

SCHOOL ALLOCATION MEMORANDUM NO. 01, FY 2017

DATE: May 27, 2016

TO: Community Superintendents
High School Superintendents
Borough Field Support Center Teams
School Principals

FROM: Raymond J. Orlando, Chief Financial Officer

SUBJECT: Fair Student Funding

This memorandum allocates Fair Student Funding to schools and provides a brief overview of major budget changes in FY 2017.

Resources to Increase Equity System-wide

- The FY 2017 Executive budget provides significant new resources to schools.
- With additional State funding, this budget raises the Fair Student Funding floor from 82% this year to 87% in FY 2017.

New FSF ELL Weights

In addition to the pre-existing English Language Learning (ELL) weight, which will continue to support ELLs via the freestanding English as a New Language (ENL) weight, new and enhanced weights are implemented in FY 2017 in support of the recently amended New York State Commissioner's Regulation Part 154:

- Bilingual weights supporting ELLs in Transitional Bilingual Education (TBE) and Dual Language (DL) programs
- Commanding weights for ELLs achieving proficiency in the prior two years – newly mandated for ENL

In addition, there is a new FSF weight for ELL students with Interrupted/Inconsistent Formal Education (SIFE), which will help schools support this subgroup of ELL pupils.

New and Expanded Programmatic Supports

- **Physical Education:** Investing \$9 million in FY 2017, growing to approximately \$40 million in FY 2019, to increase compliance with the State mandate for physical education at all elementary schools
- **Career and Technical Education:** New investments to strengthen existing programs and open 40 new CTE programs by 2018-2019.
- **Dual Language:** Continued creation and expansion of dual language programs, and fostering increased collaboration through Model Dual Language Programs.
- **Special Education Specialized Programs:** New supports and expansion in Autism Spectrum Disorder (ASD), Bilingual Special Education (BSE) and Academic, Careers, and Essential Skills (ACES) programs.

- **Mental Health Roadmap and School Climate:** Significant resources to enhance social and emotional learning in our schools through significant funding for restorative justice programs, climate supports for educators in high-need schools, and mental health programs. As part of ThriveNYC, the Administration's action plan to support the mental well-being of New Yorkers, all Pre-K students will learn social-emotional skills and the 100 schools with the highest number of suspensions will receive mental health supports.
- **Renewal Schools:** Providing increased resources with targeted and tailored supports to schools in the Renewal School Program, the FSF floor will be raised to 100 percent in FY 2017 for all Renewal, Community and Persistently Struggling schools. New funding will be allocated in the "TL Fair Student Funding Intensive Support (HS)" allocation category. Other supports allocated to Renewal Schools in FY 2016 will continue, including funds for one hour every school day of Expanded Learning Time, summer school for high school pupils, substance abuse program expansion, increased academic intervention supports, teacher career ladder opportunities, community school programming, and extended use.
- **Summer in the City (SITC):** Summer school will include new curriculum, college-level and STEM-oriented enrichment programming, and visits to some of the City's most important cultural institutions. Both mandated and non-mandated summer school students will participate in these programs.

Contractual Collective Bargaining (CB) Increases

CB continues to be paid out based on agreements for all unions and staff working at the DOE. CB increases through FY 2017 are incorporated into all personnel costs in FY 2017 Galaxy tables of organization. Accordingly, additional dollars have been added to each allocation to fully fund all personnel lines on each school's table of organization charged to that allocation at the beginning of FY 2017. City tax levy funding has been provided where external funders such as the federal government and the state did not provide additional resources to help offset increased costs for collective bargaining.

Every Student Succeed Act (ESSA)

On December 10, 2015, President Obama signed into law the Every Student Succeed Act (ESSA), which reauthorizes the Elementary and Secondary Education Act (ESEA) of 1965. While the reauthorization took effect immediately, under the ESSA transition provisions, as clarified by the Consolidated Appropriations Act, 2016, the effective date of ESSA has been extended to FY 2017 – 2018. This extension allows State Education Departments across the country to adapt to new legislative changes, to consult with various groups affected by the reauthorization, and to create and issue new guidance and regulations, some of which will have a direct impact on school allocations in FY 2018.

For FY 2017, allocations of federal dollars covered by ESSA will be issued using the same methodology as FY 2016. School allocations will be based on the No Child Left Behind Act of 2001 and the current Title I formula as per the ESSA transition provisions.

ESEA Flexibility Waiver

In FY 2013, NYSED received a waiver granting schools in New York State additional flexibility with regard to the use of Title I funds. On June 23, 2015, USDE approved New York State's ESEA flexibility renewal request for the 2015-16 through 2018-19 school years. However, due to the enactment of ESSA, NYSED will be issuing guidance to transition from the provisions of the approved ESEA Flexibility Waiver to the new ESSA. This will not impact schools in 2016-17 school year. School districts will continue to be subject to the same requirements in the administration of their ESEA programs and funds as are in place for the 2015-16 school year. This means that any

identified Focus Districts will be required to continue the implementation of interventions applicable to priority and focus schools during the 2016-2017 school year.

Pre-K for All

Pre-K for All will continue to grow in FY 2017 to a projected 71,500 full-day pupils, with the goal of serving every four-year-old in New York City. Services will take place in DOE schools and Pre-K centers (introduced in school year 2015-2016), and in New York City Early Education Centers (NYCEECs).

Allocations to schools will support full day Pre-K teachers, paraprofessionals, prep period coverage, teacher and para absence coverage, shared planning time for professional development, and OTPS. Additional details regarding this allocation can be found in School Allocation Memorandum (SAM) #22, Pre-K for All. Additional information on Pre-K centers will be issued in the SAM for that program shortly after initial allocations.

FSF Highlights

FSF allocations are increased substantially in FY 2017.

Ensuring Stability

The transition from the prior year to the current year's allocation ensures that schools are allocated the same baseline funds they received in the prior year with adjustments for changes in the number and needs of students from the prior year. The allocation is independent of schools' individual salary structure, but is adjusted for citywide changes in average salary. For continuing schools, the FY 2017 FSF initial allocation consists of the FY 2016 base FSF allocations with adjustments for register change, based on the school's percent of formula at the end of FY 2016. There is one new school opening in 2016-2017, and it will receive funding based on the FY 2017 FSF formula.

New Fair Student Funding

Additional funding will be provided to schools with the lowest historical funding relative to the formula, raising the FSF minimum funding percentage to 87% in FY 2017 and 90% in FY 2018. Renewal/Community and Persistently Struggling schools will be raised to 100% in FY 2017.

To support NY State Commissioner's Regulation 154, there are new and enhanced FSF ELL weights:

FSF Category Type of Pupil/Need	Component by Grade Span	Weights	FY 2017 Per Capita
Freestanding ENL	ENL K-5	0.40	\$ 1,638.22
	ENL 6-8	0.50	\$ 2,049.33
	ENL 9-12	0.50	\$ 2,049.33
Bilingual	BIL K-5 (Enhanced)	0.44	\$ 1,802.49
	BIL 6-8 (Enhanced)	0.55	\$ 2,253.12
	BIL 9-12 (Enhanced)	0.55	\$ 2,253.12
Commanding	CMD K-5 (New)	0.13	\$ 532.56
	CMD 6-8 (New)	0.12	\$ 491.59
	CMD 9-12 (New)	0.12	\$ 491.59
SIFE	SIFE K-5 (New)	0.12	\$ 491.59
	SIFE 6-8 (New)	0.12	\$ 491.59
	SIFE 9-12 (New)	0.12	\$ 491.59

FSF CB

CB increases through FY 2017 are incorporated into all personnel costs in Galaxy. Each allocation has been increased to fully fund all personnel lines on each school's table of organization charged to that allocation at the beginning of FY 2017. The CB adjustment in FSF will be allocated as a lump sum based on the actual increase in costs for active staff funded in FSF. The relative size of the FSF CB allocation does not impact the FY 2017 FSF funding percent. To align the CB allocation in FSF to the changing student population within schools, the dollars are adjusted for the weighted register change from 2016 to 2017. New schools will receive full funding for CB in proportion to their 2016-2017 weighted register, at the system-wide value of CB per weighted pupil.

Cost Mitigating Strategies

Schools should continue to be positioned to manage their resources to best serve the needs of their pupils. In order to assist schools in more efficiently managing their budgets, and to uphold principal financial accountability, cost mitigating strategies continue to be in place for FY 2017. These steps are necessary to ensure all schools provide services within their allocated budget level. All schools must maintain a balanced budget.

The strategies are as follows:

- Outstanding rollover deficits should be repaid. Refer to SAM #34 for details.
- Register Gain and Register Loss Reserves will once again be established.
- Stringent review in the evaluation of central funding for excess staff.
- More efficient deployment of ATRs.
- Schools will have funds automatically set aside for use by schools to create purchase orders for school-funded copiers.

Details regarding each of these measures are as follows:

Register Reserve Policies

Fiscal management is a priority and school will be held accountable for their budgetary decisions. School budgets are monitored by the Office of the Chief Financial Officer to ensure sufficient funding is available to cover register loss in the event it should occur. Register gain and loss reserves will once again be used this year as a strategy to help schools manage potential budget adjustments due to changes in register. Schools should work with their BFSC team to release reserved register loss funds when actual register growth is evident and documented.

Central Funding of Excess Staff

Stringent evaluation of central funding for excess staff will continue. Since schools are beginning the year with a flat or increasing budget condition, it is expected that most excessing will be strictly due to register loss or IEP-based student need changes. All requests for central funding for excess staff will be subject to review by the BFSC teams. Exceptional cases will also require central approval. Refer to SAM #39 Centrally Funded Excess to be issued shortly.

Efficient Deployment of ATRs

Continuing in FY 2017, as part of the NYCDOE's contract with the UFT, the DOE will arrange, at its discretion, to the greatest extent reasonably possible, for interviews between employees in the Absent Teacher Reserve (ATRs) and schools with applicable license-area vacancies within the district or borough. ATRs will continue to be sent to interviews within the district or borough for applicable license-area vacancies after school starts in September and through early October.

Any staff remaining in the ATR pool will be assigned to a school within their seniority district on a rotating basis. In addition, ATRs may be assigned to schools in borough where there is a match in

their license to a vacancy or long term absence as a temporary provisional assignment. In such cases, the principal can at any time have the ATR return to rotational assignments. Also as in past years, schools may choose to hire an ATR on a provisional basis. ATRs that are hired will not have their salaries included in the school's average teacher salary calculation.

ATR staff may also be sent throughout the year for interviews where staff need emergency long term absence coverage.

Automatic Set Asides for School-funded Copiers

Schools with self-funded copiers will have a set aside automatically scheduled on their Galaxy TO for the projected cost of their lease(s). School staff can directly use the funds in the set aside to create purchase orders in FAMIS Portal.

[Click here to download a copy of the School Allocation Memorandum.](#)

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