

REPORTING STRUCTURE

The School Based Expenditure Reports were designed to provide meaningful, easily understandable expense information to a broad range of constituents, within and outside of the school system. A reporting structure was overlaid on top of existing expenditure information, allowing us to classify the expenses into a smaller number of categories and highlight meaningful information that people want to know. The end result is not a line item expense report, but resources displayed in more aggregated categories that make information about how we spend our funds easier to understand.

The expenditures were classified according to four (4) Reporting Categories, or 'views' that highlight major policy objectives

- Function
- Student Type
- Instructional Level
- Where Funds Are Controlled

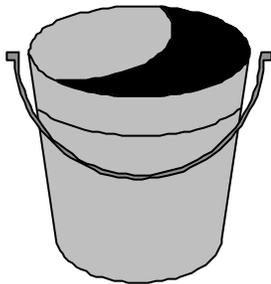
Within each Reporting Category, all expenditures were classified into sub-categories that will help provide answers to relevant questions regarding how and where dollars are spent, such as: How much is being used for classroom instruction, for administration, for textbooks and instructional supplies? What is the totality of dollars spent for direct services to schools and students? How much was spent for different types of students with different educational needs? From the total expenditures how much is spent directly at schools?

Lastly, to respond to the need to view and analyze expenditure information by school, all school system resources are displayed by school location. Technical Appendix, Section A describes in detail how this was accomplished.

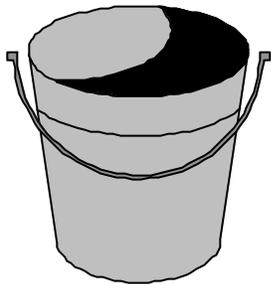
In sum, the School Based Expenditure Reports:

- ? Categorize all school system funding by purpose, or function, so that questions regarding how funds are spent can be easily answered;
- ? Report on spending by location, at the school, superintendency and system wide levels;
- ? Produce school expenditure reports for every school that display all resources supporting services to students, including funds controlled at the school level, district or borough level and at central offices.

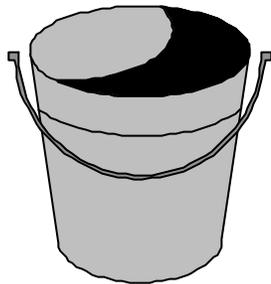
School Based Reporting System Categories



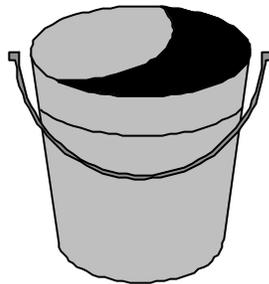
FUNCTION



**WHERE FUNDS ARE
CONTROLLED**



**INSTRUCTIONAL
LEVEL**



**STUDENT
TYPE**

**Every expense line item
is classified into each of the
above reporting categories.**

**Every expense line item
is assigned to a school location.**

DEFINITION OF REPORTING CATEGORIES

FUNCTION

The Function Reporting Category divides funding into purposes that allow us to classify how funds are used. The categories reflect often-used classifications of education spending, as well as priority areas of the New York City Department of Education. Note that the numbering for each category below, for example, I.A.i., matches the numbering of functions on the reports.

PUBLIC SCHOOLS

I. DIRECT SERVICES TO SCHOOLS

Services provided directly to public school students and staff, and which take place primarily in the school building during the school day, during the school year.

A. CLASSROOM INSTRUCTION (All Funds)

School-based direct instructional services provided primarily in classrooms. Also included are professional development and contracted instructional services that impact directly on the quality of classroom instruction. Funds allocated to schools and district offices in categories I. A.i-x are assumed to be for school use and are reported in the categories below. With exceptions noted in the Technical Appendix, funds for these budget types spent in central offices are included in Central Instructional Support categories.

i. Teachers: All teachers who provide direct instruction on a full-time, part-time or per diem basis or during their preparation periods. General education, special education, and bilingual teachers are included. Also included are library teachers in elementary and middle schools whose salaries appear on teacher lines - see I.A.v. Teachers on sabbatical or leave are excluded here - see II.B.i.

ii. Educational Paraprofessionals: Full-time, part-time, per-diem and substitute educational paraprofessionals who provide direct services in the classroom. Paraprofessionals who provide mandated services as per a child's Individualized Education Plan (IEP) are included in Related Services.

iii. Other Classroom Staff: Included are other classroom personnel who provide direct services to students, primarily laboratory technicians.

iv. Textbooks: Funds spent for textbooks for school day, school-year classroom instructional use including New York State Textbook Law funds as well as other City and State Operating funds. Textbook funds spent in after-school budgets are

included in After-School Programs; textbook funds for summer school are included in Summer School, etc. Thus, funds reported in this category do not represent the entire spending for textbooks.

v. Librarians/Library Books: Funds spent for library books for school libraries for school day, school-year use including all New York State Textbook Law funds and other City and State operating funds. Librarians at the high school level are included here. Note: librarians in elementary and middle schools appear on classroom teacher lines and are included in the teacher category. Library book funds spent in after-school budgets are included in After-School Programs; library book and librarian funds for summer school are included in Summer School, etc. Thus, funds reported in this category do not represent all spending for library books.

vi. Instructional Supplies and Equipment: Funds spent for instructional supplies and equipment (including student furniture, lab equipment, audio-visual equipment) for direct classroom use during the school day, during the school year. Instructional supply and equipment funds spending in after-school budgets are included in After-School Programs; instructional supply and equipment funds for summer school are included in Summer School, etc. Thus, funds reported in this category do not represent all spending for instructional supplies and equipment.

vii. Professional Development: Funds spent for professional development provided at the school level, primarily teacher trainers and trainees. Included in this category are funds spent for professional educational conferences, and indirect services such as universities that provide staff and curriculum development.

viii. Curriculum Development: Funds spent for school-based staff to write curriculum guides to support the implementation of the new academic standards.

ix. Contracted Instructional Services: This category includes funds supporting consultants, agencies and community-based organizations (CBOs) that provide educational services to students and staff. Included are direct services such as cultural institutions that provide music and dance programs, and CBO's that provide instructional programs to pre-kindergarten pupils (universal pre-k program); CBOs that provide enrichment services.

x. Summer and Evening School: Included are summer instructional and recreational programs operated by the Community School Districts and Division of High Schools that are funded with City, State, Federal funds, inclusive of all teachers, paraprofessionals, other support and school administrative staff, supplies and materials. Also included are High School Evening instructional programs, inclusive of all teachers, paraprofessionals, other support and school administrative staff, supplies and materials. Funds used for air conditioning for summer school sites are included in building maintenance.

B. INSTRUCTIONAL SUPPORT SERVICES (All Funds)

Included in this category are direct services to students that supplement the basic classroom instructional program. Also included in each category below are staff who directly supervise the services and programs, and other than personal services (supplies, materials, etc.) that are used by the service providers. Both DOE providers and contracted staff are included.

i. Counseling Services: Included are guidance counselors, social workers, psychologists and psychiatrists who provide counseling services on a full-time or part-time basis to general and special education students, including mandated counseling as per a child's Individualized Educational Plan (IEP). Direct supervisors and supplies and materials are included. Conflict Resolution Program costs are also included. Note: Guidance counselors and social workers who work on School Based Support Teams are not included here -- See I.C.iv.

ii. Attendance/Outreach Services: Included are attendance teachers, school neighborhood workers and family workers who provide attendance and family outreach services for Community School District, High School and Citywide Special Education students. Also included here is the systemwide truancy patrol program. Outreach workers working with families to assist them in obtaining Medicaid and Supplementary Security Income are also included here. Supervisors, supplies and materials are also included.

iii. Related Services: Included are the following health and other related services: health screening, nursing (including Section 504), occupational therapy, physical therapy, adaptive physical education, hearing, vision and speech services provided by the Board and contracted providers. Also included are all mandated special education paraprofessionals who provide sign language/interpreter services, mobility training, toilet training, crisis management and health services to students per their IEP. Direct service providers, supervisors, related supplies, equipment and materials, and travel time are included.

iv. Drug Prevention: Included are Substance Abuse Prevention and Intervention Specialists (SAPIS) employees funded with City and State and Federal funds.

v. Referral, Evaluation and Placement: Included are educational evaluators, psychologists, social workers and guidance counselors on School Based Support Teams (SBST) and Committee on Special Education (CSE) review teams who evaluate students referred for special education services during the day or after school. Department of Education and contract providers are both included, as are clinical supervisors and related supplies and equipment. CSE chairpersons, assistant chairpersons, placement officers, administrative and clerical staff are included in District/ Superintendent Costs - Instructional Support and Administration (II.A.). Note that all City, State and Federal funds supporting

these activities are reported here.

vi. After School and Student Activities: Includes after-school instructional, recreational and latch-key programs, and field trips. Also included are all salary costs for student aides working as part of their educational program. Direct service providers, supervisors, fees for building usage, instructional and other supplies, equipment and materials are included.

vii. Parent Involvement Activities: Includes costs associated with parent involvement, parent association and PTA activities.

C. SCHOOL LEADERSHIP, SUPERVISION AND SUPPORT (All Funds)

i. Principals: All salaries for full-time and per diem principals are included. School directors on teacher lines are excluded, as are principals on sabbatical or leave.

ii. Assistant Principals: Salaries for all full-time and per diem assistant principals and teachers functioning as assistant principals that appear on assistant principal lines are included. Teachers functioning as assistant principals but whose salaries appear on teacher lines are excluded, as are assistant principals on sabbaticals or leave. No reduction has been made representing the amount of time assistant principals spend teaching, since this is not available from budget information.

iii. Supervisors: Full-time and part-time supervisors who work primarily in schools are included here unless otherwise included in another category along with direct service providers -- see I.B functions. For Galaxy districts teachers who serve as deans or program coordinators also appear in this category.

iv. Secretaries, School Aides, and Other Support Staff: School secretaries, school aides, general assistants (high schools only), audio-visual and media service technicians who work in schools are included. Funding for School Leadership Team members are included. Spending on similar titles in central or district offices is not included here. Secretaries on sabbatical are excluded.

v. Supplies, Materials, Equipment, Telephones: Included is funding in instructional program budgets for supplies, materials, equipment, photocopy machine maintenance, telephone, telecommunication lines, Board-wide internet access (including schools) postage, travel, printing, that are not specifically designated as instructional supplies and equipment -- see I.A.vi. Materials and supplies used by School Leadership Team members are included, as well as pupil performance assessment materials.

D. ANCILLARY SUPPORT SERVICES (All Funds)

Funding for essential ancillary support services for public school students only. Spending for administrative costs in central administrative budgets is not included here -- see III.B.ii.

i. Food Services: Included are funds supporting the purchase, warehousing, transportation and distribution of food for students and school staff. School lunch workers and field supervisors are included. The cost of nutritional education programs is also included. Funds spent in central office, district or borough offices and school budgets for school purposes are included.

ii. Transportation: Included are funds supporting yellow buses, passes for public bus, subway and ferry service for general and special education. Specialized transportation for special education students is also included. In addition, the personnel responsible for routing, scheduling, issuing passes and monitoring eligibility are included. Funds spent in central, district and school budgets for school purposes are included.

iii. School Safety: Included are school safety officers, supervisors and related supplies and equipment such as metal detectors, vans, uniforms and training. These funds appear as O.T.P.S. as the services are provided on a contract basis from the New York City Police Department. Capital costs for metal detectors, vans, etc. are excluded.

iv. Computer System Support: Funds spent for school level computer support are included. The reports reflect the following areas: school support for the Automate the Schools (ATS) Project (including data and phone lines, hardware and software, technical assistance and training); funds expended for Project Smart Schools and Project Connect as well as funds spent for the UAPC contract, the automated student program scheduler in the high schools. Funds budgeted for the summer attendance program appear in I.A.x.

E. BUILDING SERVICES (All Funds)

i. Custodial Services: Included are custodians, custodial helpers, custodial supplies and equipment and contracted custodial personnel for the operation of school buildings during and after the school day, as well as supervisory staff. Spending in central, district and school budgets for school purposes are included. Custodial costs spent in afterschool program budgets, summer or evening schools are included in those categories (I.B.vi and vii).

ii. Building Maintenance: Included are maintenance and repair personnel and field supervisors. Also included are machinists and elevator operators, and all related supplies and materials.

iii. Leases: Included are the costs of leasing space used for instructional purposes for community school district, high school and citywide special education schools. Leases for administrative and district offices are excluded -- see District Administration II.A and Central Administration, Instructional Offices III.B.i.

iv. Energy: Included are the costs for electricity, heat, oil, and power.

F. DISTRICT SUPPORT (All Funds)

i. Additions to Regular Salary/Projected Expenses:

- Additions to an employee's regular salary that were payrolled separately from salary are included here for school-level employees where the expense could not be identified with any of the functions listed in IA, IB, IC or ID. Additions to regular salary include: education differentials, assignment differentials, longevity differentials, holiday pay, overtime, back pay, salary adjustments, payment of and interest on deferred wages, supper money.

- Encumbrances (or their withdrawal in the case of "negative expenses") that have not yet been assigned to specific accounts e.g. delayed payroll actions, charge-backs and late journal entries.

II. DISTRICT / SUPERINTENDENCY COSTS

Funds supporting the operation of the 32 Community School District offices, 6 High School Superintendencies, the Chancellor's District Superintendency, Chancellor's High School District, and Citywide Special Education district office.

A. INSTRUCTIONAL SUPPORT AND ADMINISTRATION (All Funds)

Included are community school district, high school and special education superintendents and deputies, district business, personnel, and administrative/clerical staff, instructional/pedagogical support and supervisory staff working primarily in district offices and related Other Than Personal Service costs. Also included are administrative (indirect) costs associated with running State, Federal and privately funded categorical programs. Leasing space for district administration purposes, as well as repair work and maintenance of district offices, is also included.

B. DISTRICT/BOROUGH WIDE COSTS (All Funds)

i. Sabbaticals and Leaves: Included are funds to cover the cost of pedagogic sabbatical leaves taken by district personnel for approved education, travel or restoration of health. Funds spent for terminal leave and termination pay are also included. These are excluded from Direct Services to Schools since no direct benefit is accruing to the schools or students at the time these payments are made.

ii. Additions to Regular Salary: Additions to an employee’s regular salary that were payrolled separately from salary are included here for district office employees where the expense could not be identified with any of the functions listed in IA, IB, IC or ID. Additions to regular salary include: education differentials, assignment differentials, longevity differentials, holiday pay, overtime, back pay, salary adjustments, payment of and interest on deferred wages, supper money.

iii. Projected Expenses: Represents encumbrances (or their withdrawal in the case of “negative expenses”) that have not yet been assigned to specific accounts e.g. delayed payroll actions, charge-backs and late journal entries.

III. SYSTEMWIDE COSTS

Dollars spent to support systemwide functions and obligations and are not associated with any specific district or school.

A. CENTRAL INSTRUCTIONAL SUPPORT (All Funds)

Instructional and pedagogical staff, related supplies and services in support of school level instructional programs who work in central offices. Included are non-administrative pedagogical employees, such as teachers, counselors, supervisors, and contracted instructional services. See Technical Appendix, Section B for more detail on how budgets were assigned to Central Instructional Support.

i. Instructional Offices: Funds spent for instructional support staff and services in the following offices: Office of English Language Learners; Office of Multicultural Education; Division of Program Development; Division of Student Support Services and Office of Instructional Support. Also included are pedagogical support programs (Supervisory Support Program; Assistant Principal Internship; Peer Intervention) and other associated instructional support staff; and tuition costs associated with pre-service scholarship programs administered by the Center for Recruitment and Professional Development and the Division of Human Resources are also included.

B. CENTRAL OFFICE ADMINISTRATION (All Funds)

All heads of Central Offices, administrative and clerical staff, business, personnel, payroll, timekeeping, data entry staff and related supplies, materials and other than personal services.

i. Instructional Offices: Deputy Chancellor for Instruction; Office of Instructional Support; Division of Assessment and Accountability; Office of English Language Learners; Office of Multicultural Education; Office of the Chief Executive for Community Affairs; Division of Program Development; WNYE; Division of Student Support Services; and the Center for Recruitment

and Professional Development. Included here also are leases for administrative offices for the offices listed above.

ii. Operational Offices: Deputy Chancellor for Operations; Office of the Chief Financial Officer; Division of Budget Operations and Review; Office of Revenue Operations; Division of Human Resources; Division of Instructional and Information Technology; Division of School Facilities; Division of Financial Operations; Office of School Food and Nutrition Services; Office of Student Safety; Office of Pupil Transportation; Office of Equal Employment Opportunity, Office of Legal Services; Office of Corporate Partnerships.

iii. Central School Board and Chancellor's Offices: Board of Education; Office of the Chancellor; Department of Education Retirement System; Deputy Chancellor for Management and Policy; Office of Public Affairs; Office of Intergovernmental Affairs; Special Investigations; Auditor General.

C. OTHER SYSTEMWIDE OBLIGATIONS (All Funds)

Non-administrative costs that support broad purposes of the school system.

i. Debt Service: Payment for long-term debt in support of school construction. These funds are actually held and expended in the City of New York's budget rather than in the Department of Education's budget.

ii. Retiree Health and Welfare: Funds spent for health and welfare payments for Department of Education retirees.

iii. Special Commissioner for Investigation: Funds supporting the entire budget of the Special Commissioner for Investigation, an independent oversight office.

iv. Projected Expenses

IV. NON-PUBLIC SCHOOLS and PASS-THROUGHS

A. NON-PUBLIC SCHOOLS/NON-NEW YORK CITY SCHOOLS

Included in this category are tuition payments made to non-public schools for general and special education students; payment for transportation services provided to non-public school students; funds to provide food services to non-public schools students; NYSTL textbook funds for non-public school students; Federal IDEA funds and Title I funds reserved for non-public school students, including those in correctional facilities, as well as overhead costs associated with the delivery of Title 1 remedial services to non-public school children (e.g. leases, mobile instructional units). Tuition costs for City students in foster care attending out of City schools are included here. Also included are evaluation and placement costs for pre-school and school age students referred for special education private placements. All administrative costs associated with the running and oversight of the above programs are included here as well.

B. FASHION INSTITUTE OF TECHNOLOGY

Included are all funds included in the Board of Education's budget that are paid to subsidize the operation of the Fashion Institute of Technology, a community college for which the Board is the official sponsor.

C. BOARD OF ELECTIONS

Funds for custodial services to keep schools open during elections.

D. CHARTER SCHOOLS

Funds that are passed through the Board of Education budget to support charter schools.

STUDENT TYPE

To facilitate analysis of per pupil spending for different types of pupils, all expenditures were classified as one of the following student types:

GENERAL EDUCATION Students on the General Education register and special needs pupils (e.g. “at-risk” pupils requiring academic intervention support, related service only, consultant teacher program pupils, resource room).

FULL-TIME SPECIAL EDUCATION Students who have been placed in a Modified Instructional Service, Special Instructional Environment or a Hospital Setting. These students are on the special education register but may be in general education classes for part of the day.

SPECIAL NOTE: Part Time Special Education is no longer a distinct student type (effective fiscal year 2001).

INSTRUCTIONAL LEVEL

To compare spending across instructional levels, all schools included in the report were categorized in one of the instructional levels listed below. The Division of Instructional and Information Technology provided information regarding instructional level. Instructional level normally refers to grade span. However, due to the variation in grade span in schools across the city, the reports list the grade span of each school in the header information on School Report#3.

PUBLIC SCHOOL

- Elementary
- Middle
- High School
- Citywide Special Education (No grade span)
- Collaboratives

OTHER POPULATIONS

- Adult Education
- Non-Public and Non-New York City Schools
- Charter Schools

WHERE FUNDS ARE CONTROLLED

To better understand how resources are administered by the school system, all spending is classified according to where expenses are controlled. Costs are controlled at three different levels of the school system: At the school level, at the district or borough office level, and at central offices. This classification enables the reader to see that, for example, there is spending on direct services to schools in central and district office budgets (e.g., school food services, pupil transportation, custodians). Thus, where budgets are allocated is not necessarily an indicator of the purpose or function served. Reports that display where funds are controlled will allow us to track progress over time as the school system moves toward greater decision-making authority at the local level.

SCHOOL Spending that appears in the Department of Education Accounting System Spending Plan in a school location as allocated by the Superintendent. Note: it does not necessarily represent the sum total of funds allocated on behalf of the school by the district. Superintendents may schedule certain funds in the district or borough office budget but earmark them for use by individual or all schools. Payment of telephone bills, consultant services and opening fees are examples of this type of expense. Allocations of this type are not included in the "School" category since it cannot be identified through the accounting system.

DISTRICT/ BOROUGH Funds under the jurisdiction of the Community School Districts, High School and Citywide Special Education Superintendents, that are allocated by the Superintendent to the District or Borough Office location. Note: the fact that funds are allocated to the district office does not represent that their purpose or function is district office administration or instructional support. Funds in accounts that are intended for direct services to schools may be allocated to district or borough offices for a variety of reasons.

CENTRAL Funds spent by central offices listed in Technical Appendix: Section F are included here.

DIFFERENCES AMONG DISTRICTS AND SCHOOLS

Differences among schools and districts in amounts per student are caused by many factors. Some of the major causes for these differences are outlined below.

- a) Size and composition of the Special Education population. A high percentage of students in Special Education of the total enrollment of a school, and/or a high percentage of students with more intensive needs in the Special Education population will result in schools having a higher overall per student budget.
- b) Eligibility for Federal and State non-competitive funds. High poverty schools, schools with large limited English proficient populations, large immigrant populations, or low academic performance, for example, are eligible for more categorical funding than other schools, resulting in higher per student budgets.
- c) Overutilization. Overcrowded schools may require additional services such as paraprofessionals, safety officers or leases, thereby increasing per student costs.
- d) Underutilization. Small schools and small classes in underutilized buildings result in higher per student costs since fixed costs are spread across fewer students.
- e) Number of school buildings and size of enrollments. Fixed costs spread over high enrollments will produce lower per student amounts than when spread over lower enrollments.
- f) Success in obtaining competitive grants. All other things being equal, a district or school that is more successful in obtaining grants will have a larger per capita than other districts or schools.
- g) Geographic and programmatic variables affecting transportation costs. The existence of magnet programs or barrier-free buildings that draw students from outside the neighborhood, or concentrations of physically disabled students that require special busing will increase transportation costs.
- h) Special programs. The existence of programs such as after school, gifted or inclusion programs in selected schools will result in higher per pupil costs.
- i) Certain student populations tend to increase during the school year, as pupils are evaluated and placed in special programs (e.g. special education pupils, pupils with disciplinary problems). The official October 31st register, a “snapshot” of enrollment in the early part of the school term, may undercount these populations and result in a per capita that appears larger than it actually is.
- j) Universal Pre-Kindergarten. The size and location of universal pre-k programs will lower the overall per capita budget since pre-k students generate fewer resources than pupils in other instructional levels.