Race to the Top Reform Strategies

- Improve Standards and Assessments
  - Including developing statewide curriculum models and curriculum-embedded formative assessments.
- Develop Longitudinal P-20 Data Systems
  - Create robust data systems to support decision making on policy and instruction.
- Develop and Retain Great Teachers and Leaders
  - With 80 percent of school costs related to personnel and the powerful influence of teachers on student learning, the State must ensure highly effective teachers for all students.
- Turn Around Low-Performing Schools
  - Improve college and career readiness of high need students (e.g., school innovation, AP access, etc.)
NEW YORK STATE PK-12 EDUCATION
A $55.7 BILLION ENTERPRISE
(2009-10 Estimated – Subject to change)

- Total Revenue from State Sources
- Total General and Special Aid Fund Expenditures
- Average Total Expenditure Per Pupil
- Average State Revenue Per Pupil
- $22.0 billion including STAR
- $55.7 billion
- $19,914
- $7,879
STUDENT ACHIEVEMENT
Progress is Occurring but Proficiency is Low

Percentages of New York Students Scoring at or Above a Proficient Level, 4th Grade NAEP Reading and Math, 2000, 2005 and 2009

- Reading
- Math
Two cost categories -- instructional salaries and transportation -- have roughly doubled over 15 years. Employee retirement, health care costs and other instructional expenses, have grown even faster (increasing 195, 223 and 203 percent, respectively).

* Private sector wage growth for comparable industries increased at a slightly slower rate (87 percent over 14 years, compared with 99 percent growth over 15 years, in instructional salaries).
### Members vs. Retirees (TRS)

<table>
<thead>
<tr>
<th>As of June 30</th>
<th>Active Members</th>
<th>Retirees</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1922</td>
<td>-</td>
<td>1,296</td>
<td>N/A</td>
</tr>
<tr>
<td>1960</td>
<td>99,555</td>
<td>10,796</td>
<td>9.2</td>
</tr>
<tr>
<td>1980</td>
<td>203,330</td>
<td>46,812</td>
<td>4.3</td>
</tr>
<tr>
<td>2000</td>
<td>224,986</td>
<td>100,839</td>
<td>2.2</td>
</tr>
<tr>
<td>2009</td>
<td>280,338</td>
<td>139,297</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Average Percent Change in Student Enrollment by County, SY 2002-03 to 2007-08

Enrollment losses are greatest in rural NY. NYC and districts in Upstate urban/suburban counties have smaller pupil losses. Downstate suburban counties have slight enrollment growth, with Orange, Rockland and Westchester experiencing the greatest percentage change.

Percent Change over the 5-Yr. Period

- Negative 15 to negative 6
- Negative five to negative one
- Zero to positive 1
- Four percent or greater

Source: SED Fiscal Profiles
$19.6 billion in general support to public schools, a 3.3 percent reduction from the prior year

Most formulas continued unchanged

Foundation Aid frozen to 2012-13 and then phased in to 2016-17

Instructional materials aids flexibility

$2.6 billion Gap Elimination Adjustment

For 2012-13 and on, limits the growth in aid to the growth in personal income

Reinstitutes Contracts for Excellence

Expense-based aids increase by $231 million

Two new grant programs for school districts $250 million each

- School District Performance Improvement Awards
- School District Management Efficiency Awards
2011-12
PROPERTY TAX REPORT CARD

- 99.7 percent of districts have submitted
- Budgeted spending increased on average 1.25%
  - 39% flat or decreasing
  - 60% increased budgeted spending less than the CPI (1.6%)
  - 40% increased budgeted spending more than the CPI
- Tax levy increased an average of 3.43%
- Enrollment
  - Average decrease of .69%
  - 74% of districts had flat or declining enrollment
### 2011-12 Property Tax Report Card

#### Regional Variation

<table>
<thead>
<tr>
<th>Category</th>
<th>Total State</th>
<th>Long Island</th>
<th>Rest of State</th>
<th>High Need Rural</th>
<th>Average Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted Spending</td>
<td>1.25%</td>
<td>1.25%</td>
<td>1.26%</td>
<td>0.9%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Tax Levy</td>
<td>3.4%</td>
<td>3.2%</td>
<td>3.5%</td>
<td>3.3%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Enrollment</td>
<td>-0.7%</td>
<td>-0.8%</td>
<td>-0.7%</td>
<td>-0.8%</td>
<td>-0.6%</td>
</tr>
</tbody>
</table>

- Fund balance changes show districts drawing on reserves and appropriating an increasing amount for next year’s budget:

<table>
<thead>
<tr>
<th>Category</th>
<th>Old Designation</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Restricted Fund Balance</td>
<td>Reserved Fund Balance</td>
<td>-8.95%</td>
</tr>
<tr>
<td>Assigned Appropriated Fund Balance</td>
<td>Appropriated Fund Balance</td>
<td>5.16%</td>
</tr>
<tr>
<td>Adjusted Unrestricted Fund Balance</td>
<td>Unreserved, Unappropriated Fund Balance</td>
<td>-18.27%</td>
</tr>
</tbody>
</table>
**IMPROVE SCHOOL OPERATIONAL EFFICIENCY**

- Implement School District Management Efficiency Awards Program.
- Promote restructuring and reorganization strategies.
- Restructure Building Aid.
- Encourage regional transportation with a New York State pilot project authorized in Laws of 2010 underway.
- Implement special education mandate relief and cost-saving proposals that provide administrative relief or cost savings to school districts but do not adversely impact the quality of special education supports and services available to students with disabilities.