

DESCRIPTION OF
2000-01 NEW YORK STATE
EXECUTIVE BUDGET RECOMMENDATIONS
FOR
ELEMENTARY AND SECONDARY EDUCATION

EDUCATION UNIT
NEW YORK STATE DIVISION OF THE BUDGET
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INTRODUCTION

This report provides a summary of the 2000-01 New York State aid programs for elementary and secondary education as recommended in the Executive Budget submitted by Governor Pataki to the Legislature on January 11, 2000.

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 formulas. 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.

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SCHOOL AID/STAR OVERVIEW

The 2000-01 Executive Budget increases New York's investment in elementary and secondary education by \$355 million to a record level of \$12.9 billion. With this increase, State Aid to schools will have grown by \$2.6 billion or 25 percent since 1996-97. In conjunction with this record 2000-01 funding level, the Budget advances *Schools 2000*, a comprehensive set of program and funding initiatives that will forge stronger partnerships between families and schools throughout the State. In addition, the historic STAR property tax relief initiative will continue to be phased-in during 2000-01, accompanied by new proposals to deliver STAR rebate checks directly to most homeowners, limit school district annual spending increases and provide additional information to school voters.

Key components of the 2000-01 Executive budget recommendations for elementary and secondary education include:

- A \$140.7 million increase in major operating aid for all school districts.
- Continuation of the multi-year commitment to ensure that all schools have up-to-date textbooks and expanded access to educational technology. Textbook Aid will increase by an additional \$29 million or 19 percent. Computer hardware and software aid will increase \$15.5 million, or nearly 39 percent.
- A \$210.3 million building aid increase to a record-high total of \$1.1 billion. Under *Schools 2000*, eligibility for State building aid will also be extended to include hand-held/portable metal detectors and video surveillance cameras.
- Creation of a new \$25 million "Teachers of Tomorrow" teacher certification initiative under *Schools 2000* to provide assistance to school districts in addressing their uncertified teacher problems. As a result of this initiative, more than 50,000 new teachers will be brought into areas where shortages are projected over the next decade.
- Greater flexibility for school districts to take advantage of cost savings opportunities through shared services arrangements outside of BOCES. Beginning in

2001-02, BOCES aid increases for each school district will be limited to the overall increase in major operating aids provided in the base year.

- Comprehensive reform in the financing of special education effective in the 2001-02 school year that builds upon 1999-00 special education changes encouraging the placement of children in regular classroom settings.
- Expanded State support for Pre-kindergarten programs from \$85 million to \$120 million in 2000-01, an increase of 40 percent, with continued priority placed on providing services to disadvantaged children. Aid for class size reduction is continued at \$75 million.
- The elimination of various aids and categorical programs that either duplicate other formula-based aids or are no longer essential.
- School district spending increases will be capped to ensure that savings from STAR are not eroded by excessive local spending. Under the Governor's proposal, a school district's annual spending increase could not exceed 4 percent or 120 percent of the increase in the Consumer Price Index for the prior year, whichever is less, without a two-thirds majority vote. Spending increases attributable to enrollment growth, voter-approved capital projects, court orders and certain other purposes allowed for contingency budgets would be excluded from the increase limitations.
- STAR property tax relief will grow to over \$1.6 billion as "basic" exemptions for non-seniors increase from \$10,000 to \$20,000 and participation increases.
- Additional STAR local income tax relief in New York City of \$380 million will bring total STAR savings to taxpayers to \$2 billion in 2000-01.
- STAR rebate checks for non-seniors would be sent by the State directly to homeowners. Schools would bill and collect the full tax amount. Seniors receiving Enhanced STAR exemptions would continue to receive their STAR savings through an up-front reduction in their school tax bills.

- Most STAR exemptions would not affect school tax collections. Schools would continue to be reimbursed by the State for receipts forgone due to enhanced exemptions for income-eligible seniors.
- Improved disclosure to voters. School districts will be required to disclose to voters, prior to budget votes, how the proposed budget would affect STAR savings and how it compares with the maximum contingency budget allowed, should the budget proposal be defeated twice.

A. 2000-01 SCHOOL AID

The 2000-01 Executive Budget provides an increase of \$355.25 million, or 2.83 percent, for the 2000-01 school year that will direct State aid to schools in support of essential operating aid while targeting additional categorical aid to assist school districts in increasing the supply of qualified teachers. This \$355.25 million increase is comprised of a \$405.48 million increase in computerized aids offset by a \$50.23 million decrease in categorical aid programs. In addition, comprehensive reforms are advanced to: restructure New York's financing of special education programs; provide school districts with greater flexibility to take advantage of cost savings opportunities through shared service arrangements; and encourage cost efficient construction and financing of school facility projects. Major school aid recommendations include:

- Major Operating Aids: A \$140.7 million increase is provided to help school districts support essential operating costs. All school districts will receive a minimum increase of 1.25 percent that can grow to the greater of 2.25 percent or 10 percent of the amount held back by the transition adjustment. In addition, a new Higher Learning Standards Set-aside will replace existing set-aside requirements and provide a more flexible means of directly linking achievement on the State's higher learning standards with the provision of State aid.
- Textbooks/Hardware/Software: A \$29.02 million increase is provided for textbook aid along with a \$15.47 million increase for computer hardware/software aids. These increases are part of a multi-year effort to ensure all children have access to up-to-date textbooks and computer technology.
- Building Aid: An increase of \$210.31 million is provided for

building aid. For new projects approved by voters after July 1, 2000, proposed building aid reforms will target funds to high need projects by limiting eligibility for the 10 percent building aid enrichment to instruction-related capital spending. In addition, building aid reimbursement for new debt service is modified to discourage the issuance of bonds many months before they are needed to support construction costs.

- BOCES: School districts will be given greater flexibility to take advantage of cost savings opportunities through shared service arrangements outside BOCES. The existing BOCES funding formula supports nearly 65 percent of local costs - an amount far richer than other needs-based formulas, such as operating aid. As a result, there is an artificial incentive for school districts to use BOCES simply as a way of leveraging State aid, regardless of the actual cost-effectiveness of these BOCES services. The Executive Budget would reduce BOCES aid in 2000-01 by 20 percent from present law levels. In the 2001-02 school year, and thereafter school district funding increases for shared services will be limited to the overall percentage increase in major operating aids provided in the base year at the time the budget was enacted.
- Special Education: While new special education weightings enacted in 1999-00 represent a first step toward improving special education financing systems, the 2000-01 Executive Budget advances fundamental reforms necessary to reduce special education referral rates that are well above the national average. In 2000-01 a \$118.6 million or 6.9 percent increase is provided that freezes the approved operating expense component of the excess cost formula while deferring reimbursement on the new .5 pupil weighting until 2001-02 to ensure the use of accurate data in calculating reimbursement. Beginning in 2001-02, a new performance-based funding mechanism will provide incentive aid totaling \$50 million to school districts that demonstrate strong performance or improvement in lowering classification rates and serving children in the least restrictive classroom settings.
- Reading 2000: Funds now provided for Categorical Reading and Improving Pupil Performance will be retargeted to support a Reading 2000 program for children in grades 2-4 in Big Five City schools.
- Teachers of Tomorrow: A new \$25 million Teachers of Tomorrow

program will fund several new initiatives to ensure an adequate supply of qualified teachers and to assist uncertified teachers in securing permanent licensure. Beginning in 2000-01, awards of up to \$3,400 a year will be provided for 5,000 teachers who agree to teach in shortage areas across the State. The Teachers of Tomorrow program will also fund vouchers up to \$2,000 to assist teachers with temporary licenses in achieving permanent certification. Finally, a "Summer in the City" program will be created to encourage college students from across New York to gain teaching experience in the State's inner-city schools.

- High Needs School Districts: A \$25 million program is proposed for school districts that have special needs for additional resources to achieve the State's new higher learning standards. Allowable activities will include full-day kindergarten conversion and after-school programs, and other approved services
- Other Programs: Several aid categories are eliminated including Minor Maintenance (\$50 million), Full-Day K (\$7.3 million), Shared Services (\$10 million), and Tax Limitation Aid (\$24.8 million). In addition, over \$80 million in categorical grants is eliminated including \$67.5 million for Teacher Support Aid, \$11.2 million for bilingual grants and \$2.5 million for Comprehensive Instructional Management Systems (CIMS). Finally, Small Cities Aid is reduced by \$6.4 million, reflecting the re-initiation of the statutory phase-out of save-harmless funding.

FORMULA-BASED AIDS

Major Operating Aids: Total State funding will be adjusted through a transition adjustment to ensure that all districts will receive an increase of at least 1.25 percent over 1999-00 levels for the major aids listed below. The transition adjustment will also allow districts to receive a maximum increase in the sum of these aids over 1999-00 levels of up to 2.25 percent or 10.0 percent of the amount limited by the transition adjustment, whichever is greater. Aids subject to the transition adjustment include:

- Operating Aid
- Tax Effort Aid
- Tax Equalization Aid

Aid provided to school districts under these programs totals \$6,407.22 million, an increase of \$140.70 million or 2.25

percent.

For the 2000-01 school, year the tax effort formula is modified by removing STAR reimbursement paid pursuant to Section 3609-e of the Education Law from the residential real property tax levy used to calculate the tax effort ratio. This reform will ensure that tax effort aid accurately measures the tax burden borne by local taxpayers and does not include State supported STAR benefits. In addition, the minimum tax effort ratio necessary to qualify for tax effort aid has been increased from 3.0 percent to 3.9 percent, to reflect an effort above the statewide average (excluding New York City) of approximately 40 percent.

Beginning in the 2000-01 school year and thereafter, tax equalization aid is limited to the amount payable in the base year.

Beginning in the 2000-01 school year and thereafter, set-aside requirements pursuant to paragraphs f, g and h of subdivision 12 of Section 3602 the Education Law are eliminated and replaced with a new Higher Learning Standards Set-aside that would apply to school districts in which: i)more than 50 percent of the students who took the fourth grade English Language Arts Assessment (ELA) in the year prior to the base year received scores classified as either level one or level two; ii)five percent or more of the students received scores classified as level one; and, iii)five or more students who took the ELA in the year prior to the base year received scores classified as level one.

School districts subject to the new set-aside will be required to dedicate from one to ten percent of major operating aids payable based upon the percentage of students receiving scores classified as level one. As a result, the new set-aside will phase-out as student performance improves.

Extraordinary Needs Aid: This aid category provides funds to school districts with high concentrations of at-risk pupils. For 2000-01 Extraordinary Needs Aid will provide \$665.81 million to school districts. Aid in 2000-01 for each district is maintained at the 1999-00 level.

Educationally Related Support Services Aid: This formula which supports school district programs for special needs students continues to include two per pupil aid calculations. The first uses the aid ceiling, selected TAPU, and the selected Operating Aid ratio with a .25 minimum. The second uses the aid

ceiling, selected TAPU, the extraordinary needs percent in excess of 60 percent and the aid ratio for Public Excess Cost Aid. The aid ceiling for the first per-pupil calculation is continued at \$335.00; that for the second is \$635.00. The percent of selected TAPU for the first per-pupil calculation is 9 percent; that for the second is 15 percent. For 2000-01, this aid will total \$66.98 million, an increase of \$1.80 million.

Public Excess Cost Aid: This program supports the State's commitment to a free and appropriate education in a public school setting for pupils with disabilities.

The 2000-01 Executive Budget proposes a reform of the State's special education funding formula that builds upon changes enacted in 1999-00 which encouraged school districts to serve disabled children in regular classroom settings. Effective in the 2001-02 school year, this reform will provide funding incentives to prevent inappropriate referral of children with minor learning problems to special education and encourage school districts to declassify children who no longer require special education services.

Specific recommendations include:

- In 2000-01, the Executive Budget provides \$1,839.0 million, an increase of \$118.6 million, in public excess cost aid, including high cost aid and declassification aid. This amount maintains the 1.7 weighting for children receiving special education services 60 percent or more of the day and the full "save-harmless" while freezing the per pupil (AOE/TAPU) amount at two years prior to base year level (i.e., the same per pupil level used in 1999-00). This recommendation defers reimbursement for the new .5 pupil weighting and other changes enacted in 1999-00 until 2001-02 to provide school districts with sufficient time to submit accurate claims.
- In 2001-02, funding will be allocated through a new formula that will provide increases largely based on school district performance in providing special education services in the least restrictive setting and preventing unnecessary referrals to special education. All school districts will receive a base amount equal to the 2000-01 funding level adjusted to include an additional .5 weighting for serving children with disabilities who require services 60 percent or more of the day in a regular education classroom. Consistent with the 1999-00 enacted changes, this "base" calculation will also reduce the additional weighting for

pupils receiving special education services 60 percent or more of the school day from 1.7 to 1.68 and the save-harmless provision will be reduced to 99.1 percent of the base-year apportionment.

- In addition to the base amount provided in 2000-01, school districts will also be eligible for the following in 2001-02:
 - A \$50 million incentive fund would be allocated among school districts, with high special education performance as well as those that show significant improvement in reducing referral rates and serving children in less restrictive settings;
 - All school districts would be eligible for enrollment based changes; and
 - A set-aside would be available for high-cost, special needs children moving into a school district.

Private Excess Cost Aid: This program supports special education programs serving public school children placed in private school settings and in the State-operated schools in Rome and Batavia. State funding in 2000-01 will total \$78.34 million.

In 2000-01 and thereafter, the private excess cost aid formula is modified to conform to the public excess cost aid formula proposed for the 2000-01 school year. This reform is intended to eliminate existing fiscal incentives to place children in restrictive program settings.

BOCES Aid: This program provides aid to school districts for services purchased from Boards of Cooperative Educational Services (BOCES). Beginning with contracts entered into on or after January 15, 2000, school districts will not be eligible for BOCES aid for the purchase or installation of educational technology unless a district can demonstrate that this shared service is cost-effective without regard to the availability of State aid. In 2000-01, BOCES Aid will be reduced by 20 percent from present law levels. BOCES aid for 2000-01 will total \$360.20 million, a reduction of \$69.11 million from 1999-00.

For the 2000-01 school year districts will be able to withdraw from BOCES and access a new shared services aid for cooperative services arrangements entered into with other school districts outside the BOCES network. Starting in 2001-02, school district aid for shared services will be capped at a combined

BOCES and shared services aid increase equal to the overall percentage increase in major operating aids provided in the base year at the time the budget was enacted.

Special Services Aid: This aid, which totals \$131.70 million for 2000-01, a decrease of \$2.25 million, is provided to the Big Five city school districts for career education and computer services. Since these five districts are not permitted to join BOCES, a different formula is used to fund career education programs and computer services provided by such districts. The career education aid ceiling for 2000-01 is continued at \$3,720. Computer services aid is based upon an aid ratio multiplied by expenses up to \$62.30 per pupil multiplied by the district's K-12 enrollment.

Transportation Aid: The minimum aid ratio for Transportation Aid continues to be 6.5 percent (dependent on district wealth, this aid will range from 6.5 to 90 percent of a district's approved expenses). Continuation of the new aid ratio choice enacted in 1999-00 that permits school districts to receive aid based on public and non-public enrollments will benefit districts transporting large numbers of nonpublic school students. Transportation Aid will total \$880.01 million in 2000-01, an increase of \$74.16 million.

Schools will continue to receive aid for non-emergency bus purchases or leases in the year after the expense is incurred only if the amount expended is reported to the Commissioner of Education by November 15th of the base year. Any amount exceeding the reported figure will be aided in the subsequent year.

Building Aid (BANS/New Debt Service): The 2000-01 Executive Budget provides \$1.1 billion for building aid, including a continuation of the building aid enrichments enacted in 1997-98. This represents a net \$210.31 million increase or 23.4 percent in 2000-01. In addition, the Budget advances a number of reforms to increase the effectiveness of school construction, promote improved maintenance of existing facilities and introduce stability and predictability into the payment of building aid.

Specific recommendations include:

- To promote greater predictability in State building aid payments, school districts beginning in 2000-01, will be encouraged to structure their borrowings so that the first debt service payment occurs in the school year succeeding the issuance of bonds. School districts that structure

their financings this way will continue to receive State aid in the school year in which local costs are incurred. Otherwise, if local debt service is incurred within the same school year as the issuance of debt, such expenses will be treated as a "capital outlay" and paid in the succeeding school year.

To discourage the issuance of bonds well before they are needed to support construction costs, the following actions are recommended.

- All interest earnings on bond proceeds will be used to reduce overall project costs.
- School districts that schedule their financings more than three months prior to the initial payment made pursuant to a general construction contract would be subject to a reduction in State building aid.
- Consistent with maintenance plan requirements enacted in 1998-99, and to further promote facility maintenance, future building aid reimbursement on replacement projects may be reduced if the Commissioner of Education determines that such replacement is necessitated by a failure to adequately maintain the original facilities. This reform applies to new projects approved by voters beginning July 1, 2000.
- The 10 percent building aid enrichment enacted in 1997-98 will be targeted to instruction-related projects. The commissioner will define instruction-related projects eligible for reimbursement which, at a minimum, will not include swimming pools and transportation facilities.
- The Commissioner of Education will be given expanded authority to close any school that endangers the health and safety of students. Currently, the Commissioner can only close schools with health and safety problems outside the Big Five City school districts.
- In order to ensure that New York City building projects are cost effective and address the most crucial needs, the Commissioner of Education is empowered to review preliminary plans for City construction projects.
- A new School Facilities Development Unit will be created within the Dormitory Authority to provide school districts with lower borrowing and construction costs. Schools will also be able to access technical assistance and a Wicks Law

exemption through the new unit.

- Building reorganization incentive aid will be limited to within 10 years of the reorganization. Currently, districts that reorganized more than 30 years ago continue to receive this incentive.
- As a result of changes enacted in 1999-00, a district may choose the highest of its current aid ratio or the aid ratio used for aid payable in the 1981-82 through 1999-00 school years for projects approved by the voters prior to July 1, 2000. For projects approved by the voters on or after July 1, 2000, school districts will be limited to the higher of the aid ratio for 1999-00 minus 10 percentage points or the current building aid ratio. This change is intended to target State resources based upon the actual wealth of districts.

Reorganization Incentive Aid: Reorganization Incentive Aid is provided for both operating and building expenses incurred by those school districts scheduled for reorganization under Section 3602 of the Education Law. It is paid as a supplement to regular operating aid and building aid when districts meet certain conditions prescribed by law. The statutory provisions for reorganization incentive aid remain unchanged for districts which have already undergone reorganization. Beginning in 1992, reorganization incentive operating aid for reorganizing districts was increased to 40 percent for the first five years. Eligibility for reorganization incentive building aid on new projects for qualified districts is extended to July 1, 2000 in Chapter 58 of the Laws of 1998. In total, reorganization incentive aid will amount to \$40.08 million in 2000-01, a decrease of \$2.37 million.

Limited English Proficiency: For 2000-01, programs for the education of students with limited proficiency in English will be supported by \$67.23 million, a decrease of \$0.83 million over 1999-00.

Gifted and Talented: For 2000-01, \$14.19 million, the same as in 1999-00, is available to fund programs for gifted students.

Growth Aid: Growth Aid to qualifying districts will be paid as a separate apportionment in June 2001. As provided for in Chapter 474 of the Laws of 1996, beginning with aid for the 1997-98 school year, a district's growth index is calculated based on the change in enrollment rather than the change in average daily attendance. For 2000-01, growth aid will total \$35.21 million,

an increase of \$3.61 million.

Textbook and Computer Aids: For the 2000-01 school year, the following provisions apply:

- Textbook Aid: These funds reimburse school districts for the purchase and loan of textbooks. Textbooks are loaned to both public and nonpublic pupils. The lottery funded portion of Textbook Aid is \$15 per pupil. The general fund portion has been increased from \$31.87 to \$42.30 per pupil, for a combined maximum textbook aid payment of \$57.30 per pupil. Beginning in 1999-00, schools were able to use eligible purchases of content-based instructional materials in an electronic format to qualify for reimbursement. This aid will total \$181.70 million in 2000-01, an increase of \$29.02 million.
- Computer Software Aid: Under this program, aid is apportioned to districts for the purchase and loan of computer software. Software programs designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils pursuant to rules of the Board of Regents. For the 2000-01 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2000-01, Computer Software Aid will total \$31.24 million, an increase of \$9.21 million.
- Computer Hardware and Technology Aid: This aid category, provides funding for the lease or purchase of mini- and microcomputers, computer terminals or technology equipment for instructional purposes. Computer Hardware Aid equals approved expense (up to \$19.25 per pupil), adjusted by the current year AV/RWADA aid ratio. For the 2000-01 school year, \$24.39 million, an increase of \$6.26 million, is provided.

Library Materials Aid: Districts are reimbursed for expenses up to \$6.00 per pupil based on public and nonpublic school enrollment. For 2000-01, Library Materials Aid will total \$18.69 million, an increase of \$0.42 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.

Operating Standards Aid: For 2000-01, the present law amount of \$99.91 million, a decrease of \$2.13 million, will be available for services and expenses related to achieving the Board of Regents' new learning standards. Funds must be used in

accordance with a district plan designed to achieve these new learning standards through direct instructional services to students, professional development for teachers and innovative educational practices.

Universal Pre-Kindergarten: Beginning in 1998-99, State funds were provided to expand the availability of pre-kindergarten programs for four-year-old children statewide. For 2000-01, a total of \$119.78 million, an increase of \$34.30 million, has been appropriated for State grants that are based upon a wealth equalized allocation formula providing up to \$4,000 per child served and ensuring that no eligible school district receives less than \$2,000 per child.

Full-Day K Incentive Aid: Full-day kindergarten programs are eligible for funding under the new \$25.0 million Aid for High Needs Districts.

Minor Maintenance Aid: No funds are recommended for this program in the 2000-01 school year.

Early Grade Class Size Reduction Aid: For 2000-01, \$75.00 million is appropriated to enable school districts to reduce class size in kindergarten and in grades one through three.

GRANT PROGRAMS AND OTHER AID CATEGORIES

Teacher Certification: A total of \$25.0 million is provided to fund a "Teachers of Tomorrow" teacher certification initiative to provide assistance to school districts in addressing their uncertified teacher problems. Program components include:

- "Teachers of Tomorrow" scholarships which will support school district efforts to award loan forgiveness scholarships of up to \$3,400 for each year a certified teacher agrees to teach in a certified shortage area designated by the Commissioner. The scholarships may be provided for up to four years and would be fully State funded.
- "Teachers of Tomorrow" vouchers to allow school districts to assist teachers with temporary licenses in achieving permanent certification. These vouchers may be issued for up to \$2,000 annually to cover the cost of test preparation workshops and tuition required for coursework. The vouchers would be supported equally with State and local funds.

- "Summer in the City" Internship Program under which undergraduate college students would be encouraged to gain experience in the State's inner city schools by serving as summer school tutors or teacher aides.

Aid for High Needs Districts: A \$25.0 million program is proposed for school districts that have special needs for additional resources to achieve the State's new higher learning standards. Eligible program activities include but are not limited to Full-Day K conversion and extended day programs. Funding will be available pursuant to a plan developed by the Commissioner of Education and approved by the Director of the Budget.

Tax Limitation Aid: No funds are recommended for this program in the 2000-01 school year.

Teacher Support Aid: No funds are recommended for this program in the 2000-01 school year.

Shared Services Aid for Big 5 City Districts: No funds are recommended for this program in the 2000-01 school year.

Stabilization Aid: No funds are recommended for this program in the 2000-01 school year.

Education Technology Incentive Aid: Education technology incentive aid is provided to support classroom-based technology investments. School districts will receive aid for approved instructional computer technology expenses (those that are not eligible for Building Aid or are not claimed for any other technology aid) based upon an aid formula that provides the greater of the district's selected building aid ratio or BOCES aid ratio. State funding for this program will be \$22.99 million in 2000-01.

Aid to Small City School Districts: Aid for small city school districts was instituted as a grant program by Chapter 288 of the Laws of 1979, and was intended to provide funds to districts at or near constitutional tax limits. With the removal of small city constitutional tax limits by a referendum in 1985, aid to small city school districts is provided to permit such districts to adjust their taxes gradually to an appropriate level. A total of \$75.53 million, a decrease of \$6.35 million will be allocated to small city school districts for the 2000-01 school year.

Employment Preparation Education (EPE) Aid: EPE funding is

available for adult education programs such as literacy, basic skills and high school equivalency programs. School districts and BOCES offering such programs are required to submit plans of service to the Commissioner of Education for approval. For the 2000-01 school year \$90.18 million will be available for this program. Approved claims above such amount will be subject to proration.

Experimental Prekindergarten: For the 2000-01 school year, \$50.2 million, the same as last year, is available for programs that provide health, psychological and social services to four-year old children from economically deprived neighborhoods.

Urban-Suburban Transfer: A total of \$1.13 million will be provided in 2000-01 to districts that participate in a voluntary interdistrict transfer between an urban and suburban school district to reduce racial isolation. Related transportation expenses are eligible for transportation aid.

Education of Homeless Children: Chapter 348 of the Laws of 1988, by amending section 3602 of the Education Law, instituted this program of State aid. Under this program, school districts where homeless children are temporarily located are reimbursed for the direct cost of educating such children. This cost to the State is partially recaptured from the district of last attendance for each such homeless child by deducting an amount equal to the district's basic contribution per pupil from the district's State aid. The net cost of aid for homeless pupils in 2000-01 is estimated at \$4.0 million.

Aid for Incarcerated Youth: A total of \$11.5 million is provided to continue support for the provision of educational services to youth detained in local correctional facilities. Pursuant to the provisions of Chapter 53 of the Laws of 1992, such services may now be provided, and aided, during summer sessions as well as the regular school year.

State Bilingual Categorical Funds: No funds are recommended for this program in the 2000-01 school year.

Reading 2000: Funds now provided for Categorical Reading and Improving Pupil Performance will be redirected to support this program to strengthen reading skills for children in grades 2 through 4 in Big Five City Schools. Aid payments will total \$130.30 million to be distributed as follows:

- New York City \$66.15 million
- Buffalo 28.00 million

- Yonkers 14.10 million
- Rochester 12.45 million
- Syracuse 9.60 million

Categorical Reading Aid/Improving Pupil Performance: Funding previously provided for these programs will be redirected to the Reading 2000 program.

AI/DP Grants: No funds are recommended for this program in the 2000-01 school year.

Fort Drum Area School Districts: A total of \$2.63 million, the same as last year, is provided to continue grants to school districts in the Fort Drum area that have experienced increased pupil enrollments due to the influx of personnel at the Fort Drum military reservation.

Magnet and Demonstration Schools: Magnet schools offer a special curriculum designed to attract students of different racial backgrounds. A total of \$135.44 million, an increase of \$468,000, will be provided for 19 school districts (including \$116.70 million to the Big Five cities).

- New York City \$48,175,000
- Yonkers 29,500,000
- Buffalo 17,025,000
- Rochester 11,000,000
- Syracuse 11,000,000
- Newburgh 4,645,000
- Albany 2,050,000
- Mount Vernon 2,000,000
- Poughkeepsie 1,875,000
- Schenectady 1,800,000
- New Rochelle 1,200,000
- Utica 1,200,000
- Port Chester 1,150,000
- White Plains 900,000
- Niagara Falls 600,000
- Freeport 400,000
- Middletown 400,000
- Beacon 318,000
- Peekskill 200,000

Education of OMH/OMR Pupils: A total of \$20.00 million is provided in the School Aid appropriation for apportionment to school districts for the purpose of providing educational services for children who are residents in, and those released from, Office of Mental Health and Office of Mental Retardation

and Developmental Disabilities facilities pursuant to Chapter 66 of the Laws of 1978 and subdivision 5 of section 3202 of the Education Law, as well as for children who reside in intermediate care facilities for the mentally retarded who receive educational services pursuant to Chapter 721 of the Laws of 1979.

CIMS Aid: No funds are recommended for this program in the 2000-01 school year.

Office of State Comptroller Audits: A total of \$250,000 is continued to ensure accountability through audits of school districts and BOCES.

Learning Technology Grants: A total of \$3.29 million is continued for learning technology programs including services benefiting nonpublic school students.

Bus Driver Safety: A total of \$400,000 is provided in funding for grants to schools for training purposes including, but not limited to, establishment of a statewide school bus driver safety program and distribution of training materials.

CUNY Academic Intervention Services: A total of \$9.0 million will be transferred to the City University of New York for remedial instruction and academic support services for New York City pupils.

B. OTHER STATE AID PROGRAMS

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

Charter School Stimulus Fund: A total of \$6.0 million is provided by the State for start-up costs of charter schools. This amount includes \$3.85 million for start-up grants to support facility expenses, supplies and other one-time costs. In addition, \$2.15 million will be provided to the SUNY Charter School Institute to support enhanced technical assistance for charter schools.

The State will again receive \$4.5 million from the federal government to assist in the establishment of new charter schools. This is the second year of a three-year grant from the U.S. Department of Education intended to increase the number of charter schools in the country to 3,000 by the year 2002.

New York State Center for School Safety: The Upstate Center

for School Safety will collect and disseminate information and provide training and technical assistance on violence prevention and intervention to schools and communities. A total of \$500,000 has been provided for the Center to supplement other State and Federal funds.

Civility, Citizenship, and Character Education: Curricula for grades K-12 will be required to include civility, citizenship and character education to instruct children on principles including honesty, tolerance, personal responsibility, respect for others, observance of laws and rules, courtesy and dignity. State funding of \$500,000 has been provided to support this initiative.

Basic Education for Public Assistance Recipients: For 2000-01, \$5.0 million is continued for basic education programs including reading, mathematics, and life skills offered to public assistance recipients 16 years of age or older who have a reading level below the ninth grade.

Children of Migrant Workers: A total of \$90,000 in grants is appropriated to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: An appropriation of \$3.32 million is continued in 2000-01 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.

Lunch/Breakfast Programs: A total of \$31.7 million in State funds, the same as last year, including support for additional expenses of school breakfast programs for schools with extraordinary needs, is appropriated to subsidize school lunch and school breakfast programs. The Federal share in the School Lunch and Breakfast Program under the Food and Nutrition Fund will equal \$582,419,000 for the 2000-01 Federal fiscal year.

Comprehensive School Health Demonstration Program: A total of \$525,000 is continued for 2000-01 to support local school district and BOCES programs of health education at the elementary grade levels.

School Health Demonstration Project: For 2000-01, \$150,000 is provided to improve health services and health education to at-risk pupils in Buffalo schools.

Education of Native Americans: A total of \$15.05 million is appropriated 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 educated in 3 reservation schools, 13 public school districts and 4 BOCES.

Primary Mental Health Project: A total of \$570,000, the same as last year, is available in 2000-01 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.

Professional Development Grants: For 2000-01, \$5.0 million, is continued to schools for professional development programs.

Teacher Resource and Computer Training Centers: Aid of \$10.0 million is provided in the 2000-01 State fiscal year to support final payments of the 1999-00 school year program.

Effective Schools Consortia: For 2000-01, \$1.89 million is continued for this program, the same as last year. This total provides support for technical assistance primarily to low-performing schools in New York City to improve instructional and administrative practices. The program also encourages parental and community involvement in the educational practices of participating schools.

Transferring Success: For 2000-01, an appropriation of \$629,800, the same as in 1999-00, is made available for this program, which seeks to validate and support the replication of exemplary education programs.

Parenting Education: An appropriation of \$506,400 is available in the 2000-01 school year for this program, which supports young adults in their role as parents by expanding opportunities for parental involvement in their children's education.

National Board for Professional Teaching Standards Certification: No funds are recommended for this program in the 2000-01 school year.

New York City Peer Intervention Program: No funds are recommended for this program in the 2000-01 school year.

Schools as Community Sites: Under this program, school districts and BOCES with high percentages of disadvantaged students may apply for grants to promote coordinated management of the resources of the schools and communities. A total of \$6.0 million will be provided for this program in State fiscal year 2000-01 to continue State support at existing sites.

Workplace Literacy: Under this program, \$1.38 million is provided in the 2000-01 school year to aid labor organizations in the operation of programs in basic literacy and job skills.

Consortium for Worker Education: This not-for-profit organization which provides adult education services to union members and workers in New York City is funded at \$8.00 million in 2000-01.

AIDS Education Program: In 2000-01, a total of \$990,000, the same as last year, is provided for an AIDS (Acquired Immune Deficiency Syndrome) Education Program. These funds support local and regional education and training programs.

Apprenticeship Training: For 2000-01, \$1.83 million is continued to local education agencies for apprenticeship training programs pursuant to a formula contained in section 3610 of the Education Law.

Youth-at-Risk Fund: A total of \$5.3 million, including \$325,500 for department administration, is provided to support 2000-01 school district and BOCES programs promoting partnerships between schools, community groups, private business, social service providers and local governments to serve at-risk youth.

Extended School Day/School Violence Prevention: A total of \$20.2 million is continued for 2000-01 to fund local school-based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Missing Children Prevention Education: An appropriation of \$900,000 is continued for school districts, BOCES or consortiums thereof, to develop courses of study in the prevention of child abduction.

Nonpublic School Aid: A total of \$57.5 million, an increase of \$3.7 million, is appropriated to reimburse the actual expenses incurred in the 1999-00 school year 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 \$96.9 million, an increase of \$4.7 million, is appropriated for allowances to eight private schools for the deaf, two private schools for the blind, and the Henry Viscardi School for multiply handicapped children, under Article 85 of the Education Law.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$552.2 million, an increase of \$16.1 million, is

appropriated for the State's 59.5 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 1999-00, prior year claims on file with the State Education Department as of April 1, 2000 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2000-01 will receive priority status for payment in 2001-02.

Summer School Program for Disabled Students: An appropriation of \$168.6 million, an increase of \$4.9 million, is provided to meet the State's 70 percent share of costs of summer school programs for school-age pupils with disabilities pursuant to Section 4408 of the Education Law. The 2000-01 appropriation will fund prior year liabilities and up to 70 percent of the 2000-01 school year obligations with the remainder to be funded in the subsequent State fiscal year.

Special Education - Federal Medicaid Recovery: For the 2000-01 State fiscal year, Chapter 53 includes a \$207.3 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.

Advances to Hurd City School Districts: A total of \$11.9 million in loan funds (Hurd advances) is appropriated in 2000-01 for city school districts first eligible to receive loans pursuant to Chapter 280 of the Laws of 1978.

Commencing with 1992-93, pursuant to Chapter 280 of the Laws of 1978 as amended by Chapter 53 of the Laws of 1991, district advances are being reduced by 5 percent per year, until no advances are made in the 2011-2012 school year.

SCHOOL TAX RELIEF (STAR) PROGRAM

STAR Property Tax Relief

Chapter 389 of the Laws of 1997 included a multi-year School Tax Relief (STAR) program to provide approximately \$2.3 billion by 2001-02 for State-funded property tax relief for homeowners. (In recognition of New York City's reliance on taxes other than the property tax, STAR provides additional local personal income tax relief to New York City residents that will increase total taxpayer savings under STAR to an estimated \$2.8 billion in 2001-02.) Senior homeowners at least 65 years old and with incomes up to \$60,000 are eligible to receive exemptions of at least \$50,000 from the full value of their primary residences for school tax purposes. When fully implemented, the property tax component of the STAR program will provide other homeowners with at least a

\$30,000 exemption from the full value of their primary residence for school property tax purposes. In those counties where the median value of homes exceeds the statewide median home value, as determined by the State Office of Real Property Services (ORPS), the value of the exemptions will be increased. The State reimburses school districts dollar-for-dollar for any property tax revenues foregone from exemptions.

STAR property tax exemptions began with the full \$50,000 enhanced exemptions for income-eligible senior homeowners for the 1998-99 and 1999-2000 school year taxes.

The Basic STAR exemption for other homeowners is being phased-in starting with \$10,000 in 1999-2000 and growing to \$20,000 in 2000-2001 and to \$30,000 in 2001-02.

Improved Taxpayer Information

A "Property Taxpayer's Bill of Rights" included in chapter 389 of the Laws of 1997 provided that property tax bills include additional information, including the estimated full value of the property, the uniform percentage of value at which a municipality is assessing properties, the tax rate, levy and percentage change in the levy from the prior year. Information on how to appeal assessments must be provided with the bill or through another notice.

Two new reforms to provide taxpayers with additional information were enacted in Chapter 405 of the Laws of 1999 effective for the 2000-2001 school year:

- A Property Tax Report Card: School districts will be required to publish locally and report to the State Education Department details of proposed budgets and tax levy increases. The Department will then publish a "Property Tax Report Card" prior to the School Budget Voting Day, enabling taxpayers to see how the proposed budget and tax levy changes in their school district compare to other districts around the region and across the State.

The Property Tax Report Cards are required by new subdivisions 7 of Sections 1608 and 1716 of the Education Law and will include for each district the:

- Amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total

spending and total school tax levy from the school district budget for the preceding school year;

- Projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and
- Percentage increase in the Consumer Price Index, from January first of the prior school year to January first of the current school year.

A copy of the property tax report card prepared for the annual district meeting must be submitted to the Education Department by the end of the business day next following approval of the report card by the trustee or board of trustees, but no later than twenty-four days prior to the statewide uniform voting day. The department will compile such data for all school districts whose budgets are subject to a vote of the qualified voters and shall make such compilation available electronically at least ten days prior to the statewide uniform voting day.

- Full Budget Disclosure: School districts are required to provide voters with information that compares the total proposed school budget spending increase to the rate of inflation for the prior year. This information must be mailed at least six days prior to the statewide School Budget Voting Day in May to every qualified voter in the school district.

A new subdivision 2-a of Section 2022 of the Education law requires that:

- Every common, union free, central, central high school district and city school district to which this article applies shall mail a school budget notice to all qualified voters of the school district after the date of the budget hearing, but no later than six days prior to the annual meeting and election or special district meeting at which a school budget vote will occur.
- The school budget notice shall compare the percentage increase or decrease in total spending under the proposed budget over total spending under the school district budget adopted for the current school year, with the percentage increase or decrease in the consumer price index, from January first of the prior school year to January first of the current school year. The notice shall also set forth the date, time

and place of the school budget vote, in the same manner as in the notice of annual meeting. Such notice shall be in a form prescribed by the commissioner.

2000-2001 Executive Budget Proposals

STAR Rebate Checks

The Governor is proposing, beginning in 2000-2001, to send STAR rebate checks from the State directly to homeowners who are eligible for the basic \$20,000 school property tax exemption.

- Homeowners other than seniors will receive their STAR savings as a State rebate check after paying their school tax bills. Schools will be required to bill and collect the full tax amount.
- Seniors receiving Enhanced STAR exemptions will continue to receive their STAR savings through an up-front reduction in their school bills.

STAR School Spending Cap

Beginning in school year 2000-2001, a school district's annual spending increase, under the Governor's proposal, could not exceed 4 percent or 120 percent of the increase in the CPI for the prior year, whichever is less, without a two-thirds majority vote. Spending increases attributable to enrollment growth, voter-approved capital projects, court orders, and certain other purposes allowed for contingency budgets would be excluded from the increase limitations.

Improved Disclosure to Taxpayers

Under the Governor's Proposal, school districts will be required to disclose to voters, prior to the school budget vote, how the adopted school budget affected basic STAR savings for a typical home in the current year and how the proposed budget would affect STAR savings in the coming year. The districts will also be required to disclose how the proposed budget compares to the maximum contingency budget that would be allowed should the proposed budget be defeated twice.

School District Reimbursement for STAR

STAR exemptions have no effect on determining tax levies, rates or other State aid. School districts are reimbursed for

the taxes foregone upon application to the State Office of Real Property Services. ORPS certifies to the Commissioner of Education amounts payable under the STAR program and school districts receive reimbursement from the State Education Department pursuant to a separate STAR payment schedule established in section 3609-e of the Education Law.

Under the Governor's rebate proposal, the majority of STAR exemptions will not impact the school district collection process. Homeowners eligible for the basic \$20,000 STAR exemption will be billed on the full value of their homes and schools will collect that amount, in the same manner as they were billed and taxes were collected prior to the enactment of STAR. Upon payment of taxes to the school district and submission of a report to the State Department of Taxation and Finance, basic reimbursement amounts will be sent by the State directly to the homeowner/taxpayer.

Income-eligible seniors receiving the "enhanced" STAR exemptions would continue to see tax bills reduced. Beginning in school tax year 2000-2001, STAR reimbursements to school districts will be limited to the value of the enhanced exemptions granted to eligible senior homeowners. School districts filing timely claims will continue to be reimbursed pursuant to the schedule set forth in 3609-e with the total amount of 2000-2001 STAR payments owed to individual school districts to be paid in full by the first business day of January based upon school tax relief claims filed by districts with the Office of Real Property Services.

The Executive Budget proposes to amend section 3609-e to provide that, after the January payment, an additional payment of any net upward adjustments certified by the Office of Real Property Services on or before March 1 may be made to school districts on or before March 31.

OTHER INITIATIVES

Safe and Secure Schools: Consistent with the Governor's Safe Schools Against Violence in Education (SAVE) initiative and the recommendations of the Task Force on School Violence, chaired by Lieutenant Governor Mary Donahue, the *Schools 2000* program will include the following items designed to ensure the safety and well-being of children in schools:

- Code of Conduct: Each Board of Education will be required to establish a detailed student code of conduct including

appropriate standards for student language, dress and behavior, as well as procedures relating to discipline, detention, suspension and expulsion.

- **Comprehensive School Safety Plans:** Each school district will be required to develop a school safety plan – in consultation with law enforcement agencies – that includes items such as crisis response, and building access and security.
- **Disruptive Children:** Teachers will be given the authority to remove disruptive pupils from the classroom for up to 10 days.
- **Civility, Character, and Citizenship Education:** Instruction in grades K-12 will be required to include civility, character and citizenship education to instruct children on principles including honesty, tolerance, personal responsibility, respect for others, observance of laws and rules, courtesy and dignity. Additional State funding of \$500,000 has been provided to support this initiative.
- **Violent Incident Reporting System:** A uniform, statewide incident reporting system will be created to provide a comprehensive database on violent crimes in public school districts, including corrective actions taken by the schools.
- **Information Sharing:** Clear legal authority will be provided for information sharing – with appropriate confidentiality safeguards – between criminal justice officials and school administrators.
- **Fingerprinting:** All prospective school employees and candidates seeking educational certification will be fingerprinted so that schools can conduct criminal background checks.
- **School Safety Training:** Teachers and administrators will receive mandatory training in school violence prevention and intervention. Such training will be a prerequisite for the certification of prospective teachers, while training for existing personnel will be provided within the existing superintendent's conference days.
- **School Safety Coordinating Council:** An Interagency Council composed of representatives of principal State agencies and private sector companies will be established to ensure the

coordination of State efforts to address school safety issues – including funding of school safety-related programs – and serve as New York's official liaison with national school-safety organizations.

- **New York State Center for School Safety:** The Upstate Center for School Safety will be transformed into a statewide clearinghouse. The Center will develop, collect, maintain and disseminate information and provide training and technical assistance on violence prevention and intervention to schools and communities. An additional \$500,000 in State support has been provided for the center to supplement other State and Federal funds.
- **School Bus Safety:** Bolstering the school bus driver safety program by requiring school districts to supply additional information on transportation safety violations.

Ensuring Qualified Teachers: In addition to the \$25 million Teachers of Tomorrow program included in the 2000-01 Executive Budget, the following initiatives are being advanced to increase the supply of qualified teachers:

- **Alternative Certification:** To increase the supply of teachers for identified shortage areas, alternative credentialing routes will be provided for those persons having appropriate life experience and education. Education and life experience qualifications would be established as alternatives to the existing Master's degree requirement.
- **Five-Year Master's Degree:** Legislation accompanying the Executive Budget will reinstitute a five-year requirement for a Master's degree to avert the adverse impact on the supply of qualified teachers resulting from the recently adopted two-year requirement.
- **Modify Retirement "Penalties":** Many retired police officers, firefighters and other public employees would consider entering teaching, if not for the cap on public salary for those already collecting a public pension. For identified teacher shortage areas, a waiver would be provided to exempt these people from the cap.

Reading for Results: *Schools 2000* includes a \$40 million "Reading for Results" initiative that will fund a range of early grade reading initiatives beginning in the 2001-02 school year including summer school and intensive school year reading

programs during extended school breaks. In order to receive this funding, school districts must enter into performance contracts that require demonstrated results.

Empowering Parents and Reinforcing Family Values: Under *Schools 2000* each school district will be required to report directly to parents on the overall performance of children attending that school, as well as their own child's performance. In addition, each school board will be required to include a parent selected by the PTA as an ex officio member.

Advantage Schools: Funding for the Governor's Advantage After-School program is being doubled to \$10 million in 2000-01. Created in 1998-99, the Advantage After-School Program offers a wide variety of after-school activities to children and youth of all ages and economic backgrounds. Operating from 3 PM to 6 PM, these after-school programs provide school-aged children with opportunities to learn and play in a supervised setting during non-school hours, and build school and community bonds, public and private partnerships, and an opportunity for youth to become involved in program planning and implementation. The new funding will support Advantage After-School programs in more than 120 sites statewide.

Mandate Relief: Proposed 2000-01 mandate relief measures include:

- providing school districts with a blanket exemption from Wicks Law bidding restrictions; and
- Restricting the authority of the Board of Regents to unilaterally promulgate rules or regulations that have a significant State or local fiscal impact.

Preschool Special Education: In 2000-01, the Executive Budget proposes reforms that will encourage appropriate placement, and regular re-evaluation, of disabled preschool children. Effective with the 2002-03 school year, school districts that fail to regularly re-evaluate and declassify preschool special education students, measured by having a preschool declassification rate significantly below the statewide average, will become responsible for 10 percent of the preschool special education costs incurred on behalf of children from their school district. School districts whose preschool declassification rate is at or above the State average will continue to have no financial share in this program.

Additionally, beginning with the 2000-01 school year, the Executive Budget will increase preschool administrative funding paid to counties from the current \$50/child to \$75/child.

II

SUMMARY OF 2000-01 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2000-01 New York State aid programs relating to support for public schools: the 2000-01 school year which runs from July 1, 2000 through June 30, 2001; and the 2000-01 State fiscal year which runs from April 1, 2000 through March 31, 2001. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for General Support for Public Schools and 1999-00 and 2000-01 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 2000-01. Computerized aids increase by 3.44 percent.
- Table II-B gives the State fiscal year components of the School Aid disbursements. The \$12,601.53 million total for 2000-01 includes: \$3,430.75 million for payments remaining for the 1999-00 school year and \$9,170.78 million for fall/winter payments for the 2000-01 school year.
- Table II-C gives the 1999-00 and 2000-01 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 -- 1999-00 AND 2000-01 SCHOOL YEARS -- NEW YORK STATE

AID CATEGORY	1999-00	2000-01	Change	
	School Year	School Year	Amount	Percent
I. Formula-based Aids:	(----- Amounts in Millions -----)			
Operating Aid	\$5,932.61	\$6,066.29	\$133.68	2.25 %
Tax Effort	195.10	90.77	(104.33)	(53.48)
Tax Equalization	536.01	502.94	(33.07)	(6.17)
Transition Adjustment	(397.20)	(252.78)	144.42	NA
Subtotal Major Operating Aids	\$6,266.52	\$6,407.22	\$140.70	2.25 %
Operating Standards Aid	102.04	99.91	(2.13)	(2.09)
Gifted & Talented	14.19	14.19	0.00	0.00
Limited English Proficiency	68.06	67.23	(0.83)	(1.22)
Extraordinary Needs Aid	665.81	665.81	0.00	0.00
Computer Hardware	18.13	24.39	6.26	34.53
Textbooks (Incl. Lottery)	152.68	181.70	29.02	19.01
Computer Software	22.03	31.24	9.21	41.81
Library Materials	18.27	18.69	0.42	2.30
ERSSA	65.18	66.98	1.80	2.76
Excess Cost - Public	1,720.39	1,839.02	118.63	6.90
Excess Cost - Private	134.34	78.34	(56.00)	(41.69)
Special Services (Career Ed./Computer Admin.)	133.95	131.70	(2.25)	(1.68)
Transportation	805.85	880.01	74.16	9.20
Building w/o BANS	872.55	1,049.88	177.33	20.32
Reorganization Incentive (Operating + Bldg.)	42.45	40.08	(2.37)	(5.58)
Growth Aid	31.60	35.21	3.61	11.42
BOCES	429.31	360.20	(69.11)	(16.10)
Full-Day K *	7.31	0.00	(7.31)	(100.00)
Minor Maintenance	49.97	0.00	(49.97)	(100.00)
Universal Pre-Kindergarten	85.48	119.78	34.30	40.13
Class Size Reduction	75.00	75.00	0.00	0.00
Subtotal Formula-based Aids	\$11,781.11	\$12,186.59	\$405.48	3.44 %
II. Grant Programs and Other Aid Categories:				
Teacher Certification	0.00	25.00	25.00	NA
Aid for High Needs Districts	0.00	25.00	25.00	NA
Shared Services for Big 5	10.00	0.00	(10.00)	(100.00)
Education Technology Incentive	24.99	22.99	(2.00)	(8.00)
Teacher Support Aid	67.48	0.00	(67.48)	(100.00)
Stabilization Aid	4.00	0.00	(4.00)	(100.00)
Tax Limitation Aid	24.77	0.00	(24.77)	(100.00)
Experimental Pre-Kindergarten	50.20	50.20	0.00	0.00
Aid to Small City School Dists.	81.88	75.53	(6.35)	(7.76)
Urban-Suburban Transfer	1.13	1.13	0.00	0.00
Employment Preparation Education	96.18	90.18	(6.00)	(6.24)
Homeless Pupils	4.00	4.00	0.00	0.00
Incarcerated Youth	11.50	11.50	0.00	0.00
Bilingual	11.20	0.00	(11.20)	(100.00)
Magnet Schools	134.97	135.44	0.47	0.35
Reading 2000/Categorical Reading/IIPP	130.30	130.30	0.00	0.00
Building Aid BANS	23.48	56.46	32.98	140.46
Fort Drum	2.63	2.63	0.00	0.00
Comptroller Audits	0.25	0.25	0.00	0.00
Education of OMH/OMR Pupils	20.00	20.00	0.00	0.00
CIMS	2.50	0.00	(2.50)	(100.00)
AI/DP Grants	0.95	0.00	(0.95)	(100.00)
Special School Districts	1.70	1.70	0.00	0.00

AID CATEGORY	1999-00	2000-01	Change	
	School Year	School Year	Amount	Percent
II. Grant Programs and Other Aid Categories:	(----- Amounts in Millions -----)			
Chargebacks	(18.00)	(18.00)	0.00	0.00
Tuition Adjustment	1.18	1.18	0.00	0.00
CVEEB	0.92	0.92	0.00	0.00
BOCES Aid for Special Act Districts	0.66	0.53	(0.13)	(19.70)
Learning Technology Grants	3.29	3.29	0.00	0.00
Shared Services Incentive	0.20	0.20	0.00	0.00
Native American Building	1.70	1.70	0.00	0.00
Bus Driver Safety	0.40	0.40	0.00	0.00
CUNY Academic Intervention Services	0.00	9.00	9.00	NA
Prior Year Claims	64.30	57.00	(7.30)	(11.35)
Subtotal	758.76	708.53	(50.23)	(6.62)
SCHOOL YEAR TOTAL	\$12,539.87	\$12,895.12	\$355.25	2.83 %

* Full-day kindergarten and after-school programs are eligible for funding under the new \$25 million Aid for High Needs Districts.

Source: State Education Department computer runs and Executive Budget estimates of January 11, 2000.

TABLE II-B
 SCHOOL AID
 ESTIMATED 2000-01 STATE FISCAL YEAR EXPENDITURES
 (4/1/00-3/31/01)

	Remaining 1999-00 School Year Payments (Spring)	2000-01 School Year Payments (Fall/Winter)	Total 2000-01 SFY Expenditures
	(-----Amounts in Millions-----)		
Payments Due	\$3,808.95	\$9,170.78	
LGAC Adjustment	(378.20)	---	
Net Payable	\$3,430.75	\$9,170.78	<u>\$12,601.53</u>

Source: State Education Department and the Division of the Budget.

TABLE II-C
1999-00 AND 2000-01 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	Change			
	1999-00	2000-01	Amount	Percent
School Aid and STAR	\$13,531,205,000	\$14,736,628,000	\$1,205,423,000	8.91 %
School Aid Including Lottery	12,144,205,000	12,626,628,000	482,423,000	3.97
STAR: School Tax Relief Fund	1,387,000,000	2,110,000,000	723,000,000	52.13
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Remaining Obligations for the 1999-00 School Year	0	2,742,035,000	2,742,035,000	NA
General Support for Public Schools	10,113,213,000	7,445,516,000	(2,667,697,000)	(26.38)
BOCES	393,454,000	414,424,000	20,970,000	5.33
Employment Preparation Education	96,180,000	96,180,000	0	0.00
Aid to High Needs School Districts	0	17,500,000	17,500,000	NA
Teacher Certification	0	17,500,000	17,500,000	NA
Instructional Computer Technology	0	16,093,000	16,093,000	NA
Aid to Small City School Districts	0	52,871,000	52,871,000	NA
Reading 2000	0	91,210,000	91,210,000	NA
Magnet Schools	0	94,808,000	94,808,000	NA
Other Programs	0	20,986,000	20,986,000	NA
Prior Year Claims	0	50,935,000	50,935,000	NA
Prior Year Claims	0	9,350,000	9,350,000	NA
Experimental Pre-Kindergarten	0	35,140,000	35,140,000	NA
Remaining 1999-00 School Year Obligations Experimental Pre-K	0	25,100,000	25,100,000	NA
Remaining School Capital Needs for the 1998-99 School Year	15,000,000	0	(15,000,000)	(100.00)
Minor Maintenance	35,000,000	0	(35,000,000)	(100.00)
Remaining Pre-Kindergarten Obligations for the 1998-99 School Year	23,878,000	0	(23,878,000)	(100.00)
Pre-Kindergarten Programs	70,000,000	0	(70,000,000)	(100.00)
Class Size Reduction	52,500,000	0	(52,500,000)	(100.00)
Total General Fund	10,799,225,000	11,129,648,000	330,423,000	3.06
STAR: School Tax Relief Fund	1,387,000,000	2,110,000,000	723,000,000	52.13
Lottery Fund	1,344,980,000	1,496,980,000	152,000,000	11.30
Other Public Elementary and Secondary Education Programs	\$217,653,700	\$131,353,700	(\$86,300,000)	(39.65) %
Experimental Pre-Kindergarten	50,200,000 (a)	0	(50,200,000)	(100.00)
Children of Migrant Workers	90,000	90,000	0	0.00
Remaining Obligations Teacher Resource & Computer Centers	20,000,000	10,000,000	(10,000,000)	(50.00)
Effective Schools Consortia	1,889,200	1,889,200	0	0.00
Transferring Success	629,800	629,800	0	0.00
Adult Basic Education	5,000,000	5,000,000	0	0.00
Professional Development Programs	5,000,000	5,000,000	0	0.00
National Board for Professional Teaching Standards Certification	1,000,000	0	(1,000,000)	(100.00)
New York City Peer Intervention Program	1,000,000	0	(1,000,000)	(100.00)
Adult Literacy Education	3,324,700	3,324,700	0	0.00
Parenting Education	506,400	506,400	0	0.00
Youth at Risk	5,325,500	5,325,500	0	0.00
Missing Children Prevention Education	900,000	900,000	0	0.00
AIDS Education	990,000	990,000	0	0.00
Workplace Literacy	1,376,100	1,376,100	0	0.00
Apprenticeship Training	1,830,000	1,830,000	0	0.00
Lunch/Breakfast Programs	31,700,000	31,700,000	0	0.00
Education of Native Americans	15,047,000	15,047,000	0	0.00
Schools as Community Sites	6,000,000	6,000,000	0	0.00
Comprehensive School Health Demonstration	525,000	525,000	0	0.00
NYS Center for School Safety	0	500,000	500,000	NA
Civility, Citizenship and Character Education	0	500,000	500,000	NA
Extended School Day/School Violence Prevention	20,200,000	20,200,000	0	0.00
School Health Demonstration Projects	150,000	150,000	0	0.00
Schools Under Registration Review	2,000,000	2,000,000	0	0.00
Primary Mental Health Project	570,000	570,000	0	0.00
Summer Food Program	3,300,000	3,300,000	0	0.00

Child Development Center of the Hamptons	50,000	0	(50,000)	(100.00)
Community School District 11	100,000	0	(100,000)	(100.00)
Community School District 31	200,000	0	(200,000)	(100.00)
Cornwall Library	75,000	0	(75,000)	(100.00)
Institute for Student Achievement	950,000	0	(950,000)	(100.00)
IS 192	30,000	0	(30,000)	(100.00)
Jamestown City School District	70,000	0	(70,000)	(100.00)
Mount Vernon School District	30,000	0	(30,000)	(100.00)
New Rochelle School District	30,000	0	(30,000)	(100.00)
New York Council for the Humanities	150,000	0	(150,000)	(100.00)
Newburgh Teacher Center	76,000	0	(76,000)	(100.00)
Pelham School District	30,000	0	(30,000)	(100.00)
PS 14	30,000	0	(30,000)	(100.00)
PS 14, Yonkers	15,000	0	(15,000)	(100.00)
PS 71	30,000	0	(30,000)	(100.00)
PS 72	30,000	0	(30,000)	(100.00)
PS 81	10,000	0	(10,000)	(100.00)
Public TV Stations	250,000	0	(250,000)	(100.00)
Ramapo, Catskill Library System	25,000	0	(25,000)	(100.00)
Salamanca City School District	70,000	0	(70,000)	(100.00)
Syosett School District	80,000	0	(80,000)	(100.00)
Utica Magnet School	400,000 (a)	0	(400,000)	(100.00)
Warwick Valley Central School District	200,000	0	(200,000)	(100.00)
Consortium for Worker Education	8,000,000	8,000,000	0	0.00
Irish Potato Famine Curriculum	100,000	0	(100,000)	(100.00)
Charter School Stimulus Fund	1,000,000	6,000,000	5,000,000	500.00
Grants to Certain School Districts, BOCES, and Other Programs	27,069,000	0	(27,069,000)	(100.00)

Other School Programs	1999-00	2000-01	Amount	Percent
	\$621,843,000	\$659,953,000	\$38,110,000	6.13 %
Nonpublic School Aid	53,800,000	57,500,000	3,700,000	6.88
Private Blind & Deaf Schools (G.F.)	92,223,000	96,933,000	4,710,000	5.11
Private Blind & Deaf Schools (Lott.)	20,000	20,000	0	0.00
Preschool Handicapped	536,100,000	552,200,000	16,100,000	3.00
Summer School Handicapped	163,700,000	168,600,000	4,900,000	2.99
Less: Special Education Medicaid Offset	(216,000,000)	(207,300,000)	8,700,000	(4.03)
Less: Consortium for Worker Education Offset	(8,000,000)	(8,000,000)	0	0.00
Fiscal Year Total (excluding Hurd Loans)	\$14,370,701,700	\$15,527,934,700	\$1,157,233,000	8.05 %
Advances to Hurd City School Districts (b)	13,029,000	11,944,000	(1,085,000)	(8.33)
FISCAL YEAR TOTAL	\$14,383,730,700	\$15,539,878,700	\$1,156,148,000	8.04 %

(a) For 2000-01 included with school aid.

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

Source: Laws of the State of New York: Chapters 53 and 405, Laws of 1999; 2000-2001 Executive Budget.

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

Enacted school aid provisions will increase payments to 464 major school districts, through 25 combined aid categories, by \$460.32 million in the 2000-01 school year. There are 216 districts that are projected to have losses of \$54.84 million. The combined total of increases and losses produce a net increase statewide of \$405.48 million, or 3.44 percent.

- Table II-D lists the aid amounts allocated to each of the Big Five city school districts under 30 selected School Aid programs. The aids analyzed are those shown in Table II-A. The table shows that Buffalo had the largest percentage increase (5.54 percent) of the Big Five cities.
- Table II-E lists changes in all School Aid individual aid categories for New York City. The net increase for all aids is 2.25 percent.
- In Table II-F, 25 major 2000-01 aid categories have been combined to show the overall impact upon school districts in the State's 18 most populous counties, New York City, and the rest of the State.

The State average increase for these aids will be 3.44 percent. The 371 districts in the 18 most populous counties contain 47.22 percent of the State's public school pupils. These districts will receive 43.27 percent of the 2000-01 combined aids total. Districts in the 18 most populous counties will have an average combined aids increase of 3.42 percent. Districts in the rest of the State, exclusive of New York City, will have an average increase of 3.12 percent and will receive 20.48 percent of the 2000-01 combined aids total.

TABLE II-D
SUMMARY OF SELECTED AIDS TO THE BIG FIVE CITY SCHOOL DISTRICTS FINANCED THROUGH
SCHOOL AID APPROPRIATIONS: 1999-00 AND 2000-01

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01	1999-00	2000-01
I. Formula-based Aids:					----- Amounts in Millions -----					
Operating Aid	\$2,277.86	\$2,328.68	\$144.17	\$155.39	\$113.38	\$125.44	\$74.63	\$77.49	\$36.68	\$40.43
Tax Effort + Equalization	0.00	0.00	15.37	15.37	20.06	20.06	0.00	0.00	0.00	0.00
Transition Adjustment	(39.57)	(40.03)	1.55	(6.05)	(37.72)	(44.80)	(4.98)	(6.26)	(18.41)	(19.94)
Subtotal Major Operating Aids	\$2,238.29	\$2,288.65	\$161.09	\$164.71	\$95.72	\$100.70	\$69.65	\$71.23	\$18.27	\$20.49
Operating Standards Aid	43.46	42.08	2.26	2.18	1.79	1.74	1.25	1.28	0.76	0.66
Gifted & Talented	5.47	5.47	0.24	0.24	0.19	0.19	0.12	0.12	0.12	0.12
Limited English Proficiency	52.06	49.98	1.96	2.24	1.59	1.80	0.73	0.78	1.13	1.23
Extraordinary Needs Aid	404.84	404.84	21.22	21.22	22.69	22.69	7.74	7.74	8.11	8.11
Textbooks/Computer Aids/Library Mats.	88.13	105.09	3.76	4.99	2.99	3.34	1.41	1.57	2.00	2.71
ERSSA	32.97	33.02	1.99	2.13	1.80	1.85	0.89	0.94	0.58	0.56
Excess Cost - Public & Private	679.49	735.07	48.37	50.88	46.78	47.54	23.99	24.45	15.99	16.92
Special Services	108.72	105.62	9.49	9.50	5.72	6.07	5.87	6.09	4.16	4.41
Transportation	215.61	241.43	24.40	25.63	23.11	24.03	8.56	9.03	7.61	10.38
Building w/o BANS	245.41	286.86	4.06	4.66	12.92	11.87	3.79	3.33	2.14	2.46
Growth Aid	0.00	1.08	0.00	9.17	1.13	0.00	0.00	1.32	0.77	0.77
Minor Maintenance	33.33	0.00	0.63	0.00	0.45	0.00	0.27	0.00	0.32	0.00
Pre-K + Class Size Reduction	112.60	116.61	5.41	7.18	7.33	8.11	2.93	3.92	3.66	3.87
Subtotal Formula-based Aids	\$4,260.38	\$4,415.80	\$284.88	\$304.74	\$224.20	\$229.94	\$127.21	\$131.79	\$65.61	\$72.68
Change from 1999-00 School Year		\$155.42		\$19.86		\$5.74		\$4.58		\$7.07
Percent		3.65%		6.97%		2.56%		3.60%		10.78%
II. Other Aid Categories:										
Teacher Certification	0.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Aid for High Needs Districts	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shared Services for Big 5	8.10	0.00	0.00	0.00	0.61	0.00	0.23	0.00	1.05	0.00
Education Technology Incentive	3.08	1.69	0.03	0.27	1.45	0.00	0.00	0.00	3.48	0.32
Teacher Support Aid	62.71	0.00	1.74	0.00	1.08	0.00	0.81	0.00	1.15	0.00
Magnet Schools	48.18	48.18	17.03	17.03	11.00	11.00	11.00	11.00	29.50	29.50
Reading 2000/Categorical Reading/IPP	66.15	66.15	28.00	28.00	12.45	12.45	9.60	9.60	14.10	14.10
CUNY Academic Intervention Services	0.00	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	\$188.22	\$150.02	\$46.80	\$45.30	\$26.59	\$23.45	\$21.64	\$20.60	\$49.28	\$43.92
TOTAL SELECTED AIDS	\$4,448.60	\$4,565.82	\$331.68	\$350.04	\$250.79	\$253.39	\$148.85	\$152.39	\$114.89	\$116.60
Change from 1999-00 School Year		\$117.22		\$18.36		\$2.60		\$3.54		\$1.71
Percent		2.63%		5.54%		1.04%		2.38%		1.49%

Source: State Education Department computer runs and Executive Budget estimates of January 11, 2000.

TABLE II-E

SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID
 APPROPRIATIONS -- 1999-00 AND 2000-01 SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	1999-00	2000-01	Change	
	School Year	School Year	Amount	Percent
I. Formula-based Aids:	(----- Amounts in Millions -----)			
Operating Aid	\$2,277.86	\$2,328.68	\$50.82	2.23 %
Tax Effort	0.00	0.00	0.00	NA
Tax Equalization	0.00	0.00	0.00	NA
Transition Adjustment	(39.57)	(40.03)	(0.46)	NA
Subtotal Major Operating Aids	\$2,238.29	\$2,288.65	\$50.36	2.25 %
Operating Standards Aid	43.46	42.08	(1.38)	(3.18)
Gifted & Talented	5.47	5.47	0.00	0.00
Limited English Proficiency	52.06	49.98	(2.08)	(4.00)
Extraordinary Needs Aid	404.84	404.84	0.00	0.00
Computer Hardware	7.54	9.51	1.97	26.13
Textbooks (Incl. Lottery)	62.88	76.26	13.38	21.28
Computer Software	9.81	11.27	1.46	14.88
Library Materials	7.90	8.05	0.15	1.90
ERSSA	32.97	33.02	0.05	0.15
Excess Cost - Public	621.33	705.27	83.94	13.51
Excess Cost - Private	58.16	29.80	(28.36)	(48.76)
Special Services: Career Ed.	74.03	70.93	(3.10)	(4.19)
Computer Admin.	34.69	34.69	0.00	0.00
Transportation	215.61	241.43	25.82	11.98
Building w/o BANS	245.41	286.86	41.45	16.89
Growth Aid	0.00	1.08	1.08	NA
Minor Maintenance	33.33	0.00	(33.33)	(100.00)
Universal Pre-Kindergarten	63.38	67.38	4.00	6.31
Class Size Reduction	49.22	49.22	0.00	0.00
Subtotal Formula-based Aids	\$4,260.38	\$4,415.80	\$155.42	3.65 %
II. Grant Programs and Other Aid Categories:				
Teacher Certification	0.00	15.00	15.00	NA
Aid for High Needs Districts	0.00	10.00	10.00	NA
Shared Services for Big 5	8.10	0.00	(8.10)	(100.00)
Education Technology Incentive	3.08	1.69	(1.39)	(45.13)
Teacher Support Aid	62.71	0.00	(62.71)	(100.00)
Tax Limitation	0.00	0.00	0.00	0.00
Experimental Pre-Kindergarten	16.53	16.53	0.00	0.00
Employment Preparation Education	28.80	28.80	0.00	0.00
Homeless Pupils	0.00	0.00	0.00	0.00
Incarcerated Youth	0.00	0.00	0.00	0.00
Bilingual	6.50	0.00	(6.50)	(100.00)
Magnet Schools	48.18	48.18	0.00	0.00
Reading 2000/Categorical Reading/IPP	66.15	66.15	0.00	0.00
Education of OMH/OMR Pupils	1.60	1.60	0.00	0.00
CIMS	1.06	0.00	(1.06)	(100.00)
Chargebacks	(5.00)	(5.00)	0.00	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
CUNY Academic Intervention Services	0.00	9.00	9.00	NA
Prior Year Claims	40.30	33.00	(7.30)	(18.11)
SCHOOL YEAR TOTAL	\$4,539.52	\$4,641.88	\$102.36	2.25 %

Source: State Education Department computer runs and Executive Budget estimates of January 11, 2000.

TABLE II-F

CHANGE IN SCHOOL AID (a) FOR 1999-00 AND 2000-01 SCHOOL YEARS:
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dts.	Percent of Total State TAPU (b)	2000-01 Combined Aids		Change in Aid from 1999-00 to 2000-01		Number of Districts		
			1999-00 Combined Aids	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)									
Albany	13	1.43%	\$126,180	\$130,435	1.07%	\$4,255	3.37%	9	4
Broome	12	1.15	145,595	157,764	1.29	12,169	8.36	12	0
Chautauqua	18	0.91	164,603	173,866	1.43	9,263	5.63	9	9
Dutchess	13	1.54	150,634	155,279	1.27	4,645	3.08	10	3
Erie	28	5.03	637,204	671,434	5.51	34,230	5.37	22	6
Monroe	18	4.25	520,517	524,440	4.30	3,923	0.75	13	5
Nassau	56	7.01	461,805	481,326	3.95	19,521	4.23	45	11
Niagara	10	1.27	189,992	192,662	1.58	2,670	1.41	6	4
Oneida	15	1.35	209,118	211,198	1.73	2,080	0.99	8	7
Onondaga	18	2.73	339,988	352,751	2.89	12,763	3.75	15	3
Orange	17	2.16	260,096	272,772	2.24	12,676	4.87	15	2
Rensselaer	11	0.83	121,707	126,138	1.04	4,431	3.64	9	2
Rockland	8	1.42	116,503	115,586	0.95	(917)	(0.79)	3	5
Saratoga	12	1.23	144,214	147,049	1.21	2,835	1.97	11	1
Schenectady	6	0.76	89,788	95,768	0.79	5,980	6.66	6	0
Suffolk	67	8.44	1,042,774	1,074,275	8.82	31,501	3.02	35	31
Ulster	9	0.98	107,583	110,643	0.91	3,060	2.84	7	2
Westchester	40	4.73	270,670	280,180	2.30	9,510	3.51	18	22
18 Most Populous Counties	371	47.22%	\$5,098,971	\$5,273,566	43.27%	\$174,595	3.42%	253	117
New York City	1	37.49	4,260,381	4,415,802	36.23	155,421	3.65	1	0
Rest of State	310	15.29	2,421,754	2,497,224	20.48	75,470	3.12	210	99
TOTAL STATE	681	100.00%	\$11,781,106	\$12,186,592	100.00%	\$405,486	3.44%	464	216

(a) Includes operating, extraordinary needs, limited English proficiency, public and private school excess cost aids, educationally related support services (including speech therapy), reorganization incentive (operating and building), hardware, computer software, textbook, library materials, gifted and talented, operating standards, tax equalization, tax effort, transition adjustment, special services, transportation, building, BOCES, growth aid, full-day k, minor maintenance, universal pre-kindergarten, and class size reduction.

(b) The TAPU for payment pupil count used for the 2000-01 operating aid.

Source: State Education Department computer runs and Executive Budget estimates of January 11, 2000.

III

APPENDICES

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

- Appendix III-A summarizes the School Aid formulas and adjustments enacted for 2000-01 and compares them with the 1999-00 formulas.
- Appendix III-B provides the mathematical formulas for computing 25 different aids for 2000-01 school aid payments.
- Appendix III-C describes the pupil counts used in aid formulas.
- Appendix III-D describes the payment schedule for aids payable under section 3609-a of the Education Law in the 2000-01 school year.

APPENDIX III-A
COMPARISON OF 1999-00 AND 2000-01 SCHOOL AID PROGRAMS

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>COMPREHENSIVE OPERATING AID</u>		
Formula Ceiling	\$3,900 plus an amount equal to the product of (i) the lesser of \$8,000 or 1997-98 approved operating expense per pupil minus \$3,900 and (ii), the greater of 7.5 percent or .075/CWR.	Same except for use of 1998-99 approved operating expense per pupil.
Flat Grant	\$400	Same
Wealth Measure	Adjusted, so that 1996 Actual Valuation is used and, in the calculation of borough aid for New York City, a portion of Manhattan's property wealth is allocated proportionately to the other four boroughs using a factor of 0.001 percent. ¹	Same, except for the use of 1997 Actual Valuation ²

¹ A district's Combined Wealth Ratio for 1999-00 is equal to: (.5 x District Pupil Wealth Ratio) + (.5 x District Alternate Pupil Wealth Ratio). The district Pupil Wealth Ratio is equal to:
$$\frac{(1996 \text{ Actual Valuation})}{\frac{1997-98 \text{ TWPU}}{\$243,800}}$$
; and the Alternate Pupil Wealth Ratio is equal to:
$$\frac{1996 \text{ District Income}}{\$91,700}$$

² A district's Combined Wealth Ratio for 2000-01 is equal to: (.5 x District Pupil Wealth Ratio) + (.5 x District Alternate Pupil Wealth Ratio). The district Pupil Wealth Ratio is equal to:
$$\frac{(1997 \text{ Actual Valuation})}{\frac{1998-99 \text{ TWPU}}{\$245,400}}$$
; and the Alternate Pupil Wealth Ratio is equal to:
$$\frac{1997 \text{ District Income}}{\$98,300}$$

Beginning with the 1997-98 school year, income and actual valuation data moved back one year from the previous year-prior-to-the-base-year data. For the 2000-01 school year, 1997 Actual Valuation and Adjusted Gross Income will be used.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
State Share	A district's selected operating aid ratio is the greatest of: 1.37 - (1.23 * CWR) 1.00 - (0.64 * CWR) 0.80 - (0.39 * CWR) 0.51 - (0.22 * CWR) The maximum aid ratio is .90. For a district of average wealth (CWR = 1.000), the aid ratio is .41.	Same
Pupil Counts: Base	Average Daily Attendance excluding pupils placed in private schools for the disabled. ³	Same
Payment	Choice of base year or 2-year average	Same
Special Needs Pupils: Weightings	.25	Same
Tests Used	1984-85 -- 1985-86	Same
<u>EXTRAORDINARY NEEDS AID</u>		
Formula Ceiling	A minimum of 11% of the operating aid ceiling. If more than 74.5% of a district's enrolled students have extraordinary needs, the district receives more than 11% of its operating aid ceiling.	A district will receive the same aid for 2000-01 as was calculated for the 1999-00 school year by the State Education Department based on data on file on November 15, 1999.
Wealth Measure	Alternate Pupil Wealth Ratio	
State Share	.60	
Save-Harmless	100% of base year	

³Since the 1997-98 school year the pupil count has been based on year-prior-to-the base year attendance. An enrollment index adjusts for year-to-year changes in pupil numbers.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
Pupil Count	The sum of the percentage of eligible K-6 free lunch applicants times 1998 enrollment (if K-6 lunch data is not available, the percentage of students scoring below the statewide reference point on the grade 3 and 6 PEP reading and math tests multiplied by 1998 enrollment), plus the number of Limited English Proficiency students, plus a sparsity factor based on a calculation of enrollment per square mile times 1998 enrollment.	
<u>URBAN-SUBURBAN TRANSFER SUPPLEMENTATION</u>	If formula operating aid per pupil is greater in the district of residence, the district of attendance will receive urban-suburban transfer aid equal to formula operating aid per pupil that the district of residence would have received.	Same
<u>GIFTED AND TALENTED AID</u>		A district will receive the same aid for 2000-01 as was calculated for the 1999-00 school year by the State Education Department based on data on file on November 15, 1999.
Pupil Count	3% of ADA	
Ceiling	\$196	
<u>LIMITED ENGLISH PROFICIENCY AID</u>		
Weighting	.189	Same
<u>TAX EQUALIZATION</u>		
Eligible Districts	A district's approved operating expense (AOE) divided by 1997-98 TAPU for Expense in excess of its operating aid per pupil must be greater than the amount generated by multiplying .01950 by the district's 1996 Actual Valuation divided by 1997-98 TWPU.	Same except for use of 1998-99 approved operating expense per pupil and 1997 Actual Valuation divided by 1998-99 TWPU.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
Formula Ceiling	The positive remainder of the lesser of \$8,000 or 1997-98 AOE/TAPU for Expense, minus 1999-00 operating aid divided by Selected TAPU, plus .01950 multiplied by AV/TWPU.	Same except for the use of 1998-99 approved operating expense per pupil and 2000-01 operating aid.
Pupil Count	Selected TAPU.	Same
Limit	None	Starting with the 2000-01 school year, a district will receive the lesser of: aid for 2000-01 or for the 1999-00 school year based on data on file with the State Education Department on November 15, 1999.

TAX EFFORT

Eligible Districts	A district's 1996 tax levy on residential real property including condominium property must be greater than 3% of the district's 1996 adjusted gross income. In addition, the district must have a Pupil Wealth Ratio less than 2.0.	A district's 1997 tax levy on residential real property including condominium property, less its school tax relief aid received in 1998-99, must be greater than 3.9% of the district's 1997 adjusted gross income. In addition, the district must have a Pupil Wealth Ratio less than 2.0.
Formula Ceiling	\$912.48	Same
Tax Effort Ratio	The positive result of the 1996 tax levy on residential real property including condominium property divided by the 1996 adjusted gross income (but not greater than 7.00) minus 3.00, divided by 4.00.	The same except for the use of 1997 residential tax levy, less school tax relief aid, and the 1997 adjusted gross income.
Pupil Count	Selected TAPU.	Same

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>TRANSITION ADJUSTMENT</u>	The sum of 1999-00 Operating, Tax Equalization, and Tax Effort is adjusted so that the sum of these aids and the transition adjustment will be no less than the sum of these aids in 1998-99 and no more than the greater of either (a) 2.80% increase over 1998-99 or (b) 7.80% of the amount withheld by the transition cap.	The sum of 2000-01 Operating, Tax Equalization, and Tax Effort is adjusted so that the sum of these aids and the transition adjustment will be no less than a 1.25% increase over the sum of these aids in 1999-00 and no more than the greater of either (a) a 2.25% increase over 1999-00 or (b) 10.0% of the amount withheld by the transition cap.
<u>EXCESS COST AID FOR DISABLED PUPILS</u>		
Public Excess Cost Aid:		
Ceiling Range for Aid	\$2,000 - \$7,110	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	4 x 1997-98 approved operating expense per pupil or \$10,000	Same
Save-Harmless	100% of Base Year (including declassification aid)	Same
Disabled Pupil Classifications	Three	Same
Private Excess Cost Aid:		
Ceiling Range for Aid	Tuition - Deduct	\$2,000-\$7,110/ Tuition-Deduct
Deduct	Local levy/Enrollment	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.85	.49/.85
Minimum Aid Ratio	.50	.25/.50
Pupils	Attending private schools or State run schools	Same
Pupil Weighting	None	1.70
State School Taper Ratio	(1-CWR)/.75	Same
<u>DECLASSIFICATION SUPPORT SERVICES AID</u>		
Ceiling	Basic Excess Cost Aid Per Pupil x 0.50	Same
Pupil Count	Base Year Pupils in Need	Same

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>EDUCATIONALLY RELATED</u>		
<u>SUPPORT SERVICES AID</u>		
Ceiling(s)	\$335.00/\$635.00	Same
Wealth Measure	Combined Wealth Ratio	Same
State Shares	Operating Aid Ratio and Public Excess Cost Aid Ratio	Same
Minimum Aid Ratio	.25	Same
Pupil Counts	9% of Selected TAPU and 15% of Selected TAPU times Extraordinary Needs percent in excess of 60%	Same
<u>BOCES AID</u>		
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 Provision	100% of 1967-68 Aid	Same
Limit	None	80% of aid
<u>FULL-DAY K INCENTIVE AID</u>		
Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 1998-99 it had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 1998-99.	Full-Day Kindergarten programs are eligible for funding under the new \$25.0 million Aid for High Needs Districts
Pupil Count	1999-00 Estimated Full-Day K Enrollment - 1998-99 Full-Day K Enrollment	
Aid Per Pupil	A district's operating aid per pupil.	

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>TRANSPORTATION AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA or a district's Combined Wealth Ratio	Same
State Share	The greater of: 1.01 - (.46 * AV/RWADA wealth ratio), 1.263 * Operating Aid Ratio or 1.01 - (.46 * AV/enrollment wealth ratio) (NYC excepted)	Same
Sparsity Adjustment	(21 - enrollment/square mile)/317.88	Same
Minimum Aid Ratio	.065	Same
Maximum Aid Ratio	.90	Same
Base	Approved Expenditures	Same
Urban-Suburban Transfer	Approved expenditures of transportation of pupils in voluntary interdistrict programs.	Same
<u>REORGANIZATION INCENTIVE AID</u>		
Prior to July 1, 1983		
Operating Aid:		
Additional Percentage (5 years)	10%	Same
Taper	1%/9 years	Same
Building Aid:		
Additional Percentage	25%	Same
Effective July 1, 1983		
Operating Aid:		
Additional Percentage (5 years)	20%	Same
Taper	2%/9 years	Same
Building Aid:		
Additional Percentage	30%	Same
Effective July 1, 1992		
Operating Aid:		
Additional Percentage (5 years)	40%	Same
Taper	4%/9 years	Same

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
Eligibility Date: New Projects	July 1, 2000	None
<u>BUILDING AID</u> Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
Aid Ratio Choice	Actual Aid Ratio Valuation/RWADA <u>Year</u> <u>Data Used</u>	Actual Aid Ratio Valuation/RWADA <u>Year</u> <u>Data Used</u>
	1999-00 96AV/97-98 RWADA	2000-01 97AV/98-99 RWADA
	1998-99 95AV/96-7 RWADA	1999-00 96AV/97-98 RWADA
	1997-98 94AV/95-6 RWADA	1998-99 95AV/96-97 RWADA
	1996-97 Selected AV	1997-98 94AV/95-96 RWADA
	1995-96 Selected AV	1996-97 Selected AV
	1994-95 Selected AV	1995-96 Selected AV
	1993-94 Selected AV	1994-95 Selected AV
	1992-93 Selected AV	1993-94 Selected AV
	1991-92 Selected AV	1992-93 Selected AV
	1990-91 Selected AV	1991-92 Selected AV
	1989-90 Selected AV	1990-91 Selected AV
	1988-89 1986-87 & 85-86	1989-90 Selected AV
	1987-88 1985-86	1988-89 1986-87 & 85-86
	1986-87 1984-85	1987-88 1985-86
	1985-86 1983-84	1986-87 1984-85
	1984-85 1982-83	1985-86 1983-84
	1983-84 1981-82	1984-85 1982-83
	1982-83 1980-81	1983-84 1981-82
	1981-82 1979-80	1982-83 1980-81
		1981-82 1979-80
Base	Approved Expenditures including new debt service	Approved expenditures except for current year new debt service
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 percent 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 except that the 10 percent building aid enrichment will be targeted to instruction-related projects. In addition for projects approved by voters after July 1, 2000, the aid ratio choice is limited to the greater of the selected 1999-00 aid ratio minus .10 or the current FV/RWADA aid ratio.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>SPECIAL SERVICES AID</u>		
Career Education Aid:		
State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$3,720	Same
Wealth Measure	Combined Wealth Ratio	Same
Computer Administration Aid:		
State Share	.49	Same
Minimum Aid Ratio	.30	Same
Ceiling	\$62.30/pupil	Same
Wealth Measure	Combined Wealth Ratio	Same
<u>INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID</u>	Based on approved expense (up to an amount equal to \$12.70 x TAPU x current year building aid ratio)	Based on approved expense (up to an amount equal to \$19.25 x TAPU x current year building aid ratio)
<u>TEXTBOOK AID</u>	Up to \$46.87 per public and nonpublic pupil (district of residence)	Up to \$57.30 per pupil including charter school pupils and nonpublic pupil (district of residence)
<u>COMPUTER SOFTWARE AID</u>	Up to \$7.55 per public and nonpublic pupil (district of attendance)	Up to \$14.98 per pupil including charter school pupils and nonpublic pupil (district of attendance)
<u>LIBRARY MATERIALS AID</u>	Up to \$6 per public and nonpublic pupil (district of attendance)	Same including charter school pupils
<u>GROWTH AID</u> ⁴	Growth Index in excess of 1.004 * Operating Aid	Same

⁴The Growth Index is defined as a measure of enrollment, including charter school enrollment, rather than attendance.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>SMALL CITY SCHOOL DISTRICT AID</u>	\$81.88 million. For the 1999-00 school year a district's <u>Hurd</u> aid was the same as its 1998-99 aid	\$75.53 million. For 2000-01, a district will receive its grant calculated pursuant to a formula under which <u>Hurd</u> aid would equal a declining percentage of the district's operating budget, less increases in State aid, and less a local revenue expectation.
Save-harmless	Base Year Small City School District Aid x (.98 - .02 x Years on Save-harmless)	Same
<u>EMPLOYMENT PREPARATION EDUCATION AID⁵</u>		
Ceiling	\$6.25/contact hour	\$6.55/contact hour
Wealth Measure	AV/TWPU	Same
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same
<u>SHARED SERVICES AID FOR BIG 5 CITY SCHOOL DISTRICTS⁶</u>		
Eligible Districts	Big Five City schools and other districts that are non-components of BOCES	None
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	None
State Share	The greater of: 1 - (.008/District Actual Valuation Tax Rate) or 1 - (.51 x AV/RWADA Wealth Ratio)	None
Minimum Aid Ratio	.36	None
Maximum Ratio	.90	None
Base	Approved expenditures for instructional support services.	None

⁵For the 2000-01 school year, total aid is limited to \$90.18 million. In 1999-00 aid was limited to \$96.18 million.

⁶For the 1999-00 school year, total aid was limited to \$10.00 million.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>EDUCATION TECHNOLOGY</u>		
<u>INCENTIVE AID</u> ⁷		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
State Share	The greater of: 1 - (.008/District Actual Valuation Tax Rate) or the Building Aid Ratio for 1999-00 Aid.	Same except for the use of the Building Aid Ratio for 2000-01.
Minimum Aid Ratio	.36	Same
Base	Approved expenditures for instructional computer technology equipment that are not eligible for building aid or claimed under any other technology aid or BOCES aid.	Same
<u>OPERATING STANDARDS AID</u>		
Formula Ceiling	\$7.50 plus the product of \$61.50 times the State share	Same
Wealth Measure	Alternate Pupil Wealth Ratio	Same
Expenditure Measure	Approved Operating Expense per pupil	Same
State Share	$1.00 - (.66 * ((.5 * APWR) + (.5 * \frac{AOE}{TAPU})))$ \$6,058	Same
Minimum Aid Ratio	.078	Same
Pupils	Selected TAPU (Selected TAPU times 1.26 for districts with an Extraordinary Needs percent in excess of 60%)	Same

⁷For the 2000-01 school year, total aid is limited to \$22.99 million. In 1999-00 total aid was limited to \$25.00 million.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>UNIVERSAL PRE-KINDERGARTEN AID</u> ⁸		
Pupil Count	Estimated 1999-00 children not served by the State's experimental pre-kindergarten program and preschool children with disabilities receiving services for less than four hours a day	Estimated 2000-01 children not served by the State's experimental pre-kindergarten program and preschool children with disabilities receiving services for less than four hours a day
Wealth Measure	Combined Wealth Ratio	Same
Minimum/Maximum Per Child Amount	\$2,700, \$4,000	\$2,000, \$4,000
<u>READING 2000</u>	None	\$130.30 million
<u>CATEGORICAL READING AID</u>	\$63.95 million	None
<u>GRANTS FOR IMPROVING PUPIL PERFORMANCE</u>	\$66.35 million	None
<u>FORT DRUM GRANTS</u>	\$2.63 million	Same
<u>MAGNET SCHOOL AID</u>	\$134.97 million	\$135.44 million
<u>COMPREHENSIVE INSTRUCTIONAL MANAGEMENT SYSTEMS (CIMS) AID</u>	\$2.50 million (\$1.25 million to Big Five; \$1.25 million to BOCES)	None
<u>ATTENDANCE IMPROVEMENT/ DROPOUT PREVENTION GRANTS</u>	\$.95 million	None

⁸In 2000-01 school year, total aid is limited to \$120.00 million.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>MINOR MAINTENANCE AND REPAIR AID</u> ⁹		
Maximum District Aid	A district's 1998-99 enrollment x the average age of its instructional facilities (compared to a statewide average) x its 1993-94 enrollment divided by its 1989-90 enrollment. This result is divided by the statewide sum of these values and then the district's ratio is multiplied by \$16,670,000	None
Minimum District Aid	\$2,000	None
<u>TAX LIMITATION AID</u> ¹⁰		
Eligible Districts	A district's 1996 tax levy on residential real property including condominium property must be greater than 3.9% of the district's 1996 adjusted gross income. In addition, the district must have a Pupil Wealth Ratio less than 2.0.	None
State Share	.50	None
Wealth Measure	Combined Wealth Ratio	None
Formula Ceiling	.0305 multiplied by the 1996 residential tax levy per pupil	None

⁹For the 1999-00 school year, New York City's aid could not exceed \$33.33 million. Total aid was limited to \$50.00 million.

¹⁰For the 1999-00 school year, total aid was limited to \$25.0 million.

<u>Category</u>	<u>1999-00 School Year</u>	<u>2000-01 School Year</u>
<u>CLASS SIZE REDUCTION AID</u> Eligible Districts	A district must have had an average class size greater than 20 pupils in 1993-94 in K or grades 1-3. The district must also have a current year Combined Wealth Ratio below 1.5 and an Extraordinary Needs percent greater than 40%.	A district will receive the same aid for 2000-01 as was calculated for the 1999-00 school year by the State Education Department based on data on file on November 15, 1999 multiplied by 1.0285.
Start-Up Grant	\$10,000	
Basic Grant per Classroom	A district's 1994-95 median teacher salary (for teachers with 5 years of experience) multiplied by 1.0609 with the result multiplied by 1 + the district's 1994-95 fringe benefit rate	
Phase-in Factor	Additional classrooms needed to reach a goal of 20 pupils per classroom multiplied by: New York City: 18.7% Big 4 Cities: 33.3% Rest of State: 40.0%	
Proration	1999-00 aid (based on data on file with the State Education Department on November 15, 1999) multiplied by 1.0285	
<u>INCARCERATED YOUTH</u>	\$11.15 million	Same
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>COMPTROLLER AUDITS</u>	\$.25 million	Same
<u>TEACHER SUPPORT AID</u>	\$67.48 million	None
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same
<u>CUNY ACADEMIC INTERVENTION SERVICES</u>	None	\$9.00 million
<u>TEACHER CERTIFICATION</u>	None	\$25.00 million
<u>AID FOR HIGH NEEDS DISTRICTS</u>	None	\$25.00 million

APPENDIX III-B
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating comprehensive operating aid, tax equalization aid, tax effort aid, the transition adjustment, limited English proficiency aid, public and private excess cost aids, declassification support services aid, educationally related support services aid, special services aid, reorganization incentive operating aid, BOCES aid, transportation aid, building aid, reorganization incentive building aid, computer software aid, textbook aid, instructional computer hardware and technology equipment aid, library materials aid, growth aid, employment preparation education aid, incarcerated youth aid, education technology incentive aid, universal pre-kindergarten aid, and operating standards aid are presented in this appendix.

The State average wealth measures for use in the calculation of aid ratios for 2000-01 school year payments are:

1997 Actual Valuation/1998-99 TWP	\$245,400
1997 Adjusted Gross Income/1998-99 TWP	\$ 98,300
1997 Actual Valuation/1998-99 RWADA	\$294,200

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 appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

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

COMPREHENSIVE OPERATING AID

A district's operating aid is determined by first calculating its "formula aid" and comparing it with the minimum "flat grant" guarantee.

Formula Aid/"Flat Grant" Guarantee

Education Law, Section 3602, Subdivision 12

Each district receives the greater of:

- (i) "Formula Aid"
- (ii) \$400 x Selected TAPU ("Flat Grant Provision")

Formula Operating Aid = (\$3,900 + Ceiling Adjustment) x Operating Aid Ratio x Selected TAPU for payment

Ceiling Adjustment = The lesser of \$8,000 or 1998-99 approved operating expense per pupil minus \$3,900 x the greater of 7.5 percent or .075/CWR

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

- 1.37 - (Combined Wealth Ratio x 1.23)
- 1.00 - (Combined Wealth Ratio x 0.64)
- 0.80 - (Combined Wealth Ratio x 0.39)
- 0.51 - (Combined Wealth Ratio x 0.22)

Combined Wealth Ratio = (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio)

Pupil Wealth Ratio =

$$\frac{1997 \text{ Actual Valuation}/1998-99 \text{ TWPU}}{\text{State Average Actual Valuation}/\text{TWPU}} \\ (\$245,400)$$

Alternate Pupil Wealth Ratio =

$$\frac{\text{District 1997 Adjusted Gross Income}/1998-99 \text{ TWPU}}{\text{State Average Adjusted Gross Income}/\text{TWPU}} \\ (\$98,300)$$

Selected TAPU for Payment = The higher of 1999-00 TAPU or the average of 1998-99 and 1999-00 TAPU.

TAX EQUALIZATION AID

Education Law, Section 3602, Subdivision 16 and the 2000-01 ELFA Appropriation Bill

Tax Equalization Aid = (Expense Per Pupil - Tax Yield Per Pupil) x Selected TAPU

Expense Per Pupil in Excess of Operating Aid = The lesser of:

$$\frac{1998-99 \text{ Approved Operating Expense (AOE) or } \$8,000}{1998-99 \text{ TAPU for Expense}}$$

$$\text{minus } \frac{2000-01 \text{ Operating Aid}}{\text{Selected TAPU}}$$

Tax Yield Per Pupil = .01950 x 1997 Actual Valuation/1998-99 TWPU

For the 2000-01 school year, a district's aid will equal the lesser of its aid calculated for 2000-01 or for the 1999-00 school year based on data on file with the State Education Department as of November 15, 1999.

TAX EFFORT AID

Education Law, Section 3602, Subdivision 16 and the 2000-01 ELFA Appropriation Bill

Districts are eligible for Tax Effort Aid if their Pupil Wealth Ratio as computed for the Combined Wealth Ratio is below 2.000 and their residential real property tax levy, less their school tax relief aid received in 1998-99, is greater than 3.9% of the district's adjusted gross income.

Tax Effort Aid = \$912.48 x Tax Effort Factor x Selected TAPU

Tax Effort Factor =

$$\frac{(1997 \text{ Tax levy on residential real property including condominiums less 1998-99 school tax relief aid}/1997 \text{ Adjusted Gross Income} \times 100) - 3}{4}$$

The positive result of the tax levy divided by income and multiplied by 100 may not be greater than 7.

TRANSITION ADJUSTMENT

Education Law, Section 3602, Subdivision 18 and the 2000-01 ELFA Appropriation Bill

1. Aid Minimum: For aid payable in 2000-01 the sum of the aids generated for Operating Aid, Tax Effort and Tax Equalization Aids may not be less than 101.25 percent of the sum of such aids and the Transition Adjustment received in 1999-00.
2. Aid Maximum: For aid payable in 2000-01 the sum of the aids generated for Operating Aid, Tax Effort and Tax Equalization Aids may not be more than the greater of either 102.25 percent of the sum of such aids and the Transition Adjustment received in 1999-00 or the sum of such 1999-00 aids plus 10.0 percent of the difference of such aids for 2000-01 minus the sum of such aids and any transition adjustment payable in the 1999-00 school year.

LIMITED ENGLISH PROFICIENCY AID (LEPA)

Education Law, Section 3602, Subdivision 22

A district running programs for pupils with limited English proficiency may receive limited English proficiency aid. Program participants are those scoring below the 40th percentile on an English language assessment instrument.

LEPA = .189 x 2000-01 Operating Aid per TAPU x 1999-00 Program Participants

EXCESS COST AID FOR PUBLIC SCHOOL PUPILS

Education Law, Section 3602, Subdivision 19 and the 2000-01 ELFA Appropriation Bill

A district receives public excess cost aid for pupils with disabilities in

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

Basic Excess Cost Aid

All districts with pupils with disabilities in public school programs receive public school excess cost aid.

$$\text{Basic Excess Cost Aid} = \frac{\text{Aidable Expense}}{\text{Expense}} \times \frac{\text{Aid Ratio}}{\text{Ratio}} \times \frac{\text{Weighted Pupils with Disabilities}}{\text{with Disabilities}}$$

$$\text{Aidable Expense} = \frac{1997-98 \text{ Approved Operating Expenses (AOE)}}{1997-98 \text{ TAPU for Expense}}$$

Minimum: \$2,000
 Maximum: Greater of State Average (\$6,250) or \$7,110

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

Minimum: .250

Weighted Pupils: Pupils with disabilities are weighted according to the level of special services and programs that they are required to receive:

At least 60% of the day.....1.70
 At least 20% of the week or five periods
 (at least 180 minutes) per week.....0.90
 Direct/Indirect Consultant Teacher.....0.90

High Cost Excess Cost Aid

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

\$10,000

or

4 x AOE/TAPU (without limits)

Per Pupil Calculation:

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

Save-Harmless Provision

A district is eligible to receive the greater of:

- (i) 2000-01 Basic Excess Cost Aid + High Cost Aid + Declassification Support Services Aid
- (ii) 1999-00 Total Public Excess Cost Aid

DECLASSIFICATION SUPPORT SERVICES AID

Education Law, Section 3602, Subdivision 19, paragraph 7

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

$$\begin{array}{rcccl} \text{Declassification Support} & = & \text{Public Excess Cost} & \times & .50 \times & \text{1999-00 Pupils} \\ \text{Services Aid} & & \text{Aid Per Pupil} & & & \text{in Need} \end{array}$$

Effective in the 2001-02 school year, each school district will receive its 2000-01 funding level as adjusted for the new pupil weighting and related changes enacted in Chapter 58 of the Laws of 1999. In addition, funding will be available for enrollment growth and to provide a separate funding set-aside for high cost, special needs children moving into a school district. Performance-based incentive funding will be provided to school districts that demonstrate strong performance or improvement in lowering classification rates and increasing the number of disabled children served in the least restrictive classroom settings.

EXCESS COST AID FOR PRIVATE SCHOOL PUPILS

Education Law, Section 4405, Subdivision 3, paragraphs a and b
Education law, Section 4401, Subdivision 6 and 7
The 2000-01 ELFA Appropriation Bill

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

Beginning in 2000-01, New York will conform reimbursement formulas for private special education programs to the 2000-01 public excess cost formula.

Private Excess Cost Aid = the sum of the four components below.

- (i) Weighted Pupils x Aidable Expenses x Aid Ratio

Weighted Pupils: Pupils, not including those at the two State-operated schools at Rome and Batavia, are weighted at 1.70

$$\text{Aidable Expense} = \frac{\text{1997-98 Approved Operating Expense (AOE)}}{\text{1997-98 TAPU for Expense}}$$

Minimum: \$2,000

Maximum: Greater of State Average (\$6,250) or \$7,110

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

Minimum: .250

- (ii) Unweighted Pupils x Aidable Cost - (3 x AOE TAPU) x Aid Ratio

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

Aid Ratio = Same as above

Unweighted Pupils = Same as above without the 1.70 weighting

- (iii) Aid for Rome and Batavia pupils = Aidable Cost x Aid Ratio x pupils

Aidable Cost = Tuition - (Basic Contribution per pupil)

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

Minimum: .50

(iv) Private Excess Cost Taper for Rome and Batavia Placements

Additional aid is available to districts with:

(i) Continued pupil placements at the two State-operated schools for pupils originally placed at the two schools prior to July 1, 1990; and

(ii) A combined wealth ratio of less than 1.0.

Taper for Rome and Batavia Placements = $\frac{\text{Taper Aidable Cost} \times \text{Taper Aid Ratio}}{\text{Ratio}}$

Taper Aidable Cost = Tuition - Regular Private Excess Cost Aid

Taper Aid Ratio = $\frac{1.0 - (\text{Combined Wealth Ratio})}{.75}$

Maximum: 1.0

EDUCATIONALLY RELATED SUPPORT SERVICES AID (ERSSA) INCLUDING SPEECH THERAPY

Education Law, Section 3602, Subdivision 32

Any district which provides support services to nondisabled pupils intended to maintain their placement in a regular education program is eligible to receive educationally related support services aid. This program includes speech therapy services for nondisabled pupils. Beginning with the 1995-96 school year, services were expanded to include curriculum and instructional modification and direct student support team services. Eligibility for ERSSA services was expanded for the 1996-97 school year and after to include qualified handicapped persons under the Americans with Disabilities Act and any students with disabilities whose attendance does not generate any Excess Cost Aid. Eligible services were expanded to meet the needs of such students.

ERSSA = The sum of:

(i) \$335.00 x Selected Operating Aid Ratio (.25 minimum) x 9.0 percent of Selected TAPU

(ii) \$635.00 x Public Excess Cost Aid Ratio x 15.0 percent of Selected TAPU x Extraordinary Needs Percent (in excess of 60 percent)

SPECIAL SERVICES AID

Education Law, Section 3602, Subdivision 17

Big 5 City school districts are eligible to receive career education aid and computer administration aid.

Career Education Aid = \$3,720 x Aid Ratio x Career Ed Pupils

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

Minimum: .360

Career Education Pupils = 1999-00 Grade 10-12 ADA in a
Career Education Trade Sequence
+ .16 x Business Sequence ADA

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

Enrollment = Fall 1999 public enrollment attending in the district

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

Minimum: .300

REORGANIZATION INCENTIVE OPERATING AID

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

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

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

The sum of Formula Operating Aid and Incentive Operating Aid may not exceed 95 percent of AOE.

Reorganization Prior to July 1, 1983:

Incentive Operating Aid was available for school districts which reorganized prior to July 1, 1983, for 14 years beginning with the first school year of operation as a reorganized district. For the first five years the Incentive Aid Percentage was 10 percent, and for the next nine years the percentage of such operating aid decreased 1 percent per year.

Reorganization After July 1, 1983:

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

Reorganization After July 1, 1992:

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

BOCES AID

Education Law, Section 1950, Subdivision 5 and the 2000-01 ELFA Appropriation Bill

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

BOCES Operating Aid = Base Year Approved Expenses x Aid Ratio

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

Aid Ratio = greater of:

- (i) $1 - \frac{.008}{\text{District Actual Valuation Tax Rate (Local Revenue/Actual Valuation)}}$
- (ii) $1 - \left(\frac{1997 \text{ Actual Valuation}/1998-99 \text{ RWADA}}{\text{Statewide Average } (\$294,200)} \times .51 \right)$

Minimum: .360
Maximum: .900

BOCES Capital Aid = 2000-01 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2000-01 Rental Expense x RWADA Aid Ratio

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

- (i) 2000-01 BOCES Operating, Capital and Rental aids
(ii) BOCES aid received during 1967-68

For the 2000-01 school year, a district's aid will equal 80.00 percent of calculated aid. Starting in 2001-02 school district increases in BOCES aid will be capped at the statewide percentage increase in combined operating aids and the transition adjustment as apportioned at the time the state budget was enacted in the base year.

TRANSPORTATION AID

Education Law, Section 3602, Subdivision 7

Districts are allotted reimbursement for transportation expenses through the transportation aid formula.

Transportation Aid = $\left[\text{Aid Ratio} + \text{Sparsity Factor} \right] \times \text{Approved Transportation Expenses}$

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

- (i) $1.263 \times \text{Selected Operating Aid Ratio}$
- (ii) $1.010 - \left(\frac{1997 \text{ AV}/1998-99 \text{ RWADA}}{\text{Statewide Average } (\$294,200)} \times .46 \right)$
- (iii) $1.010 - \left(\frac{1997 \text{ AV}/1998-99 \text{ Public \& Nonpublic Enrollment}}{\text{Statewide Average } (\$252,300)} \times .46 \right)$

Minimum: .065
Maximum: .900

Sparsity Factor = $\frac{21.00 - 1998 \text{ Public Enrollment/Square Mile}}{317.88}$

Approved Transportation Expenses include:

- Health and life insurance
- Collision insurance
- Equipment
- Uniforms
- Driver and mechanic salaries
- Supervisor and other salaries
- Operating and maintenance expenses

- Social Security payments on all salaries
- Full contract expenses
- Shuttle expenses
- Retirement benefits
- Computerized bus routing services
- Transportation of children to and from day care centers
- Transportation of pupils in voluntary interdistrict programs

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
- Expenditures for transportation to and from summer classes
- Bus purchase expenses exceeding the State contract price

BUILDING AID

Education Law, Section 3602, Subdivision 6 and the 200-01 ELFA Appropriation Bill

School districts incurring debt service, capital or reserve fund expenses for approved building projects may receive building aid. Aid is available for expenses related to the installation of computer laboratory hardware and for the purchase of stationary metal detectors.

Building Aid = Aid Ratio x Approved Building Expenses

$$\text{Aid Ratio} = 1 - \frac{(1997 \text{ Actual Valuation}/1998-99 \text{ RWADA} \times .51)}{\text{Statewide Average } (\$294,200)}$$

$$\text{Approved Building Expenses} = 1999-00 \text{ approved capital expense} + 2000-01 \text{ debt service for BANS or bonds issued in a previous school year} + \text{the excess, if any, of 1999-00 BANS/debt service expenditures claimed over expenditures reported on 11/15/99}$$

Selected Aid Ratio:

Districts may use the highest of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year for projects approved by the date prior to July 1, 2000. For projects approved by the voters after July 1, 2000, the aid ratio choice is limited to the greater of the selected 1999-00 aid ratio minus .10 or that calculated for use in 2000-01.

Incentive:

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 percent State reimbursement. However, the 10 percent building aid enrichment will be targeted to instruction-related projects. The sum of the incentive and the selected aid ratio may not exceed .950. In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.

REORGANIZATION INCENTIVE BUILDING AID

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

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

Aid is paid on projects for which the general construction contract is signed prior to July 1, 2000 or within ten years from the effective date of the reorganization, whichever is later.

For districts reorganizing prior to July 1, 1983,

$$\frac{\text{Reorganization Incentive}}{\text{Building Aid}} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 25\%$$

For districts reorganizing after July 1, 1983,

$$\frac{\text{Reorganization Incentive}}{\text{Building Aid}} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 30\%$$

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

COMPUTER SOFTWARE AID

Education Law, Section 751

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

$$\frac{\text{Computer Software Aid}}{\text{Enrollment}} = \frac{1999-00 \text{ Cost of Software}}{\text{(up to \$14.98)}} \times 1999-00 \text{ Enrollment}$$

Enrollment = Fall 1999 public and private school enrollment, including charter school enrollment, for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

TEXTBOOK AID

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

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

$$\frac{\text{Textbook Aid}}{\text{Enrollment}} = \frac{1999-00 \text{ Cost of Textbooks, not to exceed } \$57.30 \times 1999-00 \text{ Resident Public and Nonpublic School Enrollment (including charter school enrollment)}}{\text{Enrollment}}$$

INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 3602, Subdivision 26

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

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

Approved expenses for technology education equipment were first eligible for aid

in the 1992-93 school year.

Starting with aid for 1991-92, the local match is eliminated.

$$\text{Hardware Aid} = \frac{\text{Approved Expenses (up to \$19.25 x Selected TAPU for payment x Current Year Building Aid Ratio)}}{\text{Current Year Building Aid Ratio}}$$

LIBRARY MATERIALS AID

Education Law, Section 711, Subdivision 4

All districts are eligible for library materials aid. The aid is provided to enable districts to purchase necessary library materials to be made available on an equitable basis to all pupils attending schools within such district.

$$\text{Library Materials Aid} = \frac{1999-00 \text{ Cost of Library Materials (up to \$6.00)}}{1999-00 \text{ Enrollment}}$$

Enrollment = Fall 1999 public, including charter school enrollment, and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

GROWTH AID

Education Law, Section 3602, Subdivision 13

For the 2000-01 school year, growth aid is distributed to districts that are eligible due to an increase in enrollment. For any district whose growth index is greater than 1.004, the district also receives growth aid.

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

$$\text{Growth Index} = \frac{2000-01 \text{ Estimated Enrollment}}{1999-00 \text{ Enrollment}}$$

EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 24 and the 2000-01 ELFA Appropriation Bill

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. Beginning in 1991-92, aid paid directly to BOCES for approved BOCES EPE programs is based on component districts' aid ratios. Beginning in 1995-96, the BOCES EPE aid ratio is 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. Beginning in 1996-97, the BOCES EPE aid ratio is the greater of the EPE aid ratio based on the aggregate wealth of the component districts or 85 percent of the highest EPE aid ratio of a component district of the BOCES.

$$\text{EPE Aid} = \$6.55 \times \text{EPE Aid Ratio} \times \text{EPE Hours}$$

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

Minimum: .400

$$\text{Pupil Wealth Ratio} = \frac{1997 \text{ Actual Valuation}/1998-99 \text{ TWPU}}{\text{State Average } (\$245,400)}$$

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 2000-01 school year, total aid is limited to \$90.18 million.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 35

All districts are eligible for incarcerated youth aid. The aid is provided to enable districts to educate students in local centers of detention.

$$\text{Incarcerated Youth Aid} = \frac{\text{AOE}}{\text{TAPU}} \times \text{Number of full-day program pupils} + \left[.5 \times \frac{\text{AOE}}{\text{TAPU}} \right] \times \text{Number of half-day program pupils}$$

For the 2000-01 school year, total aid is limited to \$10.00 million.

EDUCATION TECHNOLOGY INCENTIVE AID

Education Law, Section 3602, Subdivision 26-a and the 2000-01 ELFA Appropriation Bill

Education Technology Incentive Aid =

Approved Educational Technology Expenses x Aid Ratio

Aid Ratio = greatest of:

- (i) A District's Building Aid Ratio for 2000-01 Aid
- (ii) $1 - \frac{.008}{\text{District Actual Valuation Tax Rate (Local Revenue/Actual Valuation)}}$
- (iii) .360

Approved Education Technology Expenses include 1999-00 instructional computer technology expenditures for capital outlays and/or 2000-01 expenses for debt service and/or leases. These are expenditures that are not eligible for building aid and are not claimed under any other technology aid.

For the 2000-01 school year, total aid is limited to \$22.99 million.

UNIVERSAL PRE-KINDERGARTEN AID

Education Law, Section 3602-e and the 2000-01 ELFA Appropriation Bill

Universal Pre-Kindergarten Aid =

Eligible Unserved Pre-Kindergarten Children x Per Child Grant Amount

Eligible Unserved Pre-Kindergarten Children = Estimated 2000-01 children not served by the State's experimental pre-kindergarten program and preschool children with disabilities receiving services for less than four hours a day x percentage of K-6 eligible applicants for the free and reduced price lunch program as of October 1998 (eligible applicants divided by K-6 enrollment) x 1.000. For New York City the estimated 2000-01 count is multiplied by 0.660. A minimum of 20 students is needed to be eligible for aid.

Per Child Grant Amount = \$260 + (Adjusted Aid Ratio x \$4,000). The result cannot exceed \$4,000 or be less than \$2,000.

Adjusted Aid Ratio =

$$(1 + (\text{Extraordinary Needs Ratio} - .940)/.047) \times \text{Selected Operating Aid Ratio}$$

Extraordinary Needs Ratio =

Extraordinary Needs Count divided by 1999 Enrollment

For the 2000-01 school year, total aid is limited to \$120.00 million.

OPERATING STANDARDS AID

Education Law, Section 3602, subdivision 38

Operating Standards Aid = $(\$7.50 + (\$61.50 \times \text{Aid Ratio})) \times \text{Pupil Count}$

Aid Ratio =

$$1 - .66 \times (.5 \times \text{Alternate Pupil Wealth Ratio} + .5 \times (\text{AOE}/\text{TAPU}/\$6,058))$$

Minimum: .078

Pupil Count = For school districts with an Extraordinary Needs percentage greater than 60 percent, a district's Selected TAPU for Payment is multiplied by 1.26. In all other districts, the pupil count for Operating Standards Aid is the district's Selected TAPU for Payment.

APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2000-01 SCHOOL YEAR

I. Average Daily Attendance/Average Daily Membership^a

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

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

Short Title	<u>Total Aidable Pupil Units For Expense</u>	<u>Total Aidable Pupil Units For Payment</u>	<u>Total Wealth Pupil Units</u>	<u>Resident Weighted Average Daily Attendance</u>
Year used for aid payable in 2000-01	TAPU for Expense 1998-99	Selected TAPU for Payment 1999-00 or Two-year Average (1998-99 and 1999-00) ^b	TWPU 1998-99	RWADA 1998-99
Attendance Periods	Full Year	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Served 100% ADA	Resident 100% ADA	Resident 100% ADA
<hr/>				
<u>Basic Weightings</u>				
Half-Day Kindergarten	.50	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00	1.00
Grades 7-12	1.00	1.00	1.00	1.25
Dual Enrollment	1.00	1.00	--	--

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

^bThe 1999-00 TAPU is based on 1998-99 ADA, adjusted by the enrollment index (change between 1998-99 and 1999-00 enrollment). The 1998-99 TAPU is based on 1997-98 ADA, adjusted by the enrollment index (change between 1997-98 and 1998-99 enrollment).

Additional Weightings

Secondary (including PSEN ^c but excluding HC in 1.7 & .9 public excess cost categories)	.25	.25	.25	--
PSEN (K-12 includ. HC)	.25	.25	.25	--
Handicapped (HC) in public schools for:				
60% of school day (special class)	1.70	--	1.70	--
20% of school week ^d (resource room)	.90	--	.90	--
Direct/Indirect Consultant Teacher	.90	--	.90	--
Private School	--	--	--	--
Summer/Extra School	.12	.12	--	--

^c PSEN (Pupils with Special Educational Needs) are determined by multiplying district average daily attendance by the percentage of the student population falling below the State reference point on third and sixth grade reading and mathematics pupil evaluation program (PEP) tests administered in the Spring of 1985 and the Spring of 1986.

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

APPENDIX III-D
STATE AID PAYMENT SCHEDULE TO SCHOOL DISTRICTS

Section 3609-a enacted by Chapter 58 of the Laws of 1998 governs the schedule of school district payments as well as the manner in which monthly aid payments are calculated. Section 3609-a includes computerized aids payable as School Aid except for Excess Cost aids which are covered under Section 3609-b payment schedule (which also includes Medicaid payments) and Textbook, Software and Library Materials aids. In addition a new Section 3609-e of the Education Law was added by Chapter 58 of the Laws of 1998. This section governs the schedule of school district payments for School Tax Relief (STAR). This payment is intended to reimburse school districts for school property tax exemptions granted pursuant to Section 425 of the Real Property Tax Law. Growth Aid is not paid until June 2001. Small Cities Aid is covered by Section 3609-c and BOCES Aid for 2000-01 by Section 3609-d.

For School Aid payable in the 2000-01 school year, school districts will receive the lesser of (i) the sum of the aid calculated at the time of enactment of the Aid to Localities Budget or (ii) actual claims at the time of payment. A district may not exceed the sum of apportionments reported in the school aid computer listing entitled "BT008-1" which was released in January 2000 with issuance of the 2000-01 Executive Budget. Any remaining unpaid amount of aid due to a school district will be paid on the first business day of September, 2001. The payment schedule has several features:

GSPS Aids

- Lottery Aid will continue to be paid in full on or before September 1.
- School district obligations to the New York State Teachers Retirement System (TRS) will continue to be paid by the State on behalf of school districts in September, October and November.
- "Fixed" payments will be paid in the months of October, November and December. These payments guarantee that a "fixed" percentage of a district's apportionments, after TRS payments, will be paid through the sum of Lottery payments and regular aid payments by given points in time: 12.50 percent by October 15, 18.75 percent by November 15 and 25.00 percent by December 15.
- "Individualized" payments will be calculated for the months of January through June, based on school district State Aid claims or data available to the Commissioner as of December 1. These will be calculated to guarantee that each district receives 50 percent of the sum of its State and local revenues by the first business day of January, 60 percent by February, 70 percent by March, 80 percent by April and 90 percent by May. All of the April payment, all or most of the May payment, and some of the June payment may be paid as part of the sustaining advance payments and the final payment for the State Fiscal Year in order to fully expend the State Fiscal Year appropriation for School Aid in March 2000. If necessary, the March payment may also be reduced to ensure that no more than the State Fiscal Year appropriation for School Aid is expended by March 31.
- Sustaining advance payments and a final payment for the State Fiscal Year will be paid to school districts on March 31 on a prorata basis using the district's relative share of either: (1) for the sustaining advance payments, the total monies designated for payment in April, then May and finally June or (2) for the final payment for the State Fiscal Year, the total monies designated for June (if a positive payment is to be made) or the total monies designated for March (if a negative deduction is to be made). For purposes of calculating the final payment for the State Fiscal Year, the remaining unexpended portion of the State Fiscal Year appropriations for School Aid will be used.

- Any aids payable for Growth Aid will be paid in addition to any remaining balance of the June General Aid payment on the first business day in June. In addition Growth Aid cannot exceed the total of such aids as they appear on the computer listing "BT008-1."
- Any excess of actual General Aid apportionments over the sum of such apportionments as reported in the school aid computer listing entitled "BT008-1" will be paid on the first business day of September, 2001.
- Any excess of Building aid payable for continuing debt service over the sum of such aid as reported in the school aid computer listing entitled BT008-1 will be paid the first business day of September 20001.

STAR Reimbursement

Under the Governor's proposal, only the taxes foregone as a result of the exemptions granted to eligible senior homeowners would require reimbursement pursuant to section 3609-e. The remainder of STAR recipients would pay the full amount of their taxes to the school district and then receive a rebate check directly from the State.

- Star reimbursement will be governed by the payment schedule contained in Section 3609-e. The full amount of 2000-01 STAR Aid payments owed to individual school districts will be paid in full by the first business day of January based upon school tax relief exemptions reported to the Commissioner by the Office of Real Property Tax Services. For the 2000-01 school year, a payment will be made on or before October 15 for School Tax Relief (STAR) aid payable that exceeds 18.75 percent of a school district's total property tax levy. Remaining STAR aid payable exceeding 15 percent of district tax levy will be paid on or before November 15 and STAR aid exceeding 11.25 percent of levy will be paid on or before December 15. Remaining balances of STAR aid will be paid on or before the first business day of January, 2001.
- After the January payment, an additional payment of any upward adjustments certified by the Office of Real Property Services on or before March 1 may be made to school districts on or before March 31.
- Payment amounts will be based on current data on file at the time of each payment through January.
- Current statutory provisions authorizing the Commissioner to withhold State aid payments from school districts that have not submitted enrollment and expenditure data on a timely basis shall not apply to STAR aid payments.

Excess Cost Aids

Section 3609-b of the Education Law requires that apportionments payable to school districts for Excess Cost Aids shall be designated as State share monies due to school districts pursuant to Title XIX of the Social Security Act (Medicaid Reimbursement). Such State share monies will be paid in conjunction with the scheduled monthly payment of federal share monies for Medicaid Reimbursement. Any remaining balances of Excess Cost Aids will be paid in accordance with the schedule below. Total Excess Cost Aids payable to a district for the school year may not exceed the sum of such aids as reported in the school aid computer listing entitled "BT008-1" which was released in January 2000 with issuance of the 2000-01 Executive Budget.

- The positive remainder of 25 percent of Excess Cost Aids minus any State share monies paid in the months of August-November, 2000 will be paid on or before December 15.
- The positive remainder of 70 percent of such aids minus any apportionment previously paid and any State share monies payable in the months of August

2000-February 2001 will be paid on or before March 15.

- The positive remainder of 85 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2000-May 2001 will be paid on or before June 15.
- The positive remainder of 100 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2000-July 2001 will be paid on or before August 15.
- Any excess of actual Excess Cost Aids payable over the sum of such aids as reported in the school aid computer listing entitled "BT008-1," will be paid on the first business day of September, 2001.

BOCES Aid^a

- BOCES Aid is calculated by individual component school districts of the BOCES, but the sum of all such payments are paid directly to the BOCES. Total BOCES Aid payable for the school year to each component school district may not exceed 100 percent of the amount of such aid as reported in the school aid computer listing entitled "BT008-1" which was released in January 2000 with issuance of the 2000-01 Executive Budget plus any BOCES Aid payable to contracting school districts, less than eight teacher districts and Special Act school districts based on data on file at the time of each payment.
- BOCES obligations to the New York State Teachers Retirement System (TRS) will be paid by the State on behalf of the BOCES from the apportionment payable to the BOCES by the fifteenth of each of the months of September, October and November.
- An additional payment will be made to the BOCES on or before February 1st equal to 25 percent of the lesser of the actual BOCES Aid payable to each component school district or the amount of BOCES Aid payable to each component school district as reported in the school aid computer listing entitled "BT008-1" plus BOCES Aid payable for contracting school districts, less than eight teacher districts and Special Act school districts, minus the payments made to TRS on the BOCES behalf.
- An additional payment will be made to the BOCES on the first business day of June equal to 55 percent of the lesser of the actual BOCES aid payable to each component school district or the amount of BOCES Aid payable to each component school district as reported in the school aid computer listing entitled "BT008-1" plus BOCES aid payable for contracting school districts, less than eight teacher districts and Special Act school districts, minus the sum of all previous payments including payments made to TRS on the behalf of the BOCES.
- Any remaining apportionment payable to the BOCES, including any excess of actual BOCES Aid payable over the amount of such aid reported in the school aid computer listing entitled "BT008-1" will be paid to the BOCES on the first business day of September, 2001.

Aid to Small City School Districts

Payments to small city school districts will be made pursuant to Section 3609-c of the Education Law. Aid will be paid so that from September 2000 to the first business day of June, 2001, each small city school district will receive an amount, not to exceed 100 percent of the amount reported in the school aid computer listing entitled "BT008-1," which was released in January

^aBOCES Aid for special act, less-than-eight teacher, and special contracting districts will be added to the "BT008-1" amounts.

2000 with issuance of the 2000-01 Executive Budget. Any excess of the amount reported in the school aid computer listing entitled "BT008-1" will be paid on the first business day of September, 2001.