

New York City Department of Education
Preliminary FY2006 School Budget Allocation Formulae

OVERVIEW

The Department of Education is entering its third year of implementing a comprehensive school-based budgeting process, with all New York City public schools controlling their budgets. This comprehensive school-based budgeting process has resulted in more funds going directly to schools, greater Principal autonomy and control over funds, and greater transparency in school budgets. In the prior District-based model, funds were often managed outside of the schools and school budgets did not always accurately reflect available resources. Each year, the Department has sought to improve on its school-based budgeting by making budget allocations to schools more timely, more comprehensive and reflective of the resources required to run programs that meet the instructional needs of students. Concurrently, Principals have been given greater authority over decision-making regarding the use of funds.

This year the Preliminary FY2006 Initial School Budget Allocation, including the basic school instructional allocation along with the majority of programmatic and per capita allocations, will be sent to schools in early May. This earlier and more complete allocation will enable schools to more efficiently plan instructional services for next year, including recruitment of certified teachers. Almost a full month will be added to the time that Principals have to plan instructional programs and schedule their budgets in the Galaxy software system for school year 2005-2006.

This year's allocation methodology for basic instructional services will extend the current year's (FY05) budget at all schools for another year and maintain existing budget levels except for changes associated with changes in student register, changes in the number of special education students or the type of services the students are mandated to receive, changes in average teacher salary, elimination of one time funding items and shifts in a few allocation methods involving special education and the special needs/academic intervention funds, which are described in detail in the following sections.

By continuing last year's budgets at schools, we are ensuring that schools can continue to operate the same quality programs that were in place in FY05. During FY05, each school received at least the same funding as the prior year and a majority of schools received increased funding. The increased funding helped to improve system wide financial equity and enhanced funding for special education services.

In addition, further changes in special education funding will continue to increase resources for mandated services and ensure that schools are adequately funded for those services. The changes in the methodology: (1) fund schools based on the number of classes rather than the number of students; (2) provide dedicated resources for classroom paraprofessionals and; (3) increase the resources to schools with students receiving multiple periods of Special Education Teacher Support Services (SETSS). The funds for the classroom paraprofessionals and multiple periods of SETSS are redirected from the overall funding for SNAIS (Special Needs/Academic Intervention Services).

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In early May, Principals will receive the instructional program, special needs/academic intervention services, per capita and a majority of the program allocations described below. However, some specific allocations such as needs-based allocations for IEP paraprofessionals and mandated related services will not be available due to pending receipt of pupil information.

INSTRUCTIONAL PROGRAM ALLOCATION

The Instructional Program allocation provides funding to regional schools to support instruction for general and special education students from kindergarten through grade twelve. The Instructional Program allocation funds teachers and classroom supplies and equipments, as well as school administration and basic instructional support services.

In fiscal year 2005-2006:

- Funds allocated to schools for Instructional Programs will be based upon schools' current fiscal year 2004-2005 allocation as of April 1, 2005.
- The amount allocated in fiscal year 2005-2006 will reflect current fiscal year 2004-2005 budgets with no changes except those associated with changes in pupil enrollment, average teacher salaries, the elimination of any "one time" funding received in fiscal year 2004-2005 and shifts in a few allocation methods involving special education which are described below.
 - School budgets will be adjusted upward or downward for changes in student enrollment between the current fiscal year and fiscal year 2006 by applying the "Base Teacher Allocation" and the "Student Per Capita" formulae utilized in fiscal year 2005 school allocations. (See Note 1 below)

In order to ensure that increased resources for mandated services are fully funded, the Department is making an important change to the Instructional Program allocation. The *portion* of the Instructional Programs allocation that applies to special education pupils in self-contained and collaborative team teaching classes, in grades kindergarten through eight, will be changed as follows:

- First, in fiscal year 2005-2006, these funds will be given to Elementary and Middle Schools as a *discrete* allocation category, to enable schools to better manage these funds.
- Secondly, allocations to these schools will be based upon the number of self-contained and collaborative teach teaching *classes*, rather than just the number of special education *pupils* receiving these services. Funding classes instead of pupils will protect schools from budget impacts where there is a justified reason for special education classes having a register below the budgeted guidelines. (See Note 2 below)
- In addition, this approach will not financially penalize schools in which the pupil enrollment in self-contained and collaborative teach teaching classes starts off low in September and grows as students are referred for these services during the course of the school year.

Finally, the Department is allocating targeted funding to support classroom paraprofessionals, where mandated, for special education pupils in self-contained classes. These funds are being shifted from the Special Needs and Academic Intervention Services (SN/AIS) allocation.

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Schools will be given funding for these paraprofessionals as part of the new self-contained and collaborative teach teaching allocation described above. Previously, schools had to set aside funding from their SN/AIS allocation for this need.

SPECIAL NEEDS/ACADEMIC INTERVENTION SERVICES ALLOCATION

The Special Needs/Academic Intervention Services (SN/AIS) formula targets funds for students with special needs. The need criterion prioritizes funds for Special Education students and students with academic needs, low income students and LEP (Limited English Proficiency)/ELL (English Language Learners) students. The formula provides resources for the delivery of special education services, with the first option for the provision of services to disabled students being in the general education classroom. The formula also supports intervention/prevention programs in general education populations.

For Fiscal Year 2005-2006:

- The Special Needs/Academic Intervention Services (SN/AIS) formula is being changed to more fully fund the cost of providing multiple Special Education Teacher Support Services (SETSS) sessions to special education pupils in elementary and middle schools.
- This change will be achieved by increasing the weighting in the formula that is assigned to special education SETSS pupils.
- Funding for the SN/AIS formula allocation is being shifted to fully fund classroom paraprofessionals where mandated for self-contained special education classes.

PER CAPITA ALLOCATIONS

In fiscal year 2005-2006, per capita allocations will continue to be made to schools based upon eligible pupil enrollment. Individual school allocations and per capita amounts may vary due to changes in a particular school's eligibility, which could result in lesser, greater, or no allocations. Additionally, changes in the overall total numbers of eligible pupils would result in changing the per capita value.

Limited English Proficient/English Language Learner (LEP/ELL)

LEP programs are mandated for all students who score below a state designated level of proficiency on the Language Assessment Battery-Revised (LAB-R). Resources to support this targeted population are provided through State Pupils with Compensatory Education Needs (PCEN) and State Part 154 funds. Funds from both sources are distributed on a per capita basis, based upon the number of LEP/ELL students. A limited amount of these funds will be reserved for allocation later in the school year, in order to support programs where needs emerge. This reserve will be allocated to the schools in time to serve the students.

State Magnet School Funds

All schools receive an allocation of State Magnet funds. These funds are allocated on a per capita basis to all schools using the audited October 31, 2004 register.

State Operating Standards Aid

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This allocation supports services to enhance students' ability to meet high learning standards and assessments established by the Board of Regents. It is allocated on a per capita basis to all schools using audited October 31, 2004 registers.

New York State Library Book, Computer Software and Hardware

Funds from these three New York State funding sources are allocated to all schools on a per capita basis using FY05 enrollment.

New York State Textbook

Under the New York State Textbook Law (NYSTL), the State provides aid for textbooks.

Middle School English Language Arts (ELA)

This funding is allocated on a per capita basis to help reduce ELA class size in middle school and is included in the Instructional Program Allocation Category.

Student Activity Fund

The Student Activity Fund (SAF) is used to implement co-curricular activities that promote student learning. The existence of student organizations is essential to school spirit and provides students with a safe learning environment beyond the regular school day. The allocation is included in the Instructional Program Allocation Category.

Project Arts

Project ARTS is a Chancellor's initiative designed to support and enhance instructional programs in art, music, dance and theatre in K-12.

Federal Title I Poverty

This year, the school poverty cut-off level for eligibility will continue to be the lower of 60 percent free lunch eligibility *or* the county's average free lunch eligibility percentage. In Fiscal Year 2006, the cut-off level for eligibility is 60% in Manhattan, the Bronx and Brooklyn, 55.46% in Queens and 35% in Staten Island. Once eligible under the cut-off provision, the number of eligible students in a school's population is multiplied by the borough's per capita allocation to yield the school's Title I budget.

NEEDS-BASED ALLOCATIONS

Needs-based, targeted allocations for special education students will continue in fiscal year 2005-2006 under the current guidelines in effect in fiscal year 2004-2005. As described above, allocations for self-contained and collaborative team teaching will become a new, targeted allocation in fiscal year 2006, instead of continuing as a portion of the instructional programs allocation as was done this current fiscal year.

IEP-Mandated Paraprofessionals

In Fiscal Year 2006, schools with pupils with IEP-mandated Paraprofessional Services will receive a targeted IEP Paraprofessional allocation for pupils with existing IEPs that mandate this service. Schools are responsible for self-funding IEP-mandated Paraprofessional Service for pupils which they newly refer for evaluation.

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Related Services Speech and Counseling

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

Section 504 Services

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

Assistive Technology

The Assistive Technology allocation funds the purchase of specialized educational equipment and the cost to train staff and parents on the use of equipment. Regional Committees on Special Education will be responsible for providing these services to pupils, as needed.

Special Education (IEP) Teacher Allocation

Schools are required to ensure proper participation of special education teachers at IEP meetings for students initially referred for special education evaluations conducted at the school and for requested and triennial re-evaluations. To ensure sufficient teacher participation at IEP meetings, in addition to direct instruction to Special Education “at risk” students, an additional special education teacher allocation is provided to selected schools based on a review of three years of initial assessment caseload data at each school.

Adaptive Physical Education

Funding provides Adaptive Physical Education teachers in accordance with pupil IEP recommendations.

School-Based Support Teams (SBSTs)

Funds support teams of school psychologists, social workers and family workers who perform clinical evaluations of referred pupils.

PROGRAMMATIC ALLOCATIONS

While allocation rules associated with these programs will generally remain the same in fiscal year 2006, particular schools may be dropped or added to a program due to changes in their eligibility.

Early Grade Class Size Reduction Program (State & Federal Program)

This allocation provides support for the reduction of early grade class size in many elementary schools. Class size reduction is achieved through the formation of additional classes, to reduce class size to 20 or fewer students. Where there are space limitations, federal funds can be used to provide “push-in” teachers.

Intervention Initiatives

Funding for intervention services targeting low performing and at-risk pupils will continue in fiscal year 2006. These initiatives support flexible scheduling that will allow expansion of intervention services before/after school and weekends; additional teachers, intervention specialists and guidance counselors; and class size reduction.

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Pre-Kindergarten/Super Start

Funding supports services to special and general education four-year olds in classes not to exceed 18 pupils.

Parent Coordinator Allocation

Parental involvement is a core tenet of the Mayor's and Chancellor's Children First reform efforts. As part of Children First, each school is allocated supplemental resources to establish a parent coordinator position. The coordinator's responsibilities include outreach to parents; encouragement of parent involvement in their children's education; support of parent organizations within schools; responding to parent concerns and inquiries; and creation of a welcoming environment for parents. This program will continue with the same allocation rules that applied in FY 05.

Literacy and Math Instructional Coaches

Instructional Coaches, another key element of Children First, support classroom teachers in the implementation of core programs in literacy and math. This program will continue with the same allocation rules that applied in FY 05.

Middle School Sports

Funds support boys and girls intramural sports programs in middle schools. The allocation supports a portion of the CHAMPS program.

Federal Title III LEP

These funds provide supplemental services, such as before/after school and Saturday programs, reduced class-size, and/or push-in services, for Limited English Proficiency/English Language Learners.

Attendance Improvement Dropout Prevention

These funds are provided to elementary, middle and high schools for support services that address attendance and counseling needs of the pupil population.

Additional Targeted Programmatic Allocations

Funds to support specific programmatic initiatives will be allocated to targeted schools. These allocations are based on specific school plans and include funding for initiatives such as Small Learning Communities, OPTS (other than personal services) startup funds for new schools, YABC programs (Young Adult Borough Centers) and funding to support the transition of large comprehensive high schools to campuses of schools.

Note 1:

- “Base Teacher Allocation” – Refers to the funds provided at each school’s average teacher salary for the base number of teachers. Using the *net change* in enrollment from October 31, 2004 audited registers to projected October 31, 2005 registers, and information on grade distributions, the incremental change in the number of teachers needed at each school is calculated. Class size maximums, established by the Department of Education/UFT Agreement and Chancellor policy on early grade mandates, dictate the number of teachers required for a given number of students per grade. To provide for teacher coverage during preparation periods, administrative/profession periods and lunch, this number is multiplied by a factor to yield the total number of teachers needed. On the high school level, a “weighted curriculum index” is used to calculate the base number of teachers for various categories of high schools. The index takes into account the variability of student periods scheduled per day; different class sizes for different subjects; and how many terms different subjects are required over the eight terms of high school. Since students do not divide exactly into the multiples used to measure maximum class size per teacher, a “breakage” factor is added to the base number of teachers. Breakage helps a school to fully fund teachers when classes fall below the maximum class-size numbers used in the formula.
- “Student Per Capita” – Refers to basic instructional dollars that are distributed to schools on a per capita basis using the net change in enrollment from October 31, 2004 audited registers to projected October 31, 2005 registers. Each type of school will receive allocations based upon its own per capita rate (Elementary schools receive \$86 per capita; Middle Schools receive \$200 per capita; and, high schools receive \$450 per capita.)

Note 2

- For Fiscal Year 2005, budget guidelines for **self-contained special education** classes were set at a class size of 12 pupils to one special education teacher. Budget guidelines for **Collaborative Team-Teaching (CTT)** classes provided one special education teacher for approximately ten special education pupils and a general education teacher for approximately fourteen general education pupils (or a ratio of 40/60, depending upon the overall class size guideline for the grade level.)