

STATE EDUCATION DEPARTMENT

MISSION

The State Education Department (SED) is the administrative agency of the Board of Regents. The Department's primary mission is to oversee public elementary and secondary education programs throughout New York and promote educational excellence, equity and cost-effectiveness.

ORGANIZATION AND STAFFING

Oversight of the Department is provided by the Board of Regents, which was originally established by the Legislature in 1784 and subsequently continued in the State Constitution. The Board of Regents is comprised of 16 members — one for each of the State's 12 judicial districts and four statewide members — who are elected by a joint session of the Legislature for staggered 5-year terms. The Board elects its chair, who holds the title Chancellor, and appoints the Commissioner of Education as the chief administrative officer of the Department.

SED's central operations are located in the Education Building in Albany. The Department also has regional service facilities at various locations throughout the State.

Recommended staffing levels for 2004-05 are projected to total 2,654 positions at year's end, with 381 positions, or approximately 14 percent, supported by the General Fund. Various dedicated fees, charge-backs and Federal grants will support the remaining staff.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

In 2004-05, total funding for programs and operations of the State Education Department will increase by \$782 million or 3.5 percent. This year-to-year change is primarily due to: increases of \$290 million in support for public schools from General Fund and lottery revenues; a \$164 million increase in the STAR property tax relief program; and a Federal funds increase of \$291 million.

The taxpayer-supported General Fund provides 8 percent of SED's operating budget. Federal grants, including programs for individuals with disabilities and disadvantaged pupils, account for 60 percent of the agency's resources. The remaining 32 percent is derived from fees, charge-backs and other miscellaneous receipts.

SCHOOL TAX RELIEF (STAR)

The School Tax Relief (STAR) program was enacted in 1997-98 to provide needed tax relief for homeowners across the State. In 2004-05, \$3 billion is appropriated for STAR, an increase of \$164 million. This amount includes funds for the enhanced exemption for eligible senior citizens, the basic STAR exemption for other homeowners and the New York City Personal Income Tax reduction. The Governor will also call for a cap that would limit school spending increases to the lesser of 4 percent or 120 percent of the increase in the Consumer Price Index.

For 2004-05, STAR benefits will be increased to recognize the effects of inflation. As a result, local taxpayers will save \$43 million in property taxes paid to them as a credit on their income tax. The STAR credit provided for 2004-05 will be available for all homeowners in school districts that keep their spending within the proposed spending cap.

The Governor is also proposing to expand the School Property Tax Report Card to require school districts to include information displaying the three-year change in the school tax levy compared to the change in the Consumer Price Index, thereby helping local taxpayers review school spending trends.

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EDUCATIONAL GOVERNANCE

The Executive Budget proposes changes to strengthen the accountability of New York's educational system. Under this proposal, a majority of the State Board of Regents will be appointed by the Governor — thereby making the State's highest elected official accountable for the performance of New York's educational system.

Currently, New York and South Carolina are the only two states in the nation where the Legislature appoints a board that is responsible for supervising the state's educational system. Upon passage of the Governor's educational governance proposal, New York's educational governance structure will be brought into conformance with most other states. Under the proposed restructuring of the Board of Regents:

- The number of Regents will be increased from 16 to 18;
- The term of office for a Regent will be changed from five years to six years;
- The Governor will appoint 12 Regents to provide representation from each of the State's judicial districts; and
- Legislative leaders will appoint the six remaining Regents, with two Regents appointed by the majority in each House, and one Regent by the minority in each House.

The Budget also proposes a restructuring of the State Education Department to sharpen its focus on its core mission — the education of our children. Cultural Education programs — including the State Museum, State Library and State Archives — will be transferred from the State Education Department to create a new entity, the New York Institute for Cultural Education (NYICE). NYICE will be established as a new public benefit corporation and will be headed by a 15-member board appointed by the Governor, legislative leaders and the Board of Regents. A total of 400 positions will be transferred from the State Education Department to NYICE effective October 1, 2004.

SCHOOL AID

In September 2003, Governor Pataki announced the creation of the New York State Commission on Education Reform — a non-partisan group of educational, business and community leaders who will develop a comprehensive set of recommendations to address the historic opportunity presented by the Court of Appeals' order to overhaul New York's education finance system. The Commission will present its findings and recommendations to the Governor and the Legislature on March 1, 2004. While awaiting release of the Commission's recommendations, the 2004-05 Executive Budget proposes targeted reforms in certain critical areas.

Major recommendations for 2004-05 include:

- **School Year Support:** For the 2004-05 school year, \$14.56 billion is provided in State support for public schools, a school year increase of \$147 million or 1 percent;
- **Fiscal Year Support:** For the 2004-05 fiscal year, \$14.65 billion is provided in State support for public schools, a fiscal year increase of \$290 million or 2 percent, including an increase of \$110 million in lottery revenues;
- **Additional Support for Education:** In addition to the \$14.56 billion for general school aid, the Budget reserves certain new revenues to support expected reforms related to ensuring that every child has the opportunity to receive a sound basic education. Beginning with the 2004-05 school year, all State revenues generated by Video Lottery Terminals (VLTs) will be dedicated to support the sound basic education requirements set forth in the State Constitution and re-affirmed in a recent decision by the State Court of Appeals. Based upon VLT facilities now being developed and new ones to be authorized in legislation introduced with the Executive Budget, these receipts are expected to approximate \$325 million in the 2004-05 school year, growing to \$2 billion over the next five years;

- **Sound Basic Education Grant:** The Executive Budget includes a \$100 million Sound Basic Education matching grant for New York City as part of the City's general school aid, which will be supplemented by an allocation to the City from the \$325 million in new VLT revenues;
- **Flex Aid:** For the coming year, the Executive Budget recommendations would provide schools with greater flexibility to meet locally defined needs by consolidating seven existing aid categories into a single program — Flex Aid. Overall, Flex Aid funding will total nearly \$10 billion and will be maintained at 2003-04 levels for all districts;
- **Building Aid:** For the 2004-05 school year, \$1.36 billion is recommended in State support for the construction of school facilities, an increase of \$152 million. The Executive Budget recommends a series of reforms to ensure that State and local resources are effectively targeted to address school facility needs across New York. These reforms include: replacing the existing open-ended building aid system with a priority-based system; simplifying the building aid formula to provide realistic allowances for construction costs and per student based space needs; and creation of a State Clearinghouse for Efficient Construction Practices and Designs whereby the Dormitory Authority of the State of New York will provide advisory services and technical expertise to school districts. Additionally, payment reforms for new projects enacted in 2003-04 will be extended for 2004-05;
- **BOCES Aid:** The 2004-05 Executive Budget recommends reforms to refocus BOCES on their core mission — to promote cost-efficiency through the regional delivery of educational services. For 2004-05, the Executive Budget also recommends that BOCES Aid be limited to the amount received by the school district in the prior year;
- **Transportation Aid:** The 2004-05 Executive budget provides \$1.1 billion for reimbursement of the cost of transporting 2.5 million students statewide. As a cost-containment measure, transportation aid for non-capital expenses will be limited to an increase of 2.5 percent. Beginning in 2005-06, transportation-related capital expenses will be reimbursed over a term consistent with the useful life of the asset. In 2004-05, during the transition to the new reimbursement system, capital grants will be provided to school districts from proceeds of State supported bonds;
- **Teachers of Tomorrow:** The 2004-05 Executive Budget continues funding of \$20 million for the Teachers of Tomorrow Program;
- **Categorical Grant Programs:** State support is being reduced for various discretionary grant programs, including the Teacher Support Aid, Teacher Centers and the Teacher Mentor Intern program;
- **Other Programs:** The 2004-05 Executive Budget recommends funding based on existing statutory formulas for several programs, including growth aid, textbook aid, reorganization incentive aid, special services aid and instructional materials aids;
- **Mandate Relief:** In order to avoid costly unfunded mandates, legislation accompanying the Executive Budget would require the Board of Regents to obtain approval by the State Office of Regulatory Reform of any new regulations that carry significant costs for the State, local governments, or educational institutions. Other mandate relief initiatives include extending to all schools the exemption from the Wicks Law currently provided to New York City;
- **School Safety:** The Governor's Safe Schools Against Violence in Education Act of 2000 — based upon the recommendations of the Task Force on School Violence, chaired by Lieutenant Governor Mary Donohue — represents the most comprehensive plan in the nation to ensure the safety and well being of school children. For 2004-05, \$475,000 is recommended to support the efforts of the Statewide Center for School Safety in promoting "best practices" and providing technical assistance to schools, and \$500,000 is provided for character education curriculum development activities;

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- **School Choice:** For 2004-05, \$6 million is provided for the Charter School Stimulus Fund to assist with facility needs and other costs connected to the development and expansion of charter schools; and
- **Advantage Schools:** The Advantage After-School Program provides school-age children with supervised educational and social activities during non-school hours. Recommended appropriations for the Office of Children and Family Services will restore the Advantage Schools program to \$20.2 million in 2004-05, \$10.2 million more than the enacted 2003-04 budget. This increase is expected to return Advantage Schools to a full program level, providing vital after-school services to more than 25,000 children throughout the State.

SPECIAL EDUCATION

School-Age Special Education

The State's current special education finance system provides unintended fiscal incentives for children to be placed in restrictive settings, away from their non-disabled peers. Effective in the 2004-05 school year, \$2.2 billion in funding for public special education programs will be consolidated within Flex Aid to:

- Eliminate financial incentives for unnecessary referrals to special education;
- Discontinue the allocation of aid based upon special education placements; and
- Address discrepancies cited in recent reviews by the Office of the State Comptroller of New York's special education programs.

Also, reimbursement for private special education placements will be limited to the statewide amount provided in 2003-04.

Preschool Special Education

Over the past several years, fundamental reforms have been enacted in the preschool special education program to improve the cost-effective delivery of these services and ensure that over 75,000 disabled children receive services in the least restrictive setting.

The 2004-05 Executive Budget will reinstate the restriction on the creation or expansion of preschool programs that serve children with disabilities in non-inclusive settings. Provisions are also recommended to authorize the State Education Department to approve new or expanded non-inclusive preschool programs based upon a demonstrated need for such programs.

The 2004-05 General Fund recommendation of \$552 million will support the State's 59.5 percent share of preschool special education program costs.

ELEMENTARY, MIDDLE AND SECONDARY EDUCATION PROGRAMS

Various categorical education programs will experience a net reduction of \$111 million for the 2004-05 school year. Increased funding is provided for mandated expenditure-based programs that include Non-Public School Aid (\$2.5 million) and Education of Native Americans (\$3 million). The overall net decrease reflects the elimination of \$59 million in one-time legislative grants and a \$62 million reduction in funding for fiscal stabilization grants. Consistent with austerity reductions and efficiencies required of many other State aid programs, there is also a 5 percent reduction in funding for the following categorical programs: AIDS Education; Apprenticeship Training; Comprehensive School Health Demonstration; Consortium for Worker Education; Education of Children of Migrant Workers; Extended Day/School Safety; Primary Mental Health; School Health Demonstration; Schools Under Registration Review; Transferring Success; and Workplace Literacy.

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ELEMENTARY, MIDDLE AND SECONDARY CATEGORICAL PROGRAMS 2004-05 SCHOOL YEAR

(amounts in thousands of dollars)

Program	2003-04 School Year	2004-05 School Year	Change
Adult Literacy Education	3,325	3,325	0
AIDS Education	693	658	(35)
AIS for Non-Public Schools	1,000	1,000	0
Apprenticeship Training	1,830	1,739	(91)
Character Education	0	500	500
Charter Schools	0	6,000	6,000
Comprehensive School Health	368	349	(19)
Consortium for Worker Education	9,000	8,550	(450)
Extended Day	30,200	28,690	(1,510)
Fiscal Stabilization Grants/Prior Year Claims	90,000	28,000	(62,000)
Migrant Workers	90	68	(22)
Native American Education	16,000	19,000	3,000
Non-Public School Aid	80,800*	83,300	2,500
One-Time Legislative Adds	58,958	0	(58,958)
Primary Mental Health	570	542	(28)
School Health Demo.	150	143	(7)
School Lunch/Breakfast	31,700	31,700	0
School Safety Center	0	475	475
Summer Food Program	3,300	3,300	0
SURR Schools	2,000	1,900	(100)
Targeted Pre-Kindergarten	50,200	50,200	0
Transferring Success	630	598	(32)
WEP/Adult Basic Education	5,000	5,000	0
Workplace Literacy	1,376	1,307	(69)
Total	\$387,190	\$276,344	(\$110,846)

*Includes recommended current year deficiency of \$8 million

OTHER RECOMMENDATIONS

The Executive Budget provides \$35.5 million in General Fund support for agency operations reflecting a net reduction of \$8.3 million, due to \$7 million in savings from recommended management efficiencies and \$1.3 million reflecting the transfer of tenured teacher hearing costs to school districts. In addition to funding for agency operations, the State Education Department's budget also includes the following aid programs:

- \$84.4 million for Library Aid, a decrease of \$4.4 million (-5%);
- \$13.1 million for Aid for Public Broadcasting, a decrease of \$692,000 (-5%);
- \$52.6 million for Case Services for vocational rehabilitation clients, a decrease of \$2 million;
- \$14.8 million for Supported Employment, to maintain services including extended supported employment services for consumers being transitioned from the Office of Mental Retardation and Developmental Disabilities to VESID;
- \$10.2 million for Independent Living Centers, reflecting a decrease of a \$536,600 (-5%);
- \$42.0 million for Unrestricted Aid for Independent Colleges and Universities, a decrease of \$2.2 million (-5%);
- \$20.9 million for the Higher Education Opportunity Program, a decrease of \$1.1 million (-5%);
- \$10.9 million for the Liberty Partnerships Program; a decrease of \$575,000 (-5%);
- \$9.5 million for the Science and Technology Entry Program (STEP) and its collegiate counterpart (CSTEP), a decrease of \$500,000 (-5%); and
- \$712,500 for the Teacher Opportunity program; a decrease of \$37,500 (-5%).

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PROGRAM HIGHLIGHTS

Under the policy direction of the Board of Regents, operational responsibilities of the State Education Department include administration, regulation and review of numerous education programs. The following provides a description of the major program areas administered by the Department.

SCHOOL AID

The 2004-05 Executive Budget will provide \$14.6 billion for the 2004-05 school year. As a result of the combination of school aid and property tax relief through STAR, New York State now supports nearly 44 percent of local school districts' spending on education. State support for public schools, combined with STAR and lottery payments, now accounts for more than 37 percent of the State's General Fund — up from 27 percent when the Governor first took office.

School aid is distributed to school districts through formula-based aids and categorical grants, including:

- **Flex Aid:** In this aid program, seven aid categories are consolidated into a single funding stream that represents more than 68 percent of State aid to local school districts. This program provides support to school districts for their general operating costs;
- **Transportation Aid and Building Aid** provides support to school districts for student transportation and the construction and preservation of school facilities. With a combined total of nearly \$2.5 billion, these two aid categories account for nearly 17 percent of overall school aid; and
- **Specialized aid and grant programs** address specific educational needs, ranging from textbooks to adult education programs. Notable program recommendations for 2004-05 include continuation of \$136.1 million in grants for magnet school programs in 19 cities throughout the State and \$81.9 million in aid to small city school districts.

SCHOOL TAX RELIEF (STAR)

STAR provides New York's taxpayers with savings totaling \$3 billion in appropriations for school property tax relief and New York City personal income tax reductions. For the coming year, a new State STAR credit will be created under the personal income tax to protect the STAR benefit from the effects of inflation.

School Property Tax Relief

- In 2004-05, more than 620,000 senior homeowners will be eligible to receive an enhanced exemption of at least \$50,000 (on a "full value" basis) with a statewide benefit averaging \$1,080. To be eligible for the enhanced benefit, residential property owners must be at least 65 years of age and have annual incomes of \$63,750 or less (combined incomes of the owners and their spouses who reside on the premises). The new income limit reflects the second Cost of Living Adjustment to income eligibility, as enacted in the 2002-03 budget;
- In 2004-05, the school property tax exemption will provide nearly 2.5 million other homeowners who are not eligible for the senior citizen enhanced exemption with a full value equivalent homestead exemption of at least \$30,000. Statewide tax savings for non-senior owner occupied residences will average \$710; and
- The exemptions provided to homeowners (both seniors and non-seniors) living in a county whose median home sale price exceeds the statewide median will be adjusted upward to account for the variation in property values for similar homes in different regions of the State.

New York City Tax Reduction

Under the STAR program, New York City's more than 3 million resident personal income taxpayers will receive a flat refundable credit and a rate reduction. Total local taxpayer savings will be \$560 million. The personal income tax credit and changes in the tax rates were fully implemented in 2001-02 and have reduced the New York City personal income tax by nearly 10 percent.

New State STAR Credit

For 2004-05, STAR benefits will be increased to recognize the effects of inflation. As a result, current STAR benefits that average \$1,080 for seniors and \$710 for other homeowners will be adjusted by the increase in the Consumer Price Index. The STAR credit will be available for all homeowners in school districts that keep their spending within the proposed spending cap.

Property Taxpayer's Bill of Rights

Enacted in 1997, the Property Taxpayer's Bill of Rights ensures the full disclosure of information to property taxpayers in a more readable and comprehensive format than was previously available. This enables taxpayers to better understand their property taxes and their rights under the law.

Local Voter Empowerment

The STAR program includes a series of school budget voting reforms that give local voters a greater role in education spending decisions and in controlling property tax growth. Reforms enacted in recent years include:

- **Property Tax Report Card:** Schools are now required to report proposed property tax increases, spending growth and estimated enrollment changes to the State Education Department prior to the statewide school budget voting day. A property tax report card is then compiled and released to the public before school budget votes are held. For 2004-05, the property tax report card will be expanded to include information displaying the three-year change in the school tax levy compared to the change in the CPI, thereby helping local taxpayers review school spending trends.
- **Special Informational Mailings:** School districts are now required to mail notices to voters prior to budget votes, disclosing:
 - How proposed school spending increases compare with increases in consumer prices;
 - How a proposed budget would compare to the contingency budget that would be authorized by statute if the voters were to defeat the proposed budget on two successive votes; and
 - How STAR savings were affected by school tax increases for a typical homeowner in the current year and the estimated effects of proposed tax changes on estimated STAR savings under the budget proposed for the coming year.

Limiting School Property Tax Increases

To ensure that STAR results in property tax savings to homeowners, and that STAR benefits are not eroded by excessive tax increases, Governor Pataki is proposing that limits be placed on the ability of school districts to increase total spending. An annual cap would limit school spending increases to the lesser of 4 percent or 120 percent of the increase in the Consumer Price Index. A two-thirds majority of school district voters would be required to exceed this spending cap.

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Certain exceptions including those currently allowed in calculating the maximum school contingency budget would be allowed in calculating spending increases. Expenditures for increases in enrollment, capital projects, certified emergencies, judgments, tax certiorari proceedings and court ordered funding to provide a sound basic education would be excluded from the cap.

PROGRAMS FOR STUDENTS WITH SPECIAL NEEDS

New York provides a full spectrum of special education services for over 400,000 students aged 4 to 21. These services range from speech therapy to placement in full-time residential schools for those school-age children with the most severely disabling conditions. The network of service providers includes school districts, Boards of Cooperative Educational Services (BOCES), private not-for-profit schools and State-operated facilities.

School districts and BOCES serve approximately 390,000 school-age children in classroom settings. An additional 14,000 students who require particularly intensive programs are served by nearly 150 private schools, including 14 Special Act School Districts and 11 State-supported schools for blind and deaf students.

Two State-operated schools provide specialized services for blind and deaf students with multiple disabilities. The New York State School for the Blind in Batavia serves over 70 blind and multiply disabled students, including 16 developmentally disabled students at its Intermediate Care Facility. The New York State School for the Deaf in Rome serves over 80 deaf and multiply disabled students.

ELEMENTARY, MIDDLE AND SECONDARY EDUCATION PROGRAMS

The State Education Department also administers various programs that address specialized student needs or reimburse school districts for education-related services. Major programs include:

- **School Lunch and Breakfast Program:** State funds of \$31.7 million supplement Federal support for the provision of free and reduced-price meals to low-income students. Approximately 1.4 million lunches and 456,000 breakfasts are served daily under this program;
- **Summer Food Program:** \$3.3 million in additional State funds supplement Federal support for the provision of free meals for low-income students participating in summer recreation programs. There are more than 270 sponsors of summer programs serving almost 260,000 students; and
- **Non-Public School Aid:** The State reimburses 1,400 non-public schools for the costs of administering State mandated tests, attendance taking and other data collection efforts.

HIGHER EDUCATION AND REGULATION OF THE PROFESSIONS

The Office of Higher Education and the Professions is responsible for ensuring the quality and availability of post-secondary education programs and regulating professionals to protect the public by ensuring the quality and integrity of services provided to consumers in the State. This office:

- Assists the Regents in making higher education policies and plans, administers aid programs for colleges, universities and students and reviews and registers academic programs of degree-granting institutions. This office also oversees the regulation of proprietary schools that offer a range of vocational education programs, as well as teacher certification and discipline and background checks of prospective school personnel.
- Licenses and provides oversight for members of the 44 professions regulated pursuant to Title VIII of the Education Law, including: Nursing, Optometry, Dentistry, Pharmacy, Veterinary Medicine, Social Work, Architecture, Civil Engineering and Public Accountancy. The Office is also responsible for enforcing standards of

practice, codes of conduct and professional discipline for the licensees, except members of the medical professions (Physicians, Physician Assistants and Special Assistants) whose professional conduct is within the purview of the Department of Health. Professional licensure, oversight and enforcement functions have been self-supporting, through the collection of fines and fees, since 1987.

VOCATIONAL REHABILITATION

The Vocational and Educational Services for Individuals with Disabilities (VESID) program provides job training, counseling and placement services for disabled persons throughout New York. Using its network of 15 district offices across the State, VESID provides vocational rehabilitation services to disabled clients tailored to their individual goals, capabilities and needs. This program arranges job placements for more than 15,000 individuals annually from an active caseload of 57,000.

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Program	School Aid			
	School Year Payments (millions)			
	Estimated 2003-04	Recommended 2004-05	Change Amount	Change Percent
I. Computerized Aids:				
Comprehensive Operating Aid	\$6,840.62	\$0.00	\$0.00	0.00
Extraordinary Needs Aid	703.12	0.00	0.00	0.00
ERSSA	71.08	0.00	0.00	0.00
Limited English Proficiency	77.41	0.00	0.00	0.00
Summer School	36.18	0.00	0.00	0.00
Tax Limitation Aid	29.93	0.00	0.00	0.00
Excess Cost - Public	2,198.81	0.00	0.00	0.00
Flex Aid	\$9,957.15	\$9,957.15	\$0.00	0.00
Excess Cost - Private	187.42	187.42	0.00	0.00
Textbooks (Incl. Lottery)	189.01	188.65	(0.36)	(0.19)
Computer Software	45.88	46.40	0.52	1.13
Computer Hardware	28.10	28.38	0.28	1.00
Library Materials	19.26	19.58	0.32	1.66
Prekindergarten	201.34	201.34	0.00	0.00
Class Size Reduction	136.49	136.49	0.00	0.00
Minor Maintenance	49.97	49.97	0.00	0.00
New York City Sound Basic Education Grant	0.00	100.00	100.00	NA
Subtotal Computerized Aid Excluding Bldg, Trans, BOCES, Sp Serv, FDK, Reorg Oper	10,814.62	10,915.38	100.76	0.93
Transportation (Including Summer)	1,076.94	1,097.23	20.29	1.88
Building/Reorganization Building	1,207.33	1,359.46	152.13	12.60
BOCES	505.05	480.58	(24.47)	(4.85)
Special Services (Career Ed./Computer Admin.)	132.37	131.03	(1.34)	(1.01)
Full-Day Kindergarten	7.57	3.66	(3.91)	(51.65)
Reorganization Incentive (Operating)	17.53	14.74	(2.79)	(15.92)
Computerized Aid Total	\$13,761.41	\$14,002.10	\$240.69	1.75
II. Grant Programs and Other Aid Categories:				
Capital Outlay Transition Grant Adjustments	11.44	0.00	(11.44)	(100.00)
Growth Aid	29.93	13.59	(16.34)	(54.59)
Teachers of Tomorrow	20.00	20.00	0.00	0.00
Teacher Centers	30.00	10.00	(20.00)	(66.67)
Teacher-Mentor Intern	4.00	1.33	(2.67)	(66.75)
Teacher Support Aid	67.48	22.49	(44.99)	(66.67)
Roosevelt	6.00	6.00	0.00	0.00
Categorical Reading	63.95	63.95	0.00	0.00
Improving Pupil Performance	66.35	66.35	0.00	0.00
Magnet Schools	135.80	136.10	0.30	0.22
Aid to Small City School Districts	81.88	81.88	0.00	0.00
Fort Drum	2.63	2.63	0.00	0.00
Urban-Suburban Transfer	1.13	1.13	0.00	0.00
Employment Preparation Education	84.00	84.00	0.00	0.00
Homeless Pupils	5.61	5.91	0.30	5.35
Incarcerated Youth	14.00	14.50	0.50	3.57
Bilingual	11.20	11.20	0.00	0.00
Comptroller Audits	0.25	0.25	0.00	0.00
Education of OMH/OMR Pupils	25.00	26.00	1.00	4.00
Special School Districts	2.20	2.20	0.00	0.00
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	0.68	0.68	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Shared Services Incentive	0.20	0.20	0.00	0.00
Native American Building	2.00	2.00	0.00	0.00
Bus Driver Safety	0.40	0.40	0.00	0.00
Add'l Prekindergarten	0.60	0.60	0.00	0.00
Add'l Class Size Reduction	1.82	1.82	0.00	0.00
Subtotal	655.94	562.60	(93.34)	(14.23)
SCHOOL YEAR TOTAL	\$14,417.35	\$14,564.70	\$147.35	1.02

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	452,894,300	426,138,200	(26,756,100)	340,908,200
Aid To Localities	21,669,850,900	22,392,426,000	722,575,100	4,113,347,900
Capital Projects	3,750,000	90,300,000	86,550,000	26,875,000
Total	22,126,495,200	22,908,864,200	782,369,000	4,481,131,100

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

Program	2003-04 Estimated FTEs 03/31/04	2004-05 Estimated FTEs 03/31/05	FTE Change
Office of Management Services Program			
General Fund	160	160	0
Special Revenue Funds - Other	181	181	0
Internal Service Funds	101	101	0
Elementary, Middle and Secondary Education			
General Fund	189	189	0
Special Revenue Funds - Federal	305	300	(5)
School for the Blind			
Special Revenue Funds - Other	104	104	0
Batavia ICF/DD			
Special Revenue Funds - Other	37	37	0
School for the Deaf			
Special Revenue Funds - Other	103	103	0
Higher Education and the Professions, Office of			
General Fund	55	52	(3)
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	412	440	28
Cultural Education			
General Fund	18	0	(18)
Special Revenue Funds - Federal	68	0	(68)
Special Revenue Funds - Other	291	0	(291)
Internal Service Funds	23	0	(23)
Vocational and Educational Services for Individuals with Disabilities			
Special Revenue Funds - Federal	995	995	0
Management Efficiencies Program			
General Fund	0	(20)	(20)
Total	3,054	2,654	(400)

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	43,820,600	35,520,600	(8,300,000)
Special Revenue Funds - Federal	274,917,200	255,929,500	(18,987,700)
Special Revenue Funds - Other	114,552,600	113,855,100	(697,500)
Internal Service Funds	19,603,900	20,833,000	1,229,100
Total	452,894,300	426,138,200	(26,756,100)

Adjustments:

Recommended Deficiency Education Department, State Special Revenue Funds - Other	(1,400,000)
Appropriated 2003-04	451,494,300

EDUCATION

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
Office of Management Services Program			
General Fund	17,399,500	17,399,500	0
Special Revenue Funds - Other	17,474,000	21,674,000	4,200,000
Internal Service Funds	11,550,000	12,660,000	1,110,000
Elementary, Middle and Secondary Education			
General Fund	21,414,000	21,414,000	0
Special Revenue Funds - Federal	133,456,000	104,919,000	(28,537,000)
Special Revenue Funds - Other	978,900	978,900	0
School for the Blind			
Special Revenue Funds - Other	7,577,900	8,505,000	927,100
Batavia ICF/DD			
General Fund	126,100	126,100	0
Special Revenue Funds - Other	2,650,000	2,917,000	267,000
School for the Deaf			
Special Revenue Funds - Other	7,446,000	8,167,000	721,000
Higher Education and the Professions, Office of			
General Fund	4,881,000	3,581,000	(1,300,000)
Special Revenue Funds - Federal	2,723,000	2,900,000	177,000
Special Revenue Funds - Other	47,048,000	51,488,000	4,440,000
Cultural Education			
Special Revenue Funds - Federal	8,154,000	8,689,000	535,000
Special Revenue Funds - Other	30,465,800	19,213,200	(11,252,600)
Internal Service Funds	8,053,900	8,173,000	119,100
Vocational and Educational Services for Individuals with Disabilities			
Special Revenue Funds - Federal	130,584,200	139,421,500	8,837,300
Special Revenue Funds - Other	912,000	912,000	0
Management Efficiencies Program			
General Fund	0	(7,000,000)	(7,000,000)
Total	<u>452,894,300</u>	<u>426,138,200</u>	<u>(26,756,100)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2004-05 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Office of Management Services Program	9,560,600	0	9,560,600	0
Elementary, Middle and Secondary Education	11,051,000	0	11,051,000	0
Higher Education and the Professions, Office of	2,256,000	0	2,256,000	0
Total	<u>22,867,600</u>	<u>0</u>	<u>22,867,600</u>	<u>0</u>

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**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Office of Management Services Program	7,838,900	0	400,000	0
Elementary, Middle and Secondary				
Education	10,363,000	0	282,300	0
Batavia ICF/DD	126,100	0	0	0
Higher Education and the Professions,				
Office of	1,325,000	(1,300,000)	0	0
Management Efficiencies Program	(7,000,000)	(7,000,000)	0	0
Total	<u>12,653,000</u>	<u>(8,300,000)</u>	<u>682,300</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Office of Management Services Program	350,000	0	5,648,900	0
Elementary, Middle and Secondary				
Education	697,500	0	9,108,200	0
Batavia ICF/DD	0	0	0	0
Higher Education and the Professions,				
Office of	0	0	325,000	0
Management Efficiencies Program	0	0	0	0
Total	<u>1,047,500</u>	<u>0</u>	<u>15,082,100</u>	<u>0</u>

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Office of Management Services Program	250,000	0	1,190,000	0
Elementary, Middle and Secondary				
Education	0	0	0	0
Batavia ICF/DD	0	0	0	0
Higher Education and the Professions,				
Office of	0	0	0	0
Management Efficiencies Program	0	0	0	0
Total	<u>250,000</u>	<u>0</u>	<u>1,190,000</u>	<u>0</u>

Program	Maintenance Undistributed	
	Amount	Change
Office of Management Services Program	0	0
Elementary, Middle and Secondary		
Education	275,000	0
Batavia ICF/DD	126,100	0
Higher Education and the Professions,		
Office of	1,000,000	(1,300,000)
Management Efficiencies Program	(7,000,000)	(7,000,000)
Total	<u>(5,598,900)</u>	<u>(8,300,000)</u>

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**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Office of Management Services Program	34,334,000	5,310,000	13,822,000	0
Elementary, Middle and Secondary Education	105,897,900	(28,537,000)	48,225,000	(15,214,000)
School for the Blind	8,505,000	927,100	5,300,000	110,000
Batavia ICF/DD	2,917,000	267,000	1,790,000	108,000
School for the Deaf	8,167,000	721,000	5,150,000	276,000
Higher Education and the Professions, Office of	54,388,000	4,617,000	4,640,000	0
Cultural Education	36,075,200	(10,598,500)	8,026,000	(54,700)
Vocational and Educational Services for Individuals with Disabilities	140,333,500	8,837,300	58,605,100	1,340,000
Total	390,617,600	(18,456,100)	145,558,100	(13,434,700)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Office of Management Services Program	14,602,000	0	5,910,000	5,310,000
Elementary, Middle and Secondary Education	56,694,000	(13,323,000)	978,900	0
School for the Blind	3,205,000	817,100	0	0
Batavia ICF/DD	1,127,000	159,000	0	0
School for the Deaf	3,017,000	445,000	0	0
Higher Education and the Professions, Office of	5,008,000	177,000	44,740,000	4,440,000
Cultural Education	13,297,400	830,200	14,751,800	(11,374,000)
Vocational and Educational Services for Individuals with Disabilities	80,816,400	7,497,300	912,000	0
Total	177,766,800	(3,397,400)	67,292,700	(1,624,000)

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	13,758,431,900	13,896,846,000	138,414,100
Special Revenue Funds - Federal	3,210,127,000	3,520,072,000	309,945,000
Special Revenue Funds - Other	4,701,292,000	4,975,508,000	274,216,000
Total	21,669,850,900	22,392,426,000	722,575,100

Adjustments:

Recommended Deficiency	
Education Department, State	
General Fund	(16,000,000)
Special Revenue Funds - Other	(40,000,000)
Appropriated 2003-04	<u>21,613,850,900</u>

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
School Tax Relief			
Special Revenue Funds - Other	2,836,000,000	3,000,000,000	164,000,000
Elementary, Middle and Secondary Education			
General Fund	13,482,911,300	13,633,492,000	150,580,700
Special Revenue Funds - Federal	2,568,162,000	2,769,840,000	201,678,000
Special Revenue Funds - Other	1,855,142,000	1,965,358,000	110,216,000
Higher Education and the Professions, Office of			
General Fund	89,205,000	84,710,000	(4,495,000)
Cultural Education			
General Fund	105,245,000	100,110,000	(5,135,000)
Special Revenue Funds - Federal	4,660,000	4,660,000	0
Special Revenue Funds - Other	10,150,000	10,150,000	0
Vocational and Educational Services for Individuals with Disabilities			
General Fund	81,070,600	78,534,000	(2,536,600)
Special Revenue Funds - Federal	637,305,000	745,572,000	108,267,000
Total	<u>21,669,850,900</u>	<u>22,392,426,000</u>	<u>722,575,100</u>

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2003-04	Recommended 2004-05	Change	Reappropriations 2004-05
Education Building				
Capital Projects Fund	0	0	0	1,946,000
Capital Projects Fund - Advances	0	0	0	400,000
School for the Blind				
Capital Projects Fund	0	0	0	1,997,000
Capital Projects Fund - Advances	0	0	0	1,510,000
School for the Deaf				
Capital Projects Fund	250,000	2,500,000	2,250,000	336,000
Capital Projects Fund - Advances	0	0	0	200,000
Schools For Native American Reservations				
Capital Projects Fund	1,500,000	5,800,000	4,300,000	1,500,000
Cultural Education Center				
Capital Projects Fund	0	1,000,000	1,000,000	5,314,000
Capital Projects Fund - Advances	0	0	0	8,800,000
Administration				
Capital Projects Fund	2,000,000	1,000,000	(1,000,000)	4,772,000
Capital Transition Grants				
Capital Projects Fund - Authority Bonds	0	80,000,000	80,000,000	0
Washington Avenue Armory				
Capital Projects Fund - Advances	0	0	0	100,000
Total	<u>3,750,000</u>	<u>90,300,000</u>	<u>86,550,000</u>	<u>26,875,000</u>