

DESCRIPTION OF
2016-17 NEW YORK STATE
EXECUTIVE BUDGET RECOMMENDATIONS
FOR
ELEMENTARY AND SECONDARY EDUCATION

EDUCATION UNIT
NEW YORK STATE DIVISION OF THE BUDGET
January 13, 2016

INTRODUCTION

This report provides a summary of the 2016-17 New York State aid programs for elementary and secondary education as recommended in the Executive Budget submitted by Governor Cuomo to the Legislature on January 13, 2016.

The descriptions provided in this report were prepared for use by school district officials, representatives of educational organizations, State officials, and other persons interested in New York State public school aid.

Although other aspects of the State's budget may directly or indirectly affect public school districts, except where noted, only appropriations which are administered by the State Education Department are covered in this booklet.

This booklet is also available at the Division of the Budget web site under "Publications/Archive," "Descriptions of School Programs": <http://www.budget.ny.gov>.

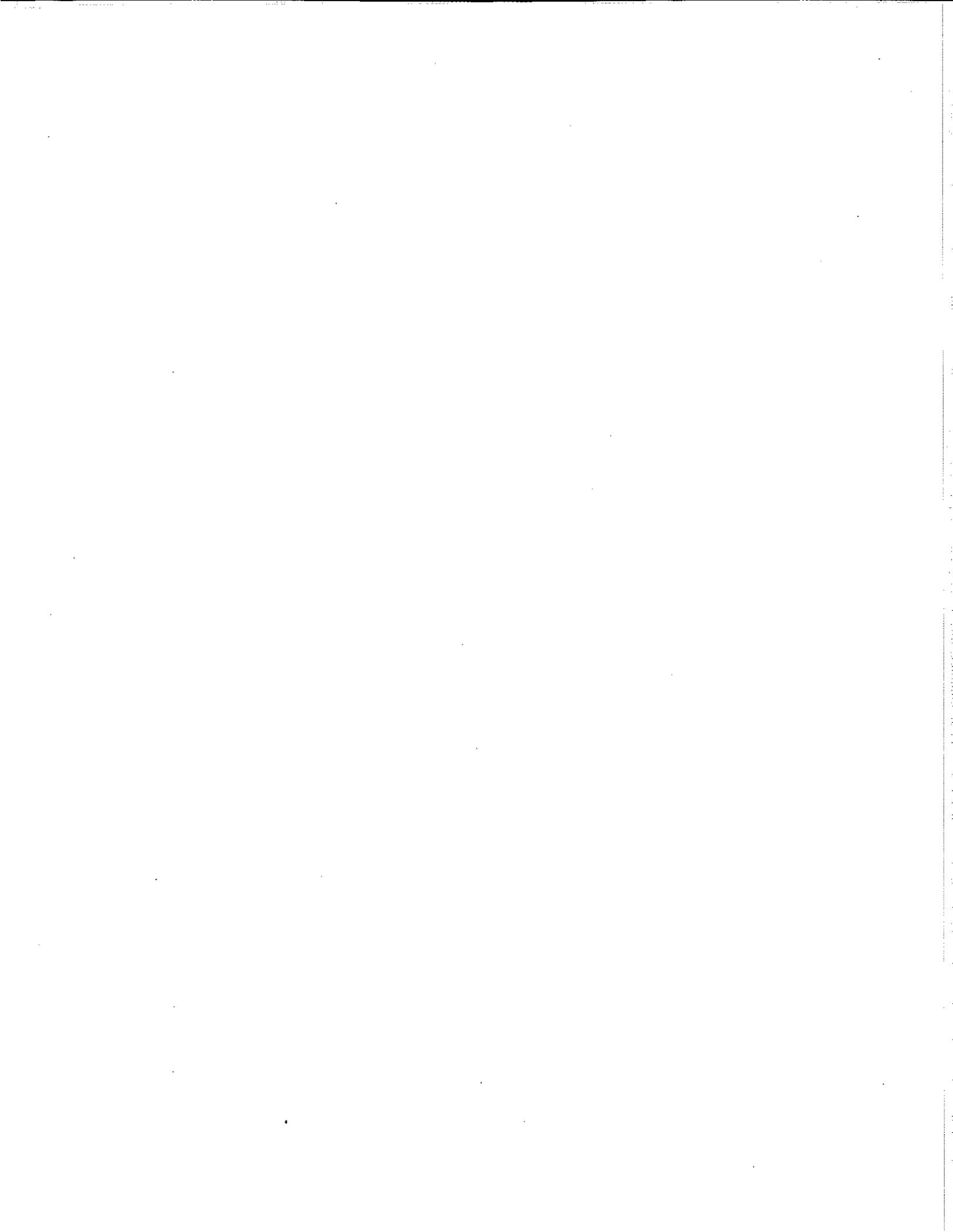


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I

SCHOOL AID OVERVIEW

For the 2016-17 school year, the 2016-17 Executive Budget recommends a total of \$24.22 billion for School Aid, a year-to-year funding increase of \$991 million or 4.3 percent. The Executive Budget will provide additional funding for Foundation Aid, a restoration of funds through the Gap Elimination Adjustment (GEA) and a new Community Schools funding initiative for high-need school districts and for school districts with Failing or Persistently Failing Schools as identified by the State Education Department. Key components of the 2016-17 Executive Budget include the following:

- A two-year school aid appropriation.
- For 2016-17 Foundation Aid, districts statewide, including the State's 205 high need districts,¹ will receive \$16,122.76 million, an increase of \$266.37 million or 1.68 percent.
- The Gap Elimination Adjustment (GEA) total of -\$244.19 million reflects a \$189.41 million restoration to the 2015-16 school year GEA. A district will receive its adjustment as computed on the January 2016 School Aid computer run entitled "BT161-7." The GEA will be eliminated in 2017-18.
- New Community Schools funding of \$100.00 million is provided for districts with schools identified as Failing or Persistently Failing Schools and for other high need school districts.
- Reflecting the continuation of current formula calculations, funding for Universal Prekindergarten Aid is expected to total \$385.03 million.
- Aids and grants continued at prior-year amounts based on data on file with the State Education Department for the 2016-17 Executive Budget include:
 - Supplemental Public Excess Cost Aid -- \$4.31 million

¹ The State's 205 high need school districts (2003 need/resource capacity categories) include the Big Five City school districts and other districts identified by the State Education Department (SED) based on pupil need and school district fiscal capacity.

- High Tax Aid -- \$223.30 million
 - Academic Achievement Grant -- \$1.20 million
 - Supplemental Educational Improvement Grant -- \$17.50 million
 - Academic Enhancement Aid -- \$9.57 million.
- For the 2016-17 school year, consistent with existing statutory provisions, \$211.40 million, a decrease of -\$0.54 million, is projected for Special Services Aid for career education programs and school computer services. This aid, which also includes the Academic Improvement Aid category, is provided to both Big Five City school districts and other districts that are not components of BOCES.
 - Funding is continued under the current statutory formulas for selected aids, primarily expense-based, including High Cost Excess Cost, Private Excess Cost, BOCES, and Transportation Aid.
 - Reflective of existing statutory formula calculations and reported expenditures by school districts, High Cost Excess Cost Aid for the 2016-17 school year will total \$600.53 million, an increase of \$67.61 million. Private Excess Cost Aid, which provides State reimbursement to school districts for children placed by the school district's Committee on Special Education (CSE) in private school special education programs and Special Act school districts, will increase by \$9.98 million to a total of \$330.81 million.
 - Aid for services provided by the State's 37 BOCES (Board of Cooperative Educational Services) totals \$861.65 million, a year-to-year increase of \$42.81 million.
 - An increase of \$85.15 million, for a total of \$1,782.89 million (including summer transportation aid), is provided for expense-based Transportation Aid to reimburse school districts for the cost of transporting approximately 2.3 million students statewide. Statewide, up to \$5.00 million continues to be available for reimbursement of district-operated summer school transportation expenses.
 - Reflecting the continuation of current formula calculations, Charter School Transitional Aid will provide \$35.14 million, an increase of \$3.03 million, for

23 qualifying school districts that have a concentration of children attending charter schools.

- A total of \$1.18 million, a decrease of -\$4.60 million, is expected based on the current statutory formula for Full-Day Kindergarten Conversion Aid. A district may not receive Full-Day Kindergarten Conversion Aid if it has received such aid in a prior year unless granted a one-time waiver by the State Education Department.
- Consistent with existing statute (Chapter 53 of the Laws of 2011), the Executive Budget continues to provide flexibility for school districts to interchange base-year aidable expenses for textbooks, software, hardware and library materials in order to purchase the materials that best fit their needs and to receive State aid.
- The statutory formulas for Textbook and Library Materials Aids are continued for 2016-17. For expense-based Textbook Aid, funding of \$179.41 million, an increase of \$2.67 million, is provided for the 2016-17 school year. For 2016-17, Library Materials Aid totals \$19.34 million, an increase of \$0.49 million.
- Computer Hardware Aid, calculated based on the existing statutory formula, will increase by \$1.13 million to a total of \$38.33 million. Consistent with current statute, public school districts must loan computer hardware and equipment to nonpublic school students.
- Funding for Computer Software Aid will total \$46.35 million, an increase of \$1.04 million.
- Formula funding for Reorganization Incentive Operating Aid will total \$7.63 million, a decrease of -\$0.28 million.
- For the 2016-17 school year, funding of \$3.03 billion, an increase of \$195.46 million, or 6.91 percent, is provided for Building Aid, including Reorganization Incentive Building Aid.
- A total of \$27.00 million is provided in funding for 2016-17 school year programs to attract, retain and support teachers. The "Teachers of Tomorrow" initiative will be maintained at \$25.00 million. The Teacher-Mentor Intern program is continued at \$2.00 million.

- Funding of \$13.84 million is maintained to support school health services in the Big Four City school districts.
- A total of \$96.00 million is continued for Employment Preparation Education Aid.
- The 2016-17 Executive Budget provides a total of \$14.50 million in funding for the Bilingual Education Grants categorical aid program.
- The Executive Budget also provides funding of \$175.00 million, an increase of \$28.00 million, for continuing support of performance grant programs.

Other Initiatives

The Executive Budget continues initiatives implemented in previous years including funding for Prekindergarten programs. New Community Schools funding will be allocated to high-need districts and the 17 school districts which currently house a failing or persistently failing school. The recommendations of the Governor's New York Common Core Task Force are highlighted. The Governor is committed to advancing the work of the New York State Mentoring Program chaired pro-bono by Mrs. Matilda Raffa Cuomo. School safety reforms also will be initiated.

2016-17 EXECUTIVE BUDGET RECOMMENDATIONS

For the 2016-17 school year, the 2016-17 Executive Budget includes a \$266.37 million increase for a \$16,122.76 million Foundation Aid program, a GEA restoration of \$189.41 million and a new Community Schools funding amount of \$100.00 million. In each instance the additional funding is directed predominantly to high and average need districts. The Executive Budget maintains funding levels for the Universal Prekindergarten Aid and High Tax Aid programs. Other aids, those that are primarily expense-based, are funded under the current statutory formula.

A. 2016-17 SCHOOL AID

The 2016-17 Executive Budget provides total funding of \$24,224.27, a \$991.11 million or 4.27 percent, year-to-year increase. Formula-based aids including Building Aids will increase by \$961.08 million or 4.22 percent to \$23,760.31 million. Grant programs will increase by \$2.03 million to \$288.96 million. Performance grant awards for 2016-17 will total \$175.00 million. Disbursements from the Smart Schools bond act are expected to increase by \$150.00 million.

FORMULA-BASED AIDS

Foundation Aid: The Foundation Aid formula calculates funding based on the cost of education in successful school districts, student need and local ability to pay. For 2016-17, school districts statewide will receive \$16,122.76 million, an increase of \$266.37 million or 1.68 percent.

The Foundation Aid phase-in increase continues to be determined annually. For the 2016-17 school year, a district's phase-in factor will be determined based on district wealth. New York City's phase-in factor will be 9.32 percent.

Foundation Aid Setaside Requirements: For districts receiving Foundation Aid, the 2016-17 Executive Budget continues a \$170.30 million Magnet School and a \$67.48 million Teacher Support Aid setaside requirement for selected districts. New York City must set aside an amount from its Foundation Aid that is equal to its base-year funding of \$50.48 million for programs for Attendance Improvement/Dropout Prevention. A Public Excess Cost Aid Setaside totaling \$2.71 billion is also provided for public school district support for children with disabilities. (See Appendix III-B for the Public Excess Cost Aid setaside calculation)

Gap Elimination Adjustment (GEA): Within formula aids, the GEA is continued but is adjusted by \$189.41 million for a total 2016-17 GEA of -\$244.19 million, and will be eliminated in 2017-18. A district will receive its restoration as computed on the January 2016 Executive Budget School Aid computer run entitled "BT161-7" with the additional GEA amount directed predominately to high and average need districts. All districts will receive a restoration of at least 30 percent of their 2015-16 GEA amount. A total of 200 districts will receive a 100 percent restoration.

Community Schools Aid: The State Education Department has identified 144 Failing or Persistently Failing Schools. A total of \$75.00 million will be provided for the school districts in which these schools are located. An additional \$25.00 million, for a total of \$100.00 million, will be distributed to other high need school districts.

Universal Prekindergarten Aid: The 2016-17 Executive Budget provides an expected \$385.03 million in funding for this program which serves approximately 102,000 students throughout the State.

The following aids and grants are continued at prior-year amounts based on data on file with the State Education Department for calculation for the 2016-17 Executive Budget:

- Supplemental Public Excess Cost Aid: As was the case last year, this aid category will provide \$4.31 million to districts.
- High Tax Aid: Funding for this aid category will total \$223.30 million, the same as last year.
- Education Grants: For the 2016-17 school year, the Yonkers City school district will continue to receive a \$17.50 million Supplemental Educational Improvement Grant. A total of \$1.20 million is maintained for the New York City school district for its Academic Achievement Grant.
- Academic Enhancement Aid: This aid category will continue to total \$9.57 million.

Public Excess Cost High Cost Aid: Public Excess Cost High Cost Aid will continue to be calculated based on the existing statutory formula and will total \$600.53 million in 2016-17, an increase of \$67.61 million. This program supports the additional

costs of providing resource-intensive public school and BOCES programs for students with disabilities.

Private Excess Cost Aid: This program supports special education programs serving public school children placed by a school district's Committee on Special Education (CSE) in private school settings, Special Act school districts, and the State-operated schools at Rome and Batavia. All existing provisions of law are continued. State funding in 2016-17 will total \$330.81 million, an increase of \$9.98 million.

Charter School Transitional Aid: For the 2016-17 school year, aid calculated by the existing statutory formula will total \$35.14 million, an increase of \$3.03 million. Funding is provided for 23 qualifying districts with a concentration of children attending charter schools. Formula elements target aid to districts based on the percentage of resident pupils enrolled in charter schools or the percentage of payments made to charter schools compared to a district's Total General Fund Expenditures (as reported to the State Education Department on the annual ST-3 form).

Special Services Aid: Special Services Aid funds career education programs, computer services and enhanced academic services for Big Five City and other school districts which are not components of a BOCES. The Career Education Aid ceiling for 2016-17 is continued at \$3,900. Computer Services Aid is based upon an aid ratio multiplied by expenses up to \$62.30 multiplied by the district's K-12 enrollment. The Career Education and Computer Administration Aid categories are supplemented by an additional wealth-adjusted amount calculated as Academic Improvement Aid.² Reflective of per pupil calculations as well as school district reported expenditures, for 2016-17, aid will total \$211.40 million, a decrease of -\$0.54 million.

BOCES Aid: School districts that are components of a Board of Cooperative Educational Services (BOCES) are eligible for BOCES Aid. The State's 37 BOCES provide services upon the request of two or more component school districts with the approval of the Commissioner of Education. Aid is provided for approved service costs, administrative expenditures, and facility rental and construction costs. For 2016-17, aid to reimburse districts for expenditures for BOCES in the 2015-16

² The additional amount is equal to \$100 plus \$1,000 divided by a district's Combined Wealth Ratio (but not less than \$1,000) multiplied by the aid ratio for Career Education Aid. The result is multiplied by the sum of aidable career education pupils.

school year will total \$861.65 million, an increase of \$42.81 million.

Transportation Aid: Transportation Aid will total \$1,782.89 million in 2016-17 (including summer transportation aid), an increase of \$85.15 million compared to the previous year. The minimum aid ratio for Transportation Aid continues to be 6.5 percent (dependent on district wealth, aid will range from 6.5 percent to 90 percent of a district's approved transportation expenses). The aid ratio choice permitting school districts to receive aid based on public and nonpublic enrollments is continued and will benefit districts transporting large numbers of nonpublic school students. Districts will be eligible for reimbursement for capital expenditures based on the assumed useful life of the asset. 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.

Textbook, Software, Computer Hardware and Library Materials Aids: For the 2016-17 school year, the Executive Budget continues statutory per pupil funding for Textbook Aid, Computer Software Aid, Computer Hardware Aid and Library Materials Aid. As provided for by Chapter 53 of the Laws of 2011, the State Budget also continues flexibility for school districts to interchange excess 2015-16 expenses for these aids in order to receive 2016-17 State aid to purchase the materials that best fit their needs. The following statutory 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. Districts will be reimbursed for expenses up to \$58.25 per pupil (of this amount, \$15.00 per pupil is funded through the Lottery account and \$43.25 is funded through the General Fund). This aid will total \$179.41 million in 2016-17, an increase of \$2.67 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.
- 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 2016-17 school year, districts will be reimbursed for expenses up to \$14.98 per pupil based on public and nonpublic school enrollment. For 2016-17, Computer Software Aid will total \$46.35 million, an increase of \$1.04 million.

- Instructional Computer Hardware and Technology Equipment Aid: This aid category provides reimbursement for eligible expenses up to a wealth-adjusted \$24.20 per pupil for the lease or purchase of mini- and micro-computers, computer terminals and technology equipment for instructional purposes, as well as for repair costs and for staff development. Per pupil aid is based on public and nonpublic pupils. Consistent with current statute, public school districts must loan computer hardware and equipment to nonpublic school students. For the 2016-17 school year, funding of \$38.33 million, an increase of \$1.13 million, is provided.
- Library Materials Aid: Districts are reimbursed for approved expenses up to \$6.25 per pupil based on public and nonpublic school enrollment. For 2016-17, Library Materials Aid will total \$19.34 million, an increase of \$0.49 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.

Full-Day Kindergarten Conversion 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 2016-17 will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2016-17 compared to 2015-16. For 2016-17, the existing statutory formula provides a total of \$1.18 million, a decrease of -\$4.60 million, for this program. A district may not receive Full-Day Kindergarten Conversion Aid if it has received such aid in a prior year unless granted a one-time waiver by the State Education Department.

Reorganization Incentive Operating Aid: For 2016-17, formula aid for operating expenses incurred by school districts that are scheduled for reorganization will amount to \$7.63 million, a year-to-year decrease of -\$0.28 million. For districts that reorganize after July 1, 2007, Reorganization Incentive Operating Aid is paid as a supplement based on 2006-07 formula Operating Aid. The Operating Aid enhancement for

reorganizing districts will be 40 percent per year for the first five years, after which the percentage of additional operating aid decreases by four percent per year until by the fifteenth year after reorganization a district's aid is zero.

Building/Reorganization Incentive Building Aid: For the 2016-17 school year, 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 \$3.03 billion, an increase of \$195.46 million, or 6.91 percent. Projects receive aid based on the date of approval by voters with Building Aid based on the greater of their current year AV/RWADA aid ratio or a prior year selected Building Aid ratio. An additional enrichment of up to 10 percent is provided for projects approved July 1, 1998 and thereafter.

For aid payable for projects approved after July 1, 2005, for high need school districts including the Big Five City schools, districts may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98 percent of the project's approved costs.

For projects for which a contract is signed July 1, 2004 or later, the 2005-06 Enacted Budget included changes to the Building Aid formula that address increased costs specific to New York City. These are continued in 2015-16. The New York City cost allowance will include legitimate extraordinary costs related to:

- multi-story construction necessitated by substandard site sizes;
- site security costs;
- difficulties with delivery of construction supplies;
- increased fire resistance and fire suppression costs;
- site acquisition;
- environmental remediation; and,
- building demolition costs.

Payment for new construction projects otherwise eligible for aid continues to be deferred 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 the November 15, 2015 database. A similar provision applies to initial aid payments for New York City. This aligns the claiming process for New York City more closely with that of districts in the rest of the state.

Chapter 58 of the Laws of 2011 requires school districts to notify the State Education Department (SED) if a school building is sold or ownership transferred and the building is no longer operated by the district. SED will re-compute the district's Building Aid to exclude from aidable cost any revenue received from the transaction.

Also, Chapter 97 of the Laws of 2011 provides that, except for New York City projects, the assumed amortization for projects approved by the Commissioner of Education after July 1, 2011 will begin the later of eighteen months after State Education Department approval or when the final cost report and certificate of substantial completion have been received by SED or upon the effective date of a waiver based on a finding by the Commissioner that the district is unable to submit a final certificate of substantial completion or final cost report due to circumstances beyond its control.

School Safety: For projects approved by the commissioner on or after July 1, 2013, additional specified safety system improvements are eligible for enhanced Building Aid reimbursement (a rate up to 10 percentage points higher than the district's current Building Aid ratio). The Executive Budget extends eligible expenditures for one year to the 2015-16 school year.

GRANT PROGRAMS AND ADDITIONAL AID CATEGORIES

Teachers of Tomorrow: For the 2016-17 school year, \$25.00 million will continue to 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, up to \$15.00 million, or 60 percent, will go to New York City.

Teacher-Mentor Intern: Under this program, funding of \$2.00 million, the same amount as last year, will be available to support school-year programs through which new teachers work with an experienced teacher as their mentor.

School Health Services: For the 2016-17 school year, \$13.84 million in funding is continued to provide necessary health services to students in the Big Four City school districts.

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 will be \$96.00 million for the 2016-17 school year, the same amount as in 2015-16. If approved claims exceed such amount, all claims will be subject to proration.

Urban-Suburban Transfer: A total of \$6.66 million is continued 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 homeless child by deducting an amount equal to the district's basic contribution per pupil³ from the district's State aid. For the 2016-17 school year, aid for homeless pupils is estimated at \$26.97 million, an increase of \$1.00 million.

Aid for Incarcerated Youth: A total of \$19.50 million, an increase of \$0.75 million, is provided in 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 be provided, and aided, during summer sessions as well as the regular school year.

Bilingual Education Grants: The 2016-17 Executive Budget provides \$14.50 million for funding for regional bilingual programs at BOCES and to support programs such as innovative Two-Way Bilingual Education Programs. Such courses 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/OPWDD Pupils: A total of \$66.00 million, an increase of \$1.50 million, is provided in the School Aid

³ A district's basic contribution per pupil is equal to its total base-year property and non-property taxes divided by the base-year (2015-16) public school resident enrollment. For districts other than central high school districts and their components, the tax levy is divided by 2014-15 Total Wealth Pupil Units (TWPU) instead of 2015 resident public enrollment, if the 2014-15 TWPU exceeds 150% of the resident public enrollment.

appropriation for apportionment to school districts for the purpose of providing educational services for children who are residents in, and those formerly receiving services from, Office of Mental Health and Office for People with 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 pupils with developmental disabilities who receive educational services pursuant to Chapter 721 of the Laws of 1979.

Learning Technology Grants: Learning technology programs, including services benefiting nonpublic school students, will continue to be funded at \$3.29 million. These programs provide both technology and staff development which facilitate student learning.

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

Roosevelt School District: For the 2016-17 school year, \$12.00 million is continued for academic improvement in the Roosevelt Union Free School District located in Nassau County.

Education of Native Americans: Based on projected claims, a total of \$47.90 million, an increase of \$0.28 million, is provided for the 2016-17 school year 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 3,000 children living on 9 reservations and educated in 3 reservation schools, 13 public school districts and 4 BOCES.

PERFORMANCE GRANTS

Competitive Grants: The 2011-12 Enacted Budget authorized competitive grant programs to encourage school districts to implement innovative approaches to achieve academic gains and management efficiency. Grants have been awarded to school districts that exhibited either dramatically improved performance or innovative management. The Executive Budget continues this reform with \$175.00 million in annual funding to school districts through a competitive grant process.

B. OTHER STATE AID PROGRAMS

The Executive Budget includes a two-year appropriation for education funding for 2016-17 and 2017-18. The aids and 2016-17 appropriation amounts 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 School Aid appropriations.

Basic Education for Public Assistance Recipients: For 2016-17, \$1.84 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. Funding is also available for programs in Literacy Zones in high-need communities to improve education and literacy levels.

Children of Migrant Workers: A total of \$89,000, the same as last year, is provided to school districts supplementing Federal funds used to develop educational programs for the children of migrant farm workers.

Adult Literacy Education: For 2016-17, a total appropriation of \$6.29 million is available 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.

New York State Center for School Safety: For 2016-17 \$466,000, the same as last year, is available through the New York State Center for School Safety to disseminate information and provide training and technical assistance on violence prevention to schools and communities.

Lunch/Breakfast Programs: A total of \$34.40 million in State funds is continued to subsidize school lunch and school breakfast programs. This amount is based on projected increases in the number of school lunches provided, including support for additional expenses of school breakfast programs for schools with extraordinary needs. The Federal share of the School Lunch and Breakfast Program under the Food and Nutrition Fund will equal \$1.14 billion for the 2016-17 Federal fiscal year.

Health Education Program: For 2016-17, \$691,000 will continue to be available for health-related programs including those providing instruction and supportive services in comprehensive health education or AIDS prevention programs.

Primary Mental Health Project: A total of \$894,000 is continued in 2016-17 for State support for school-based programs for the early detection and prevention of school adjustment and learning problems experienced by children in the primary grades.

Student Mentoring-Tutoring Program: A total of \$490,000 is continued for model programs to improve pupil graduation rates.

Consortium for Worker Education: For the 2016-17 school year, this not-for-profit organization, which provides adult education services to union members and workers in New York City, will be funded at \$11.50 million.

Extended School Day/School Violence Prevention: A total of \$24.34 million awarded through a competitive process is available to fund local school-based intervention programs, including the establishment of appropriate before- and/or after-school programs.

Academic Intervention for Nonpublic Schools: A total of \$922,000 will continue to support a program of academic intervention services to enhance the educational performance of students attending nonpublic schools.

Nonpublic School Aid: Appropriations totaling \$174.03 million, a year-to-year increase of \$2.61 million, are available to reimburse the actual expenditures, as approved by the Commissioner of Education, 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.

Nonpublic School Safety Equipment: The 2016-17 Executive Budget includes \$4.50 million for nonpublic schools for school safety equipment, the same as last year.

Private Schools for the Blind and Deaf: An apportionment of \$98.50 million in State funding is provided for costs associated with the eight private schools for the deaf, two private schools for the blind, and the Henry Viscardi School for children with multiple disabilities. Nearly 1,500 students attend these schools. The educational costs for these schools will be paid by school districts in the first instance for services provided in the 2016-17 school year. School districts will receive reimbursement, less a local contribution, in the 2017-18 State fiscal year.

Preschool Special Education: Pursuant to section 4410 of the Education Law, \$1,035.00 million in State funding, an

increase \$15.00 million, is provided for the State's preschool special education program. These funds will support the State's 59.5 percent share of the costs of education for three- and four-year old children with disabilities. Similar to 2015-16, prior year claims on file with the State Education Department as of April 1, 2016 will receive payment priority. Any remaining claims for which there is insufficient appropriation authority to pay in 2016-17 will receive priority status for payment in 2017-18.

Summer School Program for Disabled Students: An appropriation of \$364.50 million is continued to meet the State's share of costs of summer school programs for school-age pupils with disabilities pursuant to Section 4408 of the Education Law.

Center for Autism and Related Services: For 2016-17, a total of \$740,000 in State funds is provided for this SUNY-affiliated resource center that provides evidence-based training and support to families, professionals, school districts and peers of people with autism and related disabilities. This State support is supplemented by \$500,000 in funding through Federal Individuals with Disabilities Education Act (IDEA) resources for a total of \$1.24 million.

Targeted Special Education Teacher Salary Supplement: A total of \$4.00 million in Federal IDEA funds will provide support to private special education providers that serve students with disabilities. This will allow them to provide targeted adjustments to teacher salaries or benefits to help allow these schools to attract new teachers and prevent excessive turnover of existing teaching staff.

Summer Food Program: A total of \$3.05 million in State funds is continued to subsidize summer food service programs operating during the 2016-17 school year.

Math and Science High Schools: For the 2016-17 school year, \$1.38 million is continued to support three math/science academies to provide expanded learning opportunities.

Smart Scholars Early College High School Program: As originally recommended by the Governor's New NY Education Reform Commission, these programs partner higher education institutions with public schools to enable students to participate in dual high school and college-level courses for the purpose of increasing high school graduation and college completion rates.

The Executive Budget includes \$1.47 million for full funding of Smart Scholars Early College High School Programs with funding to be competitively awarded to support and expand such early college high school programs.

Small Government Assistance to School Districts: For the 2016-17 school year, \$1.87 million is continued to school districts impacted by assessment reductions resulting from a forest land management program.

Reimbursement for Performing State-Mandated Services: Chapter 20 of the Laws of 2015 provided \$250.00 million to reimburse nonpublic schools for the costs of performing State-mandated services. Payments will be made to nonpublic schools over a two-year period with \$125.00 million available for both 2015-16 and 2016-17.

OTHER INITIATIVES

Over the last five years Governor Cuomo has maintained unprecedented support and commitment to ensure that every child in New York State receives a high-quality education. For 2016-17, the Governor proposes an increased level of support for schools, families and teachers through increased school aid, the removal of the barriers between schools and the community by ensuring the transformation of failing schools into community schools and supporting mayoral control and the expansion of programs such as prekindergarten.

- Increase School Aid to the Highest Level in History: Last year, New York State enacted a budget that raised funding for public school districts to the highest level in history -- \$23.5 billion. The 2016-17 Executive Budget includes a two-year plan to eliminate the GEA. In addition, \$100 million in additional funding will support the transformation of failing schools into community schools, so that issues of poverty can be addressed with communities working together to ensure that every student is prepared, safe, healthy and ready to learn.
- Transform Failing Schools: Under the Governor's leadership in last year's budget, legislation was enacted to identify the lowest performing schools in the State, and the superintendents of those schools were given unprecedented powers to support their efforts in promoting the rapid maximization of student achievement. However, there are still approximately 90,000 students sitting in schools identified as failing. These students require and deserve immediate action. The Governor therefore proposes that of the new \$100 million for the Community Schools fund, a fund of \$75 million be specifically allocated amongst the 17 school districts which currently house failing or persistently failing schools, to support their efforts to turn around the school through the establishment of a community school model.

Empire State Prekindergarten:

The State currently spends over \$785 million on public prekindergarten programs for three- and four-year-olds, serving nearly 120,000 students statewide. The FY 2015 Enacted Budget committed \$1.5 billion over five years to support the phase-in of full-day prekindergarten for four-year-olds. In addition, in December 2014, New York received a \$25 million grant award (\$100 million over four years) from the United States Department of

Education to expand access to full-day prekindergarten in high-need school districts. Following that, the FY 2016 Enacted Budget included \$30 million to support the first State-funded full-day prekindergarten program for three year olds, while also allowing expanded access for four-year olds.

The Executive Budget includes an additional \$22 million investment in prekindergarten to expand high quality half-day and full-day prekindergarten programs to three-year-olds in the highest need school districts. This funding builds upon the State's first investment in full-day prekindergarten for three-year-olds included in the FY 2016 Enacted Budget.

Expand Quality Monitoring and Improvement in Prekindergarten

For the 2016-17 school year, the Governor proposes an additional \$2 million for a total of \$5 million to support the work of QUALITYstarsNY, a quality rating and improvement system intended to ensure that we offer our youngest children the highest quality programs possible.

In the past, participation in QUALITYstarsNY has been voluntary. However, some of the State's most vulnerable children are served in early childhood care and education settings that may deeply benefit from quality monitoring and improvements, and have not yet volunteered. In order to ensure high-quality education and care for vulnerable students, settings identified by licensing agencies such as the Office of Children and Family Services, the State Education Department, or the New York City Department of Health and Mental Hygiene as needing extra support will be required to participate in QUALITYstarsNY as a condition of receiving State funds.

Expand New York State Mentoring Program:

Last year, Governor Cuomo reinstated the New York State Mentoring Program, chaired pro-bono by Mrs. Matilda Raffa Cuomo to encourage stronger social emotional growth, improved confidence and character in youth and to foster better outcomes within underserved communities. The program matches children facing personal, economic, and social obstacles with volunteers from businesses and organizations in all regions of the state.

School Safety

The Governor proposes that all district-level staff undergo mandatory training on the district and school level emergency plans. In addition the Governor proposes that each district be

required to name a school or district individual as the Chief School Emergency Coordinator, ensuring that there is a clear leader and chain of command in the case of an emergency.

Under current law, schools are required to hold 12 fire drills every year. The Governor proposes to modernize the current fire drill law to replace a small number of currently required fire drills with practice and preparation sessions tailored to other types of emergency situations.

Under Education Law, in order to receive the full amount of State Aid, school districts must operate for 180 days. In recent years, school districts have had to petition the legislature for specific acts of legislation to initiate aid forgiveness for instances when a school had to close its doors late in the school year under the advisement of law enforcement professionals. The Governor proposes that SED be authorized to administratively forgive a school day shortfall when a school closes in an emergency situation under the advisement of law enforcement professionals. All other existing provisions of the 180 school day statutory requirements will apply, such as the requirement that districts make all efforts to make up the school day.

II

SUMMARY OF 2016-17 SCHOOL YEAR/FISCAL YEAR APPROPRIATIONS

School Year/Fiscal Year Impact

There are two time frames to consider when discussing 2016-17 New York State aid programs relating to support for public schools: the 2016-17 school year which runs from July 1, 2016 through June 30, 2017; and the 2016-17 State fiscal year which runs from April 1, 2016 through March 31, 2017. Tables in this section summarize: the school year and State fiscal year State-funded appropriations for school aid and the 2015-16 and 2016-17 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 School Aid appropriations for 2016-17. Formula-based aids, including Building Aids, increase by 4.22 percent. The net increase for all aids is 4.27 percent.
- Table II-B gives the 2015-16 and 2016-17 State fiscal year appropriations from the General Fund, School Tax Relief Fund, and Lottery Fund.

TABLE II-A
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS
-- 2015-16 AND 2016-17 SCHOOL YEARS -- NEW YORK STATE

AID CATEGORY	2015-16	2016-17	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$15,856.39	\$16,122.76	\$266.37	1.68 %
Community Schools Aid	0.00	100.00	100.00	NA
Excess Cost - High Cost	532.92	600.53	67.61	12.69
Excess Cost - Private	320.83	330.81	9.98	3.11
Reorganization Operating Aid	7.91	7.63	(0.28)	(3.54)
Textbooks (Incl. Lottery)	176.74	179.41	2.67	1.51
Computer Hardware	37.20	38.33	1.13	3.04
Computer Software	45.31	46.35	1.04	2.30
Library Materials	18.85	19.34	0.49	2.60
BOCES	818.84	861.65	42.81	5.23
Special Services	211.94	211.40	(0.54)	(0.25)
Transportation (Including Summer)	1,697.74	1,782.89	85.15	5.02
High Tax	223.30	223.30	0.00	0.00
Universal Prekindergarten	383.68	385.03	1.35	0.35
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Educational Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	32.11	35.14	3.03	9.44
Full-Day Kindergarten Conversion Aid	5.78	1.18	(4.60)	(79.58)
Academic Enhancement Aid	9.57	9.57	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
Gap Elimination Adjustment	(433.60)	(244.19)	189.41	NA
Building Aid/Reorganization Building	2,830.70	3,026.16	195.46	6.91
Total Formula-Based Aids	\$22,799.23	\$23,760.31	\$961.08	4.22 %
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher-Mentor Intern	2.00	2.00	0.00	0.00
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	12.00	12.00	0.00	0.00
Urban-Suburban Transfer	6.66	6.66	0.00	0.00
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	25.97	26.97	1.00	3.85
Incarcerated Youth	18.75	19.50	0.75	4.00
Bilingual Education	14.50	14.50	0.00	0.00
Education of OMH/OPWDD Pupils	64.50	66.00	1.50	2.33
Special Act School Districts	2.70	2.70	0.00	0.00
Chargebacks	(52.00)	(53.50)	(1.50)	NA
BOCES Aid for Special Act Districts	0.70	0.70	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Native American Building	5.00	5.00	0.00	0.00
Native American Education	47.62	47.90	0.28	0.59
Bus Driver Safety	0.40	0.40	0.00	0.00
	286.93	288.96	2.03	0.71
Total Formula-Based and Grant Programs	\$23,086.16	\$24,049.27	\$963.11	4.17 %
Performance Grants	147.00	175.00	28.00	19.05
SCHOOL YEAR TOTAL	\$23,233.16	\$24,224.27	\$991.11	4.27 %

Source: State Education Department computer runs and Executive Budget estimates of January 13, 2016.

TABLE II-B

2015-16 AND 2016-17 STATE FISCAL YEAR APPROPRIATIONS FROM GENERAL & SPECIAL REVENUE FUNDS

State Education Department Aid to Localities Appropriation	2015-16	2016-17	Change	
			Amount	Percent
School Aid and STAR	\$26,349,801,424	\$26,677,651,570	\$327,850,146	1.24 %
General Support for Public Schools	19,345,396,784	19,930,500,331	585,103,547	3.02
Employment Preparation Education	96,000,000	96,000,000	0	0.00
Homeless Pupils	21,857,500	18,882,500	(2,975,000)	(13.61)
Bilingual Education Grants	10,150,000	10,150,000	0	0.00
Learning Technology	2,299,500	2,299,500	0	0.00
Urban-Suburban Transfer	3,696,333	4,661,694	965,361	26.12
Native American Building	3,500,000	3,500,000	0	0.00
Incarcerated Youth	16,100,000	13,650,000	(2,450,000)	(15.22)
Education of OMH/OPWDD Pupils	48,300,000	46,200,000	(2,100,000)	(4.35)
Special Act Districts	1,890,000	1,890,000	0	0.00
Bus Driver Training	280,000	280,000	0	0.00
Teachers of Tomorrow	17,500,000	17,500,000	0	0.00
Teacher-Mentor Intern	1,400,000	1,400,000	0	0.00
Special Academic Improvement Grants	8,400,000	8,400,000	0	0.00
Education of Native Americans	31,768,307	33,529,545	1,761,238	5.54
School Health Services Grants	9,688,000	9,688,000	0	0.00
Private School Reimbursement for Performing State-Mandated Services	125,000,000 (a)	125,000,000 (a)	0	0.00
Total General Fund	19,743,226,424	20,323,531,570	580,305,146	2.94
STAR: School Tax Relief Fund	3,380,895,000	3,051,440,000	(329,455,000)	(9.74)
Lottery - Education	2,218,980,000	2,259,980,000	41,000,000	1.85
Lottery - Video Lottery Aid	950,000,000	986,000,000	36,000,000	3.79
Commercial Gaming Revenue Account	56,700,000	56,700,000	0	0.00
Other Public Elementary and Secondary Education Programs	\$504,775,000	\$472,742,000	(\$32,033,000)	(6.35) %
Supplemental Basic Charter School Tuition Payments	28,260,000	42,400,000	14,140,000	50.04
Transformation Grants	75,000,000	75,000,000	0	0.00
Grants in Aid to Charter Schools	0	27,410,000	27,410,000	NA
Targeted Prekindergarten	1,303,000	1,303,000	0	0.00
Children of Migrant Workers	89,000	89,000	0	0.00
Adult Basic Education	1,843,000	1,843,000	0	0.00
Adult Literacy Education	6,293,000	6,293,000	0	0.00
Lunch/Breakfast Programs	34,400,000	34,400,000	0	0.00
Nonpublic School Aid	171,415,000	174,027,000	2,612,000	1.52
Nonpublic School Safety Equipment	4,500,000	4,500,000	0	0.00
New York State Center for School Safety	466,000	466,000	0	0.00
Health Education Program	691,000	691,000	0	0.00
Academic Intervention Services for Nonpublic Schools	922,000	922,000	0	0.00
Extended School Day/School Violence Prevention	24,344,000	24,344,000	0	0.00
Primary Mental Health Project	894,000	894,000	0	0.00
Summer Food Program	3,049,000	3,049,000	0	0.00
Consortium for Worker Education	13,000,000	11,500,000	(1,500,000)	(11.54)
Charter School Start Up Grants	4,837,000	4,837,000	0	0.00
Smart Scholars Early College High School Program	2,000,000	1,465,000	(535,000)	(26.75)
Student Mentoring and Tutoring Program	490,000	490,000	0	0.00
Postsecondary Aid to Native Americans	598,000	598,000	0	0.00
New York State Historical Association -- National History Day	100,000	0	(100,000)	(100.00)
Small Government Assistance to School Districts	1,868,000	1,868,000	0	0.00
Math and Science High Schools	1,382,000	1,382,000	0	0.00
County Vocational Education and Extension Boards	932,000	932,000	0	0.00
Center for Autism and Related Disabilities - SUNY Albany	1,240,000 (b)	740,000 (b)	(500,000)	(40.32)
Just for Kids - SUNY Albany	235,000	235,000	0	0.00
Say Yes to Education Program	350,000	350,000	0	0.00
National Board for Professional Teaching Standards	368,000	368,000	0	0.00
Teacher Resource Centers	14,260,000	4,278,000	(9,982,000)	(70.00)
Deferred Action for Childhood Arrivals	1,000,000	1,000,000	0	0.00
Rochester School Health Services Grants	1,200,000	0	(1,200,000)	(100.00)
Buffalo School Health Services Grants	1,200,000	0	(1,200,000)	(100.00)
Henry Viscardi School	903,000	0	(903,000)	(100.00)
Executive Leadership Institute	475,000	0	(475,000)	(100.00)
BOCES New Technology School Initiative	200,000	0	(200,000)	(100.00)
Supplemental Valuation Impact Grants	1,250,000	0	(1,250,000)	(100.00)
New York City Community Learning Schools Initiative	1,500,000	0	(1,500,000)	(100.00)
Yonkers City School District	2,000,000	0	(2,000,000)	(100.00)
Grants to Certain School Districts and Other Programs	54,850,000	0	(54,850,000)	(100.00)
Prior Year Claims/Fiscal Stabilization Grants	45,068,000	45,068,000	0	0.00
Other School Programs	\$1,470,020,000	\$1,486,520,000	\$16,500,000	1.12 %
Private Schools for the Blind & Deaf (G.F.)	98,500,000	98,500,000	0	0.00
Private Schools for the Blind & Deaf (Lott.)	20,000	20,000	0	0.00
Special Education Targeted Adjustment	0 (c)	0 (c)	0	NA
Preschool Special Education	1,020,000,000	1,035,000,000	15,000,000	1.47
Summer School Handicapped	364,500,000	364,500,000	0	0.00
Less: Consortium for Worker Education Offset	(13,000,000)	(11,500,000)	1,500,000	(11.54)
FISCAL YEAR TOTAL	\$28,324,596,424	\$28,636,913,570	\$312,317,146	1.10 %

(a) \$250 million appropriated by Chapter 20 of the laws of 2015, \$125,000,000 available each year.

(b) An additional \$500,000 in Federal funding is provided to support this program.

(c) A total of \$4.00 million in Federal funding is provided to support this program.

Source: Chapters 20 and 61 Laws of 2015, 2016-17 Executive Budget.

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

Executive Budget school aid provisions, including funding for Building Aids, produce a formula aid increase statewide of \$961.08 million, or 4.22 percent.

- Table II-C lists the aid amounts allocated to each of the Big Five City school districts. The aids analyzed are those shown in Table II-A and include formula aids and selected other School Aid programs.
- Table II-D lists changes in all School Aid individual aid categories for New York City. The net increase for all aids is 3.96 percent.
- In Table II-E, major 2016-17 formula 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 increase for these aids will be 4.22 percent. The 368 districts in the 18 most populous counties contain 46.98 percent of the State's public school pupils. These districts will receive 42.79 percent of the 2016-17 combined aids total. Districts in the 18 most populous counties will have an average increase in combined aids of 4.62 percent. Districts in the rest of the State, exclusive of New York City, will have an average increase of 3.74 percent and will receive 17.17 percent of the 2016-17 combined aids total.

TABLE II-C
SUMMARY OF SELECTED AIDS TO THE BIG 5 CITY SCHOOL DISTRICTS FINANCED THROUGH
SCHOOL AID APPROPRIATIONS: 2015-16 AND 2016-17

AID CATEGORY	New York City		Buffalo		Rochester		Syracuse		Yonkers	
	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17
I. Formula-Based Aids:	(Amounts in Millions)									
Foundation Aid	\$6,774.78	\$6,943.61	\$464.96	\$474.26	\$384.92	\$392.62	\$236.22	\$242.99	\$178.86	\$180.43
Community Schools Aid	0.00	28.49	0.00	12.52	0.00	7.62	0.00	10.19	0.00	4.29
Special Education - High Cost	241.57	269.09	3.65	3.96	2.68	7.61	6.51	6.15	4.14	6.00
Special Education - Private	144.18	138.44	23.12	23.04	9.14	10.79	0.34	0.31	5.64	5.44
Textbooks	75.08	75.51	2.63	2.68	2.04	2.04	1.35	1.36	1.82	1.85
Computer Hardware	14.42	14.31	0.95	0.99	0.71	0.71	0.46	0.47	0.30	0.42
Computer Software	19.40	19.51	0.67	0.69	0.51	0.51	0.34	0.34	0.44	0.45
Library Materials	8.09	8.14	0.28	0.29	0.21	0.21	0.14	0.14	0.19	0.19
Special Services	144.52	144.80	21.73	22.21	8.11	5.85	10.87	10.90	14.22	14.97
Transportation (Including Summer)	495.61	499.18	39.09	39.79	57.51	59.34	16.75	17.32	23.47	23.39
Universal Prekindergarten	224.94	224.95	12.76	12.76	10.82	10.82	7.43	7.43	4.27	4.27
Academic Achievement Grant/SEIP	1.20	1.20	0.00	0.00	0.00	0.00	0.00	0.00	17.50	17.50
Charter School Transitional Aid	0.00	0.00	3.50	6.37	14.84	14.07	2.15	1.51	0.41	0.92
Academic Enhancement Aid	0.00	0.00	0.00	0.00	0.00	0.00	2.33	2.33	0.00	0.00
Supplemental Public Special Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.55	0.55
Gap Elimination Adjustment	(87.28)	(23.09)	(0.08)	0.00	(0.10)	0.00	(0.05)	0.00	(5.53)	(2.78)
Building Aid	1,093.20	1,170.87	114.84	115.90	44.62	56.35	18.68	19.20	10.42	13.26
Total Formula-Based Aids	\$9,149.71	\$9,515.01	\$688.10	\$715.46	\$536.02	\$568.55	\$305.53	\$320.64	\$256.70	\$271.14
Change from 2015-16 School Year		\$365.30		\$27.36		\$32.53		\$15.11		\$14.44
Percent		3.99%		3.98%		6.07%		4.95%		5.63%
ii. Grant Programs and Additional Aid Categories:										
Teachers of Tomorrow	15.00	15.00	1.06	1.06	2.60	2.60	0.51	0.51	2.16	2.16
Teacher-Mentor Intern	0.89	0.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
School Health Services	0.00	0.00	5.30	5.30	6.29	6.29	1.08	1.08	1.17	1.17
Subtotal	15.89	15.89	6.36	6.36	8.89	8.89	1.59	1.59	3.33	3.33
Total	\$9,165.60	\$9,530.90	\$694.46	\$721.82	\$544.91	\$577.44	\$307.12	\$322.23	\$260.03	\$274.47
Change from 2015-16 School Year		\$365.30		\$27.36		\$32.53		\$15.11		\$14.44
Percent		3.99%		3.94%		5.97%		4.92%		5.55%

Source: State Education Department computer runs and Executive Budget estimates of January 13, 2016.

TABLE II-D
SUMMARY OF AIDS FINANCED THROUGH SCHOOL AID APPROPRIATIONS
-- 2015-16 AND 2016-17 SCHOOL YEARS -- NEW YORK CITY

AID CATEGORY	2015-16	2016-17	Change	
	School Year	School Year	Amount	Percent
I. Formula-Based Aids:	(----- Amounts in Millions -----)			
Foundation Aid	\$6,774.78	\$6,943.61	\$168.83	2.49 %
Community Schools Aid	0.00	28.49	28.49	NA
Excess Cost - High Cost	241.57	269.09	27.52	11.39
Excess Cost - Private	144.18	138.44	(5.74)	(3.98)
Textbooks (Incl. Lottery)	75.08	75.51	0.43	0.57
Computer Hardware	14.42	14.31	(0.11)	(0.76)
Computer Software	19.40	19.51	0.11	0.57
Library Materials	8.09	8.14	0.05	0.62
Special Services	144.52	144.80	0.28	0.19
Transportation (Including Summer)	495.61	499.18	3.57	0.72
Universal Prekindergarten	224.94	224.95	0.01	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Gap Elimination Adjustment	(87.28)	(23.09)	64.19	NA
Building Aid	1,093.20	1,170.87	77.67	7.10
Total Formula-Based Aids	\$9,149.71	\$9,515.01	\$365.30	3.99 %
II. Grant Programs and Additional Aid Categories:				
Teachers of Tomorrow	15.00	15.00	0.00	0.00
Teacher-Mentor Intern	0.89	0.89	0.00	0.00
Employment Preparation Education	32.00	32.00	0.00	0.00
Bilingual Education	5.50	5.50	0.00	0.00
Education of OMH/OPWDD Pupils	12.50	12.00	(0.50)	(4.00)
Chargebacks	(7.20)	(7.50)	(0.30)	NA
Learning Technology Grants	1.79	1.79	0.00	0.00
Subtotal	60.48	59.68	(0.80)	(1.32)
SCHOOL YEAR TOTAL	\$9,210.19	\$9,574.69	\$364.50	3.96 %

Source: State Education Department computer runs and Executive Budget estimates of January 13, 2016.

TABLE II-E
CHANGE IN SCHOOL AID (a) FOR 2015-16 AND 2016-17 SCHOOL YEARS:
18 MOST POPULOUS COUNTIES, NEW YORK CITY AND REST OF STATE

AREA	No. of Dtrs.	Percent of Total State TAFPU (b)	2016-17 Combined Aids			Change in Aid from 2015-16 to 2016-17		Number of Districts	
			2015-16 Combined Aids	Amount	Percent of State Total	Amount	Percent	With Aid Increases	With Aid Decreases
(------ Dollar Amounts in Thousands -----)									
Albany	12	1.39	\$253,819	\$262,673	1.11	\$8,854	3.49	9	3
Broome	12	1.01	281,437	292,038	1.23	10,601	3.77	12	0
Chautauqua	18	0.68	238,094	249,705	1.05	11,611	4.88	18	0
Dutchess	13	1.51	277,573	290,816	1.22	13,243	4.77	12	1
Erie	28	4.61	1,257,694	1,314,100	5.53	56,406	4.48	28	0
Monroe	18	3.90	1,047,143	1,118,099	4.71	70,956	6.78	18	0
Nassau	56	7.34	967,560	1,015,824	4.28	48,264	4.99	51	5
Niagara	10	1.07	299,483	310,199	1.31	10,716	3.58	9	1
Oneida	15	1.23	381,783	391,301	1.65	9,518	2.49	14	1
Onondaga	18	2.57	657,052	687,655	2.89	30,603	4.66	16	2
Orange	17	2.26	545,399	565,956	2.38	20,557	3.77	16	1
Rensselaer	11	0.76	195,986	201,215	0.85	5,229	2.67	9	2
Rockland	8	1.48	212,075	222,451	0.94	10,376	4.89	8	0
Saratoga	12	1.20	210,237	219,258	0.92	9,021	4.29	11	1
Schenectady	6	0.83	184,485	190,718	0.80	6,233	3.38	3	3
Suffolk	65	8.94	1,828,130	1,906,636	8.02	78,506	4.29	61	4
Ulster	9	0.88	189,971	198,299	0.83	8,328	4.38	9	0
Westchester	40	5.33	690,187	729,842	3.07	39,655	5.75	35	5
18 Most Populous Counties	368	46.98	\$9,718,107	\$10,166,786	42.79	\$448,679	4.62	339	29
New York City	1	40.63	9,149,715	9,515,013	40.05	365,298	3.99	1	0
Rest of State	305	12.39	3,931,414	4,078,514	17.17	147,100	3.74	272	33
TOTAL STATE	674	100.00	\$22,799,236	\$23,760,313	100.00	\$961,077	4.22	612	62

(a) 2016-17 school district aid as calculated for the computer listing entitled "BT161-7" released in January 2016 with the 2016-17 Executive Budget. Includes foundation aid, community schools aid, public high cost and private excess cost aids, BOCES, textbook, library materials, special services, transportation (including summer), computer software, computer hardware, high tax, full-day k, universal prekindergarten, education grants, academic enhancement aid, charter school transitional aid, operating reorganization aid, supplemental public excess cost aid, gap elimination adjustment, building and reorganization incentive building aids.

(b) The Selected TAFPU for payment pupil count for Foundation Aid.

Source: State Education Department computer runs and Executive Budget estimates of January 13, 2016.

III

APPENDICES

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

- Appendix III-A summarizes the School Aid categories and adjustments recommended for 2016-17 and compares them with the 2015-16 enacted aid categories.
- Appendix III-B provides the mathematical formulas for computing 19 different aids for 2016-17 school aid payments.

For High Tax Aid and Universal Prekindergarten Aid a district will receive aid as calculated for the 2015-16 school year.

- Appendix III-C describes the pupil counts used in aid formulas other than Foundation Aid.
- Appendix III-D describes weightings used to calculate pupil needs for aid and district wealth for Foundation Aid.
- Appendix III-E provides the regional cost indices used for the Foundation Aid formula.

APPENDIX III-A
COMPARISON OF 2015-16 AND 2016-17 SCHOOL AID PROGRAMS

<u>Category</u>	<u>2015-16 School Year</u>	<u>2016-17 School Year</u>
<u>FOUNDATION AID⁴</u>		
Foundation Aid Increase	A district's phase-in factor will be determined based on district wealth, SED need/resource capacity, and the overall amount of Foundation Aid still to be phased in.	A district's phase-in factor will be determined based on district wealth. New York City's phase-in factor will be 9.32 percent. Districts are eligible for an increase in Foundation Aid if categorized as high need or average need under either the 2003 or 2008 need/resource capacity categories or if the sum of the district's 2016-17 GEA restoration

⁴ For the 2016-17 school year, a district's Combined Wealth Ratio for Foundation Aid (FACWR) is equal to: $(.5 \times \text{Pupil Wealth Ratio}) + (.5 \times \text{Alternate Pupil Wealth Ratio})$. The Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected Actual Valuation/2014-15 TWPU}}{\$555,200} ; \text{ and the}$$

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

$$\frac{\text{Selected District Income/2014-15 TWPU}}{\$187,200}$$

Selected Actual Valuation is the lesser of 2013 Actual Valuation or the average of 2012 Actual Valuation and 2013 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district. Selected District Income is the lesser of 2013 Adjusted Gross Income or the average of 2012 Adjusted Gross Income and 2013 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

For Foundation Aid pupil counts for aid and wealth calculations, see Appendix III-D. The Foundation State Sharing Ratio is the greatest of:

- 1.37 - $(1.230 \times \text{Foundation Aid Combined Wealth Ratio})$
- 1.00 - $(0.640 \times \text{FACWR})$
- 0.80 - $(0.390 \times \text{FACWR})$
- 0.51 - $(0.173 \times \text{FACWR})$

An additional amount is available for high need school districts equal to .05 times their Foundation State Sharing Ratio. The maximum Foundation State Sharing Ratio continues to be .90. For a district of average wealth (FACWR = 1.000), the aid ratio is .41.

and Community Schools Aid is less than 0.03 multiplied by the sum of the district's 2015-16 Foundation Aid and GEA.

Base Amount	A district's 2014-15 Foundation Aid	A district's 2015-16 Foundation Aid
Minimum/Maximum Increase	No district will receive less than 1.0037 times its 2014-15 Foundation Aid. The maximum allowed total is 1.15 times 2014-15 Foundation Aid	A district's minimum guarantee is based on district wealth or its 2016-17 GEA restoration and Community Schools Aid. The maximum allowed total is 1.15 times 2015-16 Foundation Aid.

URBAN-SUBURBAN TRANSFER SUPPLEMENTATION

	Qualifying districts that receive pupils from another district for the purpose of promoting diversity are eligible for an apportionment based on Selected Foundation Aid per pupil	Same
Apportionment	Selected Foundation Aid x (Number of Pupils Received - Formula Pupil Margin)	Same
Formula Pupil Margin	Formula Pupil Margin = .365 x (Total Foundation Aid - Total Foundation Aid Base)/Total Foundation Aid/Selected TAFPU	Same

PUBLIC EXCESS COST HIGH COST

AID

Wealth Measure	Combined Wealth Ratio	Same ⁵
State Share	.49	Same
Minimum Aid Ratio	.25	Same
High Cost Eligibility	Lesser of 4 x AOE/TAPU for Expense or \$10,000	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 or State-run schools	Same

FULL-DAY K CONVERSION AID

Eligible Districts	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2014-15 it had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2014-15.	A district that offers Full-Day Kindergarten to all students is eligible for aid if in 1996-97 <u>and</u> 2015-16 it had half-day kindergarten enrollment <u>or</u> if it had no kindergarten enrollment in 1996-97 <u>and</u> 2015-16.
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⁵ For the 2016-17 school year, for aids other than Foundation Aid, a district's Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to:

$$\frac{2013 \text{ Actual Valuation}/2014-15 \text{ TWPU}}{\$559,400} \quad ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{2013 \text{ District Income}/2014-15 \text{ TWPU}}{\$188,200}$$

For the 2015-16 school year, for aids other than Foundation Aid, a district's Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The district's Pupil Wealth Ratio is equal to:

$$\frac{2012 \text{ Actual Valuation}/2013-14 \text{ TWPU}}{\$561,100} \quad ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{2012 \text{ District Income}/2013-14 \text{ TWPU}}{\$189,800}$$

	Beginning with 2014-15 aid, a district may not receive Full-Day Kindergarten Aid if it has received such aid in a prior year unless granted a one-time waiver by the State Education Department	Same
Pupil Count	2015-16 full-day kindergarten enrollment minus 2014-15 full-day kindergarten enrollment	2016-17 full-day kindergarten enrollment minus 2015-16 full-day kindergarten enrollment
Aid Per Pupil	Selected Foundation Aid per pupil.	Same
<u>TRANSPORTATION AID</u>		
Wealth Measure	Actual Valuation/Full Year Attendance RWADA, a district's Combined Wealth Ratio or Selected AV/enrollment	Same
State Share	The greatest of: 1.01 - (.46 * AV/RWADA wealth ratio) or 1.263 * State Sharing Ratio or (NYC excepted): 1.01 - (.46 * AV/public + nonpublic enrollment wealth ratio)	Same
State Sharing Ratio	The greatest of: 1.37 - (1.23 x CWR) 1.00 - (0.64 x CWR) 0.80 - (0.39 x CWR) 0.51 - (0.22 x CWR) The maximum aid ratio is 0.90. For a district of average wealth (CWR = 1.000), aid ratio is 0.41.	Same
Sparsity Adjustment	21 - 2013-14 public enrollment/square mile)/317.88	Same except for the use of 2014-15 public enrollment
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
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BOCES AID

Wealth Measure	Actual Valuation/ RWADA	Same
State Share	.49	Same
Minimum Aid Ratio	.36	Same
Salary Ceiling	\$30,000	Same
Millage Formula	8 mills	Same
Save-Harmless	100% of 1967-68 Aid	Same

BUILDING AID

Wealth Measure	Actual Valuation/RWADA	Same
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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.	Same
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	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.	Same
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	School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the school year in which the project was approved and the approval date was between 7/1/00 and 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.	Same
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	School districts with a	Same
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pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the 2000-01 school year and the voter approval date was between 7/1/05 and 6/30/08 may select an aid ratio equal to 1.263 multiplied by the district's State sharing ratio.

HNSBAR	High Need Supplemental Building Aid Ratio: For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, high need school districts, including the Big Five City schools, may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98% of the approved costs.	Same
Base	Approved Expenditures	Same
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
New York City Data	In order to align the claiming process for New York City more closely with that of districts in the rest of state, aid on debt service in excess of that based on estimates submitted by New York City before November 15 of the base year will be considered payable in the following year.	Same
Sale of School Building	Chapter 58 of the Laws of 2011 requires school districts to notify the	Same

State Education Department if a school building is sold or ownership transferred and the building is no longer operated by the district. SED will re-compute the district's Building Aid to exclude from aidable cost any revenue received from the transaction.

Aid Start Date

Chapter 97 of the Laws of 2011 provides that, except for New York City projects, the assumed amortization for projects approved by the Commissioner of Education after July 1, 2011 will begin the later of eighteen months after State Education Department (SED) approval or when the final cost report and certificate of substantial completion have been received by SED or upon the effective date of a waiver based on a finding by the Commissioner that the district is unable to submit a final certificate of substantial completion or final cost report due to circumstances beyond its control.

Same

School Safety

For projects approved by the commissioner on or after July 1, 2013, specified safety system improvements will be eligible for a reimbursement rate up to 10 percentage points higher than a district's current building aid ratio. Eligible expenditures will be those incurred in the 2012-13, 2013-14 and 2014-15 school years.

Eligible expenditures are extended for one year to include those of the 2015-16 school year.

REORGANIZATION INCENTIVE

BUILDING AID

Prior to July 1, 1983:

Building Aid:

Additional Percentage 25% Same

Effective July 1, 1983:

Building Aid:

Additional Percentage 30% Same

Eligibility Date:

New Projects

Approved by voters within
ten years of
reorganization.

Same

REORGANIZATION INCENTIVE

OPERATING AID

Eligibility Date:

School districts that
reorganize after July 1,
2007.

Same

Operating Aid:

Additional Percentage

40%

Same

(5 years)

Taper

4%/9 years

Same

SPECIAL SERVICES AID/

ACADEMIC IMPROVEMENT AID

Eligible Districts

Big Five City school
districts and other
districts that are non-
components of BOCES

Same

Career Education Aid:

State Share

.41

Same

Minimum Aid Ratio

.36

Same

Ceiling

\$3,900

Same

Wealth Measure

Combined Wealth Ratio

Same

Pupil Count

Grade 10-12 ADA in a Career
Education Sequence + (.16 x
Business Sequence ADA)

Same

Computer Administration Aid:

State share

.49

Same

Minimum Aid Ratio

.30

Same

Ceiling

\$62.30/pupil

Same

Wealth Measure

Combined Wealth Ratio

Same

Pupil Count	Fall Public Enrollment (Attendance)	Same
Academic Improvement Aid: State Share	.41	Same
Minimum Aid Ratio	.36	Same
Ceiling	\$100 + (\$1,000 divided by a district's Combined Wealth Ratio but not less than \$1,000)	Same
Wealth Measure	Combined Wealth Ratio	Same
Pupil Count	Career Education Pupils	Same
<u>TEXTBOOK AID</u>	Up to \$58.25 per public and nonpublic pupil (district of residence)	Same
	Aid cannot exceed the amount of base-year textbook expenditures.	Same
	For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids, the 2014-15 expense over the maximum allocation can be designated as an expenditure for 2015-16 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.	For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids, 2015-16 expense over the maximum allocation can be designated as an expenditure for 2016-17 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.
<u>COMPUTER SOFTWARE AID</u>	Up to \$14.98 per public and nonpublic pupil (district of attendance)	Same
	Aid cannot exceed the amount of base-year software expenditures.	Same
	For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its	For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a

maximum allocation in any of the above aids, the 2014-15 expense over the maximum allocation can be designated as an expenditure for 2015-16 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

district exceeds its maximum allocation in any of the above aids, 2015-16 expenditure over the maximum allocation can be designated as an expense for 2016-17 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

INSTRUCTIONAL COMPUTER
HARDWARE AND TECHNOLOGY
EQUIPMENT AID

Based on approved expenditures up to an amount equal to \$24.20 x public and nonpublic pupils (district of attendance) x current year Building Aid ratio

Same

Aid cannot exceed the amount of base-year approved expenditures.

Same

For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids, the 2014-15 expenditure over the maximum allocation can be designated as an expense for 2015-16 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids, 2015-16 expenditure over the maximum allocation can be designated as an expense for 2016-17 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

LIBRARY MATERIALS AID

Up to \$6.25 per public and nonpublic pupil (district of attendance)

Same

Aid cannot exceed the amount of base-year library expenditures.

Same

For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids, the 2014-15 expense over the

For Textbook, Computer Software, Computer Hardware and Library Materials Aids, if a district exceeds its maximum allocation in any of the above aids,

maximum allocation can be designated as an expense for 2015-16 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

2015-16 expense over the maximum allocation can be designated as an expense for 2016-17 aid in one or more of the other aid categories, with the exception of Library Materials expenditures.

UNIVERSAL PREKINDERGARTEN AID

A district will be eligible for the same aid as was calculated for 2014-15

A district will be eligible for the same aid as was calculated for 2015-16

For 2014-15 a district will receive the same aid as was calculated for 2013-14 by the State Education Department

For 2013-14 a district will receive the same aid as was calculated for 2011-12 by the State Education Department. For certain districts with corrected data the maximum grant will be the amount included in the May 2011 update of the 2010-11 aid included on the 2011-12 enacted budget computer run.

PREKINDERGARTEN GRANTS

A total of \$30.00 million will be available for 2015-16 for programs for three- and four-year olds in high need districts

A total of \$22.00 million will be available for 2016-17 for programs for three-year olds in high need districts

STATEWIDE UNIVERSAL FULL-DAY PREKINDERGARTEN GRANTS

Multiyear funding of \$1.50 billion for universal, full-day prekindergarten (\$340.00 million will be available for the 2015-16 school year)

Multiyear funding of \$1.50 billion for universal, full-day prekindergarten (\$340.00 million will be available for the 2016-17 school year)

HIGH TAX AID

A district will receive the same aid as was calculated for 2013-14 by the State Education Department on computer run SA131-4.

A district will receive the same aid for 2016-17.

TEACHER-MENTOR INTERN

\$2.00 million

Same

SCHOOL HEALTH SERVICES

\$13.84 million is continued. The Enacted

\$13.84 million is continued

Budget includes an additional \$2.4 million appropriation.

<u>INCARCERATED YOUTH</u>	\$18.75 million	\$19.50 million
<u>LEARNING TECHNOLOGY</u>	\$3.29 million	Same
<u>BUS DRIVER SAFETY</u>	\$.40 million	Same

EMPLOYMENT PREPARATION
EDUCATION AID

Ceiling	\$13.40/contact hour	\$13.80/contact hour ⁶
Wealth Measure	AV/TWPU	Same
State Share	.60	Same
Minimum Aid Ratio	.40	Same
Pupil Count	Contact Hours	Same

CHARTER SCHOOL TRANSITIONAL
AID

Total Aid	The sum of Tier 1, Tier 2 and Tier 3 aid.	Same
Tier 1 Aid		
Eligible Districts (Enrollment or TGFE ⁷)	2014-15 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2014-15 charter school payments greater than 2 percent of 2014-15 total general fund expenditures.	2015-16 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2015-16 charter school payments greater than 2 percent of 2015-16 total general fund expenditures.
Basic Tuition ⁸	0.8 x 2014-15 charter	0.8 x 2015-16 charter

⁶ For the 2016-17 school year, a \$96.00 million funding limit is provided, the same as for the 2015-16 school year.

⁷ Expenditures and transfers from a district's total general and debt service funds as reported to the State Education Department on the annual ST-3 form.

⁸ The charter school adjusted expense per pupil equals a district's approved operating expense (AOE) per pupil for the year prior to the base year multiplied by the percentage increase of the total statewide approved operating expense for the base year over the total statewide approved operating expense for two years prior to the base year. Such expenses are a

	school adjusted expense per pupil.	school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2013-14 to 2014-15.	Increase in charter school enrollment from 2014-15 to 2015-16.
Tier 2 Aid Eligible Districts (Enrollment or TGFE)	2013-14 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2013-14 charter school payments greater than 2 percent of 2013-14 total general fund expenditures.	2014-15 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2014-15 charter school payments greater than 2 percent of 2014-15 total general fund expenditures.
Basic Tuition	0.6 x 2014-15 charter school adjusted expense per pupil.	0.6 x 2015-16 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2012-13 to 2013-14.	Increase in charter school enrollment from 2013-14 to 2014-15
Tier 3 Aid Eligible Districts (Enrollment or TGFE)	2012-13 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2012-13 charter school payments greater than 2 percent of 2012-13 total general fund expenditures.	2013-14 charter school enrollment (excluding enrollment in schools chartered by the board of education) greater than 2 percent of resident public school enrollment <u>or</u> 2013-14 charter school payments greater than 2 percent of 2013-14 total general fund expenditures.
Basic Tuition	0.4 x 2014-15 charter school adjusted expense per pupil.	0.4 x 2015-16 charter school adjusted expense per pupil.
Pupils	Increase in charter school enrollment from 2011-12 to 2012-13	Increase in charter school enrollment from 2012-13 to 2013-14.

district's expenditures for the day-to-day operation of the school as defined in Education Law Section 3602, Subdivision 1, Paragraph t. For the TAPU for Expenditure pupil count, see Appendix III-C.

<u>SUPPLEMENTAL EDUCATIONAL IMPROVEMENT PLAN</u>	\$17.50 million	Same
<u>ACADEMIC ACHIEVEMENT GRANT</u>	\$1.20 million	Same
<u>SUPPLEMENTAL PUBLIC EXCESS COST AID</u>	\$4.31 million. A district will receive the same aid as that for 2008-09 calculated by the State Education Department based on data on file for the computer run "SA0910" for the 2009-10 enacted budget.	Same
<u>ACADEMIC ENHANCEMENT AID</u>	\$9.57 million.	Same
<u>GAP ELIMINATION ADJUSTMENT</u>	The 2014-15 GEA is continued but is adjusted by \$603.07 million for a total 2015-16 GEA of -\$433.60 million. A district's maximum restoration will not exceed 98.00 percent multiplied by the district's 2014-15 GEA.	The GEA includes a \$189.41 million restoration for a total 2016-17 GEA of -\$244.19 million. The GEA will be eliminated in 2017-18. All districts will receive a restoration of at least 30 percent of their 2015-16 GEA amount. A total of 200 districts will receive a 100 percent restoration.
<u>COMMUNITY SCHOOLS AID</u>	None	A total of \$75.00 million will be provided for school districts with Failing or Persistently Failing Schools. An additional \$25.00 million, for a total of \$100.00 million, will be distributed to other high need school districts.

APPENDIX III-B
MATHEMATICAL EXPLANATION OF AID FORMULAS

The mathematical formulas for calculating 2016-17 gap elimination adjustment, community schools, foundation aid, public high cost and private excess cost aids, BOCES aid, textbook aid, library materials aid, special services including academic improvement aid, transportation aid, computer software aid, instructional computer hardware and technology equipment aid, employment preparation education aid, incarcerated youth aid, building aid, reorganization incentive building aid, reorganization incentive operating aid, full-day kindergarten conversion aid and charter school transitional aid are presented in this appendix.

For aids other than Foundation Aid, the State average wealth measures used in the calculation of 2016-17 aid ratios are:

2013 Actual Valuation/2014-15 TWPU	\$559,400
2013 Adjusted Gross Income/2014-15 TWPU	\$188,200
2013 Actual Valuation/2014-15 RWADA	\$681,700

Note that all aid ratios are assumed to have a minimum of 0.000 and a maximum of 1.000 unless otherwise stated.

Details of pupil counts for Foundation Aid are included in Appendix III-D.

Pupil counts for other 2016-17 aids appear in Appendix III-C. Pupil count abbreviations frequently used in this appendix include:

TAFPUP...Total Aidable Foundation Pupil Units
TWFPU...Total Wealth Foundation Pupil Units

TWPU....Total Wealth Pupil Units
ADA.....Average Daily Attendance
RWADA...Resident Weighted Average Daily Attendance

GAP ELIMINATION ADJUSTMENT (GEA)

Education Law, Section 3602, Subdivisions 17 and 18

A \$189.41 million restoration will be added to the 2015-16 GEA of -\$433.60 million for a net statewide amount of -\$244.19 million for 2016-17. The GEA will be eliminated in 2017-18.

2016-17 GEA ADJUSTMENT (As calculated at the time of the 2016-17 Executive Budget)

A district's 2016-17 GEA restoration is the product of \$66.00 multiplied by a district's extraordinary needs index with the result multiplied by the sharing ratio for operating aid and the district's 2015-16 public school enrollment.

The minimum restoration is the positive result of 30 percent multiplied by a district's 2015-16 GEA amount. The maximum restoration is 100 percent of a district's 2015-16 GEA.

Extraordinary Needs Index = Extraordinary Needs Percent (as calculated for Foundation Aid) divided by the statewide average percent of 0.548.

Sharing Ratio = The greatest of the following but not less than zero nor more than .90:

- 1.37 - (1.23 x CWR)
- 1.00 - (0.64 x CWR)
- 0.80 - (0.39 x CWR)
- 0.51 - (0.22 x CWR)

For the 2016-17 school year, for aids other than Foundation Aid, a district's Combined Wealth Ratio is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). A district's Pupil Wealth Ratio is equal to:

$$\frac{2013 \text{ Actual Valuation}/2014-15 \text{ TWPU}}{\$559,400} ; \text{ and the}$$

$$\text{Alternate Pupil Wealth Ratio is equal to: } \frac{2013 \text{ District Income}/2014-15 \text{ TWPU}}{\$188,200}$$

COMMUNITY SCHOOLS AID

Education Law, Section 3602, Subdivision 19

Eligible districts will receive Aid for Districts with Failing Schools or Aid for High Need Districts:

Aid for Districts with Failing Schools: The product of \$830.60 multiplied by the 2014-15 public enrollment (including ungraded pupils) of a district's schools that are identified by the State Education Department as Failing Schools or Persistently Failing Schools.

Aid for High Need Districts (not including districts with Failing Schools): For districts identified by the State Education Department as high need for either 2003 or 2008, the product of \$89.32 multiplied by a district's extraordinary needs index with the result multiplied by the sharing ratio for operating aid and the district's 2015-16 public school enrollment.

Minimum aid: \$10,000

Extraordinary Needs Index = Extraordinary Needs Percent (as calculated for Foundation Aid) divided by the statewide average percent of 0.548.

Sharing Ratio = The greatest of the following but not less than zero nor more than .90:

- 1.37 - (1.23 x CWR)
- 1.00 - (0.64 x CWR)
- 0.80 - (0.39 x CWR)
- 0.51 - (0.22 x CWR)

FOUNDATION AID

Education Law, Section 3602, Subdivision 4

Foundation Aid for the 2016-17 School Year

2016-17 Foundation Aid Minimum Guarantee/Maximum Allowed:

No eligible district will receive an increase less than the greater of:

The positive result of $1.37 - (1.55 \times \text{Foundation CWR})$, but not more than 1.0, multiplied by 0.023 with a maximum of 0.02, with this result multiplied by a district's 2015-16 Foundation Aid.

or

The sum of a district's 2015-16 Foundation Aid and GEA multiplied by 0.02 minus the sum of a district's 2016-17 GEA restoration and Community Schools Aid.

The maximum allowed year-to-year increase is 15.00 percent above the district's 2015-16 Foundation Aid.

Foundation Aid Phase-In Factor:

New York City's phase-in factor will be 9.32 percent.

For Buffalo, Rochester, Syracuse and Yonkers the phase-in factor is the greater of 3.5 percent or the following sharing ratio calculation for other districts to be used for other districts:

The positive result of $1.37 - (1.30 \times \text{Foundation CWR})$, but not more than 1.0, multiplied by 0.035 with a maximum of 0.03.

Districts that have a sparsity pupil count for Foundation Aid greater than zero may use the calculation below:

The positive result of $1.37 - (1.35 \times \text{Foundation CWR})$, but not more than 1.0, multiplied by 0.0932 with a maximum of 0.06.

Districts Eligible for a Foundation Aid Increase:

A district is eligible to receive a 2016-17 Foundation Aid increase if it is identified by the State Education Department as high or average need for either 2003 and 2008 or the sum of the district's 2016-17 GEA restoration and Community Schools Aid is less than 0.03 multiplied by the sum of the district's 2015-16 Foundation Aid and GEA.

Foundation Aid

A district is eligible to receive aid equal to the greater of:

- (i) \$500 x Selected Total Aidable Foundation Pupil Units, or
- (ii) Foundation Formula Aid per pupil x Selected Total Aidable Foundation Pupil Units

Foundation Formula Aid per pupil is the greater of:

- (i) (2016-17 Foundation Amount x RCI x PNI) - the Expected Minimum Local Contribution, or
- (ii) (2016-17 Foundation Amount x RCI x PNI) x Foundation State Sharing Ratio

Foundation Amount: The product of \$6,334, the consumer price index (1.003) and the phase-in foundation percent (1.000), \$6,353 for the 2016-17 school year.

Regional Cost Index: The regional cost index, calculated by the State Education Department, is generated following a wage-based methodology. It is based on median salaries in fifty-nine professional occupations (excluding education-related ones). Index values range from 1.000 for North Country/Mohawk Valley counties to 1.425 for New York City and Long Island. (See Appendix III-E for county regional cost indices.)

Pupil Need Index = 1.0 + (Extraordinary Needs Percent)

Minimum: 1.0; Maximum: 2.0

Extraordinary Needs Percent = $\frac{\text{Extraordinary Needs Pupil Count}}{2015-16 \text{ Public Enrollment}}$

Extraordinary Needs Pupil Count = The sum of the following:

- (i) 2015-16 public enrollment (including charter school enrollment) x the three-year average percentage of students in grades K-6 who are eligible for the free and reduced price lunch program (2012-13, 2013-14 and 2014-15) x .65,

and

2015-16 public enrollment (including charter school enrollment) x the percentage of students aged 5-17 in poverty as of the 2000 census (National Center for Education Statistics - NCES) x .65, and

- (ii) The number of Limited English Proficiency pupils x .50, and
- (iii) For districts operating a K-12 program, a sparsity count equal to 2015-16 public enrollment x

$\frac{25 - 2015-16 \text{ Public Enrollment/Square Mile}}{50.9}$

with no maximum

Expected Minimum Local Contribution per pupil

The expected minimum local contribution per pupil is based on an assumed district tax rate that for 2016-17 ranges from a minimum of \$10.14 per \$1,000 of full value for low income districts up to maximum of \$31.20 per \$1,000 of full value for wealthier districts.

Adjusted Tax Rate x Selected Actual Valuation/2014-15 Total Wealth Foundation Pupil Units

Adjusted Tax Rate = 3-Year Adj. Statewide Avg. Tax Rate (.0156) x Income Wealth Index

Adjusted Tax Rate The product of the ratio of a district's income per pupil compared to the state average income per pupil multiplied by the 3-year adjusted statewide average tax rate. Low income districts are assumed to levy less (a minimum of \$10.14 per \$1,000 of full value) and wealthier districts more (a maximum of \$31.20 per \$1,000 of full value).

3-Year Adjusted Statewide Average Tax Rate The statewide average school district tax rate for the current and previous two school years times 90 percent (i.e., the assumed relation between Foundation-related expenditures and total expenditures) which for 2016-17 is \$15.60 per \$1,000 of full value.

Income Wealth Index = $\frac{\text{District 2013 Adjusted Gross Income/2014-15 TWFPU}}{\text{Statewide Average } (\$240,000)}$

Minimum: 0.65, Maximum 2.00

2013 Adjusted Gross Income The 2013 Adjusted Gross Personal Income of the district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

Selected Actual Valuation The lesser of the 2013 Actual Valuation or the average of 2012 Actual Valuation and 2013 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Foundation State Sharing Ratio

The greatest of the following but not less than zero nor more than .90. High need districts, including the Big Five City schools, may compute an additional amount equal to .05 times their ratio up to a maximum of .90.

1.37 - (1.230 x FACWR)
1.00 - (0.640 x FACWR)
0.80 - (0.390 x FACWR)
0.51 - (0.173 x FACWR)

For the 2016-17 school year, a district's Combined Wealth Ratio for Total Foundation Aid (FACWR) is equal to: (.5 x Pupil Wealth Ratio) + (.5 x Alternate Pupil Wealth Ratio). The Pupil Wealth Ratio for Foundation Aid is equal to:

Selected Actual Valuation/2014-15 TWPU
\$555,200 ; and the

Alternate Pupil Wealth Ratio for Foundation Aid is equal to:

Selected District Income/2014-15 TWPU
\$187,200

Selected Actual Valuation is the lesser of 2013 Actual Valuation or the average of 2012 Actual Valuation and 2013 Actual Valuation as reported by the Office of the State Comptroller. A district's Actual Valuation is the sum of the taxable full value of real property in the school district.

Selected District Income is the lesser of 2013 Adjusted Gross Income or the average of 2012 Adjusted Gross Income and 2013 Adjusted Gross Income. Adjusted Gross Income is the Adjusted Gross Personal Income of a school district, as reported by the Department of Taxation and Finance, including the results of the statewide computerized income verification process.

Foundation Aid Pupil Counts

Selected TAFPU for Payment

The greater of 2015-16 Total Aidable Foundation Pupil Units (TAFPU) or the average of 2014-15 and 2015-16 TAFPU. Pupils counted are those served by a given district whether or not they are residents of that district.

TAFPU is based on average daily membership which includes equivalent attendance of students under the age of 21 who are not on a regular day school register in programs leading to a high school diploma or high school equivalency diploma, students with disabilities attending BOCES programs full time, resident pupils attending charter schools and dual enrolled nonpublic students.

An additional weighting of 1.41 is provided for public school students with disabilities (district of attendance), 0.50 for declassification students, 0.12 for summer school and dual enrollment pupils with disabilities are further weighted at 1.41.

Total Wealth Foundation Pupil Units (TWFPU)

TWFPU is based on average daily membership. The TWFPU count is used to measure the relative wealth of a district. Pupils who are residents of the district are counted.

See Appendix III-D for additional Foundation Aid pupil count detail. Average Daily Membership (ADM) is a measure of average enrollment over the school year. It is the total possible aggregate daily attendance of all pupils in the district divided by the days of session.

For basic pupil weightings, see Appendix III-C. Pupil counts for aids other than Foundation Aid include adjusted average daily attendance and additional weightings for aidable pupils with special educational needs, aidable summer school pupils, dual enrollment pupils and secondary school pupils.

New York City

For New York City, all Foundation Aid calculations will be on a city-wide basis.

CHARTER SCHOOL TRANSITIONAL AID

Education Law, Section 3602, Subdivision 41

A district's Charter School Transitional Aid equals the sum of Tier 1, 2 and 3 aid.

Tier 1 Aid: Districts are eligible for Tier 1 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2015-16 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2015-16 school year exceed 2.0 percent of the district's 2015-16 total general fund expenditures.

The Tier 1 formula = $(0.80 \times 2015-16 \text{ charter school basic tuition}) \times$ the increase in the number of resident pupils enrolled in a charter school between the 2014-15 and 2015-16 school years.

Tier 2 Aid: Districts are eligible for Tier 2 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2014-15 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2014-15 school year exceed 2.0 percent of the district's 2014-15 total general fund expenditures.

The Tier 2 formula = $(0.60 \times 2015-16 \text{ charter school basic tuition}) \times$ the increase in the number of resident pupils enrolled in a charter school between the 2013-14 and 2014-15 school years.

Tier 3 Aid: Districts are eligible for Tier 3 Aid if their number of resident pupils enrolled in charter schools (excluding enrollment in schools chartered by the board of education) in the 2013-14 school year was greater than 2.0 percent of total resident public school enrollment or payments made to charter schools in the 2013-14 school year exceed 2.0 percent of the district's 2013-14 total general fund expenditures.

The Tier 3 formula = $(0.40 \times 2015-16 \text{ charter school basic tuition}) \times$ the increase in the number of resident pupils enrolled in a charter school between the 2012-13 and 2013-14 school years.

Charter school basic tuition: This equals a district's approved operating expense (AOE) per pupil for the year prior to the base year multiplied by the percentage increase of the total statewide approved operating expense for the base year over the total statewide approved operating expense for two years prior to the base year. Such expenses are a district's expenditures for the day-to-day operation of the school as defined in Education Law Section 3602, Subdivision 1, Paragraph t. For the TAPU for Expenditure pupil count, see Appendix III-C.

PUBLIC EXCESS COST HIGH COST AID

Education Law, Section 3602, Subdivision 5

A district receives Public Excess Cost High Cost Aid for pupils with disabilities educated in resource intensive programs run by public school districts or BOCES. Public High Cost Special Education 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 for Expense (without limits)

Per Pupil Calculation:

High Cost Excess Cost Aid = (Approved Program Cost - (3 x AOE/TAPU)) x Aid Ratio Excess Cost

AOE/TAPU = 2014-15 Approved Operating Expenses (AOE)
2014-15 TAPU for Expense

Excess Cost Aid Ratio = 1 - (Combined Wealth Ratio x .51)

Minimum: .250

PUBLIC EXCESS COST SETASIDE

Education Law, Section 3602, Subdivision 4, paragraph c

All school districts are required to setaside a portion of their Foundation Aid to support the education of students with disabilities and to ensure that federal maintenance of effort requirements regarding spending for students with disabilities are met.

Public Excess Cost Aid Setaside =

(2006-07 Supplemental Public Excess Cost Aid Base - 2006-07 High Cost Aid)

X

1 + percentage increase in the Consumer Price Index (CPI) between the current year and 2006-07 (1.2230 for 2016-17)

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 at Rome and Batavia. The aid is computed on a student-by-student basis with districts receiving private excess cost aid for each student.

Private Excess Cost Aid

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

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

Basic Contribution = A district's basic contribution per pupil is equal to its total base-year property and non-property taxes divided by the base-year (2015-16) public school resident enrollment. For districts other than central high school districts and their components, the tax levy is divided by 2014-15 Total Wealth Pupil Units (TWPU) instead of 2015 resident public enrollment, if the 2014-15 TWPU exceeds 150% of the resident public enrollment.

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

Minimum: .50

SPECIAL SERVICES AID/ACADEMIC IMPROVEMENT AID

Education Law, Section 3602, Subdivision 10

Districts that are non-components of a BOCES, including the Big Five City school districts, are eligible to receive Career Education Aid, Computer Administration Aid and Academic Improvement Aid.

Career Education Aid = Ceiling x Aid Ratio x Career Ed Pupils

Ceiling = \$3,900

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

Minimum: .360

Career Education Pupils = 2015-16 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 2015 public enrollment attending in the district

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

Minimum: .300

Academic Improvement Aid = Ceiling x Aid Ratio x Career Ed Pupils

Ceiling = \$100 plus \$1,000 divided by a district's Combined Wealth Ratio. No eligible district will receive less than \$1,100

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

Minimum: .360

TRANSPORTATION AID

Education Law, Section 3602, Subdivision 7

Districts are allotted reimbursement for transportation expenditures through the transportation aid formula. Districts will be eligible for reimbursement for capital expenditures based on the assumed useful life of the asset.

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 State Sharing Ratio

(ii) $1.010 - \frac{(2013 \text{ AV}/2014\text{-}15 \text{ RWADA} \times .46)}{\text{Statewide Average } (\$681,700)}$

(iii) $1.010 - \frac{(2013 \text{ AV}/2014\text{-}15 \text{ Resident Public+Nonpublic Enrollment} \times .46)}{\text{Statewide Average } (\$616,600)}$

Minimum: .065, Maximum: .900

State Sharing Ratio = The greatest of the following but not less than zero nor more than .90:

1.37 - (1.23 x CWR)

1.00 - (0.64 x CWR)

0.80 - (0.39 x CWR)

0.51 - (0.22 x CWR)

Sparsity Factor =

$\frac{21.00 - 2014\text{-}15 \text{ Public Enrollment/Square Mile}}{317.88}$

Approved Transportation Expenditures 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
- Approved 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

BOCES AID

Education Law, Section 1950, Subdivision 5

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

BOCES Operating Aid = Base Year Approved Expenditures x Aid Ratio

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

Aid Ratio = greater of:

(i) 1 - $\frac{.008 \text{ (.003 for Central High Schools and Component Districts)}}{\text{District Actual Valuation Tax Rate (Local Revenue/2013 Actual Valuation)}}$

(ii) 1 - $\frac{(2013 \text{ Actual Valuation}/2014-15 \text{ RWADA} \times .51)}{\text{Statewide Average } (\$681,700)}$

Minimum: .360; Maximum: .900

BOCES Capital Aid = 2016-17 Capital Expenditures x RWADA Aid Ratio (Maximum: .900)

BOCES Rental Aid = 2016-17 Rental Expenditures x RWADA Aid Ratio (Maximum: .900)

Save-Harmless Provision

A district may receive the greater of:

- (i) 2016-17 BOCES Operating, Capital and Rental Aids, or
- (ii) BOCES aid received during 1967-68

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. Payment for new construction projects otherwise eligible for aid is deferred in instances in which the school district other than New York City did not file a notice that a general construction contract has been signed with the Commissioner of Education by

the November 15, 2014 database. A similar provision applies to aid payments for New York City.

Building Aid = Selected Aid Ratio x Approved Building Expenditures

Current AV/RWADA Aid Ratio =

$$1 - \frac{(2013 \text{ Actual Valuation}/2014-15 \text{ RWADA} \times .51)}{\text{Statewide Average } (\$681,700)}$$

Approved Building Expenditures/:

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.

Starting in 2005-06, for projects in New York City for which a contract is signed July 1, 2004 or later, the cost allowance will include legitimate extraordinary costs related to:

- multi-story construction necessitated by substandard site sizes,
- site security costs,
- difficulties with delivery of construction supplies,
- increased fire resistance and fire suppression costs,
- site acquisition,
- environmental remediation and
- building demolition costs.

The State share of financing costs associated with refinancings for borrowings which had principal remaining as of July 1, 2002 is reimbursed in full to districts. In addition, districts are reimbursed for lease expenses and on a one year lag for costs of metal detectors, building condition surveys conducted once in five years, and capital outlay exception.

Selected Aid Ratio:

For the 2016-17 school year, 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 in the school year in which the project was approved and the voter approval date was between 7/1/00 and 6/30/04 may select an aid ratio equal to 1.263 multiplied by the district's State Sharing Ratio.

School districts with a pupil wealth ratio greater than 2.50 and an alternate pupil wealth ratio less than .850 in the 2000-01 school year and the voter approval date was between 7/1/05 and 6/30/08, may select an aid ratio equal to the product of 1.263 multiplied by the district's State Sharing Ratio.

For aid payable in the 2005-06 school year and after for projects approved after July 1, 2005, for high need school districts including the Big Five City schools, may compute an additional amount equal to .05 times their selected aid ratio. The maximum aid payable is 98 percent of the project's approved costs.

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 except that, for projects approved in high need districts, by the voters or the board of education in the Big Four dependent districts or the chancellor in New York City, on or after 7/1/2005, the sum of the incentive and the selected aid ratio, including the high-need supplemental Building Aid ratio, may not exceed .980.

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.

New York City Data Submission:

In order to align the claiming process for New York City more closely with that of districts in the rest of state, aid on debt service in excess of that based on estimates submitted by New York City before November 15 of the base year will be considered payable in the following year.

Sale of School Building:

Pursuant to Chapter 58 of the Laws of 2011, school districts are required to notify the State Education Department if a school building is sold or ownership transferred and the building is no longer operated by the district. SED will re-compute the district's Building Aid to exclude from aidable cost any revenue received from the transaction.

Aid Start Date:

Chapter 97 of the Laws of 2011 provides that, except for New York City projects, the assumed amortization for projects approved by the Commissioner of Education after July 1, 2011 will begin the later of eighteen months after State Education Department (SED) approval or when the final cost report and certificate of substantial completion have been received by SED or upon the effective date of a waiver based on a finding by the Commissioner that the district is unable to submit a final certificate of substantial completion or final cost report due to circumstances beyond its control.

School Safety: For projects approved by the commissioner on or after July 1, 2013, additional specified safety system improvements will be eligible for an enhanced Building Aid reimbursement (a rate up to 10 percentage points higher than the district's current Building Aid ratio). The Executive Budget extends eligible expenditures for one year to include those of the 2015-16 school year.

REORGANIZATION INCENTIVE BUILDING AID

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

An eligible district may receive Reorganization Incentive Building Aid in addition to its regular Building Aid.

For districts reorganizing prior to July 1, 1983,

$$\begin{array}{l} \text{Reorganization Incentive} \\ \text{Building Aid} \end{array} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 25\%$$

For districts reorganizing after July 1, 1983,

$$\begin{array}{l} \text{Reorganization Incentive} \\ \text{Building Aid} \end{array} = \text{Approved Expenses} \times \text{Building Aid Ratio} \times 30\%$$

REORGANIZATION INCENTIVE OPERATING AID

Education Law, Section 3602, Subdivision 14, paragraphs d and d-1

School districts that reorganize after July 1, 2007, are eligible to receive reorganization incentive operating aid for 14 years beginning with the first school year of operating as a reorganized district. The reorganization percentage will be 40 percent for a period of five years, to be reduced by 4 percent per year for nine years. By the fifteenth year after reorganization a district's aid is zero.

For the first five years, Reorganization Incentive Operating Aid =

$$\begin{array}{l} \text{2006-07 Selected} \\ \text{Operating Aid per Pupil} \end{array} \times \begin{array}{l} \text{Total Aidable Pupil} \\ \text{Units} \end{array} \times 40\%$$

The amount calculated as 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units will not be recalculated during the 14 years that a districts receives aid. The 2006-07 Selected Operating Aid per Pupil x Total Aidable Pupil Units amount is frozen as of the date upon which a data file was created for the February 15, 2007 State Aid estimates. The sum of 2006-07 Operating Aid and Incentive Operating Aid is limited to 95 percent of 2014-15 Approved Operating Expense.

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. Textbooks are loaned to both public and nonpublic pupils. A district's 2015-16 aid cannot exceed the amount of its base-year approved expenditures.

The existing formulas for Textbook, Computer Software, Computer Hardware and Library Materials Aids are continued. For 2016-17 aid is based on 2015-16 expenditures. If a district exceeds its maximum allocation in any of the above aids, the 2015-16 expenditures over the maximum allocation can be designated as an expenditure for aid in one or more of the other aid categories, with the exception of Library Materials expense.

Textbook Aid = 2015-16 Cost of Textbooks, not to exceed \$58.25 (\$43.25 per pupil for Regular Textbook Aid plus \$15.00 per pupil for Lottery Textbook Aid) x 2015-16 Resident Public and Nonpublic School Enrollment

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. 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. A district's 2016-17 aid cannot exceed the amount of its base-year approved expenditures.

Regarding flexibility in how 2015-16 expenditures for Textbook, Computer Software, Computer Hardware and Library Materials Aids may be claimed for 2016-17 aid, see Textbook Aid above.

Computer Software Aid = 2015-16 Cost of Software (up to \$14.98 x Enrollment)

Enrollment = Fall 2015 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

INSTRUCTIONAL COMPUTER HARDWARE AND TECHNOLOGY EQUIPMENT AID

Education Law, Section 753

A district may be eligible for Computer Hardware Aid to purchase or lease micro- and/or mini-computer 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. Consistent with current statute, public school districts must loan computer hardware and equipment to nonpublic school pupils.

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.

Regarding flexibility in how 2015-16 expenditures for Textbook, Computer Software, Computer Hardware and Library Materials Aids may be claimed for 2016-17 aid, see Textbook Aid above.

Hardware Aid = 2015-16 Approved Expenditures (up to \$24.20 x Enrollment) x Current Year Building Aid Ratio

Aid cannot exceed the amount of base-year approved expenditures.

Enrollment = Fall 2015 public and private school enrollment for the district of attendance plus BOCES and private school pupils in full-time programs for children with disabilities.

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. A district's 2016-17 aid cannot exceed the amount of its base-year approved expenditures.

Regarding flexibility in how 2015-16 expenditures for Textbook, Computer Software, Computer Hardware and Library Materials Aids may be claimed for 2016-17 aid, see Textbook Aid above.

Library Materials Aid = 2015-16 cost of Library Materials (up to \$6.25 x Enrollment)

Enrollment = Fall 2015 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 CONVERSION AID

Education Law, Section 3602, Subdivision 9

Eligibility for Full-Day K Conversion Aid: If in 1996-97 and 2015-16 a district had half-day kindergarten enrollment or if a district had no kindergarten enrollment in 1996-97 and 2015-16.

A district may not receive Full-Day Kindergarten Conversion Aid if it has received such aid in a prior year unless granted a one-time waiver by the State Education Department.

Eligible school districts offering full-day kindergarten programs to all kindergarten students will receive Selected Foundation Aid per pupil for any increase in the number of students served in full-day programs in 2016-17 compared to 2015-16.

Full-Day Kindergarten Conversion Aid =

(2016-17 Full-Day K Enrollment minus 2015-16 Full-Day K Enrollment)
x Selected Foundation Aid per pupil

EMPLOYMENT PREPARATION EDUCATION (EPE) AID

Education Law, Section 3602, Subdivision 11

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.

EPE Aid = \$13.80 x EPE Aid Ratio x EPE Hours

EPE Aid Ratio = 1 - (Pupil Wealth Ratio x .40) Minimum: .400

Pupil Wealth Ratio = 2013 Actual Valuation/2014-15 TWPU
State Average (\$559,400)

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 2016-17 school year, total aid is limited to \$96.00 million.

INCARCERATED YOUTH AID

Education Law, Section 3602, Subdivision 13

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) 2014-15 AOE/TAPU for Expense x Number of full-day program pupils (2014-15 AOE/TAPU x 1.25 x pupils in 10 month programs or 2014-15 AOE/TAPU x 1.50 x pupils in 12 month programs) + ([.5 x (AOE/TAPU for Expense)] x Number of half-day program pupils) or
- (ii) Actual total instructional cost for the incarcerated youth program plus approved administrative costs (which may not exceed five percent of total instructional costs)

APPENDIX III-C

DESCRIPTION OF PUPIL COUNTS USED IN AID FORMULAS FOR THE 2016-17 SCHOOL YEAR

I. Average Daily Attendance/Average Daily Membership^a

- 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. For Foundation Aid pupil counts for wealth and aid, see Appendix III-D.

III. TAPU for Expense, RWADA, and TWPU

Short Title	Total Aidable Pupil Units For Expense	Resident Weighted Average Daily Attendance	Total Wealth Pupil Units
	TAPU for Expense	RWADA	TWPU
Year used for aid payable in 2016-17	2014-15	2014-15	2014-15
Attendance Periods	Full Year	Full Year	Full Year
Students: Based on:	Served 100% ADA	Resident 100% ADA	Resident 100% ADA
<hr/>			
<u>Basic Weightings</u>			
Half-Day Kindergarten	.50	.50	.50
Kindergarten-Grade 6	1.00	1.00	1.00
Grades 7-12	1.00	1.25	1.00
Dual Enrollment	1.00	--	--

^a 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).

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

^b 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.

^c Or five periods (at least 180 minutes) per week.

APPENDIX III-D
FOUNDATION AID PUPIL UNITS

Total Wealth Foundation Pupil Units (TWFPU)

The sum of:

- (i) Average daily membership for the year prior to the base year,
- (ii) The full-time equivalent enrollment of resident pupils attending public school elsewhere, less the full-time equivalent enrollment of nonresident pupils, and
- (iii) The full-time equivalent enrollment of resident pupils attending a board of cooperative educational services full time.

Selected Total Aidable Foundation Pupil Units (TAFPU)

For the purposes of computing Foundation Aid, districts may select the TAFPU calculated for the current aid year, or the average of the TAFPU calculated for the current year and the TAFPU calculated for the base year. In determining the average TAFPU, current year TAFPU definitions are used for both years.

Total Aidable Foundation Pupil Units (TAFPU) =

(2014-15 Average Daily Membership (ADM) x Base Year Enrollment Index) +
(2014-15 Summer ADM x .12) + 2014-15 Weighted Foundation Pupils with
Disabilities (WFPWD)

Average Daily Membership (ADM) =

- Possible aggregate attendance of students in kindergarten through grade 12 (or equivalent ungraded programs), which is the total of the number of enrolled students that could have attended school on all days of session divided by the number of days of session;
- Possible aggregate attendance of non-resident students (in-state and out of state) attending the district full time but not resident students enrolled full time in another district;
- Possible aggregate attendance of Native American students that are residents of any portion of a reservation located wholly or partially in New York State;
- Possible aggregate attendance of students living on federally owned land or property;
- Possible aggregate attendance of students receiving home or hospital instruction (not home-schooled students, including students receiving instruction through a two-way telephone communication system);
- Full-time-equivalent enrollment of resident pupils attending a charter school;
- Full time equivalent enrollment of pupils with disabilities in BOCES programs;
- Equivalent attendance of students under the age of 21, not on a regular day school register in programs leading to a high school diploma or high school equivalency diploma;
- Average daily attendance of dual enrolled nonpublic school students in

career education, gifted and talented, and special education programs of the public school district as authorized by Section 3602-c of the Education Law. Attendance is weighted by the fraction of the school day that the student is enrolled in the public school programs. Dual Enrolled students with disabilities are further weighted at 1.41.

Enrollment Index for the base year =

$$\frac{2015-16 \text{ Public School Enrollment}}{2014-15 \text{ Public School Enrollment}}$$

Summer Average Daily Membership =

Possible aggregate attendance (in hours) of pupils who attend programs of instruction operated by the district during the months of July and August, other than pupils with disabilities in twelve month programs, divided by the number of hours summer school was in session.

Weighted Foundation Pupils With Disabilities (WFPWD) =

The full-time equivalent enrollment of pupils with disabilities determined by a school district committee on special education to require any of the services listed below, and who receive such services from the school district of attendance during the year prior to the base year will be multiplied by 1.41. (A weighting based on a Regents' analysis of special education and general education costs in successful school districts):

- Placement for 60 percent or more of the school day in a special class;
- Home or hospital instruction for a period of more than sixty days;
- Special services or programs for more than 60 percent of the school day;
- Placement for 20 percent or more of the school week in a resource room or requiring special services or programs including related services for 20% or more of the school week, or in the case of pupils in grades seven through twelve or a multi-level middle school program as defined by the commissioner or in the case of pupils in grades four through six in an elementary school operating on a period basis, the equivalent of five periods per week, but not less than the equivalent of one hundred eighty minutes in a resource room or in other special services or programs including related services, or
- At least two hours per week of direct or indirect consultant teacher services

PLUS

0.50 multiplied by the full time equivalent enrollment of declassified pupils. (Declassified pupils are pupils in their first year in a full-time regular education program after having been in a special education program)

APPENDIX III-E
REGIONAL COST INDEX

Counties in each region - Regional Cost Index

Capital District - 1.124	Mohawk Valley - 1.000
Albany	Fulton
Columbia	Herkimer
Greene	Madison
Rensselaer	Montgomery
Saratoga	Oneida
Schenectady	Schoharie
Warren	
Washington	
Central New York - 1.103	North Country - 1.000
Cayuga	Clinton
Cortland	Essex
Onondaga	Franklin
Oswego	Hamilton
	Jefferson
	Lewis
	St. Lawrence
Finger Lakes - 1.141	Southern Tier - 1.045
Genesee	Broome
Livingston	Chemung
Monroe	Chenango
Ontario	Delaware
Orleans	Otsego
Seneca	Schuyler
Wayne	Steuben
Wyoming	Tioga
Yates	Tompkins
Hudson Valley - 1.314	Western - 1.091
Dutchess	Allegany
Orange	Cattaraugus
Putnam	Chautauqua
Rockland	Erie
Sullivan	Niagara
Ulster	
Westchester	
Long Island/New York City - 1.425	
New York City	
Nassau	
Suffolk	

NOTE: School districts are assigned to counties based on the location of the district's central office. The regional cost indices are based on a Regents' study of median salaries for 59 professional, non-teaching, occupations in nine labor force regions.