



# Contracts for Excellence

FY 2018 Proposed Plan:  
*Borough Hearing*  
July 2017

# Contracts for Excellence (C4E) Overview

- NYCDOE receives Foundation Aid from the State, making up a portion of the overall budget.
- A November 2006 Court of Appeals decision stated that every public school child in the State has a right to a "sound basic education" and that the State has the responsibility to increase funding for New York City's public schools.
  - As a result of this court decision, the New York State Legislature passed legislation requiring that, for each school district that has at least one school that requires academic progress or is in need of improvement, the school district would receive an increase in foundation aid and a portion of that foundation aid would be subject to the categorical spending requirements of the Contract for Excellence. Funds were first received in the 2007-2008 school year.
- These funds, under State law, must be distributed to schools that meet certain requirements and must be spent by those schools in designated program areas, set forth in the Contract for Excellence legislation.

# Contracts for Excellence (C4E) Requirements

## 1. Funds must support specific program initiatives:

- > **Class Size Reduction** – *opening additional class sections, creating more classrooms or school buildings, assigning more than one teacher to a classroom, and other approved methods, to facilitate student attainment of State learning standards, with priority given to pre-K through grade 12 students in overcrowded schools, particularly those requiring academic progress, schools in need of improvement, schools in corrective action, and schools in restructuring status*
- > **Time on Task** – *programs focusing on students who may require additional or increased individualized attention in order to raise achievement*
- > **Teacher & Principal Quality Initiatives** – *programs supporting development & retention of high quality teachers and principals for raising achievement in struggling schools*
- > **Middle & High School Restructuring** – *instructional and structural changes in middle and high schools to support class size reduction and raise achievement in struggling schools*
- > **Full-Day Pre-Kindergarten Programs**
- > **Model Programs for English Language Learners** – *programs aimed at supporting schools in adopting “best practices” for raising achievement among English Language Learners*

# Contracts for Excellence Requirements (cont'd)

## 2. Funds must be allocated predominantly to students with the greatest educational needs:

- > English Language Learners
- > Students in Poverty
- > Students with Disabilities
- > Students with Low Academic Achievement or At Risk of Not Graduating

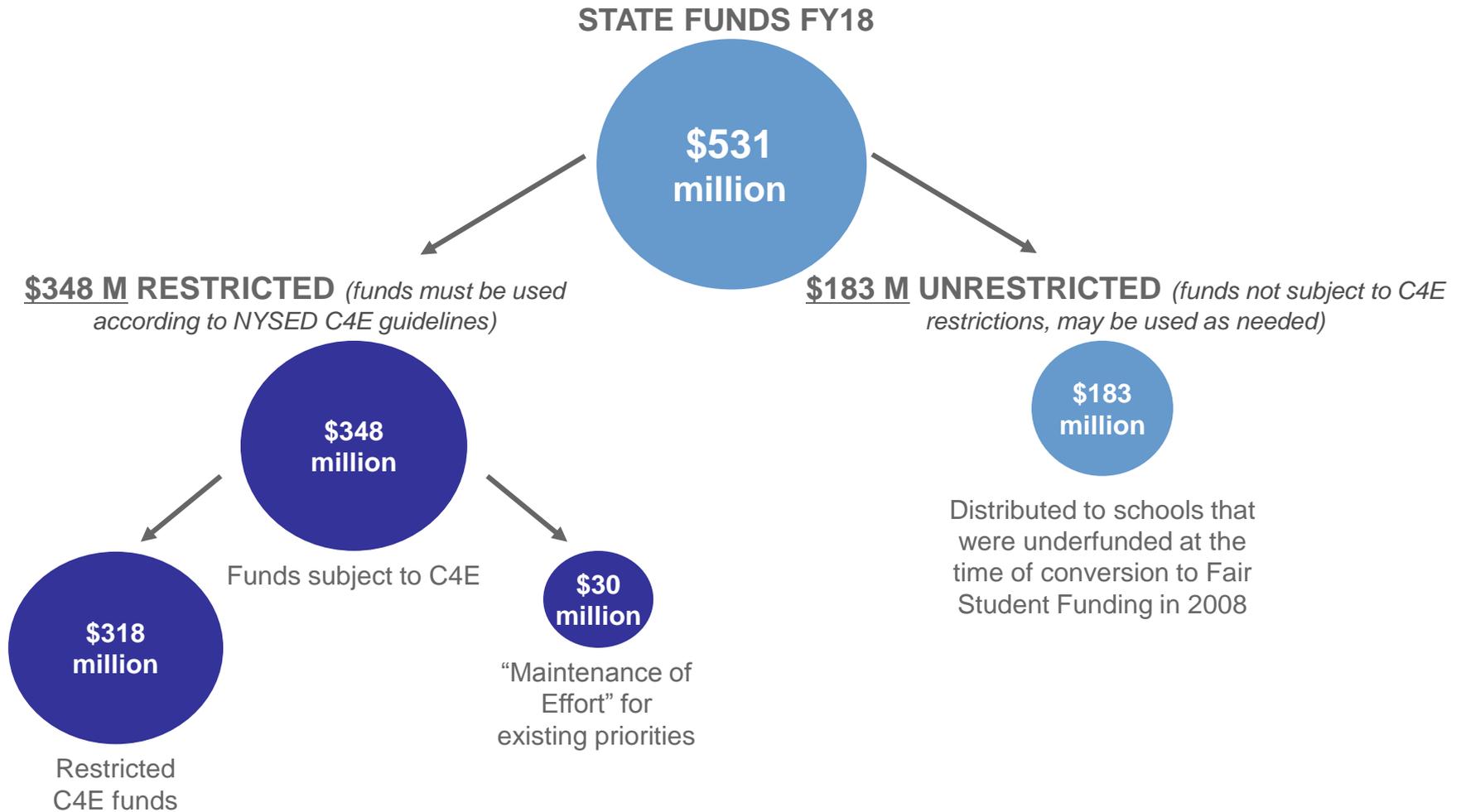
## 3. Funds must supplement, not supplant:

- > Expenditures made using C4E funds must “supplement, not supplant” funding provided by the school district; however, SED has provided guidance explaining that certain expenditures may be paid for with C4E funds even though these programs or expenditures were originally or have been typically paid for by the district or by other grants. For example, if a program had been funded by a different grant, but that grant funding has been cut, then C4E funds can be used to fund the program.
- > For new or expanded programs only
- > Should be used towards meeting schools’ overall educational goals as outlined in the School Comprehensive Educational Plan (SCEP)

# Contracts for Excellence 2017-2018

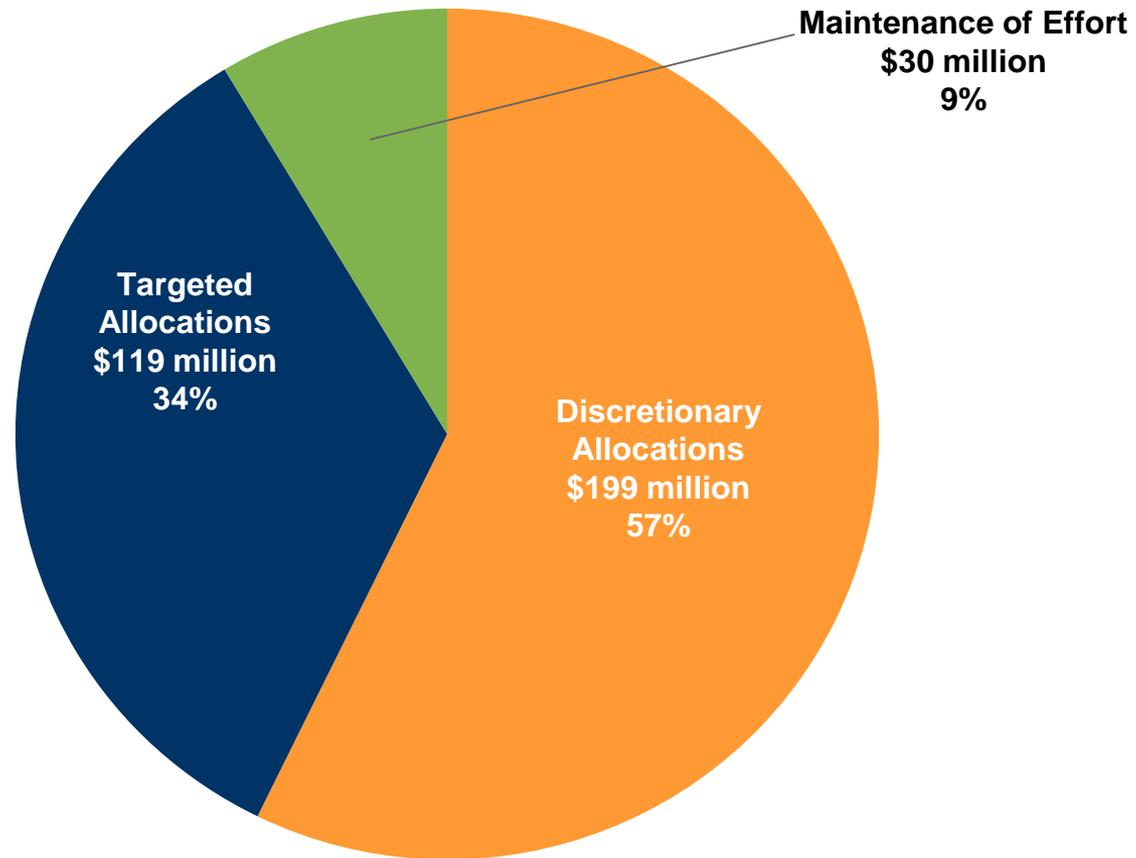
- The New York State 2017-2018 Budget continues Contract for Excellence requirements for New York and maintains the same funding level for the Contracts for Excellence allocation as was provided in the 2016-2017 school year.
- FY 2018, there are **no new Contract for Excellence funds** to apply towards new or expanded programs.
  - NYCDOE is in “maintenance of effort” status, meaning that C4E funds will be used to maintain programs that were approved in prior years.
- The total C4E amount for FY 2018 is \$531 million, out of which \$183 million is embedded in Fair Student Funding, the primary funding source for schools. Fair Student Funding is allocated based on student educational attributes including ELL, Individualized Education Program (IEP), academic proficiency, and poverty status. Details for Fair Student Funding can be found by visiting: [http://schools.nyc.gov/offices/d\\_chanc\\_oper/budget/dbor/allocationmemo/fy17\\_18/am\\_fy18\\_fsf1.html](http://schools.nyc.gov/offices/d_chanc_oper/budget/dbor/allocationmemo/fy17_18/am_fy18_fsf1.html)
- The remaining \$348 million is distributed to schools through school allocation memos, also known as “SAMs”.
- This presentation explains how the \$348 million is allocated.

# State Funding Breakdown



# NYC's 2017-18 Preliminary C4E Plan

How We Propose to Allocate the \$348 Million Restricted Funds



The FY 2018 Contracts for Excellence allocations described in this plan are preliminary. Funds are subject to a public engagement process and approval by the State Education Department. Please note that distribution of all funds is subject to allocation guidelines as specified in State regulations.

## Discretionary Allocations to Schools

Amount	<p><b>\$ 199 million</b> in restricted Contracts for Excellence funds were released to 1,400+ schools in June 2017.</p> <p><i>57% of total restricted Contract funds</i></p>
Use	<ul style="list-style-type: none"><li>• Continuity of service for existing C4E programs.</li><li>• However, if a school cannot maintain effort because of significant changes in its student population or its overall instructional strategy, it could choose to reallocate funds to a different allowable program area.</li></ul>

## Targeted Allocations to Schools

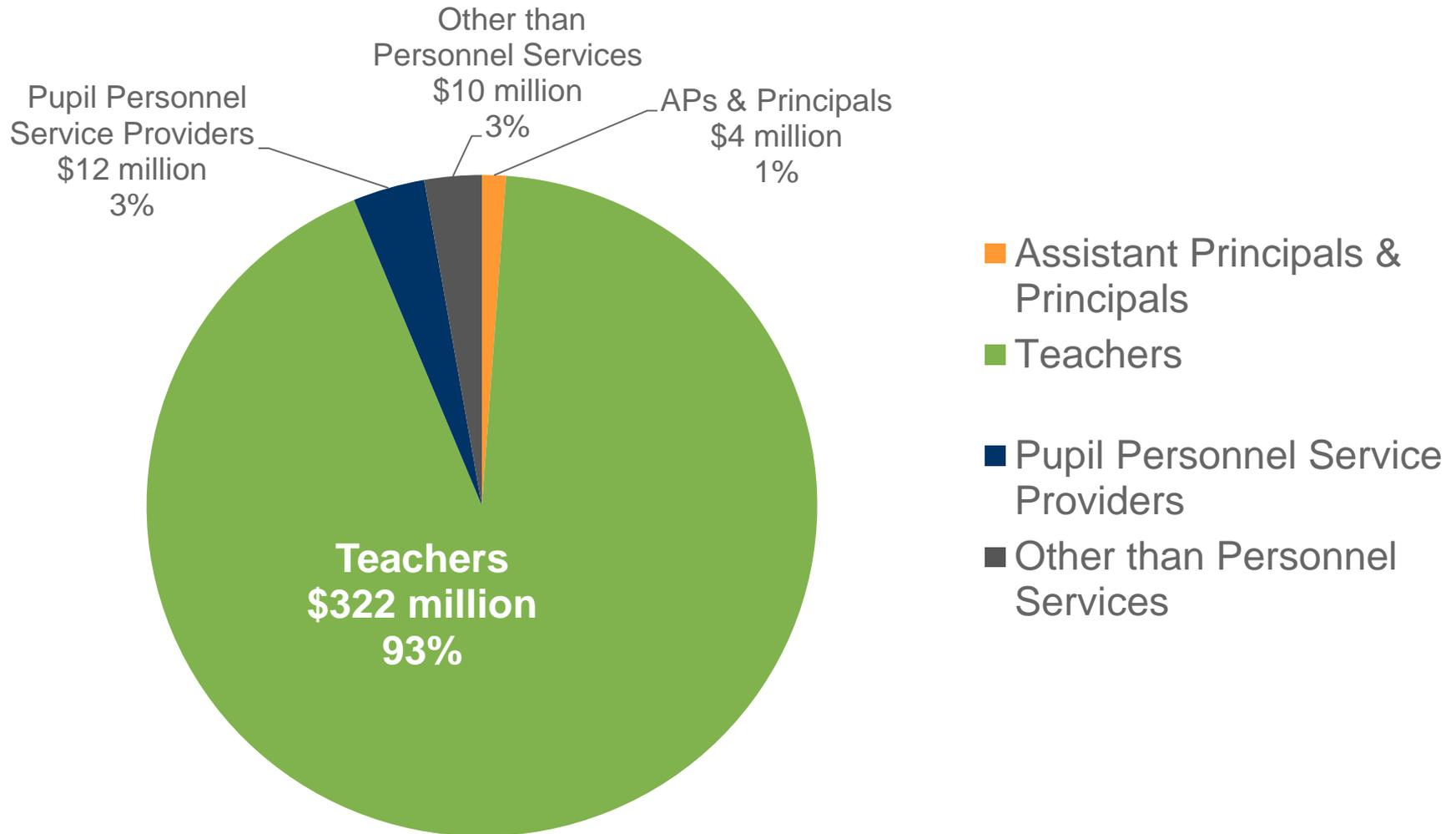
Amount	<p>About <b>\$119 million</b> of C4E funds were targeted for specific programs. Schools receiving allocations were chosen based on a) overall student need and b) capacity to carry out the specific programs.</p> <p><b>34%</b> of total restricted Contract funds</p>
Use	<p>Funds allocated by the DOE directly to schools for specific uses that are eligible within the C4E programs areas:</p> <ul style="list-style-type: none"> <li>▪ \$105 million – <i>Integrated Co – Teaching Classrooms (ICT)</i> <i>(Formerly Collaborative Team Teaching (CTT))</i></li> <li>▪ \$9.2 million – <i>Full-Day Pre-K</i></li> <li>▪ \$4.6 million – <i>Autism Spectrum Disorder (ASD) Classrooms</i></li> </ul>

## Maintenance of Effort

Amount	<p><b>\$30 million</b></p> <p><b>9%</b> of total restricted Contract funds</p>
Use	<p>The Department proposes to spend these funds to maintain summer programs impacting the students with the lowest academic achievement in the City.</p>

# How C4E Dollars Are Spent

## Expenditures for the \$348 Million Restricted Funds



# Class Size Reduction Planning

- The original five-year class size reduction plan, which was introduced in 2007, was changed in 2010 to a methodology that focused on the 75 lowest performing schools with high class sizes, and that has continued in subsequent years.
- Last year, NYCDOE focused on class size reduction in the Renewal School Program. These schools align well with the goals of Contracts for Excellence, as they serve students with the greatest educational needs, including students in poverty, students with disabilities, and students with limited English proficiency, and many of these schools are historically low performing and have high class sizes.
- For the 2017-2018 school year, NYCDOE will continue to focus on the Renewal Schools in its class size reduction efforts. However, since the class size reduction plan is currently the subject of litigation before the State Commissioner of Education, these planning efforts are subject to change, depending on the Commissioner's final determination.
- For more information and for a list of Renewal Schools please visit: <http://schools.nyc.gov/AboutUs/schools/RenewalSchool>

# Public Comment

We will take public feedback into account in the coming months as we continue to develop a citywide Contracts for Excellence plan.

The deadline for submitting public comments will be **August 13, 2017**.

The public may comment on any aspect of the plan, including:

- How schools are planning to spend their discretionary funds within the six allowable program areas
- How the DOE is allocating targeted Contract funds to schools
- The public comment process

Educators, parents, and all other members of the New York City community with feedback should e-mail us at [ContractsForExcellence@schools.nyc.gov](mailto:ContractsForExcellence@schools.nyc.gov)