

B. Summary of Major Fiscal Year 2005 Budget Changes

In preparation for the Fiscal Year 2005 budget, Department of Education staff from across the agency -- representing Instruction, Planning, Operations, and the Regions -- came together to review the major allocation formula: the Basic Instructional Services formula and the Special Needs/Academic Intervention Services formula. This review process generated a number of formula changes which incorporate the dual objectives of more equitably distributing basic resources across all schools, while targeting supplemental resources to areas of greatest need. The following information describes these changes.

I. Allocation Formula Changes – Basic Instructional Services

The Basic Instructional Services formula has three components: 1) School Overhead Allocation; 2) Base Teacher Allocation; and, 3) Basic Instructional Services Per Capita Allocation. For complete information about each of these components see Section D of SAM #1.

http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/d.pdf

The information below highlights the *changes* in these formula components for fiscal year 2005.

SCHOOL OVERHEAD ALLOCATION

The School Overhead Allocation formula provides for the minimum school overhead needs. For Fiscal Year 2005, this formula changes from a fixed allocation to a variable allocation, tied to the number of pupils on a school's projected register. The table below shows all the traditional elements of the school overhead formula, which vary by school type (Elementary, Middle School and High School). All the traditional elements, added together, result in the total allocations shown as "current." The green elements, added together, result in the allocations shown as "basic."

School Overhead Support Elements			
	Elem	MS	HS
Principal	\$105,000	\$110,000	\$115,000
Supervisory Support	\$0	\$0	\$100,000
School Secretary	\$37,000	\$37,000	\$37,000
Guidance Counselor	\$0	\$62,000	\$62,000
Librarian	\$0	\$60,000	\$60,000
School Aide	\$22,000	\$22,000	\$22,000
Sch Leadership Team	\$4,200	\$4,200	\$4,200
Chapter Leader	\$32,000	\$0	\$0
Circular 6	\$27,000	\$27,000	\$27,000
Misc (rounding)	\$2,800	\$2,800	\$2,800
Current	\$230,000	\$325,000	\$430,000
Basic	\$195,200	\$262,200	\$267,200

All schools will be given funding to cover the *basic* overhead elements (in green). But, schools with projected pupil registers above 600 will fund a *portion* of the current, traditional school overhead costs – shown in white. The larger the school, the more of the current, traditional overhead costs it will fund. The following chart summarizes the phase-in of overhead costs as a school’s register grows.

SCHOOL OVERHEAD			
Register Range	Less Than	between	at/above
EL	600		1,200
MS	600		1,200
HS	600		1,200
Overhead Amount			
	Current	Variable	Basic
EL	\$230,000	(\$58)	\$195,200
MS	\$325,000	(\$105)	\$262,200
HS	\$430,000	(\$271)	\$267,200

All schools with registers of 600 and below will receive funding for *all current* overhead elements. Mid-sized schools will need to fund a greater share of non-basic overhead costs as their size increases. For example, in an Elementary School, each student over 600 will decrease the “current” overhead allocation by \$58. When the school’s register reaches 1,200, the school will receive a basic overhead allocation of \$195,200. Schools with pupil populations over 1,200 will receive funds for 100% of basic overhead costs (shown in green).

BASE TEACHER ALLOCATION

The base number of teachers is the projected register divided by the class size. This allocation provides teachers for general education, special education inclusion, and special education self-contained classes. In Fiscal Year 2005, the formula for calculating the number of teachers for self-contained and collaborative team teaching is changed.

- For Fiscal Year 2005, the formula now computes the number of teachers for **self-contained special education** classes at a class size of 12 pupils to one teacher. In Fiscal Year 2004, special education self-contained pupils were included with the general education population and received the general education teacher to pupil ratio (for example, in early grade classes at a ratio of 25 students to one teacher.)

- For Fiscal Year 2005, we have added a new class category specifically for special education **Collaborative Team-Teaching (CTT)**. The new category will fund the special education CCT teacher at a ratio of one special education teacher for ten special education pupils. Since these pupils are *also* counted in the general education register, they will also generate resources to fund the general education teacher who is part of the Collaborative Team-Teaching model.

BASIC INSTRUCTIONAL SERVICES PER CAPITA ALLOCATION

A per capita allocation is provided to support basic school needs not covered by the school overhead and basic teacher components. In Fiscal Year 2004, Elementary and Middle Schools received allocations based upon the same per capita rate; High Schools received allocations based upon a different rate. For Fiscal Year 2005, each type of school will receive allocations based upon its own per capita rate. The per capita for Middle Schools, in particular, is being increased in Fiscal Year 2005.

The shift of certain funds out of the basic instruction allocation category and into targeted allocations (e.g., Project Arts) will lower the Basic Instructional Services Per Capita rates in fiscal year 2005 compared to fiscal year 2004. A small decrease, less than 2%, is due to the impact of non-recurring revenues on the Department of Education's budget.

II. Allocation Formula Changes – Special Needs/Academic Intervention Services

The Special Needs/Academic Intervention Services (SN/AIS) formula traditionally funds both IEP mandates of special education students and an array of non-special education supports. (For more details, please refer to SAM#1 Section E

http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/e.pdf)

In Fiscal Year 2005, SN/AIS will continue to provide this flexibility, but a significant portion of the funds traditionally allocated by this formula are being removed and placed in new, targeted allocations for special education mandates. The new, targeted allocations include:

IEP-Mandated Paraprofessionals (See Section H for details

http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/h.pdf)

In Fiscal Year 2005, schools with pupils with IEP-mandated Paraprofessional Services will receive a *targeted* IEP Paraprofessional allocation. Only schools with special education students whose IEPs mandate Paraprofessional Services will receive these funds. If these students subsequently transfer from their current school, which received this funding, the funds will be transferred to the schools receiving these students (to the extent the students continue to need mandated Paraprofessional Services under their IEPs).

Related Services Speech and Counseling (See Section M for details
http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/m.pdf)

To better target and more efficiently deploy mandated speech teachers and counselors across schools, funding for these services will be allocated by the regions to schools as needed.

Section 504 Services (See Section N for details
http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/n.pdf)

Funds to provide Section 504 Services will be allocated to schools as approved by the region and the Director of Health.

Assistive Technology (See Section F for details
http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/f.pdf)

Funds for Assistive Technology will be provided to regional CSEs which will be responsible for providing these services to pupils, as needed.

Special Needs/Academic Intervention Services (SN/AIS) (See Section E for details
http://www.nycenet.edu/offices/d_chanc_oper/budget/dbor/allocationmemo/fy04-05/datafiles/e.pdf)

The Special Needs/Academic Intervention Services (SN/AIS) formula for Fiscal Year 2005 is being changed to take account of new, targeted allocations which will address many of the special education needs previously funded from this allocation. As a result, the weightings of the various components of the formula are being changed. The pupil weightings are shown below:

- General Education Student = 1.00
- Student scoring at Level 1 or below 55% on English or Math Regents = 2.00
- Free-lunch eligible pupils = 1.00
- Limited English Proficient student = .5
- Special Education Students = .5

The new, targeted Allocation Categories will address many special needs previously funded from SN/AIS. Funding for the new, targeted allocations is being transferred out of the funding previously used for the SN/AIS per capita allocation. As a result, in Fiscal Year 2005, the SN/AIS per capita is smaller than in previous years, but the amount of mandated special education services SN/AIS will have to fund will be smaller, too.