



The University of the State of New York | The State Education Department



# 2008-2009 Regents State Aid Proposal

# **REGENTS PROPOSAL ON STATE AID TO SCHOOL DISTRICTS FOR SCHOOL YEAR 2008-09**

## **Detailed Proposal**

Exhibit A summarizes the increase the Regents recommend for school year 2008-09 for New York State school districts: \$1.9 billion in six general aid categories. Of this, the Regents recommend that the Legislature and Governor appropriate a \$1.7 billion increase for general purpose aid, including the second year of a phase in of a new, simplified Foundation Aid to help school districts raise student achievement and accelerate gap closing.

Exhibit B shows the distribution of the Regents proposal in 2008-09 for need-resource categories of school districts. For example, New York City would receive approximately 41 percent of the overall increase in 2008-09.

Exhibit C shows the proposed distribution of computerized aid per pupil for school year 2008-09 compared with 2007-08 for school districts grouped by need-resource capacity category. The four high need school district categories would have the greatest increase under the Regents proposal while average and low need school districts would experience more modest increases.

Exhibit D shows the share of the increase for high need school districts versus all others under the Regents proposal compared with State Aid for the current school year. The Regents proposal would direct 73 percent of the increase to high need school districts compared with approximately 65 percent currently. This change would ensure all school districts have the resources needed to provide all students with an opportunity to meet State learning standards.

# Exhibit A: Regents State Aid Proposal

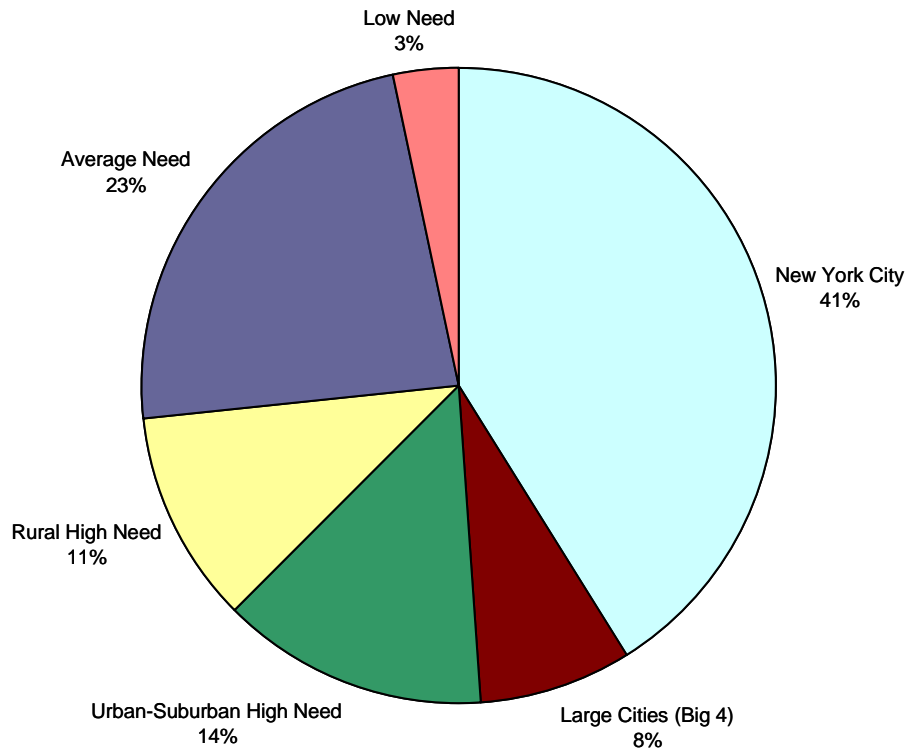
## NEW YORK STATE

(all figures in millions)

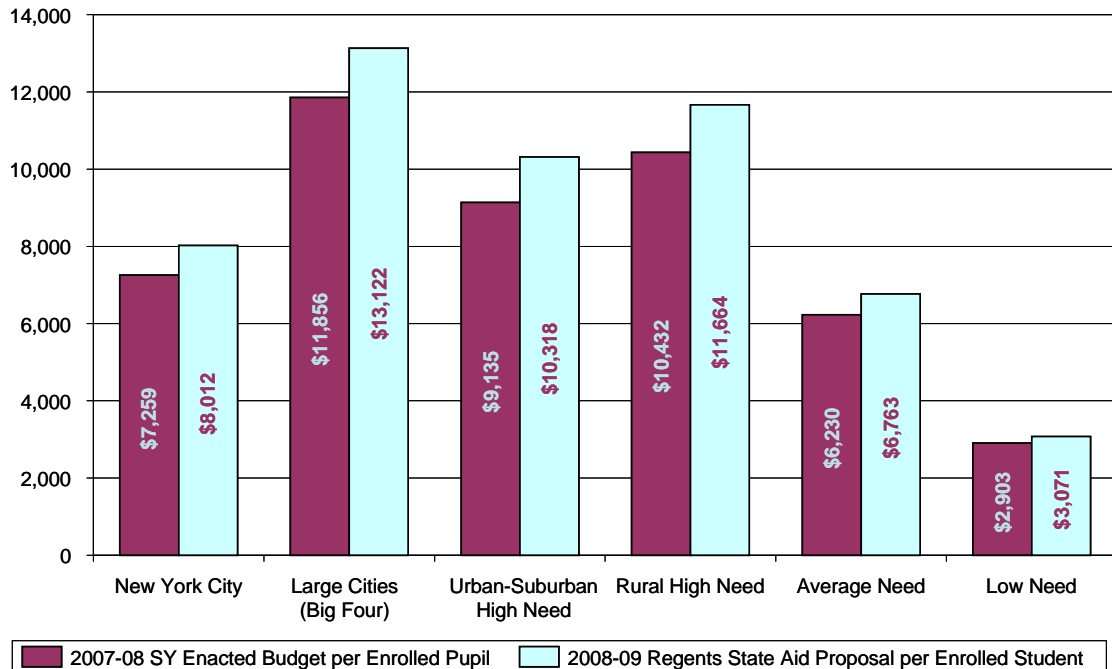
Program	2007-08 School Year	2008-2009 Regents State Aid Proposal	Regents Proposal - Change from Base
<b>General Purpose Aid</b>	<b><u>\$14,203</u></b>	<b><u>\$16,029</u></b>	<b><u>\$1,826</u></b>
Foundation Aid	\$13,646	\$15,465	\$1,819
Charter School Transition Aid	\$22	\$22	\$0
High Tax Aid	\$100	\$0	(\$100)
Reorganization Incentive Operating Aid	\$0	\$3	\$3
<b>General Purpose Aid Subtotal</b>	<b><u>\$13,768</u></b>	<b><u>\$15,490</u></b>	<b><u>\$1,722</u></b>
Aid for Early Childhood Education	\$435	\$539	\$104
<b>Support for Pupils with Disabilities</b>	<b><u>\$639</u></b>	<b><u>\$704</u></b>	<b><u>\$65</u></b>
Private Excess Cost Aid	\$236	\$236	\$0
Public Excess High Cost Aid	\$386	\$468	\$82
Supplementary Excess Cost Aid	\$17	\$0	(\$17)
<b>BOCES\Career and Technical Ed.</b>	<b><u>\$761</u></b>	<b><u>\$788</u></b>	<b><u>\$27</u></b>
BOCES Aid	\$630	\$635	\$5
Special Services - Career Education Aid	\$94	\$103	\$9
Special Services - Computer Admin. Aid	\$37	\$50	\$13
<b>Instructional Materials Aids</b>	<b><u>\$289</u></b>	<b><u>\$299</u></b>	<b><u>\$10</u></b>
Computer Hardware & Technology Aid	\$37	\$37	\$0
Instructional Materials Aid	\$232	\$234	\$2
Library Materials Aid	\$20	\$28	\$8
<b>Expense-Based Aids</b>	<b><u>\$3,185</u></b>	<b><u>\$3,175</u></b>	<b><u>(\$10)</u></b>
Building Aids	\$1,753	\$1,739	(\$14)
Transportation Aids	\$1,432	\$1,436	\$4
<b>Computerized Aids Subtotal</b>	<b><u>\$19,077</u></b>	<b><u>\$20,995</u></b>	<b><u>\$1,918</u></b>
<b>All Other Aids</b>	<b><u>\$453</u></b>	<b><u>\$478</u></b>	<b><u>\$25</u></b>
CTE Challenge Grants	\$0	\$6	\$6
Distinguished Educators Support Teams	\$0	\$10	\$10
Employment Preparation Education Aid	\$96	\$116	\$20
Full-Day Kindergarten Planning Grants	\$2	\$2	\$0
Other Programs	\$355	\$344	(\$11)
<b>Grand Total</b>	<b><u>\$19,530</u></b>	<b><u>\$21,473</u></b>	<b><u>\$1,943</u></b>

## Exhibit B: Regents State Aid Proposal First Year Impact

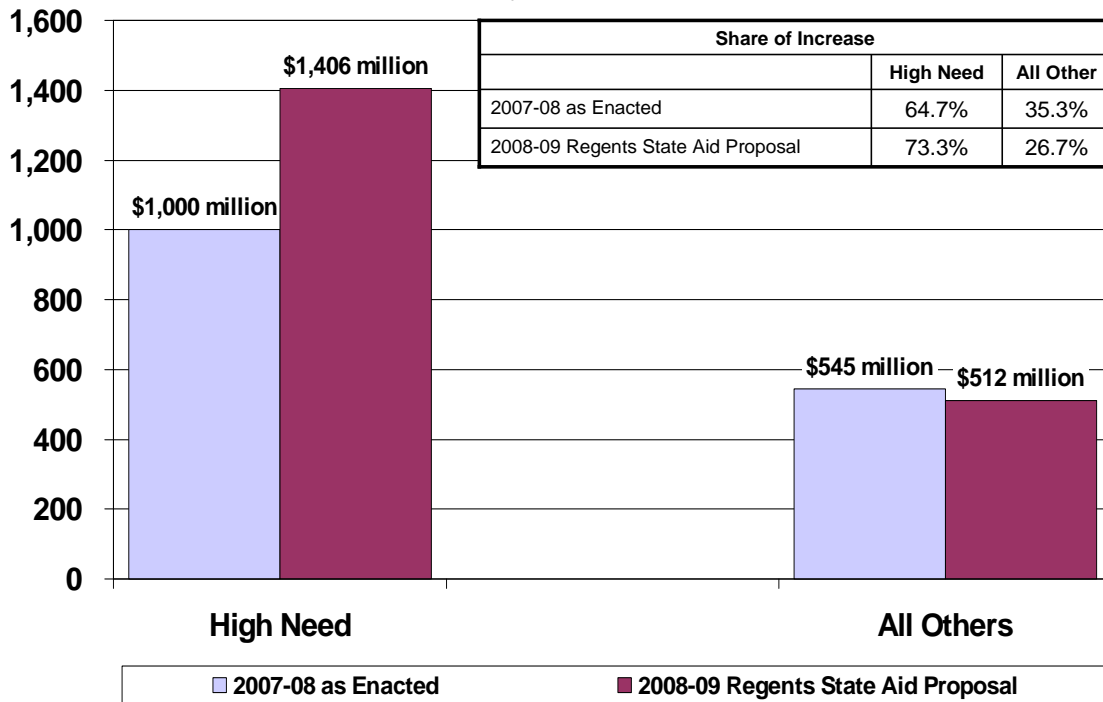
Share of Overall Increase for 2008-09 School Year



## Exhibit C: Distribution of Computerized Aid per Enrolled Pupil



**Exhibit D: Computerized State Aid Increases  
How They Are Distributed**



# Conceptual Proposal

The Regents State Aid proposal for 2008-09 will request the resources and funding system needed to provide adequate resources through a State and local partnership so that all students have the opportunity to achieve State learning standards. This proposal recommends continuation of the foundation formula advocated by the Regents and enacted in the 2007-08 State Budget.

## Statement of Need

This proposal pursues three Regents goals: to close the gap between actual and desired student achievement; to ensure that public education resources are adequate; and to ensure that public education resources are used by school districts effectively and efficiently.

The Regents Annual Report to the Legislature and Governor on the Educational Status of the State's Schools (Chapter 655 Report) cites numerous examples of improvement in student achievement since 1996 when the Regents began to raise standards for all grade levels and imposed graduation requirements aligned with the new standards. For example, the report notes:<sup>1</sup>

### Math Achievement: 1999-2007

- When the first 4th grade test was given in 1999, 67 percent of students met all the standards. This year, 80 percent did.
- In 1999, 38 percent of 8th grade students met the standards. This year, 59 percent did.
- Even since last year, the achievement gap has narrowed.
  - Last year across grade 3-8, 46 percent of Black students achieved the standards. This year, 55 percent did.
  - Last year, 52 percent of Hispanic students achieved the standards. This year, 61 percent did.

### English Achievement: 1999-2007

- When the first 4th grade test was given in 1999, only 48 percent of students achieved the standards. This year, 68 percent did.
- In 1999, only 48 percent achieved standards in 8th grade. This year 57 percent did.

### High School Graduation: 1996-2005

- Since the implementation of higher graduation standards, the percentage of graduates earning Regents diplomas increased from 42 to 72 percent.

- Even in large urban districts that serve the largest percentages of poor and minority students, more students are earning Regents diplomas.
- Between 1996 and 2005, the number of students scoring 55 or higher on the Regents English exam increased from 113,000 to 172,500.

While there have been many positive changes in the last 19 years since the Regents have reported on the educational progress of the State's schools, one disturbing aspect of the report has remained the same. The report continues to document a pattern of high student need, limited resources, and poor performance in many districts. Generally, these districts can be described as having high student needs relative to their capacity to raise revenues. These high-need districts include the State's largest five city school districts (the Big 5), 46 smaller districts with many of the characteristics of the Big 5, and 156 rural districts. Large gaps in performance exist between these high-need districts and low-need districts which both serve children from more affluent families and have generous local resources to draw on.

The results of the 2007 grades 3-8 mathematics assessment illustrate these performance gaps between high and low-need districts. There were significant improvements in total public school results and in results for each need/resource capacity category of school districts and for each racial/ethnic group. Nevertheless, the performance gap between low- and high-need districts, such as New York City, remains.

- While the percentage of New York City students who are proficient in grades 3-8 mathematics increased to 65.1 percent, 90 percent of students in low-need districts were proficient.

We can relate this contrast to the resources available to school districts in each need and resource group for the latest year data are available:<sup>2</sup>

- Consider the proportion of teachers who are teaching out of their certification area: 18.3 percent are in New York City compared with 1.8 percent in the high-performing low-need districts.
- In addition to having fewer qualified teachers than students in low-need districts, students in New York City attended school fewer days on average during the year: 161 days compared with 167.

And the differences between New York City and low-need districts do not stop there. The average expenditure per pupil in New York City was over \$2,197 less than that in low-need districts.

- New York City spent \$13,640 per pupil compared with \$15,837 on average in low-need districts.
- The median teacher salary in New York City was \$52,947 compared with \$69,042 in low-need districts.

The majority of Black and Hispanic students attend high-minority schools; the majority of White students attend low-minority schools. One reason that students in low-minority schools are more successful is that they spend more time in school.<sup>1</sup>

In addition, high-minority schools had a:

- Higher teacher turnover rate (22 vs. 14 percent); and
- Less experienced teachers (9 years vs. 12 years).

The significance of these gaps in performance and resources between high- and low-minority schools is heightened by the fact that, while overall public school enrollment decreased by nearly 23,000 students between Fall 2000 and Fall 2004, enrollment in high-minority schools increased by 29,000 students.

## **Guiding Principles**

Four principles continue to guide this Regents proposal.

**Adequacy**—Effective distribution across all districts will ensure adequate resources for acceptable student achievement.

**Fairness**—The funding system must be fair for students and taxpayers. State resources should be allocated on the basis of fiscal capacity, cost and student needs. The emphasis is placed on providing a set of inputs to educate students.

**Accountability**—The education system will measure outcomes and use those measures to ensure that financial resources are used effectively. As part of the Regents goal that education resources will be used or maintained in the public interest, the Regents employ a two-prong strategy. The Department will give greater flexibility to districts with acceptable student achievement and will work closely with districts not yet meeting State standards to ensure the most efficient and effective use of resources.

**Balance**—The State should balance stability in funding and targeting aid to close student achievement gaps. It should drive aid based on current needs, and use hold-harmless provisions that provide stability.

## **Recommendations**

### **Continue the Foundation Formula**

This proposal recommends continuation of the phase-in enacted in the 2007-08 State Budget for the foundation operating aid formula. The Budget reformed the State's method of allocating resources to school districts by consolidating some thirty existing programs into a new Foundation Aid formula that will distribute funds to school districts based on the cost of providing an adequate education, adjusted to reflect regional costs and concentrations of pupils who need extra time and help in each district. The Enacted Budget also included a four-year phase-in of Foundation Aid.

District Foundation Aid per Pupil = [Foundation Cost X Pupil Need Index X Regional Cost Index] – Expected Local Contribution.



- The Foundation Cost is the cost of providing general education services. It is measured by determining instructional costs of districts that are performing well.
- The Pupil Needs Index recognizes the added costs of providing extra time and extra help for students to succeed.
- The Regional Cost Index recognizes regional variations in purchasing power around the State, based on wages of non-school professionals.
- The Expected Local Contribution is an amount districts are expected to spend as their fair share of the total cost of general education.

### **Accountability for Student Success**

This proposal recommends continuation of the accountability reforms enacted in the 2007-08 State Budget. The reforms included:

**Contracts for Excellence** require school districts with large aid increases and low student performance to spend their aid increases in ways that are documented to improve student achievement. The law requires school districts to target funds to students with the greatest educational needs and to supplement, rather than supplant, existing district effort. Contracts for Excellence link fiscal, program and performance accountability. Districts provide data on the allocation of C4E funds on programs with a track record of success in raising student achievement and identify student performance targets they expect as a result of C4E expenditures. End-of-year assessments will determine if performance targets are met and form the basis for subsequent year's C4E planning.

**Joint Intervention Teams and School Quality Review Teams** are required for school districts that have schools that have been identified for improvement. Reasonable and necessary costs of these teams are required to be a charge on the low-performing district.

**Distinguished educators** may be assigned by the Commissioner when a school or school district has failed to make Adequate Yearly Progress for four years. Reasonable and necessary costs of distinguished educators are required to be a charge on the low-performing district.

**Enhanced SURR process.** Chapter 57 requires that NYSED expand the scope and effectiveness of the Schools Under Registration Review process. Currently schools under registration review (SURR) have access to a categorical funding stream to support school improvement efforts in each school. Although Foundation Aid and funding for NYSED staff devoted to accountability increased under the 2007 legislation, this categorical funding stream for SURR school improvement remained the same.

**Big Four Maintenance of Effort.** Chapter 57 requires the big four city school districts, Rochester, Yonkers, Syracuse and Buffalo, to maintain their support for education over the prior year or, if the city reduces its effort, to allow the reduction of school support by the same amount. The Regents have long recommended that the State require this to ensure that State Aid increases

directed to these fiscally dependent school districts are used for education and not to reduce local support for schools.

**School-based Expenditure Reporting System.** Chapter 57 of the Laws of 2007 directed the State Education Department to develop a system of school-based expenditure reporting. The current system is district-based. The State Education Department is participating in a research study, funded by federal dollars, to identify specific expenditures and data elements that can be reported at the school level. Such a system may yield insights into the relationship between expenditures and student results which will further enhance the ability of schools to target resources for improved student achievement.

### *Recommendations*

Contracts for Excellence as enacted in Chapter 57 of the Laws of 2007 have created an important dialogue between State Education Department staff and eligible school districts concerning the use of resources for school improvement. This dialogue should continue and be strengthened with the following statutory modifications:

- Require C4E districts to participate in Contracts for Excellence for a minimum of three years. School improvement is a continuous process that takes a period of time to plan, develop, implement and sustain. In the current C4E process districts would be re-identified each year. In theory, a district could be in the C4E process one year and not the next.
- Require C4E districts to incorporate the recommendations of Joint Intervention Teams, School Quality Review Teams and Distinguished Educators in school improvement plans to be approved by the Commissioner.

The law currently requires Joint Intervention Teams, School Quality Review Teams and Distinguished Educators to make recommendations for school improvement but districts are not required to implement them. Incorporating the recommendations of Joint Intervention Teams, School Quality Review Teams and Distinguished Educators in school improvement plans subject to approval by the Commissioner will ensure that the benefits of this work are implemented.

- Increase funding to support school improvement in the most challenged schools. C4E districts should bear the necessary and reasonable basic costs of Joint Intervention Teams, School Quality Review Teams and Distinguished Educators. For support that goes beyond these basic costs, the State should increase its funding for schools under registration review and allow these funds to be used to support both schools under registration review and schools in C4E school districts that need more extensive assistance, including the promotion of school-family partnerships in SURR schools and C4E districts.

A July 2007 report of the Center on Education Policy<sup>3</sup> recommends that states have a separate source of “funds to support school improvement that would provide funds to meet the costs of school improvement without reducing or eliminating any increases in formula allocations that school districts receive.” While the focus of this report is on Title 1 funds, the same principle is true with the use of state formula allocations. The intervention of state staff for accountability purposes is enhanced with a separate source of school improvement funds.

The Regents recommend that the State Education Department be given \$10 million to support the activities of School Quality Review Teams, Joint Intervention teams and Distinguished Educators during the 2008-2009 school year. In total, the State Education Department expects that between 600 and 700 teams will be in operation during the 2008-09 school year. Funding will support:

1. Recruiting of team members, including an advertising budget to reach out to minority educators and encourage their participation on teams and as distinguished educators.
2. Training. States that have experience with placing intervention teams in schools have cited as critical for success the need for an extensive training component that includes preservice and ongoing professional development.
4. Stipends to compensate selected reviewers during the startup of the distinguished educator program.
5. Funds to reimburse consultants for direct service to schools. Following the initial review of a school, some schools will continue to receive ongoing technical assistance in curriculum development, instructional implementation and other areas.
6. Funds to reimburse team members for lodging, transportation and other necessary expenses associated with conducting school reviews.
6. Funds for formative and summative program evaluation.
7. Network development funds. This includes funds for bringing key stakeholders together regularly to help sustain the system.

## **Strengthen Innovative Programs for English Language Learners**

The Regents recommend enhancing the weighting for English language learners in the Foundation Aid formula in order to strengthen student access to innovative programs aimed at increasing achievement results for English language learners. The Department will provide increased guidance and monitoring to ensure enhanced services to English language learners (ELLs) and to improve student achievement and graduation rates. This guidance will encourage school districts that have English language learners to use Foundation Aid to fund the following sorts of programs:

- Bilingual and ESL support services for English language learners in universal pre-kindergarten programs
- Creation of K-12 Two-Way / Dual Language programs;
- Services for English language learners that have been identified as students with interrupted formal education (SIFE);
- Professional development for mainstream teachers and administrators on the educational needs of ELLs (In-district workshops, participation in Bilingual and ESL state and national conferences, etc.);
- After school and Saturday enrichment and innovative tutorial programs for middle and high school ELLs;
- Use of a self-evaluation protocol for the education of ELLs;
- Establishment of “New Comers” programs for ELL in districts with large numbers of recently arrived ELLs;
- Literacy programs for the education of English speaking immigrant students;
- Creation or expansion of school and /or public libraries for students/parents that offer materials in different languages that encourage community participation of ELLs and their parents;
- Assistance from the Bilingual Education Technical Assistance Center Bilingual and ESL expert consultation services or BOCES to develop and implement the district education plan for ELLs.

## **Provide Support To Enhance High Quality Career and Technical Education Programs In High Need School Districts**

The Regents recommend additional support in to provide increased student access to high quality career and technical education programs in high need school districts to improve student performance and decrease the dropout rate.

Career and Technical Education (CTE) programs that have completed the Regent’s CTE Program Approval Process provide students with meaningful rigorous content that

prepares them for post-secondary study and careers. Students completing approved programs obtain high school diplomas at rates higher than the state average. Approved programs emphasize the development of 21<sup>st</sup> century skills that will be needed in a global economy. Despite a track record of success, only 22 percent of high school students have access to CTE programs. This is particularly egregious in high need school districts with large numbers of students living in poverty and at risk of not completing high school or pursuing higher education.

This CTE aid proposal will strengthen new or existing CTE programs by focusing on emerging occupations to better prepare a workforce for the future. High-need school districts meeting criteria for this funding would receive challenge grants to phase in new CTE Approved Programs that address local economic challenges and address student performance through integrated studies in the emerging occupations. This process would establish an incremental approach to allow school districts time to perform a local needs-analysis and target students for this new program. Additionally, teacher content knowledge can be enhanced to provide the high level of instruction required by the new program.

#### *High-need School Districts CTE Program Phase-in*

**Year 1, Needs Assessment and Planning:** Challenge planning grants of \$100,000 will be made available to identify local need, select at least one specific program that will complete the Regents CTE Program Approval Process, and plan related teacher professional development and specific facility requirements. Programs that are ready will move to approval and implementation in 2008-09.

**Year 2, Program Approval Process Completion:** Based on the results of Year 1 activities, challenge grants of up to \$250,000 will be issued to designated high-need school districts to complete the Program Approval Process. High-need school districts complete the Program Approval Process by meeting all requirements of the Regents 2001 CTE Policy for CTE Program Approval including:

- Hiring or identifying appropriately certified CTE teachers
- Completing curriculum development
- Recruiting of students,
- Procuring of a dedicated facility, equipment and material needs required for program area targeted.

**Year 3, Program Implementation:** High-need districts will offer and monitor CTE Approved Programs. Grants of \$50,000 will offset the costs of evaluating program performance. Detailed plans for program sustainability through other funding sources will be completed and submitted to NYSED for approval. Programs must be integrated into school district class offerings and made available to all eligible students.

NYSED staff would provide technical assistance and support for funded districts throughout the process.

## **Regional Services for the Big Five City School Districts**

This proposal recommends that the existing practice of excluding large city school districts from accessing BOCES services be discontinued. It recommends that the Big Four city school districts (Yonkers, Rochester, Syracuse and Buffalo) be given the authority to contract with a neighboring BOCES for services in critical service areas that are strong in BOCES and weak in the city district.

A program should be established authorizing the Big Four city school districts to participate in BOCES and purchase services from BOCES. A corresponding increase in aid should be provided to the New York City school district to allow it to fund similar programs within the city district without BOCES. Such regional services can include:

- Arts and cultural programs for students;
- Career and technical programs for students;
- Staff development as part of a district-required professional development plan and annual professional performance review;
- Technology services provided through BOCES; and
- Regional teacher certification.

## **Funding Early Childhood Education**

### *Expansion of UPK and Mandated Full-Day Kindergarten*

The expansion of the Universal Prekindergarten Program (UPK) to provide statewide access to prekindergarten education is a key component of the Regents early childhood policy approved in January 2006. State funding for 2007-08 supported UPK by making up to an additional \$145 million available over the current year, bringing the total statewide allocation to \$437.9 million. Throughout the 2007 calendar year, Department staff have worked with other state agencies on two key initiatives motivated by the Governor: the Children's Cabinet to maximize the use of resources and provide flexibility to support expansion of pre-K programs and the Temporary Task Force on Preschool Special Education to study and evaluate programmatic and fiscal articulation between preschool special education and other early childhood programs.

Funding is targeted to support the minimum UPK mandate of 2 ½ hours each day but many districts, especially the large urban districts and high-need rural districts, have found that it is essential to provide a full-day program for several reasons. Research supports children benefiting from full-day programming, especially those in high-need circumstances, to ensure their preparedness for kindergarten. Additionally, working parents or guardians are often not available to transport children in the middle of the day. In districts that offer a combination of half-day and full-day programming, half-day slots may be empty while the waiting list for full-day lengthens.

The critical fiscal issues to be considered over the next several years include:

- Accelerating the availability of state funding for UPK, central to an effective P-16 system, to ensure full implementation by 2010-11;
- Establishing a funding calculation that allows for a full-day option and ensures the continued provision for contracting with community-based organizations; and
- Advocating for the inclusion of UPK, inclusive of the items noted above, as part of State Aid entitlement approach to funding.

An additional fiscal challenge is the lack of state aid reimbursement for approved UPK transportation costs. Currently, transportation is not mandated; it is provided with limited grant funds, or is treated as a local expense. Only about 50 percent of districts provide transportation services. Some districts provide transportation only to school sites, even though approximately 60 percent of UPK classrooms are located in community-based organizations.

The Regents goal is to make funding available to allow school districts to adopt programs to make pre-kindergarten programs universally available.

#### *Recommendations*

The Regents recommend that funding for early childhood education should continue to be provided as a single funding stream, separate from but aligned with funding for kindergarten through grade 12. Funding for pre-kindergarten through grade 12 should provide school districts with the resources needed to give all students the opportunity to meet State learning standards. Funding for pre-kindergarten education should be increased to ensure universal availability of pre-kindergarten education to all by 2010-11. The phase-in proposed by the Regents last year should be continued, by increasing funding by \$104 million over 2007-08. Additional flexibility in the use of funds is afforded to districts that are already offering universally-available prekindergarten programs and full-day kindergarten, so that they are able to offer full-day prekindergarten programming where appropriate.

#### *Full-Day Kindergarten*

Mandated full-day kindergarten for all is a component of the Regents early childhood policy, with kindergarten planning grants recommended to support districts with half-day programs during a three-year phase-in period. Legislative support for the planning grants incorporated the Regents recommendations for 2007-08 at the level of \$2 million. However, 2007-08 legislation would only require high-need districts to implement full-day kindergarten within the next several years.

#### *Recommendation*

The Regents recommend the State continue support for mandated full-day kindergarten statewide, over a three-year transition period, with planning grants available to support the conversion process.

## **Provide Flexibility in Funding for Instructional Materials**

Although the Governor and Legislature have provided support for instructional materials in the form of *Textbook Aid* and *Software Aid*, changes in education suggest the need for commensurate changes in State Aid.

First, instructional materials are increasingly available electronically so *Textbook Aid* was recently amended to allow textbooks in electronic format to be eligible for aid. This change blurs the distinction between *Textbook Aid* and *Software Aid*.

Second, schools throughout the State are designing science and mathematics curricula to provide an inquiry-centered instructional approach that involves the use of relevant equipment, professional materials, supplies and science kits or mathematics manipulatives, rather than textbooks. Such experiential learning has helped students master State standards and has supported State and national efforts to strengthen student preparation in mathematics and science.

Textbooks may not be the most appropriate instructional materials for kindergarteners. Instead of textbooks, early childhood educators use developmentally appropriate educational games and hands-on manipulatives that promote early literacy, numeracy, scientific inquiry, and social learning.

### *Recommendation*

The Regents recommend that the Governor and Legislature consolidate *Textbook Aid* and *Software Aid* into a new *Instructional Materials Aid*. The definition of eligible instructional materials should include equipment, materials, supplies, kits and other manipulatives used in the instruction of K-12 mathematics and science, and for kindergarten only, educationally-based materials such as developmentally appropriate games and hands-on manipulatives that promote early learning.

## **Increase Library Materials Aid to Close the Gap in Student Achievement**

### *The Benefits of Strong School Library Collections*

The impact of school libraries with strong print collections on raising student performance levels is well researched. Studies of more than 3,300 schools across the country demonstrate that, while there are many characteristics that define a strong school library, the number of books per student is one very significant factor.<sup>4</sup>

Additional research has found that access to educational resources outside of school varies considerably by socio-economic background and contributes to lasting achievement differences of children.<sup>5</sup> Some of these studies focused on the access of children to library books and found “dramatic disparities in three communities, ranging



from high to low income.”<sup>6</sup> The high income community had significantly more library books for children to interact with.

High-performing schools have school libraries with significantly more resources per student than low-performing schools. The investment in school library materials is a cost-effective strategy for addressing the persistent pattern of high student need, limited resources, and poor performance in many districts.

#### *New York State School Library Funding Issues*

The State funds school library collections in part with *Library Materials Aid* which was increased to \$6.25 per pupil as part of the 2007 enacted budget. However, school districts have seen a 30 percent increase in the cost of the average library book since 1999 to \$21.60. Currently, school districts in New York State spend on average approximately \$13 per pupil on school library materials.<sup>7</sup> Individual district expenditures vary greatly, with high-need districts spending the least. Successful school districts, identified for the development of the Regents State Aid Foundation Proposal, which have an average of 80 percent of their students passing seven State tests over three years, spend on average \$17 per pupil for school library materials. Large gaps in performance between high-need and low-need districts are well documented.<sup>7</sup> The result is that students who would most benefit from a strong school library with adequate collections are the least likely to have access to such resources.

The 2006 Court of Appeals decision in the Campaign for Fiscal Equity case regarding State funding of the New York City School District determined adequate school libraries to be part of a “sound, basic education.” The Court urged the Governor and Legislature to provide funding for up-to-date school libraries as one important means of achieving equitable access to a basic education for students from low-income communities.

The Regents have made closing the gap in achievement a priority. The Governor and Legislature must ensure that youngsters in high-need districts, which are most dependent upon *Library Materials Aid*, have access to school libraries with adequate collections.

#### *Recommendation*

The Regents recommend that *Library Materials Aid* be increased to \$10 per pupil in order to enable school libraries in high-need communities to provide a comparable level of collections to their students as those in successful school districts.

### **Enact a Simplified Cost Allowance for State Building Aid**

The Regents recommend that the Governor and Legislature simplify the maximum cost allowance formula for State *Building Aid*. The law sets a reasonable cost ceiling for all capital projects. However, the current system is an overly complex and inefficient process that, in some cases, forces a district to compromise the desired educational goal in order to achieve maximum reimbursement. The Regents propose that the State

calculate a cost allowance based on a certain allotment of space and cost per enrolled pupil, according to the following formula:

$$\text{Cost Allowance} = \text{Projected Pupil Enrollment} \times \text{Allowed Square Feet} \\ \text{Per Pupil} \times \text{Allowed Cost per Square Foot} \times \text{Regional Cost Factor}$$

The current New York State Labor Department Cost Index would be used to update allowable costs on a monthly basis. Unlike the Regents Regional Cost Index proposed for *Foundation Aid*, which is fundamentally a professional wage index, the New York State Labor Department cost index is based solely on the wages of three major occupational titles critical to the building industry. A simplified cost allowance would offer greater educational flexibility, ease of understanding and transparency.

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## End Notes

<sup>1</sup> The Chapter 655 Report. A Report to the Governor and the Legislature on the Educational Status of the State's Schools, New York State Education Department, Albany, NY, October 2006.

<sup>2</sup> 2003-04 data.

<sup>3</sup> Moving Beyond Identification. Assisting Schools in Improvement. Center on Education Policy, July 2007.

<sup>4</sup> Lance, Keith Curry; Marcia J Rodney; and Christine Hamilton-Pennell. *Powerful Libraries Make Powerful Learners: The Illinois Study*. Canton, Illinois: Illinois School Library Media Association, 2005. online at: <http://www.islma.org/pdf/ILStudy2.pdf>

Smith, Ester. *Texas School Libraries: Standards, Resources, Services, and Students' Performance*. Austin, TX: EGS Research & Consulting, 2001. Available at: <http://www.tsl.state.tx.us/1d/pubs/schlibsurvey/index.html>

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<sup>5</sup> Entwistle, D., Alexander, K., & Olson, L.S. (1997). *Children, schools, and inequality*. Boulder, CO: Westview.

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<sup>7</sup> Data are from ST-3 file codes A2610.46 (school library A/V loan program) and A2610.45 (supplies and materials). Currently, only A2610.46 expenses are eligible for reimbursement through Library Materials Aid. The intent of this conceptual direction is for the State to aid the .45 expenses.

<sup>7</sup> The Chapter 655 Report. A Report to the Governor and the Legislature on the Educational Status of the State's Schools, New York State Education Department, Albany, NY, October 2006.