

DESCRIPTION OF
2011-12 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 2011-12 New York State aid programs for elementary and secondary education as recommended in the Executive Budget submitted by Governor Cuomo to the Legislature on February 1, 2011.

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

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

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

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SCHOOL AID/STAR OVERVIEW

The 2011-12 Executive Budget recommends a State formula funding decrease of -\$1.537 billion or -7.44 percent. When additional categorical and grant funding is included, the year-to-year decrease will be -\$1.535 billion, or -7.34 percent, from \$20.925 billion to \$19.390 billion.¹

While sustaining a long-term commitment to education funding, the Executive Budget realigns the system of education finance to meet New York's new fiscal reality while renewing the commitment to improving educational outcomes in the classroom. State Aid will be recalibrated to achieve necessary savings. However, State Aid reductions are proposed in conjunction with a mandate relief effort, undertaken by Executive Order, which will lower the system-wide cost of providing education services.

The Executive Budget also provides new competitive rewards for school districts that become more efficient and to school districts that improve academic achievement. These include:

- School District Performance Improvement Awards: Grants totaling \$250.00 million will be awarded on a competitive basis to school districts that demonstrate significant improvements in their student performance outcomes. This program would complement the objectives of the Race to the Top program and provide additional State funding to those school districts with the most significant improvement in student outcomes.
- School District Management Efficiency Awards: Competitive grants totaling \$250.00 million will be awarded to school districts that undertake long-term structural changes which will reduce costs and improve efficiency.

For the 2011-12 school year, Executive Budget School Aid recommendations include the following:

- Continued operating support at 2010-11 levels for various School Aid programs including Foundation Aid and Universal Prekindergarten Aid;

¹ Not including Expanding our Children's Education and Learning (EXCEL) debt service which is funded outside of GSPS.

- The full phase-in of Foundation Aid is scheduled to be implemented in the 2016-17 school year.
- For the 2011-12 school year, continued funding under the current statutory formula for selected aids, primarily expense-based, including High Cost Excess Cost, Private Excess Cost, BOCES, Transportation, Textbooks, Computer Software, Computer Hardware and Library Materials aids;
- As provided for under the current statutory formulas, for the 2011-12 school year, expense-based changes in Building Aids are allowed and funding for EXCEL Debt Service is continued;
- Inclusion of a Gap Elimination Adjustment (GEA) reduction calculated in a manner similar to that for the 2010-11 school year;
- In future years, the GEA would be continued and adjusted to limit growth in School Aid to sustainable levels;
- Funding is maintained for programs such as Teachers of Tomorrow, Teacher-Mentor Intern, School Health Services for Big Four City school districts, Employment Preparation Education Aid and Bilingual Education Grants.

Key components of the 2011-12 Executive Budget include the following:

- An overall decrease of -\$1.535 billion (-7.34 percent) in school aid, including a decrease of -\$1.537 billion (-7.44 percent) in formula-based aids including Building Aids and an increase of \$1.75 million in grant programs reflecting existing reimbursement methodologies.
- Within formula-based aids, including Building Aids, 40 school districts experience aid increases totaling \$26.67 million and 636 school districts have aid decreases amounting to -\$1,564.02 million.
- Implementation within formula-based aids of a Gap Elimination Adjustment of -\$2.786 billion calculated to distribute the reduction amounts in a manner that recognizes school district pupil need, wealth, tax effort and administrative efficiency;

- The 2011-12 Executive Budget continues the Foundation Aid program first enacted in 2007-08 as well as the Universal Prekindergarten Aid program. For 2011-12 Foundation Aid, districts statewide, including the State's 207 high need districts,² will receive \$14.894 billion, the same as last year.³ Reflecting a continuation of 2010-11 school district amounts, funding for Universal Prekindergarten Aid is expected to total \$393.00 million.
- Aids continued at base year amounts based on data on file with the State Education Department for the 2011-12 Executive Budget:
 - High Tax Aid -- \$204.77 million
 - Supplemental Public Excess Cost Aid -- \$4.31 million
 - Academic Enhancement Aid -- \$8.32 million
- Grants funded at base year amounts include:
 - Academic Achievement Grant -- \$1.20 million
 - Supplemental Educational Improvement Grant -- \$17.50 million
- For the 2011-12 school year, \$213.89 million, an increase of \$2.80 million, is available for Special Services Aid for career education programs and school computer services. This aid, which also includes the Academic Improvement Aid category, is provided to both Big Five City school districts and other districts that are not components of BOCES.
- Charter School Transitional Aid will provide \$25.11 million, an increase of \$1.89 million, for 15 qualifying school districts that are currently impacted by a concentration of children attending charter schools.
- An increase of \$71.37 million, for a total of \$1.655 billion (including summer transportation aid), is provided for expense-based Transportation Aid to reimburse school districts for the cost of transporting

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

³ For Foundation Aid, State Education Department data base updates to school district 2008-09 formula aid amounts will be reflected in subsequent aid totals including the 2011-12 school year.

2.3 million students statewide. Statewide, up to \$5.00 million continues to be available for reimbursement of district-operated summer school transportation expenses.

- For the 2011-12 school year, aid for BOCES services totals \$720.08 million, an increase of \$18.39 million, or 2.62 percent.
- Reflective of existing statutory formula calculations and reported expenditures by school districts, High Cost Excess Cost Aid for the 2011-12 school year will total \$482.62 million, an increase of \$28.48 million. Private Excess Cost Aid, which provides State reimbursement to school districts for children placed by the school district's Committee on Special Education (CSE) in private school special education programs and Special Act school districts, will increase by \$12.28 million to a total of \$342.73 million. Funding for Supplemental Public Excess Cost Aid is continued at \$4.31 million.
- A total of \$4.67 million, an increase of \$3.31 million, is provided for Full-Day Kindergarten Conversion Aid.
- Funding for Computer Software Aid will total \$46.37 million, an increase of \$1.17 million.
- Computer Hardware Aid, calculated based on the existing statutory formula, will increase by \$0.05 million to a total of \$37.93 million. Consistent with current statute, public school districts must loan computer hardware and equipment to nonpublic school students.
- The statutory formulas for Textbook and Library Materials Aids are continued for 2011-12. For expense-based Textbook Aid funding of \$182.09 million, an increase of \$1.06 million, is provided for the 2011-12 school year. For 2011-12, Library Materials Aid totals \$19.40 million, an increase of \$0.23 million.
- Funding for Reorganization Incentive Operating Aid will total \$2.86 million, the same as last year.
- For the 2011-12 school year, funding of \$2.660 billion, an increase of \$171.33 million, or 6.88 percent, is provided for Building Aid, including Reorganization Incentive Building Aid.

- For the 2011-12 school year, a total of \$27.00 million is provided in funding for programs to attract, retain and support teachers. The "Teachers of Tomorrow" initiative will be maintained at \$25.00 million. The Teacher-Mentor Intern program is continued at \$2.00 million.
- Funding of \$13.84 million is continued to support school health services in the Big Four City school districts.
- The proposed 2011-12 State Budget continues a total of \$12.50 million in funding for the Bilingual Education Grants categorical aid program.
- In addition to Building Aid, for the 2011-12 school year, \$181.76 million, including \$127.02 million for New York City, is available for State payment of EXCEL-related debt service.⁴ EXCEL provides school districts with grants to support school construction costs that are associated with increasing school capacity as a response to overcrowded classrooms, and projects related to improving energy efficiency and public health and safety.

2011-12 EXECUTIVE BUDGET RECOMMENDATIONS

For 2011-12 the Executive Budget maintains several aid categories including Foundation Aid and Universal Prekindergarten Aid at base year amounts while other aids, those that are primarily expense-based, are funded under the current statutory formula.

A. 2011-12 SCHOOL AID

In addition to the several aid categories maintained at base year amounts, the 2011-12 Executive Budget recommends that funding for other aids, those that are primarily expense-based be provided under the existing statutory formula. The Executive Budget also implements a Gap Elimination Adjustment reduction.

Formula-based aids including Building Aids will decrease by -\$1,537.35 million, or -7.44 percent, to \$19,129.29 million. Grant programs will increase by \$1.75 million based on existing reimbursement methodologies. For 2011-12 the Executive Budget

⁴ The enacted 2006-07 State budget included authorization for up to \$2.60 billion for school construction through bonds issued by the State Dormitory Authority for the EXCEL (Expanding our Children's Education and Learning) program including \$1.80 billion for New York City.

recommends total school aid funding of \$19,389.68 million, a - \$1,535.60 million, or -7.34 percent, year-to-year decrease.

FORMULA-BASED AIDS

Funding is maintained at 2010-11 levels for Foundation Aid and Universal Prekindergarten Aid:

- Foundation Aid: The Foundation Aid formula calculates funding based on the cost of education in successful school districts, student need, and local ability to pay. The Executive Budget maintains Foundation Aid for the 2011-12 school year at \$14,893.62 million, the amount available for the 2010-11 school year.⁵
- Universal Prekindergarten Aid: The 2011-12 Executive Budget provides an expected \$393.00 million in funding for this program which serves approximately 108,400 students throughout the State. Consistent with the phase-in of Foundation Aid, the full phase-in of aid for Universal Prekindergarten is planned for the 2016-17 school year.

Aids continued at base year amounts based on data on file with the State Education Department for calculation for the 2011-12 Executive Budget:

- High Tax Aid: Funding for this aid category will be maintained at \$204.77 million. Over 70 percent of aid will continue to be directed to high and average need school districts.
- Supplemental Public Excess Cost Aid: As was the case last year, this aid category will provide \$4.31 million to districts statewide.
- Academic Enhancement Aid: The aid category will be continued at last year's total of \$8.32 million.

Other aids funded at base year amounts include:

- Education Grants: For the 2011-12 school year, the Yonkers City school district will continue to receive a \$17.50 million Supplemental Educational Improvement Grant. A total

⁵ For Foundation Aid, State Education Department data base updates to school district 2008-09 formula aid amounts will be reflected in subsequent aid totals including the 2011-12 school year.

of \$1.20 million is maintained for the New York City school district for its Academic Achievement Grant.

Foundation Aid Setaside Requirements: The Executive Budget includes setasides within Foundation Aid for Magnet Schools, Attendance Improvement/Dropout Prevention in New York City and Teacher Support Aid for the 2011-12 school year.

Public Excess Cost High Cost Aid: Public Excess Cost High Cost Aid will continue to be calculated based on the existing statutory formula and will total \$482.62 million in 2011-12, an increase of \$28.48 million. This program supports the additional costs of providing resource-intensive public school and BOCES programs for students with disabilities.

Private Excess Cost Aid: This program supports special education programs serving public school children placed by a school district's Committee on Special Education (CSE) in private school settings, Special Act school districts, and in the State-operated schools at Rome and Batavia. All existing provisions of law are continued. State funding in 2011-12 will total \$342.73 million, an increase of \$12.28 million.

Charter School Transitional Aid: For the 2011-12 school year, \$25.11 million, an increase of \$1.89 million, is provided for aid for 15 qualifying districts currently impacted by a concentration of children attending charter schools. Formula elements target aid to districts based on the percentage of resident pupils enrolled in charter schools and the percentage of payments made to charter schools compared to a district's Total General Fund Expenditures (as reported to the State Education Department on the annual ST-3 form).

Special Services Aid: Special Services Aid funds career education programs, computer services and enhanced academic services for Big Five City and other school districts which are not components of a BOCES. The Career Education Aid ceiling for 2011-12 is continued at \$3,900. Computer Services Aid is based upon an aid ratio multiplied by expenses up to \$62.30 multiplied by the district's K-12 enrollment. The Career Education and Computer Administration Aid categories are supplemented by an additional wealth-adjusted amount calculated as Academic Improvement Aid.⁶ Reflective of per pupil calculations as well as school district reported expenditures, for 2011-12, aid

⁶ The additional amount is equal to \$100 plus \$1,000 divided by a district's Combined Wealth Ratio (but not less than \$1,000) multiplied by the aid ratio for Career Education Aid. The result is multiplied by the sum of aidable career education pupils.

calculated by the existing statutory formula will total \$213.89 million, an increase of \$2.80 million.

Transportation Aid: Transportation Aid will total \$1,654.69 million in 2011-12 (including summer transportation aid), an increase of \$71.37 million compared to the previous year. The minimum aid ratio for Transportation Aid continues to be 6.5 percent (dependent on district wealth, aid will range from 6.5 percent to 90 percent of a district's approved transportation expenses). The aid ratio choice permitting school districts to receive aid based on public and nonpublic enrollments is continued and will benefit districts transporting large numbers of nonpublic school students. Districts will be eligible for reimbursement for capital expenditures based on the assumed useful life of the asset. District expenditures for transportation to and from school district-operated summer classes to improve student performance will be aided up to a maximum of \$5.00 million statewide.

The Executive Budget recommends prospective changes to the Transportation Aid program to encourage cost-effective management of districts' school transportation operations. School districts must, by the end of the 2012-13 school year, either demonstrate participation in a cost-effective shared services program with another local municipal entity or in the use of practices identified as efficient by the State Education Department. Noncompliance with these requirements would result in graduated reductions in the percentage of costs the State would reimburse.

BOCES Aid: School districts that are components of a BOCES (Board of Cooperative Educational Services) are eligible for BOCES Aid. BOCES provide services upon the request of two or more component school districts with the approval of the Commissioner of Education. Aid is provided for approved service costs, administrative expenditures, and facility rental and construction costs. For 2011-12, aid to reimburse districts for expenditures for BOCES services in the 2010-11 school year will total \$720.08 million, an increase of \$18.39 million.

BOCES provide both instructional and non-instructional services to school districts. However, current aid formulas often discourage school districts from seeking the unsubsidized best price on certain non-instructional services. Beginning with aid payable in the 2012-13 school year, the Executive Budget would distribute BOCES Aid based on the same State aid ratio as Foundation Aid. In addition, in order to encourage system-wide cost effectiveness, beginning with costs reimbursed in 2012-13

certain non-instructional services provided by BOCES would no longer be aidable.

Computer Hardware and Software Aids, Textbook and Library Materials Aids: For the 2011-12 school year, the Executive Budget continues statutory per pupil funding for Computer Hardware Aid, Computer Software Aid, Textbook Aid and Library Materials Aid. The following provisions apply:

- Instructional Computer Hardware and Technology Equipment Aid: This aid category provides reimbursement for expenses up to \$24.20 per pupil for the lease or purchase of mini- and micro-computers, computer terminals and technology equipment for instructional purposes, as well as for repair costs and for staff development. Per pupil aid is based on public and nonpublic pupils. Consistent with current statute, public school districts must loan computer hardware and equipment to nonpublic school students. For the 2011-12 school year, funding of \$37.93 million, an increase of \$0.05 million, is provided.
- Computer Software Aid: Under this program, aid is apportioned to districts for the purchase and loan of computer software. Software programs designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils pursuant to the Rules of the Board of Regents. For the 2011-12 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2011-12, Computer Software Aid will total \$46.37 million, an increase of \$1.17 million.
- Textbook Aid: These funds reimburse school districts for the purchase of textbooks which are loaned to both public and nonpublic pupils. Schools are also able to qualify for reimbursement based on eligible purchases of content-based instructional materials in an electronic format. The lottery funded portion of Textbook Aid is \$15.00 per pupil. The general fund portion is \$43.25 per pupil, for a combined maximum textbook aid payment of \$58.25 per pupil. This aid will total \$182.09 million in 2011-12, an increase of \$1.06 million. Materials purchased under this program and designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils.
- Library Materials Aid: Districts are reimbursed for expenses up to \$6.25 per pupil based on public and

nonpublic school enrollment. For 2011-12, Library Materials Aid will total \$19.40 million, an increase of \$0.23 million. Materials purchased under this program and designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils.

Full-Day K Conversion Aid: This aid category provides funding to encourage school districts to establish full-day kindergarten programs intended to strengthen the quality of education for five-year-old children. School districts first offering full-day kindergarten programs in 2011-12 will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2011-12 compared to 2010-11. For 2011-12, a total of \$4.67 million, an increase of \$3.31 million, is provided for this.

Reorganization Incentive Operating Aid: For 2011-12, aid for operating expenses incurred by school districts that are scheduled for reorganization will amount to \$2.86 million, the same as last year. For districts that reorganize after July 1, 2007, Reorganization Incentive Operating Aid is paid as a supplement based on 2006-07 formula Operating Aid. The Operating Aid enhancement for reorganizing districts will be 40 percent per year for the first five years, after which the percentage of additional operating aid decreases by four percent per year.

Gap Elimination Adjustment (GEA): For the 2011-12 school year the Executive Budget provides for a Gap Elimination Adjustment reduction totaling -\$2,785.79 million. The size of the GEA in part reflects the loss of \$1.30 billion in one-time Federal funding provided by the American Recovery and Reinvestment Act of 2009 and the Education Jobs Fund of 2010. In future years the GEA would be continued and scaled to limit growth in School Aid to sustainable levels.

For the 2011-12 school year, formula amounts to be received by school districts (with the exception of Universal Prekindergarten and Building Aids) will be reduced by a Gap Elimination Adjustment totaling -\$2,806.20 million. The reduction is calculated in a manner that recognizes school district pupil need, wealth and tax effort as well as administrative efficiency. The minimum reduction is -11.00 percent multiplied by a district's 2011-12 formula aid⁷ (without Universal Prekindergarten, Building Aid and Building Reorganization Incentive Aid). The maximum reduction is -23.00 percent. For a high need district the Gap Elimination Adjustment

⁷ A district's 2011-12 formula aid as calculated for the computer listing entitled "BT111-2" released in February with the 2011-12 Executive Budget.

will not exceed -6.90 percent of the district's Total General Fund Expenditures and, based on district spending for administrative purposes and pupil need, may be limited to -4.70 percent. For all other districts the Gap Elimination Adjustment will not exceed -11.00 percent of the district's Total General Fund Expenditures.

Qualifying districts, those with 2008-09 Board of Education and Central Administration expenditures which, in sum, are less than 1.80 percent of the district's total expenditures and with administrative expenditures less than \$348.00 per pupil will receive Administrative Efficiency Aid which totals \$20.41 million statewide. For the 2011-12 school year, the Gap Elimination Adjustment including Administrative Efficiency Aid will total -\$2,785.79 million.

Building/Reorganization Incentive Building Aid: The Executive Budget recommends nearly \$2.66 billion in 2011-12 State support for the construction of school facilities. In order to better target limited State resources for school construction, the Executive Budget recommends aligning reimbursement rates more closely with the current fiscal capacity of school districts, and the creation of a new funding structure for school construction. Under this new approach, funding would be awarded based on a competitive application process that considers the need for the project, the age of the building to be renovated or replaced and district fiscal capacity.

For the 2011-12 school year, Building Aid to support school building projects throughout the State (including Reorganization Incentive Aid for building expenses incurred by those school districts that reorganize under section 3602 of the Education Law) will total \$2,659.91 million, an increase of \$171.33 million, or 6.88 percent. Projects receive aid based on the date of approval by voters with Building Aid based on the greater of their current year AV/RWADA aid ratio or a prior year selected Building Aid ratio. An additional enrichment of up to 10 percent is provided for projects approved July 1, 1998 and thereafter.

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

For projects for which a contract is signed July 1, 2004 or later, the 2005-06 Enacted Budget included changes to the

Building Aid formula that address increased costs specific to New York City. These are continued in 2011-12. The New York City cost allowance will include legitimate extraordinary costs related to:

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

Payment for new construction projects otherwise eligible for aid continues to be deferred in instances in which the school district did not file a notice that a general construction contract has been signed with the Commissioner of Education by the November 15, 2010 database.

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

OTHER FUNDING

EXCEL Debt Service⁸: A total of \$181.76 million for EXCEL debt service payments, including \$127.02 million associated with debt service payments for grants to New York City, is available for the 2011-12 school year. EXCEL provides school districts with grants to support school construction costs that are associated with increasing school capacity as a response to overcrowded classrooms, and projects related to improving energy efficiency and public health and safety.

⁸ The enacted 2006-07 State budget included authorization for up to \$2.60 billion for EXCEL funding (Expanding our Children's Education and Learning) to support school construction through bonds issued by the State Dormitory Authority. New York City will receive up to \$1.80 billion with an additional \$400 million available for the State's high need school districts. The remaining \$400 million is allocated for projects in average and low need districts. As additional bonds are issued up to the total authorized amount of \$2.60 billion, the annual amount of EXCEL debt service is projected to increase to \$191.00 million.

GRANT PROGRAMS AND ADDITIONAL AID CATEGORIES

Teachers of Tomorrow: For 2011-12, \$25.00 million will continue to be available for incentives such as awards and stipends to retain and attract teachers into New York's classrooms, particularly in areas where teacher shortages exist. Of available funds, up to \$15.00 million, or 60 percent, will go to New York City.

Teacher-Mentor Intern: Under this program funding of \$2.00 million will be available to support school-year programs through which new teachers work with an experienced teacher as their mentor.

School Health Services: For the 2011-12 school year, \$13.84 million in funding is continued to provide necessary health services to students in the Big Four City school districts.

Employment Preparation Education (EPE) Aid: EPE funding is available for adult education programs such as literacy, basic skills and high school equivalency programs for persons who are 21 years of age or older who have not received a high school diploma. School districts and BOCES offering such programs are required to submit plans of service to the Commissioner of Education for approval. Total aid will be \$96.00 million for the 2011-12 school year, the same amount as in 2010-11. If approved claims exceed such amount, all claims will be subject to proration.

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

Education of Homeless Children: Chapter 348 of the Laws of 1988 amended Section 3602 of the Education Law to institute this program of State aid under which school districts where homeless children are temporarily located are reimbursed for the direct cost of educating such children. This cost to the State is partially recaptured from the district of last attendance for each such homeless child by deducting an amount equal to the district's basic contribution per pupil⁹ from the district's State aid. For the 2011-12 school year, aid for homeless pupils is estimated at \$17.23 million, an increase of \$1.00 million.

⁹ A district's basic contribution per pupil is equal to its total base-year property and non-property taxes divided by the base-year public school resident enrollment.

Aid for Incarcerated Youth: A total of \$19.50 million, an increase of \$0.75 million, is provided in support for the provision of educational services to youth detained in local correctional facilities. Pursuant to the provisions of Chapter 53 of the Laws of 1992, such services may be provided, and aided, during summer sessions as well as the regular school year.

Bilingual Education Grants: The 2011-12 Executive Budget provides \$12.50 million, the same as last year, for funding for regional bilingual programs at BOCES and to support programs such as innovative Two-Way Bilingual Education Programs. Such courses employ two languages (one of which is English) for the purpose of instruction and involve students whose native language is other than English.

Education of OMH/OPWDD Pupils: A total of \$76.00 million, an increase of \$4.00 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 formerly receiving services from, Office of Mental Health and Office for People with Developmental Disabilities (formerly the Office of Mental Retardation and Developmental Disabilities) facilities pursuant to Chapter 66 of the Laws of 1978 and subdivision 5 of section 3202 of the Education Law. Aid is also provided for children who reside in intermediate care facilities for the mentally retarded who receive educational services pursuant to Chapter 721 of the Laws of 1979.

Learning Technology Grants: Learning technology programs, including services benefiting nonpublic school students, will continue to be funded at \$3.29 million. Such programs provide both technology and staff development which facilitate student learning.

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

Roosevelt School District: For the 2011-12 school year, \$6.00 million is provided for academic improvement in the Roosevelt School District.

Education of Native Americans: A total of \$32.00 million, a decrease of -\$3.00 million based on projected claims, is

provided for the 2011-12 school year for the full cost of elementary and secondary education (including transportation expenses) for Native American children as authorized by Article 83 of the Education Law. The program benefits approximately 2,500 children living on 9 reservations and educated in 3 reservation schools, 13 public school districts and 4 BOCES.

B. OTHER STATE AID PROGRAMS

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

Basic Education for Public Assistance Recipients: For 2011-12, \$1.84 million is continued for basic education programs including reading, mathematics, and life skills offered to public assistance recipients 16 years of age or older who have a reading level below the ninth grade. Funding is also available for programs in Literacy Zones in high-need communities to improve education and literacy levels.

Children of Migrant Workers: A total of \$89,000, the same as last year, is provided to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: For 2011-12, an appropriation of \$4.29 million is available for a program of adult literacy consisting of competitive grants to community-based organizations, literacy volunteer organizations, and two- and four-year colleges and libraries.

New York State Center for School Safety: For 2011-12 \$466,000, the same as last year, is available through the New York State Center for School Safety to disseminate information and provide training and technical assistance on violence prevention to schools and communities.

Lunch/Breakfast Programs: A total of \$33.10 million in State funds, an increase of \$800,000 based on projected increases in the number of school lunches provided, including support for additional expenses of school breakfast programs for schools with extraordinary needs, is provided to subsidize school lunch and school breakfast programs. The Federal share of the School Lunch and Breakfast Program under the Food and

Nutrition Fund will equal \$821.99 million for the 2011-12 Federal fiscal year.

Health Education Program: For 2011-12, \$691,000 will continue to be available for health-related programs including those providing instruction and supportive services in comprehensive health education or AIDS prevention programs.

Consortium for Worker Education: For the 2011-12 school year, this not-for-profit organization, which provides adult education services to union members and workers in New York City, will be funded at \$11.50 million, the same as last year.

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

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

Nonpublic School Aid: An appropriation of \$100.38 million, a year-to-year decrease of -\$8.73 million, is available to reimburse the actual expenses, as approved by the Commissioner, incurred by nonpublic schools for specified State testing and data-collection activities, pursuant to the provisions of Chapters 507 and 508 of the Laws of 1974.

Private Schools for the Blind and Deaf: An apportionment of \$20.00 million in State funding is provided for allowances to eight private schools for the deaf, two private schools for the blind, and the Henry Viscardi School for children with multiple disabilities. Nearly 1,500 students attend these State-supported private schools. Unlike other private special education schools, these schools have historically been funded through a discrete State appropriation. The 2011-12 Executive Budget proposes to merge these schools into the larger category of private special education schools and make corresponding changes to the financing structure.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$869.90 million in State funding is provided for the State's preschool special education program.

These funds will support the State's 59.5 percent share of the costs of education for three- and four-year old children

with disabilities. Similar to 2010-11, prior year claims on file with the State Education Department as of April 1, 2011 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2011-12 will receive priority status for payment in 2012-13.

Summer School Program for Disabled Students: An appropriation of \$234.30 million, a year-to-year increase of \$22.10 million, is provided to meet the State's share of costs of summer school programs for school-age pupils with disabilities pursuant to Section 4408 of the Education Law.

The 2011-12 Executive Budget proposes to more closely align State reimbursement to school districts for summer school special education costs with wealth-based aid ratios used during the regular school year. Additionally, the priority of payment would be for claims from the 2011-12 school year with State reimbursement for prior year costs limited to \$100 million during the upcoming fiscal year.

Center for Autism and Related Services: For 2011-12, a total of \$490,000 in State funds is provided for this SUNY-affiliated resource center that provides evidence-based training and support to families, professionals, school districts and peers of people with autism and related disabilities. As was the case last year, this State support is supplemented by \$500,000 in funding through Federal Individuals with Disabilities Education Act (IDEA) resources for a total of \$990,000.

Special Education - Federal Medicaid Offset: For the 2011-12 State fiscal year, the Executive Budget includes a -\$26.60 million offset to State special education costs based on recovery of Federal Medicaid funds for medically related services provided to eligible children in special education programs.

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

Summer Food Program: A total of \$3.05 million in State funds is continued to subsidize summer food service programs operating during the 2011-12 school year.

Math and Science High Schools: For the 2011-12 school year, \$1.38 million is provided to support three math/science academies to provide expanded learning opportunities.

Reimbursement for the Metropolitan Commuter Transportation Mobility Tax: The Executive Budget includes an appropriation of \$70.00 million for full reimbursement of school district expenses for the mobility tax.

Competitive Education Improvement Performance Grants: The 2011-12 Executive Budget provides new funding of \$1.73 million for competitive grants for programs with the greatest potential to impact academic achievement, including classroom readiness and academic support services, teacher training, and/or professional development.

Advances to Hurd City School Districts (Hurd Advances): No funding is appropriated in 2011-12 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 were reduced by 5 percent per year, until fully phased-in resulting in no advances to be made in the 2011-12 school year.

OTHER INITIATIVES

The 2011-12 Executive Budget proposes major initiatives to make school districts more efficient and improve student performance including two competitive grant programs, totaling \$500.00 million, with the goal of rewarding academic improvement and school district efficiencies. The Executive Budget also proposes to reduce school district costs and to continue the commitment to student excellence. Elements of the proposal include:

- School District Performance Improvement Awards: Grants totaling \$250.00 million will be awarded to school districts that demonstrate significant improvements in their student performance outcomes. This program would complement the objectives of the Race to the Top program by providing additional State funding to those school districts with significant improvement in student outcomes.
- School District Management Efficiency Awards: Competitive grants totaling \$250.00 million will be awarded to school districts that undertake long-term structural changes that will reduce costs and improve efficiency.
- Mandate Reform: The Governor has created a Mandate Relief Redesign Team by Executive Order. This team, made up of representatives of the legislature, local government, education and private industry will conduct a rigorous and comprehensive review of mandates imposed on school districts and other local taxing districts in order to look for the best and most cost-efficient and cost-effective ways to deliver mandated programs and services and identify mandates that are ineffective, unnecessary, outdated and duplicative. The Team will report to the Governor on March 1, 2011.
- Federal Race-to-the-Top: The 2011-12 Executive Budget maintains \$696.00 million for the Federal Race to the Top program. Over the next four years, this funding will help support State and school district efforts to improve academic achievement with reforms to standards and assessments, data systems, and teacher and principal preparation and evaluation.

- Maintain the Contract for Excellence Program: School districts recently participating in the Contracts for Excellence program would continue operating approved academic intervention programs consistent with Contract for Excellence requirements. However, the required investment in these programs will be permitted to decline by the same percentage as the district's formula-based aid will be reduced under the Gap Elimination Adjustment. This approach will ensure the continued participation of 23 school districts, including all "Big Five" city school districts (New York City, Buffalo, Rochester, Syracuse and Yonkers).
- Allow Access to Employee Benefit Accrued Liability Reserve Funds: In order to maintain educational programming during the 2011-12 school year, a school district's governing board would be permitted to authorize a withdrawal of excess funds in an employee benefits accrued liability reserve fund. The amount withdrawn could not exceed the Gap Elimination Adjustment for a school district. The State Comptroller would first certify that the amount remaining in the Fund is sufficient to meet employee benefit requirements after the withdrawal.

II

SUMMARY OF 2011-12 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2011-12 New York State aid programs relating to support for public schools: the 2011-12 school year which runs from July 1, 2011 through June 30, 2012; and the 2011-12 State fiscal year which runs from April 1, 2011 through March 31, 2012. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for School Aid and the 2011-12 and 2012-13 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 2011-12. Formula-based aids, including Building Aids, decrease by -7.44 percent.
- Table II-B gives the 2010-11 and 2011-12 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
-- 2010-11 AND 2011-12 SCHOOL YEARS -- NEW YORK STATE

AID CATEGORY	2010-11	2011-12	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$14,893.62	\$14,893.62	\$0.00	0.00 %
Excess Cost - High Cost	454.14	482.62	28.48	6.27
Excess Cost - Private	330.45	342.73	12.28	3.72
Reorganization Operating Aid	2.86	2.86	0.00	0.00
Textbooks (Incl. Lottery)	181.03	182.09	1.06	0.59
Computer Hardware	37.88	37.93	0.05	0.13
Computer Software	45.20	46.37	1.17	2.59
Library Materials	19.17	19.40	0.23	1.20
BOCES	701.69	720.08	18.39	2.62
Special Services	211.09	213.89	2.80	1.33
Transportation (Including Summer)	1,583.32	1,654.69	71.37	4.51
High Tax	204.77	204.77	0.00	0.00
Universal Prekindergarten	393.00	393.00	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Educational Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	23.22	25.11	1.89	8.14
Full-Day Kindergarten	1.36	4.67	3.31	243.38
Academic Enhancement Aid	8.32	8.32	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
Formula-Based Aids Total	\$19,114.13	\$19,255.17	\$141.04	0.74 %
Gap Elimination Adjustment	(2,138.07)	(2,785.79)	(647.72)	NA
Federal SFSF and Education Jobs Fund Restorations	1,333.51	0.00	(1,333.51)	NA
Net Gap Elimination Adjustment	(804.56)	(2,785.79)	(1,981.23)	NA
FMAP Reduction	(131.51)	0.00	131.51	NA
	(936.07)	(2,785.79)	(1,849.72)	NA
Formula-Based Aids w/ GEA, SFSF, Ed Jobs, FMAP	\$18,178.06	\$16,469.38	(\$1,708.68)	(9.40) %
Building Aid/Reorganization Building	2,488.58	2,659.91	171.33	6.88
Total Formula-Based and Other Aids	\$20,666.64	\$19,129.29	(\$1,537.35)	(7.44) %
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher-Mentor Intern	2.00 (a)	2.00	0.00	0.00
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	6.00	6.00	0.00	0.00
Urban-Suburban Transfer	2.73	2.73	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	16.23	17.23	1.00	6.16
Incarcerated Youth	18.75	19.50	0.75	4.00
Bilingual Education	12.50	12.50	0.00	0.00
Education of OMH/OPWDD Pupils	72.00	76.00	4.00	5.56
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(52.00)	(54.50)	(2.50)	0.00
BOCES Aid for Special Act Districts	0.70	0.70	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Native American Building	3.50	5.00	1.50	42.86
Native American Education	35.00	32.00	(3.00)	(8.57)
Bus Driver Safety	0.40	0.40	0.00	0.00
	258.64	260.39	1.75	0.68
SCHOOL YEAR TOTAL	\$20,925.28	\$19,389.68	(\$1,535.60)	(7.34) %

(a) Supported in full by American Recovery and Reinvestment Act (ARRA) funding

Source: State Education Department computer runs and Executive Budget estimates of February 1, 2011.

TABLE II-B
2010-11 AND 2011-12 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2010-11 (a)	2011-12	Change	
			Amount	Percent
School Aid and STAR	\$23,281,875,000 (b)	\$23,336,860,000	\$54,985,000	0.24 %
School District Performance Improvement Program	0	250,000,000	250,000,000	NA
School District Management Efficiency Program	0	250,000,000	250,000,000	NA
General Support for Public Schools	15,853,294,000	15,625,530,000	(227,764,000)	(1.44)
Academic Achievement Grants	840,000	0 (c)	(840,000)	(100.00)
BOCES	703,734,000	698,603,000	(5,131,000)	(0.73)
Employment Preparation Education	96,000,000	96,000,000	0	0.00
Homeless Pupils	6,458,000	12,058,000	5,600,000	86.71
Bilingual Education Grants	8,750,000	8,750,000	0	0.00
Learning Technology	2,300,000	2,300,000	0	0.00
Urban-Suburban Transfer	1,911,000	1,911,000	0	0.00
Native American Building	1,750,000	3,500,000	1,750,000	100.00
Incarcerated Youth	12,250,000	13,650,000	1,400,000	11.43
Education of OMH/OPWDD Pupils	48,300,000	53,200,000	4,900,000	10.14
Special Act Districts	1,890,000	1,890,000	0	0.00
Bus Driver Training	280,000	280,000	0	0.00
Supplemental Educational Improvement Grants	12,250,000	0 (c)	(12,250,000)	(100.00)
Teachers of Tomorrow	17,500,000	17,500,000	0	0.00
Teacher-Mentor Intern	0 (d)	1,400,000	1,400,000	NA
Special Academic Improvement Grants	4,200,000	4,200,000	0	0.00
Education of Native Americans	24,500,000	22,400,000	(2,100,000)	(8.57)
School Health Services Grants	9,688,000	9,688,000	0	0.00
Metropolitan Commuter Transportation Mobility Tax	60,000,000	70,000,000	10,000,000	16.67
Total General Fund	16,865,895,000	17,142,860,000	276,965,000	1.64
STAR School Tax Relief Fund	3,273,000,000	3,302,000,000	29,000,000	0.89
Lottery - Education	2,280,980,000	2,210,000,000	(70,980,000)	(3.11)
Lottery - Video Lottery Aid	862,000,000 (e)	682,000,000	(180,000,000)	(20.88)
Other Public Elementary and Secondary Education Programs	\$243,106,000	\$236,416,000	(\$6,690,000)	(2.75) %
Targeted Prekindergarten	1,303,000	1,303,000	0	0.00
Children of Migrant Workers	89,000	89,000	0	0.00
Adult Basic Education	1,843,000	1,843,000	0	0.00
Adult Literacy Education	4,293,000	4,293,000	0	0.00
Lunch/Breakfast Programs	32,300,000	33,100,000	800,000	2.48
Nonpublic School Aid	109,105,000	100,377,000	(8,728,000)	(8.00)
New York State Center for School Safety	466,000	466,000	0	0.00
Health Education Program	691,000	691,000	0	0.00
Academic Intervention Services for Nonpublic Schools	922,000	922,000	0	0.00
Extended School Day/School Violence Prevention	24,344,000	24,344,000	0	0.00
Primary Mental Health Project	894,000	0	(894,000)	(100.00)
Summer Food Program	3,049,000	3,049,000	0	0.00
Consortium for Worker Education	11,500,000	11,500,000	0	0.00
Charter School Start Up Grants	4,837,000	4,837,000	0	0.00
Student Mentoring and Tutoring Program	490,000	0	(490,000)	(100.00)
Competitive Education Improvement Performance Grants	0	1,730,000	1,730,000	NA
Math and Science High Schools	0 (f)	1,382,000	1,382,000	NA
County Vocational Education and Extension Boards	932,000	932,000	0	0.00
Center for Autism and Related Disabilities - SUNY Albany	490,000 (g)	490,000 (g)	0	0.00
National Board for Professional Training Standards	490,000	0	(490,000)	(100.00)
Fiscal Stabilization Grants	30,022,000	30,022,000	0	0.00
Prior Year Claims/Fiscal Stabilization Grants	15,046,000	15,046,000	0	0.00
Other School Programs	\$870,050,000	\$1,086,100,000	\$216,050,000	24.83 %
Private Schools for the Blind & Deaf (G F)	112,340,000 (h)	20,000,000	(92,340,000)	(82.20)
Private Schools for the Blind & Deaf (Lott)	20,000	0	(20,000)	(100.00)
Special Education Targeted Adjustment	0 (i)	0 (i)	0	NA
Preschool Special Education	619,900,000 (j)	869,900,000	250,000,000	40.33
Summer School Handicapped	212,200,000	234,300,000	22,100,000	10.41
Less Special Education Medicaid Offset	(62,910,000)	(26,600,000)	36,310,000	(57.72)
Less Consortium for Worker Education Offset	(11,500,000)	(11,500,000)	0	0.00
Fiscal Year Total (excluding Hurd Loans)	\$24,395,031,000	\$24,659,376,000	\$264,345,000	1.08 %
Advances to Hurd City School Districts	1,086,000 (k)	0	(1,086,000)	(100.00)
FISCAL YEAR TOTAL	\$24,396,117,000	\$24,659,376,000	\$263,259,000	1.08 %

(a) By Part A, Chapter 313 of the Laws of 2010, State aid amounts for the 2010-11 school year (excluding Federal funds) may be reduced by approximately one percent
(b) A Federal appropriation of \$753.95 million will supplement these amounts for the 2010-11 school year
(c) Funding included within General Support for Public Schools.
(d) Federal funding supports a \$2.00 million 2010-11 school year program
(e) Increased from \$562.00 million by Chapter 560 of the Laws of 2010. The 2010-11 GSPS appropriation was adjusted downwards by an equal amount
(f) Federal funding supports a \$1.38 million 2010-11 school year program
(g) An additional \$500,000 in Federal funding is provided to support this program.
(h) An additional \$4.73 million in Federal funding is provided to support this program for the 2010-11 school year
(i) A total of \$4.00 million in Federal funding is provided to support this program
(j) An additional \$194.00 million in Federal funding for a total of \$813.90 million is provided to support this program for the 2010-11 school year
(k) As loans these appropriations do not impact the financial plan

Source: Laws of the State of New York, Chapters 53, 313 and 560 Laws of 2010, 2011-12 Executive Budget.

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

Recommended school aid provisions, including funding for Building Aids, will increase payments to 40 major school districts by a total of \$26.67 million in the 2011-12 school year. There are 636 districts that are projected to have decreases totaling -\$1,564.02 million. The combined total of increases and reductions produce a net decrease statewide of -\$1,537.35 million, or -7.44 percent.

- Table II-C lists the aid amounts allocated to each of the Big Five City school districts under selected School Aid programs. The aids analyzed are those shown in Table II-A.
- Table II-D lists changes in all School Aid individual aid categories for New York City. The net decrease for all aids is -6.32 percent.
- In Table II-E, major 2011-12 aid categories have been combined to show the overall impact upon school districts in the State's 18 most populous counties, New York City, and the rest of the State.

The State average decrease for these aids will be -7.44 percent. The 368 districts in the 18 most populous counties contain 48.10 percent of the State's public school pupils. These districts will receive 42.31 percent of the 2011-12 combined aids total. Districts in the 18 most populous counties will have an average decrease in combined aids of -8.59 percent. Districts in the rest of the State, exclusive of New York City, will have an average decrease of -7.03 percent and will receive 17.93 percent of the 2011-12 combined aids total.

TABLE II-C

SUMMARY OF SELECTED AIDS TO THE BIG FIVE SCHOOL DISTRICTS FINANCED THROUGH SCHOOL AID APPROPRIATIONS: 2010-11 AND 2011-12

AID CATEGORY	New York City			Buffalo			Rochester			Syracuse			Yonkers		
	2010-11	2011-12	Change from 2010-11 School Year Percent	2010-11	2011-12	Change from 2010-11 School Year Percent	2010-11	2011-12	Change from 2010-11 School Year Percent	2010-11	2011-12	Change from 2010-11 School Year Percent	2010-11	2011-12	Change from 2010-11 School Year Percent
	Amounts in Millions														
I. Formula-Based Aids:															
Foundation Aid	\$6,187.05	\$6,187.05		\$432.81	\$432.81		\$351.32	\$351.32		\$217.32	\$217.32		\$167.83	\$167.83	
Special Education - High Cost	210.66	212.48		2.58	2.40		2.62	5.61		5.79	5.91		3.65	3.59	
Special Education - Private	161.47	161.47		22.39	22.30		9.76	9.72		0.58	0.73		4.00	4.06	
Textbooks	73.77	74.68		2.70	2.61		1.95	2.14		1.34	1.33		1.77	1.78	
Computer Hardware	14.92	15.22		0.98	0.96		0.76	0.75		0.46	0.46		0.22	0.26	
Computer Software	18.97	19.22		0.68	0.67		0.38	0.53		0.29	0.33		0.43	0.43	
Library Materials	7.91	8.02		0.28	0.28		0.21	0.22		0.14	0.14		0.16	0.18	
Special Services	138.74	144.17		26.19	24.40		11.39	10.87		14.11	14.25		6.96	7.12	
Transportation (Including Summer)	483.20	496.31		38.16	38.75		44.30	47.05		13.57	15.05		16.80	18.10	
Universal Prekindergarten	230.70	230.70		12.76	12.76		10.82	10.82		7.53	7.53		4.27	4.27	
Academic Achievement Grant/SEIP	1.20	1.20		0.00	0.00		0.00	0.00		0.00	0.00		17.50	17.50	
Charter School Transitional Aid	0.00	0.00		5.79	6.09		4.14	6.85		1.03	1.18		0.00	0.00	
Academic Enhancement Aid	0.00	0.00		0.00	0.00		0.00	0.00		2.33	2.33		0.00	0.00	
Supplemental Public Special Education	0.00	0.00		0.00	0.00		0.00	0.00		0.00	0.00		0.55	0.55	
Formula-Based Aids	\$7,528.59	\$7,550.52		\$545.32	\$544.04		\$437.66	\$445.88		\$264.48	\$266.56		\$224.00	\$225.68	
Change from 2010-11 School Year Percent		\$21.93 0.29%			(\$1.28) -0.23%			\$8.22 1.88%			\$2.08 0.79%			\$1.68 0.75%	
Gap Elimination Adjustment	(669.09)	(891.44)		(27.82)	(37.88)		(28.93)	(27.29)		(16.85)	(24.40)		(23.92)	(32.85)	
Federal SFSF and Ed Jobs Fund Restorations	417.31	0.00		17.35	0.00		18.04	0.00		10.51	0.00		14.92	0.00	
Net Gap Elimination Adjustment	(251.78)	(891.44)		(10.47)	(37.88)		(10.89)	(27.29)		(6.34)	(24.40)		(9.00)	(32.85)	
FMAP Reduction	(52.07)	0.00		(4.08)	0.00		(2.90)	0.00		(1.71)	0.00		(1.40)	0.00	
	(\$303.85)	(\$891.44)		(\$14.55)	(\$37.88)		(\$13.79)	(\$27.29)		(\$8.05)	(\$24.40)		(\$10.40)	(\$32.85)	
Formula-Based Aids w/ GEA, SFSF, Ed Jobs, FMAP	\$7,224.74	\$6,659.08		\$530.77	\$506.16		\$423.87	\$418.59		\$256.43	\$242.16		\$213.60	\$192.83	
Building Aid	902.50	950.16		92.69	101.07		20.63	21.92		11.19	9.12		5.78	8.99	
Total Formula-Based Aids	\$8,127.24	\$7,609.24		\$623.46	\$607.23		\$444.50	\$440.51		\$267.62	\$251.28		\$219.38	\$201.82	
Change from 2010-11 School Year Percent		(\$518.00) -6.37%			(\$16.23) -2.60%			(\$3.99) -0.90%			(\$16.34) -6.11%			(\$17.56) -8.00%	
II. Grant Programs and Additional Aid Categories:															
Teachers of Tomorrow	15.00	15.00		1.06	1.06		2.60	2.60		0.51	0.51		2.16	2.16	
Teacher-Mentor Intern	1.00	1.00		0.00	0.00		0.00	0.00		0.00	0.00		0.00	0.00	
School Health Services	0.00	0.00		5.30	5.30		6.29	6.29		1.08	1.08		1.17	1.17	
Subtotal	16.00	16.00		6.36	6.36		8.89	8.89		1.59	1.59		3.33	3.33	
Total	\$8,143.24	\$7,625.24		\$629.82	\$613.59		\$453.39	\$449.40		\$269.21	\$252.87		\$222.71	\$205.15	
Change from 2010-11 School Year Percent		(\$518.00) -6.36%			(\$16.23) -2.58%			(\$3.99) -0.88%			(\$16.34) -6.07%			(\$17.56) -7.88%	

Source: State Education Department computer runs and Executive Budget estimates of February 1, 2011

TABLE II-D
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS
-- 2010-11 AND 2011-12 SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	2010-11	2011-12	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$6,187.05	\$6,187.05	\$0.00	0.00 %
Excess Cost - High Cost	210.66	212.48	1.82	0.86
Excess Cost - Private	161.47	161.47	0.00	0.00
Textbooks (Incl. Lottery)	73.77	74.68	0.91	1.23
Computer Hardware	14.92	15.22	0.30	2.01
Computer Software	18.97	19.22	0.25	1.32
Library Materials	7.91	8.02	0.11	1.39
Special Services	138.74	144.17	5.43	3.91
Transportation (Including Summer)	483.20	496.31	13.11	2.71
Universal Prekindergarten	230.70	230.70	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Formula-Based Aids Total	\$7,528.59	\$7,550.52	\$21.93	0.29 %
Gap Elimination Adjustment	(669.09)	(891.44)	(222.35)	NA
Federal SFSF and Education Jobs Fund Restorations	417.31	0.00	(417.31)	NA
Net Gap Elimination Adjustment	(251.78)	(891.44)	(639.66)	NA
FMAP Reduction	(52.07)	0.00	52.07	NA
	(303.85)	(891.44)	(587.59)	NA
Formula-Based Aids w/ GEA, SFSF, Ed Jobs, FMAP	\$7,224.74	\$6,659.08	(\$565.66)	(7.83) %
Building Aid	902.50	950.16	47.66	5.28
Total Formula-Based and Other Aids	\$8,127.24	\$7,609.24	(\$518.00)	(6.37) %
II Grant Programs and Additional Aid Categories				
Teachers of Tomorrow	15.00	15.00	0.00	0.00
Teacher-Mentor Intern	1.00 (a)	1.00	0.00	0.00
Employment Preparation Education	32.00	32.00	0.00	0.00
Bilingual Education	6.48	6.48	0.00	0.00
Education of OMH/OPWDD Pupils	18.75	19.50	0.75	4.00
Chargebacks	(13.80)	(14.10)	(0.30)	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
Subtotal	60.56	61.01	0.45	0.74
SCHOOL YEAR TOTAL	\$8,187.80	\$7,670.25	(\$517.55)	(6.32) %

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

Source: State Education Department computer runs and Executive Budget estimates of February 1, 2011.

TABLE II-E							
CHANGE IN SCHOOL AID (a) FOR 2010-11 AND 2011-12 SCHOOL YEARS:							
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE							
Percent of Total State AFPU (b)	2011-12 Combined Aids		Percent of State Total	Change in Aid from 2010-11 to 2011-12		Number of Districts	
	2010-11 Combined Aids	Amount		Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)							
1.43	\$243,606	\$223,487	1.17	(\$20,119)	(8.26)	1	11
1.09	258,041	236,598	1.24	(21,443)	(8.31)	2	10
0.73	226,427	208,963	1.09	(17,464)	(7.71)	0	18
1.65	258,207	233,662	1.22	(24,545)	(9.51)	0	13
4.71	1,177,170	1,099,438	5.75	(77,732)	(6.60)	1	27
4.03	931,482	871,496	4.56	(59,986)	(6.44)	1	17
7.37	849,791	763,713	3.99	(86,078)	(10.13)	0	56
1.14	283,450	258,792	1.35	(24,658)	(8.70)	0	10
1.26	331,389	307,614	1.61	(23,775)	(7.17)	0	15
2.62	600,803	540,926	2.83	(59,877)	(9.97)	1	17
2.34	504,144	454,130	2.37	(50,014)	(9.92)	1	16
0.81	187,251	168,291	0.88	(18,960)	(10.13)	0	11
1.51	181,453	161,157	0.84	(20,296)	(11.19)	0	8
1.25	201,623	175,955	0.92	(25,668)	(12.73)	0	12
0.84	176,436	158,959	0.83	(17,477)	(9.91)	0	6
9.17	1,665,886	1,528,642	7.99	(137,244)	(8.24)	1	64
0.95	179,726	162,862	0.85	(16,864)	(9.38)	0	9
5.20	595,951	537,984	2.81	(57,967)	(9.73)	1	39
48.10	\$8,852,836	\$8,092,669	42.31	(\$760,167)	(8.59)	9	359
38.51	8,127,246	7,609,244	39.78	(518,002)	(6.37)	0	1
13.39	3,686,562	3,427,373	17.93	(259,189)	(7.03)	31	276
100.00	\$20,666,644	\$19,129,286	100.00	(\$1,537,358)	(7.44)	40	636

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

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

Source: State Education Department computer runs and Executive Budget estimates of February 1, 2011.

III

APPENDICES

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

- Appendix III-A summarizes the School Aid categories and adjustments recommended for 2011-12 and compares them with the 2010-11 aid categories.
- Appendix III-B provides the mathematical formulas for computing 17 different aids for 2011-12 School Aid payments.

For Foundation Aid, Universal Prekindergarten Aid, High Tax Aid, and Academic Enhancement Aid a district will receive aid as calculated for the base-year school year.

- Appendix III-C describes the pupil counts used in aid formulas other than Foundation Aid.
- Appendix III-D describes weightings used to calculate pupil needs for aid and district wealth for Foundation Aid.
- Appendix III-E provides the regional cost indices used for the Foundation Aid formula.

APPENDIX III-A
COMPARISON OF 2010-11 AND 2011-12 SCHOOL AID PROGRAMS

Category	2010-11 School Year	2011-12 School Year
<u>FOUNDATION AID</u>	<p>A district will receive the same aid for 2010-11 as was calculated for 2009-10 by the State Education Department. Data base updates to school district 2008-09 formula aid amounts are reflected in the 2009-10 and 2010-11 aid totals.</p> <p>The full phase-in of Foundation Aid is scheduled for the 2013-14 school year.</p> <p>For the 2010-11 school year a district will receive the sum of its 2006-07 Base Amount plus a Foundation phase-in increase equal to 37.5 percent of the difference between the 2006-07 base amount and its fully phased-in Foundation Aid amount.</p> <p>For 2010-11 the Foundation phase-in increase will be 37.5 percent, for 2011-12 it will be 53.1 percent, and for 2012-13 it will equal 75.0 percent, and for 2013-14 it will equal 100 percent.</p>	<p>A district will receive the same aid for 2011-12 as was calculated for 2010-11 by the State Education Department based on data on file for the 2011-12 Executive Budget.</p> <p>The full phase-in of Foundation Aid is extended to the 2016-17 school year.</p> <p>Same</p> <p>For 2011-12 the Foundation phase-in increase will be 37.5 percent, for 2012-13 it will be 37.5 percent, for 2013-14 it will be 45.5 percent, for 2014-15 it will equal 61.5 percent, for 2015-16 it will equal 80.0 percent, and for the 2016-17 it will equal 100 percent.</p>
<u>URBAN-SUBURBAN TRANSFER SUPPLEMENTATION</u>	<p>Qualifying districts that receive pupils from another district for the purpose of promoting diversity are eligible for an apportionment based on Selected Foundation Aid per pupil</p>	<p>Same</p>

Apportionment	Selected Foundation Aid x (Number of Pupils Received - Formula Pupil Margin)	Same
Formula Pupil Margin	Formula Pupil Margin = .365 x (Total Foundation Aid - Total Foundation Aid Base)/Total Foundation Aid/TAFPU	Same
<u>PUBLIC EXCESS HIGH COST AID FOR DISABLED PUPILS</u>		
Wealth Measure	Combined Wealth Ratio	Same ¹⁰
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	Lesser of 4 x AOE/TAPU for Expense or \$10,000	Same
<u>PRIVATE EXCESS COST AID:</u>		
Ceiling Range for Aid	Tuition - Deduct	Same
Deduct	Local Levy/Enrollment	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.85	Same
Minimum Aid Ratio	.50	Same
Pupils	Attending private or State- run schools	Same
<u>FULL-DAY K CONVERSION AID</u>		
Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2009-10 it had half-day kindergarten enrollment <u>or</u>	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2010-11 it had half-day

¹⁰ For the 2011-12 school year, for aids other than Foundation Aid, a district's Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to:

$$\frac{2008 \text{ Actual Valuation}/2009-10 \text{ TWPU}}{\$599,500} \quad ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{2008 \text{ District Income}/2009-10 \text{ TWPU}}{\$172,800}$$

	if it had no kindergarten enrollment in 1996-97 <u>and</u> 2009-10.	kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2010-11.
Pupil Count	2010-11 full-day kindergarten enrollment - 2009-10 full-day kindergarten enrollment	2011-12 full-day kindergarten enrollment - 2010-11 full-day kindergarten enrollment
Aid Per Pupil	Selected Foundation Aid per pupil.	Same
<u>TRANSPORTATION AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA, a district's Combined Wealth Ratio or Selected AV/enrollment	Same
State Share	The greatest of: 1.01 - (.46 * AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * AV/public + nonpublic enrollment wealth ratio)	Same
State Sharing Ratio	The greatest of: 1.37 - (1.23 x CWR) 1.00 - (0.64 x CWR) 0.80 - (0.39 x CWR) 0.51 - (0.22 x CWR) The maximum aid ratio is 0.90. For a district of average wealth (CWR = 1.000), aid ratio is 0.41.	Same
Sparsity Adjustment	21 - 2008-09 public enrollment/square mile)/317.88	Same except for the use of 2009-10 public enrollment
Minimum Aid Ratio	.065	Same
Maximum Aid Ratio	.90	Same
Base	Approved Expenditures	Same
Urban-Suburban Transfer	Approved expenditures of transportation of pupils in voluntary interdistrict programs.	Same

BOCES AID

Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
State Share	.49	Same
Minimum Aid Ratio	.36	Same
Salary Ceiling	\$30,000	Same
Millage Formula	8 mills	Same
Save-Harmless	100% of 1967-68 Aid	Same

BUILDING AID

Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
Aid Ratio Choice	Districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year.	Starting with all new building projects approved by the voters beginning July 1, 2011, districts will use the current year aid ratio.
	Starting with all new building projects approved by the voters beginning July 1, 2000, the selected building aid ratio is based upon the greater of a district's current-year building aid ratio or the ratio selected for use in 1999-00 reduced by 10 percentage points.	None
	School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the school year in which the project was approved and the approval date was between 7/1/00 and 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.	None
	School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the 2000-01 school year and the voter	None

approval date was between 7/1/05 and 6/30/08 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.

HNSBAR	High Need Supplemental Building Aid Ratio: For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, high need school districts, including the Big Five City schools, may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98% of the approved costs.	Same
Base	Approved Expenditures	Approved expenditures authorized within a fixed competitive construction fund.
Additional Adjustments	For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts will receive an additional 10% State reimbursement. In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.	Same
New York City Data	In order to align the claiming process for New York City more closely with that of districts in the rest of state, aid on debt service in excess of that based on estimates submitted by New York City before November 15 of the base year will be considered payable in the following year.	Same

REORGANIZATION INCENTIVE
BUILDING AID

Prior to July 1, 1983:

Building Aid:

Additional Percentage	25%	Same
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Effective July 1, 1983:		
Building Aid:		
Additional Percentage	30%	Same
Eligibility Date:		
New Projects	Approved by voters within ten years of reorganization.	Same
<u>REORGANIZATION INCENTIVE</u>		
<u>OPERATING AID</u>		
Eligibility Date:	School districts that reorganize after July 1, 2007.	Same
Operating Aid:		
Additional Percentage (5 years)	40%	Same
Taper	4%/9 years	Same
<u>SPECIAL SERVICES AID/</u>		
<u>ACADEMIC IMPROVEMENT AID</u>		
Eligible Districts	Big Five City school districts and other districts that are non- components of BOCES	Same
Career Education Aid:		
State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$3,900	
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Grade 10-12 ADA in a Career Education Sequence + (.16 x Business Sequence ADA)	Same
Computer Administration Aid:		
State share	.49	Same
Minimum Aid Ratio	.30	Same
Ceiling	\$62.30/pupil	Same
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Fall Public Enrollment (Attendance)	Same
Academic Improvement Aid:		
State Share	.41	Same

Minimum Aid Ratio	.36	Same
Ceiling	\$100 + (\$1,000 divided by a district's Combined Wealth Ratio but not less than \$1,000)	Same
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Career Education Pupils	Same
<u>INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID</u>	Based on approved expense up to an amount equal to \$24.20 x public and nonpublic pupils (district of attendance) x current year Building Aid ratio Aid cannot exceed the amount of base-year approved expenditures.	Same Same
<u>TEXTBOOK AID</u>	Up to \$58.25 per public and nonpublic pupil (district of residence) Aid cannot exceed the amount of base-year textbook expenditures.	Same Same
<u>COMPUTER SOFTWARE AID</u>	Up to \$14.98 per public and nonpublic pupil (district of attendance) Aid cannot exceed the amount of base-year software expenditures.	Same Same
<u>LIBRARY MATERIALS AID</u>	Up to \$6.25 per public and nonpublic pupil (district of attendance) Aid cannot exceed the amount of base-year library expenditures.	Same Same
<u>UNIVERSAL PREKINDERGARTEN AID</u>	A district will receive the same aid for 2010-11 as was calculated for 2009-10 by the State Education Department. For 2009-10 a district was eligible to receive the	A district will receive the same aid for 2011-12 as was calculated for 2010-11 by the State Education Department based on data on file for the 2011-12 Executive

	same aid for 2009-10 as was Budget. calculated for 2008-09 by the State Education Department as of the enacted 2009-10 state budget.	
	The full phase-in of Universal Prekindergarten aid is planned for the 2013-14 school year.	The full phase-in of Universal Prekindergarten aid is extended to the 2016-17 school year.
<u>HIGH TAX AID</u>	A district will receive the same aid as that for 2008- 09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.	Same
<u>TEACHER-MENTOR INTERN</u>	\$2.00 million (Discretionary Federal ARRA funding)	\$2.00 million
<u>SCHOOL HEALTH SERVICES</u>	\$13.84 million	Same
<u>INCARCERATED YOUTH</u>	\$18.75 million	\$19.50 million
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same
<u>EMPLOYMENT PREPARATION EDUCATION AID</u>		
Ceiling	\$12.05/contact hour	\$12.25/contact hour ¹¹
Wealth Measure	AV/TWPU	Same
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same

¹¹ For the 2011-12 school year, a \$96.00 million funding limit is provided,
the same as for the 2010-11 school year.

CHARTER SCHOOL TRANSITIONAL

AID

Total Aid	The sum of Tier 1, Tier 2 and Tier 3 aid.	Same
Tier 1 Aid		
Eligible Districts ¹²	2009-10 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2009- 10 charter school payments greater than 2 percent of 2009-10 total general fund expenditures.	2010-11 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2010-11 charter school payments greater than 2 percent of 2010-11 total general fund expenditures.
Expense per pupil ¹³	0.8 x 2009-10 charter school adjusted expense per pupil.	0.8 x 2010-11 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2008-09 to 2009-10.	Increase in charter school enrollment from 2009-10 to 2010-11.
Tier 2 Aid		
Eligible Districts	2008-09 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2008- 09 charter school payments greater than 2 percent of 2008-09 total general fund expenditures.	2009-10 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2009-10 charter school payments greater than 2 percent of 2009-10 total general fund expenditures.

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

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

Expense per pupil	0.6 x 2009-10 charter school adjusted expense per pupil.	0.6 x 2010-11 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2007-08 to 2008-09.	Increase in charter school enrollment from 2008-09 to 2009-10.
Tier 3 Aid Eligible Districts	2007-08 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2007-08 charter school payments greater than 2 percent of 2007-08 total general fund expenditures.	2008-09 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2008-09 charter school payments greater than 2 percent of 2008-09 total general fund expenditures.
Expense per pupil	0.4 x 2009-10 charter school adjusted expense per pupil.	0.4 x 2010-11 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2006-07 to 2007-08	Increase in charter school enrollment from 2007-08 to 2008-09.
<u>SUPPLEMENTAL EDUCATIONAL IMPROVEMENT PLAN</u>	\$17.50 million	Same
<u>ACADEMIC ACHIEVEMENT GRANT</u>	\$1.20 million	Same
<u>SUPPLEMENTAL PUBLIC EXCESS COST AID</u>	A district will receive the same aid as that for 2008-09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.	Same
<u>ACADEMIC ENHANCEMENT AID</u>	Districts identified as districts in need of improvement for at least 5 years.	Same
	A district will receive the same aid as that for 2008-09 calculated by the State Education Department based	Same

on data on file for the
computer run "SA0910" for
the 2009-10 enacted budget.

GAP ELIMINATION ADJUSTMENT

As calculated as provided
for by Chapter 53 of the
Laws of 2010, the lesser
of:

The sum of a) the product
of -5.50 percent multiplied
by a district's 2010-11
Formula Aid (without
Universal Prekindergarten
and Building and Building
Reorganization Incentive
Aids) plus b) the result of
-\$3,121.00 multiplied by
1.0 minus a district's
three-year K-6 free and
reduced price lunch
percentage for Foundation
Aid with the result
multiplied by a district's
Combined Wealth Ratio for
Foundation Aid multiplied
by Estimated 2009-10 Public
Enrollment.

The minimum reduction is
-8.00 percent multiplied by
a district's 2010-11
Formula Aid (without
Universal Prekindergarten
and Building and Building
Reorganization Incentive
Aids). The maximum
reduction is -21.00
percent.

or

For districts with a Tax
Effort Ratio (a district's
residential levy divided by
district income) greater
than 3.50 percent and a
Combined Wealth Ratio for
Foundation Aid less than
4.00: The result of -21.00

The lesser of:

The sum of a) the
product of -6.40
percent multiplied by a
district's 2011-12
Formula Aid (without
Universal
Prekindergarten and
Building and Building
Reorganization
Incentive Aids) plus b)
the result of
-\$4,400.00 multiplied
by 1.0 minus a
district's three-year
K-6 free and reduced
price lunch percentage
for Foundation Aid with
the result multiplied
by a district's
Combined Wealth Ratio
for Foundation Aid
multiplied by Estimated
2010-11 Public
Enrollment.

The minimum reduction
is -11.00 percent
multiplied by a
district's 2011-12
Formula Aid (without
Universal
Prekindergarten and
Building and Building
Reorganization
Incentive Aids). The
maximum reduction is
-23.00 percent.

or

For districts with a
Tax Effort Ratio (a
district's residential
levy divided by
district income)
greater than 4.50
percent and a Combined
Wealth Ratio for

percent divided by the quotient of a district's Tax Effort Ratio divided by 3.50 percent, but not less than -10.00 percent, multiplied by 2010-11 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -21.00 percent; the minimum reduction is -10.00 percent.	Foundation Aid less than 1.50: The result of -23.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 4.50 percent, but not less than -15.00 percent, multiplied by 2011-12 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -23.00 percent; the minimum reduction is -15.00 percent.
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For high need districts the Gap Elimination Adjustment will not exceed -5.00 percent of the district's 2009-10 Total General Fund Expenditures (TGFE). The GEA for high need districts with 2007-08 expenditures for administrative purposes less than 1.50 percent and a three-year K-6 free and reduced price lunch percentage for Foundation Aid greater than 75.00 percent will not exceed -3.60 percent of the district's 2009-10 TGFE.	For high need districts the Gap Elimination Adjustment will not exceed -6.90 percent of the district's 2010-11 Total General Fund Expenditures (TGFE). The GEA for high need districts with 2008-09 expenditures for administrative purposes less than 1.55 percent and a three-year K-6 free and reduced price lunch percentage for Foundation Aid greater than 75.00 percent will not exceed -4.70 percent of the district's 2010-11 TGFE. For all other districts the Gap Elimination Adjustment will not exceed -11.00 percent of the district's 2010-11 TGFE.
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ADMINISTRATIVE EFFICIENCY AID

Qualifying districts will receive aid for administrative efficiency.	Qualifying districts will receive aid for administrative efficiency.
Districts, other than the Big Five City school districts, with less than 2.00 percent of 2007-08 expenditures (as reported	Districts, other than the Big Five City school districts, with less than 1.80 percent of 2008-09 expenditures

<p>to the State Education Department on the district's annual ST-3 form) devoted to spending for Board of Education and Central Administration purposes will receive a wealth-adjusted¹⁴ amount calculated as \$80.00 x Foundation State Sharing Ratio¹⁵ (.100 minimum) x Selected Total Aidable Foundation Pupils (TAFPU)¹⁶</p>	<p>(as reported to the State Education Department on the district's annual ST-3 form) devoted to spending for Board of Education and Central Administration purposes and administrative expenditures less than \$348.00 per pupil (enrollment) will receive a wealth-adjusted¹⁷ amount</p>
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¹⁴ For the 2010-11 school year, a district's Combined Wealth Ratio for Foundation Aid (FACWR) is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected Actual Valuation/2008-09 TWP}}{\$565,100} \quad ; \text{ and the}$$

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected District Income/2008-09 TWP}}{\$177,200}$$

Selected Actual Valuation is the lesser of 2007 Actual Valuation or the average of 2006 Actual Valuation and 2007 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2007 Adjusted Gross Income or the average of 2006 Adjusted Gross Income and 2007 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

¹⁵ The Foundation State Sharing Ratio is the greatest of:

- 1.37 - (1.230 x FACWR)
- 1.00 - (0.640 x FACWR)
- 0.80 - (0.390 x FACWR)
- 0.51 - (0.173 x FACWR)

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

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

¹⁷ For the 2011-12 school year, a district's Combined Wealth Ratio for Foundation Aid (FACWR) is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected Actual Valuation/2009-10 TWP}}{\$593,600} \quad ; \text{ and the}$$

Chapter 53 of the Laws of 2010 also includes a partial restoration for each school district through the use of Federal funding which is described below.	calculated as \$75.00 x Foundation State Sharing Ratio (.100 minimum) x Selected Total Aidable Foundation Pupils (TAFPU).
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<u>FEDERAL AID</u>	<p>For the 2009-10 and 2010-11 school years a total of \$1,701.36 million in Federal Aid for selected programs including \$907.15 million of Federal Title IA aid and \$794.21 million of Federal Individuals with Disabilities Education Act (IDEA) aid is available to school districts as a result of American Recovery and Reinvestment Act of 2009 Title I and IDEA funding.</p> <p>Chapter 53 of the Laws of 2010-11 provides for a Gap Elimination Adjustment reduction totaling -\$2,138.07 million described above. Chapter 53 also includes a partial restoration for each school district equal to 33.9521 percent of their GEA amount through the use of Federal State Fiscal Stabilization Fund (SFSF) moneys. The restoration totals \$725.92 million for a net statewide</p>	None
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Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected District Income/2009-10 TWPU}}{\$172,200}$$

Selected Actual Valuation is the lesser of 2008 Actual Valuation or the average of 2007 Actual Valuation and 2008 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2008 Adjusted Gross Income or the average of 2007 Adjusted Gross Income and 2008 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

GEA reduction of -\$1,412.15 million.

The above was supplemented by an additional partial restoration for each school district equal to 43.025989 percent of their remaining GEA amount through the use of Federal Education Jobs Fund moneys. This program was enacted into federal law August 10, 2010. Funding was made available to New York State school districts with enactment of Chapter 560 of the Laws of 2010 in December 2010. The restoration totals \$607.59 million for a net statewide GEA reduction of -\$804.56 million. These funds were made available to school districts for the 2010-11 school year, however, pursuant to federal guidelines, school districts may choose to spend these funds in either the 2010-11 or 2011-12 school year.

OTHER ADJUSTMENTS

Part A of Chapter 313 of the Laws of 2010 enacted August 2010 authorized reductions in state aid payments to school districts for an additional statewide reduction that totals -\$131.51 million.	None
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APPENDIX III-B
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating 2011-12 public high cost and private excess cost aids, BOCES aid, textbook aid, library materials aid, special services including academic improvement aid, transportation aid, computer software aid, instructional computer hardware and technology equipment aid, employment preparation education aid, incarcerated youth aid, building aid, reorganization incentive building aid, reorganization incentive operating aid, full-day kindergarten incentive aid, charter school transitional aid and the gap elimination adjustment are presented in this appendix.

The State average wealth measures used in the calculation of 2011-12 aid ratios are:

2008 Actual Valuation/2009-10 TWPU	\$599,500
2008 Adjusted Gross Income/2009-10 TWPU	\$172,800
2008 Actual Valuation/2009-10 RWADA	\$724,400

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

Details of pupil counts for Foundation Aid are included in Appendix III-D.

Pupil counts for other 2011-12 aids appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

- TAFPU...Total Aidable Foundation Pupil Units
- TWFPU...Total Wealth Foundation Pupil Units

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

CHARTER SCHOOL TRANSITIONAL AID

Education Law, Section 3602, Subdivision 41

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

Tier 1 Aid: Districts are eligible for Tier 1 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2010-11 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2010-11 school year exceed 2.0 percent of the district's 2010-11 total general fund expenditures.

The Tier 1 formula = (0.80 x 2010-11 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2009-10 and 2010-11 school years.

Tier 2 Aid: Districts are eligible for Tier 2 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2009-10 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2009-10 school year exceed 2.0 percent of the district's 2009-10 total general fund expenditures.

The Tier 2 formula = (0.60 x 2010-11 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2008-09 and 2009-10 school years.

Tier 3 Aid: Districts are eligible for Tier 3 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2008-09 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2008-09 school year exceed 2.0 percent of the district's 2008-09 total general fund expenditures.

The Tier 3 formula = (0.40 x 2010-11 charter school adjusted expense per pupil) x the increase in the number of resident pupils enrolled in a charter school between the 2007-08 and 2008-09 school years.

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

PUBLIC HIGH COST EXCESS COST AID

Education Law, Section 3602, Subdivision 5

A district receives Public High Cost Excess Cost Aid for pupils with disabilities educated in resource intensive programs run by public school districts or BOCES. Public High Cost Special Education Aid is available for public school pupils with disabilities in programs in which the cost exceeds the lesser of:

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

Per Pupil Calculation:

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

AOE/TAPU = 2009-10 Approved Operating Expenses (AOE)
2009-10 TAPU for Expense

Excess Cost Aid Ratio = 1-(Combined Wealth Ratio x .51)

Minimum: .250

Combined Wealth Ratio: For the 2011-12 school year, for aids other than Foundation Aid, a district's Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to:

2008 Actual Valuation/2009-10 TWPU
\$599,500 ; and the

Alternate Pupil Wealth Ratio is equal to:

2008 District Income/2009-10 TWPU
\$172,800

EXCESS COST AID FOR PRIVATE SCHOOL PUPILS

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

A district receives Private Excess Cost Aid for pupils with disabilities in private school settings and the two State-operated schools at Rome and Batavia. The aid is computed on a student-by-student basis with districts receiving private excess cost aid for each student.

Private Excess Cost Aid

Private Excess Cost Aid per pupil = Aidable Cost x Aid Ratio

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

Basic Contribution = A district's tax levy based on its property and non-property taxes divided by its base-year (2010-11) resident enrollment.

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

Minimum: .50

SPECIAL SERVICES AID/ACADEMIC IMPROVEMENT AID

Education Law, Section 3602, Subdivision 10

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

$$\text{Career Education Aid} = \text{Ceiling} \times \text{Aid Ratio} \times \text{Career Ed Pupils}$$

$$\text{Ceiling} = \$3,900$$

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

Minimum: .360

$$\text{Career Education Pupils} = 2010-11 \text{ Grade 10-12 ADA in a Career Education Trade Sequence} + (.16 \times \text{Business Sequence ADA})$$

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

$$\text{Enrollment} = \text{Fall 2010 public enrollment attending in the district}$$

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

Minimum: .300

$$\text{Academic Improvement Aid} = \text{Ceiling} \times \text{Aid Ratio} \times \text{Career Ed Pupils}$$

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

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

Minimum: .360

TRANSPORTATION AID

Education Law, Section 3602, Subdivision 7

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

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

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

- (i) $1.263 \times \text{State Sharing Ratio}$
- (ii) $1.010 - \frac{(2008 \text{ AV}/2009\text{-}10 \text{ RWADA} \times .46)}{\text{Statewide Average } (\$724,400)}$
- (iii) $1.010 - \frac{(2008 \text{ AV}/2009\text{-}10 \text{ Resident Public+Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$645,500)}$

Minimum: .065, Maximum: .900

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

- $1.37 - (1.23 \times \text{CWR})$
- $1.00 - (0.64 \times \text{CWR})$
- $0.80 - (0.39 \times \text{CWR})$
- $0.51 - (0.22 \times \text{CWR})$

Sparsity Factor =

$$\frac{21.00 - 2009\text{-}10 \text{ Public Enrollment/Square Mile}}{317.88}$$

Approved Transportation Expenses include:

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

But do not include:

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

BOCES AID

Education Law, Section 1950, Subdivision 5

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

BOCES Operating Aid = Base Year Approved Expenses x Aid Ratio

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

Aid Ratio = greater of:

- (i) $1 - \frac{.008 \text{ (.003 for Central High Schools and Component Districts)}}{\text{District Actual Valuation Tax Rate (Local Revenue/2008 Actual Valuation)}}$
- (ii) $1 - \frac{(2008 \text{ Actual Valuation/2009-10 RWADA} \times .51)}{\text{Statewide Average (\$724,400)}}$

Minimum: .360; Maximum: .900

BOCES Capital Aid = 2011-12 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2011-12 Rental Expense x RWADA Aid Ratio

Save-Harmless Provision

A district may receive the greater of:

- (i) 2011-12 BOCES Operating, Capital and Rental Aids, or
- (ii) BOCES aid received during 1967-68

BUILDING AID

Education Law, Section 3602, Subdivision 6

School districts with approved building projects may receive building aid to be paid according to an assumed amortization schedule. Aid is available for expenses related to the installation of computer laboratory hardware and for the purchase of stationary metal detectors. Payment for new construction projects otherwise eligible for aid is deferred in instances in which the school district other than New York City did not file a notice that a general construction contract has been signed with the Commissioner of Education by the November 15, 2010 database. A similar provision applies to aid payments for New York City.

Building Aid = Selected Aid Ratio x Approved Building Expenses

Current AV/RWADA Aid Ratio =

$$1 - \frac{(2008 \text{ Actual Valuation/2009-10 RWADA} \times .51)}{\text{Statewide Average (\$724,400)}}$$

Approved Building Expenses:

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

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

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

The State share of financing costs associated with refinancings for borrowings which had principal remaining as of July 1, 2002 is reimbursed in full to districts. In addition, districts are reimbursed for lease expenses and on a one year lag for costs of metal detectors, building condition surveys, and capital outlay exception.

Selected Aid Ratio:

For the 2011-12 school year, districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year.

Starting with all new building projects approved by the voters after July 1, 2000, the selected Building Aid ratio is based upon the greater of a school district's current-year Building Aid ratio or the aid ratio selected for use in 1999-00 reduced by 10 percentage points. School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the school year in which the project was approved and the voter approval date was between 7/1/00 and 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State Sharing Ratio.

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

For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, for high need school districts including the Big Five City schools, may compute an additional amount equal to

.05 times their selected aid ratio. The maximum aid payable is 98% of the project's approved costs.

Incentive:

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

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

New York City Data Submission:

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

REORGANIZATION INCENTIVE BUILDING AID

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

A district may receive Reorganization Incentive Building Aid in addition to its regular Building Aid.

For districts reorganizing prior to July 1, 1983,

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

For districts reorganizing after July 1, 1983,

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

REORGANIZATION INCENTIVE OPERATING AID

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

School districts that reorganize after July 1, 2007, are eligible to receive reorganization incentive operating aid for 14 years beginning with the first school year of operating as a reorganized district. The reorganization percentage will be 40 percent for a period of five years, to be reduced by 4 percent per year for nine years.

For the first five years, Reorganization Incentive Operating Aid =

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

The amount calculated as 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units will not be recalculated during the 14 years that a districts receives aid. The 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units amount is frozen as of the date upon which a data file was created for the February 15, 2007 State Aid estimates. The sum of 2006-07 Operating Aid and Incentive Operating Aid is limited to 95 percent of 2009-10 Approved Operating Expense.

COMPUTER SOFTWARE AID

Education Law, Section 751

All districts are eligible for Computer Software Aid. The aid is for the purchase of computer software which a pupil is required to use as a learning aid in a particular class in the school the pupil attends. Software programs designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils pursuant to the Rules of the Board of Regents. A district's 2011-12 aid cannot exceed the amount of its base-year actual expenditures.

Computer Software Aid = 2010-11 Cost of Software (up to \$14.98 x Enrollment)

Enrollment = Fall 2010 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

TEXTBOOK AID

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

All districts are eligible for Textbook Aid. The aid provided is to be used by districts to purchase textbooks to be made available to all resident enrolled pupils. Textbooks are loaned to both public and nonpublic pupils. A district's 2011-12 aid cannot exceed the amount of its base-year actual expenditures.

Textbook Aid = 2010-11 Cost of Textbooks, not to exceed \$58.25 (\$43.25 per pupil for Regular Textbook Aid plus \$15.00 per pupil for Lottery Textbook Aid) x 2010-11 Resident Public and Nonpublic School Enrollment

INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 753

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

Technology equipment is defined as equipment used in conjunction with or in support of educational programs including, but not limited to, video, solar energy, robotic, satellite or laser equipment. Beginning in 2007-08, public school districts must loan computer hardware and equipment to nonpublic school pupils.

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

Hardware Aid = 2010-11 Approved Expenses (up to \$24.20 x Enrollment) x
Current Year Building Aid Ratio

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

Enrollment = Fall 2010 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

LIBRARY MATERIALS AID

Education Law, Section 711, Subdivision 4

All districts are eligible for Library Materials Aid. The aid is provided to enable districts to purchase necessary library materials to be made available on an equitable basis to all pupils attending public and nonpublic schools within such district. A district's 2011-12 aid cannot exceed the amount of its base-year actual expenditures.

Library Materials Aid = 2010-11 cost of Library Materials (up to \$6.25 x Enrollment)

Enrollment = Fall 2010 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

FULL-DAY KINDERGARTEN CONVERSION AID

Education Law, Section 3602, Subdivision 9

Eligibility for Full-Day K Conversion Aid: If in 1996-97 and 2010-11 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2010-11.

Eligible school districts offering full-day kindergarten programs to all kindergarten students will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2011-12 compared to 2010-11.

Full-Day Kindergarten Conversion Aid =

(2011-12 Full-Day K Enrollment - 2010-11 Full-Day K Enrollment)
x Selected Foundation Aid per pupil

EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 11

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

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

EPE Aid = \$12.25 x EPE Aid Ratio x EPE Hours

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

Pupil Wealth Ratio = 2008 Actual Valuation/2009-10 TWPU
State Average (\$599,500)

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

EPE aid will be reduced if it and other State and Federal sources of aid for EPE programs exceed the entire cost of such program in that year. For the 2011-12 school year, total aid is limited to \$96.00 million.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 13

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

Incarcerated Youth Aid equals the lesser of:

- (i) 2009-10 AOE/TAPU for Expense x Number of full-day program pupils
(2009-10 AOE/TAPU x 1.25 x pupils in 10 month programs or 2009-10
AOE/TAPU x 1.50 x pupils in 12 month programs)
+ ([.5 x (AOE/TAPU for Expense)] x Number of half-day program
pupils) or
- (ii) Actual total instructional cost for the incarcerated youth
program plus approved administrative costs (which may not exceed
five percent of total instructional costs)

GAP ELIMINATION ADJUSTMENT

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

The lesser of:

The sum of (a) the product of -6.40 percent multiplied by a district's 2011-12 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids) plus (b) the result of -\$4,400.00 multiplied by 1.0 minus a district's three-year K-6 free and reduced price lunch percentage for Foundation Aid with the result multiplied by a district's Combined Wealth Ratio for Foundation Aid multiplied by estimated 2010-11 Public Enrollment.

The minimum reduction is -11.00 percent multiplied by a district's 2011-12 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -23.00 percent.

or

For districts with a Tax Effort Ratio (a district's residential levy divided by district income) greater than 4.50 percent and a Combined Wealth Ratio for Foundation Aid less than 1.50: The result of -23.00 percent divided by the quotient of a district's Tax Effort Ratio divided by 4.50 percent, but not less than -15.00 percent, multiplied by 2011-12 Formula Aid (without Universal Prekindergarten and Building and Building Reorganization Incentive Aids). The maximum reduction is -23.00 percent; the minimum reduction is -15.00 percent.

The Gap Elimination Adjustment for high need districts will not exceed -6.90 percent of the district's 2010-11 Total General Fund Expenditures (TGFE). The GEA for high need district's with 2008-09 expenditures for administrative purposes less than 1.55 percent and a three-year K-6 free and reduced price lunch percentage for Foundation Aid greater than 75.00 percent will not exceed -4.7 percent of the district's 2010-11 TGFE. For all other districts, the GEA will not exceed -11.00 percent of the district's 2010-11 TGFE.

Certain districts will receive Administrative Efficiency Aid. Districts that qualify for this aid are those, other than the Big Five City school districts, with 2008-09 Board of Education and Central Administration expenditures (as reported to the State Education Department on the district's annual ST-3 form) the sum of which is less than 1.80 percent of the district's total expenditures and administrative expenditures are less than \$348.00 per pupil (public enrollment).

Eligible districts will receive:

$\$75.00 \times \text{Foundation State Sharing Ratio} (.100 \text{ minimum}) \times \text{Selected TAFPU.}$

Foundation State Sharing Ratio = The greatest of the following but not less than zero nor more than .90. High need school districts may compute an additional amount equal to .05 times their ratio up to a maximum of .90.

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

A district's Combined Wealth Ratio for Foundation Aid (FACWR) is equal to: $(.5 \times \text{Pupil Wealth Ratio}) + (.5 \times \text{Alternate Pupil Wealth Ratio})$.
 The Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected Actual Valuation/2009-10 TWP}}{\$593,600}$$
 ; and the

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected District Income/2009-10 TWP}}{\$172,200}$$

Selected Actual Valuation is the lesser of 2008 Actual Valuation or the average of 2007 Actual Valuation and 2008 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2008 Adjusted Gross Income or the average of 2007 Adjusted Gross Income and 2008 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

APPENDIX III-C
DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2011-12 SCHOOL YEAR

- I. Average Daily Attendance/Average Daily Membership^a
- A. Average Daily Attendance (ADA) is the average number of pupils present on each regular school day in a given period. The average is determined by dividing the total number of attendance days of all pupils by the number of days school was in session.
- B. Average Daily Membership (ADM) is a measure of enrollment. It is the total possible aggregate daily attendance of all pupils in the district divided by the days of session.
- II. For Foundation Aid pupil counts for wealth and aid, see Appendix III-D.
- III. TAPU for Expense, RWADA, and TWPU

	Total Aidable Pupil Units <u>For Expense</u>	Resident Weighted Average Daily <u>Attendance</u>	Total Wealth Pupil Units
Short Title	TAPU for Expense	RWADA	TWPU
Year used for aid payable in 2011-12	2009-10	2009-10	2009-10
Attendance Periods	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Resident 100% ADA	Resident 100% ADA
<hr/>			
<u>Basic Weightings</u>			
Half-Day Kindergarten	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00
Grades 7-12	1.00	1.25	1.00
Dual Enrollment	1.00	--	--

^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).

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

^b 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.

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

APPENDIX III-D
FOUNDATION AID PUPIL UNITS

Total Wealth Foundation Pupil Units (TWFPU)

The sum of:

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

Selected Total Aidable Foundation Pupil Units (TAFPU)

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

Total Aidable Foundation Pupil Units (TAFPU) =

(2009-10 Average Daily Membership (ADM) x Base Year Enrollment Index) +
(2009-10 Summer ADM x .12) + 2009-10 Weighted Foundation Pupils with
Disabilities (WFPWD)

Average Daily Membership (ADM) =

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

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

Enrollment Index for the base year =

$$\frac{2010-11 \text{ Public School Enrollment}}{2009-10 \text{ Public School Enrollment}}$$

Summer Average Daily Membership =

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

Weighted Foundation Pupils With Disabilities (WFPWD) =

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

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

PLUS

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

APPENDIX III-E
REGIONAL COST INDEX

Counties in each region - Regional Cost Index

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

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

