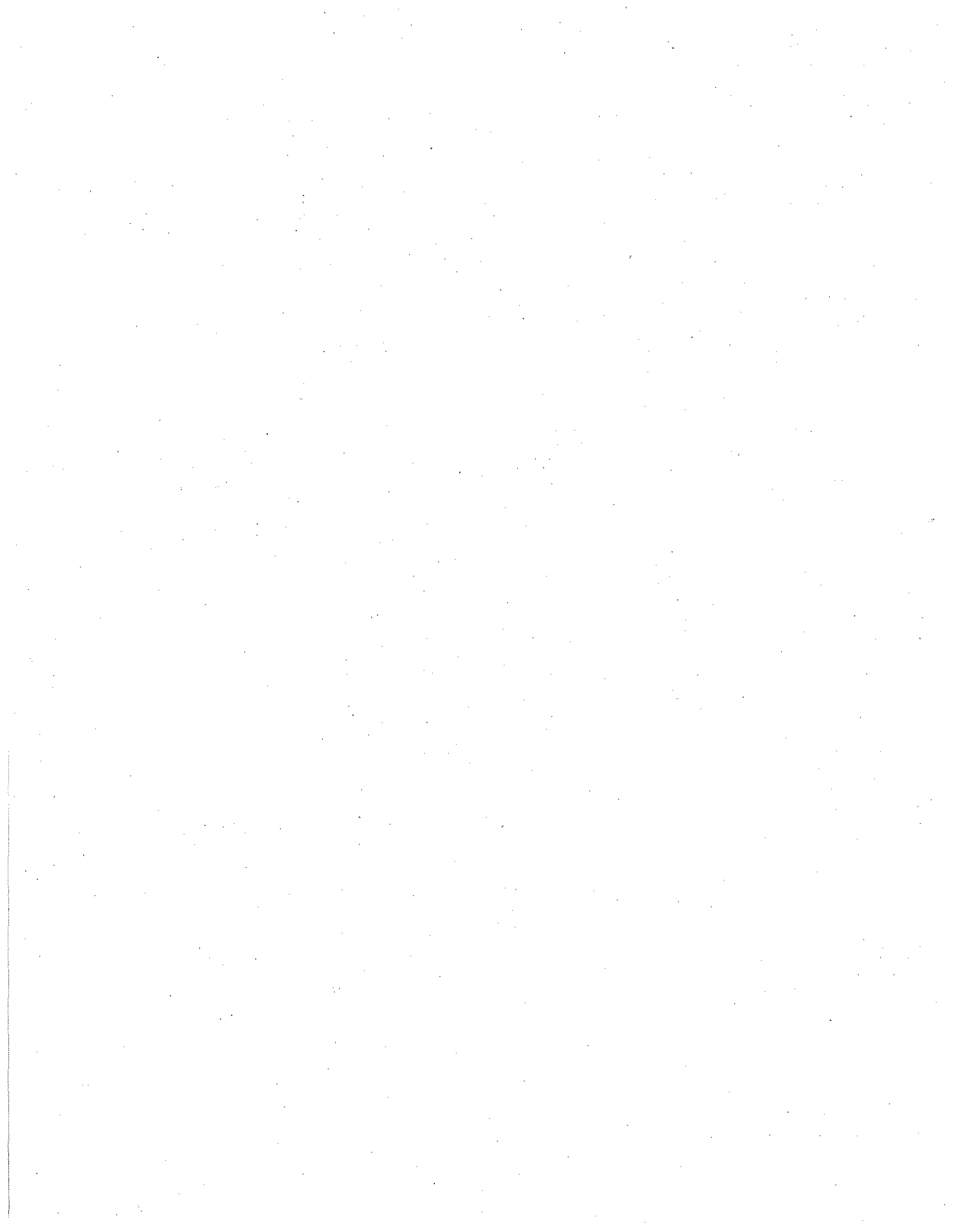


DESCRIPTION OF  
2010-11 NEW YORK STATE  
EXECUTIVE BUDGET RECOMMENDATIONS  
FOR  
ELEMENTARY AND SECONDARY EDUCATION

EDUCATION UNIT  
NEW YORK STATE DIVISION OF THE BUDGET  
January 19, 2010



## INTRODUCTION

This report provides a summary of the 2010-11 New York State aid programs for elementary and secondary education as recommended in the Executive Budget submitted by Governor Paterson to the Legislature on January 19, 2010.

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>



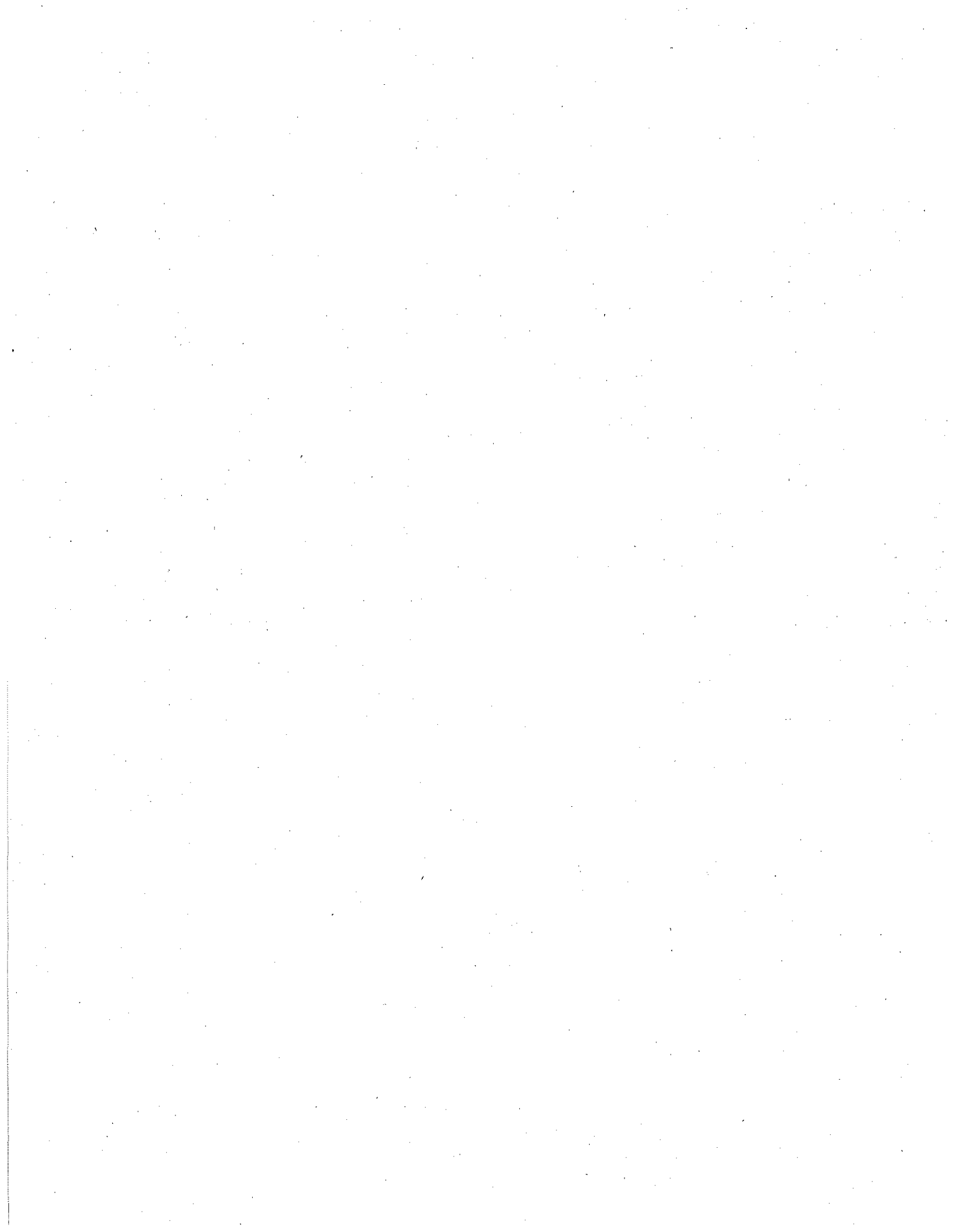
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SCHOOL AID/STAR OVERVIEW

For the 2010-11 school year, the challenging financial consequences of the economic downturn undermine the State's ability to maintain its current level of funding for elementary and secondary education. While the Executive Budget sustains a long-term commitment to education funding, the 2010-11 Executive Budget recommends a State formula funding decrease of -\$1.045 billion, or -4.90 percent. When additional categorical and grant funding is included, the year-to-year decrease will be -\$1.086 billion, or -5.03 percent, from \$21.613 billion to \$20.527 billion.<sup>1</sup>

School Aid recommendations for the 2010-11 school year include the following:

- Continued operating support at 2009-10 levels for seven school aid programs including Foundation Aid and Universal Prekindergarten Aid;
- Continued funding under the current statutory formula for selected aids, primarily expense-based, including Public High Cost Special Education, Private Special Education, BOCES, Transportation, Textbooks, Computer Software, Computer Hardware and Library Materials aids;
- Allow expense-based changes in Building Aids;
- Implement a Gap Elimination Adjustment with a partial restoration through the use of Federal State Fiscal Stabilization Fund moneys;
- Maintain funding, in some cases through the use of discretionary Federal Aid, for programs such as Teachers of Tomorrow, Teacher-Mentor Intern, School Health Services for Big Four City school districts, Employment Preparation Education Aid and Bilingual Education Grants but reduce or eliminate aid for certain other categorical grant programs such as Teacher Centers;
- Enhanced American Recovery and Reinvestment Act of 2009 resources for local education agencies through selected

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<sup>1</sup> Does not include funding for Expanding our Children's Education and Learning (EXCEL) debt service in these totals. (See Table II-A for 2010-11 EXCEL amounts for New York City and the rest of state.)

Federal aids including Individuals with Disabilities Education Act (IDEA) aid and Title IA aid.

Key components of the 2010-11 Executive Budget include the following:

- Implementation within formula-based aids of a Gap Elimination Adjustment of -\$2.138 billion calculated to distribute the reduction amounts in a manner that recognizes school district pupil need, wealth, tax effort and administrative efficiency;
- A partial restoration of \$726.00 million using Federal State Fiscal Stabilization Fund moneys for a net statewide reduction of -\$1.412 billion.
- An overall decrease of -\$1.086 billion (-5.03 percent) in school aid, including a decrease of -\$1.045 billion (-4.90 percent) in formula-based aids, including Building Aids, and a decrease of -\$41.00 million in grant programs.
- Within formula-based aids, including Building Aids, 87 school districts experience aid increases totaling \$66.46 million and 589 school districts have aid decreases amounting to -\$1,111.90 million.
- The 2010-11 Executive Budget continues the Foundation Aid program first enacted in 2007-08 as well as the Universal Prekindergarten Aid program. For 2010-11 Foundation Aid, districts statewide, including the State's 207 high need districts, will receive \$14.892 billion, the same as last year.<sup>2</sup> Reflecting a continuation of 2009-10 school district amounts, funding for Universal Prekindergarten Aid will total \$399.72 million.<sup>3</sup>

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<sup>2</sup> The State's 207 high need school districts include the Big Five City school districts and other districts identified by the State Education Department based on pupil need and school district fiscal capacity.

<sup>3</sup> The Executive Budget recommends the extension of the full phase-in of Foundation Aid and Universal Prekindergarten until the 2016-17 school year.

- Aids continued at base year amounts include
  - High Tax Aid -- \$204.77 million
  - Supplemental Public Special Education Aid -- \$4.31 million
  - Academic Enhancement Aid -- \$8.32 million
- Grants funded at base year amounts include:
  - Academic Achievement Grant -- \$1.20 million
  - Supplemental Educational Improvement Grant -- \$17.50 million
- Reflective of existing statutory formula, \$199.70 million, a decrease of -\$6.71 million, is recommended for Special Services Aid for career education programs and school computer services for the 2010-11 school year. This aid, which also includes the Academic Improvement Aid category, is provided to both Big Five City school districts and other districts that are not components of BOCES.
- Charter School Transitional Aid will provide \$21.84 million, an increase of \$3.17 million, for 15 qualifying school districts that are currently impacted by a concentration of children attending charter schools.
- For the 2010-11 school year, funding of \$2.486 billion, an increase of \$221.84 million, or 9.80 percent, is provided for Building Aid, including Reorganization Incentive Building Aid.<sup>4</sup>
- An increase of \$99.72 million, for a total of \$1.647 billion, is provided for expense-based Transportation Aid to reimburse school districts for the cost of transporting students statewide. Statewide, up to \$5.00 million continues to be available for reimbursement of district-operated summer school transportation expenses.

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<sup>4</sup> In addition to Building Aid, for the 2010-11 school year, \$168.95 million, including \$127.03 million for New York City, is available for State payment of EXCEL-related debt service. 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 2010-11 school year, aid for BOCES services totals \$731.91 million, an increase of \$33.04 million, or 4.73 percent.
- Reflective of existing statutory formula calculations and reported expenditures by school districts, Public High Cost Special Education Aid for the 2010-11 school year will total \$454.12 million, an increase of \$10.20 million. Private Special Education Aid, which provides State reimbursement to school districts for children placed by the school district's Committee on Special Education (CSE) in private school special education programs and Special Act school districts, will increase by \$14.06 million to a total of \$328.97 million.
- Based on the existing statutory formula for Full-Day Kindergarten Conversion Aid, no funding is provided for this aid category in the 2010-11 school year as there are no new districts that qualify for aid.
- Funding for Computer Software Aid will total \$45.79 million, an increase of \$0.33 million.
- Computer Hardware Aid, calculated based on the existing statutory formula, will decrease by -\$0.42 million to a total of \$37.43 million. Consistent with current statute, 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 2010-11. For expense-based Textbook Aid funding of \$181.38 million, a decrease of -\$1.12 million, is provided for the 2010-11 school year. For 2010-11, Library Materials Aid totals \$19.26 million, a decrease of -\$0.06 million.
- Based on the existing statutory formula, funding for Reorganization Incentive Operating Aid will total \$2.86 million, the same as last year.
- For the 2010-11 school year, for all of the above formula-based aid categories, State aid will be limited to the amount calculated based on data submitted by school districts and on file with the State Education Department for the computer run "BT101-1" for the 2010-11 Executive Budget released January 19, 2010.

- For the 2010-11 school year, a total of \$27.00 million is provided in funding for programs to attract, retain and support teachers. The "Teachers of Tomorrow" initiative will be maintained at \$25.00 million. The Teacher-Mentor Intern program total is continued at \$2.00 million. The latter program is supported by discretionary Federal funding available through the American Recovery and Reinvestment Act (ARRA) of 2009, specifically the State Fiscal Stabilization Fund-Other Government Services Fund. No funding is recommended for Teacher Centers for the 2010-11 school year.
- Funding of \$13.84 million is continued to support school health services in the Big Four City school districts.
- The 2010-11 Executive Budget recommends a total of \$12.50 million in continued funding for the Bilingual Education Grants categorical aid program.
- For the 2010-11 school year the Executive Budget provides appropriations totaling \$852.00 million, including \$454.00 million of Federal Title IA aid and \$398.00 million of Federal Individuals with Disabilities Education Act (IDEA) aid. This aid will continue to be provided to local education agencies as a result of the American Recovery and Reinvestment Act (ARRA) of 2009 and distributed pursuant to Federal guidelines.

#### 2010-11 EXECUTIVE BUDGET RECOMMENDATIONS

For 2010-11 the Executive Budget continues funding of \$14,892.22 million for Foundation Aid and a total of \$399.72 million for the Universal Prekindergarten Aid program. These and other aid provisions are described in greater detail below.

##### A. 2010-11 SCHOOL AID

In addition to the several aid categories maintained at base year amounts, the 2010-11 Executive Budget recommends that funding for other aids, those that are primarily expense-based, be provided under the existing statutory formula. The Executive Budget also implements a Gap Elimination Adjustment and partial restoration of funding through the use of Federal moneys.

Formula-based aids including Building Aids will decrease by -\$1,045.44 million, or -4.90 percent, to \$20,271.55 million. Grant programs will decrease by -\$41.00 million. For 2010-11, the Executive Budget recommends total school aid funding of

\$20,526.71 million, a -\$1,086.44 million, or -5.03 percent, year-to-year decrease.

#### FORMULA-BASED AIDS

Funding is maintained at 2009-10 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. The Executive Budget maintains Foundation Aid for the 2010-11 school year at the amount available for the 2009-10 school year, or \$14,892.22 million. The Executive Budget recommends extension of the full phase-in of Foundation Aid until the 2016-17 school year.
- Universal Prekindergarten Aid: The 2010-11 Executive Budget continues to provide \$399.72 million in funding for this program which serves approximately 108,000 students throughout the State. Consistent with the phase-in of Foundation Aid, the full phase-in of aid for Universal Prekindergarten is planned for the 2016-17 school year.

Other aids continued at base year amounts include:

- High Tax Aid: Funding for this aid category will be maintained at \$204.77 million. Over 70 percent of aid will continue to be directed to high and average need school districts.
- Supplemental Public Special Education 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.
- Education Grants: For the 2010-11 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.

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 support for children with disabilities. In addition, the 2010-11 Executive Budget includes 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.

Public High Cost Special Education Aid: Public High Cost Special Education Aid will continue to be calculated based on the existing statutory formula and will total \$454.12 million in 2010-11, an increase of \$10.20 million. This program supports the additional costs of providing resource-intensive public school and BOCES programs for students with disabilities.

Private Special Education 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 2010-11 will total \$328.97 million, an increase of \$14.06 million.

Charter School Transitional Aid: For the 2010-11 school year, \$21.84 million, an increase of \$3.17 million, is provided for aid for 15 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.

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 2010-11 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>5</sup> Reflective of existing statutory per pupil

<sup>5</sup> The additional amount is equal to \$100 plus \$1,000 divided by a district's Combined Wealth Ratio (but not less than \$1,000) multiplied by the aid ratio

calculations as well as school district reported expenditures, for 2010-11, aid will total \$199.70 million, a decrease of -\$6.71 million.

Transportation Aid: Transportation Aid will total \$1,646.66 million in 2010-11, an increase of \$99.72 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 district operated summer classes to improve student performance will be aided up to a maximum of \$5.00 million statewide.

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 2010-11, aid to reimburse districts for expenditures for BOCES services in the 2009-10 school year will total \$731.91 million, an increase of \$33.04 million.

Computer Hardware and Software Aids, Textbook and Library Materials Aids: For the 2010-11 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 current statute, public school districts must loan computer hardware and equipment to nonpublic school students. For the 2010-11 school year, funding of \$37.43 million, a decrease of -\$0.42 million, is provided.

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for Career Education Aid. The result is multiplied by the sum of aidable career education pupils.



- 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 2010-11 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2010-11, Computer Software Aid will total \$45.79 million, an increase of \$0.33 million.
- 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 \$181.38 million in 2010-11, a decrease of -\$1.12 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.
- Library Materials Aid: Districts are reimbursed for expenses up to \$6.25 per pupil based on public and nonpublic school enrollment. For 2010-11, Library Materials Aid will total \$19.26 million, a decrease of -\$0.06 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. Qualifying school districts, those first offering full-day kindergarten programs in 2010-11, will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2010-11 compared to 2009-10. For 2010-11, no funding is provided for this program reflecting the absence of new applications from school districts.

Reorganization Incentive Operating Aid: For 2010-11, 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.

Gap Elimination Adjustment: Notwithstanding the formula allocations described above, for the 2010-11 school year the amounts to be received by school districts pursuant to such formulas (with the exception of Universal Prekindergarten and Building Aids) will be reduced by a Gap Elimination Adjustment totaling -\$2,138.07 million. The reduction is calculated to distribute the reduction amounts in a manner that recognizes school district pupil need, wealth and tax effort and administrative efficiency. The minimum reduction is -8.00 percent multiplied by a district's 2010-11 formula aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 percent. For a high need district the Gap Elimination Adjustment will not exceed -5.0 percent of the district's Total General Fund Expenditures and, based on district spending for administrative purposes and pupil need, may be -3.6 percent. Qualifying districts, those with 2007 Board of Education and Central Administration expenditures which, in sum, are less than 2.00 percent of the district's total expenditures will receive Administrative Efficiency Aid.

All districts will receive a partial restoration calculated as 33.9521 percent of the district's Gap Elimination Adjustment amount. The restoration, which totals \$725.92 million, will be funded through the use of remaining Federal State Fiscal Stabilization Fund moneys.

Building/Reorganization Incentive Building Aid: For 2010-11, 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 \$2,485.73 million, an increase of \$221.84 million. Most new 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 2010-11. The New York City 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.

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, 2009 database.

A similar provision applies to initial aid payments for New York City. This aligns the claiming process for New York City more closely with that of districts in the rest of the state.

#### OTHER FUNDING: EXCEL DEBT SERVICE AND ARRA AID

EXCEL Debt Service<sup>6</sup>: A total of \$168.95 million in aid for EXCEL debt service payments, including \$127.03 million associated with debt service payments for grants to New York City, is available for the 2010-11 school year. EXCEL provides

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<sup>6</sup> The enacted 2006-07 State budget included authorization for up to \$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 \$191.00 million.

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.

Federal American Recovery and Reinvestment Act (ARRA) Title IA and IDEA Aid: A total of \$852.00 million in Federal Aid for selected programs including \$454.00 million of Federal Title IA aid and \$398.00 million of Federal Individuals with Disabilities Education Act (IDEA) aid will continue to be available to local education agencies as a result of American Recovery and Reinvestment Act of 2009 Title I and IDEA funding.

#### GRANT PROGRAMS AND ADDITIONAL AID CATEGORIES

Teachers of Tomorrow: For 2010-11, \$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.

Teacher Resource and Computer Training Centers: No funding is recommended for this program for the 2010-11 school year.

Teacher-Mentor Intern: Under this program funding of \$2.00 million will be continued to support school-year programs through which new teachers work with an experienced teacher as their mentor. The program is supported by Federal 2009 American Recovery and Reinvestment Act (ARRA) funding available through the State Fiscal Stabilization Fund-Other Government Services Fund.

School Health Services: For the 2010-11 school year, \$13.84 million in funding is maintained to provide necessary health services to students in the Big Four City school districts.

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 2010-11 school year, the same amount as in 2009-10. If approved claims exceed such amount, all claims will be subject to proration.

Urban-Suburban Transfer: A total of \$2.73 million is provided to districts that participate in a voluntary interdistrict transfer between urban and suburban school districts to reduce racial isolation. Related transportation expenses are eligible for Transportation Aid.

Education of Homeless Children: Chapter 348 of the Laws of 1988 amended Section 3602 of the Education Law to institute this program of State aid under which school districts where homeless children are temporarily located are reimbursed for the direct cost of educating such children. This cost to the State is partially recaptured from the district of last attendance for each such homeless child by deducting an amount equal to the district's basic contribution per pupil<sup>7</sup> from the district's State aid. For the 2010-11 school year, aid for homeless pupils is estimated at \$9.23 million.

Aid for Incarcerated Youth: A total of \$17.50 million is continued 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 competitive grant programs to school districts and BOCES. These programs provide for the preparation and certification of English as Second Language (ESL) staff members, provide technical assistance to school districts, ensure the quality and rigor of academic programs offered to bilingual students, create after school programs for bilingual students, and continue the enhanced educational opportunities for Limited English Proficient and English Language Learners (LEP/ELL students).

Education of OMH/OMR Pupils: A total of \$69.00 million is continued 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

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<sup>7</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.

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. Such programs provide both technology and staff development which facilitate student learning.

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 2010-11 school year, \$6.00 million is recommended for academic improvement in the Roosevelt School District.

Education of Native Americans: A total of \$35.00 million for the 2010-11 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.

Supplemental Valuation Impact Grants: Chapter 53 of the Laws of 2008 added language to Section 3641 of the Education Law to provide \$3.80 million in funding for certain school districts.

#### 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 2010-11, \$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. Funding is also available for programs in Literacy Zones in high-need communities to improve education and literacy levels.

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 2010-11, an appropriation of \$4.29 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 2010-11 \$466,000, the same as last year, is available through the New York State Center for School Safety to disseminate information and provide training and technical assistance on violence prevention to schools and communities.

Lunch/Breakfast Programs: A total of \$32.30 million, an increase of \$600,000 in State funds, 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 \$798.05 million for the 2010-11 Federal fiscal year.

Health Education Program: For 2010-11, \$691,000 will continue to 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 continued in 2010-11 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.

Student Mentoring-Tutoring Program: A total of \$490,000 is maintained for model programs to improve pupil graduation rates.

Consortium for Worker Education: For the 2010-11 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.

Extended School Day/School Violence Prevention: A total of \$24.34 million is available to fund local school-based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Academic Intervention for Nonpublic Schools: A total of \$922,000 will continue to support a program of academic

intervention services to enhance the educational performance of students attending nonpublic schools.

Nonpublic School Aid: An appropriation of \$109.11 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.

Private Schools for the Blind and Deaf: A total of \$112.34 million in State funding is provided for allowances to eleven State-supported schools for the blind, deaf and orthopedically impaired.<sup>8</sup> Additionally a separate appropriation of \$24.00 million in State support is also provided for summer school special education programs at these schools.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$619.90 million in State funding supplemented by \$194.00 million in discretionary Federal funding for a total of \$813.90 million, a year-to-year increase of \$91.10 million, is provided for the State's preschool special education program. Federal support is provided by 2009 American Recovery and Reinvestment Act (ARRA) funding available through the State Fiscal Stabilization Fund-Other Government Services Fund.

These funds will support the State's 59.5 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 2009-10, prior year claims on file with the State Education Department as of April 1, 2010 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2010-11 will receive priority status for payment in 2011-12.

The Executive Budget proposes to expedite State action on local audits and strengthen procedures to ensure that children are educated as close as possible to their home. In addition, beginning with costs incurred for the 2010-11 school year, the growth in county expenses will be limited, with excess costs being assumed by school districts.

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<sup>8</sup> As was the case last year, the State appropriation will be supplemented by \$4.73 million in Federal IDEA money for total 2010-11 funding of \$117.07 million.



Summer School Program for Disabled Students: Appropriations totaling \$212.20 million, a year-to-year reduction of \$35.00 million, are provided to meet the State's share of costs of summer school programs for school-age pupils with disabilities pursuant to section 4408 of the Education Law.

The Executive Budget proposes, beginning with costs incurred by school districts for the 2010-11 school year, to more closely align State reimbursement to districts for summer school special education costs with wealth-based aid ratios used during the regular school year. Currently, the State reimburses approved costs of summer school special education at a flat rate of 70 percent. Under the Executive Budget proposal, school districts will be reimbursed at rates ranging from 10 percent to 80 percent (supplemented by a 10 percent county share), based on a school district's relative income and property wealth. Additionally, the priority of payment will be for claims for services provided during the 2009-10 school year, with State reimbursement for costs incurred prior to the 2009-10 school year limited to \$50.00 million during the upcoming fiscal year.

Center for Autism and Related Services: For 2010-11, a total of \$490,000 in State funds is recommended for 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. As was the case last year, 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 2010-11 State fiscal year, the Executive Budget includes a \$62.91 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 prior to July 1, 2009.

Targeted Special Education Teacher Salary Supplement: A total of \$4.00 million in Federal IDEA funds will support 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 continued to subsidize summer food service programs operating during the 2010-11 school year.

Math and Science High Schools: For the 2010-11 school year, \$1.38 million in discretionary Federal funding is provided to continue support to three math/science academies to provide expanded learning opportunities. Federal support is provided by 2009 American Recovery and Reinvestment Act (ARRA) funding available through the State Fiscal Stabilization Fund-Other Government Services Fund.

National Board for Professional Teaching Standards Certification: For the 2010-11 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.

Smart Scholars Early College High School Program: The Executive Budget includes an appropriation of \$6.00 million, that will be expended over several years, to match a privately funded grant. The combined funding level of \$12.00 million will create early college high schools that will give students the opportunity to earn college credits by the time they complete their high school education.

Reimbursement for the Metropolitan Community Transportation Mobility Tax: The Executive Budget includes an appropriation of \$60.00 million for full reimbursement of school district expenses for the mobility tax.

Advances to Hurd City School Districts: A total of \$1,086,000 in loan funds (Hurd advances) is appropriated in 2010-11 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.

## OTHER INITIATIVES

Federal Race-to-the-Top: The 2010-11 Executive Budget includes a \$750.00 million appropriation in anticipation of a successful application for competitive funds through the Federal Race-to-the-Top program.

The Executive Budget also 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 and flexibility for school districts. School districts will be able to adjust to the changing economic climate and evolving educational needs of their communities, providing needed savings. Elements of the proposal include:

- Four-Year Moratorium on Unfunded Statutory Mandates: New State mandates are continuously imposed on school districts, and their accumulation over time has resulted in a burdensome and costly system of oversight. The Executive Budget proposes a four-year moratorium on unfunded statutory mandates to help school districts mitigate future cost increases.
- State Education Department Regulatory Reform: The Executive Budget recommends applying the same requirements regarding regulatory adoption procedures to the State Education Department that currently apply to other State agencies pursuant to Executive Order 17 of 2009. These requirements include the preparation of a fiscal note including local impacts, a cost-benefit analysis as well as identifying a funding source for any new regulations.
- School District Exemption from the Wicks Law: The Executive Budget recommends repealing multiple bidder requirements for school district construction projects. This will provide long-term capital and debt service savings to school districts and the State.
- 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. School districts would also be allowed to file reports electronically unless the Commissioner requires other means. In addition, the State Education Department will develop one consolidated reporting system that captures all information required

by New York State or collected by the State for the Federal Government.

- Reform Procurement Practices: School districts would be provided with greater flexibility to purchase from existing contracts held by other government entities. In addition, school districts would be allowed to purchase based on "best value", the most advantageous balance of price, quality, and performance. The State already has the ability to purchase in this manner.
- Authorize Regional Student Transportation: School districts would be able reduce expenses by contracting with other entities, including other school districts, counties and municipalities to provide more efficient student transportation. School districts would also be authorized to partner on school bus maintenance.
- Other Mandate Reform: With Federal laws ensuring that each school district provide appropriate educational space for students with disabilities in the least restrictive environment, State reporting requirements for special education space planning are now duplicative and can be repealed without impact. Also, Federal law now mandates transition planning requirements for children who will no longer receive special education services because of their age. Therefore, certain duplicative State requirements for transition notification can be repealed.
- Maintain the Contract for Excellence Program: In recognition of the fiscal circumstances facing the State and the suspension of increases for Foundation Aid, all districts currently in the program will 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. This approach will ensure participation of 25 school districts including all Big Five City school districts. Seven school districts that participated in the Contract for Excellence program in the 2009-10 school year will leave the program for the 2010-11 school year since they have mitigated their academic issues and are "In Good Standing". School districts that remain in the program will be required to maintain funding on existing Contract for Excellence programs less the percentage reduction of the Gap Elimination Adjustment.

- Allow Access to Employee Benefit Accrued Liability Reserve Funds: A school district's governing board will be permitted to authorize a withdrawal of excess funds in an employee benefits accrued liability reserve fund in order to maintain educational programming during the 2010-11 school year. The amount withdrawn could not exceed the Gap Elimination Adjustment for a school district. The State Comptroller will certify that funds withdrawn are in excess of the amount required for employee benefits which are a liability against the fund.
- School District Charter School Payments: In recognition of the freeze in Foundation Aid for the 2010-11 school year, the charter school payments made by school districts to charter schools for children attending charter school will be maintained at the current per pupil levels. The 2009-10 State Budget initiated a one year freeze on these per pupil charter school payments. The 2010-11 Executive Budget will extend that freeze for one additional year.
- Contingency Budget Calculation: Proposed statutory changes will prevent mandatory negative spending growth for school districts that are operating under a contingency budget by limiting the spending cap calculation to no less than the previous year's spending levels. The current statutory provisions for the calculation of the contingency budget cap does not account for a period of deflation, which is likely to be the case for the 2009 calendar year.

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 \$3.20 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. Major budget actions include:

- "Floor" Provision: The Executive Budget changes the "floor" adjustment that limits possible annual reductions in STAR exemption amounts from 11 percent to 18 percent. This is expected to produce savings of \$40.00 million for 2010-11.

- Eliminate STAR exemption benefit for the homes with value of \$1.50 million and above: Under current law, every home that is used as a primary residence, regardless of how much it is worth, is eligible to receive a STAR exemption benefit. This proposal would eliminate the exemption benefit for the homes with equalized value of \$1.50 million and above. This would reduce spending by \$30.00 million in 2010-11.
- Restructure New York City Personal Income Tax STAR: The Executive Budget would cap the tax rate reduction benefit for taxpayers with incomes above \$250,000. Under current law, the rate reduction applies to all taxpayers, regardless of income. This proposal would limit the rate reduction benefit to the first \$250,000 of income. This would reduce spending by \$143.00 million in 2010-11.

## AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

In early 2009, with New York State at the epicenter of a nationwide financial crisis, Governor Paterson worked with governors around the country advocating for federal aid to help states weather the current economic storm. On April 1, 2009 the U.S. Department of Education announced funding was available under the American Recovery and Reinvestment Act (ARRA) of 2009.

The ARRA legislation provides New York State with nearly \$2.50 billion in State Fiscal Stabilization (SFSF) Education Funds and \$550.00 million in Other Government Services Funds over a two-year period. Consistent with the Federal requirements for allocating funds between K-12 and higher education, approximately \$2.30 billion of the SFSF Education Fund will be used to restore State support for K-12 education over this two year period.

Approximately \$1.60 billion of these funds were used in 2009-10 to support funding for school districts. The 2010-11 Executive Budget proposes to use the balance to partially restore the proposed 2010-11 Gap Elimination Assessment (GEA). This support is provided through the state's primary elementary and secondary education funding formulae.

The \$550.00 million in Other Government Services funds will be used to support the State's Preschool Special Education Program, Teacher Mentor Intern Program, Math and Science Early College High Schools, Educational TV and Radio and the Say Yes to Education Demonstration Program. The balance of the funding will be programmed for higher education programs such as the Tuition Assistance Program (TAP) and community colleges.

The education components of ARRA funding also included additional Title IA and IDEA funds. Title I funding is available to local education agency's (LEAs) that serve high concentrations of students from families living in poverty. IDEA funds can be used to support dual certification for teachers, implementation of statewide behavioral intervention programs and to support secondary career transition services for student with disabilities. The 2010-11 Executive Budget includes a supplemental amount of \$852.00 million in Federal Aid to local education agency's including \$454.00 million of Federal Title IA aid and \$398.00 million of IDEA aid.

## II

### SUMMARY OF 2010-11 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

#### School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2010-11 New York State aid programs relating to support for public schools: the 2010-11 school year which runs from July 1, 2010 through June 30, 2011; and the 2010-11 State fiscal year which runs from April 1, 2010 through March 31, 2011. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for School Aid and the 2009-10 and 2010-11 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 2010-11. Formula-based aids, including Building Aids, decrease by -4.90 percent.
- Table II-B gives the 2009-10 and 2010-11 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  
- 2009-10 AND 2010-11 - SCHOOL YEARS - NEW YORK STATE

AID CATEGORY	2009-10	2010-11	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:				
	(----- Amounts in Millions -----)			
Foundation Aid	\$14,892.22	\$14,892.22	\$0.00	0.00 %
Special Education - High Cost	443.92	454.12	10.20	2.30
Special Education - Private	314.91	328.97	14.06	4.46
Reorganization Operating Aid	2.86	2.86	0.00	0.00
Textbooks (Incl. Lottery)	182.50	181.38	(1.12)	(0.61)
Computer Hardware	37.85	37.43	(0.42)	(1.11)
Computer Software	45.46	45.79	0.33	0.73
Library Materials	19.32	19.26	(0.06)	(0.31)
BOCES	698.87	731.91	33.04	4.73
Special Services	206.41	199.70	(6.71)	(3.25)
Transportation (Including Summer)	1,546.94	1,646.66	99.72	6.45
High Tax	204.77	204.77	0.00	0.00
Universal Prekindergarten	399.72	399.72	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	18.67	21.84	3.17	16.98
Full-Day Kindergarten	7.35	0.00	(7.35)	(100.00)
Academic Enhancement Aid	8.32	8.32	0.00	0.00
Supplemental Public Special Education	4.31	4.31	0.00	0.00
Gap Elimination Adjustment	0.00	(1,412.15)	(1,412.15)	NA
<b>Formula-Based Aids</b>	<b>\$19,053.10</b>	<b>\$17,785.82</b>	<b>(\$1,267.28)</b>	<b>(6.65) %</b>
Building Aid/Reorganization Building	2,263.89	2,485.73	221.84	9.80
<b>Total Formula-Based Aids</b>	<b>\$21,316.99</b>	<b>\$20,271.55</b>	<b>(\$1,045.44)</b>	<b>(4.90) %</b>
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher Centers	35.00 (a)	0.00	(35.00)	(100.00)
Teacher-Mentor Intern	2.00 (a)	2.00 (a)	0.00	0.00
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	12.00 (b)	6.00	(6.00)	(50.00)
Urban-Suburban Transfer	2.73	2.73	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	9.23	9.23	0.00	0.00
Incarcerated Youth	17.50	17.50	0.00	0.00
Bilingual Education	12.50	12.50	0.00	0.00
Education of OMH/OMR Pupils	69.00	69.00	0.00	0.00
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(47.00)	(47.00)	0.00	0.00
BOCES Aid for Special Act Districts	0.67	0.67	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Native American Building	2.50	2.50	0.00	0.00
Native American Education	35.00	35.00	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
	296.16	255.16	(41.00)	(13.84)
<b>SCHOOL YEAR TOTAL</b>	<b>\$21,613.15</b>	<b>\$20,526.71</b>	<b>(\$1,086.44)</b>	<b>(5.03) %</b>
EXCEL Debt Service - New York City	127.02	127.03	0.01	0.01
EXCEL Debt Service - Rest of State	27.02	41.92	14.90	55.14
	154.04	168.95	14.91	9.68
<b>SCHOOL YEAR TOTAL w/ EXCEL</b>	<b>\$21,767.19</b>	<b>\$20,695.66</b>	<b>(\$1,071.53)</b>	<b>(4.92) %</b>

(a) Supported in full by American Recovery and Reinvestment (ARRA) Aid.

(b) Supported in part by \$6.00 million in American Recovery and Reinvestment (ARRA) Aid.

Source: State Education Department computer runs and Executive Budget estimates of January 19, 2010.

TABLE II-B  
2009-10 AND 2010-11 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2009-10	2010-11	Change	
			Amount	Percent
School Aid and STAR	\$23,750,339,000 (a)	\$23,208,875,000 (b)	(\$541,464,000)	(2.28) %
General Support for Public Schools	16,647,341,000	16,153,294,000	(494,047,000)	(2.97)
New York City Academic Achievement Grants	840,000	840,000	0	0.00
BOCES	681,926,000	703,734,000	21,808,000	3.20
Employment Preparation Education	96,000,000	96,000,000	0	0.00
Homeless Pupils	4,533,000	6,458,000	1,925,000	42.47
Bilingual Education Grants	8,750,000	8,750,000	0	0.00
Learning Technology	2,300,000	2,300,000	0	0.00
Urban-Suburban Transfer	791,000	1,911,000	1,120,000	141.59
Native American Building	1,750,000	1,750,000	0	0.00
Incarcerated Youth	11,550,000	12,250,000	700,000	6.06
Education of OMH/OMR Pupils	38,220,000	48,300,000	10,080,000	26.37
Special Act Districts	1,890,000	1,890,000	0	0.00
Bus Driver Training	280,000	280,000	0	0.00
Metropolitan Commuter Transportation Mobility Tax	0	60,000,000	60,000,000	NA
Supplemental Educational Improvement 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	0 (c)	0 (c)	0	NA
Teacher Resource Center	0 (d)	0	0	NA
Special Academic Improvement Grants	4,200,000 (e)	4,200,000	0	0.00
Education of Native Americans	25,550,000	24,500,000	(1,050,000)	(4.11)
School Health Services Grants	9,688,000	9,688,000	0	0.00
Total General Fund	17,565,358,000	17,165,895,000	(399,464,000)	(2.27)
STAR: School Tax Relief Fund	3,359,000,000	3,200,000,000	(159,000,000)	(4.73)
Lottery - Education	2,278,980,000	2,280,980,000	2,000,000	0.09
Lottery - Video Lottery Aid	547,000,000	562,000,000	15,000,000	2.74
Other Public Elementary and Secondary Education Programs	\$279,956,125	\$249,108,000	(\$30,850,125)	(11.02) %
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	1,843,000	1,843,000	0	0.00
Adult Literacy Education	4,292,750	4,293,000	250	0.01
Workplace Literacy	1,000,000	0	(1,000,000)	(100.00)
Lunch/Breakfast Programs	31,700,000	32,300,000	600,000	1.89
Nonpublic School Aid	110,605,000	109,105,000	(1,500,000)	(1.36)
New York State Center for School Safety	466,000	466,000	0	0.00
Health Education Program	691,000	691,000	0	0.00
Academic Intervention Services for Nonpublic Schools	922,000	922,000	0	0.00
Extended School Day/School Violence Prevention	24,343,375	24,344,000	625	0.00
Schools Under Registration Review Grants	1,751,000	0	(1,751,000)	(100.00)
Primary Mental Health Project	894,000	894,000	0	0.00
Summer Food Program	3,049,000	3,049,000	0	0.00
Consortium for Worker Education	13,000,000	11,500,000	(1,500,000)	(11.54)
Charter School Start Up Grants	4,837,000	4,837,000	0	0.00
Student Mentoring and Tutoring Program	490,000	490,000	0	0.00
New York State Historical Association	186,000	0	(186,000)	(100.00)
Rural Education Advisory Council	175,000	0	(175,000)	(100.00)
Math and Science High Schools	0 (f)	0 (f)	0	NA
County Vocational Education and Extension Boards	932,000	932,000	0	0.00
Center for Autism and Related Disabilities - SUNY Albany	990,000 (g)	490,000 (g)	(500,000)	(50.51)
National Board for Professional Training Standards	490,000	490,000	0	0.00
Smart Scholars Early College High Schools	0	6,000,000	6,000,000	NA
Grants-in-aid for Certain School Districts	30,530,100	0	(30,530,100)	(100.00)
Fiscal Stabilization Grants	30,022,000	30,022,000	0	0.00
Prior Year Claims/Fiscal Stabilization Grants	15,046,000	15,046,000	0	0.00
Other School Programs	2009-10	2010-11	Change	
	\$918,866,185	\$870,050,000	(\$46,816,185)	(5.09) %
Private Schools for the Blind & Deaf (G.F.)	110,442,237 (h)	112,340,000 (h)	1,897,763	1.72
Private Schools for the Blind & Deaf (Lott.)	20,000	20,000	0	0.00
Special Education Targeted Adjustment	2,000,000 (i)	0 (i)	(2,000,000)	(100.00)
Preschool Special Education	590,000,000 (k)	619,900,000 (i)	29,900,000	5.07
Summer School Handicapped	247,203,948	212,200,000	(35,003,948)	(14.16)
Less: Special Education Medicaid Offset	(20,000,000)	(62,910,000)	(42,910,000)	214.55
Less: Consortium for Worker Education Offset	(13,000,000)	(11,500,000)	1,500,000	(11.54)
Fiscal Year Total (excluding Hurd Loans)	\$24,946,961,310	\$24,328,031,000	(\$618,930,310)	(2.48) %
Advances to Hurd City School Districts (m)	2,172,000	1,086,000	(1,086,000)	(50.00)
FISCAL YEAR TOTAL	\$24,949,133,310	\$24,329,117,000	(\$620,016,310)	(2.49) %

\* Amount adjusted from enacted 2009-10 total by Chapter 502 of the Laws of 2009.

(a) A Federal appropriation of \$1.588 billion will supplement these amounts for the 2009-10 school year.

(b) A Federal appropriation of \$753.95 million will supplement these amounts for the 2010-11 school year.

(c) Federal funding supports a \$2.00 million school year program.

(d) The enacted 2009-10 State budget included Federal funding for a \$40.00 million school year program, reduced to \$35.00 million by Chapter 502 of the Laws of 2009.

(e) A State appropriation and additional Federal funding support a \$12.00 school year million program in 2009-10.

(f) Federal funding supports a \$1.38 million school year program.

(g) An additional \$500,000 in Federal funding is provided to support this program.

(h) An additional \$4.73 million in Federal funding is provided to support this program.

(i) An additional \$4.00 million in Federal funding provides for a total of \$6.00 million to support this program.

(j) A total of \$4.00 million in Federal funding is provided to support this program.

(k) An additional \$132.80 million in Federal funding for a total of \$722.80 million is provided to support this program.

(l) An additional \$194.00 million in Federal funding for a total of \$813.90 million is provided to support this program.

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

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 87 major school districts by a total of \$66.46 million in the 2010-11 school year. There are 589 districts that are projected to have decreases totaling -\$1,111.90 million. The combined total of increases and reductions produce a net decrease statewide of -\$1,045.44 million, or -4.90 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 -4.96 percent.
- In Table II-E, major 2010-11 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 -4.90 percent. The 368 districts in the 18 most populous counties contain 48.73 percent of the State's public school pupils. These districts will receive 42.79 percent of the 2010-11 combined aids total. Districts in the 18 most populous counties will have an average decrease in combined aids of -5.69 percent. Districts in the rest of the State, exclusive of New York City, will have an average decrease of -3.16 percent and will receive 17.99 percent of the 2010-11 combined aids total.

TABLE II-C  
SUMMARY OF SELECTED AIDS TO THE BIG FIVE CITY SCHOOL DISTRICTS FINANCED THROUGH  
SCHOOL AID APPROPRIATIONS: 2009-10 AND 2010-11

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
I. Formula-Based Aids:										
(----- Amounts in Millions -----)										
Foundation Aid	\$6,187.05	\$6,187.05	\$432.81	\$432.81	\$351.32	\$351.32	\$217.32	\$217.32	\$167.83	\$167.83
Special Education - High Cost	206.81	200.19	1.51	1.15	3.18	3.00	3.88	4.43	4.31	4.98
Special Education - Private	155.86	155.81	21.33	21.28	9.05	9.52	0.73	0.83	3.92	3.92
Textbooks	72.94	72.39	2.67	2.60	2.17	2.15	1.33	1.33	1.75	1.77
Computer Hardware	15.52	14.58	0.98	0.98	0.77	0.77	0.45	0.46	0.27	0.23
Computer Software	18.80	18.53	0.68	0.68	0.54	0.54	0.29	0.29	0.41	0.42
Library Materials	7.84	7.73	0.28	0.28	0.23	0.23	0.14	0.14	0.16	0.18
Special Services	139.31	130.14	22.94	24.71	11.53	11.80	12.57	13.02	7.30	6.84
Transportation (Including Summer)	492.30	486.00	37.22	38.25	47.28	44.40	11.80	13.20	17.04	18.04
Universal Prekindergarten	235.33	235.33	12.76	12.76	10.82	10.82	8.08	8.08	4.27	4.27
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	4.63	4.73	1.82	4.13	1.12	1.35	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 Special Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.55	0.55
Gap Elimination Adjustment	0.00	(441.92)	0.00	(18.38)	0.00	(19.10)	0.00	(11.13)	0.00	(15.80)
<b>Formula-Based Aids Total</b>	<b>\$7,532.96</b>	<b>\$7,067.04</b>	<b>\$537.81</b>	<b>\$521.85</b>	<b>\$438.71</b>	<b>\$419.59</b>	<b>\$260.03</b>	<b>\$251.65</b>	<b>\$225.32</b>	<b>\$210.73</b>
Change from 2009-10 School Year		(\$465.92)		(\$15.96)		(\$19.12)		(\$8.38)		(\$14.59)
Percent		-6.19%		-2.97%		-4.36%		-3.22%		-6.48%
Building Aid	821.50	884.13	97.82	94.31	21.25	20.78	10.61	10.23	6.27	5.78
<b>Total Formula-Based Aids</b>	<b>\$8,354.46</b>	<b>\$7,951.17</b>	<b>\$635.63</b>	<b>\$616.16</b>	<b>\$459.96</b>	<b>\$440.37</b>	<b>\$270.64</b>	<b>\$261.88</b>	<b>\$231.59</b>	<b>\$216.51</b>
Change from 2009-10 School Year		(\$403.29)		(\$19.47)		(\$19.59)		(\$8.76)		(\$15.08)
Percent		-4.83%		-3.06%		-4.26%		-3.24%		-6.51%
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 (a)	14.70	0.00	0.64	0.00	0.41	0.00	0.41	0.00	0.26	0.00
Teacher-Mentor Intern (b)	1.00	1.00	0.00	0.00	0.00	0.00	0.00	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	30.70	16.00	7.00	6.36	9.30	8.89	2.00	1.59	3.59	3.33
<b>Total</b>	<b>\$8,385.16</b>	<b>\$7,967.17</b>	<b>\$642.63</b>	<b>\$622.52</b>	<b>\$469.26</b>	<b>\$449.26</b>	<b>\$272.64</b>	<b>\$263.47</b>	<b>\$235.18</b>	<b>\$219.84</b>
Change from 2009-10 School Year		(\$417.99)		(\$20.11)		(\$20.00)		(\$9.17)		(\$15.34)
Percent		-4.98%		-3.13%		-4.26%		-3.36%		-6.52%
EXCEL Debt Service - NYC	127.02	127.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(a) 2009-10 funding supported in full by American Recovery and Reinvestment Act (ARRA) Aid.

(b) Funding supported in full by American Recovery and Reinvestment Act (ARRA) Aid.

Source: State Education Department computer runs and Executive Budget estimates of January 19, 2010.

TABLE II-D  
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS  
-- 2009-10 AND 2010-11 -- SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	2009-10	2010-11	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids: (----- Amounts in Millions -----)				
Foundation Aid	\$6,187.05	\$6,187.05	\$0.00	0.00 %
Special Education - High Cost	206.81	200.19	(6.62)	(3.20)
Special Education - Private	155.86	155.81	(0.05)	(0.03)
Textbooks (Incl. Lottery)	72.94	72.39	(0.55)	(0.75)
Computer Hardware	15.52	14.58	(0.94)	(6.06)
Computer Software	18.80	18.53	(0.27)	(1.44)
Library Materials	7.84	7.73	(0.11)	(1.40)
Special Services	139.31	130.14	(9.17)	(6.58)
Transportation (Including Summer)	492.30	486.00	(6.30)	(1.28)
Universal Prekindergarten	235.33	235.33	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Gap Elimination Adjustment	0.00	(441.92)	(441.92)	NA
<b>Formula-Based Aids</b>	<b>\$7,532.96</b>	<b>\$7,067.04</b>	<b>(\$465.92)</b>	<b>(6.19) %</b>
Building Aid	821.50	884.13	62.63	7.62
<b>Total Formula-Based Aids</b>	<b>\$8,354.46</b>	<b>\$7,951.17</b>	<b>(\$403.29)</b>	<b>(4.83) %</b>
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	15.00	15.00	0.00	0.00
Teacher Centers	14.70 (a)	0.00	(14.70)	(100.00)
Teacher-Mentor Intern	1.00 (a)	1.00 (a)	0.00	0.00
Employment Preparation Education	32.00	32.00	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)	(13.50)	0.00	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
<b>Subtotal</b>	<b>73.16</b>	<b>58.46</b>	<b>(14.70)</b>	<b>(20.09)</b>
<b>SCHOOL YEAR TOTAL</b>	<b>\$8,427.62</b>	<b>\$8,009.63</b>	<b>(\$417.99)</b>	<b>(4.96) %</b>
EXCEL Debt Service	127.02	127.03	0.01	0.01
<b>SCHOOL YEAR TOTAL w/ EXCEL</b>	<b>\$8,554.64</b>	<b>\$8,136.66</b>	<b>(\$417.98)</b>	<b>(4.89) %</b>

(a) Supported in full by American Recovery and Reinvestment (ARRA) Aid.

Source: State Education Department computer runs and Executive Budget estimates of January 19, 2010.

TABLE II-E  
CHANGE IN SCHOOL AID (a) FOR 2009-10 AND 2010-11 SCHOOL YEARS:  
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dtrs.	Percent of Total State TAFPU (b)	2010-11 Combined Aids		Change in Aid from 2009-10 to 2010-11		Number of Districts		
			2009-10 Combined Aids	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)									
Albany	12	1.45	\$253,722	\$235,674	1.16	(\$18,048)	(7.11)	2	10
Broome	12	1.12	263,754	254,992	1.26	(8,762)	(3.32)	3	9
Chautauqua	18	0.75	230,653	224,738	1.11	(5,915)	(2.56)	5	13
Dutchess	13	1.68	273,456	251,869	1.24	(21,587)	(7.89)	1	12
Erie	28	4.80	1,216,546	1,154,103	5.69	(62,443)	(5.13)	2	26
Monroe	18	4.11	965,297	905,714	4.47	(59,583)	(6.17)	1	17
Nassau	56	7.39	883,877	829,562	4.09	(54,315)	(6.15)	2	54
Niagara	10	1.16	295,932	277,357	1.37	(18,575)	(6.28)	1	9
Oneida	15	1.29	340,104	326,276	1.61	(13,828)	(4.07)	2	13
Onondaga	18	2.66	621,118	583,224	2.88	(37,894)	(6.10)	0	18
Orange	17	2.38	517,999	493,286	2.43	(24,713)	(4.77)	1	16
Rensselaer	11	0.83	196,047	186,475	0.92	(9,572)	(4.88)	1	10
Rockland	8	1.52	191,409	177,020	0.87	(14,389)	(7.52)	0	8
Saratoga	12	1.26	211,578	194,880	0.96	(16,698)	(7.89)	1	11
Schenectady	6	0.87	176,646	171,811	0.85	(4,835)	(2.74)	1	5
Suffolk	65	9.25	1,742,040	1,647,524	8.13	(94,516)	(5.43)	3	62
Ulster	9	0.97	186,947	175,834	0.87	(11,113)	(5.94)	0	9
Westchester	40	5.24	629,448	583,264	2.88	(46,184)	(7.34)	2	38
18 Most Populous Counties	368	48.73	\$9,196,573	\$8,673,603	42.79	(\$522,970)	(5.69)	28	340
New York City	1	37.53	8,354,460	7,951,169	39.22	(403,291)	(4.83)	0	1
Rest of State	307	13.74	3,765,953	3,646,773	17.99	(119,180)	(3.16)	59	248
TOTAL STATE	676	100.00	\$21,316,986	\$20,271,545	100.00	(\$1,045,441)	(4.90)	87	589

(a) Includes foundation aid, public high cost and private special education 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 special education aid, building, reorganization incentive building, and gap elimination adjustment.

(b) The Selected TAFPU for payment pupil count Foundation Aid.

Source: State Education Department computer runs and Executive Budget estimates of January 19, 2010.

### III

#### APPENDICES

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

- Appendix III-A summarizes the School Aid categories and adjustments recommended for 2010-11 and compares them with the 2009-10 aid categories.
- Appendix III-B provides the mathematical formulas for computing 17 different aids for 2010-11 school aid payments.

For Foundation Aid, Universal Prekindergarten Aid, High Tax Aid, and Academic Enhancement Aid a district will receive aid as calculated for the base-year 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 Foundation Aid.
- Appendix III-E provides the regional cost indices used for the Foundation Aid formula.

APPENDIX III-A  
 COMPARISON OF 2009-10 AND 2010-11 SCHOOL AID PROGRAMS

<u>Category</u>	<u>2009-10 School Year</u>	<u>2010-11 School Year</u>
<u>FOUNDATION AID</u>	<p>A district will receive the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department. Data base updates to school district 2008-09 formula aid amounts will be reflected in the 2009-10 aid totals.</p> <p>The full phase-in of Foundation Aid will be extended from the 2010-11 school year to the 2013-14 school year.</p> <p>For the 2009-10 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.</p> <p>For 2010-11 the Foundation phase-in increase will be 37.5 percent, for 2011-12 it will be 53.1 percent, and for 2012-13 it will equal 75.0 percent.</p>	<p>A district will receive the same aid for 2010-11 as was calculated for 2009-10 by the State Education Department.</p> <p>The full phase-in of Foundation Aid will be extended to the 2016-17 school year.</p> <p>For the 2010-11 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.</p> <p>For 2011-12 the Foundation phase-in increase will be 37.5 percent, for 2012-13 it will be 43.5 percent, for 2013-14 it will equal 53.5 percent, for 2014-15 it will equal 66.5 percent, for 2015-16 it will equal 81.5 percent, and for 2016-17 it will equal 100 percent.</p>
<u>URBAN-SUBURBAN TRANSFER SUPPLEMENTATION</u>	<p>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</p>	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 HIGH COST SPECIAL  
EDUCATION AID

Wealth Measure	Combined Wealth Ratio	Same <sup>9</sup>
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	Lesser of 4 x AOE/TAFU for Expense or \$10,000	Same

PRIVATE SPECIAL EDUCATION  
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
Pupils	Attending private or State- run schools	Same

FULL-DAY K CONVERSION AID

Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2008-09 it had half-day	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2009-10 it
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<sup>9</sup> For the 2010-11 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:

$$\frac{2007 \text{ Actual Valuation}/2008-09 \text{ TWPU}}{\$597,500} ; \text{ and the}$$

Alternate Pupil Wealth Ratio is equal to:  $\frac{2007 \text{ District Income}/2008-09 \text{ TWPU}}{\$189,600}$

	kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2008-09.	had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2009-10.
Pupil Count	2009-10 full-day kindergarten enrollment - 2008-09 full- day kindergarten enrollment	2010-11 full-day kindergarten enrollment - 2009-10 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 - 2007-08 public enrollment/square mile)/317.88	Same except for the use of 2008-09 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
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
	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
	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
	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	Same

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.

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	In order to align the claiming process for New York City more closely with that of districts in the rest of state, aid on debt service in excess of that based on estimates submitted by New York City before November 15 of the base year will be considered payable in the following year.	Same

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

Operating Aid:

Additional Percentage  
(5 years)

40%

Same

Taper

4%/9 years

Same

SPECIAL SERVICES AID/

ACADEMIC IMPROVEMENT AID

Eligible Districts

Big Five City school  
districts and other  
districts that are non-  
components of BOCES

Same

Career Education Aid:

State Share

.41

Same

Minimum Aid Ratio

.36

Same

Ceiling

\$3,900

Wealth Measure

Combined Wealth Ratio

Same

Pupil Count

Grade 10-12 ADA in a Career  
Education Sequence + (.16 x  
Business Sequence ADA)

Same

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 the same aid for 2009-10 as was calculated for 2008-09 by the State Education Department as of the enacted 2009-10 state budget.

The Universal Prekindergarten grant is frozen to the 2009-10 Universal Prekindergarten grant.

The full phase-in of Universal Prekindergarten aid is planned for the 2013-14 school year.

The full phase-in of aid for Universal Prekindergarten is now planned for the 2016-17 school year.

HIGH TAX AID

A district will receive the same aid as that for 2008-09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.

Same

TEACHER CENTERS

\$35.00 million<sup>10</sup>  
(Discretionary Federal ARRA funding)

None

TEACHER-MENTOR INTERN

\$2.00 million  
(Discretionary Federal ARRA funding)

Same

SCHOOL HEALTH SERVICES

\$13.84 million

Same

INCARCERATED YOUTH

\$17.50 million

Same

LEARNING TECHNOLOGY

\$3.29 million

Same

BUS DRIVER SAFETY

\$.40 million

Same

EMPLOYMENT PREPARATION  
EDUCATION AID

Ceiling

\$11.50/contact hour

\$12.00/contact hour<sup>11</sup>

Wealth Measure

AV/TWPU

Same

State Share

.60

Same

<sup>10</sup> Reduced from the 2009-10 enacted amount of \$40.00 million by Chapter 502 of the Laws of 2009.

<sup>11</sup> For the 2010-11 school year, a \$96.00 million funding limit is provided, the same as for the 2009-10 school year.

Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same

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>	2008-09 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> 2008-09 charter school payments greater than 2 percent of 2008-09 total general fund expenditures.	2009-10 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> 2009-10 charter school payments greater than 2 percent of 2009-10 total general fund expenditures.
Expense per pupil <sup>13</sup>	0.8 x 2008-09 charter school adjusted expense per pupil.	0.8 x 2009-10 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2007-08 to 2008-09.	Increase in charter school enrollment from 2008-09 to 2009-10.
Tier 2 Aid Eligible Districts	2007-08 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> 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 <u>or</u> 2008-09 charter school payments greater than 2 percent of 2008-09 total

<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.



		general fund expenditures.
Expense per pupil	0.6 x 2008-09 charter school adjusted expense per pupil.	0.6 x 2009-10 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 3 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 <u>or</u> 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 <u>or</u> 2007-08 charter school payments greater than 2 percent of 2007-08 total general fund expenditures.
Expense per pupil	0.4 x 2008-09 charter school adjusted expense per pupil.	0.4 x 2009-10 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2005-06 to 2006-07	Increase in charter school enrollment from 2006-07 to 2007-10.
<u>SUPPLEMENTAL EDUCATIONAL IMPROVEMENT PLAN</u>	\$17.50 million	Same
<u>NEW YORK CITY ACADEMIC ACHIEVEMENT GRANT</u>	\$1.20 million	Same
<u>SUPPLEMENTAL PUBLIC SPECIAL EDUCATION AID</u>	A district will receive the same aid as that for 2008-09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.	Same

ACADEMIC ENHANCEMENT AID

Districts identified as districts in need of improvement for at least 5 years.

Same

A district will receive the same aid as that for 2008-09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.

Same

GAP ELIMINATION ADJUSTMENT

None

The lesser of:

The sum of, a) the product of -5.50 percent multiplied by a district's 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids) plus b) the result of \$3,121.00 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 2009-10 Public Enrollment.

The minimum reduction is -8.00 percent multiplied by a district's 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 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 -21.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 3.5 percent, but not less than -10.00 percent, multiplied by 2010-11 Formula Aid (without Universal, Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 percent; the minimum reduction is -10.00 percent.

For high need districts the Gap Elimination Adjustment will not exceed -5.0 percent of the district's 2009-10 Total General Fund Expenditures (TGFE). The GEA for high need districts with 2007-08 expenditures for administrative purposes less than 1.5 percent and a three-year K-6 free and reduced price lunch percentage for Foundation Aid greater than 75 percent will not exceed -3.6 percent of the district's 2009-10 Total General Fund Expenditures (TGFE).

Qualifying districts will receive aid for administrative efficiency.

Districts, other than

the Big Five City school districts, with less than 2.0 percent of 2007-08 expenditures (as reported to the State Education Department on the district's annual ST-3 form) devoted to spending for Board of Education and Central Administration purposes will receive a wealth-adjusted<sup>14</sup> amount calculated as \$80.00 x Foundation State Sharing Ratio<sup>15</sup> (.100 minimum) x Selected Total Aidable Foundation Pupils (TAFPU)<sup>16</sup>

<sup>14</sup> A district's Combined Wealth Ratio for 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/2008-09 TWPU  
\$565,100 ; and the

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

Selected District Income/2008-09 TWPU  
\$177,200

Selected Actual Valuation is the lesser of 2007 Actual Valuation or the average of 2006 Actual Valuation and 2007 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 2007 Adjusted Gross Income or the average of 2006 Adjusted Gross Income and 2007 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.

<sup>15</sup> The Foundation State Sharing Ratio is the greatest of:

1.37 -  $(1.230 \times \text{CWR})$   
1.00 -  $(0.640 \times \text{CWR})$   
0.80 -  $(0.390 \times \text{CWR})$   
0.51 -  $(0.173 \times \text{CWR})$

An additional amount is available for high need school districts equal to .05 times their State Sharing Ratio. The maximum Foundation State Sharing Ratio continues to be .90. For a district of average wealth (CWR = 1.000), the aid ratio is 0.41.

<sup>16</sup> For Foundation Aid pupil counts for aid and wealth calculations, see Appendix III-D.

FEDERAL AMERICAN RECOVERY  
AND REINVESTMENT ACT (ARRA)  
AID

A total of \$817.32 million, including \$423.36 million of Federal Title IA aid and \$393.96 million of Federal Individuals with Disabilities Education Act (IDEA) aid will be provided to school districts as a result of the American Recovery and Reinvestment Act of 2009.

The 2009-10 Executive Budget proposed a Deficit Reduction Assessment totaling -\$1,097.93 million. The enacted 2009-10 State Budget fully restored the deficit reduction assessment for each school district through the use of Federal State Fiscal Stabilization Fund moneys.

An additional \$391.00 million in Federal State Fiscal Stabilization Fund moneys was appropriated by Chapter 502 of the Laws of 2009.

A total of \$852.00 million, including \$454.00 million of Federal Title IA aid and \$398.00 million of Federal Individuals with Disabilities Education Act (IDEA) aid will be provided to local education agencies as a result of the American Recovery and Reinvestment Act of 2009.

The 2010-11 Executive Budget recommends a Gap Elimination Adjustment totaling -\$2,138.07 million. The Executive Budget includes a partial restoration for each school district equal to 33.9521 percent of their GEA amount through the use of Federal State Fiscal Stabilization Fund moneys. The restoration totals \$725.92 million for a net statewide GEA reduction of -\$1,412.15 million.

APPENDIX III-B  
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating 2010-11 public high cost special education and private special education 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, and charter school transitional aid and the gap elimination adjustment are presented in this appendix.

The State average wealth measures used in the calculation of 2010-11 aid ratios are:

2007 Actual Valuation/2008-09 TWPU	\$597,500
2007 Adjusted Gross Income/2008-09 TWPU	\$189,600
2007 Actual Valuation/2008-09 RWADA	\$721,000

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 Foundation Aid are included in Appendix III-D.

Pupil counts for other 2010-11 aids appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

TAFPUP...Total Aidable Foundation Pupil Units  
TWFPUP...Total Wealth Foundation Pupil Units

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

## CHARTER SCHOOL TRANSITIONAL AID

Education Law, Section 3602, Subdivision 41

A district's Charter School Transitional Aid equals 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 2009-10 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2009-10 school year exceed 2.0 percent of the district's 2009-10 total general fund expenditures.<sup>17</sup>

The Tier 1 formula = (0.80 x 2009-10 charter school adjusted expense per pupil)<sup>18</sup> x the increase in the number of resident pupils enrolled in a charter school between the 2008-09 and 2009-10 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 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.

The Tier 2 formula = (0.60 x 2009-10 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2007-08 and 2008-09 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 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.

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<sup>17</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>18</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 2009-10 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2006-07 and 2007-08 school years.

PUBLIC HIGH COST SPECIAL EDUCATION AID

Education Law, Section 3602, Subdivision 5

A district receives Public High Cost Special Education Aid for pupils with disabilities educated in resource intensive programs run by public school districts or BOCES. Public High Cost Special Education 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:

High Cost Special Education Aid = (Approved Program Cost - (3 x AOE/TAPU)) x Aid Ratio

Special Ed

$$\text{AOE/TAPU} = \frac{\text{2008-09 Approved Operating Expenses (AOE)}}{\text{2008-09 TAPU for Expense}}$$

$$\text{Special Education Aid Ratio} = 1 - (\text{Combined Wealth Ratio}^{19} \times .51)$$

Minimum: .250

SPECIAL EDUCATION 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 Special Education 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 Special Education Aid

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

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

$$\text{Basic Contribution} = \text{A district's tax levy based on its property and non-property taxes divided by its base-year (2009-10) resident enrollment.}$$

<sup>19</sup> For the 2010-11 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:

$$\frac{\text{2007 Actual Valuation/2008-09 TWP}}{\$597,500}$$
; and the

Alternate Pupil Wealth Ratio is equal to: 
$$\frac{\text{2007 District Income/2008-09 TWP}}{\$189,600}$$



Special Education 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 Five 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 = 2009-10 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 2009 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 x State Sharing Ratio<sup>20</sup>
- (ii)  $1.010 - \frac{(2007 \text{ AV}/2008-09 \text{ RWADA} \times .46)}{\text{Statewide Average } (\$721,000)}$
- (iii)  $1.010 - \frac{(2007 \text{ AV}/2008-09 \text{ Resident Public} + \text{Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$640,900)}$

Minimum: .065, Maximum: .900

Sparsity Factor =

$\frac{21.00 - 2008-09 \text{ Public Enrollment/Square Mile}}{317.88}$

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
- Approved 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>20</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)  $1 - \frac{.008 \text{ (.003 for Central High Schools and Component Districts)}}{\text{District Actual Valuation Tax Rate (Local Revenue/2007 Actual Valuation)}}$
- (ii)  $1 - \frac{(2007 \text{ Actual Valuation}/2008-09 \text{ RWADA} \times .51)}{\text{Statewide Average (\$721,000)}}$

Minimum: .360; Maximum: .900

BOCES Capital Aid = 2010-11 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2010-11 Rental Expense x RWADA Aid Ratio

Save-Harmless Provision

A district may receive the greater of:

- (i) 2010-11 BOCES Operating, Capital and Rental Aids, or
- (ii) BOCES aid received during 1967-68

BUILDING AID<sup>21</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 =

$$1 - \frac{(2007 \text{ Actual Valuation}/2008-09 \text{ RWADA} \times .51)}{\text{Statewide Average (\$721,000)}}$$

<sup>21</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, 2009 database. A similar provision applies to aid payments for New York City.

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 for borrowings which had principal remaining as of July 1, 2002 is reimbursed in full to districts. In addition, districts are reimbursed for lease expenses and on a one year lag for costs of metal detectors, building 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:

In order to align the claiming process for New York City more closely with that of districts in the rest of state, aid on debt service in excess of that based on estimates submitted by New York City before November 15 of the base year will be considered payable in the following year.

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.

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 =

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

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 2010-11 aid cannot exceed the amount of its base-year actual expenditures.

Computer Software Aid = 2009-10 Cost of Software (up to \$14.98 x Enrollment)

$$\begin{matrix} \text{Enrollment} = \text{Fall 2009 public and private school enrollment for the} \\ \text{district of attendance plus BOCES and private school} \\ \text{pupils in full-time programs for children with} \\ \text{disabilities.} \end{matrix}$$

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 2010-11 aid cannot exceed the amount of its base-year actual expenditures.

Textbook Aid = 2009-10 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 2009-10 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 = 2009-10 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 2009 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 2010-11 aid cannot exceed the amount of its base-year actual expenditures.

Library Materials Aid = 2009-10 cost of Library Materials (up to \$6.25 x Enrollment)

Enrollment = Fall 2009 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 2009-10 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2009-10.

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 2010-11 compared to 2009-10.

Full-Day Kindergarten Conversion Aid =

(2010-11 Full-Day K Enrollment - 2009-10 Full-Day K Enrollment)  
x Selected Foundation Aid per pupil

EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 11

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 = \$12.00 x EPE Aid Ratio x EPE Hours

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

Pupil Wealth Ratio = 2007 Actual Valuation/2008-09 TWPU  
State Average (\$597,500)

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 2010-11 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) 2008-09 AOE/TAPU for Expense x Number of full-day program pupils<sup>22</sup>  
+ ([.5 x (AOE/TAPU for Expense)] x Number of half-day program pupils) or

<sup>22</sup> 2008-09 AOE/TAPU x 1.25 x pupils in 10 month programs or 2008-09 AOE/TAPU x 1.50 x pupils in 12 month programs.



- (ii) Actual total instructional cost for the incarcerated youth program plus approved administrative costs (which may not exceed five percent of total instructional costs)

GAP ELIMINATION ADJUSTMENT

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

The lesser of:

The sum of (a) the product of -5.50 percent multiplied by a district's 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids) plus (b) the result of -\$3,121.00 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 2009-10 Public Enrollment.

The minimum reduction is -8.00 percent multiplied by a district's 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 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 -21.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 3.5 percent, but not less than -10.00 percent, multiplied by 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 percent; the minimum reduction is -10.00 percent.

The Gap Elimination Adjustment for high need districts will not exceed -5.0 percent of the district's 2009-10 Total General Fund Expenditures (TGFE). The GEA for high need district's with 2007-08 expenditures for administrative purposes less than 1.5 percent and a three-year K-6 free and reduced price lunch percentage for Foundation Aid greater than 75 percent will not exceed -3.6 percent of the district's 2009-10 Total General Fund Expenditures (TGFE).

Certain districts will receive Administrative Efficiency Aid. Districts that qualify for this aid are those, other than the Big Five City school districts, with 2007 Board of Education and Central Administration expenditures (as reported to the State Education Department on the district's annual ST-3 form) the sum of which is less than 2.00 percent of the district's total expenditures.

Eligible districts will receive:

$\$80.00 \times \text{Foundation State Sharing Ratio} (.100 \text{ minimum}) \times \text{Selected TAFPUs}^{23}$

<sup>23</sup> For Foundation Aid pupil counts for aid and wealth calculation, see Appendix III-D.

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

- 1.37 - (1.230 x CWR)<sup>24</sup>
- 1.00 - (0.640 x CWR)
- 0.80 - (0.390 x CWR)
- 0.51 - (0.173 x CWR)

For Foundation Aid payable in the 2010-11 school year high need school districts may compute an additional amount equal to .05 times their ratio up to a maximum of .90.

Federal Restoration:

The Executive Budget includes a partial restoration for each school district equal to 33.9521 percent of their GEA amount through the use of Federal State Fiscal Stabilization Fund moneys.

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<sup>24</sup> A district's Combined Wealth Ratio for 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:

Selected Actual Valuation/2008-09 TWP  
\$565,100 ; and the

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

Selected District Income/2008-09 TWP  
\$177,200

Selected Actual Valuation is the lesser of 2007 Actual Valuation or the average of 2006 Actual Valuation and 2007 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 2007 Adjusted Gross Income or the average of 2006 Adjusted Gross Income and 2007 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.

APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2010-11 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 Foundation Aid pupil counts for wealth and aid, see 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 2010-11	2008-09	2008-09	2008-09
Attendance Periods	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Resident 100% ADA	Resident 100% ADA

Basic Weightings

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  
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) =

(2008-09 Average Daily Membership (ADM) x Base Year Enrollment Index) +  
(2008-09 Summer ADM x .12) + 2008-09 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 =

2009-10 Public School Enrollment  
2008-09 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  
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.