

FY 2013 School Budget Allocations & Fair Student Funding Proposals



**Department of
Education**

Dennis M. Walcott, Chancellor

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- Fiscal Year 2013 DOE Budget
- Fiscal Year 2013 School Budgets
- Fiscal Year 2013 Fair Student Funding
- Feedback



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DOE 2012-2013 Budget (\$000)

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Fund Sources:		
	City	\$9,222,108
	State	\$8,349,454
	Federal	\$1,956,530
	Other Categorical	\$96,618
	Intra-City	\$8,784
Total Operating Budget		\$19,633,494
	Pension	\$2,810,837
	Debt Services	\$2,093,439
FY 13 Total Budget		\$24,537,770

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2012-2013 Fiscal Condition: Anticipated Impact on School Budgets

While the 2012-2013 DOE Revenue Forecast is similar to the 2011-2012 condition*, system-wide rising costs for items such as special education mandates, teacher compensation, and register changes impose an additional impact on the department, for which we do not receive additional funds.

The DOE has been working diligently to accommodate reductions in central and field budgets in order to minimize the school-level financial impact of these rising costs.



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School Budget Allocations

Schools receive funds allocated via a variety of methods including:

- Tax Levy Funding Streams such as Fair Student Funding, which supports pupils instructional programming mandates and needs
- State and federal funding streams (“categorical”) that often have externally determined allocation methodologies (e.g. C4E, Title I, etc.)
- Mandate Support allocations, based upon individual pupil needs (e.g., IEP Para, Mandated Speech, etc)
- Programmatic Allocations, targeted to support specific goals (e.g. Parent Coordinators)

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Philosophy and Background of Fair Student Funding (FSF)

Philosophy of FSF

- Money follows the student and every school receives the same dollars-per-student based on student attributes

Background

- Fair Student Funding (FSF) was established in FY 2008
- Year-over-year budget reductions have impeded the plan – particularly the state’s failure to implement Campaign for Fiscal Equity (CFE) dollars

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How FSF Works

- All schools receive a fixed “foundation” allocation (\$225,000) to pay for the principal, a secretary and other minor administrative costs
- All schools receive grade level based funding to support basic mandated instruction including the classroom teacher, teacher coverage, and educational materials
- Schools serving students with disabilities, English language learners, or low academic achievers, receive additional funding
- Specialized High Schools such as Career and Technical, Specialized Audition, Specialized Testing and Transfer schools receive additional per pupil funding

EXAMPLE:

John is in 6th grade at a public school in Brooklyn. He is a special education student and an English language learner. Based on his enrollment, his school will receive:



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FY12 FSF Weights

- 1 • DOE Budget
- 2 • School Budgets
- 3 • Fair Student Funding
- 4 • Feedback

	K-5	6-8	9-12
Grade Weights			
	1	1.08	1.03
Need Weights			
Academic Intervention			
Poverty	0.12	—	—
Achievement—well below standards	—	0.5	0.4
Achievement—below standards	—	0.35	0.25
ELL	0.4	0.5	0.5
Special Education	K-5	6-8	9-12
Less than 20%	0.56	0.56	0.56
20–60%	0.68	0.68	0.68
Greater than 60% (self-contained)	1.23	1.23	0.58
Greater than 60% (integrated) K only	2.28	—	—
Greater than 60% (integrated) grades 1-12	1.9	1.9	2.1
Portfolio Weights	K-5	6-8	9-12
Specialized Audition schools	—	—	0.35
Specialized Selective schools	—	—	0.25
CTE schools	—	—	0.05–0.25
Transfer schools	—	—	0.4

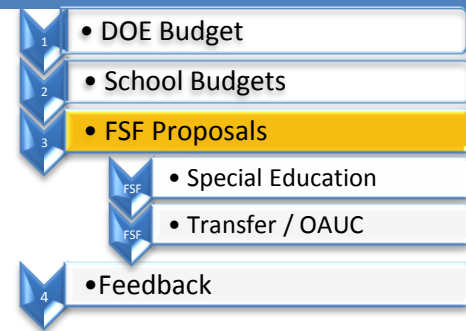
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Subject to Change Contingent on the City's Executive Budget

Fair Student Funding Formula

Proposed Changes for FY13



The following slides present proposals for changes in the needs weights in Fair Student Funding (FSF). Any change to FSF will need to be approved by the Panel for Educational Policy. The proposed dollar amounts and weight changes on the following slides are presented for the purposes of discussion and are subject to change. Fair Student Funding changes under consideration are:

- Adjustments to the Fair Student Funding Special Education Weights in support of the 2012-2013 System-wide Roll-Out of the Special Education Reform
- Adjustments to the Fair Student Funding Transfer School Weight to better support high schools pupils with significant graduation challenges

FSF Special Education Funding Changes: Supporting the Instructional Goals of the Reform

- 1 • DOE Budget
- 2 • School Budgets
- 3 • FSF Proposals
 - **Special Education**
 - Transfer / OAUC
- 4 • Feedback

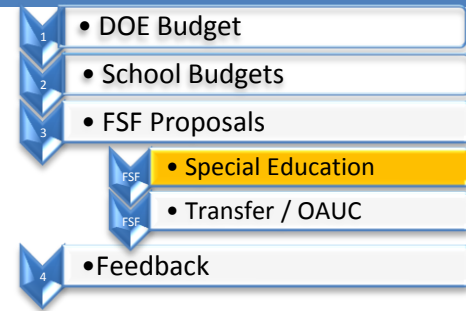


- ❖ **Per capita rather than class funding, regardless of SE service model**
- ❖ **Increased per capita funding for:**
20-60% programming, including multi-SETSS, part-time SC and part-time ICT
- ❖ **Decreased funding for full-time ICT across all grades and full time SC in K-8**
- ❖ **To support the transition into general education and IEP declassification services, funding for students who are declassified**



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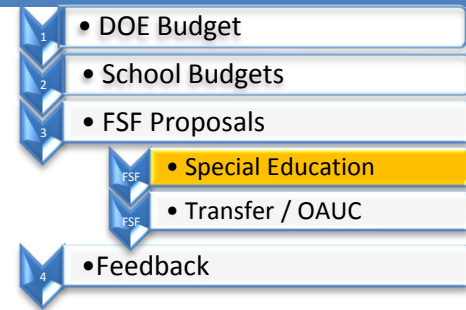
Revised Special Education Funding Formula: Building Flexibility to Drive Achievement



Adjusting the needs weights can...

- provide more weight for flexible programming to assist schools in building strong part-time supports for students with disabilities
- lessen the provided amount for full-time special education programs in order to promote thoughtful individualized use of the continuum of services
- support post-IEP transitional services

Revised Special Education Funding Formula: Maintaining School Stability

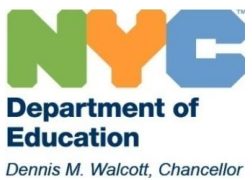


- Goals:
 - Minimize large year-over-year swings in school budgets which are unrelated to register change
 - Support the system-wide implementation of the Special Education Reform
- Implementation:
 - FY12 FSF per capita dollars will be preserved for stable registers
 - For changing registers, FY12 stability will be maintained by taking into account current funding levels
 - Schools will receive a per capita allocation for special education registers, similar to high schools, new schools, and Phase 1 schools
 - FY12 allocation for unfilled seats will be gradually phased down

FY13 Special Education Per Capitas: Proposal Under Consideration

- 1 • DOE Budget
- 2 • School Budgets
- 3 • FSF Proposals
 - FSF • Special Education
 - FSF • Transfer / OAUC
- 4 • Feedback

FSF Needs Weights for Special Education	FY12 FSF per capita	FY13 Proposed FSF per capita	Change
SINGLE SETSS	\$ 2,288	\$ 2,288	\$ -
20% to 60% (multi-SETSS, part time SC, part time ICT)	\$ 2,779	\$ 5,109	\$ 2,330
SC K-8 (12 students)	\$ 5,024	\$ 4,824	\$ (200)
SC 9-12 (15 students)	\$ 2,386	\$ 2,386	\$ -
ICT K (10 students)	\$ 9,314	\$ 8,531	\$ (783)
ICT 1-5 (12 students)	\$ 7,762	\$ 7,109	\$ (653)
ICT 6-8 (12 students)	\$ 7,762	\$ 7,109	\$ (653)
ICT 9-12 (12 students)	\$ 8,579	\$ 7,109	\$ (1,470)
POST-IEP TRANSITIONAL SUPPORT	N/A	\$ 500	\$ 500



Proposals are subject to approval from the Panel for Educational Policy.

Subject to Change Contingent on the City's Executive Budget

Proposed FSF Funding for Transfer & Over-Age Under Credited Pupils

- 1 • DOE Budget
- 2 • School Budgets
- 3 • FSF Proposals
 - FSF • Special Education
 - FSF • Transfer School Weights
 - FSF • Overage Under credited OTC
- 4 • Feedback

FSF Transfer Weight Status Quo:

- Additional funding for all pupils enrolled at transfer schools, regardless of pupil academic standing
- Wide distribution among transfer schools in the % of the population with heavy graduation challenges*
- No funding incentive for traditional high schools to take pupils with heavy graduation challenges*

Proposal:

- Reduce funding for Transfer school pupils who are not over-aged and under-credited
- Fund over-aged under-credited OTC students enrolling in traditional high schools with the same weights used for similar students who enroll in transfer schools

- 2-year phase-in

Proposed FSF Pupil Per Capita	FY12	FY13	FY14+
Transfer School -- Heavy Challenge	\$ 1,634	\$ 1,634	\$ 1,634
Transfer School -- Non-Heavy Challenge	\$ 1,634	\$ 1,242	\$ 851
Non-Transfer School -- Heavy Graduation Challenge OTC	\$ -	\$ 816	\$ 1,634
Impact	# schools	# pupils	total impact*
Transfer School -- Heavy Challenge	48	4,212	-
Transfer School -- Non-Heavy Challenge		7,526	(5,366,313)
Non-Transfer Schools -- Heavy Challenge	343	3,605	5,366,313
Non-Transfer School -- Non-Heavy Challenge Challenge	75		-
* due to revenue cuts; FSF is not funded at 100% of the formula. Total impact evaluated at the FY12 average FSF rate.			



FY13 Proposed FSF Weights

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	K-5	6-8	9-12
Grade Weights	1	1.08	1.03
Need Weights			
Academic Intervention	K-5	6-8	9-12
Poverty	0.12	—	—
Achievement—well below standards	—	0.5	0.4
Achievement—below standards	—	0.35	0.25
Heavy Graduation Challenge OTC	—	—	0.18
ELL	0.4	0.5	0.5
Special Education	K-5	6-8	9-12
Less than 20%	0.56	0.56	0.56
20-60%	1.25	1.25	1.25
Greater than 60% (self-contained)	1.18	1.18	0.58
Greater than 60% (integrated) K only	2.09	—	—
Greater than 60% (integrated) grades 1-12	1.74	1.74	1.74
Transitional Supplement	0.12	0.12	0.12
Portfolio Weights	K-5	6-8	9-12
Specialized Audition schools	—	—	0.35
Specialized Selective schools	—	—	0.25
CTE schools	—	—	0.05-0.25
Transfer schools -- Heavy Graduation Challenge	—	—	0.4
Transfer schools -- Regular Graduation Challenge	—	—	0.28

Feedback

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Pursuant to Education Law 2590-r, the Chancellor must develop objective formulas for use in allocating revenue among community school districts and schools. The Department of Education uses these formulas, together with an estimate of the total sum of money available to the DOE, to provide community school districts and schools with budget allocations for use in the school-based budgeting process set forth in Chancellor's Regulation B-801.

We would like your input and feedback on Fair Student Funding, our schools' primary source of funding. A copy of this deck can be found at:
<http://schools.nyc.gov/Offices/DBOR/default.htm>

Please provide comments and questions on or before May 17th.

Via email to Budget@schools.nyc.gov

-OR -

By phone to (212) 374-6754.



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