

**New York State Board of Regents  
Proposal on School Aid for 1998-99**

The University of the State of New York  
THE STATE EDUCATION DEPARTMENT  
Albany, New York 12234  
Approved December 1997  
Published January 1998



# New York State Board of Regents Proposal on School Aid for 1998-99

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# **New York State Board of Regents Proposal on School Aid for 1998-99**

## **I. Executive Summary**

Changing our State's finance system is one key strategy to enable students to meet high learning standards. At other meetings the Regents have discussed and/or taken action on other essential ingredients, such as the standards themselves, graduation requirements, low-performing schools, and students with low achievement. The Regents State Aid proposal for 1998-99 gives direction for a plan to make the funding changes necessary to build capacity for all students to meet high standards.

To accomplish this goal, the Regents propose the following:

- Provide school districts with additional Operating Aid, especially low-wealth school districts;
- Ensure that facilities are adequate to support learning;
- Provide calendar flexibility to support learning and use school buildings efficiently;
- Provide a supplement to Operating Aid for standards implementation, focused on the following priorities:
  - strengthening early reading programs;
  - professional development for teachers and administrators to build capacity to meet high learning standards;
  - school improvement activities; and
  - providing extra time and extra help to meet learning standards in summer school and alternative education programs;
- Increase support for school library materials;
- Improve funding for students who need support to meet high learning standards; and
- Continue current laws related to high learning standards and strengthen the base: prekindergarten education, reduced class size in the elementary grades, increased support for instructional materials, improving school facilities and property tax relief.

The following sections describe the school finance problem and the data that illustrate it. The Regents proposal is then presented in four sections:

- Build capacity of school districts to meet operating needs;
- Target use of additional resources for early reading programs, professional development and school improvement;
- Improve funding for students who need support to meet high learning standards; and
- Continue current laws (including provisions for future years).

## II. The School Finance Problem

Students in poverty need the greatest support to meet higher learning standards. Despite this, they are more likely to attend schools with fewer resources.

- The State Education Department has developed an index that rates each school district on the basis of student need, as measured by poverty level, relative to ability to raise resources locally.
- Thirty percent of New York State's school districts have been identified as *high need* in relation to their ability to raise revenues locally. These high need districts educate 55 percent of New York State's students. The Big Five city school districts are among the high need districts, accounting for 42 percent of the State's students.
- As the following data show, these students perform considerably worse than their counterparts in other districts.
- Without significant improvement in school programs and performance, many students in high need school districts may be unable to meet new higher learning standards.

## III. The Data

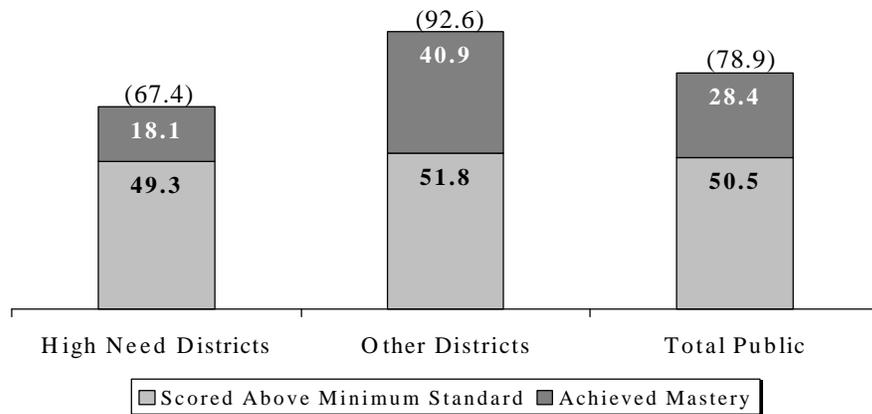
The following charts contrast data from high need districts, with other districts, and with all public schools. In some cases, data are from the Big Five city school districts, rather than all high need districts.

A. *Student Achievement*

- In general, schools in high need/resource capacity districts (including the Big Five city school districts) had smaller percentages of students demonstrating mastery than other schools on the grade 3 Pupil Evaluation Program Test in Reading.

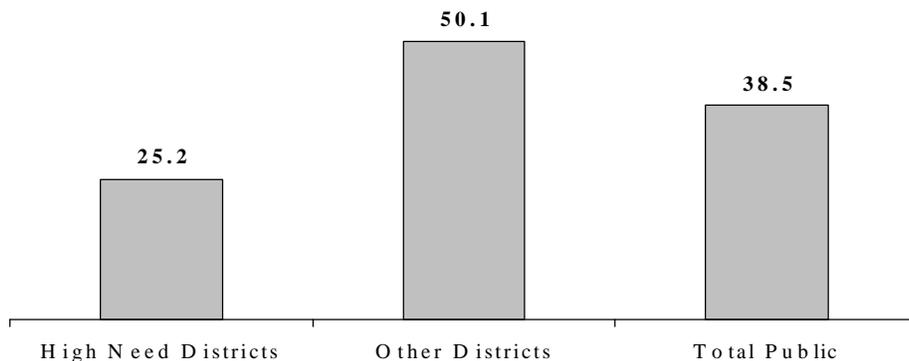
**Exhibit 1**

**Percent of Students Scoring Above the Minimum Standard and Percent Achieving Mastery on the Grade 3 PEP Test in Reading  
1996**



**Exhibit 2**

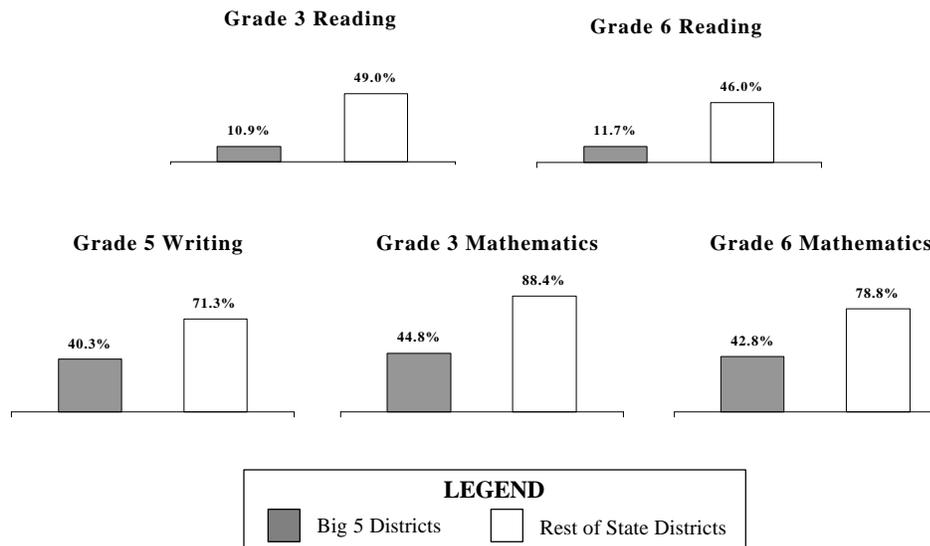
**Percent of High School Graduates Receiving Regents Diplomas  
June 1996**



- Students from schools in high need/resource capacity districts were less likely to earn Regents diplomas than students from schools in other districts.
- Students with disabilities in the Big Five city school districts were considerably less likely to achieve success on Pupil Evaluation Program tests in reading, writing and mathematics than were students with disabilities in other districts.

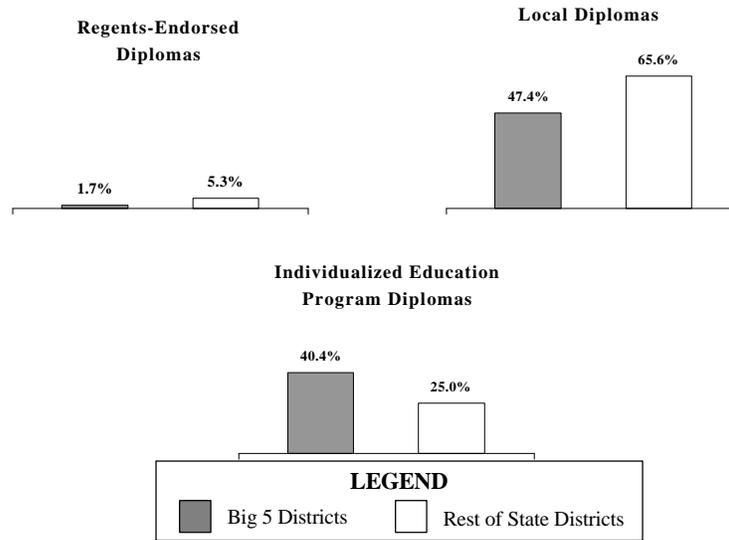
### Exhibit 3

**Percent of Students with Disabilities Scoring Above the State Reference Points on the Pupil Evaluation Program Tests  
1996**



- Students with disabilities in the Big Five city school districts compared with other districts were considerably less likely to graduate with a Regents-endorsed local diploma and to obtain a local diploma. They were more likely to obtain an Individual Education Program diploma.

**Exhibit 4**  
**Percent of Students with Disabilities Who Completed Public**  
**Secondary Schools by Credential Earned**  
**1995-96**

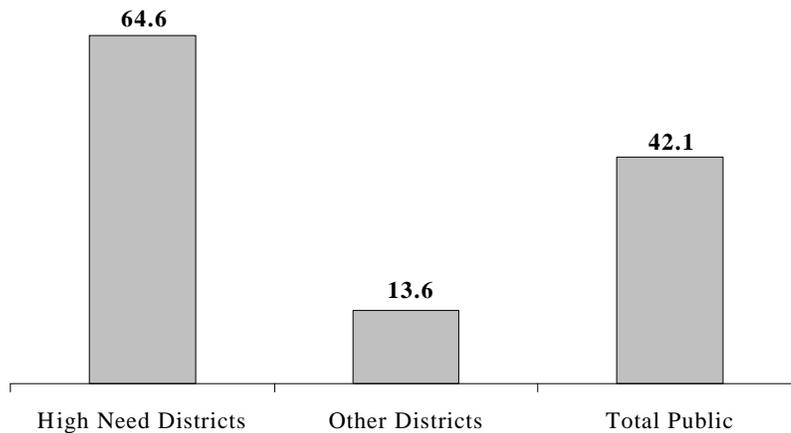


**B. Student Poverty**

- High need districts had, on average, more than four times the student poverty, as measured by the percent of enrollment participating in the free lunch program compared to other districts.

**Exhibit 5**

**Percent of Enrollment Participating in the**  
**Free-Lunch Program**  
**1995-96**

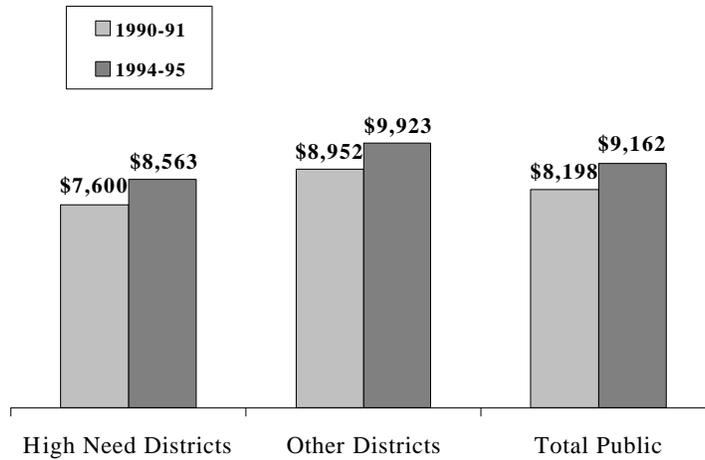


C. *Related Fiscal Problems*

- Despite the greater need of certain districts, as measured by poverty level and educational achievement, these districts spent, on average, less per pupil than other districts.

**Exhibit 6**

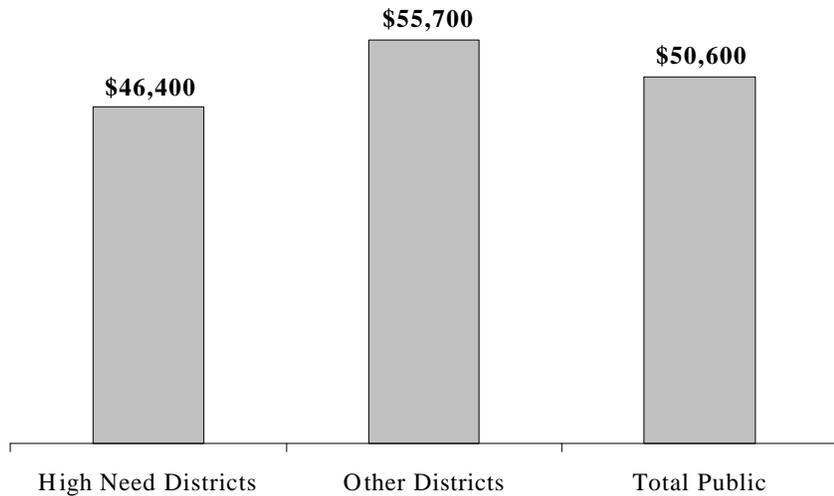
**Average Expenditure Per Pupil  
1990-91 and 1994-95**



- In general, teachers from high need/resource capacity school districts were less well paid, less likely to be certified, and had fewer years of experience.

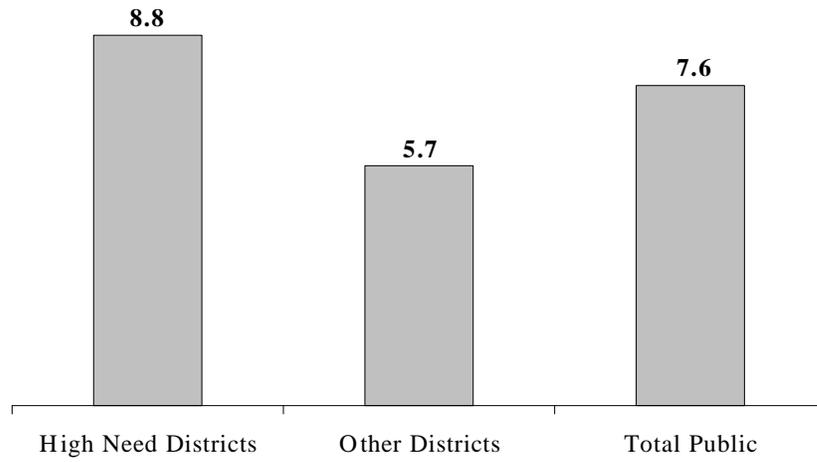
**Exhibit 7**

**Weighted Average of District Median Salaries  
1995-96**



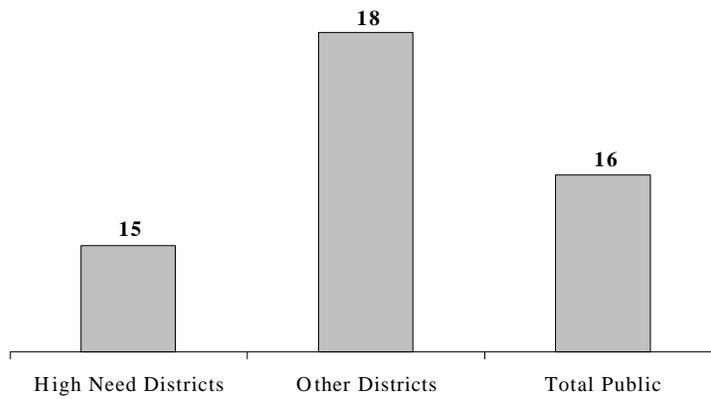
### Exhibit 8

**Percent of Teachers Not Certified  
1995-96**



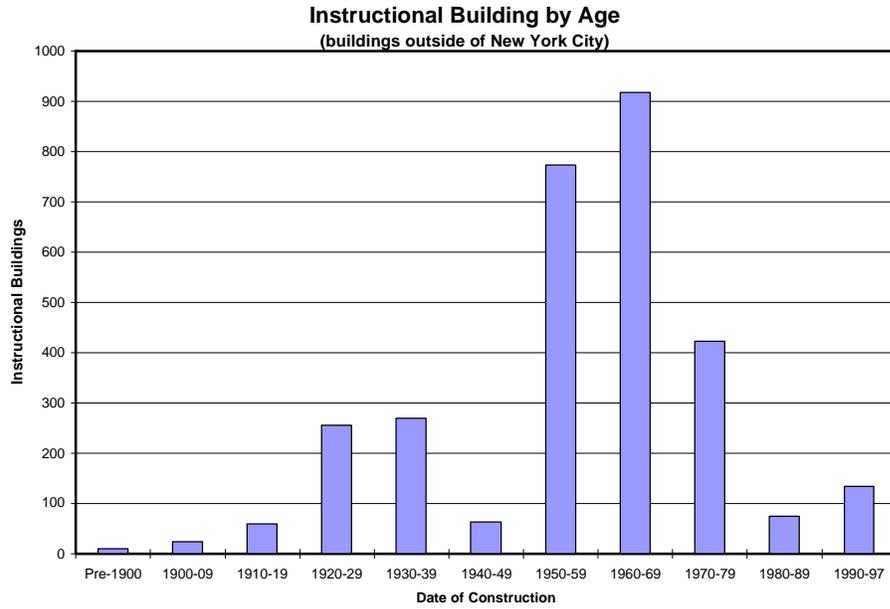
### Exhibit 9

**Median Years of Teaching Experience  
1995-96**

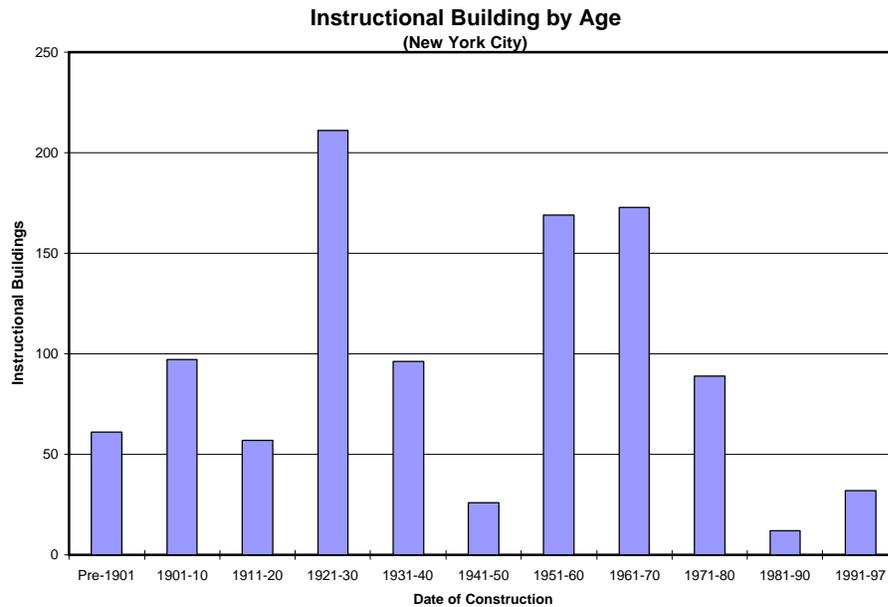


- The needs of school buildings have reached epic proportions. For New York State excluding New York City, the baby boomer buildings have reached middle age and now require major modernization and replacement. New York City must cope with not only modernizing the baby boomer school buildings, but must also modernize a significant number of buildings built before World War II.

**Exhibit 10**



**Exhibit 11**



- Rank ordering New York State school districts by property wealth, low-wealth school districts spend about half of what the highest wealth districts spend (\$6,462 versus \$12,209).
  - This is due, in part, to the fact that the lowest wealth districts raise approximately one-eighth of the tax revenue per student compared to the highest wealth districts (\$1,351 versus \$10,206).
  - Ironically, the lowest wealth districts must tax themselves far more heavily to raise the little revenue they do (\$15.35 versus \$11.00 per \$1,000 of full value).

<b>Exhibit 12</b>		
<b>Spending and Revenue Data for</b>		
<b>Low-Wealth and High-Wealth</b>		
<b>School Districts</b>		
<b>1994-95</b>		
<b>SCHOOL DISTRICTS</b>		
	<b>Low-Property Wealth</b>	<b>High-Property Wealth</b>
<i>Spending per Student</i>	\$6,462	\$12,209
<i>State Aid per Student</i>	\$4,762	\$998
<i>Tax Revenue per Student</i>	\$1,351	\$10,206
<i>Tax Rate</i>	\$15.35	\$11.00

## ***IV. The 1998-99 Regents Proposal on State Aid to School Districts***

The following describes the Regents school aid proposal in four broad sections:

- Build capacity of school districts to meet operating needs;
- Build capacity of the educational system to help students meet high learning standards through targeted use of additional resources;
- Improve funding for students who need support to meet high learning standards; and
- Continue current laws (including provisions for future years).

### ***A. Build Capacity of School Districts to Meet Operating Needs***

#### ***Provide Present Law Increases That Help Districts Meet Operating Needs***

Although the continuation of current laws has provided some increases to school districts in the past, the Regents acknowledge that the substantial increases enacted in 1997 will contribute to the operating base of school districts, thereby, strengthening capacity to meet high learning standards.

Chapter 436 of the Laws of 1997 provided for increases in Operating Aid to school districts in 1998-99 in the amount of \$231 million. These increases result from pupil enrollment growth and increases in school district spending (i.e., Approved Operating Expense) that are factors in the Operating Aid formula.

Other increases for 1998-99 enacted in 1997 include increases built into Building Aid and Transportation Aid, a total increase of \$115 million over aid paid in 1997-98.

#### ***Increase Operating Aid, Especially for Low-Wealth School Districts***

- |   |  |
|---|--|
| ✓ | Enact a wealth-equalized <i>cap</i> on the group of aids subject to the Transition Adjustment. The minimum cap allowed for the highest wealth districts should be 4.5 percent, the level of the cap for 1997-98. |
|---|--|

Spending and student achievement data show that low-wealth and high poverty school districts are likely to have the greatest difficulty in meeting high learning standards. These districts are most likely to benefit from increased resources for general operation and for extending learning time for students who most need it to meet high learning standards. This will be done by increasing Operating Aid, especially for low-wealth districts.

A review of data concerning State Aid to meet school district operating needs revealed the following:

- Only 12.8 percent of districts statewide (n=87) are *not* subject to any aid adjustment.
- Another 46.8 percent of school districts receive additional save-harmless aid (n=319).
- 40.5 percent find their formula increase capped (n=277).
- An estimated \$136.4 million is being *paid* to school districts in save-harmless aid to ensure that no losses are incurred, in cases in which the formula alone would have reduced aid. This represents 2.31 percent of the Comprehensive Operating Aid payable statewide (\$5.91 billion).
- Roughly 47 percent of this save-harmless aid is distributed to the 30 percent wealthiest school districts; this represents about \$67.3 million of the \$136 million total.
- Dividing school districts into 10 groups or *deciles*, 22 percent of the formula aid withheld is concentrated within the third lowest wealth decile, a group of districts that collectively fall well below the statewide average wealth.<sup>1</sup>

In order to allow more Operating Aid to flow to lower-wealth districts, the Regents recommend a *wealth-equalized cap* on the group of aids subject to the Transition Adjustment. Operating Aid along with the group of aids subject to the Transition Adjustment would continue to be capped but this cap would be higher for low-wealth districts than for high-wealth districts. The minimum cap allowed for the highest wealth districts should be 4.5 percent, the level of the cap for 1997-98.

### ***Improve School Facilities to Meet High Learning Standards***

Improve school facilities to meet high learning standards:

- ✓ Enact changes to ensure that all school facilities are adequate places of learning;
- ✓ Continue changes made to the laws of 1997;
- ✓ Relieve the overcrowding in school buildings by allowing a flexible school calendar as a local option;
- ✓ Improve construction, maintenance and preservation of school facilities;
- ✓ Provide the Commissioner authority to close schools in all parts of the State which do not meet environmental health and safety standards;
- ✓ Provide for a multi-year cost allowance for individual school buildings to ensure that building systems are eligible for State Building Aid only once during their useful life; and
- ✓ Eliminate the Wick's law.

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<sup>1</sup> All districts within this decile group fall *below* a Combined Wealth Ratio of .582, or less than 58 percent of the State average wealth.

Many students attend school every day in substandard facilities that hinder their ability to learn. Problems include overcrowding, leaking roofs, deteriorating and obsolete buildings, and inadequate ventilation, plumbing and electrical systems.

In some regions of the State experiencing significant growth in student enrollment, classroom space for students with disabilities may be threatened. BOCES lease space from school districts on district grounds to operate shared services programs for students with disabilities from two or more school districts. This district-based, BOCES-operated model allows students with disabilities access to the district's general education program and district services such as lunch programs, and has been considered an effective model for educating students with disabilities. As the demand for classroom space grows, districts may find that they can no longer afford to lease to BOCES, thus jeopardizing needed programs for students with disabilities.

Over the next five years, the cost to meet the needs of school facilities is estimated to be \$7.5 billion for the City of New York, \$1.4 billion for the cities of Rochester, Buffalo, Syracuse and Yonkers, and \$6.7 billion in the rest of the State.

The Board of Regents urges the Governor and Legislature to fully address the needs of school facilities in the coming session. The narrow defeat of the \$2.4 billion School Facilities Bond Act emphasizes the magnitude of the problem. Although there is widespread agreement with the need to raise standards for student achievement, the Regents emphasize one point: school facility improvement must be fully funded *in addition to* the funding changes recommended in this proposal (summarized by a \$723 million increase in State Aid). While the Regents will not specify the means for achieving full facilities improvement, we state the urgent necessity of addressing the problem this year. Facility improvement cannot be separated from academic achievement. Funding facilities improvement *and* the reforms set forth in this proposal are expected to result in significant student achievement gains.

The Regents recommend the creation of a school facilities improvement program based on facilities need, district ability to pay and the level of tax effort at the local level. This program would contain the following elements:

- ✓ *Enact changes to ensure that all school facilities are adequate places of learning.* Although the legislative changes made in 1997 will provide important new resources for school facilities, the Regents emphasize that this will not be sufficient to ensure that all school facilities are adequate places of learning. The Regents recommend that the Governor and Legislature propose a solution to ensure full funding to meet the needs of New York State's school facilities.
- ✓ *Continue changes made to the laws of 1997 that provide incentives for school construction.* Districts will receive an additional 10 percent of construction costs in aid. A regional cost adjustment will pay additional Building Aid in high cost regions of the State by recognizing

higher costs for demolition, site preparation and construction. These changes will be in effect in school year 1998-99 and following years for construction approved by voters after July 1, 1998.

- ✓ *Allow a flexible school calendar* permitting year-round schooling as a local option which could increase a building's capacity 20 to 30 percent. (See the following section.)
- ✓ *Improve construction, maintenance and preservation* of school facilities. The State should require school districts to prepare a building owner's manual and construction manual that sets forth the operating and maintenance needs of each school building. Requirements for maintenance reserve accounts should be established to ensure that buildings are not built without adequate funds to maintain them. Building Aid should be paid on school district maintenance reserve accounts. The State should require that school districts address deferred maintenance and capital replacement before additional building projects are undertaken.
- ✓ *Establish the Commissioner's authority to close schools* in all parts of the State which do not meet environmental health and safety standards.
- ✓ *Use a multi-year cost allowance for individual school buildings.* This would limit Building Aid provided for construction or reconstruction to that necessary for a building system replacement and upgrade. Districts would not be eligible for additional State Aid for similar construction or reconstruction on that building during a specified time period. The cost allowance would be spread across a time period equal to the period of probable usefulness of the building at the time of any new construction or reconstruction. This would encourage school districts to maintain their buildings for the probable life of the building and would provide for more cost-effective use of Building Aid. The period of probable usefulness may be either based on the period specified in Local Finance Law or may be fixed as 10 years for reconstruction and 15 years for new construction.
- ✓ *Eliminate the Wick's Law* requiring four separate contractors thereby facilitating more cost-effective alternative contracting arrangements for school district construction. This would allow school districts to contract with a single prime contractor.

To complement these legislative changes, the State Education Department should establish principles to ensure that:

- New facilities and major rehabilitation adhere to cost-effective environmental health, safety and energy design standards.
- Maintenance needs are reduced through better building design; and
- Efficiencies are realized through shared services, cooperative bidding, and energy conservation.

## ***Provide Calendar Flexibility***

- |   |
|---|
| ✓ Give school districts the flexibility to adopt a school calendar with a portion of the required 180 days of session in July and/or August, without suffering a loss of State Aid. |
|---|

Increasing enrollments have placed greater demands on school facilities. Some students would benefit from being able to have flexible options for scheduling the school calendar. Others would benefit from increased instructional time, in addition to the 180-day school year, in the form of regular class instruction or study clubs that may be offered by parent groups or others outside of the regular school day. A flexible school calendar can be useful in maximizing the use of school buildings, while at the same time providing countless additional opportunities for all students, teachers and parents to meet the challenges of high learning standards.

The Board of Regents recommends legislation that would give school districts the flexibility to adopt a school calendar with a portion of the required 180 days of session in July and/or August, without suffering a loss of State Aid. This would:

- Eliminate provisions of Education Law that specify attendance of students in July and August as *summer session* attendance for the calculation of reduced State Aid. Redefine such attendance as attendance of students in *extra sessions*, to occur at any time during the year in addition to the regular 180-day calendar;
- Continue to pay State Aid on the basis of 180 days of attendance, but allow districts the latitude to have some or all students meet the 180-day requirement with days of session in July and/or August without loss of State Aid;
- Require school districts to designate the regular 180-day calendars they will use in the following school year in each school after consultation with their education community;
- Replace State Aid for summer session attendance with aid for extra school attendance, so that instruction provided in school breaks at any time of year will be aidable to the extent summer attendance has been aidable in the past;
- Amend the provisions of the Education Law on 12-month programming for students with disabilities to account for the possibility that days of regular session may be conducted in July or August, and that special education programs and services may be needed during protracted school breaks occurring at any time of year; and
- Require school districts that choose calendar flexibility to prepare a plan based on criteria determined by the Commissioner of Education, and approved by the Commissioner of Education.

Costs associated with a flexible school calendar include costs for transporting students during July and August and building costs, including installing and operating air-conditioning systems, charges for lighting and other electrical usage, custodial services, and other non-instructional staff. There may be some additional local cost for teacher salaries in school districts which previously operate overcrowded classes and then reduce class size under the flexible school calendar option.

It is anticipated that any school district selecting calendar flexibility will require one year to develop the required plan, conduct hearings and amend teacher contracts. Costs would begin to be incurred in 1998-99 and would be paid in 1999-00. The amount of cost would depend on the number of buildings involved.

## ***B. Build Capacity Through Targeted Use of Additional Resources***

The Regents recommend enactment of a supplement to Operating Aid to help districts build capacity to meet high learning standards for all students. Approximately one-half of the supplement would go to all districts in a wealth-equalized manner; while the other half would go to a small number of school districts with the highest student poverty. The combined result would be 75 percent of the apportionment to high need school districts, and approximately 25 percent to all other districts. This *Standards Implementation Aid* would be used for activities related to the following priorities:

- Strengthening early reading programs;
- Professional development for teachers and administrators;
- School improvement activities;
- Providing support for extra time and extra help to meet learning standards in summer school and alternative education programs;
- Hiring of new staff to provide extra instructional time and help to students;
- Effective use of instructional technology;
- Instruction of children with disabilities in general education; and
- Better integration between high school and middle and elementary schools.

The following describes the major focuses of *Standards Implementation Aid*: strengthening early reading programs; professional development for teachers and administrators; and school improvement and the use of the supplement in high need school districts. The next sub-section describes criteria for completing a plan, to be required for receipt of *Standards Implementation Aid*.

## ***Strengthen Early Reading Programs***

- ✓ Strengthen reading programs targeted to high learning standards in prekindergarten through grade 4.

Student performance data show that 20 percent of New York State's third graders are not meeting current minimum State achievement levels in reading. In New York City, almost 40 percent of students fail to achieve this low standard. Data show that students from poverty backgrounds, especially in schools with high concentrations of poor students, minorities, students with disabilities, and students with limited English proficiency, have the lowest levels of achievement.

The Board of Regents approved higher standards for English language arts, including reading, in July 1996. Students entering ninth grade in 1996, and all subsequent ninth graders, will be required to take the Comprehensive English Regents Examination. The lower level Regents Competency Test in Reading will no longer be offered, except as a temporary phase-in for students with disabilities. Schools will be asked to ensure that at least 90 percent of students pass this examination. In addition, over the next five years requirements for all high school students meeting high learning standards in four other areas will be implemented: mathematics, global studies, U.S. history and government and science. Proficient reading skills will be instrumental in students' attainment of these high learning standards.

Schools with high percentages of students currently falling below the State Reference Point on the third and sixth grade Pupil Evaluation Program tests in reading or the Regents Competency Test in Reading may see these high State standards as unachievable goals. Low-wealth school districts and districts with concentrations of students living in poverty may have additional obstacles. Such districts and schools need additional support and assistance from the State to strengthen their educational programs to ensure that all students have opportunities for success.

While this learning will be assessed at the high school level, research and practice confirm the importance of establishing strong literacy skills at elementary and preschool levels. In addition, the current system is known to serve only 60 percent of students who need remedial services with federal Title I and State PCEN set-asides. Data document the poor student achievement and limited ability to pay of school districts with high percentages of students living in poverty. Additional funds must be directed to strengthen early reading programs in these school districts.

The *Standards Implementation Aid* could be used to strengthen reading instruction in prekindergarten through grade 4 by new reading programs, professional development, instructional materials, reading specialists, teaching assistants in reading and outreach to community groups and parents to support student reading. The reading performance of students in districts receiving the supplement would be assessed annually beginning in 1999 with the new State English language arts examination. Districts would be encouraged to use the supplement for early reading programs in accordance with a required plan.

## *Professional Development for Teachers and Administrators*

- ✓ The *Standards Implementation Aid* could be used by school districts for training of teachers, administrators and prekindergarten providers to build the capacity of the educational system to assist all students in meeting high learning standards.

In order to successfully implement higher standards for all students, especially those students with extraordinary needs, current instructional practices and programs must be modified. This will require teachers and administrators to participate in meaningful and concentrated planning and professional development activities in addition to those activities available on the four authorized superintendent's conference days. Personnel from both schools with a high level of student achievement and those with poor achievement have repeatedly emphasized the importance of resources for professional development in order to foster school improvement.

Additional time devoted to professional development will be especially critical to the success of those schools and school districts serving the greatest concentrations of students with extraordinary needs. This is true for a variety of reasons. The need for staff development may be greater for teachers and administrators teaching students with extraordinary needs. Such school districts may also be low-wealth, thus having less ability to raise revenues locally. Teachers in school districts with high percentages of extraordinary needs pupils may be less experienced and need more staff development. The *Standards Implementation Aid* funds will improve teaching and assessment practices.

This professional development effort will represent an opportunity for teachers and administrators to participate in intense, focused and high quality programs. The New York State Education Department will rely primarily on the existing professional development networks and resources, including higher education, to assist with the identification, development and dissemination of training programs to interested school districts. These include Bilingual Education Technical Assistance Centers, Special Education Training and Resource Centers, Teacher Centers, the Staff and Curriculum Development Network, Effective Schools Managers Consortia, Special Education Administrators Leadership Training Academies, and others. School districts will have flexibility to adapt the *Standards Implementation Aid* resources and materials to meet their unique needs.

Consistent with Chapter 436 of the Laws of 1997, the Regents will expect professional development and training to focus on one of the following topics:

- Understanding and implementing the new higher standards and assessments approved by the Board of Regents.
- Effective use of technology in instruction.
- Instruction of children who are participating in approved prekindergarten programs.
- Instruction of children with disabilities within a general education setting.
- Instruction of nondisabled children who demonstrate the need for increased academic attention.
- Other areas of need demonstrated by the district that relate directly to student instruction which are approved by the Commissioner.

In addition, the Regents recommend that when *Standards Implementation Aid* is used for professional development that it be used in a manner that encourages the equitable participation of teachers from public and nonpublic schools. The Regents also recommend use of *Standards Implementation Aid* to encourage the participation of parents in school decision making, pursuant to the school district's Standards Implementation Plan.

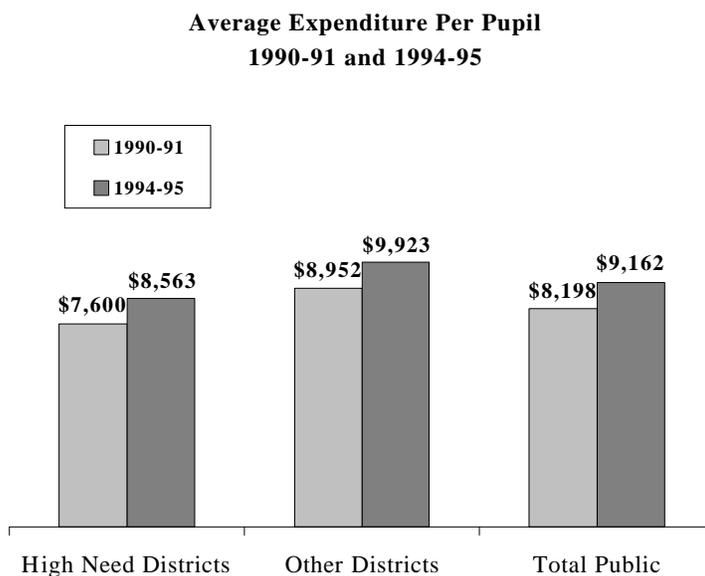
***Provide A Large Portion of Standards Implementation Aid for School Improvement in School Districts with the Most Student Poverty***

- ✓ Provide a large portion of *Standards Implementation Aid* to school districts with the highest concentration of students living in poverty to support planned school improvement activities.

In recent years, the Board of Regents has grown increasingly concerned about accountability for educational improvement among the State's lowest performing students. Resource allocation decisions also affect these students. Review of student demographic data and expenditure patterns of districts presented in Section II of this proposal showed that:

- Thirty percent of New York State's school districts have been identified as *high need*, as measured by student poverty, in relation to their ability to raise revenues locally. These high need districts educate 55 percent of New York State's students. The Big Five city school districts are among the high need districts, accounting for 42 percent of the State's students.
- Despite the greater need of certain districts, as measured by poverty level, these districts spent, on average, less per pupil than other districts.

**Exhibit 6** (repeated from page 6)



With the recent allocation of substantial new financial support for programs aimed at high poverty and low-performing districts, the expectation for improved results will be high. We must find ways to ensure that dollars reaching our lowest performing districts are used to build capacity to improve student achievement.

Department staff has investigated various alternatives which would promote greater accountability for improved educational results in low-performing schools. This approach includes linking resource allocation to comprehensive district planning and to the State's registration review process.

The Regents propose using a large portion of *Standards Implementation Aid* for districts with the highest concentrations of students living in poverty. Districts receiving this aid would be required to spend the funds in a manner consistent with the district's Standards Implementation Plan.

This approach is explored further in a series of questions and answers:

***How does existing Extraordinary Needs Aid (ENA) relate to the proposed Concentrated Standards Implementation Aid?***

Extraordinary Needs Aid, as it currently exists, is based on the concept that providing an education costs more in districts serving a large number of students living in poverty. ENA serves as a general aid supplement that recognizes this inherently higher cost.

The proposed *Standards Implementation Aid* is not merely an extension of the ENA concept. Although *Standards Implementation Aid* would be allocated *among districts* based upon the same or similar criteria as ENA, the allocation and use of the *Standards Implementation Aid within districts* should be related to building-level (or lower) performance improvement and tied to the Standards Implementation Plan.

Unlike ENA, the Concentrated *Standards Implementation Aid* would be categorical in nature in that it would:

- Be targeted to the 45 school districts with the highest concentration of students living in poverty;
- Be used exclusively to support planned school improvement activities. *Standards Implementation Aid* should be used in coordination with and support of redesign plans, corrective action plans, comprehensive education plans, and local assistance plans; and
- Be complemented by the State registration review process to ensure that the use of *Standards Implementation Aid* and other funding sources results in improved student achievement, subject to increased State intervention should performance targets remain unmet.

A portion of *Standards Implementation Aid* (two to five percent) should be set aside in a discretionary fund to reward and support school districts as they improve. This money would be used for two purposes:

- To provide additional funds to districts which meet specified performance targets, including districts in which schools are removed from registration review; and
- To support "aftercare" programs, such as the School Quality Review Initiative, in these schools.

***What are the advantages of Standards Implementation Aid for high need school districts?***

- Additional fragmentation of programs for low-performing students could be avoided by linking the use of *Standards Implementation Aid* to the district Standards Implementation Plan.
- The major impact of recently enacted legislation relating to prekindergarten education, full-day kindergarten and reducing elementary school class size will be on children eligible to graduate beginning in 2008. *Standards Implementation Aid* could potentially help older students as well, depending on district needs and resource allocation decisions.
- Even the increases in funding in the new budget are not sufficient to address all the problems in our low-performing schools. The concentrated *Standards Implementation Aid* would increase aid to a small group of districts that have the highest concentration of high need students.

***The Standards Implementation Plan***

A Standards Implementation Plan will be required of all school districts for receipt of the Standards Implementation Aid. The plan requirement may be satisfied by a Comprehensive Education Plan, in which a single plan replaces most required State and federal plans. Comprehensive District Education Plans are currently being piloted in the Big 5 city school districts and a number of other school districts. The criteria and other details related to the Standards Implementation Plan described in this section will be refined as the comprehensive education planning process is piloted and implemented.

***Purpose of the Plan***

The purpose of the Standards Implementation Plan is to coordinate, focus and evaluate district efforts to foster success by all students in meeting high learning standards.

### ***Who Will Develop the Plan***

The plan shall be developed by a broad spectrum of school district and nonpublic school staff including subject matter teachers, teachers of limited English proficient students, special education teachers, library media specialists, classroom teachers and school administrators.

### ***Who Will Review the Plan***

The plan shall be reviewed by the district's Shared Decision-Making Committee (or the School Council in New York City Community School Districts). The plan shall be approved by the board of education. The district shall send a summary of the plan to parents of the district and make the full plan available to the public.

### ***Criteria for all School Districts***

School districts receiving the *Standards Implementation Aid* will be required to complete a Standards Implementation Plan containing the following information:

- *A description of the model used for intensive individual support of students at risk of academic failure, including any validation or research that documents the effectiveness of the model for meeting high standards;*
- *A description of the instructional configuration to be used (for example, teacher support teams, cross-age tutoring, resource room, etc.), and how that configuration will support improved achievement;*
- *Identification of instructional material and technology to support instruction;*
- *Procedures for identifying the students to be served by the program, including consideration of students' independent and supported achievement levels and other pertinent skills;*
- *Procedures for the school's ongoing assessment of student progress toward the State's learning standards;*
- *A description of the proposed use of staff for program implementation, that is, the use made of additional subject matter specialists, teachers of limited English proficient students, special education teachers, library media specialists, classroom teachers, and support staff;*
- *Plans for staff development for those involved affected by the Standards Implementation Plan;*
- *A description of the performance of district students in relation to State standards, with data disaggregated for any at-risk student populations such as students living in poverty, students with disabilities and students with limited English proficiency;*

- *Performance improvement targets and timeline* for improvement for all subject areas for which student achievement does not meet State standards and other areas identified as district priorities; and
- *A plan for the involvement of nonpublic school teachers in professional development activities* including the equitable participation of nonpublic school teachers in planning for professional development activities and an equal share of the resources devoted to professional development allocated for nonpublic school teachers and spent in a manner that meets the needs of nonpublic school teachers.

### ***Additional Criteria for High Need School Districts***

The following additional criteria must be met by school districts receiving *Concentrated Standards Implementation Aid*.

- *Use of other aids.* *Standards Implementation Aid* must be used in conjunction with Prevention and Support Services Aid (see next section) and compensatory education funds available to the district to implement building plans designed to achieve specified school performance targets.
- *Choice of Schools.* Districts will be required to focus *Standards Implementation Aid* on schools under registration review (SURR) and those just above the "farthest from State standard" cutoffs. Districts could be allowed to use a portion of the funding to improve performance in feeder schools to SURR schools, even if these schools are not among those farthest from State standards.
- *The timeline for measuring academic performance* should coincide with the period that a SURR school is under registration review or be three years for schools that are not under registration review. The standards for academic improvement will be set in existing plans in accordance with current methodologies for schools under registration review, local assistance plans and Title I schoolwide plans.
- *The district shall use a portion of the Concentrated Standards Implementation Aid for the preparation of individual education plans* for all students in schools receiving the aid. Individual plans could be developed with the assistance of school-based support teams funded with Prevention and Support Services Aid. The individual plans will set forth performance goals for each student, services and programs to be provided and the timeline for providing such programs and services. The district shall share the individual plans with each student's parents.

***Increase Support for Extra Time and Extra Help for Learning—Summer School and Alternative Education Programs Leading to a High School Diploma***

- ✓ Pay Operating Aid for alternative instructional programs and services separately from the group of aids subject to the Transition Adjustment. This would provide aid for these alternative learning programs unaffected by fiscal capping.

In order to meet new, high standards for academic performance, many students may require access to educational services and programs outside of, or in addition to, those offered during the regular school year from September through June and during the regular school day. Research documents that cognitive growth slows during the summer months, especially for disadvantaged children not participating in formal educational programs.<sup>2</sup> Such extra session educational services and programs leading to a high school diploma have traditionally been provided through summer school or through alternative programs of less than the regularly scheduled five and one half-hour school day. Unfortunately, the aid formulas that support such traditional alternative programs do not generate an adequate level of funding to encourage many school districts to offer such optional programs or to expand existing programs.

The present formula for Summer School Aid is based on a maximum number of aidable instructional hours during the months of July and August equal to 90. A student attending the maximum of 90 hours generates regular formula Operating Aid based on such attendance equal to 12 percent of the formula Operating Aid payable for a student attending classes full-time during the regular school year. Attendance beyond the 90 hours, however, does not generate any aid. In addition, since Operating Aid is included in aids subject to transition, those school districts receiving either a positive transition adjustment (save harmless) or a negative transition adjustment (aids are capped) argue that the addition of a summer school will not result in any additional aid, and, therefore, there is no financial incentive to offer such a program. Wealthier districts receiving formula Operating Aid on the Flat Grant formula of \$400 per pupil also argue that the amount of additional aid provided for a student in 90 hours of summer school of only \$48 (.12 X \$400) is insufficient. The result is that students in both wealthy and poorer districts who are in need of the supplementary or continuing instruction available through summer school may not have access to such services, unless their families can afford to pay tuition for attendance at a summer school operated by a public school district other than their own or for private services. At best, they only may have access to an abbreviated public school district program of 90 hours.

Under the current Operating Aid formula, the equivalent attendance of students who attend instructional programs of shorter daily duration than five and one-half hours generates aid for each hour of attendance equal to one one-thousandth of the formula Operating Aid per pupil in regular day school. Since the actual hours of attendance upon instruction in regular day school (not including such non-instructional time as Superintendent's Conference Days, Regents examination days, study halls, etc.) is closer to 770, this formula undervalues the aid payable for

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<sup>2</sup> See for example Barbara Heynes, *Schooling and Cognitive Development: Is There a Season for Learning?* Child Development, 1987, 58, 1151-1160.

such alternative instruction. Since the aid, like Summer School Aid, is also subject to the Transition Adjustment, those districts receiving either a positive or negative adjustment argue that no additional aid is realized when these programs are offered.

In order to provide additional support for alternative instructional programs and services, the Regents propose to create a separate operating aid formula that would not be subject to adjustment. This formula would include programs leading to a high school diploma offered during the summer months of July and August or offered during the regular school year on alternative schedules that do not satisfy the minimum daily requirements for five and one-half hours of instruction in a regular day school. Each 90 hours of instruction attended by a student in such approved alternative programs would generate aid equal to 12 percent of the selected Operating Aid per pupil of the school district, as under the current summer school formula. Aid would be increased such that 770 hours of attendance in extra session or summer programs or in alternative education programs will generate the same aid as a full-time student in a regular day school program. In addition, a flat grant guarantee of \$100 in aid for the first 90 hours of a student's attendance would be provided.

### ***Increase in School Library Materials Aid***

- ✓ Maximize the use of school libraries in support of high learning standards, by providing increases over the next four years for School Library Materials Aid.

With increased standards for academic achievement at all levels of the elementary and secondary school program, never has the need for school libraries been greater. School library media programs allow students access to literature and provide opportunities to develop the research skills of students. Often every child in the class is reading a different library book, beginning as early as kindergarten and accelerating in the middle school and high school years. Such reading creates high demand for library materials. In addition, technological advances have created a new medium for the school library, The Electronic Highway. This medium allows students up-to-the minute access to newspapers, magazines and a host of other information sources.

Each public school may claim an apportionment of Library Materials Aid in an amount equal to \$4 multiplied by the number of pupils attending schools within the school district's boundaries. The number of pupils is the number of pupils enrolled in public and nonpublic schools in grades K through 12 in the year prior. Each public school district is required to use such funds to purchase and loan library materials on an equitable basis for use by public and nonpublic students attending schools within the district's boundaries during the current year. The funds must be used for school library media center instructional resources. Any print, nonprint, or electronic-based resource may be purchased, but items purchased must be cataloged and processed as resources which will be part of the school library media center collection.

The appropriation for Library Materials Aid has remained at \$4 per pupil for several years despite higher costs for books, and the move to higher academic standards and increased

demand to acquire software. Space for school libraries has been threatened in districts with increasing enrollments, as libraries have been converted to classrooms. With increased incentives for school construction established with the Laws of 1997, space problems will begin to be alleviated. At the same time, State Aid for library materials must be increased.

The Regents recommend increasing the appropriation for school library materials incrementally over the next four years.

### ***C. Improve Funding for Students Who Need Support to Meet High Learning Standards***

For school year 1998-99, the Regents recommend that the Legislature and Governor:

- ✓ Strengthen the capacity of school districts to effectively maintain students in general education by providing significant increases over a four-year period in aid for prevention and support services.
- ✓ Phase in gradually a new funding formula for special education aid for public schools and BOCES based on total student enrollment and poverty.
- ✓ Enact a *Quality Assurance Intervention Grant Program* to assist districts with high rates of special education classification and placement of students with disabilities in separate settings to build capacity to meet the needs of these students to succeed in the general education curriculum in the least restrictive environment.
- ✓ Allow school districts to apply for a waiver resulting in an aid increase for unusual growth in students with disabilities.
- ✓ Continue current laws for students with disabilities with excessively high costs in public schools, students with disabilities requiring summer programs, and students with disabilities educated in approved private special education schools.
- ✓ Establish current year funding to provide additional State Aid to school districts experiencing extraordinary increases in expenditures due to newly enrolled high cost students with disabilities.

In order to complement these legislative changes, the State Education Department should:

- Evaluate throughout the four-year period of this proposal the effects of the formula changes on student placements and improved student results and use these results to further refine Regents school aid recommendations.
- Implement a statewide training effort to provide special and general educators with the skills to educate students with disabilities in the least restrictive environment.

New York State is engaged in a major reform effort to improve the education system to create better results for students with disabilities. This effort is consistent with goals established in the Regents *Least Restrictive Environment Implementation Policy Paper*. Unfortunately, the current funding system does not provide the flexibility and support needed for integrated school programs and for improving academic performance of students with disabilities.

The recently reauthorized federal Individuals with Disabilities Education Act (IDEA) focuses on improving educational achievement and ensuring the success of students with disabilities in the general education curriculum. This focus is remarkably similar to the special education reform proposal set forth by the New York State Board of Regents.

To strengthen the least restrictive environment (LRE) requirements of the Act, Congress included a provision that state special education funding formulas must not result in placements that violate these requirements. If state policies and procedures do not comply with the federal LRE requirements, states must assure the federal government that they will revise their funding mechanisms as soon as feasible to prevent restrictive placements.

In addition, Congress has authorized a change in the funding formula when the appropriation for Part B reaches \$4.9 billion. When this level is reached, funding based on the number of children identified will be eliminated and funding will be based instead on the total student enrollment and levels of poverty. Congress developed the change in formula to address the problem of over-identification of children with disabilities. Congress states:

*... today the growing problem is overidentifying children as disabled when they might not be truly disabled. The challenge today is not so much how to provide access to special education services but how to appropriately provide educational services to children with disabilities in order to improve educational results for such children. As states consider this issue, more and more states are exploring alternatives for serving more children with learning problems in the regular educational classroom. But in doing so, they face the prospect of reductions in Federal funds, as long as funding is tied to disabled child counts.*

In the Senate Committee Report on the amended IDEA, the Committee stated that “the change from a formula based on the number of children with disabilities to a formula based on census and poverty should in no way be construed to modify the obligation of educational agencies to identify and serve children with disabilities.”

This federal approach is very similar to the Regents 1997-98 proposal to reform special education finance. The Regents proposed that over time a system be phased in, in which State Aid for services to students with disabilities would be calculated on enrollment and poverty rather than on an individual district's count of students with disabilities. Districts with high concentrations of students in poverty could receive additional aid, since such districts have greater needs, as evidenced by students' achievement and levels of student poverty. The proposed finance system would better support educational programs for students with disabilities in the least restrictive environment. Use of poverty allows the State to be responsive to district

needs without encouraging specific types of placements for students. This approach would provide districts the funding flexibility to better serve students with special needs and support the move to higher learning standards. The Regents recommend refining their proposal for 1998-99 to phase in a State Aid approach conceptually similar to the federal aid approach.

### **Special Education Reform Goals**

The Regents have identified the following goals to guide special education reform:

- ◆ Eliminate unnecessary referrals to special education.
- ◆ Assure that students unnecessarily placed or who no longer need special education services are returned to a supportive general education environment.
- ◆ Hold special education to high standards of accountability for results for all students with disabilities.
- ◆ Assure that students with disabilities are educated in settings with their nondisabled peers to the greatest extent possible.
- ◆ Provide mechanisms for school districts to develop support and prevention services.
- ◆ Assure that school personnel have the knowledge and skills that will enable them to effectively assist students with disabilities in attaining high standards.

The 1998-99 State Aid proposal necessarily focuses on school funding. But funding is only one of a set of strategies necessary to reform special education. Although this proposal only addresses the funding of some of these strategies, funding reform will complement endeavors in other key areas.

### **Key Elements of Recommendations to Improve Funding for Students with Special Needs**

The Board of Regents is committed to addressing changes in New York State's special education finance system necessary to support student attainment of high learning standards. Consistent with the Regents goals concerning education finance, the 1998-99 proposal includes a multi-year approach to attain the desired expectation of New York State's special education reform efforts. The key components of this proposal are described below.

✓ **Provide significant increases for prevention and support services in general education.**

Prevention and support services for students experiencing difficulties in general education are a focal point of the Regents proposal. Support services provided earlier and on a more timely basis effectively improve student results and reduce costs in both general and special education. This component of the proposal is supported by the findings of Congress in Section 601(c) of the IDEA. Congress states that research and experience over the past 20 years demonstrate that incentives for whole school approaches and pre-referral intervention reduce the need to label children as disabled in order to address their learning needs.

Congress also finds that greater efforts are needed to prevent mislabeling and high dropout rates among minority students with disabilities. Congress notes that more minority children continue to be served in special education than would be expected from the percentage of minority students in the general school population. Various studies have shown evidence that prevention and prereferral problem-solving in general education reduces the disproportionate representation of students from minority groups identified for special education programs and services. To avoid inappropriate referrals and misclassification, it is important to ensure that educators are able to accurately distinguish students who need alternative general education strategies or additional support services from students who have educationally relevant disabilities and are in need of special education.

In addition to national studies on the effectiveness of general education prevention and support services, New York State school districts which have implemented prevention and pre-referral support services have shown a dramatic decline in referrals to special education. It is essential that State support for this program be significantly increased to augment the capacity of school districts to provide effective programs and services.

The creation of a new Prevention and Support Services Aid would expand the existing *Educationally Related Support Services Aid* program in a number of ways. It would greatly increase the funding available to school districts, thereby allowing them to implement a variety of preventive services which the laws of 1996 made eligible for Educationally-Related Support Services Aid. Examples are school based instructional support teams, special instruction and curriculum modification. The new aid would demand stronger ties between support services and student progress toward achieving high learning standards. High need school districts would be required to specify the use of Prevention and Support Services Aid together with Standards Implementation Aid and compensatory education funds, as specified in the school district's Standards Implementation Plan. This more substantial aid program could be used for increased related services to students such as speech therapy, psychological, social work and counseling services, thus reducing the need to refer students unnecessarily to special education. It could be used to develop the capacity of school-level instructional support teams of teachers and other school personnel who collaboratively provide programs and services to students experiencing learning difficulties and their teachers.

A multi-year commitment to strengthening and enhancing prevention and support services will:

◆ Provide school districts continued funding to design a general education system that is

more supportive to students, including those representing minority groups, experiencing learning difficulties and/or who have mild disabilities;

- ◆ Provide increasing support to school districts as they expand their prevention and support services and simultaneously strengthen the capacity of teachers and students to make progress toward high learning standards; and
- ◆ Enable school districts to reinvest savings in total special education spending in prevention.

Currently, there is little incentive for districts to implement cost-effective programs. Funding is reduced in districts that place a greater priority on preventive activities in general education and as a result have fewer students classified in special education.

The primary goal of the reinvestment strategy proposed by the Regents is significantly improved outcomes for students. It showcases a model developed by the Center for the Study of Social Policy.<sup>3</sup> The model provides an incentive for cost-effectiveness by allowing service providers to reinvest savings in activities targeted to improved results for children and families that reduce the need for more costly intervention services in the future. The focus is on prevention targeted to specific results with greater local control of resources to create savings and achieve results. The model has been lauded for its effectiveness at fostering collaboration among education and human service providers for the attainment of improved results for children and families. The Regents believe the model to be especially appropriate for creating better results in general and special education.

✓ **Gradually phase in a new formula based on total school enrollment and poverty.**

Consistent with the 1997-98 proposal, the Regents continue to advocate making positive progress toward a special education funding system that breaks the connection between (1) special education funding, and (2) location and level of service provided.

Currently, the State pays aid on the basis of the number of students in special education in each district and the amount and type of special education service provided to each pupil. The Regents recommend moving in the direction of a distribution formula similar to that enacted by the Federal government. State Aid for students with disabilities educated in public schools and BOCES (*Public Excess Cost Aid*) would eventually be distributed on the basis of total school enrollment and student poverty.

Specifically, this special education funding system would:

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<sup>3</sup> The Center for the Study of Social Policy is a Washington, D.C.-based research organization concerned with financing services for children and families. The Center receives grants from a variety of foundations including the Danforth Foundation, Annie E. Casey Foundation, Carnegie Corporation and the New American Schools Development Corporation.

- ◆ Provide a flexible funding stream to support the provision of services to students in the least restrictive environment by allowing funds to follow the child and to support a level of service based on need rather than arbitrary minimum levels of service that are in Present Law;
- ◆ Adequately support school district delivery models which concentrate the provision of special education programs and services in the general education classroom versus more traditional, separate special education delivery systems;
- ◆ Maintain a stable special education funding appropriation as school districts explore alternatives for serving more and more students with learning problems in the general education classroom (under Present Law school districts face the prospect of reduction in State funds, as funding is tied to the number of classified students with disabilities);
- ◆ Enable school districts to undertake good practices for addressing the learning needs of more children in the general classroom without unnecessary categorization or labeling and likely loss of funds. The problem of overidentification occurs more with minority children. This problem also contributes to the referral of minority special education students to more restrictive environments; and
- ◆ Establish a funding formula which uses objective data (enrollment and poverty) not tied to student placements. This eliminates the financial incentives for manipulating student counts (that exist in the current system), including retaining students in special education just to continue receiving State funds. A poverty factor in the formula would recognize the additional cost of educating students living in poverty and the link between the needs of students and certain forms of disability.
- ✓ **Transition to the new funding formula using a gradual phase-in. Invest in general education support and prevention services over the next four years and phase in the new funding system over the next several years.**

Public comment concerning the Regents proposal on special education funding emphasized the need for districts to have time to adjust to a new funding formula and to maintain existing funding formulas for students with severe disabilities. Districts need resources, assistance and time to develop effective preventive programs in general education. They also need time to implement cost-effective strategies for educating students with disabilities.

For the 1998-99 school year, the Regents propose to continue Present Law for *Public Excess Cost Aid*, which uses a count of students with disabilities, weighted by level of special education service. Present Law save-harmless provisions guaranteeing no loss over the previous year would also be maintained.

The following transition schedule is proposed:

- ***Shift from weighted pupils to a single weighting.*** In the 1999-00 and 2000-01 school years, increase the appropriation for *Public Excess Cost Aid* (excluding *High Cost Aid*) to account

for inflation. Distribute this amount on the basis of a count of identified students with disabilities in the school district that is *not* weighted for different levels of special education service.

- ***Begin gradual transition to new funding.*** In 2001-02 continue to allocate *Public Excess Cost Aid* on the basis of (unweighted) students with disabilities for 80 percent of funds. Begin to transition to a new formula by allocating 17 percent of funds on the basis of school district enrollment and three percent of funds on the basis of school district poverty. Continue save-harmless provisions to guard districts against excessive year-to-year loss by providing that no district will receive less than 100 percent of the aids payable in 1998-99 (excluding *High Cost Aid* which will be paid separately).<sup>4</sup>
- ✓ **Enact a *Quality Assurance Intervention Grant Program* to help districts transition to the new formula.**

The Regents recommend the establishment of a temporary grant program to assist school districts with high rates of classification or separate placements of students with disabilities to develop prevention activities and innovative practices. The funds would be provided to approximately 100 school districts (or community school districts in New York City) to assist them in reducing rates of classification and separate placements and improving student achievement. The goal of the program should be to build capacity to meet the needs of these students to succeed in the general education curriculum in the least restrictive environment by reducing these rates.

The funds could be used for:

- Planning related to building capacity to meet high learning standards;
- Implementation of different delivery systems;
- Providing curriculum development pertinent to the new standards;
- Developing greater student success in accomplishing coursework leading to the new standards;
- Greater integrated opportunities for students with disabilities;
- Applying research-based approaches on effective instruction to improve results;
- Collecting and analyzing data on student achievement in relation to the learning standards; and
- Supporting staff development including collaboration between special and general education teachers.

To complement these legislative changes, the State Education Department should evaluate the effects of the formula changes on student placements and improved student results and implement a technical assistance effort designed to improve results of targeted school districts.

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<sup>4</sup> It should be noted, however, that the more paid for save-harmless, the less *Public Excess Cost Aid* will be available to districts for whom the formula would result in an increase over the prior year. In order to stay within a total appropriation for *Public Excess Cost Aid*, the more that the State pays for save-harmless, the more the State must limit the amount of increased funds to be received by districts which are not on save-harmless.

The Regents recommend that the State Education Department evaluate the effect of the proposed formula changes on student placements and achievement and adjust these school aid recommendations accordingly.

The Department will provide technical assistance activities that link districts with those identified as having effective practices and furnish information on alternative service delivery models and improved and coordinated use of financial resources, including State funds for prevention and support services.

✓ **Allow school districts to apply for a waiver resulting in an aid increase for unusual growth in students with disabilities.**

Some school districts may have an excessive number of students with disabilities because of successful special education programs. Families of students with disabilities may move to the district in order to enroll their children in exemplary programs. The Regents recommend a provision to allow school districts that have a high level of growth in the number of students with disabilities to apply for a waiver which would result in these additional pupils being recognized for aid. Districts would be required to document to the State Education Department growth above a threshold level (such as three percent) in the number of additional (net) students with disabilities that move into the school district with Individual Education Programs.

✓ **Continue current laws for students with disabilities with excessively high costs in public schools, students with disabilities requiring summer programs, and students with disabilities educated in approved private special education schools.**

The Regents recommend that current funding formulas be continued for the following groups of students:

- ❑ students with disabilities with excessively high costs who are educated in public schools;
- ❑ students with disabilities requiring special education programs and services during the summer; and
- ❑ students with disabilities in approved private schools, Special Act School Districts, the State-operated schools for the Deaf and Blind at Rome and Batavia, and State-supported schools.

To assure that the private excess cost formula is consistent with the federal LRE requirements, the Regents recommend that the Department convene a special education advisory group to make recommendations concerning the effect the excess cost funding formula may have on placements of students with disabilities in more restrictive settings. The special education advisory group shall be composed of representatives of statewide organizations, public and private school administrators, parents of students with disabilities, representatives of private schools, State teachers' associations, members of the Commissioner's Advisory Panel for Special Education Services and others as determined by the Commissioner.

✓ **Establish current year funding for new high cost students with disabilities.**

A current year funding appropriation should be made to provide additional State Aid to school districts experiencing extraordinary increases in spending on programs and services for new high cost students with disabilities. An appropriation would be set aside to assist school districts when expenditures for new high cost students with disabilities would otherwise impose a financial hardship on a district. This is expected to be especially beneficial to small or particularly low-wealth districts, for which this required increased spending would impose a hardship. This appropriation would provide fiscal support for new high cost students until High Cost Aid was received.

***D. Continue Current Laws***

✓ The Regents recommend that the State maintain its commitment to the funding changes established in the Laws of 1997 and prior years relating to support for public school districts.
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The Laws of 1997 established a number of new State funding commitments for 1998-99 and future years including: prekindergarten education, full-day kindergarten, reduction in elementary school class size, maintenance and repair aid for school facilities, aid increases for textbooks and computer software and hardware, additional aid for school construction and renovation, shared services aid for the Big Five city school districts, increased aid for instructional computer technology, and aid for school districts which freeze or limit their local taxes.

These changes that the State committed to in 1997 will have a positive impact on school districts' capacity to prepare students to meet high learning standards. It is important that the State maintains its commitment to them. In addition, enrollment growth and increases built into Present Law for Operating Aid will require additional State resources. Exhibit 13 lists these different commitments and estimated increased costs for school year 1998-99 over 1997-98.

**Exhibit 13**  
***Continuing Current Laws***  
**Estimates of Additional Costs for 1998-99**  
**For Selected Provisions**  
**As Compared to 1997-98**

		<b>1998-99</b> <b>(Estimated school year cost in millions of \$)</b>
a .	Prekindergarten	50
b.	Full-Day Kindergarten	14.4
c.	Reducing Elementary School Class Size	0
d.	Maintenance and Repair	50
e.	Textbooks, Software, Hardware	0
f.	Other:	
	1. Shared Services	3.5
	2. Building Incentive and Regional Cost	28
	3. Instructional Computer Technology	9
g.	Tax Freeze	0
<i>h.</i>	<i>Total</i>	155

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\*included in computerized aids