

DESCRIPTION OF  
2003-04 NEW YORK STATE SCHOOL AID PROGRAMS

EDUCATION UNIT  
NEW YORK STATE DIVISION OF THE BUDGET  
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## INTRODUCTION

This report provides a summary of the 2003-04 New York State aid programs for elementary and secondary education as provided primarily in the appropriation and Article VII Budget Bills comprising the education and property tax relief portions of the budget passed by the Legislature and subsequently enacted as Chapters 53, 54 and 62 of the Laws of 2003.

For additional information regarding State aid to public schools for 2003-04, see the April 2003 school aid computer listing entitled "SA030-4" which was based on data supplied by the State Education Department and the "Report of the Fiscal Committees on the Executive Budget" for the fiscal year 2003-04.



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SCHOOL AID/STAR OVERVIEW

This bulletin presents a summary of the 2003-04 school aid programs in the Aid to Localities Budget Bill (S.1403-B/A.2103-B) as well as the related appropriation and Article VII bills (S.1404-B/A.2104-B and S.1406-B/A.2106-B) which were passed by the Legislature and which subsequently became law as Chapters 53, 54 and 62 of the Laws of 2003.

For the 2003-04 school year, funding for General Support for Public Schools will be reduced by \$185.84 million, or 1.27 percent, from \$14,615.60 million to \$14,429.76 million. Major elements of State support for elementary and secondary education include the following:

- An overall decrease of \$185.84 million (1.27 percent) in school aid, including a decrease of \$206.80 million (1.48 percent) in formula-based computerized aids.
- A new Comprehensive Operating Aid totalling \$6,840.78 million which will replace four previous aid categories and which incorporates a reduction of \$285.35 million, or 4.00 percent.
- A \$18.63 million, or 2.71 percent, increase to a total of \$704.91 million in funding for Extraordinary Needs Aid for districts with concentrations of at-risk pupils.
- An increase of \$42.95 million (1.88 percent) to a total of \$2,332.94 million for Public and Private Excess Cost Aid funding for programs for pupils with disabilities. To promote the education of disabled children with their non-disabled peers, and to generate additional aid for such children, a pupil weighting of 0.5 continues to be added to the existing public excess cost aid weighting for severely disabled children. These are children who require special education services at least 60 percent of the time and who receive such services in a general education setting.
- Funding of \$201.04 million is provided for Universal Prekindergarten Aid and funding of \$136.40 million is

available for Class Size Reduction Aid.<sup>1</sup> Minor Maintenance Aid is continued at \$49.97 million. An allocation of \$5.64 million is provided for Full-Day Kindergarten Incentive Aid, reflecting a decrease of \$11.56 million due to a decline in new incentive grant applications from school districts.

- Building Aid funding of \$1,168.69 million, a decrease of \$115.20 million. This funding level reflects full implementation of recent reforms whereby the State will reimburse its share of school construction projects over the useful life of the project. Reforms will also authorize 2003-04 Building Aid payments for projects for which a construction contract has been signed and notification received by the State Education Department by February 15, 2003. Projects for which notification is received by the State Education Department after such date are eligible for Building Aid in 2004-05.
- A total of \$264.13 million, an increase of \$0.34 million, is provided for expense-based instructional materials aids including the textbook, software and hardware aid categories. Computer Software Aid is increased by \$0.47 million or 1.03 percent. Textbook Aid will decrease by \$0.83 million or 0.44 percent. Computer Hardware Aid is increased by \$0.70 million or 2.53 percent.
- An increase of \$93.37 million, for a total of \$1,093.37 million, is provided for expense-based Transportation Aid. Statewide, up to \$5.00 million continues to be available for reimbursement of summer school transportation expenses.
- A total of \$35.82 million, a decrease of \$5.34 million (12.97 percent), is available to fund school district summer programs to improve student performance in required academic subjects or to prepare for Regents examinations.
- Aid for BOCES services will total \$522.02 million, an increase of \$27.45 million or 5.55 percent.

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<sup>1</sup> Legislation enacted with the 2003-04 State Budget provides for program totals of up to \$204.68 million for Universal Prekindergarten Aid and up to \$139.97 million for Class Size Reduction Aid.

- For the 2003-04 school year, \$122.16 million will be available for Special Services Aid for career education programs and school computer services. This aid is provided to both Big Five City school districts and other districts that are non-components of BOCES.
- Formula revisions will enhance funding for Limited English Proficiency Aid (\$86.49 million) and for Tax Limitation Aid (\$29.96 million).
- Continued General Support for Public School funding at 2002-03 levels is provided for various categorical aid programs including Teacher Support Aid (\$67.48 million), Small Cities Aid (\$81.88 million) and Bilingual Grants (\$11.20 million).
- The Teacher-Mentor Intern program will be funded at \$4.00 million, a decrease of \$1.00 million, while Teacher Centers will be funded at a level of up to \$31.00 million.
- The "Teachers of Tomorrow" initiative will be funded at \$20.00 million, a decrease of \$5.00 million. This program provides assistance to school districts, including the Big Five City schools, in their efforts to increase the supply of qualified entry-level teachers and to improve teacher retention.
- The 2003-04 State Budget provides funding of \$90.00 million, an increase of \$33.00 million, for payment of statewide prior year claims and/or fiscal stabilization grants. This includes up to \$62.00 million for payment to New York City.
- STAR property tax relief will increase by \$136 million, from \$2.12 billion in 2002-03 to an estimated \$2.26 billion in 2003-04, to support the \$50,000 full value exemption for income-eligible seniors and the \$30,000 full value exemption for other homeowners.

Enacted in the 2002-03 budget, the STAR cost of living adjustment (COLA) for senior income eligibility will raise the income ceiling from \$60,000 to \$62,100. This COLA will ensure that modest increases in Social Security or other retirement income will not make seniors who

receive enhanced STAR benefits ineligible in future years.

In addition, legislation was enacted which provides seniors with the option of having their income eligibility for the enhanced STAR benefit verified by the New York State Department of Taxation and Finance. Seniors who elect the income verification option as part of their application for the 2003-04 school year will not have to reapply for the exemption in the following years. They will be automatically renewed as long as their income eligibility and homeowner status remain unchanged.

### 2003-04 SCHOOL AID PROGRAMS

Most major formula provisions remain unchanged for the 2003-04 school year. However, the enacted Budget does include changes in Comprehensive Operating Aid, Extraordinary Needs Aid, Limited English Proficiency Aid, Tax Limitation Aid and Building Aid.

#### A. GENERAL SUPPORT FOR PUBLIC SCHOOLS

The enacted school aid program will decrease the aids comprising General Support for Public Schools (GSPS) by \$185.84 million, from \$14,615.60 million in 2002-03 to \$14,429.76 million in the 2003-04 school year, a reduction of 1.27 percent. Formula-based computerized aids will decrease by \$206.80 million, or 1.48 percent, to \$13,800.73 million.

#### FORMULA-BASED AIDS

Comprehensive Operating Aid: For 2003-04, school districts statewide will receive \$6,840.78 million in new Comprehensive Operating Aid - a decrease of \$285.35 million, or 4.00 percent. The Comprehensive Operating Aid category now consolidates four 2002-03 aids into a single funding source. The combined aid replaces Comprehensive Operating Aid, Gifted and Talented Aid, Operating Standards Aid and Academic Support Aid. For 2003-04, school district aid totals also incorporate a wealth- and pupil-based formula reduction which will affect all districts, however, low wealth districts and districts with a high proportion of at-risk pupils will experience a lesser reduction.

Comprehensive Operating Aid decreases will be allocated based on the following two-step calculation:

- Aid provided to each district will be reduced by an amount equal to 1.75 percent of its 2002-03 total for the four consolidated aid categories noted above.
- An additional reduction amount will be calculated using free and reduced price lunch and school district combined wealth data. The higher the percentage of students eligible for free and reduced price lunch programs and the lower the per pupil income and property wealth of the district, the smaller the amount of the district's additional reduction.
- The combined reduction for districts will range from 2.25 percent to 6.30 percent of their 2002-03 aid total for Comprehensive Operating Aid, Gifted and Talented Aid, Operating Standards Aid and Academic Support Aid.

Extraordinary Needs Aid: This aid category provides funds to school districts with high concentrations of limited English proficient and other at-risk pupils. For the 2003-04 school year, the formula includes a recalculation of the concentration factor which provides additional aid to districts with more than 74.5 percent of their students identified as at-risk pupils. The save-harmless provision is continued and guarantees that no district will receive less aid than it received in 2002-03. Extraordinary Needs Aid will provide \$704.91 million to school districts, an increase of \$18.63 million.

Public Excess Cost Aid: Public Excess Cost Aid will total \$2,152.46 million in 2003-04, an increase of \$35.81 million. This program supports the additional costs of providing a free and appropriate education in a public school setting for students with disabilities. Aid payable in 2003-04 will be calculated based on approved operating expense and total aidable pupils for expense of the 2001-02 school year. The statewide average approved operating expense per pupil is \$7,650. The aid ratio is determined using the Combined Wealth Ratio and is based on a 49 percent State share for a district of average wealth and a minimum aid ratio of 25 percent.

For 2003-04, the public excess cost pupil weightings continue to contain a 0.5 weighting for those children who required special education services in the year prior to the base year at least 60 percent of the time and who received these

services in a general education setting. The pupil weighting for students requiring special education services more than 60 percent of the day in the base year will be 1.65 for aid paid in 2003-04. The save-harmless provision ensures that no district will receive less than 95 percent of the aid amount paid for 2002-03. (Integrated settings aid is not subject to the Public Excess Cost Aid save-harmless calculation.)

Funding for the Declassification Support Services Aid program is also included within the estimates for Public Excess Cost Aid. Under this program, moneys are provided to school districts for the provision of support services for teachers and pupils in the first year that a pupil moves from a special education program to a full-time regular education program. In order to encourage the increased movement of pupils into a regular classroom environment, this aid equals 50 percent of a district's Public Excess Cost Aid per pupil multiplied by the number of pupils moving to a regular education program.

Private Excess Cost Aid: This program supports special education programs serving public school children placed in private school settings and in the State-operated schools in Rome and Batavia. All existing provisions of law are continued. State funding in 2003-04 will total \$180.48 million, an increase of \$7.14 million.

Educationally Related Support Services Aid: This formula supports school district programs for students at risk of requiring special education services. It continues to include two per pupil aid calculations. The first uses a \$365.00 aid ceiling, selected TAPU, and the formula Operating Aid ratio with a .25 minimum<sup>2</sup>. The second uses a \$635.00 aid ceiling, selected TAPU, the Extraordinary Needs percent (to the extent that the percentage of students with Extraordinary Needs is in excess of 60 percent) and the aid ratio for Public Excess Cost Aid. The percent of selected TAPU for the first per-pupil calculation is 9 percent; that for the second is 15 percent. For 2003-04, this aid will total \$72.48 million, an increase of \$2.11 million.

BOCES Aid: For 2003-04, aid to reimburse districts for expenditures for BOCES services in the 2002-03 school year will total \$522.02 million, an increase of \$27.45 million. The use of BOCES in the provision of Academic Intervention Services (AIS)

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<sup>2</sup> Formula Operating Aid components (as described in subdivision 12 of Section 3602 of the Education Law) will be used where appropriate to the aid category calculation, such as for Educationally Related Support Services Aid, Limited English Proficiency Aid and Growth Aid.

to improve student performance must continue to be approved by the State Education Department to be aid eligible. Districts must demonstrate, not only that district resources were insufficient to provide appropriate Academic Intervention Services, but that accessing BOCES services is a cost-effective solution.

Special Services Aid: Special Services Aid funds career education programs and computer services for school districts which are not components of a BOCES. The career education aid ceiling for 2003-04 is continued at \$3,720. Computer services aid is based upon an aid ratio multiplied by expenses up to \$62.30 multiplied by the district's K-12 enrollment. For 2003-04, this aid will total \$122.16 million, a decrease of \$4.83 million.

Transportation Aid: Transportation Aid will total \$1,093.37 million in 2003-04, an increase of \$93.37 million. The minimum aid ratio for Transportation Aid continues to be 6.5 percent (dependent on district wealth, aid will range from 6.5 to 90 percent of a district's approved transportation expenses). The aid ratio choice permitting school districts to receive aid based on public and non-public enrollments is continued and will benefit districts transporting large numbers of nonpublic school students. District expenditures for transportation to and from school district operated summer classes to improve student performance will be aided up to a maximum of \$5.00 million statewide. Districts may claim aid based on the transportation of pupils in summer school courses to improve performance during the summer of 2002.

Schools will continue to receive aid for non-emergency bus purchases or leases in the year after the expense is incurred only if the amount expended is reported to the Commissioner of Education by November 15th of the base year. Any amount exceeding the reported figure will be aided in the subsequent year.

Limited English Proficiency(LEP) Aid: For 2003-04, the per pupil calculation for LEP Aid, which is based on formula Operating Aid, has been revised. As a result, school district programs for the education of students with limited proficiency in English will be supported by \$86.49 million, an increase of \$20.66 million.

Reorganization Incentive Operating Aid: The statutory provisions for Reorganization Incentive Operating Aid remain

unchanged. For 2003-04, aid will amount to \$17.53 million, a decrease of \$1.69 million. Reorganization Incentive Operating Aid is provided for operating expenses incurred by school districts that are scheduled for reorganization. It is paid as a supplement based on formula Operating Aid when districts meet certain conditions prescribed by law. Since 1992, the operating aid enhancement for reorganizing districts has been 40 percent per year for the first five years after which the percentage of additional operating aid decreases four percent per year.

Textbook and Computer Aids: For the 2003-04 school year, the following provisions apply:

- Textbook Aid: These funds reimburse school districts for the purchase of textbooks which are loaned to both public and nonpublic pupils. Schools are also able to qualify for reimbursement based on eligible purchases of content-based instructional materials in an electronic format. The lottery funded portion of Textbook Aid is \$15.00 per pupil. The general fund portion will be \$42.30 per pupil, for a combined maximum textbook aid payment of \$57.30 per pupil. This aid will total \$189.71 million in 2003-04, a decrease of \$0.83 million.
- Computer Software Aid: Under this program, aid is apportioned to districts for the purchase and loan of computer software. Software programs designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils pursuant to the Rules of the Board of Regents. For the 2003-04 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2003-04, Computer Software Aid will total \$46.04 million, an increase of \$0.47 million.
- Instructional Computer Hardware and Technology Equipment Aid: This aid category provides funding for the lease or purchase of mini- and microcomputers, computer terminals and technology equipment for instructional purposes, for repair costs and for staff development. Computer Hardware Aid equals approved expense (up to \$19.25 per pupil, adjusted by the current year AV/RWADA aid ratio). For the 2003-04 school year, \$28.38 million, an increase of \$0.70 million, is provided.

Library Materials Aid: Districts are reimbursed for expenses up to \$6.00 per pupil based on public and nonpublic

school enrollment. For 2003-04, Library Materials Aid will total \$19.36 million, an increase of \$0.02 million. Materials purchased under this program and designated for use in public schools are to be loaned on an equitable basis to nonpublic school pupils.

Prekindergarten and Early Grade Class Size Reduction Aid: Beginning in 1998-99, State funds were provided to expand the availability of prekindergarten programs for four-year-old children statewide. For 2003-04, funding of \$201.04 million is provided for State prekindergarten grants. Funding will be provided through a combination of State funding and Federal Temporary Assistance for Needy Families (TANF). For 2003-04, \$136.40 million is provided to enable school districts to reduce class size in kindergarten and in grades one through three.<sup>3</sup>

Full-Day K Incentive Aid: This aid category provides funding to encourage school districts to establish full-day kindergarten programs intended to strengthen the quality of education for five-year-old children. School districts first offering full-day kindergarten programs in 2003-04 will receive current year formula Operating Aid for any increase in the number of students served in full-day programs in 2003-04 compared to 2002-03. For 2003-04, a total of \$5.64 million, a decrease of \$11.56 million, is provided for this program reflecting a decline in the level of new incentive grant applications from school districts.

Minor Maintenance Aid: For 2003-04, \$49.97 million will be allocated for support of minor maintenance projects necessary to preserve school facilities statewide. (New York City's aid may not exceed \$33.33 million.) School districts will receive funding based upon the average age of their facilities and upon enrollment growth.

Tax Limitation Aid: For 2003-04, this enhanced aid category will provide a total of \$29.96 million, an increase of \$4.96 million, to school districts. This formula aid is calculated using district tax levy from residential property and overall district income.

Summer School Aid: This aid category funds school district summer courses to improve student achievement in required academic subjects, including Regents-level courses. For 2003-04,

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<sup>3</sup> Legislation enacted with the 2003-04 State Budget provides for program totals of up to \$204.68 million for Universal Prekindergarten Aid and up to \$139.97 million for Class Size Reduction Aid.

aid will total \$35.82 million, a decrease of \$5.34 million. School districts that provided transportation for pupils to district operated summer school programs for the 2002 summer school session may claim Transportation Aid for such services in the 2003-04 school year. Such summer transportation aid will be capped at a statewide total of \$5.00 million. While BOCES may operate summer session programs on a shared services basis, BOCES may not claim aid for summer programs under this aid category.

Building/Reorganization Incentive Building Aid: For 2003-04, Building Aid to support school building projects throughout the State (including Reorganization Incentive Aid for building expenses incurred by those school districts that reorganize under section 3602 of the Education Law) will total \$1,168.69 million, a decrease of \$115.20 million. The 10 percent Building Aid enrichment provided for projects approved July 1, 1998 and thereafter is continued in 2003-04. Projects approved by voters beginning July 1, 2000 receive Building Aid based on the greater of their current year AV/RWADA aid ratio or their 1999-00 Building Aid ratio reduced by 10 percentage points.

Consistent with reforms enacted in recent years, State aid for all construction projects will be paid over the useful life of the project (15 years for reconstruction, 20 years for major construction/additions and 30 years for new buildings). Additionally, legislation enacted with the 2003-04 State Budget will defer payment for new construction projects in instances in which the school district did not file a notice that a general construction contract has been signed with the Commissioner of Education by February 15, 2003. Aid on these projects will be paid in July 2004.

Teacher Support Aid: For the 2003-04 school year, \$67.48 million will continue to be available for this Big Five City school district program.

Growth Aid: Growth Aid will be paid as a separate apportionment to qualifying districts in June 2004. As provided for in Chapter 474 of the Laws of 1996, a district's growth index is calculated based on the change in enrollment rather than the change in average daily attendance. For 2003-04, Growth aid will total \$29.57 million, an increase of \$6.70 million.

## GRANT PROGRAMS AND OTHER AID CATEGORIES

Teachers of Tomorrow: For 2003-04, \$20.00 million, a decrease of \$5.00 million, will be available for incentives such as awards and stipends to retain and attract teachers into New York's classrooms, particularly in areas where teacher shortages exist. Of available funds, \$12.00 million, or 60 percent, will go to New York City.

Teacher Resource and Computer Training Centers: General Support for Public School funding of up to \$31.00 million is available for this program in the 2003-04 school year.<sup>4</sup>

Teacher-Mentor Intern: Under this program, a total of \$4.00 million in General Support for Public School funds, a decrease of \$1.00 million, will be provided for 2003-04 to support school-year programs through which new teachers work with an experienced teacher as their mentor.

Categorical Reading Aid: This aid is provided to the Big Five City school districts to help improve pupil reading skills and academic performance. A total of \$63.95 million in 2003-04, the same amount as last year, is provided to be distributed as follows:

• New York City	\$29.95 million
• Buffalo	17.50 million
• Syracuse	6.00 million
• Rochester	5.50 million
• Yonkers	5.00 million

Improving Pupil Performance: Funding of \$66.35 million, the same amount as last year, is continued to support a program of incentive grants for improving pupil performance in the Big Five City school districts. These funds will be allocated as follows:

• New York City	\$36.20 million
• Buffalo	10.50 million
• Yonkers	9.10 million
• Rochester	6.95 million
• Syracuse	3.60 million

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<sup>4</sup> Chapter 53 of the Laws of 2003 includes moneys to support an \$11.00 million program for the 2003-04 school year. Additional funds may be available from the \$41.50 million appropriation for grants-in-aid.

Magnet and Demonstration Schools: Magnet school programs offer special curricula that are intended to attract students of different backgrounds in order to reduce racial isolation. A total of \$135.79 million, an increase of \$148,000, is provided for 19 school districts (including \$116.70 million to the Big Five cities).

• New York City	\$48,175,000
• Yonkers	29,500,000
• Buffalo	17,025,000
• Rochester	11,000,000
• Syracuse	11,000,000
• Newburgh	4,645,000
• Albany	2,050,000
• Mount Vernon	2,000,000
• Poughkeepsie	1,975,000
• Schenectady	1,800,000
• New Rochelle	1,410,000
• Utica	1,200,000
• Port Chester	1,150,000
• White Plains	900,000
• Niagara Falls	600,000
• Freeport	400,000
• Middletown	400,000
• Beacon	366,000
• Peekskill	200,000

In addition to these funds, Chapter 53 of the Laws of 2003 appropriates \$300,000 for magnet school programs in the Greenburgh school district.

Fort Drum Area School Districts: A total of \$2.63 million, the same amount as last year, is provided to continue grants to school districts in the Fort Drum area that have pupil enrollments that are impacted due to the influx of personnel at the Fort Drum military reservation.

Aid to Small City School Districts: Aid for small city school districts was instituted as a grant program by Chapter 288 of the Laws of 1979, and was intended to provide funds to districts at or near constitutional tax limits. With the removal of small city constitutional tax limits by a referendum in 1985, aid to small city school districts is provided to permit such districts to adjust their taxes gradually to an appropriate

level. A total of \$81.88 million, the same amount as in 2002-03, will be allocated to small city school districts for the 2003-04 school year.

Employment Preparation Education (EPE) Aid: EPE funding is available for adult education programs such as literacy, basic skills and high school equivalency programs for persons who are 21 years of age or older who have not received a high school diploma. School districts and BOCES offering such programs are required to submit plans of service to the Commissioner of Education for approval. Total aid for the 2003-04 school year will be \$84.00 million, a decrease of \$12.18 million. Approved claims above such amount will be subject to proration.

Urban-Suburban Transfer: A total of \$1.13 million will be provided in 2003-04 to districts that participate in a voluntary interdistrict transfer between urban and suburban school districts to reduce racial isolation. Related transportation expenses are eligible for Transportation Aid.

Education of Homeless Children: Chapter 348 of the Laws of 1988 amended Section 3602 of the Education Law to institute this program of State aid under which school districts where homeless children are temporarily located are reimbursed for the direct cost of educating such children. This cost to the State is partially recaptured from the district of last attendance for each such homeless child by deducting an amount equal to the district's basic contribution per pupil from the district's State aid. The net cost of aid for homeless pupils in 2003-04 is estimated at \$4.00 million.

Aid for Incarcerated Youth: A total of \$13.00 million is provided to continue support for the provision of educational services to youth detained in local correctional facilities. Pursuant to the provisions of Chapter 53 of the Laws of 1992, such services may now be provided, and aided, during summer sessions as well as the regular school year.

State Bilingual Categorical Funds: In 2003-04, \$11.20 million will be used to continue existing funding of regional bilingual programs at BOCES and to support innovative Two-Way Bilingual Education Programs. Such programs employ two languages (one of which is English) for the purpose of instruction and involve students whose native language is other than English.

Education of OMH/OMR Pupils: A total of \$22.00 million, the same amount as in 2002-03, is provided in the General Support

for Public Schools appropriation for apportionment to school districts for the purpose of providing educational services for children who are residents in, and those released from, Office of Mental Health and Office of Mental Retardation and Developmental Disabilities facilities pursuant to Chapter 66 of the Laws of 1978 and subdivision 5 of section 3202 of the Education Law. Aid is also provided for children who reside in intermediate care facilities for the mentally retarded who receive educational services pursuant to Chapter 721 of the Laws of 1979.

Office of State Comptroller Audits: A total of \$250,000 is continued to ensure accountability through audits of school districts and BOCES.

Learning Technology Grants: Learning technology programs, including services benefiting nonpublic school students, will continue to be funded at \$3.29 million.

Bus Driver Safety: A total of \$400,000 is continued in funding for grants to schools for training purposes including, but not limited to, establishment of a statewide school bus driver safety program and the distribution of training materials.

Roosevelt School District: For the 2003-04 school year, \$6.00 million is provided for academic improvement in the Roosevelt School District.

Prior Year Claims: The 2003-04 State Budget provides funding of \$90.00 million for payment of statewide prior year claims and/or fiscal stabilization grants, including up to \$62.00 million for payment to New York City.

## B. OTHER STATE AID PROGRAMS

The aids highlighted below are shown in Table II-B on a State fiscal year basis. These programs affect school districts, but they are typically not funded in the General Support for Public Schools appropriations.

Basic Education for Public Assistance Recipients: For 2003-04, \$5.00 million is continued for basic education programs including reading, mathematics, and life skills offered to public assistance recipients 16 years of age or older who have a reading level below the ninth grade.

Children of Migrant Workers: A total of \$90,000 in grants is appropriated to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: An appropriation of \$3.32 million is provided in 2003-04 for a program of adult literacy consisting of competitive grants to community-based organizations, literacy volunteer organizations, and two- and four-year colleges and libraries.

Targeted Prekindergarten Program: The Targeted Prekindergarten program provides health, psychological and social services to four-year-old children from economically deprived neighborhoods. A total of \$50.20 million, the same amount as in 2002-03, has been allocated for the 2003-04 school year. Grants to support existing programs will be awarded based on Regulations of the Commissioner subject to the approval of the Director of the Budget.

Lunch/Breakfast Programs: A total of \$31.70 million in State funds, the same amount as last year, including support for additional expenses of school breakfast programs for schools with extraordinary needs, is provided to subsidize school lunch and school breakfast programs. The Federal share in the School Lunch and Breakfast Program under the Food and Nutrition Fund will equal \$631.00 million for the 2003-04 Federal fiscal year.

Comprehensive School Health Demonstration Program: A total of \$367,500, a decrease of \$157,500, is provided for 2003-04 to support local school district and BOCES programs of health education at the elementary grade levels.

School Health Demonstration Project: For 2003-04, \$150,000 is continued to provide health services and health education to at-risk pupils in Buffalo schools.

Education of Native Americans: A total of \$16.00 million, an increase of \$0.35 million, is appropriated for the full cost of elementary and secondary education (including transportation expenses) for Native American children as authorized by Article 83 of the Education Law. The program benefits approximately 2,500 children living on 9 reservations and educated in 3 reservation schools, 13 public school districts and 4 BOCES.

Primary Mental Health Project: A total of \$570,000, the same as last year, is available in 2003-04 for State support of school-based programs for the early detection and prevention of school adjustment and learning problems experienced by children in the primary grades.

Transferring Success: For 2003-04, an appropriation of \$629,800, the same as in 2002-03, is made available for this program, which seeks to validate and support the replication of exemplary education programs.

Workplace Literacy: Under this program, \$1.38 million is provided in 2003-04 to aid labor organizations in the operation of programs in basic literacy and job skills. In addition to these funds, Chapter 54 of the Laws of 2003 appropriates \$140,000 for such programs statewide.

Consortium for Worker Education: This not-for-profit organization, which provides adult education services to union members and workers in New York City is funded at \$9.00 million in 2003-04. In addition to these funds, Chapter 54 of the Laws of 2003 appropriates \$318,500 for this nonprofit program.

AIDS Education Program: In 2003-04, a total of \$693,000, a decrease of \$297,000, is provided for an AIDS (Acquired Immune Deficiency Syndrome) Education Program. These funds support local and regional education and training programs.

Apprenticeship Training: For 2003-04, \$1.83 million is continued to local education agencies for apprenticeship training programs pursuant to a formula contained in section 3610 of the Education Law.

Extended School Day/School Violence Prevention: A total of \$30.2 million is continued for 2003-04 to fund local school-

based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Schools Under Registration Review: A total of \$2.00 million, the same as in the 2002-03 school year, is available in State aid to these schools.

Nonpublic School Aid: A total of \$72.80 million, an increase of \$2.80 million, is appropriated to reimburse the actual expenses incurred by nonpublic schools for specified State testing and data-collection activities, pursuant to the provisions of Chapters 507 and 508 of the Laws of 1974.

Academic Intervention for Nonpublic Schools: A total of \$1.00 million continues to be available to support a program of academic intervention services to enhance the educational performance of students attending nonpublic schools.

Private Schools for the Blind and Deaf: A total of \$100.67 million is continued, under Article 85 of the Education Law, for allowances to eight private schools for the deaf, two private schools for the blind, and the Henry Viscardi School for children with multiple disabilities.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$552.20 million is continued for the State's 59.5 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 2002-03, prior year claims on file with the State Education Department as of April 1, 2003 will receive priority treatment. Any remaining claims for which there is insufficient appropriation authority to pay in 2003-04 will receive priority status for payment in 2004-05. As was provided for in Chapter 60 of the Laws of 2000, State reimbursement to counties for preschool administration costs continues at \$75 per child. In 2003-04, available Federal Individuals with Disabilities Education Act (IDEA) funds will be accessed to provide for a portion of allowable costs.

Summer School Program for Disabled Students: An appropriation of \$173.70 million, the same as last year, is provided to meet the State's 70 percent share of costs of summer school programs for school-age pupils with disabilities pursuant to Section 4408 of the Education Law. The 2003-04 appropriation will fund prior year liabilities and up to 70 percent of the 2003-04 school year obligations with the remainder to be funded in the subsequent State fiscal year.

Special Education - Federal Medicaid Recovery: For the 2003-04 State fiscal year, Chapter 53 includes a \$170 million offset to State special education costs based on recovery of Federal Medicaid funds for medically related services provided to eligible children in special education programs.

Targeted Special Education Teacher Salary Supplement: Two million dollars in Federal Individuals with Disabilities Education Act funds are provided to continue support to private special education providers that serve students with disabilities to allow them to provide targeted adjustments to teacher salaries to help allow these schools to attract new teachers and prevent excessive turnover of existing teaching staff.

Summer Food Program: A total of \$3.30 million in State funds, the same as last year, is appropriated to subsidize summer food service programs operating during the 2003-04 school year.

Other Categorical Aid Programs: No funds are provided for the following programs resulting in a 2003-04 school year reduction of \$14,906,400:

- New York State Center for School Safety: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$500,000.
- Civility, Citizenship and Character Education Curriculum: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$500,000.
- Charter School Stimulus Fund: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$6.00 million.
- National Board of Professional Teaching Standards Certification: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$500,000.
- Parenting Education: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$506,400.

- Schools as Community Sites: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$6.00 million.
- Missing Children Prevention Education: No funding is provided for this program in 2003-04 resulting in a year-to-year reduction of \$900,000.

Advances to Hurd City School Districts: A total of \$8,687,000 in loan funds (Hurd advances) is appropriated in 2003-04 for city school districts first eligible to receive loans pursuant to Chapter 280 of the Laws of 1978. Commencing with 1992-93, pursuant to Chapter 280 of the Laws of 1978 as amended by Chapter 53 of the Laws of 1991, district advances are being reduced by 5 percent per year, until no advances are made in the 2011-2012 school year.

District/School Specific Appropriations: In addition to the above programs, district-specific or school-specific appropriations have been added to the State Education Department's Elementary, Secondary Education program in the 2003-04 State fiscal year. These programs include:

- \$12,000,000 for the New York City school district;
- \$5,000,000 for the Buffalo city school district; and
- \$41,498,700 for grants-in-aid to school districts and other not-for-profit educational institutions statewide.

## SCHOOL TAX RELIEF (STAR) PROGRAM

Chapter 389 of the Laws of 1997 included a multi-year School Tax Relief (STAR) program which will provide over \$2.2 billion in 2003-04 to reimburse school districts for State-authorized property tax relief for homeowners. Senior homeowners at least 65 years old and with incomes up to \$62,100 are eligible to receive exemptions of at least \$50,000 from the full value of their primary residences for school tax purposes. The property tax component of the STAR program will also provide other homeowners with at least a \$30,000 exemption from the full value of their primary residence for school property tax purposes. In those counties where the median value of homes exceeds the statewide median home value, as determined by the State Office of Real Property Services (ORPS), the value of the exemptions will be increased. The State will reimburse school districts dollar-for-dollar for the property tax revenues foregone from these exemptions.

### School District Reimbursement for STAR

STAR exemptions have no effect on determining tax levies, rates or other State aid. School districts are reimbursed for the taxes foregone upon application to the State Office of Real Property Services. ORPS certifies to the Commissioner of Education amounts payable under the STAR program and school districts receive reimbursement from the State Education Department pursuant to a separate STAR payment schedule established in section 3609-e of the Education Law. STAR reimbursements in the 2003-04 school year will be governed by a formula designed to ensure that outstanding STAR balances do not exceed specified percentages of a district's property tax levy.

## II

### SUMMARY OF 2003-04 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

#### School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2003-04 New York State aid programs relating to support for public schools: the 2003-04 school year which runs from July 1, 2003 through June 30, 2004; and the 2003-04 State fiscal year which runs from April 1, 2003 through March 31, 2004. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for General Support for Public Schools and the 2002-03 and 2003-04 State fiscal year appropriations from the General Fund and Lottery Fund.

- Table II-A shows the school year changes for aid programs funded within the General Support for Public Schools appropriations for 2003-04. Computerized aids decrease by 1.48 percent.
- Table II-B gives the 2002-03 and 2003-04 State fiscal year appropriations from the General Fund, School Tax Relief Fund, and Lottery Fund.

TABLE II-A

SUMMARY OF AIDS FINANCED THROUGH GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS  
-- 2002-03 AND 2003-04 SCHOOL YEARS -- NEW YORK STATE

AID CATEGORY	2002-03	2003-04	Change	
	School Year	School Year	Amount	Percent
I. Computerized Aids:	(----- Amounts in Millions -----)			
Comprehensive Operating Aid	\$6,874.73	\$0.00	NA	NA
Gifted & Talented	14.15	0.00	NA	NA
Operating Standards Aid	212.33	0.00	NA	NA
Academic Support Aid	24.92	0.00	NA	NA
	<u>\$7,126.13</u>	<u>\$6,840.78</u>	<u>(\$285.35)</u>	<u>(4.00) %</u>
Extraordinary Needs Aid	686.28	704.91	18.63	2.71
ERSSA	70.37	72.48	2.11	3.00
Limited English Proficiency	65.83	86.49	20.66	31.38
Summer School	41.16	35.82	(5.34)	(12.97)
Excess Cost - Public	2,116.65	2,152.46	35.81	1.69
Excess Cost - Private	173.34	180.48	7.14	4.12
Textbooks (Incl. Lottery)	190.54	189.71	(0.83)	(0.44)
Computer Software	45.57	46.04	0.47	1.03
Computer Hardware	27.68	28.38	0.70	2.53
Library Materials	19.34	19.36	0.02	0.10
Reorganization Incentive (Operating)	19.22	17.53	(1.69)	(8.79)
Transportation (Including Summer)	1,000.00	1,093.37	93.37	9.34
BOCES	494.57	522.02	27.45	5.55
Special Services (Career Ed./Computer Admin.)	126.99	122.16	(4.83)	(3.80)
Tax Limitation Aid	25.00	29.96	4.96	19.84
Prekindergarten	201.04	201.04	0.00	0.00
Class Size Reduction	136.40	136.40	0.00	0.00
Minor Maintenance	49.97	49.97	0.00	0.00
Full-Day K	17.20	5.64	(11.56)	(67.21)
Teacher Support Aid	67.48	67.48	0.00	0.00
Growth Aid	22.87	29.57	6.70	29.30
Building/Reorganization Building	1,283.89 (a)	1,168.69	(115.20)	(8.97)
Computerized Aids Total	<u>\$14,007.53</u>	<u>\$13,800.73</u>	<u>(\$206.80)</u>	<u>(1.48) %</u>
II. Grant Programs and Other Aid Categories:				
Teachers of Tomorrow	25.00	20.00	(5.00)	(20.00)
Teacher Centers	30.00	30.00	0.00	0.00
Teacher-Mentor Intern	5.00	4.00	(1.00)	(20.00)
Roosevelt	0.00	6.00	6.00	NA
Categorical Reading	63.95	63.95	0.00	0.00
Improving Pupil Performance	66.35	66.35	0.00	0.00
Magnet Schools	135.65	135.79	0.14	0.10
Aid to Small City School Districts	81.88	81.88	0.00	0.00
Fort Drum	2.63	2.63	0.00	0.00
Urban-Suburban Transfer	1.13	1.13	0.00	0.00
Employment Preparation Education	96.18	84.00	(12.18)	(12.66)
Homeless Pupils	4.00	4.00	0.00	0.00
Incarcerated Youth	13.00	13.00	0.00	0.00
Bilingual	11.20	11.20	0.00	0.00
Comptroller Audits	0.25	0.25	0.00	0.00
Education of OMH/OMR Pupils	22.00	22.00	0.00	0.00
Special School Districts	2.20	2.20	0.00	0.00
Chargebacks	(18.00)	(18.00)	0.00	0.00
Tuition Adjustment	1.17	1.17	0.00	0.00
CVEEB	0.92	0.92	0.00	0.00
BOCES Aid for Special Act Districts	0.67	0.67	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Shared Services Incentive	0.20	0.20	0.00	0.00
Native American Building	2.00	2.00	0.00	0.00
Bus Driver Safety	0.40	0.40	0.00	0.00
Prior Year Claims/Fiscal Stabilization Grants	57.00	90.00	33.00	57.89
Subtotal	<u>608.07</u>	<u>629.03</u>	<u>20.96</u>	<u>3.45</u>
SCHOOL YEAR TOTAL	<u>\$14,615.60</u>	<u>\$14,429.76</u>	<u>(\$185.84)</u>	<u>(1.27) %</u>

(a) The 2002-03 Building Aid total included \$100.02 million in capital outlay transition grants.

Source: See the 2003-04 school aid computer listing entitled "SA030-4" (State Education Department, April 2003) and the "Report of the Fiscal Committees on the Executive Budget" for the fiscal year 2003-04.

TABLE II-B  
2002-03 AND 2003-04 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2002-03	2003-04	Change Amount	Percent
School Aid and STAR	\$17,058,231,000	\$17,152,287,000	\$94,056,000	0.55 %
General Support for Public Schools	11,641,483,750	11,688,886,600	47,402,850	0.41
Teacher Support Aid	0	15,745,400	15,745,400	NA
Small City School Districts	0	57,260,000	57,260,000	NA
Improving Pupil Performance	0	46,445,000	46,445,000	NA
Categorical Reading	0	44,765,000	44,765,000	NA
Magnet Schools	0	95,060,000	95,060,000	NA
Teacher-Mentor Intern	3,500,000 (a)	1,169,000	(2,331,000)	(66.60)
Teacher Resource & Computer Centers	26,700,000 (a)	8,000,000 (b)	(18,700,000)	(70.04)
BOCES	470,781,250	467,654,000	(3,127,250)	(0.66)
Employment Preparation Education	96,180,000	96,180,000	0	0.00
School Capital Needs	35,000,000	0	(35,000,000)	(100.00)
Pre-Kindergarten Programs	143,500,000	0	(143,500,000)	(100.00)
Class Size Reduction Programs	98,000,000	0	(98,000,000)	(100.00)
Total General Fund	12,515,145,000	12,521,165,000	6,020,000	0.05
STAR: School Tax Relief Fund	2,700,000,000	2,796,000,000	96,000,000	3.56
Lottery Fund	1,843,086,000	1,835,122,000	(7,964,000)	(0.43)
Other Public Elementary and Secondary Education Programs	\$252,759,800	\$216,688,300	(\$36,071,500)	(14.27) %
Targeted Prekindergarten	50,200,000	50,200,000	0	0.00
Children of Migrant Workers	90,000	90,000	0	0.00
New York City Peer Intervention Program	1,000,000	0	(1,000,000)	(100.00)
National Board for Professional Teaching Standards Certification Program	500,000	0	(500,000)	(100.00)
Transferring Success	629,800	629,800	0	0.00
Adult Basic Education	5,000,000	5,000,000	0	0.00
Adult Literacy Education	3,324,700	3,324,700	0	0.00
Parenting Education	506,400	0	(506,400)	(100.00)
Missing Children Prevention Education	900,000	0	(900,000)	(100.00)
AIDS Education	990,000	693,000	(297,000)	(30.00)
Workplace Literacy	1,376,100	1,516,100	140,000	10.17
Apprenticeship Training	1,830,000	1,830,000	0	0.00
Lunch/Breakfast Programs	31,700,000	31,700,000	0	0.00
Education of Native Americans	15,650,000	16,000,000	350,000	2.24
Schools as Community Sites	6,000,000	0	(6,000,000)	(100.00)
Comprehensive School Health Demonstration	525,000	367,500	(157,500)	(30.00)
New York State Center for School Safety	500,000	0	(500,000)	(100.00)
Civility, Citizenship and Character Education Curriculum	500,000	0	(500,000)	(100.00)
Academic Intervention for Nonpublic Schools	1,000,000	1,000,000	0	0.00
Extended School Day/School Violence Prevention	30,200,000	30,200,000	0	0.00
School Health Demonstration Project	150,000	150,000	0	0.00
Schools Under Registration Review	2,000,000	2,000,000	0	0.00
Primary Mental Health Project	570,000	570,000	0	0.00
Summer Food Program	3,300,000	3,300,000	0	0.00
Consortium for Worker Education	10,655,000	9,318,500	(1,336,500)	(12.54)
Poughkeepsie Magnet School	100,000	0 (c)	(100,000)	(100.00)
Beacon Magnet School	48,000	0 (c)	(48,000)	(100.00)
Greenburgh Magnet School	0	300,000	300,000	NA
City School District of the City of New York	0	12,000,000	12,000,000	NA
Buffalo City School District	0	5,000,000	5,000,000	NA
Charter School Start Up Grants	8,150,000	0	(8,150,000)	(100.00)
North Shore Child and Family Guidance Center	125,000	0	(125,000)	(100.00)
Grants-in-aid for Certain School Districts	17,476,600	41,498,700	24,022,100	137.45
Stabilization Grants for 2002-03	7,763,200	0	(7,763,200)	(100.00)
Fiscal Stabilization Grants	50,000,000	0	(50,000,000)	(100.00)

Other School Programs	2002-03	2003-04	Change Amount	Percent
	\$718,591,000	\$720,391,000	\$1,800,000	0.25 %
Nonpublic School Aid	70,000,000	72,800,000	2,800,000	4.00
Private Schools for the Blind & Deaf (G.F.)	100,671,000	100,671,000	0	0.00
Private Schools for the Blind & Deaf (Lott.)	20,000	20,000	0	0.00
Special Education Targeted Adjustment Aid	2,000,000	0	(2,000,000)	(100.00)
Preschool Handicapped	552,200,000	552,200,000	0	0.00
Summer School Handicapped	173,700,000	173,700,000	0	0.00
Less: Special Education Medicaid Offset	(170,000,000)	(170,000,000)	0	0.00
Less: Consortium for Worker Education Offset	(10,000,000)	(9,000,000)	1,000,000	(10.00)
Fiscal Year Total (excluding Hurd Loans)	\$18,029,581,800	\$18,089,366,300	\$59,784,500	0.33 %
Advances to Hurd City School Districts (d)	9,775,000	8,687,000	(1,088,000)	(11.13)
FISCAL YEAR TOTAL	\$18,039,356,800	\$18,098,053,300	\$58,696,500	0.33 %

(a) Funding for Teacher Resource and Computer Training Centers and Teacher-Mentor Intern was provided both within school aid and outside of school aid in 2002-03. Amounts for both programs are included in the total General Support for Public Schools appropriation for comparison purposes.

(b) Funding for Teacher Resource and Computer Training Centers is provided both within school aid and outside of school aid in 2003-04. The amount is included in the total General Support for Public Schools appropriation for comparison purposes. Additional funds for Teacher Resource and Computer Training programs may be included in the \$41,498,700 grants-in-aid amount.

(c) Included within General Support for Public Schools for 2003-04.

(d) As loans, these appropriations do not impact the financial plan

Source: Laws of the State of New York: Chapters 53 and 83, Laws of 2002; Chapters 53, 54 and 62, Laws of 2003.

General Effects of Aid Changes: Statewide, New York City, Big Five Cities and Rest of State

Enacted school aid provisions will decrease payments to 429 major school districts by a total of \$308.79 million in the 2003-04 school year. There are 251 districts that are projected to have increases of \$101.99 million. The combined total of increases and reductions produce a net decrease statewide of \$206.80 million, or 1.48 percent.

- Table II-C lists the aid amounts allocated to each of the Big Five city school districts under selected General Support programs. The aids analyzed are those shown in Table II-A.
- Table II-D lists changes in all General Support individual aid categories for New York City. The net decrease for all aids is 1.01 percent.
- In Table II-E, major 2003-04 aid categories have been combined to show the overall impact upon school districts in the State's 18 most populous counties, New York City, and the rest of the State.

The State average decrease for these aids will be 1.48 percent. The 371 districts in the 18 most populous counties contain 48.36 percent of the State's public school pupils. These districts will receive 43.30 percent of the 2003-04 combined aids total. Districts in the 18 most populous counties will have an average decrease in combined aids of 1.30 percent. Districts in the rest of the State, exclusive of New York City, will have an average decrease of 1.91 percent and will receive 19.62 percent of the 2003-04 combined aids total.

TABLE II-C

SUMMARY OF SELECTED AIDS TO THE BIG FIVE CITY SCHOOL DISTRICTS FINANCED THROUGH  
GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS: 2002-03 AND 2003-04

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04
I. Computerized Aids:	(-----Amounts in Millions-----)									
Comprehensive Operating Aid	\$2,458.74		\$176.64		\$115.47		\$77.62		\$30.08	
Gifted & Talented	5.46		0.23		0.20		0.12		0.13	
Operating Standards Aid	82.93		8.92		7.13		3.72		1.36	
Academic Support Aid	12.82		2.10		2.02		2.28		5.70	
	<u>\$2,559.95</u>	<u>\$2,488.78</u>	<u>\$187.89</u>	<u>\$183.67</u>	<u>\$124.82</u>	<u>\$122.01</u>	<u>\$83.74</u>	<u>\$81.75</u>	<u>\$37.27</u>	<u>\$35.70</u>
Extraordinary Needs Aid	404.84	406.09	21.34	23.23	22.69	26.14	8.14	9.37	8.09	8.09
ERSSA	33.63	33.27	2.18	2.29	1.78	2.19	1.04	1.08	0.64	0.62
Limited English Proficiency	47.15	60.22	2.04	2.36	0.00	2.84	0.95	1.36	1.58	1.90
Summer School	32.83	26.93	0.17	0.17	0.99	1.22	0.02	0.02	0.15	0.09
Excess Cost - Public & Private	879.33	851.05	62.69	60.61	63.47	70.28	27.91	31.28	21.66	23.05
Software, Library, Textbooks	104.80	104.30	4.23	4.16	3.41	3.17	1.85	1.74	2.49	2.54
Computer Hardware	11.31	11.27	0.70	0.71	0.55	0.59	0.31	0.30	0.22	0.22
Transportation (Including Summer)	286.28	307.11	27.21	27.41	30.33	33.18	8.48	8.34	11.50	11.45
Special Services (Career Ed/Comp Admin.)	97.67	92.20	8.80	8.94	5.37	5.75	3.81	4.47	4.82	5.53
Tax Limitation Aid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal Computerized Aid Excluding Bldg. and Growth and Discretionary Grants	<u>4,457.79</u>	<u>4,381.22</u>	<u>317.25</u>	<u>313.55</u>	<u>253.41</u>	<u>267.37</u>	<u>136.25</u>	<u>139.71</u>	<u>88.42</u>	<u>89.19</u>
Building Aid Incl. 02-03 Transition Grants	403.34	404.77	9.60	8.03	13.11	9.75	6.81	6.33	2.79	2.88
Growth Aid	0.00	0.00	0.00	2.31	0.14	0.00	0.00	0.00	0.00	0.09
Prekindergarten	146.53	146.53	7.10	7.10	7.06	7.06	3.22	3.22	2.60	2.60
Class Size Reduction	88.84	88.84	4.97	4.97	5.20	5.20	3.30	3.30	4.60	4.60
Minor Maintenance	33.33	33.33	0.61	0.60	0.44	0.43	0.27	0.26	0.34	0.34
Full-Day K	0.00	0.00	0.00	0.00	6.14	0.00	0.00	0.00	0.00	0.00
Teacher Support Aid	62.71	62.71	1.74	1.74	1.08	1.08	0.81	0.81	1.15	1.15
Computerized Aids Total	<u>\$5,192.54</u>	<u>\$5,117.40</u>	<u>\$341.29</u>	<u>\$338.31</u>	<u>\$286.58</u>	<u>\$290.90</u>	<u>\$150.67</u>	<u>\$153.63</u>	<u>\$99.90</u>	<u>\$100.85</u>
Change from 2002-03 School Year		(\$75.14)		(\$2.98)		\$4.32		\$2.96		\$0.95
Percent		-1.45%		-0.87%		1.51%		1.96%		0.95%
II. Grant Programs and Other Aid Categories:										
Teachers of Tomorrow	15.00	12.00	1.05	0.84	2.57	2.06	0.80	0.64	2.90	2.32
Teacher Centers	10.89	10.89	0.71	0.71	0.46	0.46	0.46	0.46	0.28	0.28
Teacher-Mentor Intern	2.00	1.68	0.20	0.15	0.27	0.20	0.15	0.11	0.00	0.00
Categorical Reading	29.95	29.95	17.50	17.50	5.50	5.50	6.00	6.00	5.00	5.00
Improving Pupil Performance	36.20	36.20	10.50	10.50	6.95	6.95	3.60	3.60	9.10	9.10
Magnet Schools	48.18	48.18	17.03	17.03	11.00	11.00	11.00	11.00	29.50	29.50
Subtotal	<u>142.22</u>	<u>138.90</u>	<u>46.99</u>	<u>46.73</u>	<u>26.75</u>	<u>26.17</u>	<u>22.01</u>	<u>21.81</u>	<u>46.78</u>	<u>46.20</u>
SCHOOL YEAR TOTAL SELECTED AIDS	<u>\$5,334.76</u>	<u>\$5,256.30</u>	<u>\$388.28</u>	<u>\$385.04</u>	<u>\$313.33</u>	<u>\$317.07</u>	<u>\$172.68</u>	<u>\$175.44</u>	<u>\$146.68</u>	<u>\$147.05</u>
Change from 2002-03 School Year		(\$78.46)		(\$3.24)		\$3.74		\$2.76		\$0.37
Percent		-1.47%		-0.83%		1.19%		1.60%		0.25%

Source: See the 2003-04 school aid computer listing entitled "SA030-4" (State Education Department, April 2003) and the "Report of the Fiscal Committees on the Executive Budget" for the fiscal year 2003-04.

TABLE II-D

SUMMARY OF AIDS FINANCED THROUGH GENERAL SUPPORT FOR PUBLIC SCHOOLS APPROPRIATIONS  
-- 2002-03 AND 2003-04 SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	2002-03	2003-04	Change	
	School Year	School Year	Amount	Percent
I. Computerized Aids:	(----- Amounts in Millions -----)			
Comprehensive Operating Aid	\$2,458.74	\$0.00	NA	NA
Gifted & Talented	5.46	0.00	NA	NA
Operating Standards Aid	82.93	0.00	NA	NA
Academic Support Aid	12.82	0.00	NA	NA
	\$2,559.95	\$2,488.78	(\$71.17)	(2.78) %
Extraordinary Needs Aid	404.84	406.09	1.25	0.31
ERSSA	33.63	33.27	(0.36)	(1.07)
Limited English Proficiency	47.15	60.22	13.07	27.72
Summer School	32.83	26.93	(5.90)	(17.97)
Excess Cost - Public	806.96	780.42	(26.54)	(3.29)
Excess Cost - Private	72.37	70.63	(1.74)	(2.40)
Textbooks (Incl. Lottery)	76.75	76.38	(0.37)	(0.48)
Computer Software	20.03	19.94	(0.09)	(0.45)
Computer Hardware	11.31	11.27	(0.04)	(0.35)
Library Materials	8.02	7.98	(0.04)	(0.50)
Transportation (Including Summer)	286.28	307.11	20.83	7.28
Special Services (Career Ed./Computer Admin.)	97.67	92.20	(5.47)	(5.60)
Tax Limitation Aid	0.00	0.00	0.00	0.00
Prekindergarten	146.53	146.53	0.00	0.00
Class Size Reduction	88.84	88.84	0.00	0.00
Minor Maintenance	33.33	33.33	0.00	0.00
Full-Day K	0.00	0.00	0.00	0.00
Teacher Support Aid	62.71	62.71	0.00	0.00
Growth Aid	0.00	0.00	0.00	0.00
Building	403.34 (a)	404.77	1.43	0.35
Computerized Aids Total	\$5,192.54	\$5,117.40	(\$75.14)	(1.45) %
II. Grant Programs and Other Aid Categories:				
Teachers of Tomorrow	15.00	12.00	(3.00)	(20.00)
Teacher Centers	10.89	10.89	0.00	0.00
Teacher-Mentor Intern	2.00	1.68	(0.32)	(16.00)
Categorical Reading	29.95	29.95	0.00	0.00
Improving Pupil Performance	36.20	36.20	0.00	0.00
Magnet Schools	48.18	48.18	0.00	0.00
Employment Preparation Education	34.40	29.40	(5.00)	(14.53)
Homeless Pupils	0.00	0.00	0.00	0.00
Incarcerated Youth	0.00	0.00	0.00	0.00
Bilingual	4.50	4.50	0.00	0.00
Education of OMH/OMR Pupils	9.00	9.00	0.00	0.00
Chargebacks	(5.00)	(5.00)	0.00	0.00
Learning Technology Grants	1.13	1.13	0.00	0.00
Prior Year Claims/Fiscal Stabilization Grants	33.00	62.00	29.00	87.88
Subtotal	219.25	239.93	20.68	9.43
SCHOOL YEAR TOTAL	\$5,411.79	\$5,357.33	(\$54.46)	(1.01) %

(a) The 2002-03 Building Aid total included a capital outlay transition grant of \$7.57 million.

Source: See the 2003-04 school aid computer listing entitled "SA030-4" (State Education Department, April 2003) and the "Report of the Fiscal Committees on the Executive Budget" for the fiscal year 2003-04.

TABLE II-E  
CHANGE IN COMBINED MAJOR AIDS (a) FOR 2002-03 AND 2003-04 SCHOOL YEARS:  
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dtrs.	Percent of Total State TAPU (b)	2002-03		2003-04 Combined Aids		Change in Aid from 2002-03 to 2003-04		Number of Districts	
			Combined Aids	Amount	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(----- Dollar Amounts in Thousands -----)										
Albany	13	1.46	\$151,775	\$150,879	1.09	(\$896)	(0.59)	7	6	
Broome	12	1.15	178,595	177,351	1.29	(1,244)	(0.70)	3	9	
Chautauqua	18	0.85	172,712	166,284	1.20	(6,428)	(3.72)	7	11	
Dutchess	13	1.61	189,804	181,206	1.31	(8,598)	(4.53)	5	8	
Erie	28	4.94	747,715	744,995	5.40	(2,720)	(0.36)	14	14	
Monroe	18	4.24	635,486	623,733	4.52	(11,753)	(1.85)	4	14	
Nassau	56	7.34	553,307	541,069	3.92	(12,238)	(2.21)	18	38	
Niagara	10	1.23	220,085	214,566	1.55	(5,519)	(2.51)	3	7	
Oneida	15	1.31	238,377	234,547	1.70	(3,830)	(1.61)	6	9	
Onondaga	18	2.68	392,731	394,541	2.86	1,810	0.46	8	10	
Orange	17	2.29	323,497	325,799	2.36	2,302	0.71	11	6	
Rensselaer	11	0.81	139,121	138,187	1.00	(934)	(0.67)	5	6	
Rockland	8	1.46	131,016	126,236	0.91	(4,780)	(3.65)	3	5	
Saratoga	12	1.23	168,273	162,337	1.18	(5,936)	(3.53)	2	10	
Schenectady	6	0.78	103,921	103,803	0.75	(118)	(0.11)	3	3	
Suffolk	67	9.07	1,232,931	1,218,671	8.83	(14,260)	(1.16)	26	41	
Ulster	9	0.97	130,273	130,904	0.95	631	0.47	4	5	
Westchester	40	4.95	345,212	340,919	2.47	(4,293)	(1.24)	11	29	
18 Most Populous Counties	371	48.36	\$6,054,831	\$5,976,027	43.30	(\$78,804)	(1.30)	140	231	
New York City	1	37.10	5,192,548	5,117,404	37.08	(75,144)	(1.45)	0	1	
Rest of State	308	14.54	2,760,152	2,707,296	19.62	(52,856)	(1.91)	111	197	
TOTAL STATE	680	100.00	\$14,007,531	\$13,800,727	100.00	(\$206,804)	(1.48)	251	429	

(a) 2003-04 aids include comprehensive operating, extraordinary needs, educationally related support services, limited English proficiency, summer school, public and private excess cost aids, BOCES, special services, textbook, computer software, computer hardware, library materials, transportation (including summer), reorganization incentive (operating and building), prekindergarten, class size reduction, full-day k, tax limitation, minor maintenance, building, growth and teacher support aid.

(b) The TAPU for payment pupil count used for 2003-04 formula operating aid. This is based on 2002-03 and 2001-02 average daily attendance. See Appendix III-C for additional detail.

Source: See the 2003-04 school aid computer listing entitled "SA030-4" (State Education Department, April 2003) and the "Report of the Fiscal Committees on the Executive Budget" for the fiscal year 2003-04.

### III

#### APPENDICES

The third section consists of four appendices. Each of the appendices is described below.

- Appendix III-A summarizes the School Aid categories and adjustments enacted for 2003-04 and compares them with the 2002-03 aid categories.
- Appendix III-B provides the mathematical formulas for computing 23 different aids for 2003-04 school aid payments.
- Appendix III-C describes the pupil counts used in aid formulas.
- Appendix III-D describes the payment schedule for aids payable under section 3609 of the Education Law in the 2003-04 school year.

APPENDIX III-A

COMPARISON OF 2002-03 AND 2003-04 GENERAL SUPPORT FOR PUBLIC SCHOOLS PROGRAMS

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
<u>COMPREHENSIVE OPERATING AID</u>	<p>No district will receive less than the Flex Aid amount allocated for each district in the school aid computer listing entitled "BT032-1" which accompanied the 2001-02 Executive Budget minus the 2000-01 school year amounts payable for Extraordinary Needs Aid, Minor Maintenance Aid, Public and Private Excess Cost Aid, Limited English Proficiency Aid, Gifted and Talented Aid, Educationally Related Support Services Aid and Operating Standards Aid.</p> <p>Districts with a Combined Wealth Ratio (CWR)<sup>5</sup> less than 1.000 will receive an additional one percent in Comprehensive Operating Aid.</p>	<p>School districts statewide will receive aid equal to the 2002-03 sum of Comprehensive Operating Aid, Gifted and Talented Aid, Operating Standards Aid and Academic Support Aid minus a reduction calculation described below.</p> <p>Each district will be assessed a reduction amount equal to 1.75 percent of its 2002-03 total for the 4 aid categories noted above.</p> <p>All districts will be assessed an additional reduction amount calculated using Free and Reduced Price Lunch (FRPL) data and the school district's Combined Wealth Ratio (CWR). The higher the percentage of students eligible for free and reduced price lunch programs and the lower the per pupil income and property wealth of the</p>

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<sup>5</sup> A district's Combined Wealth Ratio for 2002-03 is equal to:  $(.5 \times \text{District Pupil Wealth Ratio}) + (.5 \times \text{District Alternate Pupil Wealth Ratio})$ . The district Pupil Wealth Ratio is equal to:  $\frac{(1999 \text{ Actual Valuation})}{\$264,200}$  / 2000-01 TWPU ; and the

Alternate Pupil Wealth Ratio is equal to:  $\frac{1999 \text{ District Income}}{\$110,100}$  / 2000-01 TWPU

A district's Combined Wealth Ratio for 2003-04 is equal to:  $(.5 \times \text{District Pupil Wealth Ratio}) + (.5 \times \text{District Alternate Pupil Wealth Ratio})$ . The district Pupil Wealth Ratio is equal to:  $\frac{(2000 \text{ Actual Valuation})}{\$281,000}$  / 2001-02 TWPU ; and the

Alternate Pupil Wealth Ratio is equal to:  $\frac{2000 \text{ District Income}}{\$128,600}$  / 2001-02 TWPU

Beginning with the 1997-98 school year, income and actual valuation data moved back one year from the previous year-prior-to-the-base-year data. The Actual Valuation (AV) for calculating a district's property wealth per pupil for 1997-98 was 1994 AV. The income wealth per pupil calculation used the 1994 Adjusted Gross Income of district residents. For the 2003-04 school year, 2000 Actual Valuation and Adjusted Gross Income will be used.

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
		district, the smaller the amount of the district's additional reduction.
		The combined loss for districts will range from 2.25 percent to 6.30 percent of their 2002-03 aid total for the 4 aid categories noted above.
<u>GROWTH AID</u> <sup>6</sup>	Growth Index in excess of 1.004 * Formula Operating Aid	Same
<u>EXTRAORDINARY NEEDS AID</u>		
Formula Ceiling	A minimum of 11% of the Formula Operating Aid ceiling. If more than 74.5% of a district's enrolled students have extraordinary needs, it receives more than 11% of its Formula Operating Aid ceiling.	Same
Wealth Measure	Alternate Pupil Wealth Ratio	Same
State Share	.60	Same
Save-Harmless	100% of 2000-01 aid	100% of 2002-03 aid
Pupil Count	The sum of the percentage of K-6 free and reduced price lunch eligible applicants times 2001 enrollment, plus the number of Limited English Proficiency students, plus a sparsity factor based on a calculation of enrollment per square mile times 2001 enrollment.	Same except for use of 2002 enrollment.

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<sup>6</sup> For the 1997-98 school year and after, the Growth Index is defined as a measure of enrollment rather than attendance. Where appropriate to the aid category calculation, such as for Growth Aid, Formula Operating Aid (as cited in subdivision 13 of Section 3602 of the Education Law) will be used. The calculation for Formula Operating Aid is described more fully in subdivision 12 of Section 3602 of the Education Law.

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
<u>URBAN-SUBURBAN TRANSFER SUPPLEMENTATION</u>	Qualifying districts will receive the same aid that they would have received in the 2000-01 school year.  If formula operating aid per pupil is greater in the district of residence, the district of attendance will receive urban-suburban transfer aid equal to the formula operating aid per pupil that the district of residence would have received.	Same
<u>GIFTED AND TALENTED AID</u>		
Pupil Count	3% of ADA	One of 4 aids that will be replaced by Comprehensive Operating Aid
Ceiling	\$196	
<u>LIMITED ENGLISH PROFICIENCY AID</u>		
Weighting	.199	.230
<u>EXCESS COST AID FOR DISABLED PUPILS</u>		
Public Excess Cost Aid:		
Disabled Pupil Classifications	Three	Same
Ceiling Range for Aid	\$2,000 - \$7,400	\$2,000 - \$7,650
Wealth Measure	Combined Wealth Ratio	Same
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	4 x AOE/TAPU or \$10,000	Same
Save-Harmless	95% of 2000-01 aid as of the "BT032-1" computer listing (including declassification aid)	95% of 2002-03 aid (including declassification aid but not integrated settings aid)
Integrated Settings Aid (not subject to save-harmless):		
Ceiling	Basic Excess Cost Aid per pupil x 0.50	Same
Pupil Count	Year prior to base year pupils who received special	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
	education services in a general education setting at least 60 percent of the time	
Declassification Support Services Aid:		
Ceiling	Basic Excess Cost aid Per Pupil x 0.50	Same
Pupil Count	Base Year Pupils in Need	Same
Private Excess Cost Aid:		
Ceiling Range for Aid	Tuition - Deduct	Same
Deduct	Local Levy/Enrollment	Same
Wealth Measure	Combined Wealth Ratio	Same
State Share	.85	Same
Minimum Aid Ratio	.50	Same
Pupils	Attending private schools or State run schools	Same
State School Taper Ratio	(1-CWR)/.75	Same
<u>EDUCATIONALLY RELATED SUPPORT SERVICES AID</u>		
Ceiling(s)	\$365.00/\$635.00	Same
Wealth Measure	Combined Wealth Ratio	Same
State Shares	Formula Operating Aid Ratio and Public Excess Cost Aid Ratio	Same
Minimum Aid Ratio	.25	Same
Pupil Counts	9% of Selected TAPU and 15% of Selected TAPU times Extraordinary Needs percent in excess of 60%	Same
<u>BOCES AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
State Share	.49	Same
Minimum Aid Ratio	.36	Same
Salary Ceiling	\$30,000	Same
Millage Formula	8 mills	Same
Save-Harmless Provision	100% of 1967-68 Aid	Same

FULL-DAY K INCENTIVE AID

Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2001-02 it had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2001-02. For the 2002-03 school year aid is also provided to school districts that offered full-day programs in 2001 but were not included on the school aid computer listing entitled "BT032-1" which accompanied the 2001-02 Executive Budget.	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2002-03 it had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2002-03.
Pupil Count	2002-03 Estimated Full-Day K Enrollment - 2001-02 Full-Day K Enrollment	2003-04 Estimated Full-Day K Enrollment - 2002-03 Full-Day K Enrollment
Aid Per Pupil	A district's Formula Operating Aid per pupil.	Same

TRANSPORTATION AID

Wealth Measure	Actual Valuation/Full Year Attendance RWADA or a district's Combined Wealth Ratio	Same
State Share	The greater of: 1.01 - (.46 * AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * AV/enrollment wealth ratio).	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
Sparsity Adjustment	(21 - enrollment/square mile)/317.88	Same
Minimum Aid Ratio	.065	Same
Maximum Aid Ratio	.90	Same
Base	Approved Expenditures	Same
Urban-Suburban Transfer	Approved expenditures of transportation of pupils in voluntary interdistrict programs.	Same
<u>BUILDING AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA	Same
Aid Ratio Choice	Districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year.  Starting with all new building projects approved by the voters beginning July 1, 2000, the selected building aid ratio is based upon the greater of a district's current-year building aid ratio or the ratio selected for use in 1999-00 reduced by 10 percentage points.  School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.	Same
Base	Approved Expenditures	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
Additional Adjustments	For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts will receive an additional 10% State reimbursement. In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.	Same
<u>REORGANIZATION INCENTIVE AID</u>		
Prior to July 1, 1983:		
Operating Aid:		
Additional Percentage (5 years)	10%	Same
Taper	1%/9 years	Same
Building Aid:		
Additional Percentage	25%	Same
Effective July 1, 1983:		
Operating Aid:		
Additional Percentage (5 years)	20%	Same
Taper	2%/9 years	Same
Building Aid:		
Additional Percentage	30%	Same
Effective July 1, 1992:		
Operating Aid:		
Additional Percentage (5 years)	40%	Same
Taper	4%/9 years	Same
Eligibility Date:		
New Projects	July 1, 2004 or approved by voters within ten years of reorganization.	Same
<u>SPECIAL SERVICES AID</u>		
Eligible Districts	Big Five City school districts and other districts that are non-components of BOCES	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
Career Education Aid:		
State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$3,720	Same
Wealth Measure	Combined Wealth Ratio	Same
Computer Administration Aid:		
State share	.49	Same
Minimum Aid Ratio	.30	Same
Ceiling	\$62.30/pupil	Same
Wealth Measure	Combined Wealth Ratio	Same
<u>INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID</u>	Based on approved expense (up to an amount equal to \$19.25 x TAPU x current year building aid ratio)	Same
<u>TEXTBOOK AID</u>	Up to \$57.30 per public and nonpublic pupil (district of residence)	Same
<u>COMPUTER SOFTWARE AID</u>	Up to \$14.98 per public and nonpublic pupil (district of attendance)	Same
<u>LIBRARY MATERIALS AID</u>	Up to \$6 per public and nonpublic pupil (district of attendance)	Same
<u>PREKINDERGARTEN AID</u>	\$204.67 million. Each district is eligible to receive the same aid for 2002-03 as was calculated for the school aid computer listing entitled "BT032-1" which accompanied the 2001-02 Executive Budget plus a supplemental amount.	\$201.04 million. Legislation enacted with the 2003-04 State Budget provides for a program total of up to \$204.68 million for Universal Prekindergarten Aid.
<u>CLASS SIZE REDUCTION</u>	\$139.97 million. Each district will receive the same aid for 2002-03 as was calculated for the school aid computer listing entitled "BT032-1" which accompanied the 2001-02 Executive Budget.	\$136.40 million. Legislation enacted with the 2003-04 State Budget provides for a program total of up to \$139.97 million for Class Size Reduction Aid.

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
<u>OPERATING STANDARDS AID</u>		
Formula Ceiling	\$8.50 plus the product of \$61.50 times the State Share	One of 4 aids that will be replaced by Consolidated Operating Aid
Wealth Measure	Alternate Pupil Wealth Ratio	
Expenditure Measure	Approved Operating Expense per pupil	
State Share	$1.00 - (.66 * (.5 * APWR) + (.5 * \frac{AOE}{TAPU}))$ \$6,058	
Minimum Aid Ratio	.078	
Pupils	Selected TAPU (Selected TAPU times 1.26 for districts with an Extraordinary Needs percent in excess of 60% or by 2.60 if the district's percent is in excess of 85%) plus an additional .20 x Selected TAPU if the percentage change in graduates with Regents diplomas from 1998-99 to 1999-00 is greater than 5%	
Additional OSA Aid		
Eligibility	Combined Wealth Ratio less than .700	
Formula Ceiling	\$174.80	
Pupils	Selected TAPU	
State Share	Transportation sparsity adjustment + (1.00 - Combined Wealth Ratio)	
OSA Save-harmless	100% of 2000-01 Operating Standards Aid	
<u>CATEGORICAL READING AID</u>	\$63.95 million	Same
<u>GRANTS FOR IMPROVING PUPIL PERFORMANCE</u>	\$66.35 million	Same
<u>FORT DRUM GRANTS</u>	\$2.63 million	Same

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
<u>MAGNET SCHOOL AID</u>	\$135.65 million	\$135.79 million
<u>TEACHER SUPPORT AID</u>	\$67.48 million	Same
<u>ACADEMIC SUPPORT AID</u>	\$24.92 million	One of 4 aids that will be replaced by Consolidated Operating Aid
<u>MINOR MAINTENANCE AND REPAIR AID</u>		
Maximum District Aid	A district's 2001-02 enrollment x the average age of its instructional facilities (compared to a statewide average) x its 1993-94 enrollment divided by its 1989-90 enrollment. This result is divided by the statewide sum of these values and then the district's ratio is multiplied by \$16,670,000.	Same except for use of 2002-03 enrollment.
Minimum District Aid	\$2,000	Same
<u>SUMMER SCHOOL AID</u>		
Formula Ceiling	\$200.00 x summer session index	Same
Index	Formula Operating Aid ratio x concentration factor (based on district's extraordinary needs percent)	Same
Pupils	2001-02 unweighted summer school ADA for pupils in programs to improve student performance	2002-03 unweighted summer school ADA for pupils in programs to improve student performance
<u>TAX LIMITATION AID<sup>7</sup></u>		
Eligible Districts	A district's 1999 tax levy on residential real property, including condominium property, must be greater than 3.9% of the district's 1999 adjusted gross income. In addition, the district must have a Pupil Wealth Ratio less than 2.0	A district's 2000 tax levy on residential real property, including condominium property, must be greater than 3.9% of the district's 2000 adjusted gross income. In addition, the district must have a Pupil Wealth Ratio less than 1.5

<sup>7</sup> For the 2002-03 school year, total aid was limited to \$25.0 million.

<u>Category</u>	<u>2002-03 School Year</u>	<u>2003-04 School Year</u>
State Share	.50	Same
Wealth Measure	Combined Wealth Ratio	Same
Formula Ceiling	.0410 multiplied by the 1999 residential tax levy per pupil	.0474 multiplied by the 2000 residential tax levy per pupil
<u>INCARCERATED YOUTH</u>	\$13.0 million	Same
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>COMPROLLER AUDITS</u>	\$.25 million	Same
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same
<u>SMALL CITY SCHOOL DISTRICT AID</u>	\$81.88 million. For the 2002-03 school year, a district's <u>Hurd</u> aid was the same as its 2001-02 aid	\$81.88 million. For the 2003-04 school year, a district's <u>Hurd</u> aid will be the same as its 2002-03 aid
<u>EMPLOYMENT PREPARATION EDUCATION AID</u> <sup>8</sup>		
Ceiling	\$7.40/contact hour	\$7.65/contact hour
Wealth Measure	AV/TWPU	Same
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same

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<sup>8</sup> For the 2002-03 school year, total aid was limited to \$96.18 million, the same as in 2001-02. For the 2003-04 school year, total aid is limited to \$84.00 million.

APPENDIX III-B  
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating comprehensive operating aid, extraordinary needs aid, limited English proficiency aid, public and private excess cost aids, declassification support services aid, educationally related support services aid, special services aid, reorganization incentive operating aid, BOCES aid, transportation aid, building aid, reorganization incentive building aid, computer software aid, textbook aid, instructional computer hardware and technology equipment aid, library materials aid, growth aid, full-day K incentive aid, employment preparation education aid, incarcerated youth aid, minor maintenance aid, summer school aid, and tax limitation aid are presented in this appendix.

The State average wealth measures for use in the calculation of aid ratios for 2002-03 school year payments are:

2000 Actual Valuation/2001-02 TWP	\$281,000
2000 Adjusted Gross Income/2001-02 TWP	\$128,600
2000 Actual Valuation/2001-02 RWADA	\$336,500

Note that all aid ratios are assumed to have a minimum of .000 and a maximum of 1.000 unless otherwise stated.

Details of pupil counts appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

TAPU.....	Total Aidable Pupil Units
TWP.....	Total Wealth Pupil Units
ADA.....	Average Daily Attendance
RWADA....	Resident Weighted Average Daily Attendance

COMPREHENSIVE OPERATING AID

Education Law, Section 3602, Subdivision 12-b

A district's Comprehensive Operating Aid is determined by the calculation below.

For the 2003-04 school year, each district will receive Comprehensive Operating Aid. Total aid for this category will equal the sum of 2002-03 Comprehensive Operating Aid, Gifted and Talented Aid, Operating Standards Aid and Academic Support Aid minus a reduction calculation described below.

Each district will be assessed a reduction amount equal to 1.75 percent of its base-year total for the 4 aid categories above. In addition, all districts will be assessed an additional amount calculated using Free and Reduced Price Lunch (FRPL) and school district wealth data (Combined Wealth Ratio) supplied by the State Education Department.

The combined reduction for a district will range from 2.25 percent to 6.30 percent of the 2002-03 total of the 4 aid categories above.

Operating Aid Reduction Formula =

The product of the sum of (i) and (ii) below times the sum of a district's 2002-03 Comprehensive Operating Aid, Gifted and Talented Aid, Operating Standards Aid and Academic Support Aid.

(i) -1.75 %

plus

(ii)  $((0.95 - \text{percentage of k-6 eligible applicants for the free and reduced price lunch program as of October 2001}) \times \text{Combined Wealth Ratio}) \times -0.081.$

Minimum aid loss: -2.25%

Maximum aid loss: -6.30%

GROWTH AID

Education Law, Section 3602, Subdivision 13

For the 2003-04 school year, growth aid is distributed to districts that are eligible due to an increase in enrollment. Districts whose growth index is greater than 1.004 receive growth aid.

Growth Aid = (Growth Index - 1.004) x Formula Operating Aid<sup>9</sup>

Growth Index =  $\frac{2003-04 \text{ Estimated Enrollment}}{2002-03 \text{ Enrollment}}$

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<sup>9</sup> Where appropriate to the aid category calculation, such as for Growth Aid, Formula Operating Aid (as cited in subdivision 13 of Section 3602 of the Education Law) will be used.

EXTRAORDINARY NEEDS AID

Education Law, Section 3602, Subdivision 12

Extraordinary Needs Aid: = (\$3,900 + Ceiling Adjustment) x Extraordinary Needs Aid Ratio x Extraordinary Needs Count x .11 x Concentration Factor

Ceiling Adjustment = The district's adjustment for Formula Operating Aid. The lesser of \$8,000 or approved operating expense per pupil minus \$3,900 x the greater of 7.5 percent or .075/CWR.

Extraordinary Needs Aid Ratio = 1 - (Alternate Pupil Wealth Ratio x .40)

Extraordinary Needs Count = The sum of:

- (i) 2002-03 public enrollment (including charter school enrollment) x percentage of students in grades K-6 who are eligible for the free and reduced price lunch program as of October 2001.
- (ii) Limited English Proficiency students
- (iii) For districts operating a K-12 program, a sparsity count equal to 2002-03 enrollment times:

$$\frac{(25 - 2002-03 \text{ Enrollment/Square Mile})}{58}$$

and has no maximum

$$\text{Concentration Factor} = \frac{1 + ((\text{Extraordinary Needs Count}/2002-03 \text{ Enrollment}) - .745)/.320}{.320}$$

The Concentration Factor may not be less than 1.

Save-Harmless Provision: 100% of 2002-03 aid.

LIMITED ENGLISH PROFICIENCY AID (LEPA)

Education Law, Section 3602, Subdivision 22

A district operating programs for pupils with limited English proficiency may receive limited English proficiency aid. Program participants are those scoring below the 40<sup>th</sup> percentile on an English language assessment instrument.

$$\text{LEPA} = .230 \times 2003-04 \text{ formula Operating Aid per TAPU} \times 2002-03 \text{ program participants}$$

EXCESS COST AID FOR PUBLIC SCHOOL PUPILS

Education Law, Section 3602, Subdivision 19

A district receives public excess cost aid for pupils with disabilities in programs run by public school districts or BOCES. Basic excess cost aid applies to all such programs. In addition, high cost excess cost aid provides aid for students in resource intensive programs. A save-harmless provision also applies.

Basic Excess Cost Aid

All districts with pupils with disabilities who are served in public school programs receive public excess cost aid.

$$\text{Basic Excess Cost Aid} = \text{Aidable Expense} \times \text{Aid Ratio} \times \text{Weighted Pupils With Disabilities}$$

$$\text{Aidable Expense} = \frac{\text{2001-02 Approved Operating Expenses (AOE)}}{\text{2001-02 TAPU for Expense}}$$

Minimum: \$2,000

Maximum: The maximum aidable expense is \$7,650.  
(The State average is \$7,650.)

$$\text{Excess Cost Aid Ratio} = 1 - (\text{Combined Wealth Ratio} \times .51)$$

Minimum: .250

Weighted Pupils: Pupils with disabilities served by a district in the base year are weighted according to the level of special services and programs that they are required to receive:

- At least 60% of the day . . . . . 1.65
- At least 20% of the week or five periods  
(at least 180 minutes) per week . . . . . 0.90
- Direct/Indirect Consultant Teacher . . . . . 0.90

An additional 0.50 weighting is provided for those children who require special education services at least 60 percent of the time and who received these services in a general education setting in the year prior to the base year. Such integrated settings aid is not subject to the Public Excess Cost Aid save-harmless calculation.

High Cost Excess Cost Aid

Additional aid is available for public school pupils with disabilities in programs in which the cost exceeds the lesser of:

\$10,000

or

4 x AOE/TAPU (without limits)

Per Pupil Calculation:

$$\text{High Cost Excess Cost Aid} = \frac{\text{Approved Program Cost}}{\text{Cost}} - (3 \times \frac{\text{AOE}}{\text{TAPU}}) \times \text{Excess Cost Aid Ratio}$$

Declassification Support Services Aid

Education Law, Section 3602, Subdivision 19, paragraph 7

Any district which provides support services to teachers and pupils in the first year that a pupil moves from a special education program to a full-time regular education program is eligible to receive declassification support services aid.

Declassification Support = Public Excess Cost x .50 x 2002-03 Declassified  
Services Aid Aid Per Pupil Pupils

Save-Harmless Provision

A district is eligible to receive the greater of:

- (i) 2003-04 Basic Excess Cost Aid + High Cost Aid + Declassification Support Services Aid, or
- (ii) 95 percent of 2002-03 Total Public Excess Cost Aid

Save-harmless funding does not include apportionments generated by the 0.50 pupil weighting for year prior to base year pupils who received services at least 60 percent of the time in a general education setting.

EXCESS COST AID FOR PRIVATE SCHOOL PUPILS

Education Law, Section 4405, Subdivision 3, paragraphs a and b  
Education Law, Section 4401, Subdivision 6 and 7

A district receives private excess cost aid for pupils with disabilities in private school settings and the two State-operated schools. The aid is computed on a student-by-student basis with a district receiving private excess cost aid for each student.

Private Excess Cost Aid

Private Excess Cost Aid = Aidable Cost x Excess Cost Aid Ratio  
(per pupil)

Aidable Cost = Tuition - (Basic Contribution per enrolled pupil)

Basic Contribution = Based on a district's property and non-property taxes divided by its base-year enrollment.

Excess Cost Aid Ratio = 1 - (Combined Wealth Ratio x .15)

Minimum: .50

Private Excess Cost Taper for Rome and Batavia Placements

Additional aid is available to districts with:

- (i) Continued pupil placements at the two State-operated schools for pupils originally placed in one of the two schools prior to July 1, 1990; and
- (ii) A Combined Wealth Ratio of less than 1.0.

Taper for Rome and Batavia Placements = Taper Aidable Cost x Taper Aid Ratio

Taper Aidable Cost = Tuition - Regular Private Excess Cost Aid

Taper Aid Ratio =  $\frac{1.0 - (\text{Combined Wealth Ratio})}{.75}$

Maximum: 1.0

EDUCATIONALLY RELATED SUPPORT SERVICES AID (ERSSA) INCLUDING SPEECH THERAPY

Education Law, Section 3602, Subdivision 32

Any district which provides support services to nondisabled pupils that are intended to maintain these pupils' placement in a regular education program is eligible to receive educationally related support services aid. This program includes speech therapy services for nondisabled pupils. Beginning with the 1995-96 school year, eligible services were expanded to include curriculum and instructional modification and direct student support team services. Eligibility for ERSSA services was expanded for the 1996-97 school year and after to include qualified handicapped persons under the Americans with Disabilities Act and any students with disabilities whose attendance does not generate any Excess Cost Aid. Eligible services were expanded to meet the needs of such students.

ERSSA = The sum of:

- (i) \$365.00 x Formula Operating Aid Ratio (.25 minimum) x 9.0 percent of Selected TAPU
- (ii) \$635.00 x Public Excess Cost Aid Ratio x 15.0 percent of Selected TAPU x Extraordinary Needs Percent (in excess of 60 percent)

SPECIAL SERVICES AID

Education Law, Section 3602, Subdivision 17

Districts that are non-components of a BOCES, including the Big 5 City school districts, are eligible to receive career education aid and computer administration aid.

Career Education Aid = \$3,720 x Aid Ratio x Career Ed Pupils

Aid Ratio = 1 - (Combined Wealth Ratio x .59)

Minimum: .360

Career Education Pupils = 2002-03 Grade 10-12 ADA in a Career Education Trade Sequence + (.16 x Business Sequence ADA)

Computer Administration Aid = (Expenses up to \$62.30 x Enrollment)  
X Computer Expenses Aid Ratio

Enrollment = Fall 2002 public enrollment attending in the district

Computer Expenses Aid Ratio = 1 - (Combined Wealth Ratio x .51)

Minimum: .300

REORGANIZATION INCENTIVE OPERATING AID

Education Law, Section 3602, Subdivision 14, paragraphs d and f

A district which has reorganized within the past 14 years is eligible to receive reorganization incentive operating aid in addition to its regular operating aid.

Reorganization Incentive  
Operating Aid = Formula Operating Aid x Incentive Aid Percentage

The sum of a district's Formula Operating Aid and Incentive Operating Aid may not exceed 95 percent of its AOE.

Reorganization Prior to July 1, 1983:

Incentive Operating Aid was available for school districts which reorganized prior to July 1, 1983, for 14 years beginning with the first school year of operation as a reorganized district. For the first five years the Incentive Aid Percentage was 10 percent, and for the next nine years the percentage of such operating aid decreased 1 percent per year.

Reorganization After July 1, 1983:

For districts which reorganized after July 1, 1983, the reorganization percentage was 20 percent for a period of five years, to be reduced by 2 percent per year for nine years.

Reorganization After July 1, 1992:

For districts which reorganize after July 1, 1992, the reorganization percentage will be 40 percent for a period of five years, to be reduced by 4 percent per year for nine years.

BOCES AID

Education Law, Section 1950, Subdivision 5

Districts which are components of Boards of Cooperative Educational Services (BOCES) are eligible to receive BOCES operating, capital, and rental aids, with the total subject to a save-harmless provision.

BOCES Operating Aid = Base Year Approved Expenses x Aid Ratio

Approved Expenses includes salaries of BOCES employees up to \$30,000

Aid Ratio = greater of:

(i)  $1 - \frac{.008}{\text{District Actual Valuation Tax Rate (Local Revenue/Actual Valuation)}}$

(ii)  $1 - \frac{(2000 \text{ Actual Valuation}/2001-02 \text{ RWADA})}{\text{Statewide Average } (\$336,500)} \times .51$

Minimum: .360

Maximum: .900

BOCES Capital Aid = 2003-04 Capital Expense x RWADA Aid Ratio

BOCES Rental Aid = 2003-04 Rental Expense x RWADA Aid Ratio

Save-Harmless Provision A district may receive the greater of:

(i) 2003-04 BOCES Operating, Capital and Rental aids

(ii) BOCES aid received during 1967-68

TRANSPORTATION AID

Education Law, Section 3602, Subdivision 7

Districts are allotted reimbursement for transportation expenses through the transportation aid formula.

Transportation Aid = [Aid Ratio + Sparsity Factor] x Approved Expenses

Aid Ratio = greatest of three aid ratio calculations, two of which are based on a district's Actual Valuation per pupil:

- (i) 1.263 x Formula Operating Aid Ratio
- (ii)  $1.010 - \frac{(2000 \text{ AV}/2001-02 \text{ RWADA} \times .46)}{\text{Statewide Average } (\$336,500)}$
- (iii)  $1.010 - \frac{(2000 \text{ AV}/2001-02 \text{ Resident Public \& Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$290,800)}$

Minimum: .065

Maximum: .900

Sparsity Factor =

$\frac{21.00 - 2001-02 \text{ Public Enrollment (including charter school)}/\text{Square Mile}}{317.88}$

Approved Transportation Expenses include:

- Health and life insurance
- Collision insurance
- Equipment
- Uniforms
- Driver and mechanic salaries
- Supervisor and other salaries
- Operating and maintenance expenses
- Social Security payments on all salaries
- Full contract expenses
- Retirement benefits
- Computerized bus routing services
- Transportation of children to and from day care centers
- Transportation of pupils in voluntary interdistrict programs
- District expenditures for transportation of pupils to and from district-operated summer classes to improve student performance will be aided up to a maximum of \$5.0 million statewide

But do not include:

- Transportation of pupils less than 1-1/2 miles from school
- Field trips
- Salaries of assistant drivers on regular buses (district operated programs)
- Salaries of drivers and mechanics who work on other than bus-type vehicles
- Bus purchase expenses exceeding the State contract price

BUILDING AID

Education Law, Section 3602, Subdivision 6

School districts with approved building projects may receive building aid to be paid according to an assumed amortization schedule. Aid is available for expenses related to the installation of computer laboratory hardware and for the purchase of stationary metal detectors.

Building Aid = Selected Aid Ratio x Approved Building Expenses

$$\text{Current Aid Ratio} = 1 - \frac{(2000 \text{ Actual Valuation}/2001-02 \text{ RWADA} \times .51)}{\text{Statewide Average } (\$336,500)}$$

Approved Building Expenses:

For projects associated with any existing bonds, bond anticipation notes (BANs) and lease-purchase agreements that have principal remaining as of July 1, 2002, an assumed amortization will be applied to determine building and reorganization incentive building aid. The assumed amortization is based on approved project costs, the term of borrowing and an assumed interest rate. New projects subject to prospective assumed amortization are those that were either approved by the Commissioner of Education on or after December 1, 2001, or, for which debt (bonds, BANs, and capital notes) is first issued on or after such date. Each project is assigned a useful life, cost allowance and assumed interest rate. The State share of financing costs associated with refinancings are reimbursed in full to districts. In addition, districts are reimbursed for lease expenses and on a one year lag for costs of exceptional expenses including metal detectors, condition surveys, and capital outlay exception.

Selected Aid Ratio:

Districts may use the higher of the current year aid ratio or the aid ratio computed for use in any year commencing with the 1981-82 school year. Starting with all new building projects approved by the voters after July 1, 2000, the selected building aid ratio is based upon the greater of a school district's current-year building aid ratio or the aid ratio selected for use in 1999-00 reduced by 10 percentage points. School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 may select an aid ratio equal to 1.263 multiplied by the district's Formula Operating Aid Ratio.

Incentive:

For aid payable in 1998-99 and after for new projects approved by the voters after 7/1/98, districts will continue to receive an additional 10 percent State reimbursement. However, the sum of the incentive and the selected aid ratio may not exceed .950. In addition, cost allowances on all contracts awarded after 7/1/98 will be adjusted to reflect regional costs for school districts in high cost areas of the State.

REORGANIZATION INCENTIVE BUILDING AID

Education Law, Section 3602, Subdivision 14, paragraphs e and f

For building projects related to reorganization, the district may receive reorganization incentive building aid in addition to its regular building aid.

Aid is paid on projects for which the general construction contract is signed prior to July 1, 2004 or within ten years from the effective date of the reorganization, whichever is later.

For districts reorganizing prior to July 1, 1983,

$$\frac{\text{Reorganization Incentive}}{\text{Building Aid}} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 25\%$$

For districts reorganizing after July 1, 1983,

$$\frac{\text{Reorganization Incentive}}{\text{Building Aid}} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 30\%$$

In no case may the sum of regular Building Aid plus Incentive Building Aid exceed 95 percent of approved expenditures.

#### COMPUTER SOFTWARE AID

Education Law, Section 751

All districts are eligible for computer software aid. The aid is for the purchase of computer software which a pupil is required to use as a learning aid in a particular class in the school the pupil attends.

$$\text{Computer Software Aid} = 2002-03 \text{ Cost of Software (up to \$14.98)} \times \text{Enrollment}$$

Enrollment = Fall 2002 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

#### TEXTBOOK AID

Education Law, Section 701, Subdivisions 4, 6 and 7

All districts are eligible for textbook aid. The aid provided is to be used by districts to purchase textbooks to be made available to all resident enrolled pupils.

$$\text{Textbook Aid} = 2002-03 \text{ Cost of Textbooks, not to exceed } \$57.30 \times \frac{2002-03 \text{ Resident Public and Nonpublic School Enrollment}}{\text{Resident Public and Nonpublic School Enrollment}}$$

#### INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 3602, Subdivision 26

A district may be eligible for computer hardware aid to purchase or lease micro-and/or minicomputer equipment or terminals as well as technology equipment for instructional purposes. Schools may use up to 20 percent of hardware aid for the repair of instructional computer hardware and technology equipment or for training and staff development for instructional purposes.

Technology equipment is defined as equipment used in conjunction with or in support of educational programs including, but not limited to, video, solar energy, robotic, satellite or laser equipment.

Approved expenses for technology education equipment were first eligible for aid in the 1992-93 school year. Beginning with the 1998-99 school year, the local match was eliminated.

$$\text{Hardware Aid} = \frac{2002-03 \text{ Approved Expenses (up to } \$19.25 \times \text{ Selected TAPU for Payment} \times \text{ Current Year Building Aid Ratio)}}{}$$

#### LIBRARY MATERIALS AID

Education Law, Section 711, Subdivision 4

All districts are eligible for library materials aid. The aid is provided to enable districts to purchase necessary library materials to be made available on an equitable basis to all pupils attending public and nonpublic schools within such district.

$$\text{Library Materials Aid} = \frac{2002-03 \text{ Cost of Library Materials (up to } \$6.00)}{\text{Enrollment}}$$

Enrollment = Fall 2002 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

#### FULL-DAY KINDERGARTEN INCENTIVE AID

Education Law, Section 3602, Subdivision 12-a

Eligibility for Full-Day K Incentive Aid: If in 1996-97 and 2002-03 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2002-03.

School districts offering full-day kindergarten programs to all kindergarten students will receive current year formula operating aid in 2003-04 for any increase in the number of students served in full-day programs in 2003-04 compared to 2002-03

$$\text{Full-Day K Incentive Aid} =$$

(2003-04 Estimated Full-Day K Enrollment - 2002-03 Full-Day K Enrollment)  
x Formula Operating Aid per TAPU.

#### EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 24

Districts are eligible for EPE aid for the attendance of pupils age 21 or older who have not received a high school diploma or equivalency diploma. Since 1991-92, aid paid directly to BOCES for approved BOCES EPE programs has been based on component districts' aid ratios. Beginning in 1995-96, the BOCES EPE aid ratio has been based on the aggregate actual valuation and TWPU of the component districts of the BOCES. Adults can register with BOCES for participation at a BOCES site. Since 1996-97, the BOCES EPE aid ratio has been the greater of the EPE aid ratio based on the aggregate wealth of the component districts or 85 percent of the highest EPE aid ratio of a component district of the BOCES.

$$\text{EPE Aid} = \$7.65 \times \text{EPE Aid Ratio} \times \text{EPE Hours}$$

$$\text{EPE Aid Ratio} = 1 - (\text{Pupil Wealth Ratio} \times .40)$$

Minimum: .400

$$\text{Pupil Wealth Ratio} = \frac{2000 \text{ Actual Valuation}/2001-02 \text{ TWPU}}{\text{State Average } (\$281,000)}$$

EPE Hours = Total hours of instruction for all students in EPE programs between July 1 and June 30 of the current year.

EPE aid will be reduced if it and other State and Federal sources of aid for EPE programs exceed the entire cost of such program in that year.

For the 2003-04 school year, total aid is limited to \$84.00 million. Of this total, up to \$2.5 million will be available for services to individuals over the age of 21 who possess a high school or equivalency diploma but who fail to demonstrate basic educational competencies.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 35

All districts are eligible for incarcerated youth aid. The aid is provided to enable districts to educate students in local centers of detention. Incarcerated Youth Aid equals the lesser of:

- (i) = 2001-02 AOE/TAPU x Number of full-day program pupils<sup>1</sup> +  
 ([.5 x (AOE/TAPU)] x Number of half-day program pupils)
- (ii) Actual total instructional cost for the incarcerated youth program plus approved administrative costs (which may not exceed five percent of total instructional costs)

MINOR MAINTENANCE AID

Education Law, Section 3602, Subdivision 6-d

For Districts Other Than New York City Maximum District Aid =

$$\frac{\text{District 2002-03 Enrollment} \times \text{Age of Facility Index} \times \text{Long-Term Growth Index}}{\text{Sum of Statewide Values (Without New York City)}} \times \$16,670,000 = \$1,908,096$$

Minimum District Aid = \$2,000

$$\text{Age of Facility Index} = \frac{\text{Average Age of Facilities}}{\text{Statewide Average (Without New York City)}} = 41$$

$$\text{Average Age of Facilities} = \frac{\text{Weighted Age of Square Footage}}{\text{Total Square Footage of all Instructional School Buildings}}$$

Weighted Age of Square Footage = The sum of (age of facility in 1994 x square footage of facility) for each instructional school building.

Long-Term Growth Index = A district's 1993-94 enrollment divided by its 1989-90 enrollment, but not less than 1.

For the 2003-04 school year, New York City's aid may not exceed \$33.33 million. Total aid is limited to \$50.00 million.

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<sup>1</sup> 2001-02 AOE/TAPU x 1.25 x pupils in 10 month programs or 2001-02 AOE/TAPU x 1.50 x pupils in 12 month programs.

TAX LIMITATION AID

Education Law, Section 3602, Subdivision 21

Districts are eligible for Tax Limitation Aid if their Tax Effort Ratio is greater than 3.9 percent and their Pupil Wealth Ratio as computed for the Combined Wealth Ratio is below 1.500.

$$\text{Tax Limitation Aid} = \text{Formula Ceiling} \times \text{Aid Ratio} \times \text{Selected TAPU}$$

$$\text{Formula Ceiling} = .0474 \times 2000 \text{ residential tax levy per pupil} \\ \text{(Selected TAPU)}$$

$$\text{Tax Effort Ratio} = \frac{2000 \text{ tax levy on residential real property (including} \\ \text{condominiums)}}{2000 \text{ adjusted gross income}}$$

$$\text{Tax Limitation Aid Ratio} = 1 - (\text{Combined Wealth Ratio} \times .50)$$

SUMMER SCHOOL AID

Education Law, Section 3602, Subdivision 39

$$\text{Summer School Aid} = \$200.00 \times \text{Summer Session Index} \times \text{Aidable Pupils}$$

$$\text{Summer Session Index} = \text{Concentration Factor} \times \text{Formula Operating Aid Ratio}$$

Minimum: .400

$$\text{Concentration Factor} = \frac{1 + ((\text{Extraordinary Needs Count}/2002-03 \text{ Enrollment}) \\ - .58)}{.400}$$

Aidable Pupils = 2002-03 unweighted summer school ADA for pupils attending programs designed to improve student performance.

APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2003-04 SCHOOL YEAR

I. Average Daily Attendance/Average Daily Membership<sup>a</sup>

- A. Average Daily Attendance (ADA) is the average number of pupils present on each regular school day in a given period. The average is determined by dividing the total number of attendance days of all pupils by the number of days school was in session.
- B. Average Daily Membership (ADM) is a measure of enrollment. It is the total possible aggregate daily attendance of all pupils in the district divided by the days of session.

II. TAPU for Expense, TAPU for Payment, TAPU for Formula Operating Aid Payment, TWPU and RWADA

	<u>Total Aidable Pupil Units For Expense</u>	<u>Total Aidable Pupil Units For Payment</u>	<u>Total Wealth Pupil Units</u>	<u>Resident Weighted Average Daily Attendance</u>
Short Title	TAPU for Expense	Selected TAPU for payment	TWPU	RWADA
Year used for aid payable in 2003-04	2001-02	2002-03 or Two-year Average (2001-02 and 2002-03) <sup>b</sup>	2001-02	2001-02
Attendance Periods	Full Year	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Served 100% ADA	Resident 100% ADA	Resident 100% ADA

Basic Weightings

Half-Day Kindergarten	.50	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00	1.00
Grades 7-12	1.00	1.00	1.00	1.25
Dual Enrollment	1.00	1.00	--	--

<sup>a</sup> The average daily attendance (or average daily membership) of pupils attending private and State operated schools (Rome and Batavia) for pupils with disabilities is excluded from ADA (or ADM).

<sup>b</sup> The 2002-03 TAPU is based on 2001-02 ADA, adjusted by the enrollment index (change between 2001-02 and 2002-03 enrollment). The 2001-02 TAPU is based on 2000-01 ADA, adjusted by the enrollment index (change between 2000-01 and 2001-02 enrollment).

	<u>Total Aidable Pupil Units For Expense</u>	<u>Total Aidable Pupil Units For Payment</u>	<u>Total Wealth Pupil Units</u>	<u>Resident Weighted Average Daily Attendance</u>
<u>Additional Weightings</u>				
Secondary (including PSEN <sup>c</sup> but excluding students with disabilities (swd) in 1.7 & .9 public excess cost categories)	.25	.25	.25	--
PSEN K-12 (including swd)	.25	.25	.25	--
SWD in public schools for:				
60% of school day (special class)	1.70	--	1.70	--
20% of school week (resource room) <sup>d</sup>	.90	--	.90	--
Direct/Indirect Consultant Teacher	.90	--	.90	--
Private School	--	--	--	--
Summer/Extra School	.12	.12	--	--

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<sup>c</sup> PSEN (Pupils with Special Educational Needs) are determined by multiplying district average daily attendance by the percentage of the student population falling below the State reference point on third and sixth grade reading and mathematics pupil evaluation program (PEP) tests administered in the Spring of 1985 and the Spring of 1986.

<sup>d</sup> Or five periods (at least 180 minutes) per week.

APPENDIX III-D  
STATE AID PAYMENT SCHEDULE TO SCHOOL DISTRICTS

Section 3609-a of the Education Law will govern the schedule of school district payments as well as the manner in which monthly aid payments are calculated. Section 3609-a includes computerized aids payable as General Support for Public Schools (GSPS) except for aids which are covered under the Section 3609-b (Excess Cost) payment schedule and Section 3609-d (BOCES Aid) payments as well as Textbook, Software and Library Materials Aids. Growth Aid and Full Day Kindergarten Aid will not be paid until June 2004. Small Cities Aid is covered by Section 3609-c. In addition, Section 3609-e of the Education Law governs the schedule of school district payments for School Tax Relief (STAR). This payment is intended to reimburse school districts for school property tax exemptions granted pursuant to Section 425 of the Real Property Tax Law.

For GSPS aid payable in the 2003-04 school year, school districts will receive the lesser of (i) the sum of the aid calculated at the time of enactment of the Aid to Localities Budget or (ii) actual claims at the time of payment. A district may not exceed the sum of apportionments reported in the school aid computer listing entitled "SA030-4," which was released in April 2003 with the issuance of the 2003-04 Budget. Any remaining unpaid amount of aid due to a school district will be paid on the first business day of September, 2004. The payment schedule has several features:

GSPS Aids

- Lottery Aid will continue to be paid in full on or before September 1.
- School district obligations to the New York State Teachers Retirement System (TRS) will continue to be paid by the State on behalf of school districts in September, October and November.
- "Fixed" payments will be paid in the months of October, November and December. These payments guarantee that a "fixed" percentage of a district's apportionments, after TRS payments, will be paid through the sum of Lottery payments and regular aid payments by given points in time: 12.50 percent by October 15, 18.75 percent by November 15 and 25.00 percent by December 15.
- "Individualized" payments will be calculated for the months of January through June. January through May payments are based on school district State Aid claims or data available to the Commissioner as of December 1. The June payment is based on data available to the Commissioner as of May 1. These will be calculated to guarantee that each district receives 50 percent of the sum of its State and local revenues by the first business day of January, 60 percent by February, 70 percent by March, 80 percent by April and 90 percent by May. All of the April payment, all, or most of the May payment and some of the June payment may be paid as part of the sustaining advance payments and the final payment for the State Fiscal Year in order to fully expend the State Fiscal Year appropriation for General Support of Public Schools in March 2004. If necessary, the March payment may also be reduced to ensure that no more than the State Fiscal Year appropriation for General Support of Public Schools is expended by March 31.

- Sustaining advance payments and a final payment for the State Fiscal Year will be paid to school districts on or before March 31 on a prorata basis using the districts' relative share of either: (1) for the sustaining advance payments, the total monies designated for payment in April, then May and finally June or (2) for the final payment for the State Fiscal Year, the total monies designated for June (if a positive payment is to be made) or the total monies designated for March (if a negative deduction is to be made). For purposes of calculating the final payment for the State Fiscal Year, the remaining unexpended portion of the State Fiscal Year appropriations for General Support of Public Schools will be used.
- Any aid payable for Growth Aid and Full Day Kindergarten Aid will be paid in addition to any remaining balance of the June General Aid payment on the first business day in June. In addition the total of such aid payable through June for Growth Aid and Full Day Kindergarten Aid cannot exceed the total of such aid as it appears on the computer listing "SA030-4."
- Any excess of actual General Aid apportionments over the sum of such apportionments as reported in the school aid computer listing entitled "SA030-4" will be paid on the first business day of September, 2004.

#### STAR Aid

- STAR exemptions have no effect on determining tax levies, rates or other State aid. School districts are reimbursed for the taxes foregone upon application to the State Office of Real Property Services. ORPS certifies amounts payable under the STAR program to the Commissioner of Education and school districts receive reimbursement from the State Education Department pursuant to a separate STAR payment schedule established in section 3609-e of the Education Law.
- STAR reimbursements commencing in the 2003-04 school year are governed by a formula designed to ensure that outstanding STAR balances do not exceed specified percentages of a district's property tax levy. Assuming timely filing of claims by districts, any STAR amounts that exceed 25% of a district's property tax levy will be paid in October. Remaining STAR amounts that exceed 20% of levy will be paid in November and STAR owed in excess of 15% of levy will be paid in December. The balance of STAR due to districts will be paid by the first business day of January. Any increase in STAR aid that occurs as a result of adjustments that are made after the January payment will be paid by March 31, 2004.
- Payment amounts will be based on current data on file at the time of each payment through January.
- Current statutory provisions that authorize the Commissioner to withhold State aid payments from school districts that have not submitted enrollment and expenditure data on a timely basis shall not apply to STAR aid payments.

### Excess Cost Aids

Section 3609-b of the Education Law requires that apportionments payable to school districts for Excess Cost Aids shall be designated as State share monies due to school districts pursuant to Title XIX of the Social Security Act (Medicaid reimbursement). Such State share monies will be paid in conjunction with the scheduled monthly payment of federal share monies for Medicaid reimbursement. Any remaining balances of Excess Cost Aids will be paid in accordance with the schedule below. Total Excess Cost Aids payable to a district for the school year may not exceed the sum of such aids as reported in the school aid computer listing entitled "SA030-4" which was released in April 2003 with the issuance of the 2003-04 Budget.

- The positive remainder of 25 percent of Excess Cost Aids minus any State share monies paid in the months of August-November, 2003 will be paid on or before December 15.
- The positive remainder of 70 percent of such aids minus any apportionment previously paid and any State share monies payable in the months of August 2003-February 2004 will be paid on or before March 15.
- The positive remainder of 85 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2003-May 2004 will be paid on or before June 15.
- The positive remainder of 100 percent of such aids minus any apportionments previously paid and any State share monies payable in the months of August 2003-July 2004 will be paid on or before August 15.
- Any excess of actual Excess Cost Aids payable over the sum of such aids as reported in the school aid computer listing entitled "SA030-4" will be paid on the first business day of September, 2004.

### BOCES Aid

- BOCES Aid is calculated for individual component school districts of the BOCES, but the sum of all such payments is paid directly to the BOCES. Total BOCES Aid payable for the school year to each component school district may not exceed 100 percent of the amount of such aid as reported in the school aid computer listing entitled "SA030-4," which was released in April 2003 with the issuance of the 2003-04 Budget, plus any BOCES Aid payable to contracting school districts, less-than-eight teacher districts and Special Act school districts based on data on file at the time of each payment.
- BOCES obligations to the New York State Teachers Retirement System (TRS) will be paid by the State on behalf of the BOCES from the apportionment payable to the BOCES by the fifteenth of each of the months of September, October and November.
- An additional payment will be made to the BOCES on or before February 1. This payment will be equal to 25 percent of the lesser of the actual BOCES Aid payable to each component school district or the amount of BOCES Aid payable to each component district as reported in the school aid computer listing entitled "SA030-4" plus BOCES Aid payable for

contracting school districts, less-than-eight teacher districts and Special Act school districts, minus the payments made to TRS on the BOCES behalf.

- An additional payment will be made to the BOCES on the first business day of June that is equal to 55 percent of the lesser of the actual BOCES Aid payable to each component school district or the amount of BOCES Aid payable to each component school district as reported in the school aid computer listing entitled "SA030-4" plus BOCES Aid payable for contracting school districts, less-than-eight teacher districts and Special Act school districts, minus the sum of all previous payments including payments made to TRS on the BOCES behalf.
- Any remaining apportionment payable to the BOCES, including any excess of actual BOCES Aid payable over the amount of such aid reported in the school aid computer listing entitled "SA030-4" will be paid to the BOCES on the first business day of September, 2004.

#### Aid to Small City School Districts

Payments to small city school districts will be made pursuant to Section 3609-c of the Education Law. Aid will be paid so that from October 2002 to the first business day of June, 2004 each eligible small city school district will receive an amount, not to exceed in total 100 percent of the amount provided for this aid category in the 2003-04 Budget.