its regular Building Aid.

Aid is paid on projects for which the general construction contract is signed prior to July 1, 2008 or within ten years from the effective date of the reorganization, whichever is later.

For districts reorganizing prior to July 1, 1983,

$$\begin{array}{l} \text{Reorganization Incentive} \\ \text{Building Aid} \end{array} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 25\%$$

For districts reorganizing after July 1, 1983,

$$\begin{array}{l} \text{Reorganization Incentive} \\ \text{Building Aid} \end{array} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 30\%$$

In no case may the sum of regular Building Aid plus Incentive Building Aid exceed 95 percent of approved building expenditures.

COMPUTER SOFTWARE AID

Education Law, Section 751

All districts are eligible for Computer Software Aid. The aid is for the purchase of computer software which a pupil is required to use as a learning aid in a particular class in the school the pupil attends.

Computer Software Aid = 2005-06 Cost of Software (up to \$14.98 x Enrollment)

Enrollment = Fall 2005 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

TEXTBOOK AID

Education Law, Section 701, Subdivisions 4, 6 and 7

All districts are eligible for Textbook Aid. The aid provided is to be used by districts to purchase textbooks to be made available to all resident enrolled pupils.

Textbook Aid = 2005-06 Cost of Textbooks, not to exceed \$57.30 (\$42.30 per pupil for Regular Textbook Aid plus \$15.00 per pupil for Lottery Textbook Aid) x 2005-06 Resident Public and Nonpublic School Enrollment

INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 3602, Subdivision 26

A district may be eligible for Computer Hardware Aid to purchase or lease micro - and/or minicomputer equipment or terminals as well as technology equipment for instructional purposes. Schools may use up to 20 percent of hardware aid for the repair of instructional computer hardware and technology equipment or for training and staff development for instructional purposes.

Technology equipment is defined as equipment used in conjunction with or in support of educational programs including, but not limited to, video, solar energy, robotic, satellite or laser equipment.

Approved expenses for technology education equipment were first eligible for aid in the 1992-93 school year. Beginning with the 1998-99 school year, the local match was eliminated.

Hardware Aid = 2005-06 Approved Expenses (up to \$19.25 x Selected TAPU for Payment x Current Year Building Aid Ratio)

LIBRARY MATERIALS AID

Education Law, Section 711, Subdivision 4

All districts are eligible for Library Materials Aid. The aid is provided to enable districts to purchase necessary library materials to be made available

on an equitable basis to all pupils attending public and nonpublic schools within such district.

$$\frac{\text{Library Materials Aid} = 2005-06 \text{ Cost of Library Materials (up to \$6.00)}}{\text{x Enrollment}}$$

Enrollment = Fall 2005 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

FULL-DAY KINDERGARTEN CONVERSION AID

Education Law, Section 3602, Subdivision 12-a

Eligibility for Full-Day K Conversion Aid: If in 1996-97 and 2005-06 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2005-06.

School districts offering full-day kindergarten programs to all kindergarten students will receive current year Formula Operating Aid in 2006-07 for any increase in the number of students served in full-day programs in 2006-07 compared to 2005-06.

Full-Day K Conversion Aid =

$$(2006-07 \text{ Estimated Full-Day K Enrollment} - 2005-06 \text{ Full-Day K Enrollment}) \times \text{Formula Operating Aid per TAPU.}$$

SUPPLEMENTAL PREKINDERGARTEN AID

Education Law, Section 3602-e, Chapters 58 and 61 of the Laws of 2006

For the 2006-07 school year, each district will be eligible to receive an amount of Universal Prekindergarten Aid up to the amount such district was eligible for in the 2005-06 school year. An additional \$50.00 million in Supplemental Prekindergarten Aid will be available for program expansion. For the 2006-07 school year, New York City's supplemental aid may not exceed \$25.00 million. The payable grant is the lesser of the grant computed based on data on file as of April 30, 2007 or actual grant expenditures.

Supplemental Prekindergarten Aid =

Per Child Grant Amount x Lesser of Pupils Served or Aidable Prekindergarten Children

Per Child Grant Amount

A district is eligible to receive the greater of:

- (i) \$600 + (Adjusted State Sharing Ratio x \$4,000), or
- (ii) Grant per pupil calculated for the 2000-01 school year

The result cannot exceed \$4,000 or be less than \$2,700.

Adjusted State Sharing Ratio =

$$(1 + (\text{Extraordinary Needs \%} - .940)/.047) \times \text{State Sharing Ratio}$$

See Supplemental Extraordinary Needs Aid for descriptions of the Extraordinary Needs percent and the Formula Operating Aid State Sharing Ratio, however this State Sharing Ratio uses 2003 Actual Valuation instead of Selected Actual Valuation.

Aidable Prekindergarten Children = Estimated 2006-07 4-year-olds not served by the State's targeted prekindergarten program or by the State preschool student with disabilities program for more than four hours per day x percentage of K-6 eligible applicants for the free and reduced price lunch program as of October 2004 (eligible applicants divided by K-6 enrollment) x .38480. A minimum of 20 students is needed to be eligible for aid.

EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 24

Districts are eligible for EPE aid for the attendance of pupils age 21 or older who have not received a high school diploma or equivalency diploma.

Since 1991-92, aid paid directly to BOCES for approved BOCES EPE programs has been based on component districts' aid ratios. Beginning in 1995-96, the BOCES EPE aid ratio has been based on the aggregate actual valuation and TWPU of the component districts of the BOCES. Adults can register with BOCES for participation at a BOCES site. Since 1996-97, the BOCES EPE aid ratio has been the greater of the EPE aid ratio based on the aggregate wealth of the component districts or 85 percent of the highest EPE aid ratio of a component district of the BOCES.

$$\text{EPE Aid} = \$9.25 \times \text{EPE Aid Ratio} \times \text{EPE Hours}$$

$$\text{EPE Aid Ratio} = 1 - (\text{Pupil Wealth Ratio} \times .40)$$

Minimum: .400

$$\text{Pupil Wealth Ratio} = \frac{\text{Selected Actual Valuation}/2004-05 \text{ TWPU}}{\text{State Average } (\$382,200)}$$

EPE Hours = Total hours of instruction for all students in EPE programs between July 1 and June 30 of the current year.

EPE aid will be reduced if it and other State and Federal sources of aid for EPE programs exceed the entire cost of such program in that year.

For the 2006-07 school year, total aid is limited to \$96.00 million.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 35

All districts are eligible for Incarcerated Youth Aid. The aid is provided to enable districts to educate students in local centers of detention.

Incarcerated Youth Aid equals the lesser of:

- (i) 2004-05 AOE/TAPU x Number of full-day program pupils¹⁶ +
 (.5 x (AOE/TAPU)) x Number of half-day program pupils) or
- (ii) Actual total instructional cost for the incarcerated youth program plus approved administrative costs (which may not exceed five percent of total instructional costs)

TAX LIMITATION AID

Education Law, Section 3602, Subdivision 21; Chapters 53 and 58 of the Laws of 2006

A district's Tax Limitation Aid will equal the sum of Tier 1, 2 and 3 Aid.

Tier 1 Aid

For the 2006-07 school year a district will receive a continuation of its 2005-06 Tax Limitation Aid.

Tier 2 Aid

Districts are eligible for additional aid if their Combined Wealth Ratio is below 2.00 and the ratio of the district's 2003 tax levy on residential real property (including condominium property) divided by the district's 2003 adjusted gross income compared to the state average of residential levy divided by income (2.78 percent for the 2006-07 school year) is greater than 1.80.

Tier 2 Aid = (\$50.00 x Residential Levy Income Ratio) x Tax Limitation Aid Ratio x Pupils for Tax Aid

Residential Levy Income Ratio =

2003 tax levy on residential real property (including condominiums)/2003 adjusted gross income
 State average residential levy/income (2.78 percent)

Tax Limitation Aid Ratio = 1 - (Combined Wealth Ratio x .48)

Tier 3 Aid

Districts with an AOE/TAPU for Expense greater than the State average (\$9,250) will receive a further apportionment.

Tier 3 Aid = (AOE/TAPU for Expense - \$9,250) x Tax Limitation Aid Ratio x Selected TAPU for payment x 0.1332

Tax Limitation Aid Ratio = 1 - (Combined Wealth Ratio x .465)

¹⁶ 2004-05 AOE/TAPU x 1.25 x pupils in 10 month programs or 2004-05 AOE/TAPU x 1.50 x pupils in 12 month programs.

SOUND BASIC EDUCATION AID

Chapters 53 and 58 of the Laws of 2006

For 2006-07, each school district will receive a share of the \$375 million SBE Aid increase equivalent to its share of 2005-06 SBE Aid. For each district, the apportionment will be equal to \$375 million multiplied by the ratio of the district's 2005-06 SBE Aid to the 2005-06 State total SBE Aid (\$324.9 million). No district will receive less than \$53,837. The Legislature also provided for a Sound Basic Education Aid replacement fund appropriation of \$262.5 million to ensure that no district will receive less than the amount reported in the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted Budget.

HIGH TAX AID

Chapters 58 and 61 of the Laws of 2006

All districts in a county are eligible for High Tax Aid if their county's Tax Effort Ratio is greater than 4 percent (based on data on file with the State Education Department as of February, 2006).

County Tax Effort Ratio = The ratio of the sum of the districts' 2003 tax levy on residential real property (including condominium property) divided by the sum of the districts' 2003 adjusted gross income.

High Tax Aid = Eligible districts will receive the greater of:

- (i) \$29.90 x 2005-06 public enrollment, or
- (ii) \$25,000

For the 2006-07 total aid of up to \$20.00 million is available for High Tax Aid.

EXCEL AID

Chapters 58 and 61 of the Laws of 2006

A total of \$2.60 billion will be available for school construction through bonds issued by the State Dormitory Authority for the EXCEL (Expanding our Children's Education and Learning) program. New York City will receive up to \$1.80 billion in grants.¹⁷ An additional \$400 million in EXCEL funding will be available for the State's high need school districts with the remaining \$400 million in EXCEL funding allocated to fund projects in average and low need districts. Aid will be calculated based on data on file with the State Education Department for the computer listing entitled "SA060-7" which was released in March 2006 with the issuance of the 2006-07 enacted budget.

¹⁷ In total, the State Budget includes \$11.2 billion to support school construction in New York City. The \$11.2 billion consists of \$1.8 billion in school construction aid and a \$9.4 billion authorization for the New York City Transitional Finance Authority to issue bonds for the modernization and expansion of school building infrastructure. The \$9.4 billion in State authorized bonds will be evenly funded by the City and the State.

School districts' maximum allowance will be based on their Need/Resource-Capacity (N/RC) Category as determined by the State Education Department.

N/RC Category Code =

- 1 = New York City school district
- 2 = Buffalo, Rochester, Syracuse and Yonkers city school districts
- 3 = High need/resource-capacity urban/suburban school districts
- 4 = High need/resource-capacity rural school districts
- 5 = Average need/resource-capacity school districts
- 6 = Low need/resource-capacity school districts

For High Need/Resource Capacity districts (N/RC Code < 5) a district's EXCEL Aid = \$778.22 x 2005 enrollment (the New York City school district will receive \$1.80 billion).

For average and low Need/Resource Capacity districts (N/RC Code >= 5) a district's EXCEL Aid = \$320.46 x 2005 enrollment.

APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2006-07 SCHOOL YEAR

I. Average Daily Attendance/Average Daily Membership ^a

- A. Average Daily Attendance (ADA) is the average number of pupils present on each regular school day in a given period. The average is determined by dividing the total number of attendance days of all pupils by the number of days school was in session.
- B. Average Daily Membership (ADM) is a measure of enrollment. It is the total possible aggregate daily attendance of all pupils in the district divided by the days of session.

II. TAPU for Expense, TAPU for Payment, TAPU for Formula Operating Aid Payment, TWPU and RWADA

	<u>Total Aidable Pupil Units For Expense</u>	<u>Total Aidable Pupil Units For Payment</u>	<u>Total Wealth Pupil Units</u>	<u>Resident Weighted Average Daily Attendance</u>
Short Title	TAPU for Expense	Selected TAPU for payment	TWPU	RWADA
Year used for aid payable in 2006-07	2004-05	2005-06 or Two-year Average (2004-05 and 2005-06) ^b	2004-05	2004-05
Attendance Periods	Full Year	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Served 100% ADA	Resident 100% ADA	Resident 100% ADA

Basic Weightings

Half-Day Kindergarten	.50	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00	1.00
Grades 7-12	1.00	1.00	1.00	1.25
Dual Enrollment	1.00	1.00	--	--

^a The average daily attendance (or average daily membership) of pupils attending private and State operated schools (Rome and Batavia) for pupils with disabilities is excluded from ADA (or ADM).

^b The 2005-06 TAPU is based on 2004-05 ADA, adjusted by the enrollment index (change between 2004-05 and 2005-06 enrollment). The 2004-05 TAPU is based on 2003-04 ADA, adjusted by the enrollment index (change between 2003-04 and 2004-05 enrollment).

	<u>Total Aidable Pupil Units For Expense</u>	<u>Total Aidable Pupil Units For Payment</u>	<u>Total Wealth Pupil Units</u>	<u>Resident Weighted Average Daily Attendance</u>
<u>Additional Weightings</u>				
Secondary (including PSEN ^c but excluding students with disabilities (swd) in 1.7 & .9 public excess cost categories)	.25	.25	.25	--
PSEN K-12 (including swd)	.25	.25	.25	--
SWD in public schools for:				
60% of school day (special class)	1.70	--	1.70	--
20% of school week (resource room) ^d	.90	--	.90	--
Direct/Indirect Consultant Teacher	.90	--	.90	--
Private School	--	--	--	--
Summer/Extra School	.12	.12	--	--

^c PSEN (Pupils with Special Educational Needs) are determined by multiplying district average daily attendance by the percentage of the student population falling below the State reference point on third and sixth grade reading and mathematics pupil evaluation program (PEP) tests administered in the Spring of 1985 and the Spring of 1986. The PSEN weighting is not included for Flex pupil counts.

^d Or five periods (at least 180 minutes) per week.

APPENDIX III-D
STATE AID PAYMENT SCHEDULE TO SCHOOL DISTRICTS

Section 3609-a of the Education Law will govern the schedule of school district payments as well as the manner in which monthly aid payments are calculated. Section 3609-a includes computerized aids payable as General Support for Public Schools (GSPS) except for aids which are covered under the Section 3609-b (Excess Cost) payment schedule and Section 3609-d (BOCES Aid) payments as well as Textbook, Software and Library Materials Aids. Growth Aid and Full Day Kindergarten Aid will not be paid until June 2007. Small Cities Aid is covered by Section 3609-c. In addition, Section 3609-e of the Education Law governs the schedule of school district payments for School Tax Relief (STAR). This payment is intended to reimburse school districts for school property tax exemptions granted pursuant to Section 425 of the Real Property Tax Law. In addition, Sound Basic Education Aid will be paid monthly in proportion to aid payable under section 3609-a, except that districts will receive no more than 70% of total aid due for the 2006-07 school year by March 31, 2007.

For GSPS aid payable in the 2006-07 school year, school districts will receive the lesser of (i) the sum of the aid calculated at the time of enactment of the Aid to Localities Budget or (ii) actual claims at the time of payment. A district may not exceed the sum of apportionments reported in the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted Budget. Any remaining unpaid amount of aid due to a school district will be paid on the first business day of September, 2007. The payment schedule has several features:

GSPS Aids

- Lottery Aid will continue to be paid in full on the first business day of September.
- School district obligations to the New York State Teachers Retirement System (TRS) will continue to be paid by the State on behalf of school districts in September, October and November.
- "Fixed" payments will be paid in the months of October, November and December. These payments guarantee that a "fixed" percentage of a district's apportionments, after TRS payments, will be paid through the sum of Lottery payments and regular aid payments by given points in time: 12.50 percent by October 15, 18.75 percent by November 15 and 25.00 percent by December 15.
- "Individualized" payments will be calculated for the months of January through June. January through May payments are based on school district State Aid claims or data available to the Commissioner as of December 1. The June payment is based on data available to the Commissioner as of May 1. These will be calculated to guarantee that each district receives 50 percent of the sum of its State and local revenues by the first business day of January, 60 percent by February, 70 percent by March, 80 percent by April and 90 percent by May. All of the April payment, all, or most of the May payment and some of the June payment may be paid as part of the sustaining advance payments and the final payment for the State Fiscal Year in order to fully expend the State Fiscal Year appropriation for General Support of Public Schools in March 2007. If necessary, the March payment may also be reduced to ensure that no more

than the State Fiscal Year appropriation for General Support of Public Schools is expended by March 31.

- Sustaining advance payments and a final payment for the State Fiscal Year will be paid to school districts on or before March 31 on a prorata basis using the districts' relative share of either: (1) for the sustaining advance payments, the total monies designated for payment in April, then May and finally June or (2) for the final payment for the State Fiscal Year, the total monies designated for June (if a positive payment is to be made) or the total monies designated for March (if a negative deduction is to be made). For purposes of calculating the final payment for the State Fiscal Year, the remaining unexpended portion of the State Fiscal Year appropriations for General Support of Public Schools will be used.
- Any aid payable for Growth Aid and Full Day Kindergarten Aid will be paid in addition to any remaining balance of the June General Aid payment on the first business day in June. In addition the total of such aid payable through June for Growth Aid and Full Day Kindergarten Aid cannot exceed the total of such aid as it appears on the computer listing "SA060-7."
- Any balance due of actual General Aid apportionments which does not exceed the sum of such apportionments as reported in the school aid computer listing entitled "SA060-7" will be paid on the first business day of September, 2007.

Sound Basic Education (SBE) Aid

Consistent with requirements of Chapter 53 of the Laws of 2006, for Sound Basic Education Aid payable in the 2006-07 school year, school districts will receive an amount equal to the base year apportionment for the Sound Basic Education Aid amounts set forth on the school aid computer listing entitled "BT131-6". In addition, Chapter 108 of the Laws of 2006 provides for a supplemental SBE apportionment to be calculated in the same proportion as the base year SBE. The payment schedule will guarantee that the same proportion of aid for SBE and the SBE supplement will be paid in each of the months of September through June as is paid through the 3609-a payment schedule. However, the amount paid by March 31, 2007 can't exceed 70 percent of the appropriation.

STAR Aid

- The statutory dates by which State reimbursement for STAR property tax relief will be paid are as follows:
 - 35 percent by October 15, 2006;
 - 70 percent by November 15, 2006;
 - 80 percent by December 15, 2006; and
 - 100 percent by January 1, 2007.
- Any increase in STAR reimbursement that occurs as a result of adjustments made after January 1 will be paid by March 31, 2007.
- Payment amounts will be based on current data on file at the time of each payment through January.

- Current statutory provisions that authorize the Commissioner to withhold State aid payments from school districts that have not submitted enrollment and expenditure data on a timely basis shall not apply to STAR reimbursements.
- STAR reimbursement for New York City's personal income tax relief will be paid in three equal installments on or before September 15, 2006, December 15, 2006 and June 15, 2007.

Excess Cost Aids

Section 3609-b of the Education Law requires that apportionments payable to school districts for Excess Cost Aids shall be designated as State share monies due to school districts pursuant to Title XIX of the Social Security Act (Medicaid reimbursement). Such State share monies will be paid in conjunction with the scheduled monthly payment of federal share monies for Medicaid reimbursement. Any remaining balances of Excess Cost Aids will be paid in accordance with the schedule below. Total Excess Cost Aids payable to a district for the school year may not exceed the sum of such aids as reported in the school aid computer listing entitled "SA060-7" which was released in March 2006 with the issuance of the 2006-07 enacted Budget.

- The positive remainder of 25 percent of Excess Cost Aids minus any State share monies paid in the months of August-November, 2006 will be paid on or before December 15.
- The positive remainder of 70 percent of such aids minus any apportionment previously paid and any State share monies payable in the months of August 2006-February 2007 will be paid on or before March 15.
- The positive remainder of 85 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2006-May 2007 will be paid on or before June 15.
- The positive remainder of 100 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2006-July 2007 will be paid on or before August 15.
- Any balance due of actual Excess Cost Aids payable which does not exceed the sum of such aids as reported in the school aid computer listing entitled "SA060-7" will be paid on the first business day of September, 2007.

BOCES Aid

- BOCES Aid is calculated for individual component school districts of the BOCES, but the sum of all such payments is paid directly to the BOCES. Total BOCES Aid payable for the school year to each component school district may not exceed 100 percent of the amount of such aid as reported in the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted Budget, plus any BOCES Aid payable to contracting school districts, less-than-eight teacher districts and Special Act school districts based on data on file at the time of each payment.
- BOCES obligations to the New York State Teachers Retirement System (TRS) will be paid by the State on behalf of the BOCES from the apportionment

payable to the BOCES by the fifteenth of each of the months of September, October and November.

- An additional payment will be made to the BOCES on the first business day of February. This payment will be equal to 25 percent of the lesser of the actual BOCES Aid payable to each component school district or the amount of BOCES Aid payable to each component district as reported in the school aid computer listing entitled "SA060-7" plus BOCES Aid payable for contracting school districts, less-than-eight teacher districts and Special Act school districts, minus the payments made to TRS on the BOCES behalf.
- An additional payment will be made to the BOCES on the first business day of June that is equal to 55 percent of the lesser of the actual BOCES Aid payable to each component school district or the amount of BOCES Aid payable to each component school district as reported in the school aid computer listing entitled "SA060-7" plus BOCES Aid payable for contracting school districts, less-than-eight teacher districts and Special Act school districts, minus the sum of all previous payments including payments made to TRS on the BOCES behalf.
- Any remaining apportionment payable to the BOCES, including any excess of actual BOCES aid payable over the amount of such aid reported in the school aid computer listing entitled "SA060-7" will be paid to the BOCES on the first business day of September, 2007.

Aid to Small City School Districts

Payments to small city school districts will be made pursuant to Section 3609-c of the Education Law. Aid will be paid so that from October 2006 to the first business day of June, 2007 each eligible small city school district will receive an amount, not to exceed in total 100 percent of the amount provided for this aid category in the 2006-07 Budget.

