

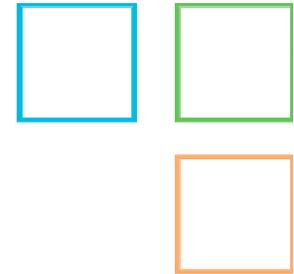
# FairStudentFunding

Fair Funding for All

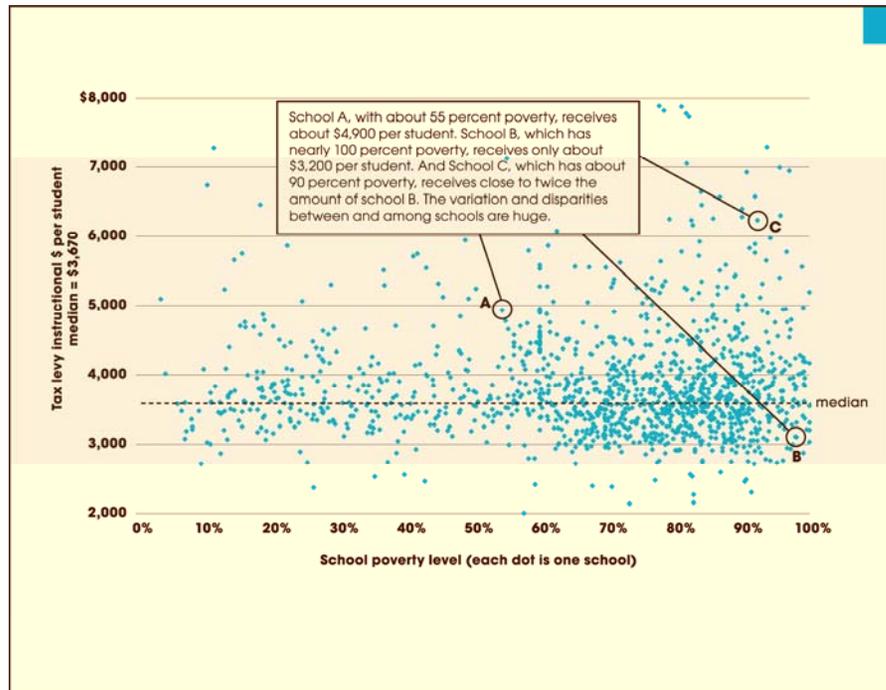
Overview and Training Guide

May 2007

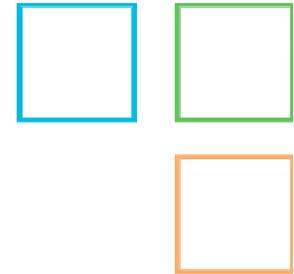




# Why Bother?

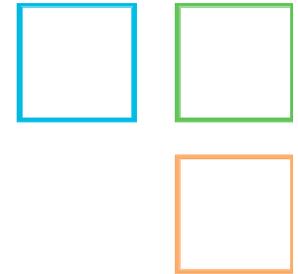


| School A                                 | School B                                 |
|--|--|
| 100 Teachers                             | 100 Teachers                             |
| X School wide Average salary of \$60,000 | X School wide Average salary of \$70,000 |
| = \$ 6,000,000                           | = \$ 7,000,000                           |
| <b>\$1,000,000</b> difference            |  |



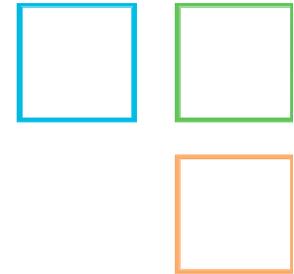
## FSF's Key Goals This Year

- Increase equity without sacrificing stability
  - Drive new dollars to underfunded schools
  - Teachers already on school budgets are funded
  - No funds taken away through FSF
  - Schools can replace senior teachers with senior teachers
- Encourage better use of resources to strengthen achievement by giving Principals:
  - More discretion over dollars,
  - Greater responsibility for costs of new teachers salaries, and
  - Incentives to enroll high-need students and enable them to succeed
- Improve transparency
- Create a sound process for improving budgeting over time



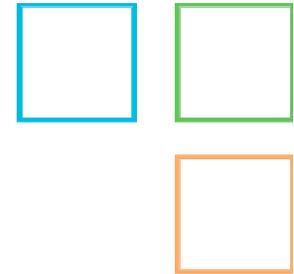
## **FSF's Key Changes**

- 1. New Dollars Gradually Increase Equity**
- 2. More Unrestricted Dollars**
- 3. School Budget Based On Students**
- 4. Principals Responsible for Teachers' Salaries**



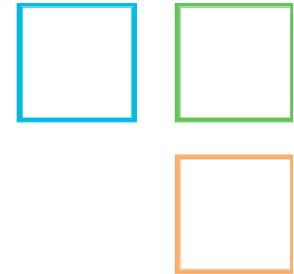
## Agenda

- 1. New Dollars Gradually Increase Equity**
- 2. More Unrestricted Dollars**
- 3. School Budget Based On Students**
- 4. Principals Responsible for Teachers' Salaries**



## Gradual Implementation

- To **preserve stability, FSF will not reduce funding** for any schools in 2007–08 or 2008–09. Each school will, at a minimum, receive its status quo budget level.
- We will **direct new resources toward schools that do not currently receive their fair share of resources**. The Department aims, by next year, to have brought all schools up to their formula funding level.
- This implementation plan is contingent on **adequate State and City funding**.



## How Will the Transition to FSF Work?

This year, we budgeted schools in two ways:

- **Old Approach:** What each school would have received if we budgeted this year as we have in the past. All schools will receive this amount, at a minimum
- **FSF Formula Approach:** What each school would have received if we budgeted through pure FSF

The transition rules to get to 2007 – 2008 Actual Budgets are simple:

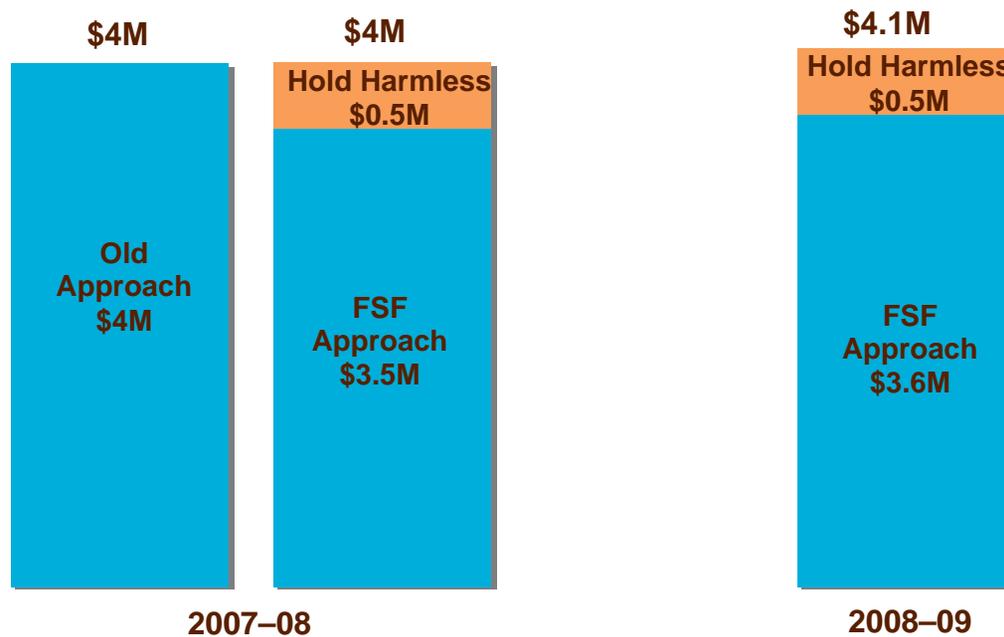
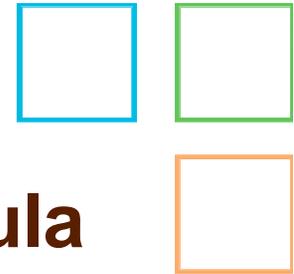
- If **FSF Formula < Old Approach** – school receives an amount *equal* to the Status Quo Budget
- If **FSF Formula > Old Approach** – school receives an amount equal to Status Quo Budget *plus* FSF Incremental Funds to bring the school closer to formula.

In 2008-2009:

- DOE's goal for next year is to bring all schools up to their FSF formula funding level
- Schools above their FSF formula will continue to be held harmless

All Commitments Depend on Adequate State and City Funding

# School A: Status Quo Above FSF Formula



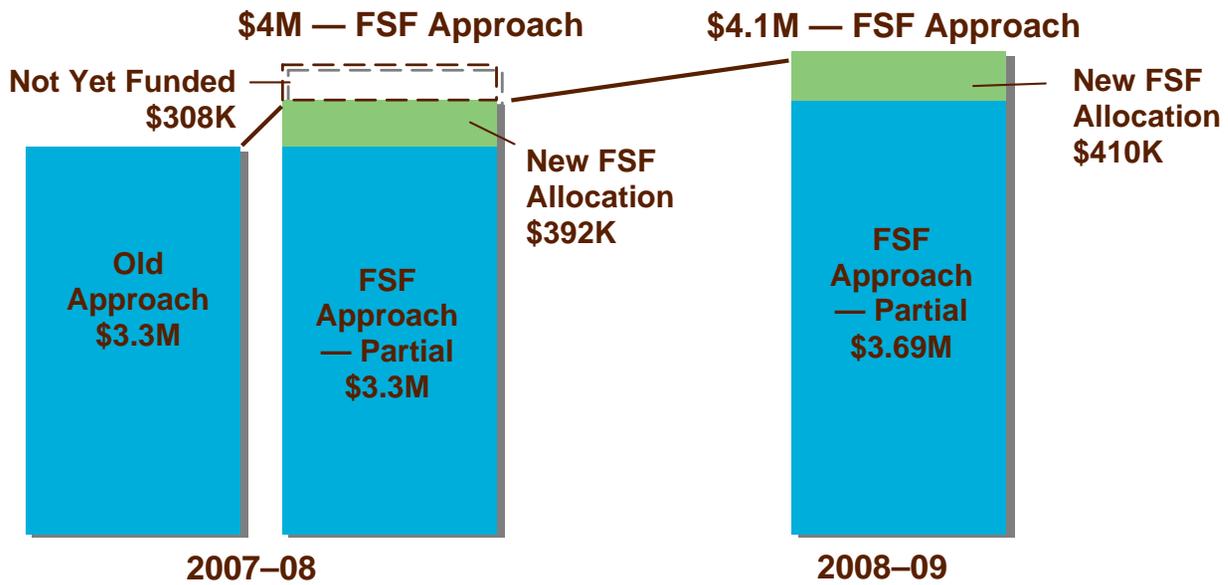
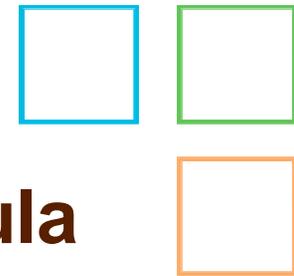
*\*The Old Approach budget shows how budgets were calculated in the past based on number of teachers, total enrollment, special needs/AIS funding, etc.*

*\*\* Hold Harmless means that no school will receive less under FSF than under the old method of budgeting (Old Approach).*

*\*\*\*\*FSF Allocation can increase or decrease from year to year, for example, based on total enrollment, student characteristics, Citywide salary increases, and, as necessary, additional funding for existing teachers.*

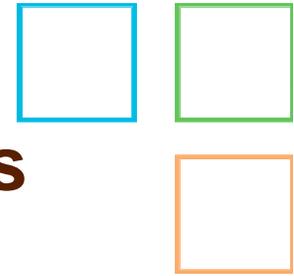
*Note: All results contingent on adequate State and City funding.*

# School B: Status Quo Below FSF Formula



\*The Old Approach budget shows how budgets were calculated in the past based on number of teachers, total enrollment, special needs/AIS funding, etc.  
 \*\* FSF Incremental Funds are funds provided to bring schools below FSF up to formula. These funds subject to the State's Contract for Excellence (CFE)  
 \*\*\* Not Yet Funded represents the amount that the school remains below the FSF formula. The school will continue to receive funding to close this gap.  
 \*\*\*\*FSF Allocation can increase or decrease from year to year, for example, based on total enrollment, student characteristics, Citywide salary increases, and, as necessary, additional funding for existing teachers.

Note: All projections contingent on adequate State and City funding.



# Incremental Dollars Provided to Schools Not Fairly Funded

New dollars will be given to schools receiving less than the FSF formula.

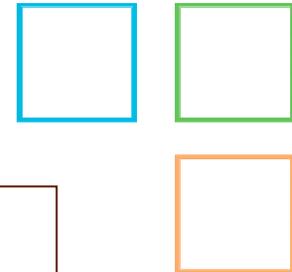
Funds will be distributed through an FSF Incremental funds allocation

- Schools will receive approximately \$110 million this year in new money
- Each school will receive (a) approximately 56% of the gap between its current funding and the FSF formula or (b) \$400,000, whichever is less
- Schools phasing out are not eligible for FSF incremental funding

FSF incremental funds are subject to the State's Contract for Excellence (CFE), which limits spending to:

- Improving the quality of teachers and principals
- Reducing class sizes
- Increasing student "time-on-task"
- Restructuring middle and high schools
- Expanding full day pre-Kindergarten

# A Summary Tool Will Explain Each Principal's FSF Transitional Budget



### School Budget Overview - LOUIS D. BRANDEIS HIGH SCHOOL (M470)

In fiscal year 2008, New York City schools begin the transition to Fair Student Funding. We are showing three budget views, but only the third represents a school's actual budget. All schools are receiving additional funds this year.

#### I. OLD APPROACH

|   |   |                       |
|---|---|-----------------------|
| Instructional Programs                                  |   | \$8,186,333           |
| Special Needs / Academic Intervention Services (SN/AIS) | + | \$1,329,124           |
| Programs Consolidated                                   | + | \$2,444,269           |
| <b>Amount Under Old Approach</b>                        |   | <b>= \$11,959,725</b> |

#### II. FAIR STUDENT FUNDING (FSF) APPROACH

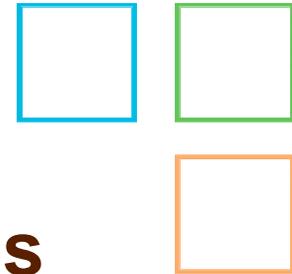
|   |   |              |
|---|---|--------------|
| FSF Formula   | = | \$13,794,457 |
| Difference: FSF would increase your funding by: \$1,834,732 |   |              |

#### Building Your Budget

\* Preliminary School: M470

#### III. ACTUAL BUDGET (PRELIMINARY)

|  |          |                     |
|--|----------|---------------------|
| Amount Under Old Approach                                      |          | \$11,959,725        |
| New FSF Allocation (Approx. 55% of Difference up to \$400,000) | +        | \$400,000           |
| <b>FSF Subtotal</b>  | <b>=</b> | <b>\$12,359,725</b> |
| <b>Allocations Not Consolidated (as of 5/08/07)</b>            | <b>+</b> | <b>\$3,595,811</b>  |
| <b>Children First Supplemental Allocation</b>                  | <b>+</b> | <b>\$376,563</b>    |
| <b>FY08 Budget (Preliminary Budget as of 5/08/07)</b>          | <b>=</b> | <b>\$16,332,099</b> |



# Principals Will Also Receive These Tools

The Summary Tool will also include detailed documents on the Status Quo and FSF Formula Budget, which will be on the FSF website and each school's website:

**Fair Student Funding Budget**  
 UNDER THE BUDGETARY CONTROL OF THE BOARD OF EDUCATION (BOE) (NYC)

**Enrollment**  
 FY08 Projected Enrollment: 2007

**F. Foundation**  
 Foundation: \$104,849

**H. Student Funding**

| Source                  | Weight      | Per Pupil         | Projected Enrollment | Total              |
|-------------------------|-------------|-------------------|----------------------|--------------------|
| State                   | 1.00        | \$1,300.00        | 2,007                | \$2,610,700        |
| FTE                     | 1.00        | \$1,000.00        | 2,007                | \$2,007,000        |
| FTE                     | 1.00        | \$1,000.00        | 2,007                | \$2,007,000        |
| <b>State</b>            | <b>1.00</b> | <b>\$1,300.00</b> | <b>2,007</b>         | <b>\$2,610,700</b> |
| <b>Weighted Student</b> | <b>1.00</b> | <b>\$1,300.00</b> | <b>2,007</b>         | <b>\$2,610,700</b> |

<http://schools.nyc.gov/Offices/ChildrenFirst/FairStudentFunding/default.htm>

**Programs Consolidated Under FSF**  
 Summarizing FY08 School Allocation Memorandums  
 (BY SCHOOL NAME)

| Program Name                     | Amount |
|----------------------------------|--------|
| INSETTS and FT CTT Amount        |        |
| Project Area Amount              |        |
| SC and CTT To Capex Amount       |        |
| SC Allocation                    |        |
| Special Magnet Amount            |        |
| Teacher                          |        |
| TL Core Curriculum Supporting    |        |
| TL Early Grade Initiative        |        |
| TL EXTENSIVE HIGH-CAROL          |        |
| TL MIDDLE SCHOOL INTERVENTION    |        |
| TL NINETY-DAY INTERVENTION       |        |
| TL Relationship Salary Increment |        |
| TL SOCIAL AND EMOTIONAL LEARNING |        |
| CTY Coverage Allocation          |        |
| Sub-Subtotal Amount              |        |
| TL Major Early Grade Initiative  |        |
| Part 80 PCEN Amount              |        |
| PCEN LEP Amount                  |        |
| <b>TOTAL</b>                     |        |

Status Quo List of Consolidated Programs and Amounts by School

**STATUS QUO BUDGETS - FY08 INSTRUCTIONAL PROGRAMS WORKSHEET**

Current Analysis as of 04/21/08

| Program                | Weight | Per Pupil  | Enrollment | Total       |
|------------------------|--------|------------|------------|-------------|
| Instructional Programs | 1.00   | \$1,300.00 | 2,007      | \$2,610,700 |
| Instructional Programs | 1.00   | \$1,000.00 | 2,007      | \$2,007,000 |
| Instructional Programs | 1.00   | \$1,000.00 | 2,007      | \$2,007,000 |

Status Quo Budgets FY08 Instructional Programs Worksheet

**STATUS QUO BUDGETS - FY08 SPECIAL NEEDS WORKSHEET**

Current Analysis as of 04/21/08

| Program                | Weight | Per Pupil  | Enrollment | Total       |
|------------------------|--------|------------|------------|-------------|
| Special Needs Programs | 1.00   | \$1,300.00 | 2,007      | \$2,610,700 |
| Special Needs Programs | 1.00   | \$1,000.00 | 2,007      | \$2,007,000 |
| Special Needs Programs | 1.00   | \$1,000.00 | 2,007      | \$2,007,000 |

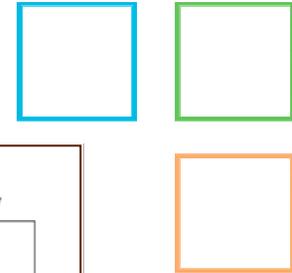
Status Quo Budgets FY08 Special Needs Worksheet

# Consolidated Programs and Amounts



| Summarizing FY08 School Allocations Memorandums<br>[BN & SCHOOL NAME]   |                           |
|---|---------------------------|
| Special Education Per Capita with Part-Time Collaborative Team Teaching: High School  |                           |
| Special Education Class and Basic Paraprofessional: Elementary & Middle Schools<br><i>(including CTT coverage)</i>                      |                           |
| Special Education Teacher Support Services (SETSS): High School   |                           |
| State Standards Amount  |                           |
| Project Arts  |                           |
| State Magnet Amount   |                           |
| Unpacking of Children's First Core Curriculum<br><i>Amount unchanged from FY07</i>  |                           |
| Early Grade Intervention<br><i>(including Mayor's Early Grade Initiative)</i><br><i>FY07 amount increased for collective bargaining</i> |                           |
| Extended Day High School (formerly Evening High School)<br><i>Amount unchanged from FY07</i>  |                           |
| Middle School Intervention<br><i>FY07 amount increased for collective bargaining</i>  |                           |
| Ninth Grade Intervention<br><i>FY07 amount increased for collective bargaining</i>  |                           |
| Reimbursable Salary Increment<br><i>Amount unchanged from FY07</i>  |                           |
| Social and Emotional Learning<br><i>Amount unchanged from FY07</i>  |                           |
| Limited English Proficient  |                           |
| Part 154 PCEN   |                           |
| PCEN LEP  |                           |
| Instructional Coaches   |                           |
| <b>TOTAL</b>  | <b>Consolidated Total</b> |

# Status Quo FY08 Instructional Program Worksheet



Status Quo Budgets- FY08 Instructional Programs Worksheet      Region: 03    Location: 26Q415    BENJAMIN N. CARDOZO HIGH SCHOOL      Level: HS      4/25/2007

| Box A                               |              |
|-------------------------------------|--------------|
| Adjustments to FY07 Inst Prog Alloc |              |
| Total IP 2/20 galaxy alloc:         | \$15,573,859 |
| -IP '07 one-shot alloc (Box B):     | \$204,913    |
| =IP base allocations                | \$15,368,946 |
| +Salary Adjustment (Box D):         | \$484,618    |
| +Register Adjustment (Box E):       | (\$62,417)   |
| +Overhead Adjustment (Box F):       | \$9,310      |
| = '08 Base Facsimile:               | \$15,800,457 |

| Box C Average Teacher Salary Comparison |          |
|---|----------|
| FY07 Average:                           | \$70,817 |
| FY08 Average:                           | \$73,659 |
| Variance:                               | \$2,843  |

| Box D Breakdown of Average Salary Adjustment     |           |
|--|-----------|
| Gen Ed Base Number Of Teachers 10/31/06          | 170.49    |
| Total Base Number Of Teachers * Salary variance: | \$484,618 |

| Box E Breakdown of Register Adjustment |            |
|--|------------|
| Reg Ad Base Tchr:                      | (\$68,503) |
| Reg Adj Per Capita:                    | \$5,400    |
| Activity Fee:                          | \$686      |
| Total Register Adj:                    | (\$62,417) |

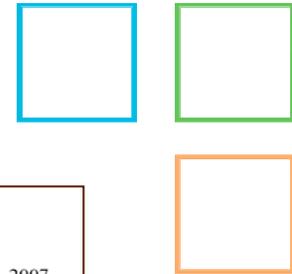
| Box F Overhead Adjustment |         |
|---------------------------|---------|
| Level Overhead:           | \$0     |
| Increment Overhead:       | \$9,310 |
| New School Overhead:      | \$0     |
| Overhead adj:             | \$9,310 |

| Box G Breakdown of Base Teacher Per Capita Adj |                  |                     |                   |                          |                 |                |
|--|------------------|---------------------|-------------------|--------------------------|-----------------|----------------|
|  | a                | b                   | c                 | d                        | e               | f              |
|  |                  |                     | =b-a              | =c*class factors         |                 | =c*e           |
|  | Actual Registers | Projected Registers | Register Variance | Base Tchr Adj            | Per Capita Rate | Per Capita Adj |
| EarlyGrd:                                      | 0                | 0                   | 0                 | 0.00                     | \$86            | \$0            |
| Elem:  | 0                | 0                   | 0                 | 0.00                     | \$86            | \$0            |
| MS_T1:   | 0                | 0                   | 0                 | 0.00                     | \$200           | \$0            |
| MS_NT1:  | 0                | 0                   | 0                 | 0.00                     | \$200           | \$0            |
| HS_CAT1:                                       | 4,018            | 3,996               | -22               | -0.93                    | \$450           | (\$9,900)      |
| HS_CAT2:                                       | 0                | 0                   | 0                 | 0.00                     | \$450           | \$0            |
| HS_CAT3:                                       | 0                | 0                   | 0                 | 0.00                     | \$450           | \$0            |
| HS_CAT4:                                       | 0                | 0                   | 0                 | 0.00                     | \$450           | \$0            |
| Base Tchr Position Adjustment to IP:           |                  |                     |                   | -0.93                    |                 |                |
| Base Teacher Adj: (d * FY08 ATS)               |                  |                     |                   | (\$68,503)               |                 |                |
| SpecEd_EL:                                     | 0                | 0                   | 0                 |                          | \$86            | \$0            |
| SpecEd_MS:                                     | 0                | 0                   | 0                 |                          | \$200           | \$0            |
| SpecEd_HS:                                     | 97               | 131                 | 34                |                          | \$450           | \$15,300       |
| <b>Total K-12:</b>                             | <b>4,115</b>     | <b>4,127</b>        | <b>12</b>         | <b>Total Per Capita:</b> |                 | <b>\$5,400</b> |

| Box B  |   | One-shot allocations: \$204,913 |              |
|--|---|---------------------------------|--------------|
| FY 07 Instructional Programs Allocations as of 2/20/07 |   |                                 |              |
| Date   | Comment   | Baseline                        | 07 One-Shots |
|  |   | \$15,368,946                    | \$204,913    |
| 4/10/2006  | SAM#7: FY07 Parent Coordinator Allocation (OTPS)  | 0                               | 500          |
| 4/10/2006  | SAM#1: 07 Initial Instructional Programs Allocation   | 14,704,253                      | 0            |
| 4/11/2006  | SAM#1 FY 07 Initial Instructional Programs Allocation (formerly State Standards)                            | 0                               | 108,493      |
| 4/12/2006  | SAM #1: Collective bargaining per capita for UFT staff at actual salary and bulk jobs.                      | 180,135                         | 0            |
| 4/12/2006  | SAM#6: Math coach, cash   | 0                               | 11,550       |
| 4/12/2006  | SAM Literacy Coach - cash   | 0                               | 15,730       |
| 4/17/2006  | SAM#6: Math coach, cash   | 0                               | 27,500       |
| 4/17/2006  | SAM Literacy Coach - cash   | 0                               | 27,500       |
| 10/25/2006   | SAM #78: OTPS Allocation for PSAL Program: Allocation distribution  | 0                               | 3,640        |
| 11/9/2006  | FY07 DC37 and Managerial CB adjustment  | 73,265                          | 0            |
| 11/10/2006   | FY07 DC37 and Managerial CB adjustment  | 434                             | 0            |
| 12/1/2006  | SAM #75 Summer Instructional Programs 12 Month Assistant Principal (AP) Allocation: Allocation distribution | 0                               | 10,000       |
| 2/13/2007  | SAM98 Midyear Allocation Adjustment: IP Allocation Adjustment.  | 410,859                         | 0            |

For assistance with using this worksheet, please access the worksheet instructions located at [http://schools.nyc.gov/offices/d\\_chanc\\_operi/budget/dbor/allocationmemo/fy06\\_07/sam01\\_10.html](http://schools.nyc.gov/offices/d_chanc_operi/budget/dbor/allocationmemo/fy06_07/sam01_10.html)

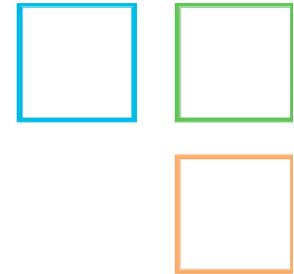
# Status Quo FY08 Special Needs Worksheet



| Status Quo Budget - FY '08 Special Needs School Worksheet        |                           |  |                         |  |                   |  |   |   |
|--|---------------------------|--|-------------------------|--|-------------------|--|---|---|
| Region   | 09                        | 01M015   | PS 015 ROBERTO CLEMENTE | Level  | EL                | Wednesday, April 25, 2007                          |   |   |
|  |                           | FY 07 Formula using Audited Oct 31, 2005 Registers |                         | FY 08 Formula using Audited Oct 31, 2006 Registers |                   | Variance   |   |   |
| Weighted Register Calculation                                    |                           | b  | c<br>= a*b              | d  | e<br>= a*d        | f<br>= e-c   |   |   |
|  | a<br>Weights              | Student Counts                                     | Weighted Register       | Student Counts                                     | Weighted Register | FY07 Audited-<br>FY06 Audited<br>Weighted Register |   |   |
| Total register   | 1.0                       | 266  | 266                     | 236  | 236               | -30  |   |   |
| Sp Ed register   | 0.5                       | 32   | 16                      | 18   | 9                 | -7   |   |   |
| Academic pct   |                           | 24.84%   |                         | 37.78%   |                   |  |   |   |
| Academic need  | 2.0                       | 66   | 132                     | 89   | 178               | 46   |   |   |
| LEP register   | 0.5                       | 38   | 19                      | 42   | 21                | 2  |   |   |
| Low Income   | 1.0                       | 238  | 238                     | 204  | 204               | -34  |   |   |
| Multiple SETSS   | 6.0                       | 0  | 0                       | 0  | 0                 | 0  |   |   |
| <b>Total Special Needs Weighted Register</b>                     |                           |  | <b>671</b>              |  | <b>648</b>        | <b>-23</b>   |   |   |
| <b>Per Capita Rates</b>  |                           | g  |                         | h  |                   | i<br>= h-g   |   |   |
|  | Elementary/Middel School: |  | \$357.41                |  | \$386.13          | \$28.72  |   |   |
|  | High School:              |  | \$203.28                |  | \$218.76          | \$15.48  |   |   |
| <b>Total Funding</b><br>(includes TL Special Needs and TL ERSSA) |                           | j<br>= c*g   |                         | k<br>= e*h   |                   | l<br>= k-j   | FY07 Base Allocations (1)<br>Base Allocations | FY08 Allocations<br>FY07 Base +<br>Variance |
|  |                           | <b>\$239,822</b>                                   |                         | <b>\$250,335</b>                                   |                   | <b>\$10,513</b>                                    | <b>\$237,274</b>                              | <b>\$247,787</b>                            |
|  |                           | Portion of variance due to per capita change       |                         | o<br>= i*c   |                   | <b>\$19,271</b>                                    |   |   |
|  |                           | Portion of variance due to register change         |                         | p<br>= f*1   |                   | <b>(\$8,757)</b>                                   |   |   |

(1) FY07 Base Allocations (net of one-shots) are as of 2/20/07

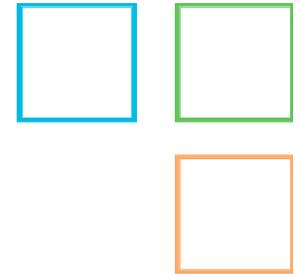
(2) The sum of Box "o" and Box "p" may not equal Box "l" due to rounding



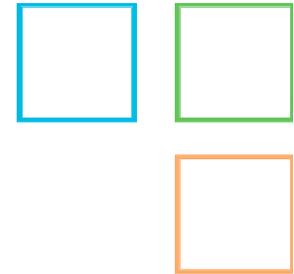
## Other Notes About School Budgets in FY08

- ***Surplus roll*** program will continue
- ***Title 1 Coaches*** will continue as a transitional program in FY08 and will be discontinued in FY09
- ***OTPS Startup*** for Year 1 New Schools remains unchanged. Schools phasing in grades after Year 1 will receive \$100/student.
- ***School Success Grant (SSG)*** is a new program that *consolidates the* SURR, SLC, and Targeted Intervention programs. It provides funding to schools requiring additional intervention.

# Preparing For Budget Changes Due To CSA Settlement



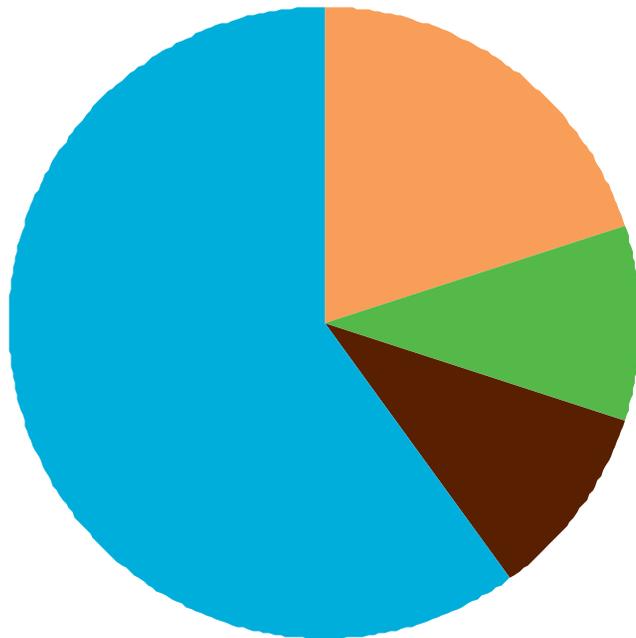
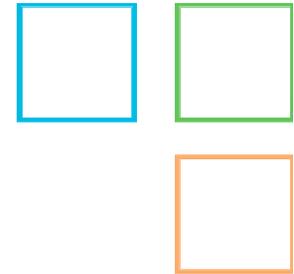
- In June, your budget will be updated to reflect the CSA Settlement. Please look in the PWeekly for details on how these updates will be made.



# Agenda

1. New Dollars Gradually Increase Equity
2. More Unrestricted Dollars
3. School Budget Based On Students
4. Principals Responsible for Teachers' Salaries

# What Money Is in a School's Budget Going Forward?



## Fair Student Funding

- Foundation
- Grade Weights
- Student-Needs Weights
- FSF Incremental Funds
- Hold Harmless

## Children First Supplemental Funds (Devolution funding for SSOs)

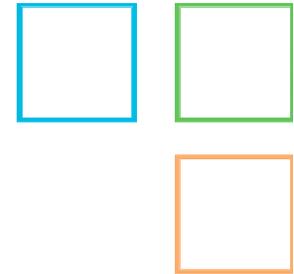
## Programmatic Allocations

- Not all programs are being consolidated — some will remain in separate School Allocation Memos (SAMs), such as Parent Coordinators.

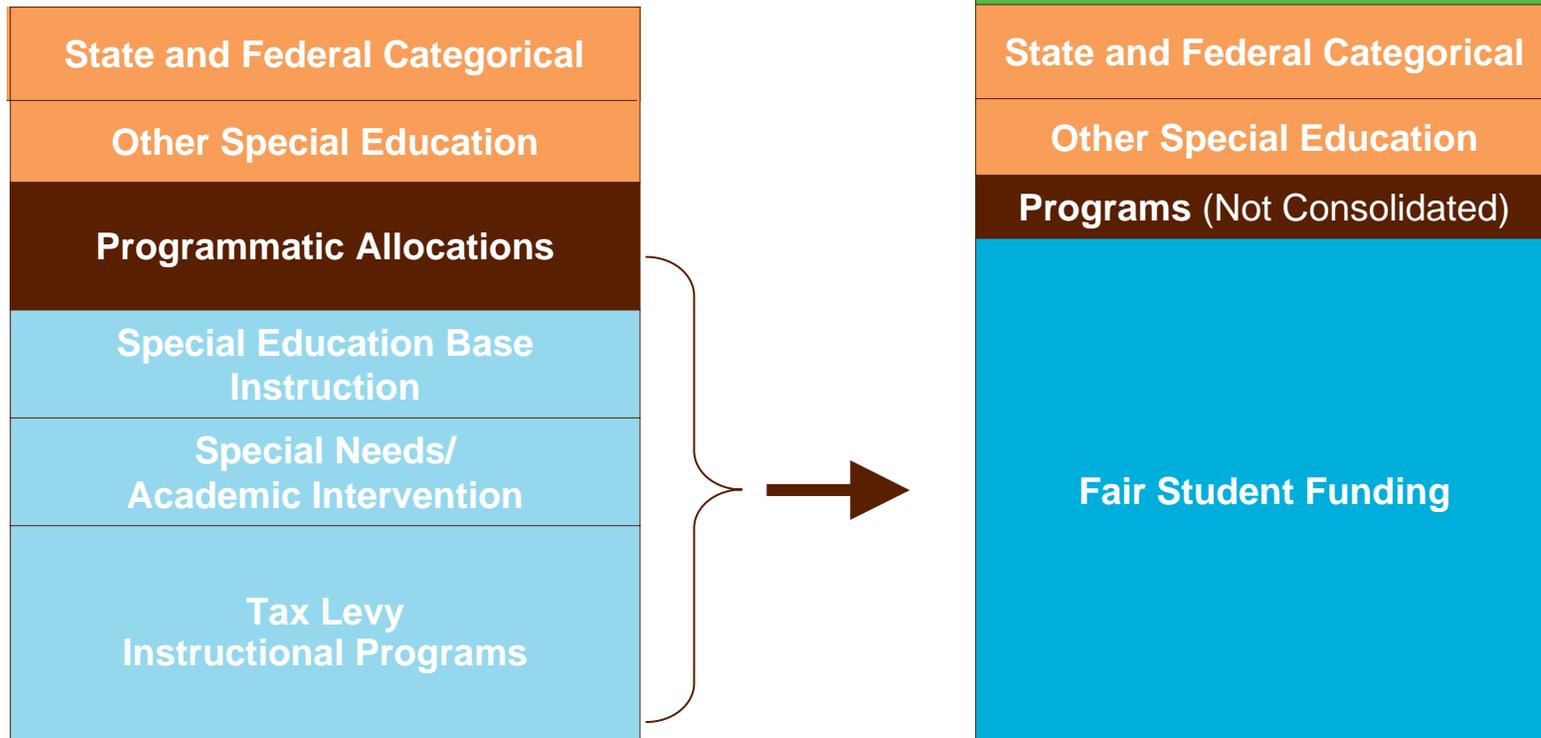
## Categorical Funds

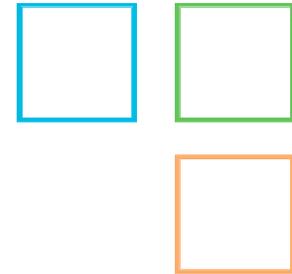
- Restricted and made up of several different streams: Federal and State Funds such as Title I, Title III, etc.

# What is Included in FSF?



Several programs that were previously allocated in discrete allocations are now collapsed into the Fair Student Funding “pot” and allocated using FSF methodology.

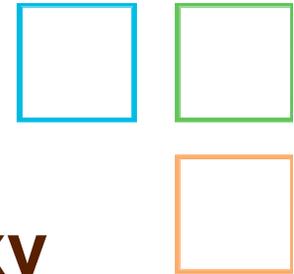




# Allocations Included in the Pot

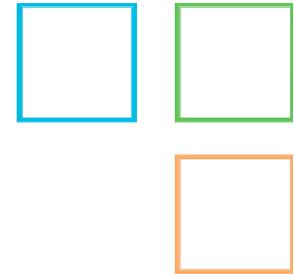
- Allocation categories below are now part of the FSF Formula “pot” and no longer arrive at schools as separate allocation categories
- Services, programs, and/or staff purchased with dollars from the allocations below will now use FSF dollars to continue paying for them

| Collapsed Allocations |  |    |   |
|-----------------------|--|----|---|
| 1                     | Instructional Programs (IP)  | 11 | Ninth Grade Intervention                          |
| 2                     | State Standards  | 12 | Middle School Intervention                        |
| 3                     | Special Education Classroom: Self Contained, CTT and CTT Prep Coverage                 | 13 | Reimbursable Salary Increment                     |
| 4                     | Special Education Classroom: HS SETTS and PT CTT                                       | 14 | Bronx Academic Programs                           |
| 5                     | Special Needs/ Academic Intervention Services (SN/AIS) and ERSSA Academic Intervention | 15 | Extended Day for High Schools Program             |
| 6                     | State Magnet   | 16 | Unpacking of the Children's First Core Curriculum |
| 7                     | Limited English Proficient (Part 154 & PCEN Per Capita)                                | 17 | Social and Emotional Learning                     |
| 8                     | Instructional Coach (Tax Levy/PCEN/Chapter 53/SIG/IPP)                                 | 18 | Peer Mediation/Negotiation at Impact Schools      |
| 9                     | Project Arts   | 19 | Advanced Placement Initiative                     |
| 10                    | Early Grade Intervention   |    |   |



# New FSF Allocation Categories in Galaxy

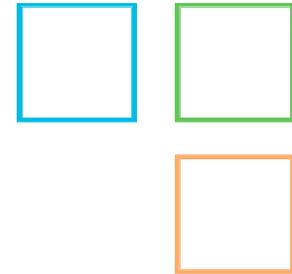
| Allocation Category   | Restrictions   |
|---|--|
| <b><i>If a School's Status Quo Budget Is Greater than FSF Formula</i></b> |  |
| TL Fair Student Funding   | Unrestricted cost factors                            |
| TL FSF General Hold Harmless  | Unrestricted cost factors                            |
| <b><i>If a School's Status Quo Budget Is Less than FSF Formula</i></b>    |  |
| TL Fair Student Funding   | Unrestricted cost factors                            |
| TL Fair Student Funding Incremental                                       | Subject to the State's Contract for Excellence (CFE) |
| <b><i>All Schools — Children First Supplemental Funding</i></b>           |  |
| TL Children First Funding   | Unrestricted cost factors                            |
| <b><i>All Schools — One-time Allocations</i></b>                          |  |
| TL One-Time Allocations   | Unrestricted subject to program guidelines           |



## Children First Supplemental Funds

- Dollars previously controlled by the Regional and Central bureaucracy re-directed to schools
- Approximately \$170,000 per school. This includes a fixed amount of \$85,000 and an additional per capita amount of \$120 per student based on the projected FY2008 enrollment.
- Schools can use these funds to hire their new School Support Organization (SSO).
- Principals can use the remaining funds flexibly to meet the needs of their students:
  - More teachers
  - More school leadership
  - More professional development
  - More textbooks, supplies, and other equipment

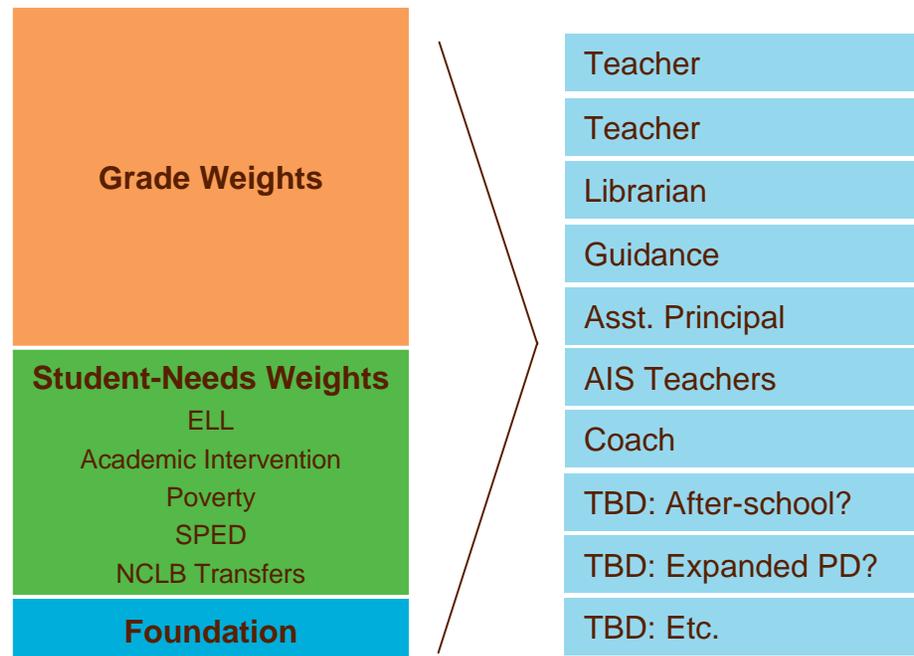
# FSF Makes Spending More Flexible To Allow Real Budget Planning



**BEFORE**, principals were given line-item allocations for staff and programs in their schools, 90 school allocation memos in all:

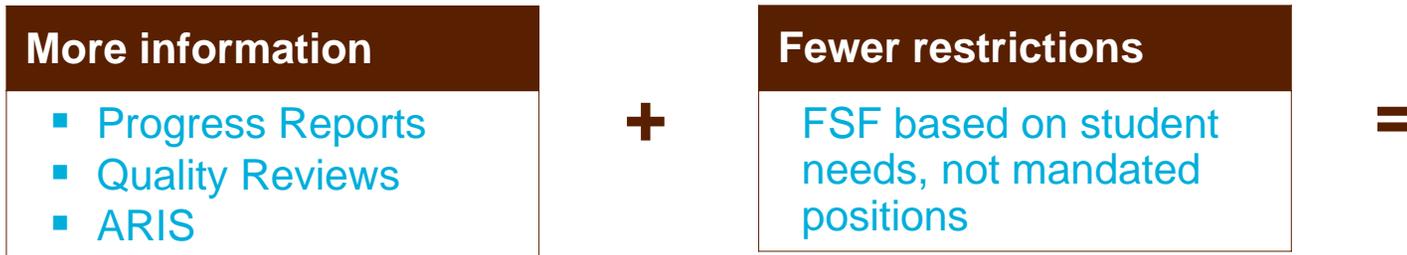
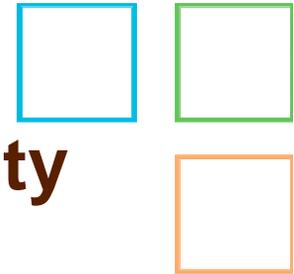
|  |    |
|--|----|
| 1. Base Allocation                           | \$ |
| # Teachers =                                 | \$ |
| 1 Principal =                                | \$ |
| 1 Secretary =                                | \$ |
| # Guidance Counselors =                      | \$ |
| 2. Coaches                                   | \$ |
| 3. Intervention A                            | \$ |
| 4. Intervention B                            | \$ |
| ↓ etc.                                       | \$ |
| Up to 20 additional consolidated allocations | \$ |

**NOW**, principals will get money based on their students' characteristics. How they spend that money will be determined based on the needs of their schools:



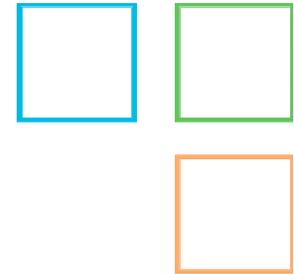
*Note: These graphics only represent allocations being consolidated into Fair Student Funding and do not include categorical funds, programmatic allocations that are still separate or Children First Supplemental Funds.*

# Better Data and More Spending Flexibility Can Better Drive Resource Allocation



| School Instructional Plan |                |                              |                            |  |                                 |      |
|---------------------------|----------------|------------------------------|----------------------------|--|---------------------------------|------|
| What mix of teachers?     | What programs? | What instructional supports? | What kind of extended day? | What kind of professional development? | What kind of external supports? | Etc. |

**Instructional Needs Inform Resource Allocation**



## How To **CRAFT** Your Budget

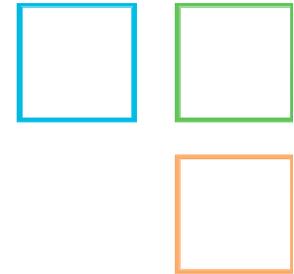
**C**ontext: What are the overall strengths and weaknesses of my school (based on Quality Review, Progress Report and other data)? What goals do I have for the coming year?

**R**equired: What do I need to serve my students at a basic level?  
What commitments has my school already made?

**A**ccount: How much money do I have left after meeting initial requirements?

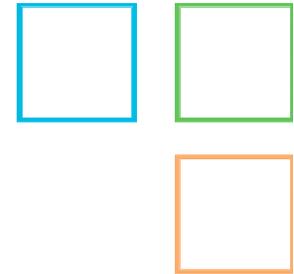
**F**OCUS: What needs and priorities remain? What people, services and materials would I ideally purchase for my school?

**T**rade-offs: What are the different ways I can meet my needs and priorities given the resources I have left to spend?



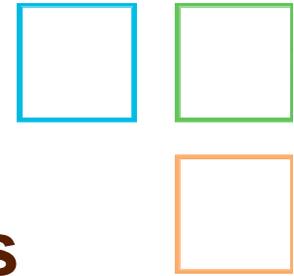
## Agenda

1. New Dollars Gradually Increase Equity
2. More Unrestricted Dollars
3. School Budget Based On Students
4. Principals Responsible for Teachers' Salaries



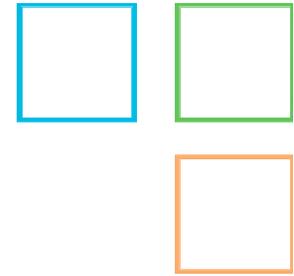
## Fair Student Funding Means ...

- Money will follow each student to the public school that he or she attends.
- Each student will receive a base level of funding dependent only on grade level.
- Students with special needs (such as English language learners or special education students) will receive additional dollars.
- The dollars arrive at schools as real dollars — money that principals and their teams decide how to spend.



## Fair Student Funding Weight Categories

- Grade Weights (K-5, 6-8, 9-12)
- Academic Intervention
  - Poverty
  - Achievement
- English language learners
- NCLB transfers
- Special education
- Portfolio-based high school students



## Deriving the Weights

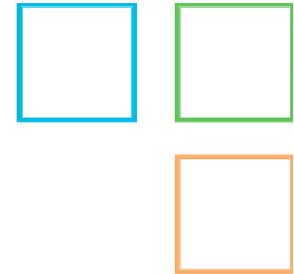
We based the weights on:

- Analysis of New York City's current funding patterns and costs
- Other cities' experiences with weighted student funding, and
- Extensive research, including adequacy studies
- Significant feedback on an initial proposal.

All of the above informed the final weights:

- Grade weights cover the mandated cost to educate students, including teacher costs, class size requirements, coverage and breakage
- Need weights reflect research on costs to educate and raise student performance

Ultimately, budgeting reflects value judgments. Through Fair Student Funding, we have made our judgments clear.



## How Will FSF Work?

**John** is a 6th grader at a public school in Brooklyn. He is a special education student and an English language learner. Based on his enrollment, his school will receive:

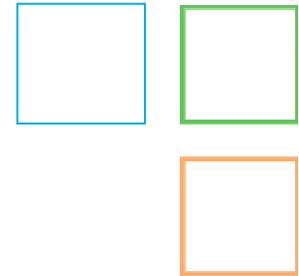


**Anna** is a 9th grader at a public school in Queens. She is an English language learner and scored a Level 1 on her 5th grade ELA test. Based on her enrollment, her school will receive:



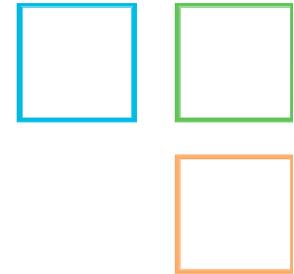
**Every student with the same characteristics will receive the same level of resources.**

# Grade Weights

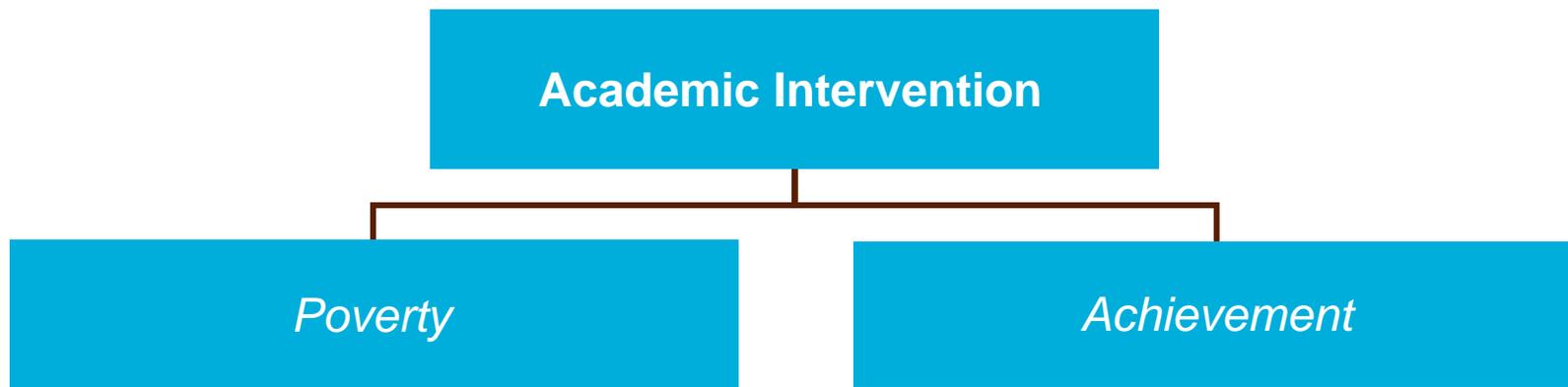


|             | Implied Current Grade Weights | FSF Grade Weights |
|-------------|-------------------------------|-------------------|
| <b>K-5</b>  | 1.00                          | 1.00              |
| <b>6-8</b>  | 1.03                          | 1.08              |
| <b>9-12</b> | 1.04                          | 1.03              |

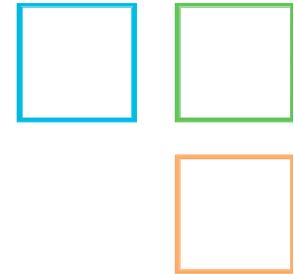
- Each student has a base level of funding depending on grade level
- Schools with non-traditional grade configurations will receive base weight in more than one category
  - For example, a K-8 school will receive K-5 weight for K-5 grades and 6-8 weight for 6-8 grades
  - A 6<sup>th</sup> grader carries the same weight at a 6-8, K-8, or 6-12
- 68% of dollars distributed through FSF given out in Grade Weights



# Academic Intervention Weights



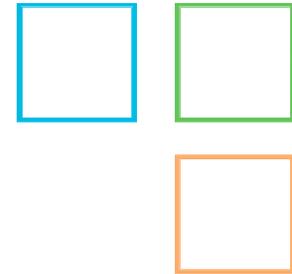
- Students at higher risk of failure need additional funds
- Students should receive weights based on their achievement at *entry* to a school so that school receives additional funding for enrolling struggling students, but does not lose money for success educating them
- Weights are in two categories, depending on whether data are available upon school entry
  - At schools that students enter with test scores—i.e., schools beginning in 4<sup>th</sup> grade or later—weights based on test scores.
  - At schools that students do not enter with test scores—i.e., schools beginning in 3<sup>rd</sup> grade or earlier—weights based on poverty level.



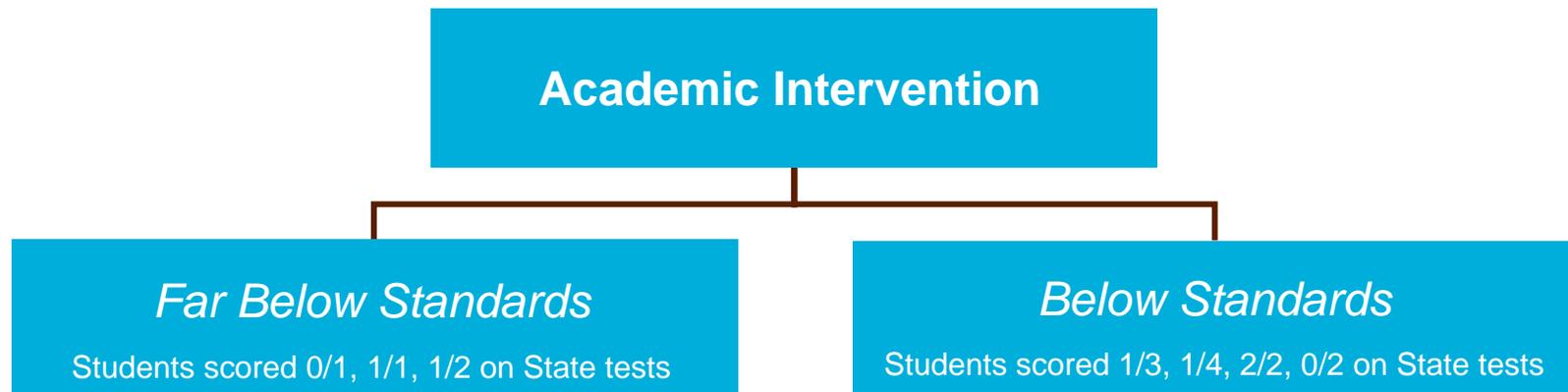
# Poverty Weight



- Significant weight for students in schools beginning before 4<sup>th</sup> grade: 0.24
- No weight for 6–8 or 9–12 graders
- Eligibility is based on the same factors as Title I
- 0.27 Title I “shadow weight” at Title I schools



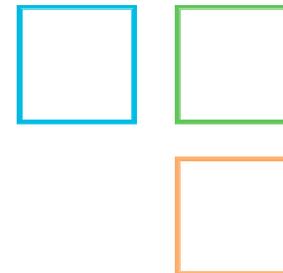
# Achievement Weights



0 = missing score

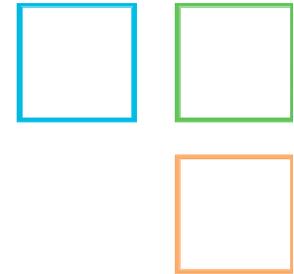
- Based on students' academic standing when they enter a school; remains if they improve— not punishing a school's success
- Weight split into two tiers: Category 1 for lowest achievers and Category 2 for students closer to proficiency
  - Far Below Standards weights: **0.50** (6-8) and **0.40** (9-12)
  - Below Standards weights: **0.35** (6-8) and **0.25** (9-12)
- Not available in schools beginning before 4<sup>th</sup> grade

# English Language Learner Weight



## English Language Learner

- Eligibility is based on NYSESLAT exam
- Weight increases as students age, from **0.40** in K-5 to **0.50** in 6-12
- Covers programs previously funded with Part 154 LEP and PCEN LEP (funding is now in FSF “pot”). Former LEP weight = 0.32.
- Dollars also flow to low-achieving ELLs with no ELA scores in Academic Intervention weight

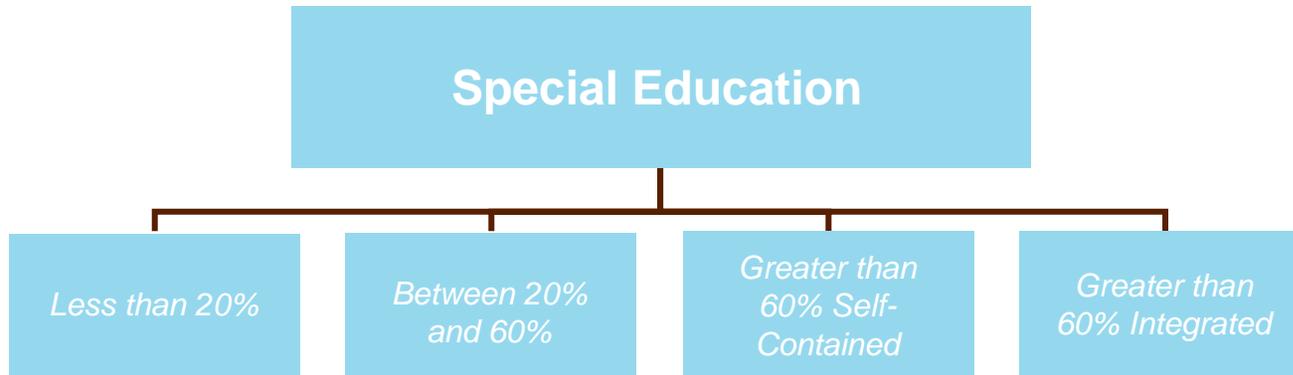
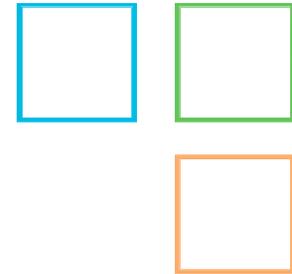


# NCLB Transfer Weight

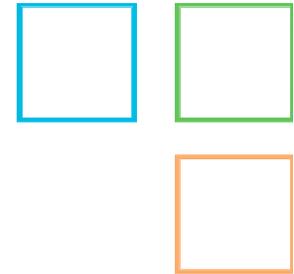
## NCLB Transfer

- Increases opportunities and likelihood of success for students transferring to successful schools under NCLB. for enrolling students from lower-achieving schools
- **\$2,000 per child** for each year the child is enrolled at the school, for up to two years
- Eligibility is based on student transferring *from* School in Need of Improvement (SINI) or other NCLB-qualified school *to* non-SINI school that:
  - Demonstrates “strong student achievement gains” in 2005–06
  - Obtains a Quality Review score of “proficient” or higher in 2006–07

# Special Education Weights



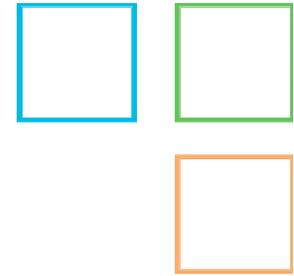
- Transition to per capita funding for special education classroom services will foster development of instructional models tailored to student needs, not funding patterns.
- Schools will receive per student funding based on the number of periods a day that a student requires special education services.
  - Less than 20%: **0.56**
  - Between 20% and 60%: **0.68**
  - Greater than 60% (Self-Contained): **1.23** (K-8), **0.73** (9-12)
  - Greater than 60% (Integrated): **2.28** (K-8), **2.52** (9-12)
- Special education students also may carry incremental weights/dollars associated with poverty, ELL, or low academic-performer status.



# High School Portfolio Weights

## Portfolio

- Designated portfolio schools will receive an incremental weight to support their specialized instructional models.
- Portfolio categories for FY2008 are:
  - Career and Technical Education (21 schools): 0.05-0.25
  - Specialized Audition (6 schools): 0.35
  - Selective Academic (10 schools): 0.25
  - Transfer (30 schools): 0.4



# Incentives to Improve Achievement

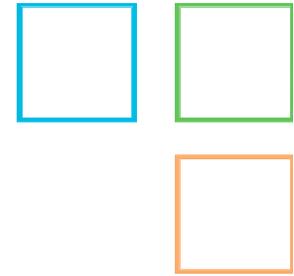
**The FSF weights encourage success by allowing schools to get or keep resources when they are successful at improving student achievement:**

**2007–2008:**

- Academic weight gives more money for enrolling low-achieving students. Schools keep weighted funds when students improve
- NCLB Transfer weight gives successful schools the opportunity to get additional dollars for enrolling students from lower-achieving schools
- SPED weight allows schools to decertify a student during the year and still keep the money that year

**2008–2009:**

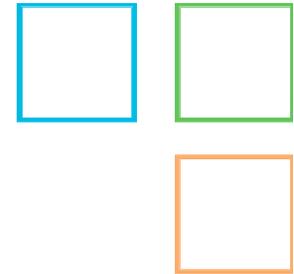
- A portion of ELL weight will remain for students who were recently decertified
- A portion of SPED weight will allow for gains-sharing when students are decertified



# FSF Weights by School Configuration



*\*Exceptions apply for schools with non-traditional grade configurations*

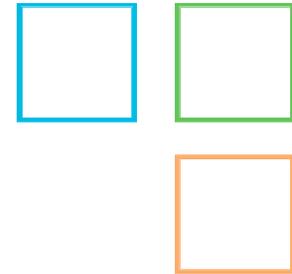


## Foundation

All schools, regardless of size or type, will receive a lump-sum foundation of \$200,000.

- These funds can be spent flexibly
- This base level of funding ensures that the smallest school in New York City is able to operate under FSF
- In addition to the Foundation, there are numerous other *per school* allocations:
  - Children First Supplemental Funds (fixed component),
  - Parent Coordinators, and
  - Other programmatic supports provided on a per-school basis such as IEP teachers.

# FSF Formula Budget Detail



**Fair Student Funding Budget**  
 LOUIS D. BRANDEIS HIGH SCHOOL (M470)

**Enrollment**

|                           |      |
|---------------------------|------|
| FY08 Projected Enrollment | 2420 |
|---------------------------|------|

**I. Foundation**

|            |           |
|------------|-----------|
| Foundation | \$200,000 |
|------------|-----------|

**II. Student Funding**

| Grades                                      | Weight | Per Capita | Projected Enrollment |          |                     |
|---|--------|------------|----------------------|----------|---------------------|
| K-5   | 1.00   | \$3,788 x  | 0                    | =        | \$0                 |
| 6-8   | 1.00   | \$4,091 x  | 0                    | =        | \$0                 |
| 9-12  | 1.03   | \$3,902 x  | 2420                 | =        | \$9,442,840         |
| <b>Grade Weight Subtotal</b>                |        |            | <b>2420</b>          | <b>=</b> | <b>\$9,442,840</b>  |
| Needs                                       | Weight | Per Capita | # of Students        |          |                     |
| <b>Academic Intervention*</b>               |        |            |                      |          |                     |
| <b>Achievement (4-5)</b>                    |        |            |                      |          |                     |
| Well Below Standards                        | 0.40   | \$1,515 x  | 0                    | =        | \$0                 |
| Below Standards                             | 0.25   | \$947 x    | 0                    | =        | \$0                 |
| <b>Achievement (6-8)</b>                    |        |            |                      |          |                     |
| Well Below Standards                        | 0.50   | \$1,894 x  | 0                    | =        | \$0                 |
| Below Standards                             | 0.35   | \$1,326 x  | 0                    | =        | \$0                 |
| <b>Achievement (9-12)</b>                   |        |            |                      |          |                     |
| Well Below Standards                        | 0.40   | \$1,515 x  | 908                  | =        | \$1,375,620         |
| Below Standards                             | 0.25   | \$947 x    | 815                  | =        | \$771,805           |
| <b>English Language Learner (ELL)**</b>     |        |            |                      |          |                     |
| K-5   | 0.40   | \$1,515 x  | 0                    | =        | \$0                 |
| 6-8   | 0.50   | \$1,894 x  | 0                    | =        | \$0                 |
| 9-12  | 0.50   | \$1,894 x  | 674                  | =        | \$1,276,556         |
| <b>Special Education Classroom Services</b> |        |            |                      |          |                     |
| < 20%                                       | 0.56   | \$2,121 x  | 141                  | =        | \$299,061           |
| 20% to 60%                                  | 0.68   | \$2,576 x  | 0                    | =        | \$0                 |
| <b>&gt; 60%: Self-Contained</b>             |        |            |                      |          |                     |
| K-8 Filled Seats                            | 1.23   | \$4,659 x  | 0                    | =        | \$0                 |
| K-8 Unfilled Seats                          | 1.23   | \$4,659 x  | 0                    | =        | \$0                 |
| 9-12  | 0.73   | \$2,765 x  | 155                  | =        | \$428,575           |
| <b>&gt; 60%: Integrated</b>                 |        |            |                      |          |                     |
| K-8 Filled Seats                            | 2.28   | \$8,637 x  | 0                    | =        | \$0                 |
| K-8 Unfilled Seats                          | 2.28   | \$8,637 x  | 0                    | =        | \$0                 |
| 9-12  | 2.32   | \$9,546 x  | 0                    | =        | \$0                 |
| <b>Needs Weight Subtotal</b>                |        |            |                      | <b>=</b> | <b>\$4,151,617</b>  |
| No Child Left Behind Transfer               | 0.53   | \$2,000 x  | 0                    | =        | \$0                 |
| <b>TOTAL FSF FORMULA</b>                    |        |            |                      |          | <b>\$13,794,457</b> |

← Foundation

+

← Base weights

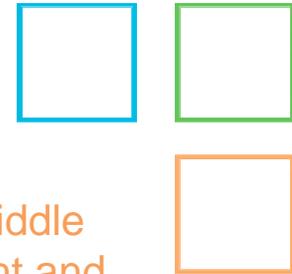
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← Student-Needs weights

=

← Total FSF Formula

# Where Are John and Anna Counted?



**Fair Student Funding Budget**  
LOUIS D. BRANDEIS HIGH SCHOOL (M470)

**Enrollment**

|                           |  |  |  |      |
|---------------------------|--|--|--|------|
| FY08 Projected Enrollment |  |  |  | 2420 |
|---------------------------|--|--|--|------|

**I. Foundation**

|            |  |  |  |           |
|------------|--|--|--|-----------|
| Foundation |  |  |  | \$200,000 |
|------------|--|--|--|-----------|

**II. Student Funding**

| Grades                       | Weight | Per Capita | Projected Enrollment |                    |
|------------------------------|--------|------------|----------------------|--------------------|
| K-5                          | 1.00   | \$3,788 x  | 0 =                  | \$0                |
| 6-8                          | 1.08   | \$4,091 x  | 0 =                  | \$0                |
| 9-12                         | 1.03   | \$3,902 x  | 2420 =               | \$9,442,840        |
| <b>Grade Weight subtotal</b> |        |            | <b>2420 =</b>        | <b>\$9,442,840</b> |

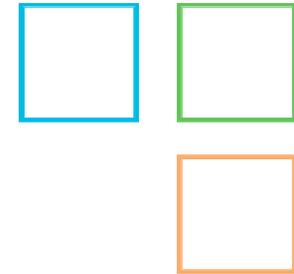
| Needs                                       | Weight | Per Capita | # of Students |                     |
|---|--------|------------|---------------|---------------------|
| <b>Academic Intervention*</b>               |        |            |               |                     |
| Achievement (4-5)                           |        |            |               |                     |
| Well Below Standards                        | 0.40   | \$1,515 x  | 0 =           | \$0                 |
| Below Standards                             | 0.25   | \$947 x    | 0 =           | \$0                 |
| Achievement (6-8)                           |        |            |               |                     |
| Well Below Standards                        | 0.50   | \$1,894 x  | 0 =           | \$0                 |
| Below Standards                             | 0.35   | \$1,326 x  | 0 =           | \$0                 |
| Achievement (9-12)                          |        |            |               |                     |
| Well Below Standards                        | 0.40   | \$1,515 x  | 908 =         | \$1,375,620         |
| Below Standards                             | 0.25   | \$947 x    | 815 =         | \$771,805           |
| <b>English Language Learner (ELL)**</b>     |        |            |               |                     |
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| 9-12  | 0.50   | \$1,894 x  | 674 =         | \$1,276,556         |
| <b>Special Education Classroom Services</b> |        |            |               |                     |
| < 20%                                       | 0.56   | \$2,121 x  | 141 =         | \$299,061           |
| 20% to 60%                                  | 0.68   | \$2,576 x  | 0 =           | \$0                 |
| > 60%: Self-Contained                       |        |            |               |                     |
| K-8 Filled Seats                            | 1.23   | \$4,659 x  | 0 =           | \$0                 |
| K-8 Unfilled Seats                          | 1.23   | \$4,659 x  | 0 =           | \$0                 |
| 9-12  | 0.73   | \$2,765 x  | 155 =         | \$428,575           |
| > 60%: Integrated                           |        |            |               |                     |
| K-8 Filled Seats                            | 2.28   | \$8,637 x  | 0 =           | \$0                 |
| K-8 Unfilled Seats                          | 2.28   | \$8,637 x  | 0 =           | \$0                 |
| 9-12  | 2.82   | \$9,546 x  | 0 =           | \$0                 |
| <b>Needs Weight Subtotal</b>                |        |            | <b>=</b>      | <b>\$1,151,617</b>  |
| No Child Left Behind Transfer               | 0.53   | \$2,000 x  | 0 =           | \$0                 |
| <b>TOTAL FSF FORMULA</b>                    |        |            | <b>=</b>      | <b>\$13,794,457</b> |

John receives a Middle School Base weight and Anna receives a High School one.

John receives a Well Below Standard Academic Intervention weight

John and Anna receive ELL weights

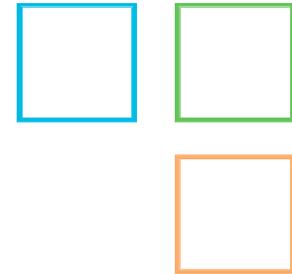
John receives a special education weight



# Projected and Audited Enrollment

All principals completed a Projected Enrollment tool in early March. These projections for General Education and Special Education, along with FY07 audited student attributes, serve as a basis for the Fair Student Funding allocation for FY08.

| October 31, 2007 Register Projection   |  |          |           |           |           |           |           |           |          |          |          |          |          |          |      |            |
|--|--|----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|----------|----------|------|------------|
| Region: 09 District: 01 School: 015 Boro: M PS 015 ROBERTO CLEMENTE Date: 4/24/2007  |  |          |           |           |           |           |           |           |          |          |          |          |          |          |      |            |
| Principal Comment: D75 inclusion-gr. 1-2; gr.2-2; gr.3 1; gr. 4-2; Reference Info./Register Projection indicates gr. 6 (PS 15 only goes to gr. 5); present SETSS do not reflect projections for 07-08; Gr. 5 CTT with anticipated numbers 11 students; register projection reflects 2 CTT classrooms; only gr 5 planned. |  |          |           |           |           |           |           |           |          |          |          |          |          |          |      |            |
| The principal has requested a review of the register projections.  |  |          |           |           |           |           |           |           |          |          |          |          |          |          |      |            |
| Register Projection  |  | KG       | 01        | 02        | 03        | 04        | 05        | 06        | 07       | 08       | 09       | 10       | 11       | 12       | SPED | Total      |
| A.   | Self Contained Special Education (≥ 60% SPED)                                    | Register | 0         | 0         | 0         | 0         | 4         | 3         | 0        | 0        | 0        | 0        | 0        | 0        |      | 7          |
|  | Classes  |          |           |           |           |           |           |           |          |          |          |          |          |          | 1.0  | 1.0        |
| B.   | Sp Ed Pupils in Collab/Team Teach. (≥ 60% SPED)                                  | Register | 10        | 0         | 0         | 0         | 0         | 9         | 0        | 0        | 0        | 0        | 0        | 0        |      | 19         |
|  | Classes  |          |           |           |           |           |           |           |          |          |          |          |          |          | 2.0  | 2.0        |
| C.   | HS Pupils in PT CTT (20-60% SPED) (students where this is their only SE service) | Register |           |           |           |           |           |           |          |          | 0        | 0        | 0        | 0        |      | 0          |
| D.   | SETSS (≤ 20% SPED)   | Register | 0         | 3         | 0         | 1         | 0         | 1         | 0        | 0        | 0        | 0        | 0        | 0        |      | 5          |
| E.   | Multiple SETSS (ES/MS Only) (20-60% SPED)  | Register | 0         | 0         | 0         | 0         | 0         | 0         | 0        | 0        |          |          |          |          |      | 0          |
| F.   | D75 Inclusion  | Register | 0         | 1         | 1         | 2         | 3         | 1         | 0        | 0        | 0        | 0        | 0        | 0        |      | 8          |
| G.   | General Ed (Remaining Pupils)  | Register | 29        | 33        | 37        | 33        | 28        | 25        | 0        | 0        | 0        | 0        | 0        | 0        |      | 185        |
| <b>Total Budget Register (excludes LTAs)</b>   |  |          | <b>39</b> | <b>37</b> | <b>38</b> | <b>36</b> | <b>35</b> | <b>39</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |      | <b>224</b> |



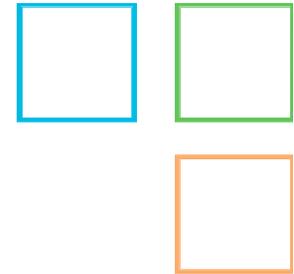
# Mid-Year Budget Adjustments

- Fair Student Funding must balance the need for stability, timing, and accuracy of funding. In feedback sessions, principals indicated a strong preference for stability and lead time when planning resources with school budgets. It was cost-prohibitive to provide for upward not downward adjustments.
- As with the traditional budgeting process, mid-year adjustments will continue for Grade Level and Special Education weights and will be made based on audited October 31<sup>st</sup> registers.

| Basis               | Grade Weights | SPED | ELL | Poverty | Achievement |
|---------------------|---------------|------|-----|---------|-------------|
| Projected FY08      | X             | X    |     |         |             |
| Audited FY07        |               |      | X   | X       | X           |
| Mid Year Adjustment | X             | X*   |     |         |             |

- Schools are held harmless to their FY08 Status Quo. Since the traditional budgeting process incorporates only Audited student attribute information - there will be no student attribute adjustments in FY08.
- In FY08, an appeals process will cover student attribute changes but **only** for schools who 1) are **below** their FSF Formula and 2) can demonstrate **significant swings** from the Audited FY07 student needs population

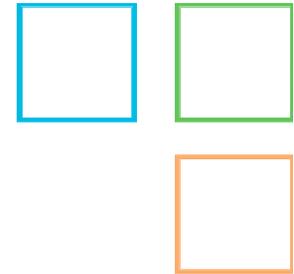
\*There is no adjustment at the Elementary and Middle school for self-contained and CTT students



# Special Education

## Special Ed Mid-Year Adjustment Process:

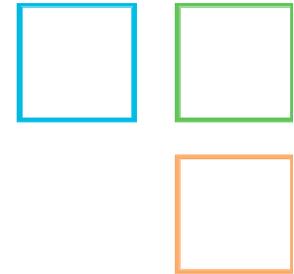
- The following FSF special education categories will follow the traditional mid-year adjustment process where ASA/Set Aside is calculated and distributed in advance of the final mid-year adjustment:
  - Less than 20% - all grade levels
  - Between 20 and 60% - all grade levels
  - Greater than 60% Self-Contained - High Schools only
  - Greater than 60% Integrated - High Schools only
- Given the current policy to fund empty seats in self-contained and CTT classes, there will be no mid-year adjustment for these Greater than 60% Self-Contained and Greater than 60% Integrated categories at the elementary and middle school levels.
- Opening of additional self-contained and CTT classes is subject to approval by the Deputy Superintendent for Special Education and the Chief Financial Officer.



# Special Education

## Key Changes to Special Education Funding:

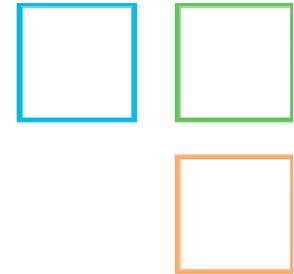
1. Schools will receive per student funding based on the number of periods a day that a student requires special education services rather funding based on a specific service delivery model.
2. Special Education students are also eligible for Poverty, ELL and Academic Intervention weights.
3. New discrete SETSS weight for students at the elementary and middle school level.
  - Discrete funding already exists at the high school level.
4. There will be no change in funding for other IEP-mandated services, including Related Services, IEP teachers, IEP paraprofessionals, Assistive Technology, APE Teachers and District 75 programs.



## Special Education

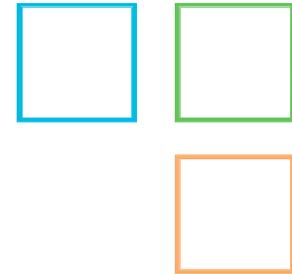
Transitioning to per capita funding for special education classroom services will:

- Provide schools with greater discretion over how they use their funds.
- Foster development of modified classroom instructional models that expand beyond self-contained and CTT and can be tailored to best meet the needs of the students.
- Eliminate the view of special education as strictly prescriptive, immovable and segregated from the kinds of innovative thinking that occurs in general education.
- Facilitate the elimination of the notion of special education as a “place.”



# Special Education

- Funding for special education students will be distributed based on the following four categories:
  1. Less than 20% (SETSS)
  2. Between 20 and 60% (multiple SETSS and part-time CTT)
  3. Greater than 60% Self-Contained (12:1, 12:1:1 and 15:1)
  4. Greater than 60% Integrated (CTT)
  
- To help transition schools from position based funding to per capita funding, the DOE will continue to fund the cost of the current projected number of empty seats in anticipation of greater classroom utilization after the start of the school year.
  
- The following slides compare the traditional position-based funding methodology to the FSF methodology for CTT and self-contained students at the elementary school level.



# Special Education: Example #1

## CTT Example

- Enrollment – 25
- Classes – 3
- Empty Seats – 5
- Average Teacher Salary (ATS) - \$67,000

## Status Quo CTT Classroom Allocation

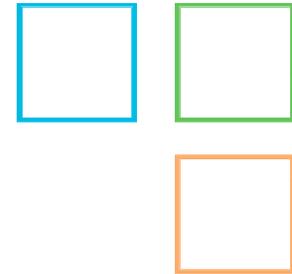
$$\frac{3}{\text{Classes}} \times \frac{\$67,000}{\text{ATS}} \times \frac{1.2}{\text{Coverage}^*} = \frac{\$241,200}{\text{Total Allocation}}$$

## Greater than 60% Integrated Funding

$$\left[ \frac{25}{\text{Enrollment}} + \frac{5}{\text{Empty Seats}} \right] \times \frac{\$8,500}{\text{Per Student}} = \frac{\$255,000}{\text{Per Student Allocation}}$$

\* Coverage varies by school under the Status Quo. In general 20% is added to the total allocation to fund classroom coverage, however, the amount is reduced if a school has an IEP teacher.

# Special Education: Example #2



## Self-Contained Example

- Classes:
  - 12:1 – 2 classes
  - 12:1:1 – 1 class
- Enrollment – 30
- Empty Seats – 6
- Average Teacher Salary ATS - \$67,000
- Average Para Salary - \$30,000

### Status Quo Self-Contained Classroom Allocation

$$\frac{3}{\text{No. Classes}} \times \frac{\$67,000}{\text{ATS}} \times \frac{0.2}{\text{Coverage}} + \frac{\$30,000}{\text{Para}} = \frac{\$271,200}{\text{Total Allocation}}$$

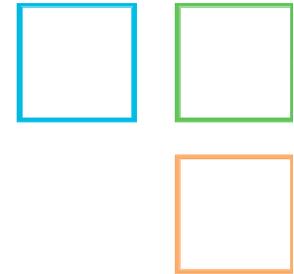
### Greater than 60% Self-Contained Funding

$$\left[ \frac{30}{\text{Enrollment}} + \frac{6}{\text{Empty Seats}} \right] \times \frac{\$4,600}{> 60\% \text{ Per Student}} = \frac{\$165,600}{}$$

$$+ \frac{30}{\text{Enrollment}} \times \frac{\$3,800}{\text{Grade Level Per Student}} = \frac{\$114,000}{}$$

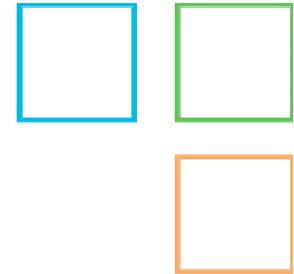
$$= \frac{\$279,600}{}$$

Total Funding for Self-Contained Student  
(Before Incremental ELL, Poverty and Academic Weights)



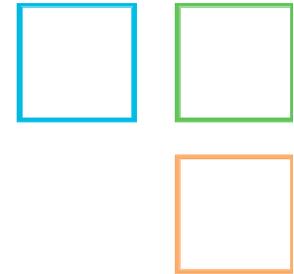
## Agenda

1. New Dollars Gradually Increase Equity
2. More Unrestricted Dollars
3. School Budget Based On Students
4. Principals Responsible for Teachers' Salaries



## What Remains the Same

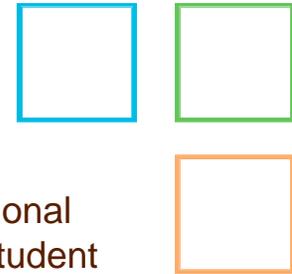
- Charge schools for all teachers at a single rate, the *school's* average teacher salary
- Enable schools to replace departing senior teachers with other senior teachers next year, other things being equal
- Continue to adequately fund schools for salaries of “base” teachers currently on budgets



## What Changes

- Principals Responsible for Costs of New Hires
- Schools can choose whether to invest in more or less senior teachers, with consequences for budgets
- Schools must plan for the costs of their teachers
- A One-Year Lag for Decisions to Take Effect

# How Does This Impact My Decisions When Hiring Teachers?



- No longer a penalty for schools that hire junior teachers. Unlike in status quo positional budgeting, a school will retain the savings and can use for additional teacher and student supports.
- Schools with a hold-harmless will be able to replace a senior teacher with another senior teacher at similar costs, other things being equal.
- New hires will be charged at SW Average: “Buy Now, Pay or Save Later”
  - Additional cost or savings resulting from hiring decision is delayed one year to allow planning time

## Status Quo Budgeting

Budget: Base Teachers at SW Average (Positional)  
Charge: SW Average Salary of \$70k

Replacement Hire: \$60k

- Budget *reduced* by \$10k
- Expenses *reduced* by \$10k
- No effect

Replacement Hire: \$80k

- Budget *increased* by \$10k
- Expenses *increased* by \$10k
- No effect

## Fair Student Funding

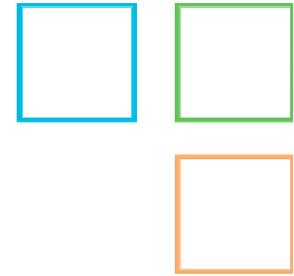
Budget: Based on Student Mix  
Charge: SW Average Salary of \$70k

Replacement Hire: \$60k

- Budget is *not* reduced
- \$10k *savings* for FY09 used for other supports such as mentoring, extended day programs, supplies, and/or intervention

Replacement Hire: \$80k

- Budget is *not* increased
- \$10k in *additional* cost for FY09 funded with tradeoffs



# Buy Now, Save *or* Pay Later: Different Impacts at Different Schools

## FY08

A school that receives FSF Incremental funding:

- Can immediately spend it at principal's discretion – might choose to hire additional teachers (Charge: FY08 SW Average).

A school that is held harmless:

- Can replace departing teachers (Charge: FY08 SW Average)

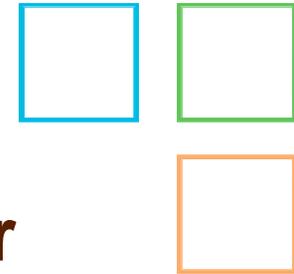
## FY09

FY08 hiring decisions at all schools affect the FY09 SW Average salary

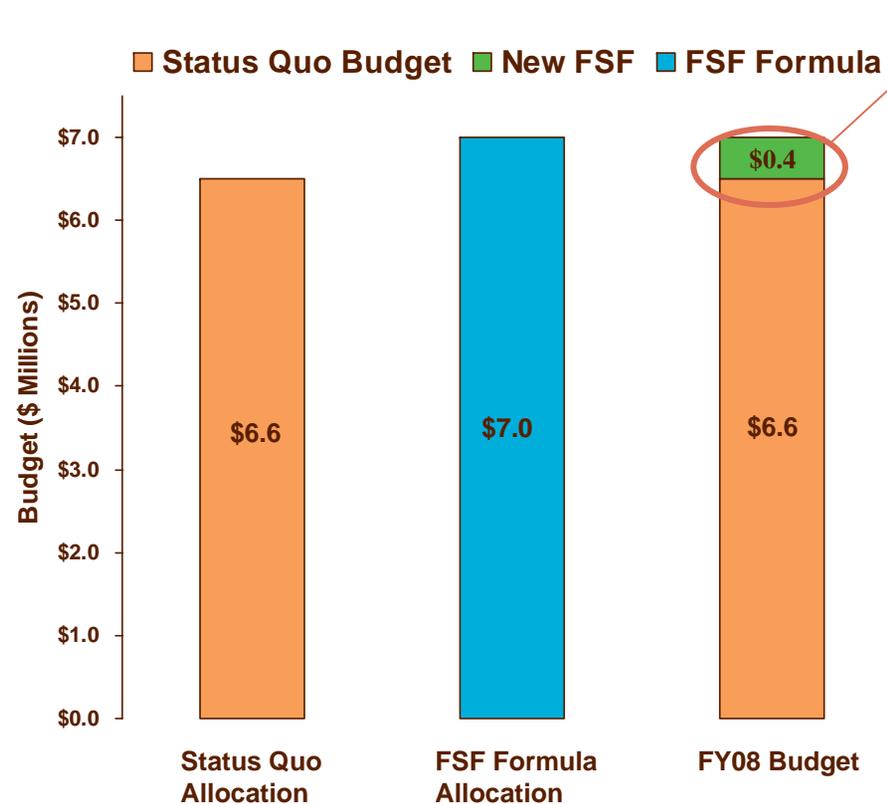
- This means that FY08 hiring decisions will either provide savings or cost more – impacting available resources in FY09.

**The following slides explain in detail how this works.**

# Schools Below FSF Formula Can Spend New Dollars on Teachers this School Year



Status Quo Budget = 100 teachers x \$60k (SW Average) + \$600k Other = \$6.6M, FSF result: \$6.9M



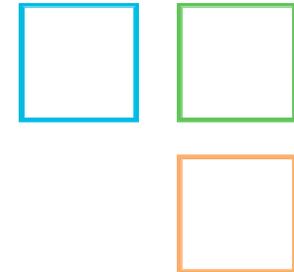
\$400,000 in FSF incremental funding can be spent at principal's discretion *immediately*

We plan to bring all schools to their full FSF Formula allocation next year.

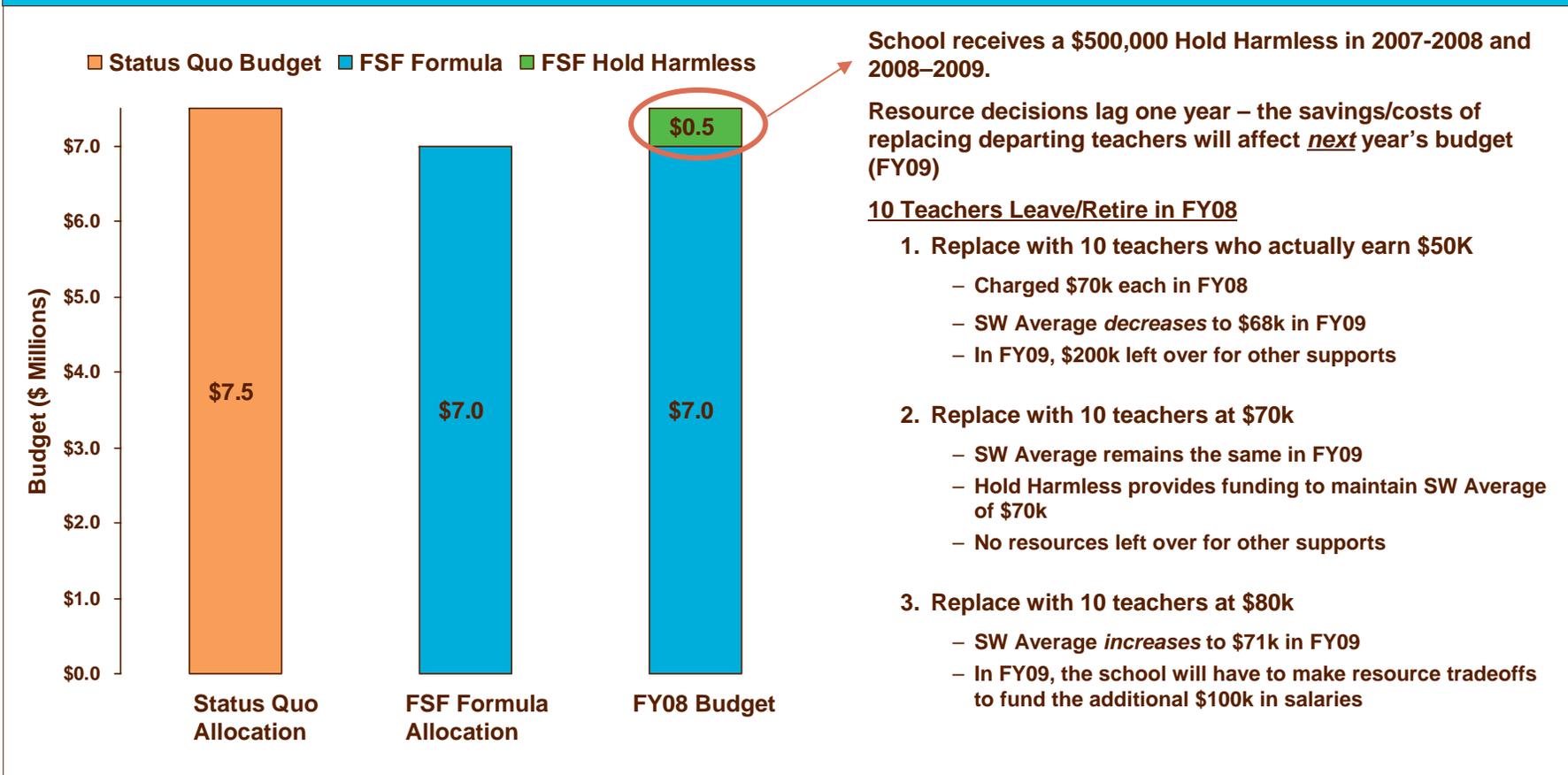
### Resource Alternatives with New FSF Funds

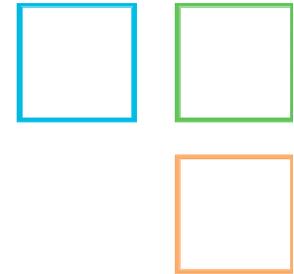
- Hire 6 additional teachers who actually cost \$50k, but will be charged at \$60k until FY09. Spend remaining \$40k on other supports in FY08.
  - FY09 SW Average would *decrease* to \$59.4k
  - In FY09, additional \$60k left over for other supports
- Hire 4 additional teachers who actually cost \$80k, but charged at \$60k until FY09. Spend remaining \$160k on other supports in FY08.
  - FY09 SW Average would *increase* to \$60.8k, a total increase of \$80k
  - \$80k of the \$160k used to purchase supports in FY08 would have to be re-directed in FY09 to support increase in SW Average
  - Starting in FY09, as SW teacher salary rises, the decision to only hire experienced staff may require additional resource trade-offs

# Schools Above FSF Formula Are Held Harmless – Impact of Replacing Departing Teachers Is Delayed A Year



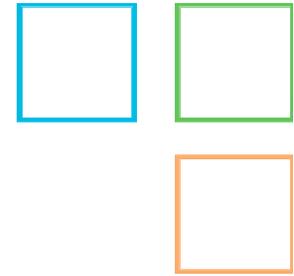
Status Quo Budget = 100 teachers x \$70k (SW Average) + \$500k Other = \$7.5M, FSF result: \$7.0M





## Operational Notes on Salaries

- School-wide teacher average salary is charged at a blended average of pre-FSF and post-FSF teachers
- Pre-FSF teachers will be tagged by DBOR (for FY06-07)
  - More details forthcoming; key point is that salaries for *base* teachers are covered
- Non-teaching positions stay at current policy of charging at actual cost:
  - Parent Coordinators and School Aides
  - Assistant Principals and Principals
  - Ed Paraprofessionals
  - Guidance Counselors
- Reimbursables continue to follow same rule as tax levy teachers or positions, but with fringe benefits
- Valuing vacancies – see Galaxy training

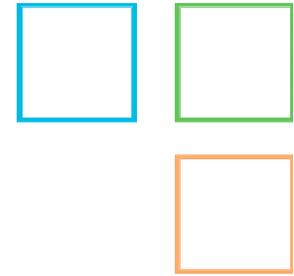


## Policy Change on Excessed Teachers

Empowerment means principals bear chief responsibility for staffing. This means principals are responsible for the staff currently in their building.

- Excessing is NEVER an acceptable method for dealing with unqualified staff. Principals should seek to U-Rating, counseling out, etc.
- Under tighter policy this year, DOE will require schools to self-fund excesses, absent extraordinary circumstances
- The DOE will reduce the number of acceptable reasons and reason codes for excess teachers eligible for self-funding
- For excess teachers whom schools self-fund, schools may select a new reason category, "school-funded excess." This will allow these teachers to obtain transfers through the Excess Staff Selection System beginning on August 8.

# Two Tiered Process For Determining When A Teacher Can Be Excessed



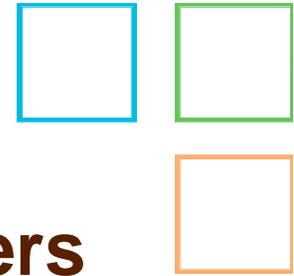
## Allowed reasons for excessing:

- Grade Loss or Reconfiguration (confirmed centrally)
- Grant reduction or ending only if not foreseeable
- Register Loss of at least 5%
- Loss of need for mandated IEP Para

(Within these categories, schools must also demonstrate financial need under FY07 SAM #36.)

## Disallowed reasons for excessing:

- Return from Sabbatical
- Mandated positions no longer needed
- Potentially anticipated grant reduction or ending
- Program Ending
- Program Restructuring/Different License



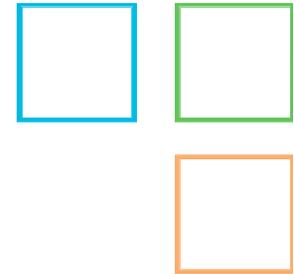
## Additional Policies on Excessed Teachers

### Discounting for excessed teachers:

- Available only for teachers in excess at least 6 months.
- School will be eligible for discount equal to the difference between teacher's actual salary and first-year teacher salary in year 1, 50% of difference in year 2.

### Refunding for poor performers:

- Schools that discontinue probationary excessed teachers or bring centrally approved 3020-a charges against tenured teachers serving as ATRs will be refunded the amount charged for use of the ATR. This reflects that fact that they did not receive value for the assignment.



# Tools for Smart Staffing Decisions

Principals are responsible for the teachers in their buildings

- Hiring
- Tenure
- Retention
- Rating
- Excessing is not a management tool

**New tools will help principals fulfill these responsibilities:**

- **RMS:** Applications through the Recruitment Management System contain information about applicants' teaching history and education experience
- **OMTS:** Applications received through the Open Market system contain information about the forecasted 2008 salary of the applicant.
- **Tenure management:** Principals receive notices and reminders of dates when teachers are scheduled to receive tenure.