

SCHOOL ALLOCATION MEMORANDUM NO. 06, FY09

DATE: June 30, 2008

TO: COMMUNITY SUPERINTENDENTS, INTEGRATED SERVICE CENTERS
AND SCHOOL PRINCIPALS

FROM: Susan Olds, Executive Budget Director

SUBJECT: Contracts for Excellence FY09 Discretionary Allocations

The DOE receives a portion of its overall budget in the form of Foundation Aid from New York State. While the State allows some of the increase in year-over-year Foundation Aid funding to be used for growth in general operating costs and investment in ongoing programs, the majority is subject to the provisions of the “Contracts for Excellence”. New York City schools received Contracts for Excellence, or C4E, funds for the first time in school year 2007-08.

In 2008-09, New York City schools will once again receive funds subject to the provisions of the Contracts for Excellence, which are as follows:

- **Program Area Guidance:** C4E dollars should be allocated in one or more of the following six program areas:
 - Class Size Reduction
 - Time on Task
 - Teacher and Principal Quality Initiatives
 - Middle School and High School Restructuring
 - Full-Day Pre-Kindergarten; and
 - Model Programs for English Language Learners (New in 2008-09)

For more information on eligible program options within these six program areas, please refer to Chapter 7 of the FY09 “Resource Guide to School Budgets”, which can be accessed here:
<http://schools.nyc.gov/AboutUs/BudgetsFairStudentFunding/Materials/default.htm>.

- **Students with the Greatest Education Need:** C4E funds must be used to improve the performance of students with the greatest educational need, including:
 - English Language Learners (ELLs)
 - Students with disabilities
 - Students in poverty; and
 - Students with low academic achievement / at risk of not graduating

2008-09 Contracts for Excellence Allocations

Schools will directly receive C4E funds in two forms in FY09:

Discretionary Allocations

Allocation Category	Contracts for Excellence (new in FY09)
Funding Type	Reimbursable (new in FY09)
Funding Restrictions	Subject to spending on programs in the six C4E-eligible areas
Other	Schools will be required to choose program area from a drop-down menu in Galaxy when scheduling funds

Targeted Allocations Meeting the C4E Eligibility Standards – **Not Covered in this SAM**

Allocation Categories	TL FSF (funding for CTT classrooms) TL ASD (funding for ASD classrooms) Others TBD
Funding Type	Tax-Levy
Funding Restrictions	Funds to be allocated for specific C4E-eligible uses
Other	Not covered in this SAM. Schools will be notified if they have C4E-eligible targeted allocations in their FY09 budgets

Discretionary Allocations

Schools were allocated C4E Discretionary funding according to an indexing system developed by the State Education Department (SED) and based on data submitted to SED by schools in conjunction with 2006-07 NCLB accountability.

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SED calculated a “Concentration of Need” factor for each eligible school, using the following data to represent C4E targeted student populations:

A	Students with Limited English Proficiency (LEP/ELL)	2006 LEP/ELL %
B	Students with Disabilities (SWD)	2006 SWD %
C	Students Receiving Free Lunch (Poverty)	2006 Free Lunch %
D	Students with Low Academic Achievement	2006 Weighted Low Academic Achievement %; see Appendix A for calculation
	Concentration of Need Factor	Metric A + B + C + D

Please note that for schools that did not submit student population data for the purposes of 2006 NCLB Accountability (e.g., 2007 new schools), or for which SED was missing data, average school type metrics were used. Please see Appendix B for a table of these school type averages.

After these Concentration of Need factors were calculated, schools were then rank-ordered from lowest to highest Concentration of Need factor and grouped them into quartiles of approximately equal numbers of students based on 10/31/07 audited data.

C4E regulations mandate that 75% of the city’s total C4E funding goes to the top 50% of needy schools, as identified through this ranking system, with SINI schools receiving at least their pro rate share of all funds regardless of quartile. In keeping with this mandate, funds were distributed on a per capita basis according to the following schedule:

For Schools In:	# Students Funded	Per Capita for SINI/SRAP Schools	Per Capita for In Good Standing / No Status Schools
Quartiles 1 & 2	10/31/07 audited enrollment x Concentration of Need Factor	\$198.75	\$112.16
Quartiles 3 & 4		\$235.28	\$235.28

All discretionary allocations will be made through a **“Contracts for Excellence”** allocation category in Galaxy.

A list of all school-level allocations as well as a spreadsheet containing all targeted student population metrics used in calculating Concentration of Need factors and quartiles may be accessed using the links below.

[C4E Student Population Metrics](#)

[C4E Allocations by School](#)

cc: Jennifer Bell-Ellwanger
Stephanie Lawkins

Appendix A: Weighted Low Academic Achievement Metric Calculation

	A	B	C	
	E/S ELA	E/S Math	Grad Rate	Total
Non-Achievement %	2006 Level 1 + Level 2 / Tested Population	2006 Level 1 + Level 2 / Tested Population	100 % - 2002 Cohort Graduation Rate	
Pupils	Tested Population	Tested Population	Students in 2002 Cohort	Sum of Pupils A – C
Enrollment Weight	Pupils/Sum of Pupils A-C	Pupils/Sum of Pupils A-C	Pupils/Sum of Pupils A-C	
Weighted Non-Achievement %	Non-Achievement % x Enrollment Weight	Non-Achievement % x Enrollment Weight	Non-Achievement % x Enrollment Weight	
School Total Weighted Non-Achievement %				Sum of Weighted Non-Achievement % A-C

Appendix B: School Type Averages by Targeted Student Population (based on SED data)

School Type	LEP/ELL %	SWD %	Free Lunch %	Low Academic Achievement %
Elementary	0.16	0.15	0.69	0.33
High school	0.12	0.11	0.62	0.43
K-8	0.13	0.14	0.65	0.40
Middle School	0.12	0.15	0.71	0.51
Secondary School	0.07	0.13	0.66	0.49