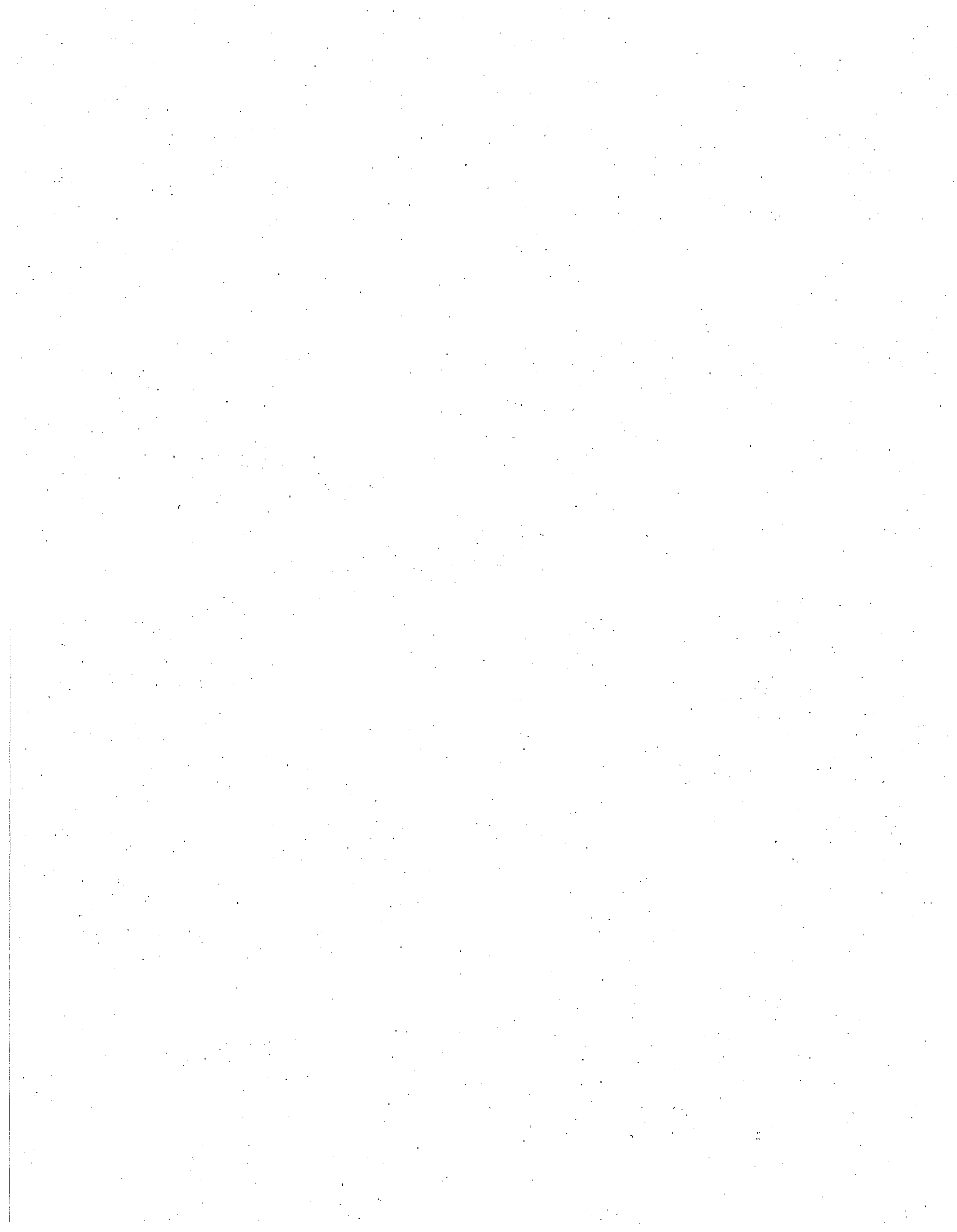


DESCRIPTION OF  
2009-10 NEW YORK STATE  
EXECUTIVE BUDGET RECOMMENDATIONS  
FOR  
ELEMENTARY AND SECONDARY EDUCATION

EDUCATION UNIT  
NEW YORK STATE DIVISION OF THE BUDGET  
December 16, 2008



## INTRODUCTION

This report provides a summary of the 2009-10 New York State aid programs for elementary and secondary education as recommended in the Executive Budget submitted by Governor Paterson to the Legislature on December 16, 2008.

The descriptions provided in this report were prepared for use by school district officials, representatives of educational organizations, State officials, and other persons interested in New York State public school aid.

Although other aspects of the State's budget may directly or indirectly affect public school districts, except where noted, only appropriations which are administered by the State Education Department are covered in this booklet.

This booklet is also available at the Division of the Budget web site under "Publications/Archive," "Descriptions of School Programs": <http://www.budget.state.ny.us>

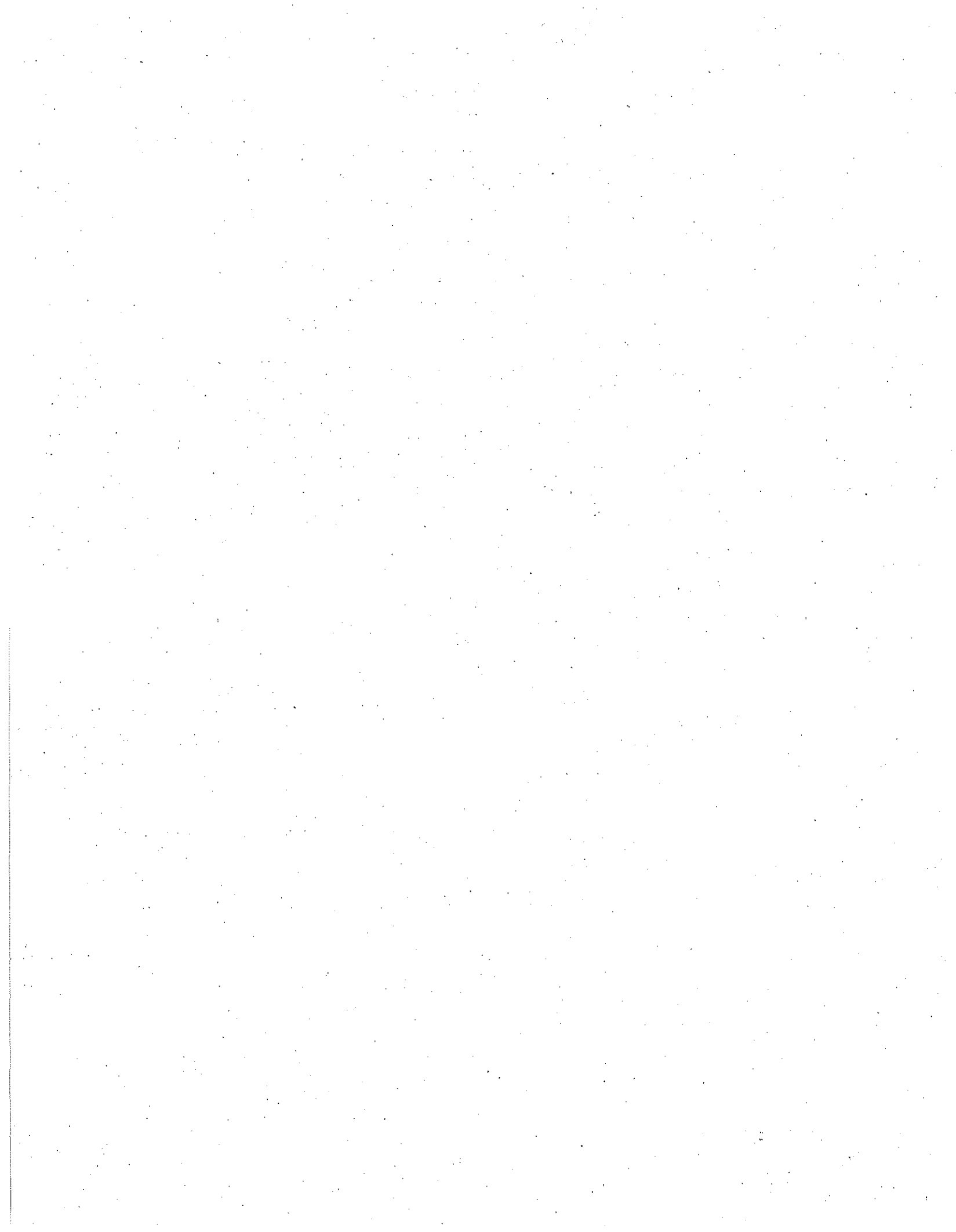
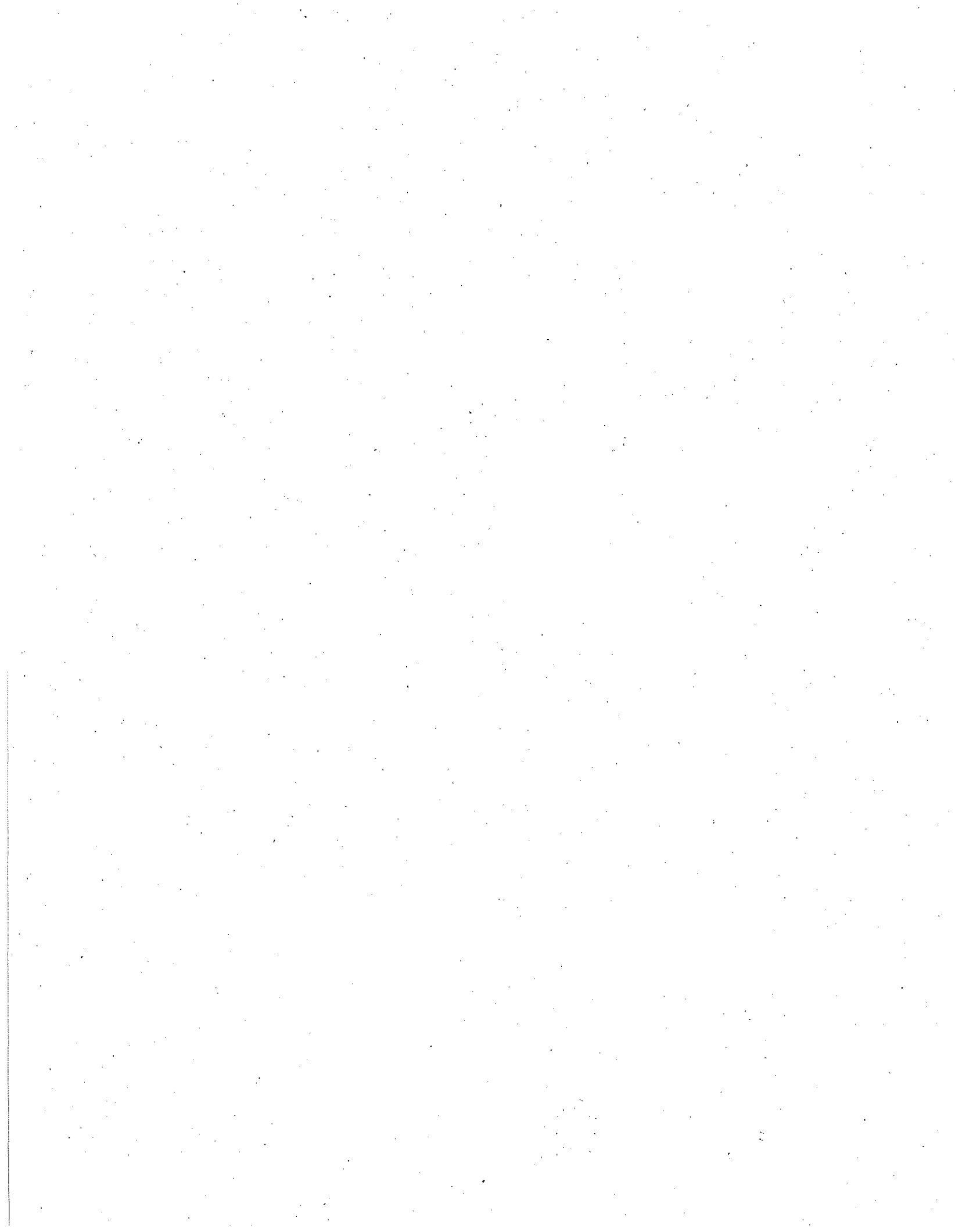


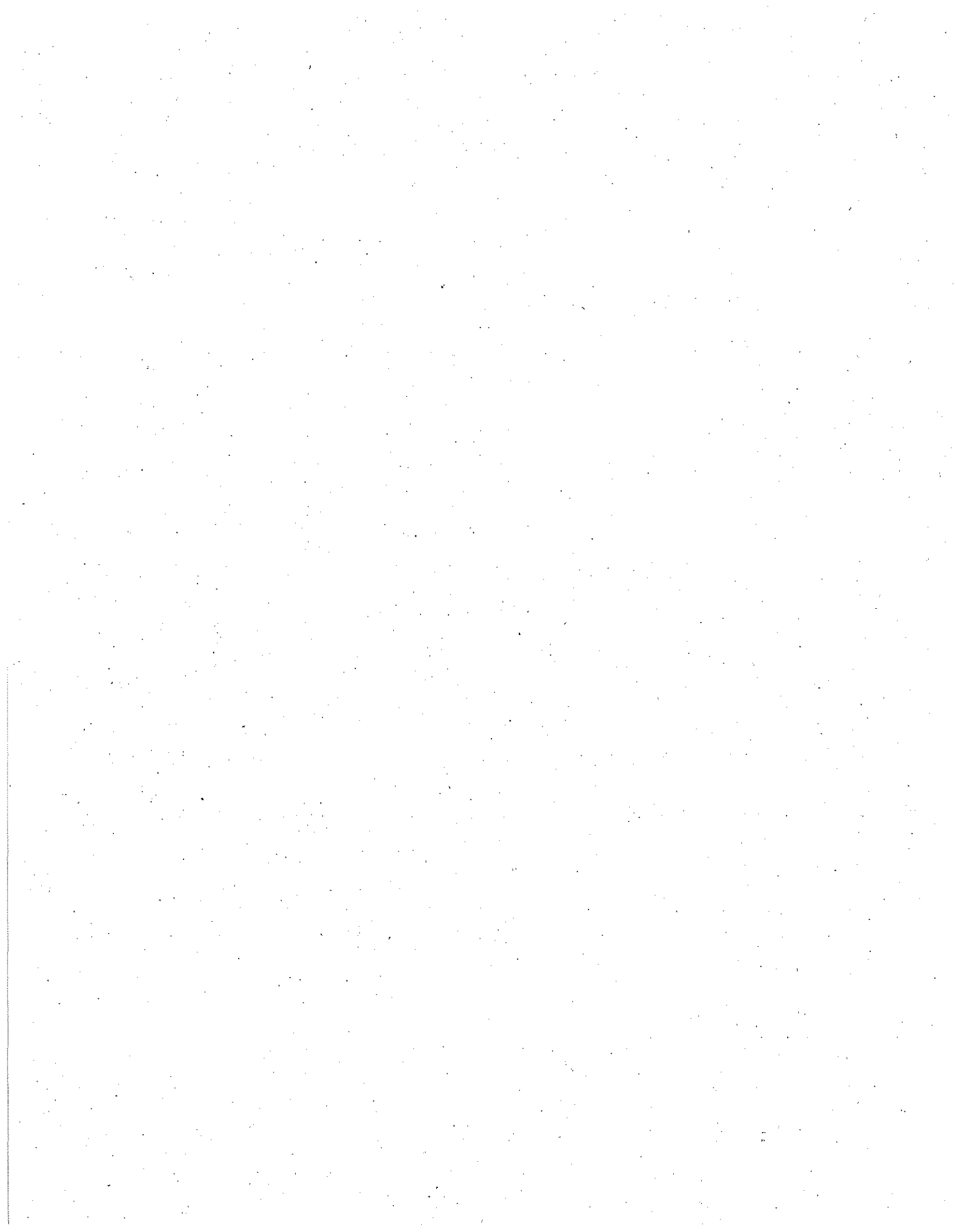
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SCHOOL AID/STAR OVERVIEW

The 2009-10 Executive Budget proposes \$20.693 billion in School Aid for the 2009-10 school year. While the Executive Budget continues the long-term commitment to education funding, the financial consequences of the recent economic downturn have temporarily impacted the State's ability to continue growth in School Aid for the 2009-10 school year. In order to achieve necessary savings, several actions are proposed to reduce overall School Aid funding levels. School Aid recommendations will:

- Continue operating support at 2008-09 levels for seven school aid programs including Foundation Aid, and Universal Prekindergarten Aid;
- Allow funding under the current statutory formula for expense-based aids including High Cost, Private Excess Cost, BOCES, Transportation, Textbooks, Computer Software, Computer Hardware and Library Materials aids;
- Allow expense-based changes in Building Aids and continue Excel Debt Service;
- Implement a Deficit Reduction Assessment, and
- Maintain funding for programs such as Teachers of Tomorrow, School Health Services for Big Four City school districts, Employment Preparation Education Aid and Bilingual Education Grants but reduce or eliminate funding for several other categorical grant programs.

Key components of the 2009-10 Executive Budget recommendations include the following:

- Implementation within formula-based aids of a Deficit Reduction Assessment of -\$1.098 billion calculated to distribute the reduction amounts in a manner that recognizes school district pupil need, wealth and tax effort.
- An overall decrease of -\$698.34 million (-3.26 percent) in school aid, including a decrease of -\$635.63 million (-3.03 percent) in formula-based aids including Building

Aids, and a decrease of -\$62.71 million in grant programs.

- Within formula-based aids, including Building Aids, 81 school districts experience aid increases totaling \$51.25 million and 595 school districts have aid decreases amounting to -\$686.88 million.
- The 2009-10 Executive Budget continues the Foundation aid program first enacted in 2007-08. For the 2009-10 school year, districts statewide will receive \$14.874 billion the same as last year. Other aids continued at base year amounts include the following:
  - Universal Prekindergarten Aid -- \$401.23 million
  - High Tax Aid -- \$204.70 million
  - Academic Achievement Grant -- \$1.20 million
  - Supplemental Education Improvement Grant -- \$17.50 million
  - Academic Enhancement Aid -- \$8.32 million
  - Supplemental Public Excess Cost Aid -- \$4.31 million

Given the current economic situation, the Executive Budget recommends maintaining Foundation Aid for the 2009-10 and 2010-11 school years at the amount provided for the 2008-09 school year, or \$14.874 billion. The Executive Budget also recommends extending the full phase-in of Foundation Aid until the 2014-15 school year. Consistent with the proposed phase-in of Foundation Aid, the planned full phase-in of Universal Prekindergarten will be extended from the 2010-11 school year to the 2014-15 school year. This extension of the phase-in maintains the commitment to fully fund Foundation Aid and Universal Prekindergarten albeit over a longer time period.

- Reflective of existing statutory formula calculations and reported expenditures by school districts, High Cost Excess Cost Aid for the 2009-10 school year will total \$464.51 million, an increase of \$52.01 million.
- Private Excess Cost Aid, which provides State reimbursement to school districts for children placed by the district's Committee on Special Education (CSE) in private school special education programs and Special Act school districts, will increase by \$37.84 million to a total of \$299.93 million.

- For the 2009-10 school year, aid for BOCES services totals \$706.09 million, an increase of \$33.30 million, or 4.95 percent.
- For the 2009-10 school year, \$203.43 million, an increase of \$6.65 million, is available for Special Services Aid for career education programs and school computer services. This aid, which also includes Academic Improvement Aid, is provided to both Big Five City school districts and other districts that are not components of BOCES.
- An increase of \$92.94 million, for a total of \$1.618 billion, is provided for expense-based Transportation Aid to reimburse school districts for the cost of transporting 2.3 million students statewide. Statewide, up to \$5.00 million continues to be available for reimbursement of district-operated summer school transportation expenses.
- The existing statutory formula will provide a total of \$2.85 million, a decrease of -\$2.55 million, for Full-Day Kindergarten Conversion Aid.
- A total of \$45.77 million, an increase of \$0.24 million, is provided for Computer Software Aid.
- Computer Hardware Aid, calculated based on the existing statutory formula, will increase by \$0.26 million to a total of \$37.76 million. Consistent with legislation enacted in 2007, public school districts must loan computer hardware and equipment to nonpublic school students.
- The statutory formulas for Textbook and Library Materials Aids are continued for 2009-10. For expense-based Textbook Aid funding of \$183.65 million, a decrease of -\$1.18 million, is provided for the 2009-10 school year. For 2009-10, Library Materials Aid totals \$19.29 million, a decrease of -\$0.11 million.
- The statutory formula for Charter School Transitional Aid provides \$18.41 million, a decrease of -\$1.87 million; for 13 qualifying school districts that are currently impacted by a concentration of children attending charter schools.

- Funding for Reorganization Incentive Operating Aid will continue at \$2.86 million.
- For the 2009-10 school year, funding of \$2.205 billion, an increase of \$211.76 million, or 10.63 percent, is provided for Building Aid, including Reorganization Incentive Building Aid.
- In addition to Building Aid, for the 2009-10 school year, \$165.00 million, including \$130.00 million for New York City, is available for State payment of EXCEL-related debt service.<sup>1</sup> EXCEL provides school districts with grants to support school construction costs that are associated with increasing school capacity as a response to overcrowded classrooms, and projects related to improving energy efficiency and public health and safety.
- For the 2009-10 school year, the "Teachers of Tomorrow" initiative will be maintained at \$25.00 million.
- Funding of \$13.84 million is continued to support school health services in the Big Four City school districts.
- Funding for the Bilingual Grants categorical aid program will total \$12.50 million, the same as last year.
- No funding will be provided for the Teacher-Mentor Intern program, for Teacher Centers, for Math and Science initiatives and for the Rochester Community Schools program.
- The Executive Budget proposes several initiatives to reduce school district costs, ease the paperwork workload, and remove selected mandates. Additionally, the Executive Budget recommends reforms to the preschool special education program. In recognition of the fiscal circumstances facing the State and the two-year suspension of increases for Foundation Aid; the Contract for Excellence program is modified for the 2009-10 and 2010-11 school years.

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<sup>1</sup> The enacted 2006-07 State budget included \$2.60 billion for school construction through bonds issued by the State Dormitory Authority for the EXCEL (Expanding our Children's Education and Learning) program including up to \$1.80 billion for New York City.

## 2009-10 EXECUTIVE BUDGET RECOMMENDATIONS

For 2009-10 the Executive Budget continues funding of \$14.874 billion for Foundation Aid and a total of \$401.23 million for the Universal Prekindergarten Aid program. These and other aid provisions are described in greater detail below.

### A. 2009-10 SCHOOL AID

Formula-based aids including Building Aids will decrease by -\$635.63 million, or -3.03 percent, to \$20,350.48 million. Grant programs will decrease by -\$62.71 million. For 2009-10, the Executive Budget provides total school aid funding of \$20,693.14 million, a -\$698.34 million, or -3.26 percent, year-to-year decrease.

#### FORMULA-BASED AIDS

Funding is maintained at 2008-09 levels for Foundation Aid, and Universal Prekindergarten Aid:

- Foundation Aid: The Foundation Aid formula calculates funding based on the cost of education in a successful school, student need, and local ability to pay. Given the current economic situation, the Executive Budget recommends maintaining Foundation Aid for the 2009-10 and 2010-11 school years at the amount provided for the 2008-09 school year, or \$14.874 billion. The Executive Budget also recommends extending the full phase-in of Foundation Aid until the 2014-15 school year. This extension of the phase-in maintains the commitment to fully fund Foundation Aid albeit over a longer time period.
- Foundation Aid Plan and Setaside Requirements: For districts receiving Foundation Aid, a limited English proficiency plan requirement will ensure continuation of services to pupils with limited proficiency in English. A setaside requirement is also provided for public school programs for children with disabilities. In addition, the 2009-10 Executive Budget continues a \$170.30 million Magnet School and a \$67.48 million Teacher Support Aid setaside requirement for selected districts. New York City must set aside an amount from its Foundation Aid that is equal to its base year funding for programs for attendance improvement and dropout prevention.
- Universal Prekindergarten Aid: The 2009-10 Executive Budget continues to provide \$401.23 million in funding for this

program which serves approximately 105,000 students throughout the State. Consistent with the proposed phase-in of Foundation Aid, the planned full phase-in of Universal Prekindergarten will be extended from the 2010-11 school year to the 2014-15 school year. Maintaining funding at the 2008-09 level ensures continued school district participation, stability of funding for those school districts that are currently participating and preserves the current commitment for this high priority program.

Consistent with the approach taken to maintain funding for Foundation Aid and other aids that provide operating support, the Executive Budget continues funding at 2008-09 levels for various programs that can be used by school districts for operating support. These programs include:

- High Tax Aid: Funding for this aid category will be maintained at \$204.70 million. Over 70 percent of aid will continue to be directed to high and average need school districts.
- Education Grants: For the 2009-10 school year, the Yonkers City school district will continue to receive a \$17.50 million Supplemental Educational Improvement Grant. A total of \$1.20 million is maintained for the New York City School District for its Academic Achievement Grant.
- Supplemental Public Excess Cost Aid: This aid category will continue to provide \$4.31 million to districts statewide, the same as last year.
- Academic Enhancement Aid: As was the case last year, this aid category will provide \$8.32 million to 4 districts continuously identified by the State Education Department as Districts in Need of Improvement for at least 5 years including the 2008-09 school year and which in 2008-09 had a year-to-year Foundation Aid increase of the lesser of \$15.00 million or 10 percent.

Public Excess Cost High Cost Aid: Public Excess Cost High Cost Aid will continue to be calculated based on the existing statutory formula and will total \$464.51 million in 2009-10, an increase of \$52.01 million. This program supports the additional costs of providing resource-intensive public school and BOCES programs for students with disabilities.

Private Excess Cost Aid: This program supports special education programs serving public school children placed by a school district's Committee on Special Education (CSE) in private school settings, Special Act school districts, and in the State-operated schools at Rome and Batavia. All existing provisions of law are continued. State funding in 2009-10 will total \$299.93 million, an increase of \$37.84 million.

Special Services Aid: Special Services Aid funds career education programs, computer services and enhanced academic services for Big Five City and other school districts which are not components of a BOCES. The Career Education Aid ceiling for 2009-10 is continued at \$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. The Career Education and Computer Services Aid categories are supplemented by an additional wealth-adjusted amount calculated as Academic Improvement Aid.<sup>2</sup> Reflective of per pupil calculations as well as school district reported expenditures, for 2009-10, aid will total \$203.43 million, an increase of \$6.65 million.

BOCES Aid: School districts that are components of a BOCES (Board of Cooperative Educational Services) are eligible for BOCES Aid. BOCES provide services upon the request of two or more component school districts with the approval of the Commissioner of Education. Aid is provided for approved service costs, administrative expenditures, and facility rental and construction costs. For 2009-10, aid to reimburse districts for expenditures for BOCES services in the 2008-09 school year will total \$706.09 million, a year-to-year increase of \$33.30 million.

Transportation Aid: Transportation Aid will total \$1,618.49 million in 2009-10, an increase of \$92.94 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 nonpublic 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

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<sup>2</sup> The additional amount is equal to \$100 plus \$1,000 divided by a district's Combined Wealth Ratio (but not less than \$1,100) multiplied by the aid ratio for career education aid. The result is multiplied by the sum of aidable career education pupils.

district operated summer classes to improve student performance will be aided up to a maximum of \$5.00 million statewide.

Computer Hardware and Software Aids, Textbook and Library Materials Aids: For the 2009-10 school year, the Executive Budget continues statutory per pupil funding for Computer Hardware Aid, Computer Software Aid, Textbook and Library Materials Aid. The following provisions apply:

- Instructional Computer Hardware and Technology Equipment Aid: This aid category provides reimbursement for expenses up to \$24.20 per pupil for the lease or purchase of mini- and micro-computers, computer terminals and technology equipment for instructional purposes, as well as for repair costs and for staff development. Per pupil aid is based on public and nonpublic pupils. Consistent with legislation enacted in 2007, public school districts must loan computer hardware and equipment to nonpublic school students. For the 2009-10 school year, funding of \$37.76 million, an increase of \$0.26 million, is provided.
- 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 2009-10 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2009-10, Computer Software Aid will total \$45.77 million, an increase of \$0.24 million. Beginning with expenses incurred after July 1, 2009 for reimbursement in the 2010-11 school year and after, the Executive Budget recommends that approved expenditures for Computer Software Aid include subscription-based instructional materials delivered in electronic format via the internet.
- 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 is \$43.25 per pupil, for a combined maximum textbook aid payment of \$58.25 per



pupil. This aid will total \$183.65 million in 2009-10, a decrease of -\$1.18 million.

- Library Materials Aid: Districts are reimbursed for expenses up to \$6.25 per pupil based on public and nonpublic school enrollment. For 2009-10, Library Materials Aid will total \$19.29 million, a decrease of -\$0.11 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.

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 2009-10 will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2009-10 compared to 2008-09. For 2009-10, a total of \$2.85 million, a decrease of -\$2.55 million, is provided for this program, reflecting a decline in new applications from school districts.

Charter School Transitional Aid: For the 2009-10 school year, \$18.41 million is provided for aid for 13 qualifying districts currently impacted by a concentration of children attending charter schools. Formula elements target aid to districts based on the percentage of resident pupils enrolled in charter schools and the percentage of payments made to charter schools compared to a district's total general fund expenditures.

Reorganization Incentive Operating Aid: For 2009-10, aid for operating expenses incurred by school districts that are scheduled for reorganization will amount to \$2.86 million, the same as last year. For districts that reorganize after July 1, 2007, Reorganization Incentive Operating Aid is paid as a supplement based on 2006-07 formula Operating Aid. The Operating Aid enhancement for reorganizing districts will be 40 percent per year for the first five years, after which the percentage of additional operating aid decreases by four percent per year.

Deficit Reduction Assessment: Notwithstanding the formula allocations described above, for the 2009-10 school year the amounts to be received by school districts pursuant to such formulas will be reduced by a Deficit Reduction Assessment totaling -\$1,097.93 million. The deficit reduction is calculated to distribute the reduction amounts in a manner that recognizes school district pupil need, wealth and tax effort. The minimum

reduction is -3.00 percent multiplied by a district's 2009-10 formula aid (without Building and Building Reorganization Incentive Aids, EXCEL Aid and Universal Prekindergarten). The maximum reduction is -13.00 percent. For a high need district the Deficit Reduction Assessment will not exceed -2.5 percent of the district's Total General Fund Expenditures.

Building/Reorganization Incentive Building Aid: For 2009-10, 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 \$2,204.51 million, an increase of \$211.76 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 2009-10. The New York City 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.

• Payment for new construction projects otherwise eligible for aid continues to be 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 November 15, 2008 database.

Beginning with the 2009-10 school year, projects submitted by New York City after November 15 of the base year will be considered payable in the following year. This change will align the claiming process for New York City more closely with that of districts in the rest of the state.

EXCEL Debt Service<sup>3</sup>: A total of \$165.00 million in aid for EXCEL debt service payments, including \$130.00 million associated with debt service payments for grants to New York City, is available for the 2009-10 school year. EXCEL provides school districts with grants to support school construction costs that are associated with increasing school capacity as a response to overcrowded classrooms, and projects related to improving energy efficiency and public health and safety.

#### GRANT PROGRAMS AND ADDITIONAL AID CATEGORIES

Teachers of Tomorrow: For 2009-10, \$25.00 million will continue to 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.

School Health Services: For the 2009-10 school year, \$13.84 million in funding is continued to provide necessary health services to students in the Big Four City school districts.

Due to the State's financial condition, no funding is recommended in the 2009-10 school year for the following programs:

- Teacher Resource and Computer Training Centers
- Teacher-Mentor Intern
- Math and Science Initiatives
- Full-Day Kindergarten and UPK Planning Grants
- Rochester Community Schools

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<sup>3</sup> The enacted 2006-07 State budget included \$2.60 billion for EXCEL funding (Expanding our Children's Education and Learning) to support school construction through bonds issued by the State Dormitory Authority. New York City will receive up to \$1.80 billion with an additional \$400 million available for the State's high need school districts. The remaining \$400 million is allocated for projects in average and low need districts. As additional bonds are issued up to the total authorized amount of \$2.60 billion, the annual amount of EXCEL debt service is projected to increase to \$192.00 million.

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 2009-10 school year, the same amount as in 2008-09. If approved claims exceed such amount, all claims will be subject to prororation.

Urban-Suburban Transfer: Reflective of the State Education Department's current estimate of the statutory funding level, a total of \$1.13 million, a decrease of -\$1.42 million, is provided to districts that participate in a voluntary interdistrict transfer between urban and suburban school districts to promote diversity. 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<sup>4</sup> from the district's State aid. Reflective of the State Education Department's current estimate of the statutory funding level, the net cost of aid for homeless pupils will be \$6.48 million, a decrease -\$2.75 million.

Aid for Incarcerated Youth: Reflective of the State Education Department's current estimate of the statutory funding level, a total of \$16.50 million, a decrease of -\$1.00 million, is provided in 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 be provided, and aided, during summer sessions as well as the regular school year.

Bilingual Education Grants: The Executive Budget recommends \$12.50 million in continued funding for regional bilingual programs at BOCES and to support innovative Two-Way Bilingual

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<sup>4</sup> A district's basic contribution per pupil is equal to its total base-year property and non-property taxes divided by the base-year public school resident enrollment.

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: Reflective of the State Education Department's current estimate of the statutory funding level, a total of \$54.60 million, a decrease of -\$11.40 million, is provided in the School Aid appropriation for apportionment to school districts for the purpose of providing educational services for children who are residents in, and those formerly receiving services 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 2009-10 school year, \$6.00 million, a decrease of \$6.00 million, is recommended for academic improvement in the Roosevelt School District. This reduction is due to the district's improved fiscal circumstances as reported by the Office of State Comptroller.

Supplemental Valuation Impact Grants: The Executive Budget maintains funding at 2008-09 levels for various programs that can be used by school districts for operating support. For the 2009-10 school year, \$3.80 million in funding is continued for this program.

Education of Native Americans: A total of \$36.50 million for the 2009-10 school year is continued 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.

## 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 School Aid appropriations.

Basic Education for Public Assistance Recipients: For 2009-10, \$1.84 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 \$89,000, the same as last year, is provided to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: For 2009-10, an appropriation of \$4.91 million is available 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.

New York State Center for School Safety: For 2009-10 \$466,000 is continued 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.

Lunch/Breakfast Programs: A total of \$31.70 million in State funds, an increase of \$1.67 million, 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 \$774.80 million for the 2009-10 Federal fiscal year.

Health Education Program: For 2009-10, \$691,000 will be available for health-related programs including those providing instruction and supportive services in comprehensive health education or AIDS prevention programs.

Primary Mental Health Project: A total of \$894,000 is provided in 2009-10 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.

Extended School Day/School Violence Prevention: Although the Executive Budget proposes the elimination of State funding for the 21<sup>st</sup> Century Community Learning Centers afterschool program; a total of \$27.82 million is maintained to provide funding to local school-based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Student Mentoring-Tutoring Program: A total of \$490,000 is continued for model programs for improving student graduation rates.

Consortium for Worker Education: For the 2009-10 school year, this not-for-profit organization, which provides adult education services to union members and workers in New York City, will be funded at \$11.50 million.

Schools Under Registration Review (SURR): A total of \$1.75 million is available in State aid to these schools. Through the SURR process, the State Education Department identifies the lowest-performing schools, provides warning that their registrations may be revoked, and attempts to assist in improving their education programs.

Academic Intervention for Nonpublic Schools: A total of \$922,000 will support a program of academic intervention services to enhance the educational performance of students attending nonpublic schools.

Nonpublic School Aid: An appropriation of \$80.61 million, a reduction of \$44.46 million, is available to reimburse the actual expenses, as approved by the Commissioner, 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. The Executive Budget proposes that nonpublic schools no longer be required to participate in comprehensive attendance taking. Funding continues to be available to reimburse nonpublic schools for other mandated activities.

Private Schools for the Blind and Deaf: A total of \$122.83 million will be continued, 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, \$590.00 million is provided for the State's

47.0 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 2008-09, prior year claims on file with the State Education Department as of April 1, 2009 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2009-10 will receive priority status for payment in 2010-11.

The Executive Budget recommends reforms to the preschool special education program. The \$590.00 million funding level will support a 47 percent State share of preschool special education program costs in the 2009-10 fiscal year. In order to better align fiscal and programmatic responsibilities, school districts will be responsible for a 15 percent share of preschool special education costs. This action will reduce the State share of costs by 12.5 percent and the county share by 2.5 percent. Additionally, the Executive Budget proposes changes to Preschool Special Education Itinerant Teacher (SEIT) reimbursement to ensure that such services are provided in a cost-efficient manner.

Summer School Program for Disabled Students: An appropriation of \$260.40 million, an increase of \$17.00 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 2009-10 appropriation will fund prior year liabilities and up to 70 percent of the 2009-10 school year obligations with the remainder to be funded in the subsequent State fiscal year.

Center for Autism and Related Services: For 2009-10, a total of \$490,000 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 support is supplemented by \$500,000 in funding through Federal Individuals with Disabilities Education Act (IDEA) resources for a total of \$990,000.

Special Education - Federal Medicaid Offset: For the 2009-10 State fiscal year, the Executive Budget includes a \$20.00 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. Legislation introduced with the Executive Budget would eliminate this offset beginning with claims for services provided in the 2009-10 school year.



Targeted Special Education Teacher Salary Supplement: A total of \$4.00 million in Federal IDEA funds is available to continue support to private special education providers that serve students with disabilities. This will allow them to provide targeted adjustments to teacher salaries or benefits to help allow these schools to attract new teachers and prevent excessive turnover of existing teaching staff.

Summer Food Program: A total of \$3.05 million in State funds is recommended to subsidize summer food service programs operating during the 2009-10 school year.

National Board for Professional Teaching Standards Certification: For the 2009-10 school year, \$490,000 is continued to fund grants for teachers of up to \$2,500 toward the cost of certification by the National Board for Professional Teaching Standards.

Advances to Hurd City School Districts: A total of \$2,172,000 in loan funds (Hurd advances) is appropriated in 2008-09 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 2011-12 school year.

No funding is recommended in the 2009-10 school year for the following programs:

- After School Programs/21<sup>st</sup> Century Learning Centers
- Workplace Literacy
- Apprenticeship Training
- Missing Children Prevention Program
- Math and Science High Schools
- Transferring Success

## OTHER INITIATIVES

The 2009-10 Executive Budget proposes measures to reduce school district costs, ease the paperwork workload, and remove selected mandates. By encouraging structural reforms and reducing operational costs, this proposal promotes efficiency by increasing flexibility for school districts. This mandate relief package will allow school districts to adjust to the changing economic climate and evolving needs of their communities, providing needed flexibility and savings. Elements of the proposal include:

- Repeal Wicks: The Executive Budget proposes to repeal multiple bidder requirements for school districts for a period of five years. This will provide long-term capital and debt service savings to school districts.
- Reform Pensions: The Executive Budget would remove pension enhancements that were added after the creation of the Tier IV retirement category. This action will reduce school district pension costs - one of the fastest growing local government cost drivers - by reducing pension costs associated with new employees.
- Reform Procurement: The Executive Budget proposes to give school districts additional contracting flexibility by increasing existing bidding thresholds and allowing "best value" and piggybacking on existing contracts.
- Reduce Paperwork: This proposal streamlines existing reporting requirements and eliminates required reports that are deemed to be outdated or no longer serve a public policy purpose. In addition, the State Education Department will be required to develop one consolidated reporting system that captures all information required by New York State or collected by the State for the Federal Government.
- Delay Effective Date of Mandates with Fiscal Implications: In the event that a Board of Regents mandate or new statute imposes a cost upon a school district after a school budget has been adopted, the mandate will not be implemented sooner than the following school year.

- Allow Access to Employee Benefit Accrued Liability Reserve Funds: A school district's governing board may authorize a withdrawal of excess funds in an employee benefits accrued liability reserve fund in order to maintain educational programming during the 2009-10 school year. The amount withdrawn may not exceed the Deficit Reduction Assessment for a school district. The State Comptroller would certify that funds withdrawn are in excess of the amount required for employee benefits which are a liability against the fund.
- Modify Contract for Excellence: In recognition of the fiscal circumstances facing the State and the two year suspension of increases for Foundation Aid, the Contract for Excellence program is modified for the 2009-10 and 2010-11 school years. All 39 districts currently in the program would be required to continue in the program with a reduced financial liability unless all school buildings in a school district are reported as "In Good Standing" for purposes of the State accountability system. The school districts which remain in the program would be required to maintain funding on existing Contract for Excellence programs less the percentage reduction of the Deficit Reduction Assessment.

School Tax Relief (STAR): The School Tax Relief (STAR) program was enacted in 1997 to provide needed tax relief for homeowners across the State. The Executive Budget provides \$3.25 billion for the STAR program comprised of the Enhanced STAR exemption for eligible senior citizens, the Basic STAR exemption for other homeowners, and the New York City Personal Income tax rate reduction and refundable tax credit. Major budget actions include:

- "Floor" Provision: The Executive Budget changes the "floor" adjustment that limits annual reductions in STAR exemption amounts from 11 percent to 18 percent. This is expected to produce a savings of \$109 million for 2009-10.
- Eliminate Rebate program: The Executive Budget eliminates the Middle Class STAR Rebate program. This would reduce spending by \$1.43 billion in 2009-10. A corresponding decrease in New York City income tax credit amounts would reduce spending by an additional \$364.00 million in 2009-10.

- New York City Tax Reduction: Under the STAR program, New York City's (NYC) more than 3 million resident personal income taxpayers receive a flat refundable credit and a rate reduction. Legislation accompanying the Executive Budget would modify the NYC STAR income tax program by decreasing the flat refundable credit available to taxpayers with incomes under \$250,000, to 2005 amounts of \$125.00 for married couples filing jointly and surviving spouses and \$62.50 for others.

## II

### SUMMARY OF 2009-10 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

#### School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2009-10 New York State aid programs relating to support for public schools: the 2009-10 school year which runs from July 1, 2009 through June 30, 2010; and the 2009-10 State fiscal year which runs from April 1, 2009 through March 31, 2010. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for School Aid and the 2008-09 and 2009-10 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 School Aid appropriations for 2009-10. Formula-based aids, including Building Aids, decrease by -3.03 percent.
- Table II-B gives the 2008-09 and 2009-10 State fiscal year appropriations from the General Fund, School Tax Relief Fund, and Lottery Fund.

TABLE II-A  
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS  
— 2008-09 AND 2009-10 SCHOOL YEARS — NEW YORK STATE

AID CATEGORY	2008-09	2009-10	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$14,873.59	\$14,873.59	\$0.00	0.00 %
Excess Cost - High Cost	412.50	464.51	52.01	12.61
Excess Cost - Private	262.09	299.93	37.84	14.44
Reorganization Operating Aid	2.86	2.86	0.00	0.00
Textbooks (Incl. Lottery)	184.83	183.65	(1.18)	(0.64)
Computer Hardware	37.50	37.76	0.26	0.69
Computer Software	45.53	45.77	0.24	0.53
Library Materials	19.40	19.29	(0.11)	(0.57)
BOCES	672.79	706.09	33.30	4.95
Special Services	196.78	203.43	6.65	3.38
Transportation (Including Summer)	1,525.55	1,618.49	92.94	6.09
High Tax	204.70	204.70	0.00	0.00
Universal Prekindergarten	401.23	401.23	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Educational Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	20.28	18.41	(1.87)	(9.22)
Full-Day Kindergarten	5.40	2.85	(2.55)	(47.22)
Academic Enhancement Aid	8.32	8.32	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
<b>Formula-Based Aids Total</b>	<b>\$18,896.36</b>	<b>\$19,113.90</b>	<b>\$217.54</b>	<b>1.15 %</b>
Deficit Reduction Assessment	0.00	(1,097.93)	(1,097.93)	NA
	<b>\$18,896.36</b>	<b>\$18,015.97</b>	<b>(\$880.39)</b>	<b>(4.66) %</b>
EXCEL Debt Service - New York City	97.00	130.00	33.00	34.02
Building Aid/Reorganization Building	1,992.75	2,204.51	211.76	10.63
	<b>2,089.75</b>	<b>2,334.51</b>	<b>244.76</b>	<b>11.71</b>
<b>Total Formula-Based and Other Aids</b>	<b>\$20,986.11</b>	<b>\$20,350.48</b>	<b>(\$635.63)</b>	<b>(3.03) %</b>
II. Grant Programs and Additional Aid Categories:				
EXCEL Debt Service - Rest of State	5.00	35.00	30.00	600.00
Building Aid Deferred	70.38	59.05	(11.33)	(16.10)
Full-Day K and UPK Planning Grants	1.00	0.00	(1.00)	(100.00)
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher Centers	40.00	0.00	(40.00)	(100.00)
Teacher-Mentor Intern	10.00	0.00	(10.00)	(100.00)
Math and Science Initiatives	10.00	0.00	(10.00)	(100.00)
Rochester Community Schools	2.00	0.00	(2.00)	(100.00)
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	12.00	6.00	(6.00)	(50.00)
Urban-Suburban Transfer	2.55	1.13	(1.42)	(55.69)
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	9.23	6.48	(2.75)	(29.79)
Incarcerated Youth	17.50	16.50	(1.00)	(5.71)
Bilingual Education	12.50	12.50	0.00	0.00
Education of OMH/OMR Pupils	66.00	54.60	(11.40)	(17.27)
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(46.00)	(33.31)	12.69	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
Native American Building	11.00	2.50	(8.50)	(77.27)
Native American Education	36.50	36.50	0.00	0.00
Supplemental Valuation Impact Grants	3.80	3.80	0.00	0.00
Bus Driver Safety	0.40	0.40	0.00	0.00
	<b>405.37</b>	<b>342.66</b>	<b>(62.71)</b>	<b>(15.47)</b>
<b>SCHOOL YEAR TOTAL</b>	<b>\$21,391.48</b>	<b>\$20,693.14</b>	<b>(\$698.34)</b>	<b>(3.26) %</b>

Source: State Education Department computer runs and Executive Budget estimates of December 16, 2008.

TABLE II-B  
2008-09 AND 2009-10 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2008-09	2009-10	Change	
			Amount	Percent
School Aid and STAR	\$25,747,255,000	\$24,027,338,500	(\$1,719,916,500)	(6.68) %
General Support for Public Schools	16,953,184,000	16,980,341,000	27,157,000	0.16
New York City Academic Achievement Grants	840,000	840,000	0	0.00
BOCES	617,696,000	681,926,000	64,230,000	10.40
Employment Preparation Education	96,000,000	96,000,000	0	0.00
Homeless Pupils	4,533,000	4,533,000	0	0.00
Bilingual Grants	8,750,000	8,750,000	0	0.00
Learning Technology	2,303,000	2,299,500	(3,500)	(0.15)
Urban-Suburban Transfer	791,000	791,000	0	0.00
Native American Building	1,750,000	1,750,000	0	0.00
Incarcerated Youth	11,550,000	11,550,000	0	0.00
Education of OMH/OMR Pupils	38,220,000	38,220,000	0	0.00
Special Act Districts	1,890,000	1,890,000	0	0.00
Bus Driver Training	280,000	280,000	0	0.00
UPK and Full-Day K Planning Grants	700,000	0	(700,000)	(100.00)
Math and Science Initiatives	7,000,000	0	(7,000,000)	(100.00)
Rochester Community Schools Program	1,400,000	0	(1,400,000)	(100.00)
Supplemental Educational Improvement Plan Grants	12,250,000	12,250,000	0	0.00
Teachers of Tomorrow	17,500,000	17,500,000	0	0.00
Teacher-Mentor Intern	7,000,000	0	(7,000,000)	(100.00)
Teacher Resource Center	28,000,000	0	(28,000,000)	(100.00)
Special Academic Improvement Grants	8,400,000	4,200,000	(4,200,000)	(50.00)
Education of Native Americans	25,550,000	25,550,000	0	0.00
School Health Services Grants	9,688,000	9,688,000	0	0.00
Total General Fund	17,855,275,000	17,898,358,500	43,083,500	0.24
STAR: School Tax Relief Fund	4,970,000,000	3,250,000,000	(1,720,000,000)	(34.61)
Lottery - Education	2,157,980,000	2,355,980,000	198,000,000	9.18
Lottery - Video Lottery Aid	764,000,000	523,000,000	(241,000,000)	(31.54)
<b>Other Public Elementary and Secondary Education Programs</b>	<b>\$327,955,589</b>	<b>\$220,538,000</b>	<b>(\$107,417,589)</b>	<b>(32.75) %</b>
Targeted Prekindergarten	1,303,000	1,303,000	0	0.00
Children of Migrant Workers	89,000	89,000	0	0.00
Transferring Success	314,900	0	(314,900)	(100.00)
Adult Basic Education	1,842,000	1,843,000	1,000	0.05
Adult Literacy Education	6,906,000	4,906,000	(2,000,000)	(28.96)
Workplace Literacy	1,923,060	0	(1,923,060)	(100.00)
Apprenticeship Training	1,686,360	0	(1,686,360)	(100.00)
Lunch/Breakfast Programs	30,028,311	31,700,000	1,671,689	5.57
Nonpublic School Aid	125,062,300	80,605,000	(44,457,300)	(35.55)
New York State Center for School Safety	466,000	466,000	0	0.00
Health Education Program	690,900	691,000	100	0.01
Academic Intervention Services for Nonpublic Schools	921,200	922,000	800	0.09
Extended School Day/School Violence Prevention	27,820,240	27,821,000	760	0.00
Schools Under Registration Review	1,750,280	1,751,000	720	0.04
Primary Mental Health Project	893,940	894,000	60	0.01
Summer Food Program	3,049,960	3,049,000	(960)	(0.03)
Consortium for Worker Education	13,000,000	11,500,000	(1,500,000)	(11.54)
Charter School Start Up Grants	5,527,200	5,528,000	800	0.01
After School Programs/21st Century Learning Centers	9,800,000	0	(9,800,000)	(100.00)
Student Mentoring and Tutoring Program	490,000	490,000	0	0.00
New York State Historical Association	180,000	0	(180,000)	(100.00)
Rural Education Advisory Council	175,000	0	(175,000)	(100.00)
Math and Science High Schools	1,381,800	0	(1,381,800)	(100.00)
Missing Children Prevention	1,000,000	0	(1,000,000)	(100.00)
County Vocational Education and Extension Boards	940,138	932,000	(8,138)	(0.87)
Center for Autism and Related Disabilities - SUNY Albany	990,000	490,000	(500,000)	(50.51)
Supplemental Valuation Impact Grants	3,800,000 (a)	0	(3,800,000)	(100.00)
National Board for Professional Training Standards	490,000	490,000	0	0.00
Grants-in-aid for Certain School Districts	32,157,000	0	(32,157,000)	(100.00)
Fiscal Stabilization Grants	28,015,000	30,022,000	2,007,000	7.16
Prior Year Claims/Fiscal Stabilization Grants	25,262,900	15,046,000	(10,216,000)	(40.44)

Other School Programs	2008-09	2009-10	Change	
			Amount	Percent
	<u>\$1,012,020,000</u>	<u>\$937,020,000</u>	<u>(\$75,000,000)</u>	<u>(7.41) %</u>
Private Schools for the Blind & Deaf (G.F.)	118,100,000	118,100,000	0	0.00
Private Schools for the Blind & Deaf (Lott.)	20,000	20,000	0	0.00
Special Education Targeted Adjustment	0 (b)	0 (b)	0	NA
Preschool Special Education	703,500,000	590,000,000	(113,500,000)	(16.13)
Summer School Handicapped	243,400,000	260,400,000	17,000,000	6.98
Less: Special Education Medicaid Offset	(40,000,000)	(20,000,000)	20,000,000	(50.00)
Less: Consortium for Worker Education Offset	(13,000,000)	(11,500,000)	1,500,000	(11.54)
Fiscal Year Total (excluding Hurd Loans)	<u>\$27,087,230,589</u>	<u>\$25,184,896,500</u>	<u>(\$1,902,334,089)</u>	<u>(7.02) %</u>
Advances to Hurd City School Districts (c)	<u>3,257,000</u>	<u>2,172,000</u>	<u>(1,085,000)</u>	<u>(33.31)</u>
FISCAL YEAR TOTAL	<u>\$27,090,487,589</u>	<u>\$25,187,068,500</u>	<u>(\$1,903,419,089)</u>	<u>(7.03) %</u>

(a) Included within School Aid for the 2009-10 school year.

(b) A total of \$4.00 in Federal funds is provided to support this program.

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

Source: Laws of the State of New York: Chapters 53, 57 and 496, Laws of 2008; 2009-10 Executive Budget.



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

Recommended school aid provisions, including funding for Building Aids, will increase payments to 81 major school districts by a total of \$51.25 million in the 2009-10 school year. There are 595 districts that are projected to have decreases totalling -\$686.88 million. The combined total of increases and reductions produce a net decrease statewide of -\$635.64 million, or -3.03 percent.

- Table II-C lists the aid amounts allocated to each of the Big Five city school districts under selected School Aid programs. The aids analyzed are those shown in Table II-A.
- Table II-D lists changes in all School Aid individual aid categories for New York City. The net decrease for all aids is -2.45 percent.
- In Table II-E, major 2009-10 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 decrease for these aids will be -3.03 percent. The 368 districts in the 18 most populous counties contain 49.32 percent of the State's public school pupils. These districts will receive 42.38 percent of the 2009-10 combined aids total. Districts in the 18 most populous counties will have an average decrease in combined aids of -4.20 percent. Districts in the rest of the State, exclusive of New York City, will have an average decrease of -1.81 percent and will receive 17.73 percent of the 2009-10 combined aids total.

TABLE II-C  
SUMMARY OF SELECTED AIDS TO THE BIG FIVE CITY SCHOOL DISTRICTS FINANCED THROUGH  
SCHOOL AID APPROPRIATIONS: 2008-09 AND 2009-10

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
I. Formula-Based Aids:	(Amounts in Millions)									
Foundation Aid	\$6,168.61	\$6,168.61	\$432.81	\$432.81	\$351.32	\$351.32	\$217.32	\$217.32	\$167.83	\$167.83
Excess Cost - High Cost	210.44	241.35	2.49	1.49	2.44	2.21	2.46	4.20	5.44	3.88
Excess Cost - Private	113.69	137.16	19.53	20.24	8.32	9.38	0.77	0.81	2.91	3.22
Textbooks	73.49	73.09	2.73	2.65	2.24	2.21	1.34	1.33	1.75	1.76
Computer Software	18.85	18.60	0.69	0.67	0.56	0.55	0.33	0.33	0.42	0.26
Library Materials	7.86	7.76	0.29	0.28	0.21	0.23	0.14	0.14	0.17	0.17
Computer Hardware	15.17	15.36	0.98	0.94	0.79	0.79	0.43	0.45	0.27	0.28
Special Services	134.62	137.72	21.32	22.88	9.71	9.99	12.32	12.80	5.91	7.43
Transportation (Including Summer)	475.64	500.53	36.35	39.51	44.56	48.22	10.94	12.93	16.54	18.00
Universal Prekindergarten	231.26	231.26	13.12	13.12	10.83	10.83	7.53	7.53	4.65	4.65
Academic Achievement Grant/SEIP	1.20	1.20	0.00	0.00	0.00	0.00	0.00	0.00	17.50	17.50
Charter School Transitional Aid	0.00	0.00	6.68	3.58	1.86	3.69	1.25	1.07	0.00	0.00
Academic Enhancement Aid	0.00	0.00	0.00	0.00	0.00	0.00	2.33	2.33	0.00	0.00
Supplemental Public Excess Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.55	0.55
<b>Formula-Based Aids Total</b>	<b>\$7,450.83</b>	<b>\$7,532.64</b>	<b>\$537.00</b>	<b>\$538.17</b>	<b>\$432.84</b>	<b>\$439.42</b>	<b>\$257.16</b>	<b>\$261.23</b>	<b>\$223.94</b>	<b>\$225.53</b>
Change from 2008-09 School Year		\$81.81		\$1.17		\$6.58		\$4.07		\$1.59
Percent		1.10%		0.22%		1.52%		1.58%		0.71%
Deficit Reduction Assessment	0.00	(361.87)	0.00	(16.39)	0.00	(13.42)	0.00	(8.12)	0.00	(10.94)
<b>Formula-Based Aids Total with DRA</b>	<b>\$7,450.83</b>	<b>\$7,170.77</b>	<b>\$537.00</b>	<b>\$521.78</b>	<b>\$432.84</b>	<b>\$426.00</b>	<b>\$257.16</b>	<b>\$253.11</b>	<b>\$223.94</b>	<b>\$214.59</b>
Change from 2008-09 School Year		(\$280.06)		(\$15.22)		(\$6.84)		(\$4.05)		(\$9.35)
Percent		-3.76%		-2.83%		-1.58%		-1.57%		-4.18%
EXCEL Debt Service - NYC	97.00	130.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Aid	760.84	817.38	51.40	77.08	16.68	19.11	10.09	12.48	3.42	5.32
	857.84	947.38	51.40	77.08	16.68	19.11	10.09	12.48	3.42	5.32
<b>Total Formula-Based Aids and Other Aids</b>	<b>\$8,308.67</b>	<b>\$8,118.15</b>	<b>\$588.40</b>	<b>\$598.86</b>	<b>\$449.52</b>	<b>\$445.11</b>	<b>\$267.25</b>	<b>\$265.59</b>	<b>\$227.36</b>	<b>\$219.91</b>
Change from 2008-09 School Year		(\$190.52)		\$10.46		(\$4.41)		(\$1.66)		(\$7.45)
Percent		-2.29%		1.78%		-0.98%		-0.62%		-3.27%
II. Grant Programs and Additional Aid Categories:										
Teachers of Tomorrow	15.00	15.00	1.06	1.06	2.60	2.60	0.51	0.51	2.16	2.16
Teacher Centers	16.80	0.00	0.73	0.00	0.47	0.00	0.47	0.00	0.30	0.00
Teacher-Mentor Intern	4.43	0.00	0.20	0.00	0.10	0.00	0.15	0.00	0.00	0.00
School Health Services	0.00	0.00	5.30	5.30	6.29	6.29	1.08	1.08	1.17	1.17
Subtotal	36.23	15.00	7.29	6.36	9.46	8.89	2.21	1.59	3.63	3.33
<b>TOTAL</b>	<b>\$8,344.90</b>	<b>\$8,133.15</b>	<b>\$595.69</b>	<b>\$605.22</b>	<b>\$458.98</b>	<b>\$454.00</b>	<b>\$269.46</b>	<b>\$267.18</b>	<b>\$230.99</b>	<b>\$223.24</b>
Change from 2008-09 School Year		(\$211.75)		\$9.53		(\$4.98)		(\$2.28)		(\$7.75)
Percent		-2.54%		1.60%		-1.09%		-0.85%		-3.36%

Source: State Education Department computer runs and Executive Budget estimates of December 16, 2008.

TABLE II-D  
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS  
— 2008-09 AND 2009-10 SCHOOL YEARS — NEW YORK CITY

AID CATEGORY	2008-09	2009-10	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$6,168.61	\$6,168.61	\$0.00	0.00 %
Excess Cost - High Cost	210.44	241.35	30.91	14.69
Excess Cost - Private	113.69	137.16	23.47	20.64
Textbooks (Incl. Lottery)	73.49	73.09	(0.40)	(0.54)
Computer Hardware	15.17	15.36	0.19	1.25
Computer Software	18.85	18.60	(0.25)	(1.33)
Library Materials	7.86	7.76	(0.10)	(1.27)
Special Services	134.62	137.72	3.10	2.30
Transportation (Including Summer)	475.64	500.53	24.89	5.23
Universal Prekindergarten	231.26	231.26	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Formula-Based Aids Total	\$7,450.83	\$7,532.64	\$81.81	1.10 %
Deficit Reduction Assessment	0.00	(361.87)	(361.87)	NA
	\$7,450.83	\$7,170.77	(280.06)	(3.76) %
EXCEL Debt Service - New York City	97.00	130.00	33.00	34.02
Building	760.84	817.38	56.54	7.43
	857.84	947.38	89.54	10.44
Total Formula-Based and Other Aids	\$8,308.67	\$8,118.15	(\$190.52)	(2.29) %
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	15.00	15.00	0.00	0.00
Teacher Centers	16.80	0.00	(16.80)	(100.00)
Teacher-Mentor Intern	4.43	0.00	(4.43)	(100.00)
Employment Preparation Education	35.00	35.00	0.00	0.00
Bilingual Education	5.50	5.50	0.00	0.00
Education of OMH/OMR Pupils	17.33	17.33	0.00	0.00
Chargebacks	(13.50)	(7.53)	5.97	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
Subtotal	81.69	66.43	(15.26)	(18.68)
SCHOOL YEAR TOTAL	\$8,390.36	\$8,184.58	(\$205.78)	(2.45) %

Source: State Education Department computer runs and Executive Budget estimates of December 16, 2008.

TABLE II-E  
CHANGE IN SCHOOL AID (a) FOR 2008-09 AND 2009-10 SCHOOL YEARS:  
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dtrs.	Percent of Total State TAFPU (b)	2009-10 Combined Aids		Change in Aid from 2008-09 to 2009-10		Number of Districts		
			2008-09 Combined Aids	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)									
Albany	12	1.48	\$245,702	\$234,057	1.15	(\$11,645)	(4.74)	1	11
Broome	12	1.13	257,766	252,550	1.24	(5,216)	(2.02)	1	11
Chautauqua	18	0.77	223,648	221,646	1.09	(2,002)	(0.90)	7	11
Dutchess	13	1.70	270,029	252,515	1.24	(17,514)	(6.49)	0	13
Erie	28	4.94	1,153,600	1,139,668	5.60	(13,932)	(1.21)	6	22
Monroe	18	4.24	938,113	912,526	4.48	(25,587)	(2.73)	1	17
Nassau	56	7.43	872,890	816,053	4.01	(56,837)	(6.51)	0	56
Niagara	10	1.20	293,464	283,060	1.39	(10,404)	(3.55)	0	10
Oneida	15	1.29	334,138	325,543	1.60	(8,595)	(2.57)	1	14
Onondaga	18	2.72	614,552	591,717	2.91	(22,835)	(3.72)	0	18
Orange	17	2.40	516,005	490,480	2.41	(25,525)	(4.95)	1	16
Rensselaer	11	0.85	191,013	185,376	0.91	(5,637)	(2.95)	4	7
Rockland	8	1.52	190,899	177,644	0.87	(13,255)	(6.94)	0	8
Saratoga	12	1.28	213,492	194,182	0.95	(19,310)	(9.04)	1	11
Schenectady	6	0.86	170,493	162,447	0.80	(8,046)	(4.72)	0	6
Suffolk	65	9.32	1,714,450	1,624,098	7.98	(90,352)	(5.27)	0	65
Ulster	9	0.99	185,509	175,107	0.86	(10,402)	(5.61)	0	9
Westchester	40	5.20	617,572	586,205	2.88	(31,367)	(5.08)	0	40
18 Most Populous Counties	368	49.32	\$9,003,335	\$8,624,874	42.38	(\$378,461)	(4.20)	23	345
New York City	1	36.46	8,308,672	8,118,149	39.89	(190,523)	(2.29)	0	1
Rest of State	307	14.22	3,674,107	3,607,456	17.73	(66,651)	(1.81)	58	249
TOTAL STATE	676	100.00	\$20,986,114	\$20,350,479	100.00	(\$635,635)	(3.03)	81	595

(a) Includes foundation aid, public high cost and private excess cost aids, BOCES, textbook, library materials, special services, transportation (including summer), computer software, computer hardware, high tax, full-day k, universal prekindergarten, education grants, academic enhancement aid, charter school transitional aid, operating reorganization aid, supplemental public excess cost aid, deficit reduction assessment, building, reorganization incentive building, and EXCEL debt service (NYC).

(b) The Selected TAFPU for payment pupil count used for 2008-09 Foundation Aid.

Source: State Education Department computer runs and Executive Budget estimates of December 16, 2008.

### III

#### APPENDICES

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

- Appendix III-A summarizes the School Aid categories and adjustments recommended for 2009-10 and compares them with the 2008-09 aid categories.
- Appendix III-B provides the mathematical formulas for computing 18 different aids for 2009-10 school aid payments. Details are also provided for 2008-09 formulas for 4 aids: Foundation Aid, Universal Prekindergarten Aid, High Tax Aid, and Academic Enhancement Aid. For these aids, a district will receive the same aid for 2009-10 as was calculated for the 2008-09 school year.
- Appendix III-C describes the pupil counts used in aid formulas other than Foundation Aid.
- Appendix III-D describes weightings used to calculate pupil needs for aid and district wealth for 2008-09 Foundation Aid, also see the formula description in Appendix III-B.
- Appendix III-E describes the payment schedule for aids payable under section 3609-a of the Education Law in the 2009-10 school year.
- Appendix III-F provides the regional cost indices used for the 2008-09 Foundation Aid formula.

APPENDIX III-A  
 COMPARISON OF 2008-09 AND 2009-10 SCHOOL AID PROGRAMS

<u>Category</u>	<u>2008-09 School Year</u>	<u>2009-10 School Year</u>
<u>FOUNDATION AID<sup>5</sup></u>		
Foundation Aid increase	For the 2008-09 school year a district will receive the sum of its 2006-07 Base Amount plus a Foundation phase-in increase equal to 37.5 percent of the difference between the 2006-07 base amount and its fully phased-in Foundation Aid amount.	A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.
Minimum/Maximum Increase	No district will receive less than 1.03 times its 2007-08 Foundation Aid. The maximum allowed increase is 1.15 times 2007-08 Foundation Aid.	
Foundation Aid	The greater of: (i) the Foundation Aid 2006-07 base amount multiplied by 1.1255 or (ii) the greater of \$500 or Formula Foundation Aid per pupil multiplied by Selected Total Aidable Foundation Pupil Units (TAFPU). <sup>6</sup>	
2006-07 Base Amount	The sum of a district's 2006-07 Flex Aid, Public Excess Cost Aid (excluding High Cost Aid), Sound Basic Education Aid, Supplemental ENA, Limited English Proficiency Aid, Class Size Reduction Aid, Growth Aid, Enrollment Adjustment Aid, Reorganization Incentive Operating Aid, High Tax Aid, Tax Limitation Aid, Teacher Support Aid, Magnet School Aid, Categorical Reading Aid, Improving Pupil Performance Aid, Aid to Small City School Districts and Fort Drum Aid	

<sup>5</sup> Additional Foundation Aid formula detail is provided in Appendix III-B.

<sup>6</sup> For Foundation Aid pupil counts for aid and wealth calculations, see the Foundation Aid formula description in Appendix III-B and Appendix III-D.

Foundation Formula Aid  
per pupil

Aid per pupil is the  
greater of: 2010-11  
Foundation Aid Amount  
(\$5,695) x RCI x PNI less  
an Expected Minimum Local  
Contribution or 2010-11  
Foundation Aid Amount x RCI  
x PNI multiplied by the  
Foundation State Sharing  
Ratio (including an  
additional amount for high  
need school districts equal  
to .05 times their Sharing  
Ratio). The maximum ratio  
continues to be .90.

2010-11 Foundation Aid  
Amount

\$5,695 (\$5,258<sup>7</sup> for the  
2007-08 school year  
compounded by the actual  
and projected annual  
percentage increase in the  
CPI)

Regional Cost Index (RCI)

See Appendix III-F

Pupil Need Index (PNI)

1.0 plus a district's  
Extraordinary Needs  
Percent, minimum = 1.0,  
maximum = 2.0.

Extraordinary Needs  
Percent

The sum of: (i) the 3-year  
average percentage of K-6  
free and reduced price  
lunch eligible applicants  
for the 2004-05, 2005-06  
and 2006-07 school years  
times 2007-08 public  
enrollment times .65, plus  
the 2000 census percentage  
of 5-17 pupils in poverty  
times 2007-08 public  
enrollment times .65; (ii)  
the number of Limited  
English Proficiency  
students times .50; (iii) a  
sparsity factor based on a  
calculation of public  
enrollment per square mile  
times 2007-08 public  
enrollment

Estimated Minimum Local  
Contribution Per Pupil

90 percent of the 3-year  
statewide average school  
tax rate (.0154 or \$15.40  
per \$1,000 of full value)

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<sup>7</sup> The \$5,258 per pupil amount is the average cost for 465 successful schools  
based on a Regents' study.

times a district's Income  
Wealth Index<sup>8</sup> for  
Foundation Aid times a  
district's Selected Actual  
Valuation per Total Wealth  
Foundation Pupil Unit  
(TWFPU)

Foundation State Sharing  
Ratio

The greatest of:  
1.37 - (1.230 x CWR)<sup>9</sup>  
1.00 - (0.640 x CWR)  
0.80 - (0.390 x CWR)  
0.51 - (0.173 x CWR)

The maximum sharing ratio  
is 0.90. For a district of  
average wealth (CWR =  
1.000), the ratio is 0.41.

Sharing Ratio Adjustment  
for High Need School  
Districts

An additional amount for  
high need school districts  
equal to .05 times their  
State Sharing Ratio. The

<sup>8</sup> A district's Income Wealth Index for 2008-09 Foundation Aid is equal to:

$$\frac{\text{District 2005 Adjusted Gross Income/2006-07 TWFPU}}{\text{Statewide Average } (\$185,100)}$$

Minimum: .65; Maximum .95

The Adjusted Gross Income is the Adjusted Gross Personal Income of the district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

<sup>9</sup> For the 2008-09 school year, a district's Combined Wealth Ratio for Total Foundation Aid is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected Actual Valuation/2006-07 TWPU}}{\$453,100} \quad ; \text{ and the}$$

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected District Income/2006-07 TWPU}}{\$143,000}$$

Selected Actual Valuation is the lesser of 2005 Actual Valuation or the average of 2004 Actual Valuation and 2005 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2005 Adjusted Gross Income or the average of 2004 Adjusted Gross Income and 2005 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.



maximum total State Sharing Ratio continues to be .90.

URBAN-SUBURBAN TRANSFER SUPPLEMENTATION

	Qualifying districts that receive pupils from another district for the purpose of promoting diversity are eligible for an apportionment based on Selected Foundation Aid per pupil -- a total of \$1.13 million	Same
Apportionment	Selected Foundation Aid x (Number of Pupils Received - Formula Pupil Margin)	Same
Formula Pupil Margin	Formula Pupil Margin = .365 x (Total Foundation Aid - Total Foundation Aid Base)/Total Foundation Aid/TAFPU	Same

PUBLIC EXCESS HIGH COST AID FOR DISABLED PUPILS

Wealth Measure	Combined Wealth Ratio	Same <sup>10</sup>
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	Lesser of 4 x AOE/TAPU for Expense or \$10,000	Same

PRIVATE EXCESS COST AID:

Ceiling Range for Aid	Tuition - Deduct	Same
Deduct	Local Levy/Enrollment	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.85	Same
Minimum Aid Ratio	.50	Same

<sup>10</sup> For the 2009-10 school year, for aids other than Foundation Aid, a district's 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:

$$\frac{2006 \text{ Actual Valuation}/2007-08 \text{ TWPU}}{\$532,600} ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{2006 \text{ District Income}/2007-08 \text{ TWPU}}{\$165,200}$$

Pupils	Attending private or State run schools	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 and 2007-08 it had half-day kindergarten enrollment or if it had no kindergarten enrollment in 1996-97 and 2007-08.	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 and 2008-09 it had half-day kindergarten enrollment or if it had no kindergarten enrollment in 1996-97 and 2008-09.
Pupil Count	2008-09 estimated full-day kindergarten enrollment - 2007-08 full-day kindergarten enrollment	2009-10 estimated full-day kindergarten enrollment - 2008-09 full-day kindergarten enrollment
Aid Per Pupil	Selected Foundation Aid per pupil.	Same
<u>TRANSPORTATION AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA, a district's Combined Wealth Ratio or Selected AV/enrollment	Same
State Share	The greatest of: 1.01 - (.46 * AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * AV/public + nonpublic enrollment wealth ratio)	Same
State Sharing Ratio	The greatest of: 1.37 - (1.23 x CWR) 1.00 - (0.64 x CWR) 0.80 - (0.39 x CWR) 0.51 - (0.22 x CWR) The maximum aid ratio is 0.90. For a district of average wealth (CWR = 1.000), aid ratio is 0.41.	Same
Sparsity Adjustment	21 - 2006-07 public enrollment/square mile)/317.88	Same except for the use of 2007-08 public 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

BOCES AID

Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
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

BUILDING AID

Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
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Aid Ratio Choice	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.	Same
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	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.	Same
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	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 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.	Same
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	School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the 2000-01 school year and the voter approval date was between 7/1/05 and 6/30/08 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.	Same
HNSBAR	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 approved costs.	Same
Base	Approved Expenditures	Same
Additional Adjustments	For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts 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.	Same
New York City Data Submission	None	Beginning with the 2009-10 school year, projects submitted by New York City after November 15 of the base year will be considered payable in the following year. This change will align the

claiming process  
for New York City  
more closely with  
that of districts  
in the rest of  
state.

REORGANIZATION INCENTIVE  
BUILDING AID

Prior to July 1, 1983:

Building Aid:		
Additional Percentage	25%	Same

Effective July 1, 1983:

Building Aid:		
Additional Percentage	30%	Same

Eligibility Date:		
New Projects	Approved by voters within ten years of reorganization.	Same

REORGANIZATION INCENTIVE  
OPERATING AID

Eligibility Date:	School districts that reorganize after July 1, 2007.	Same
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Operating Aid:		
Additional Percentage (5 years)	40%	Same

Taper	4 $\frac{1}{9}$ years	Same
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SPECIAL SERVICES AID/  
ACADEMIC IMPROVEMENT AID

Eligible Districts	Big Five City school districts and other districts that are non- components of BOCES	Same
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Career Education Aid:		
State Share	.41	Same

Minimum Aid Ratio	.36	Same
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Ceiling	\$3,900	
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Wealth Measure	Combined Wealth Ratio	Same
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Pupil Count	Grade 10-12 ADA in a Career Education Sequence + (.16 x Business Sequence ADA)	Same
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Computer Administration Aid:		
State share	.49	Same
Minimum Aid Ratio	.30	Same
Ceiling	\$62.30/pupil	Same
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Fall Public Enrollment (Attendance)	Same
Academic Improvement Aid:		
State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$100 + (\$1,000 divided by a district's Combined Wealth Ratio but not less than \$1,000)	Same
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Career Education Pupils	Same
<u>INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID</u>	Based on approved expense up to an amount equal to \$24.20 x public and nonpublic pupils (district of attendance) x current year Building Aid ratio	Same
	Aid cannot exceed the amount of base-year approved expenditures.	Same
<u>TEXTBOOK AID</u>	Up to \$58.25 per public and nonpublic pupil (district of residence)	Same
	Aid cannot exceed the amount of base-year textbook expenditures.	Same
<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.	Same
<u>LIBRARY MATERIALS AID</u>	Up to \$6.25 per public and nonpublic pupil (district of attendance)	Same

Aid cannot exceed the amount of base-year library expenditures.

Same

UNIVERSAL PREKINDERGARTEN AID

A district is eligible to receive a grant which may not exceed the sum of its 2006-07 Prekindergarten Aid, Targeted Prekindergarten Aid and Supplemental Prekindergarten Aid plus (i) Selected Foundation Aid per pupil x .50 or (ii) 2006-07 grant per pupil, multiplied by a phase-in factor multiplied by additional aidable prekindergarten pupils

A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.

Per Child Amount

Reflective of district wealth and pupil needs, grant awards for half-day programs range from \$2,700 to approximately \$5,800 per child.

HIGH TAX AID

Total Aid

Sum of: Tier 1, Tier 2 and Tier 3 Aid

A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.

Tier 1 Aid  
Eligible Districts

Aid is available to individual school districts where (i) the district's Income Wealth Index for Foundation Aid is less than 2.500, (ii) the district has an AOE/TAPU for Expense greater than \$10,650 and (iii) the sum of the district's 2005 tax levy on residential real property (including condominium property) divided by the district's 2005 adjusted gross income is greater than 3.2 percent

Wealth Measure

Combined Wealth Ratio

State Sharing Ratio	(See Transportation Aid above)
Formula Ceiling	\$450.00
Pupils	2007-08 public enrollment
Minimum District Aid	\$100,000
Tier 2 Aid Eligible Districts	Aid is available to individual school districts where the district's 2005 tax levy on residential real property (including condominium property) divided by the district's 2005 adjusted gross income is greater than 5.0 percent.
Wealth Measure	Alternate Pupil Wealth Ratio (Income)
State Share	.40
Formula Ceiling	2006-07 AOE/TAPU for Expense minus \$10,660
Regional Cost Index	See Appendix III-F
Pupils	0.181 x 2007-08 public enrollment
Tier 3 Aid Eligible Districts	An individual district is eligible for aid if the district has a Combined Wealth Ratio less than 6.00, a Regional Cost Index greater than 1.300 and the ratio of its property per pupil to income per pupil (2005 Actual Valuation/2006-07 TWPU divided by 2005 Adjusted Gross Income/2006-07 TWPU) is greater than 4.620.
Formula Ceiling	\$52.00
Regional Cost Index	See Appendix III-F
Pupils	2007-08 public enrollment



Save-Harmless Percent

For districts with an Alternate Pupil Wealth Ratio (Income) greater than 2.0, 50 percent x 2007-08 High Tax Aid, 70 percent for other districts.

<u>TEACHER CENTERS</u>	\$40.00 million	None
<u>TEACHER-MENTOR INTERN</u>	\$10.00 million	None
<u>MATH AND SCIENCE INITIATIVES</u>	\$10.00 million	None
<u>SCHOOL HEALTH SERVICES</u>	\$13.84 million	Same
<u>INCARCERATED YOUTH</u>	\$17.50 million	\$16.50 million
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same
<u>EMPLOYMENT PREPARATION</u>		
<u>EDUCATION AID</u>		
Ceiling	\$10.65/contact hour	\$11.40/contact hour <sup>11</sup>
Wealth Measure	AV/TWPU	Same
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same

<sup>11</sup> For the 2009-10 school year, a \$96.00 million funding limit is provided, the same as for the 2008-09 school year.

CHARTER SCHOOL TRANSITIONAL

AID

Total Aid

The sum of Tier 1, Tier 2 and Tier 3 aid.

Same

Tier 1 Aid

Eligible Districts<sup>12</sup>

2007-08 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment or 2007-08 charter school payments greater than 2 percent of 2007-08 total general fund expenditures.

2008-09 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment or 2008-09 charter school payments greater than 2 percent of 2008-09 total general fund expenditures.

Expense per pupil<sup>13</sup>

0.8 x 2007-08 charter school adjusted expense per pupil.

0.8 x 2008-09 charter school adjusted expense per pupil.

Pupils

Increase in charter school enrollment from 2006-07 to 2007-08.

Increase in charter school enrollment from 2007-08 to 2008-09.

Tier 2 Aid

Eligible Districts

2006-07 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment or 2006-07 charter school payments greater than 2 percent of 2006-07 total general fund expenditures.

2007-08 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment or 2007-08 charter school payments greater than 2 percent of 2007-08 total general fund expenditures.

Expense per pupil

0.6 x 2007-08 charter school adjusted expense per pupil.

0.6 x 2008-09 charter school adjusted expense per pupil.

<sup>12</sup> Expenditures and transfers from a district's total general and debt service funds as reported to the State Education Department on the annual ST-3 form.

<sup>13</sup> The charter school adjusted expense per pupil equals a district's approved operating expense (AOE) per pupil for the year prior to the base year multiplied by the percentage increase of the total statewide approved operating expense for the base year over the total statewide approved operating expense for two years prior to the base year. Approved Operating Expenditures are a district's expenditures for the day-to-day operation of the school as defined in Education Law Section 3602, Subdivision 1, Paragraph t. For the TAPU for Expense pupil count, see Appendix III-C.

Pupils	Increase in charter school enrollment from 2005-06 to 2006-07.	Increase in charter school enrollment from 2006-07 to 2007-08.
Tier 3 Aid Eligible Districts	2005-06 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2005-06 charter school payments greater than 2 percent of 2005-06 total general fund expenditures.	2006-07 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2006-07 charter school payments greater than 2 percent of 2006-07 total general fund expenditures.
Expense per pupil	0.4 x 2007-08 charter school adjusted expense per pupil.	0.4 x 2008-09 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2004-05 to 2005-06	Increase in charter school enrollment from 2005-06 to 2006-07.

SUPPLEMENTAL EDUCATIONAL IMPROVEMENT PLAN

\$17.50 million Same

NEW YORK CITY ACADEMIC ACHIEVEMENT GRANT

\$1.20 million Same

FULL-DAY KINDERGARTEN AND UPK PLANNING GRANTS

\$1.00 million None

ROCHESTER COMMUNITY SCHOOLS

\$2.00 million None

SUPPLEMENTAL PUBLIC EXCESS COST AID

15 percent x 2007-08 Supplemental Public Excess Cost Aid	A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.
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ACADEMIC ENHANCEMENT AID Eligible Districts

Districts identified as districts in need of improvement for at least 5 years.	A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.
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Formula

Positive remainder of:

- a) Lesser of \$15.00 million or 10 percent of 2007-08 Foundation Aid, less
- b) Positive remainder of 2008-09 Foundation Aid minus 2007-08 Foundation Aid.

DEFICIT REDUCTION ASSESSMENT

None

The lesser of: The sum of a) the product of -2.85 percent multiplied by a district's 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL, and Universal Prekindergarten) plus b) the result of -\$698.00 multiplied by 1.0 minus a district's three-year K-6 free and reduced price lunch percentage for Foundation Aid with the result multiplied by a district's Combined Wealth Ratio for Foundation Aid multiplied by Estimated 2008-09 Public Enrollment.

The minimum reduction is -3.00 percent multiplied by a district's 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL Aid and Universal Prekindergarten). The maximum reduction is -13.00 percent.

or

For districts with a Tax Effort Ratio (a district's residential levy divided by district income) greater than 3.5 percent and a Combined

Wealth Ratio for Foundation Aid less than 4.00: The result of -13.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 3.5 percent, but not less than -5.00 percent, multiplied by 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL Aid and Universal Prekindergarten). The maximum reduction is -13.00 percent; the minimum reduction is -5.00 percent.

The Deficit Reduction Assessment for high need districts will not exceed -2.5 percent of the district's 2008-09 Total General Fund Expenditures (TGFE).

APPENDIX III-B  
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating 2008-09 foundation aid, universal prekindergarten aid, high tax aid, and academic enhancement aid as well as 2009-10 public high cost and private excess cost aids, BOCES aid, textbook aid, library materials aid, special services and academic improvement aid, transportation aid, computer software aid, instructional computer hardware and technology equipment aid, employment preparation education aid, incarcerated youth aid, building aid, reorganization incentive building aid, reorganization incentive operating aid, full-day kindergarten incentive aid, charter school transitional aid, and the deficit reduction assessment are presented in this appendix.

The State average wealth measures used in the calculation of 2009-10 aid ratios are:

2006 Actual Valuation/2007-08 TWPU	\$532,600
2006 Adjusted Gross Income/2007-08 TWPU	\$165,200
2006 Actual Valuation/2007-08 RWADA	\$639,700

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 2008-09 Foundation Aid are included with the formula description in this appendix and in Appendix III-D. Pupil counts for other 2009-10 aids appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

TAFPÜ...Total Aidable Foundation Pupil Units  
TWFPÜ...Total Wealth Foundation Pupil Units

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

## 2008-09 FORMULA AIDS

For Foundation Aid, Universal Prekindergarten Aid, High Tax Aid and Academic Enhancement Aid, a district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department based on data on file on November 15, 2008.

## 2008-09 FOUNDATION AID

Education Law, Section 3602, Subdivision 4

### Foundation Aid for the 2008-09 School Year

For 2008-09, a district will receive the sum of its 2006-07 base amount plus a Foundation phase-in increase equal to 37.5 percent of the difference between the 2006-07 base amount and calculated 2010-11 Foundation Aid.

### 2008-09 Minimum Guarantee/Maximum Allowed

For 2008-09, no district will receive less than a 3 percent increase above its 2007-08 Foundation Aid amount. The maximum allowed year-to-year increase is 15 percent above the district's 2007-08 Foundation Aid.

## 2010-11 Foundation Aid

Under existing statutory formulas, a district would be eligible to receive aid equal to the greater of:

- (i) \$500 x Selected Total Aidable Foundation Pupil Units, or
- (ii) Foundation Formula Aid per pupil x Selected Total Aidable Foundation Pupil Units

Foundation Formula Aid per pupil is the greater of:

- (i)  $(2010-11 \text{ Foundation Amount} \times \text{RCI} \times \text{PNI}) - \text{the Expected Minimum Local Contribution, or}$
- (ii)  $(2010-11 \text{ Foundation Amount} \times \text{RCI} \times \text{PNI}) \times \text{Foundation State Sharing Ratio}^{14}$

## 2006-07 Base Amount

A district's 2006-07 base amount for Foundation Aid is determined by calculating the sum of its 2006-07 Flex Aid, Sound Basic Education Aid, Supplemental Extraordinary Needs Aid, Limited English Proficiency Aid, Class Size Reduction Aid, Growth Aid, Enrollment Adjustment Aid, Reorganization Incentive Operating Aid, Tax Limitation Aid, High Tax Aid, Public Excess Cost Aid (exclusive of High Cost Aid), Magnet School Aid, Teacher Support Aid, Categorical Reading Aid, Improving Pupil

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<sup>14</sup> For Foundation Aid payable in the 2008-09 school year and thereafter, high need school districts, including the Big Five City schools, may compute an additional amount equal to .05 times their State Sharing ratio for Foundation Aid up to a maximum of .900.

Performance Aid, Aid to Small City School Districts, Tuition Adjustment Aid and Fort Drum Aid.

2010-11 Foundation Amount: The 2010-11 Foundation Amount of \$5,695 is based on the average cost per pupil for general education among a set of 465 districts meeting the Regents criteria for successful school districts. (\$5,258 for the 2007-08 school year) adjusted by the actual and projected annual percentage increase in the consumer price index.

Regional Cost Index: The regional cost index, calculated by the State Education Department, is generated following a wage-based methodology. It is based on median salaries in fifty-nine professional occupations (excluding education-related ones).

Index values range from 1.000 for North Country/Mohawk Valley counties to 1.425 for New York City and Long Island. (See Appendix III-F for county regional cost indices.)

Pupil Need Index = 1.0 + (Extraordinary Needs Percent)

Minimum: 1.0; Maximum: 2.0

Extraordinary Needs Percent =  $\frac{\text{Extraordinary Needs Pupil Count}}{\text{2007-08 Public Enrollment}}$

Extraordinary Needs Pupil Count = The sum of the following:

- (i) 2007-08 public enrollment (including charter school enrollment) x the three-year average percentage of students in grades K-6 who are eligible for the free and reduced price lunch program (2004-05, 2005-06 and 2006-07) x .65, and  
2007-08 public enrollment (including charter school enrollment) x the percentage of students aged 5-17 in poverty as of the 2000 census (National Center for Education Statistics - NCES) x .65, and
- (ii) The number of Limited English Proficiency pupils x .50, and
- (iii) For districts operating a K-12 program, a sparsity count equal to 2007-08 public enrollment x

$\frac{25 - \text{2007-08 Public Enrollment/Square Mile}}{50.9}$

with no maximum

Expected Minimum Local Contribution per pupil

The expected minimum local contribution per pupil is based on an assumed district tax rate that for 2008-09 ranges from a minimum of \$10.01 per \$1,000 of full value for low income districts up to maximum of \$14.63 per \$1,000 of full value for wealthier districts.

Adjusted Tax Rate x Selected Actual Valuation/2006-07 Total Wealth Foundation Pupil Units

Adjusted Tax Rate =  $\frac{\text{3-Year Adj. Statewide Avg. Tax Rate (.0154)}}{\text{Income Wealth Index}}$



3-Year Adjusted Statewide Average Tax Rate = The statewide average school district tax rate for the current and previous two school years times 90 percent (i.e., the assumed relation between Foundation-related expenditures and total expenditures) which for 2008-09 is \$15.40 per \$1,000 of full value.

Income Wealth Index =

District 2005 Adjusted Gross Income/2006-07 TWFPU  
Statewide Average (\$185,100)

Minimum: .65, Maximum .95

Adjusted Tax Rate = The product of the ratio of a district's income per pupil compared to the state average income per pupil multiplied by the 3-year adjusted statewide average tax rate. Low income districts are assumed to levy less (a minimum of \$10.01 per \$1,000 of full value) and wealthier districts more (a maximum of \$14.63 per \$1,000 of full value).

2005 Adjusted Gross Income = The 2005 Adjusted Gross Personal Income of the district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

Selected Actual Valuation = The lesser of the 2005 Actual Valuation or the average of 2004 Actual Valuation and 2005 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Foundation State Sharing Ratio = The greatest of the following but not less than zero nor more than .90:

$$1.37 - (1.230 \times \text{CWR})^{15}$$

<sup>15</sup> For the 2008-09 school year, a district's Combined Wealth Ratio for Total Foundation Aid is equal to:  $(.5 \times \text{Pupil Wealth Ratio}) + (.5 \times \text{Alternate Pupil Wealth Ratio})$ . The Pupil Wealth Ratio for Foundation Aid is equal to:

Selected Actual Valuation/2006-07 TWPU  
\$453,100 ; and the

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

Selected District Income/2006-07 TWPU  
\$143,000

Selected Actual Valuation is the lesser of 2005 Actual Valuation or the average of 2004 Actual Valuation and 2005 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2005 Adjusted Gross Income or the average of 2004 Adjusted Gross Income and 2005 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

1.00 - (0.640 x CWR)  
0.80 - (0.390 x CWR)  
0.51 - (0.173 x CWR)

For Foundation Aid payable in the 2008-09 school year and thereafter, high need school districts, including the Big Five City schools, may compute an additional amount equal to .05 times their ratio up to a maximum of .90.

#### Foundation Aid Pupil Counts

##### Selected TAFPU for Payment

The greater of 2007-08 Total Aidable Foundation Pupil Units (TAFPU) or the average of 2006-07 and 2007-08 TAFPU. Pupils counted are those served by a given district whether or not they are residents of that district.

TAFPU is based on average daily membership<sup>16</sup> which includes equivalent attendance of students under the age of 21 who are not on a regular day school register in programs leading to a high school diploma or high school equivalency diploma, students with disabilities attending BOCES programs full time, resident pupils attending charter schools and dual enrolled nonpublic students.

An additional weighting of 1.41 is provided for public school students with disabilities (district of attendance), 0.50 for declassification students, 0.12 for summer school and dual enrollment pupils with disabilities are further weighted at 1.41.

##### Total Wealth Foundation Pupil Units (TWFPU)

TWFPU is based on average daily membership. The TWFPU count is used to measure the relative wealth of a district. Pupils who are residents of the district are counted.

#### New York City

For New York City, all Foundation Aid calculations will be on a city-wide basis.

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<sup>16</sup> Average Daily Membership (ADM) is a measure of average enrollment over the school year. It is the total possible aggregate daily attendance of all pupils in the district divided by the days of session. See Appendix III-D for additional Foundation Aid pupil count detail.

For basic pupil weightings, see Appendix III-C. Pupil counts for aids other than Foundation Aid include adjusted average daily attendance and additional weightings for aidable pupils with special educational needs, aidable summer school pupils, dual enrollment pupils and secondary school pupils.

2008-09 UNIVERSAL PREKINDERGARTEN AID

Education Law, Section 3602-e

For the 2008-09 school year, each district will be eligible to receive Universal Prekindergarten Aid no greater than the sum of its:

- (i) 2006-07 UPK Award Base,
- (ii) 2007-08 UPK Increase, and
- (iii) 2008-09 UPK Increase

2006-07 UPK Award Base for districts who applied to conduct a 2007-08 UPK program serving no fewer pupils than the number of their 2006-07 Base Aidable Pupils as shown on the computer listing entitled "SA070-8" which was released in March 2007 with the 2007-08 enacted Budget =

The sum of a district's 2006-07 Targeted Prekindergarten, Supplemental Universal Prekindergarten and Universal Prekindergarten allocations based on data on file for school aid formula calculations as of November 15, 2007.

2007-08 UPK Increase =

A district's 2007-08 Additional Aidable Prekindergarten Pupils as shown on the computer listing entitled "SA070-8" multiplied by their Selected UPK Grant per pupil (see below).

2008-09 UPK Increase =

Selected UPK Grant per pupil x 2008-09 Additional Aidable Prekindergarten Pupils

Selected UPK Grant per pupil = The greater of:

- (i) A district's Prekindergarten aid per pupil based on data on file for the school aid computer listing entitled "SA060-7," which was released in March 2006 with the issuance of the 2006-07 enacted Budget.
- (ii) 0.50 x A district's Selected Foundation Aid per pupil

As a result, the minimum per pupil amount is \$2,700.

Additional Aidable Prekindergarten pupils =

(Estimated 2008-09 Total Unserved 4-Year Olds minus 2008-09 Base Aidable Pre-K Pupils) x Prekindergarten Phase-in Factor

2008-09 Total Unserved 4-Year Olds = The product of 0.85 multiplied by the remainder of the 2006-07 Total Kindergarten Count minus estimated 2007-08 4410 4-year-olds in programs for more than 4 hours per day

2006-07 Total Kindergarten Count = The 2006-07 public, non-public and charter school enrollment in half-day and full-day kindergarten programs

Estimated 2007-08 4410 4-year-olds in programs for more than 4 hours per day = An estimate of the 2007-08 resident 4-year-olds

who will be served by the State preschool student with disabilities (Section 4410) program for more than 4 hours per day

2008-09 Base Aidable Pre-K Pupils = The sum of 2006-07 Base Aidable Pre-K Pupils and 2007-08 Additional Aidable Pre-K Pupils

2006-07 Base Aidable Pre-K Pupils = The Base Aidable Pre-K Pupils as shown on the computer listing entitled "SA070-8" which was released in March 2007 with the 2007-08 enacted Budget

2007-08 Additional Aidable Prek-K Pupils = The Additional Aidable Pre-K Pupils as shown on the computer listing entitled "SA070-8" which was released in March 2007 with the 2007-08 enacted Budget

Prekindergarten Phase-in Factor = A district's Pupil Need Index for Foundation Aid - 1:

1. With a minimum of 0.10 and a maximum of 0.18, for districts with a maximum allocation for the base year that is greater than 0 and a 2007-08 UPK grant claimed that is greater than the maximum allocation minus \$2,700
2. Zero, for districts that (i) don't meet the qualification in item 1, (ii) did not apply for a 2007-08 UPK program, or (iii) applied to serve no more than their 2006-07 Base Aidable Pre-K Pupils as shown on the computer listing entitled "SA070-8" which was released in March 2007 with the 2007-08 enacted Budget
3. With a minimum of 0.07 and a maximum of 0.13 for districts that don't meet the qualifications for items 1. or 2.

#### 2008-09 HIGH TAX AID

Education Law, Section 3602, Subdivision 16

For eligible districts, High Tax Aid will equal Tier 1, 2 and Tier 3 Aid.

#### Tier 1 Aid

Eligible districts will receive the greater of:

- (i) \$450.00 x State Sharing Ratio<sup>17</sup> x 2007-08 public enrollment, or
- (ii) \$100,000

Individual districts are eligible for Tier 1 High Tax Aid if they meet the following three criteria:

- (i) An Income Wealth Index for Foundation Aid less than 2.500,
- (ii) The district has an AOE/TAPU for Expense greater than the State average (\$10,650), and
- (iii) The Tax Effort Ratio, the ratio of the district's 2005 tax levy on residential real property (including condominium property) divided by the district's 2005 adjusted gross income, is greater than 3.2 percent.

<sup>17</sup> See Transportation Aid description.

Tier 2 Aid

Eligible districts will receive:

Formula Ceiling x Regional Cost Index x Aid Ratio x 2007-08 public enrollment x .0181.

Formula Ceiling = The district's 2006-07 AOE/TAPU for Expense - \$10,660

Regional Cost Index = Index values range from 1.000 for North Country/Mohawk Valley counties to 1.425 for New York City and Long Island. (See Appendix III-F for county regional cost indices.)

Aid Ratio = 1- (Alternate Pupil Wealth Ratio x .60)

Individual districts are eligible for Tier 2 High Tax Aid if the district's Tax Effort Ratio, the ratio of the district's 2005 tax levy on residential real property (including condominium property) divided by the district's 2005 adjusted gross income, is greater than 5.0 percent.

Tier 3 Aid

Eligible districts will receive:

\$52.00 x Regional Cost Index x 2007-08 public enrollment

Individual districts are eligible for Tier 3 High Tax Aid if they meet the following three criteria:

- (i) Combined Wealth Ratio less than 6.000,
- (ii) A Regional Cost Index greater than 1.300, and
- (iii) A Property to Income Factor greater than 4.620

A district's Property to Income Factor =

$$\frac{2005 \text{ Actual Valuation}/2006-07 \text{ TWPU}}{2005 \text{ Adjusted Gross Income}/2006-07 \text{ TWPU}}$$

Save-Harmless Provision: Greater of formula aid or percent x base year aid

For districts with an Alternate Pupil Wealth Ratio (Income) greater than 2.0, 50 percent x 2007-08 High Tax Aid, 70 percent for other districts.

2008-09 ACADEMIC ENHANCEMENT AID

Education Law, Section 3602, Subdivision 12

Districts that, as of April 1, 2008, have been continuously identified as a district in need of improvement for at least 5 years, including the current year, are eligible for Academic Enhancement Aid.

Aid = The lesser of: \$15.00 million or .10 x 2007-08 Foundation Aid

minus

2008-09 Foundation Aid minus 2007-08 Foundation Aid

## 2009-10 FORMULA AIDS

### CHARTER SCHOOL TRANSITIONAL AID

Education Law, Section 3602, Subdivision 41

A district's Charter School Transitional Aid will equal the sum of Tier 1, 2 and 3 aid.

#### Tier 1 Aid:

Districts are eligible for Tier 1 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2008-09 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2008-09 school year exceed 2.0 percent of the district's 2008-09 total general fund expenditures.<sup>18</sup>

The Tier 1 formula =  $(0.80 \times 2008-09 \text{ charter school adjusted expense per pupil})^{19} \times \text{the increase in the number of resident pupils enrolled in a charter school between the 2007-08 and 2008-09 school years.}$

#### Tier 2 Aid

Districts are eligible for Tier 2 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2007-08 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2007-08 school year exceed 2.0 percent of the district's 2007-08 total general fund expenditures.

The Tier 2 formula =  $(0.60 \times 2008-09 \text{ charter school adjusted expense per pupil}) \times \text{the increase in the number of resident pupils enrolled in a charter school between the 2006-07 and 2007-08 school years.}$

#### Tier 3 Aid

Districts are eligible for Tier 3 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2006-07 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2006-07 school year exceed 2.0 percent of the district's 2006-07 total general fund expenditures.

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<sup>18</sup> Expenditures and transfers from a district's total general and debt service funds as reported to the State Education Department on the annual ST-3 form.

<sup>19</sup> The charter school adjusted expense per pupil equals a district's approved operating expense (AOE) per pupil for the year prior to the base year multiplied by the percentage increase of the total statewide approved operating expense for the base year over the total statewide approved operating expense for two years prior to the base year. Approved Operating Expenditures are a district's expenditures for the day-to-day operation of the school as defined in Education Law Section 3602, Subdivision 1, Paragraph t. For the TAPU for Expense pupil count, see Appendix III-C.

The Tier 3 formula = (0.40 x 2008-09 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2005-06 and 2006-07 school years.

PUBLIC HIGH COST EXCESS COST AID

Education Law, Section 3602, Subdivision 5

A district receives Public High Cost Excess Cost Aid for pupils with disabilities educated in resource intensive programs run by public school districts or BOCES. Public High Cost Excess Cost 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 for Expense (without limits)

Per Pupil Calculation:

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

$$\text{AOE/TAPU} = \frac{\text{2007-08 Approved Operating Expenses (AOE)}}{\text{2007-08 TAPU for Expense}}$$

$$\text{Excess Cost Aid Ratio} = 1 - (\text{Combined Wealth Ratio}^{20} \times .51)$$

Minimum: .250

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 at Rome and Batavia. The aid is computed on a student-by-student basis with districts receiving private excess cost aid for each student.

Private Excess Cost Aid

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

$$\text{Aidable Cost} = \text{Tuition} - (\text{Basic Contribution per enrolled pupil})$$

<sup>20</sup> For the 2009-10 school year, for aids other than Foundation Aid, a district's 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:

$$\frac{\text{2006 Actual Valuation/2007-08 TWPU}}{\$532,600} ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{\text{2006 District Income/2007-08 TWPU}}{\$165,200}$$

Basic Contribution = A district's tax levy based on its property and non-property taxes divided by its base-year (2008-09) resident enrollment.

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

Minimum: .50

#### SPECIAL SERVICES AID/ACADEMIC IMPROVEMENT AID

Education Law, Section 3602, Subdivision 10

Districts that are non-components of a BOCES, including the Big 5 City school districts, are eligible to receive Career Education Aid, Computer Administration Aid and Academic Improvement Aid.

Career Education Aid = Ceiling x Aid Ratio x Career Ed Pupils

Ceiling = \$3,900

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

Minimum: .360

Career Education Pupils = 2008-09 Grade 10-12 ADA in a Career Education Trade Sequence + (.16 x Business Sequence ADA)

Computer Administration Aid = Expenses (up to \$62.30 x Enrollment) x Computer Expenses Aid Ratio

Enrollment = Fall 2008 public enrollment attending in the district

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

Minimum: .300

Academic Improvement Aid = Ceiling x Aid Ratio x Career Ed Pupils

Ceiling = \$100 plus \$1,000 divided by a district's Combined Wealth Ratio. No eligible district will receive less than \$1,100

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

Minimum: .360

#### 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)  $1.263 \times \text{State Sharing Ratio}^{21}$

(ii)  $1.010 - \frac{(2006 \text{ AV}/2007-08 \text{ RWADA} \times .46)}{\text{Statewide Average } (\$639,700)}$

(iii)  $1.010 - \frac{(2006 \text{ AV}/2007-08 \text{ Resident Public} + \text{Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$564,900)}$

Minimum: .065, Maximum: .900

Sparsity Factor =

$\frac{21.00 - 2007-08 \text{ Public Enrollment/Square Mile}}{317.88}$

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

<sup>21</sup> State Sharing 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)

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 amount 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)  $1 - \frac{.008 \text{ (.003 for Central High Schools and Component Districts)}}{\text{District Actual Valuation Tax Rate (Local Revenue/2006 Actual Valuation)}}$
- (ii)  $1 - \frac{(2006 \text{ Actual Valuation}/2007-08 \text{ RWADA}) \times .51}{\text{Statewide Average } (\$639,700)}$

Minimum: .360; Maximum: .900

BOCES Capital Aid = 2009-10 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2009-10 Rental Expense x RWADA Aid Ratio

Save-Harmless Provision

A district may receive the greater of:

- (i) 2009-10 BOCES Operating, Capital and Rental Aids, or
- (ii) BOCES aid received during 1967-68

BUILDING AID<sup>22</sup>

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 AV/RWADA Aid Ratio =

$$1 - \frac{(2006 \text{ Actual Valuation}/2007-08 \text{ RWADA}) \times .51}{\text{Statewide Average } (\$639,700)}$$

<sup>22</sup> Payment for new construction projects otherwise eligible for aid is deferred in instances in which the school district other than New York City did not file a notice that a general construction contract has been signed with the Commissioner of Education by the November 15, 2008 database.

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:

- Multi-story 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 voter approval date was between 7/1/00 and 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State Sharing Ratio.

School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the 2000-01 school year and the voter approval date was between 7/1/05 and 6/30/08, may select an aid ratio equal to the product of 1.263 multiplied by the district's 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, 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.

New York City Data Submission:

Beginning with the 2009-10 school year, projects submitted by New York City after November 15 of the base year will be considered payable in the following year. This change will align the claiming process for New York City more closely with that of districts in the rest of 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 approved by voters within ten years of reorganization.

For districts reorganizing prior to July 1, 1983,

Reorganization Incentive Building Aid = Approved Expenses x Building Aid Ratio x 25%

For districts reorganizing after July 1, 1983,

Reorganization Incentive Building Aid = Approved Expenses x Building Aid Ratio x 30%

REORGANIZATION INCENTIVE OPERATING AID

Education Law, Section 3602, Subdivision 14, paragraphs d and d-1

School districts that reorganize after July 1, 2007, are eligible to receive reorganization incentive operating aid for 14 years beginning with the first school year of operating as a reorganized district. The reorganization

percentage will be 40 percent for a period of five years, to be reduced by 4 percent per year for nine years.

For the first five years, Reorganization Incentive Operating Aid =

$$\begin{array}{rcccl} 2006-07 \text{ Selected} & & \text{Total Aidable Pupil} & & \\ \text{Operating Aid per Pupil} & \times & \text{Units} & \times & .40 \end{array}$$

The amount calculated as 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units will not be recalculated during the 14 years that a districts receives aid. The 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units amount is frozen as of the date upon which a data file was created for the February 15, 2007 State Aid estimates. The sum of 2006-07 Operating Aid and Incentive Operating Aid is limited to 95 percent of 2006-07 Approved Operating Expense.

#### 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. 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. A district's 2009-10 aid cannot exceed the amount of its base-year actual expenditures.

Computer Software Aid = 2008-09 Cost of Software (up to \$14.98 x Enrollment)

Enrollment = Fall 2008 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. Textbooks are loaned to both public and nonpublic pupils. A district's 2009-10 aid cannot exceed the amount of its base-year actual expenditures.

Textbook Aid = 2008-09 Cost of Textbooks, not to exceed \$58.25 (\$43.25 per pupil for Regular Textbook Aid plus \$15.00 per pupil for Lottery Textbook Aid) x 2008-09 Resident Public and Nonpublic School Enrollment

#### INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 753

A district may be eligible for Computer Hardware Aid to purchase or lease micro- and/or mini-computer 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. Beginning in 2007-08, public school districts must loan computer hardware and equipment to nonpublic school pupils.

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 = 2008-09 Approved Expenses (up to \$24.20 x Enrollment) x Current Year Building Aid Ratio

Aid cannot exceed the amount of base-year approved expenditures.

Enrollment = Fall 2008 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

#### 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. A district's 2009-10 aid cannot exceed the amount of its base-year actual expenditures.

Library Materials Aid = 2008-09 cost of Library Materials (up to \$6.25 x Enrollment)

Enrollment = Fall 2008 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 9

Eligibility for Full-Day K Conversion Aid: If in 1996-97 and 2008-09 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2008-09.

Eligible school districts offering full-day kindergarten programs to all kindergarten students will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2009-10 compared to 2008-09.

Full-Day Kindergarten Conversion Aid =

(2009-10 Estimated Full-Day K Enrollment - 2008-09 Full-Day K Enrollment) x Selected Foundation Aid per pupil

DEFICIT REDUCTION ASSESSMENT

Education Law, Section 3609-a, Subdivision 1, Paragraph c

The lesser of:

The sum of (a) the product of -2.85 percent multiplied by a district's 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL, and Universal Prekindergarten) plus (b) the result of -\$698.00 multiplied by 1.0 minus a district's three-year K-6 free and reduced price lunch percentage for Foundation Aid with the result multiplied by a district's Combined Wealth Ratio for Foundation Aid multiplied by Estimated 2008-09 Public Enrollment.

The minimum reduction is -3.00 percent multiplied by a district's 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL, and Universal Prekindergarten). The maximum reduction is -13.00 percent.

or

For districts with a Tax Effort Ratio (a district's residential levy divided by district income) greater than 3.5 percent and a Combined Wealth Ratio for Foundation Aid less than 4.00: The result of -13.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 3.5 percent, but not less than -5.00 percent, multiplied by 2009-10 Formula Aid (without Building and Building Reorganization Incentive Aids, EXCEL Aid and Universal Prekindergarten). The maximum reduction is -13.00 percent; the minimum reduction is -5.00 percent.

The Deficit Reduction Assessment for high need districts will not exceed -2.5 percent of the district's 2008-09 Total General Fund Expenditures (TGFE).

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.

EPE Aid = \$11.40 x EPE Aid Ratio x EPE Hours

EPE Aid Ratio = .1 - (Pupil Wealth Ratio x .40) Minimum: .400

Pupil Wealth Ratio =  $\frac{2006 \text{ Actual Valuation}}{\text{State Average } (\$532,600)}$  / 2007-08 TWPU

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 2009-10 school year, total aid is limited to \$96.00 million.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 13

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)  $2007-08 \text{ AOE/TAPU for Expense} \times \text{Number of full-day program pupils}^{23}$   
+  $([.5 \times (\text{AOE/TAPU for Expense})] \times \text{Number of half-day program pupils})$  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)

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<sup>23</sup> 2007-08 AOE/TAPU x 1.25 x pupils in 10 month programs or 2007-08 AOE/TAPU x 1.50 x pupils in 12 month programs.



APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2009-10 SCHOOL YEAR

I. Average Daily Attendance/Average Daily Membership <sup>a</sup>

- 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. For 2008-09 Foundation Aid pupil counts for wealth and aid, see the description of this aid category in Appendix III-B as well as Appendix III-D.

III. TAPU for Expense, RWADA, and TWPU

Short Title	Total Aidable Pupil Units For Expense	Resident Weighted Average Daily Attendance	Total Wealth Pupil Units
	TAPU for Expense	RWADA	TWPU
Year used for aid payable in 2009-10	2007-08	2007-08	2007-08
Attendance Periods	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Resident 100% ADA	Resident 100% ADA
<hr/>			
<u>Basic Weightings</u>			
Half-Day Kindergarten	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00
Grades 7-12	1.00	1.25	1.00
Dual Enrollment	1.00	--	--

<sup>a</sup> 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).

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

<sup>b</sup> 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.

<sup>c</sup> Or five periods (at least 180 minutes) per week.

APPENDIX III-D  
2008-09 FOUNDATION AID PUPIL UNITS

Total Wealth Foundation Pupil Units (TWFPU)

The sum of:

- (i) Average daily membership for the year prior to the base year,
- (ii) The full-time equivalent enrollment of resident pupils attending public school elsewhere, less the full-time equivalent enrollment of nonresident pupils, and
- (iii) The full-time equivalent enrollment of resident pupils attending a board of cooperative educational services full time.

Selected Total Aidable Foundation Pupil Units (TAFPU)

For the purposes of computing Foundation Aid, districts may select the TAFPU calculated for the current aid year, or the average of the TAFPU calculated for the current year and the TAFPU calculated for the base year. In determining the average TAFPU, current year TAFPU definitions are used for both years.

Total Aidable Foundation Pupil Units (TAFPU) =

(2006-07 Average Daily Membership (ADM) x Base Year Enrollment Index) +  
(2006-07 Summer ADM x .12) + 2006-07 Weighted Foundation Pupils with  
Disabilities (WFPWD)

Average Daily Membership (ADM) =

- Possible aggregate attendance of students in kindergarten through grade 12 (or equivalent ungraded programs), which is the total of the number of enrolled students that could have attended school on all days of session divided by the number of days of session;
- Possible aggregate attendance of non-resident students (in-state and out of state) attending the district full time but not resident students enrolled full time in another district;
- Possible aggregate attendance of Native American students that are residents of any portion of a reservation located wholly or partially in New York State;
- Possible aggregate attendance of students living on federally owned land or property;
- Possible aggregate attendance of students receiving home or hospital instruction (not home-schooled students, including students receiving instruction through a two-way telephone communication system);
- Full-time-equivalent enrollment of resident pupils attending a charter school;
- Full time equivalent enrollment of pupils with disabilities in BOCES programs;
- Equivalent attendance of students under the age of 21, not on a regular day school register in programs leading to a high school diploma or high school equivalency diploma;
- Average daily attendance of dual enrolled nonpublic school students in

career education, gifted and talented, and special education programs of the public school district as authorized by Section 3602-c of the Education Law. Attendance is weighted by the fraction of the school day that the student is enrolled in the public school programs. Dual Enrolled students with disabilities are further weighted at 1.41.

Enrollment Index for the base year =

$$\frac{2007-08 \text{ Public School Enrollment}}{2006-07 \text{ Public School Enrollment}}$$

Summer Average Daily Membership =

Possible aggregate attendance (in hours) of pupils who attend programs of instruction operated by the district during the months of July and August, other than pupils with disabilities in twelve month programs, divided by the number of hours summer school was in session.

Weighted Foundation Pupils With Disabilities (WFPWD) =

The full-time equivalent enrollment of pupils with disabilities determined by a school district committee on special education to require any of the services listed below, and who receive such services from the school district of attendance during the year prior to the base year will be multiplied by 1.41. (A weighting based on a Regents' analysis of special education and general education costs in successful school districts):

- Placement for 60 percent or more of the school day in a special class;
- Home or hospital instruction for a period of more than sixty days;
- Special services or programs for more than 60 percent of the school day;
- Placement for 20 percent or more of the school week in a resource room or requiring special services or programs including related services for 20% or more of the school week, or in the case of pupils in grades seven through twelve or a multi-level middle school program as defined by the commissioner or in the case of pupils in grades four through six in an elementary school operating on a period basis, the equivalent of five periods per week, but not less than the equivalent of one hundred eighty minutes in a resource room or in other special services or programs including related services, or
- At least two hours per week of direct or indirect consultant teacher services

PLUS

0.50 multiplied by the full time equivalent enrollment of declassified pupils. (Declassified pupils are pupils in their first year in a full-time regular education program after having been in a special education program)

APPENDIX III-E  
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 as well as Section 3609-d (BOCES Aid) payments and Textbook, Software, Hardware and Library Materials Aids. Full Day Kindergarten Aid will not be paid until June 2010.

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, Section 3609-f governs the schedule of school district VLT lottery grants.

For GSPS aid payable in the 2009-10 school year, school districts will receive the lesser of (i) the sum of the aid calculated at the time of the 2009-10 Executive Budget less any VLT Lottery grants provided pursuant to 92-c of the State Finance Law 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 "BT112-1," released in December 2008 with the 2009-10 Executive Budget less any VLT Lottery grants provided pursuant to 92-c of the State Finance Law. Any remaining unpaid amount of aid due to a school district will be paid on the first business day of September, 2010. 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 or most 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 2010. 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 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 for Full Day Kindergarten Aid cannot exceed the total of such aid as it appears on the computer listing "BT112-1".
- Any balance due of actual General Aid apportionments which doesn't exceed the sum of such apportionments as reported in the school aid computer listing entitled "BT112-1" less any VLT Lottery grants provided pursuant to 92-c of the State Finance Law will be paid on the first business day of September, 2010.

#### VLT Lottery Grants

Pursuant to 92-c of the State Finance Law each school district eligible to receive Foundation Aid pursuant to section 3602 of the Education Law shall receive a lottery grant in an amount equal to the amount appropriated for such purpose multiplied by the district's VLT ratio. Section 3609-f of the Education Law establishes the statutory payments dates as follows:

- 10 percent on the first business day of September, 2009;
- 15 percent on or before October 15, 2009;
- 15 percent on or before November 15, 2009;
- 15 percent on or before December 15, 2009;
- 15 percent on the first state business day of January 2010;
- 15 percent on the first state business day of February 2010; and the balance due on the first state business day of March 2010.

#### STAR Aid

STAR reimbursements are governed by a formula designed to ensure that outstanding STAR balances do not exceed specified percentages of a

district's property tax levy. Assuming timely filing of claims by districts, any STAR amounts that exceed 25 percent of a district's property tax levy will be paid in October. Remaining STAR amounts that exceed 20 percent of levy will be paid in November and STAR owed in excess of 15 percent of levy will be paid in December. The balance of STAR due to districts will be paid by the first business day of January.

- Any increase in STAR reimbursement that occurs as a result of adjustments made after January 1 will be paid by March 31, 2010.
- 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 30.8 percent by September 15, 2009 and 61.6 percent by December 15, 2009 and the balance on June 15, 2010.

#### 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 payments through August may not exceed the sum of the Public Excess Cost Aid set aside at the time of the 2009-10 Executive Budget, the Supplemental Public Excess Cost Aid, the Public High Cost Excess Cost Aid and Private Excess Cost Aid as reported in the school aid computer listing entitled "BT112-1" released in December 2008 with the 2009-10 Executive Budget.

- The positive remainder of 25 percent of Excess Cost Aids minus any State share monies paid in the months of August-November, 2009 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 2009-February 2010 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 2009-May 2010 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 2009-July 2010 will be paid on or before

August 15.

- Any balance due of actual Excess Cost Aids payable which doesn't exceed the sum of the Public Excess Cost Aid setaside at the time of the 2009-10 Executive Budget, the Supplemental Public Excess Cost Aid, the Public High Cost Excess Cost Aid and Private Excess Cost Aid as reported in the school aid computer listing entitled "BT112-1" will be paid on the first business day of September, 2010.

#### 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 "BT112-1," released in December 2008 with the 2009-10 Executive 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 "BT112-1" 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 "BT112-1" 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, will be paid to the BOCES on the first business day of September, 2010, but can't exceed the amount of such aid reported in the school aid computer listing entitled "BT112-1."



APPENDIX III-F  
REGIONAL COST INDEX

Counties in each region - Regional Cost Index

Capital District - 1.124	Mohawk Valley - 1.000
Albany	Fulton
Columbia	Herkimer
Greene	Madison
Rensselaer	Montgomery
Saratoga	Oneida
Schenectady	Schoharie
Warren	
Washington	
Central New York - 1.103	North Country - 1.000
Cayuga	Clinton
Cortland	Essex
Onondaga	Franklin
Oswego	Hamilton
	Jefferson
	Lewis
	St. Lawrence
Finger Lakes - 1.141	Southern Tier - 1.045
Genesee	Broome
Livingston	Chemung
Monroe	Chenango
Ontario	Delaware
Orleans	Otsego
Seneca	Schuyler
Wayne	Steuben
Wyoming	Tioga
Yates	Tompkins
Hudson Valley - 1.314	Western - 1.091
Dutchess	Allegany
Orange	Cattaraugus
Putnam	Chautauqua
Rockland	Erie
Sullivan	Niagara
Ulster	
Westchester	
Long Island/New York City - 1.425	
New York City	
Nassau	
Suffolk	

NOTE: School districts are assigned to counties based on the location of the district's central office. The regional cost indices are based on a Regents' study of median salaries for 59 professional, non-teaching, occupations in nine labor force regions.