



2011-12 Budget Presentation

Implementing the Regents Reform Agenda:
Accelerating Student Achievement
in Difficult Fiscal Times

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There is Good News About Schools

- NY ranks 2nd in percentage of students who pass AP exams and participation has increased for all student subpopulations
- NY rated 2nd in *Quality Counts 2011* for overall education policy and performance
- NY consistently ranks 1st or 2nd in the number of Intel Science Talent Search finalists (7 finalists for 2011)
- 19 NY schools honored by the U.S. Department of Education as *National Blue Ribbon Schools of Excellence* in 2010
- Since higher standards were adopted, more than 14 times as many students with disabilities earned Regents diplomas (526 in 1996 to 7,708 in 2009)
- More NY students in the class of 2010 took the SAT than any other class in the state's history and this group was more diverse than ever before — 42% were minorities, 38.8% said they will be first-generation college attendees
- 74% of full-time, first-time students earn their bachelor's degrees within six years of entering college



Our Challenge: Graduating All Students College and Career Ready

New York's 4-year high school graduation rate is only 71.8% (all students) and 76.8% for General Education Students. And the gaps are disturbing.

NYS Public School General Education Students June 2009 Graduation Rate

All students who started 9th grade in 2005, after 4 years

Actual (Reported) Graduation

General Ed Students	% Graduating
Total	76.8
American Indian	62.7
Asian/Pacific Islander	82.0
Black	62.0
Hispanic	59.6
White	87.3
Students with Disabilities	42.1

Calculated College and Career Readiness*

General Ed Students	% Graduating
Total	40.8
American Indian	23.7
Asian/Pacific Islander	55.6
Black	15.2
Hispanic	16.8
White	56.2
Students with Disabilities	16.4

*Students graduating with at least a score of 75 on Regents English and 80 on the Math Regents, which correlates with success in first-year college courses.

Our Challenge: Graduating All Students College and Career Ready

Raising high school graduation rates is not enough.
Graduates must be ready for college and 21st century careers.

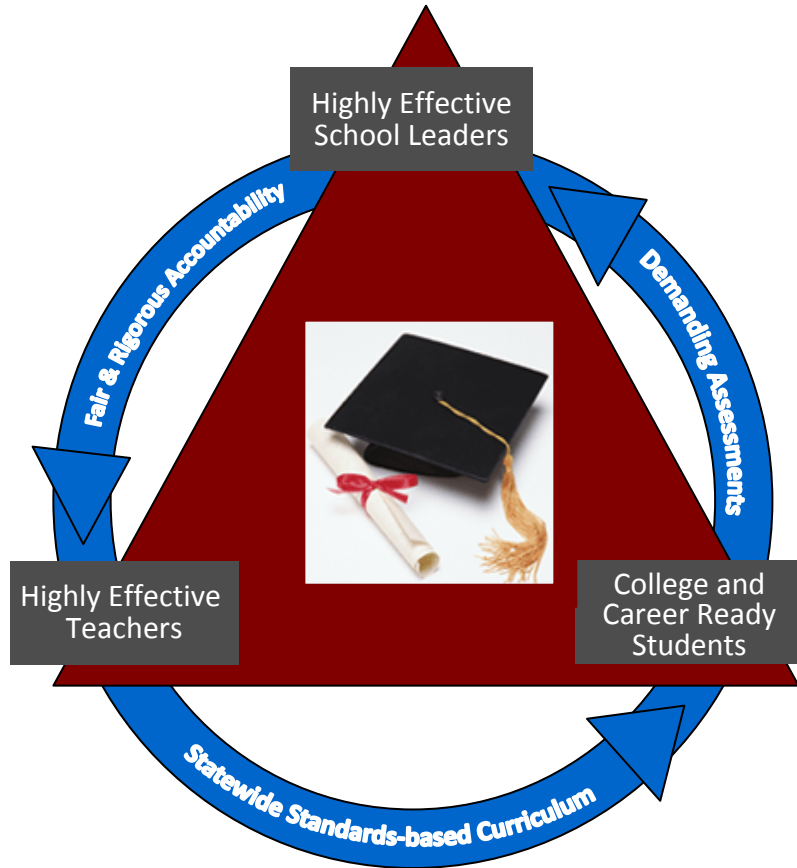
2009-10 Public School Student Performance on Selected State Assessments

Assessments →	Grades 3-8		Regents	
Proficiency Standards →	Scoring 3 or 4*		≥ 75**	≥ 80**
Student Groups	ELA	Math	English	Math
All Students	53.2	61.0	55.6	41.7
American Indian	42.3	49.5	42.1	26.7
Asian/Pacific Islander	67.9	81.7	68.0	65.0
Black	34.4	40.9	34.3	16.3
Hispanic	36.8	47.3	35.6	19.1
White	64.8	71.1	68.8	56.0
Students with Disabilities	15.2	24.6	14.6	9.5
English Language Learners	14.3	30.7	11.7	14.9
Economically Disadvantaged	39.1	49.0	40.9	25.4

*Adjusted cut scores to demonstrate a student is “on track” for being college and career ready at graduation

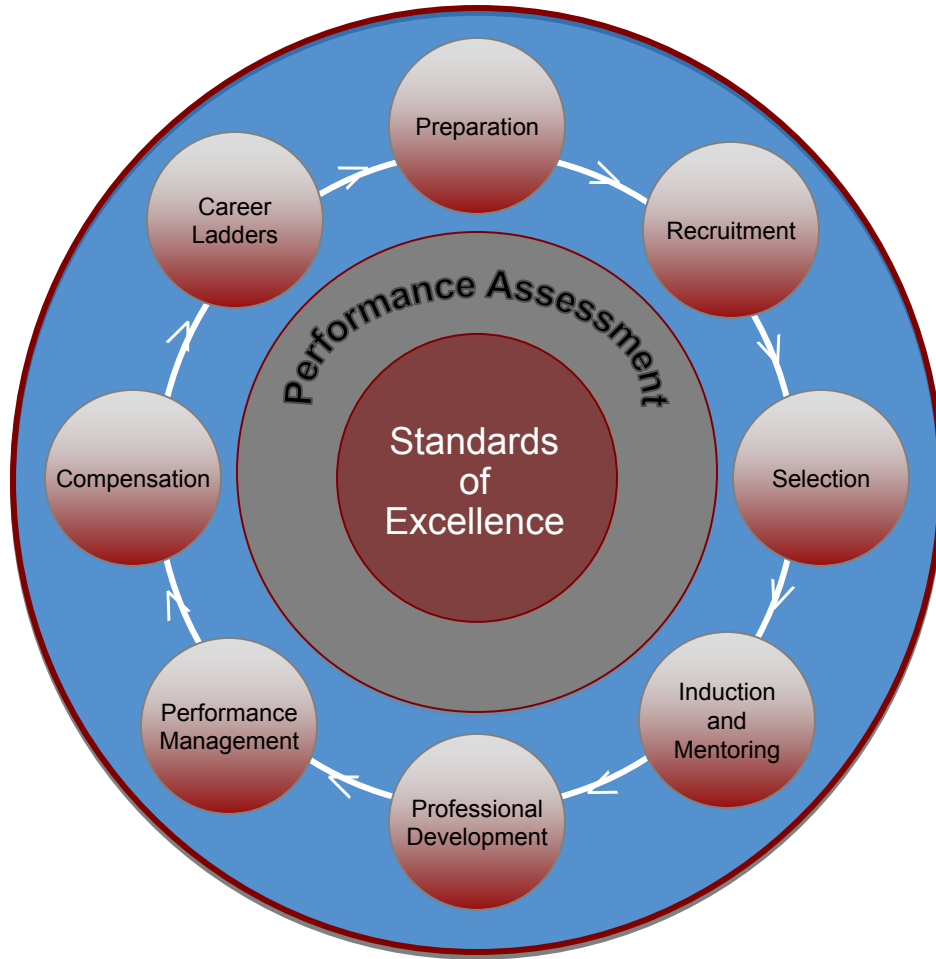
**Minimum scores estimated to be needed to avoid remediation at NYS public postsecondary institutions.

Regents Reform Agenda



- Adopting Common Core standards and developing curriculum and assessments aligned to these standards to prepare students for success in college and the workplace
- Building instructional data systems that measure student success and inform teachers and principals how they can improve their practice in real time
- Recruiting, developing, retaining, and rewarding effective teachers and principals
- Turning around the lowest-achieving schools

Ensuring Teacher and Principal Excellence



- Expanded clinical experience
- Exams that test clinical skills and, for professional certification, effects on students
- Career ladders
- Professional development based on evaluation system

Regents Reform Agenda: Goals

- 1) **Teacher/School Leader Preparation and Effectiveness** – Change emphasis to content knowledge; pedagogical skills; and measurable, performance-based evaluation
- 2) **Early Childhood** – Expand access to high-quality learning opportunities
- 3) **Raise Graduation Rates for At-Risk Students** – Increase graduation by redesigning secondary schools to increase student engagement and ensure college and career readiness
- 4) **Curriculum and Professional Development** – Provide every student with a world-class, rigorous curriculum and train teachers to use it effectively
- 5) **Assessment** – Align with common core standards, evaluate college and career ready status, provide data for effective decision-making
- 6) **P-20 Data System** – Provide information that will strengthen decision-making at the classroom, school, district, and state policy levels
- 7) **Replace Failing Schools** – Close chronically underperforming schools; work with districts to implement strategies to dramatically improve outcomes for students attending the lowest-performing schools
- 8) **Transform NYSED** – From compliance-oriented to service-oriented agency leveraging its resources to prepare students to be college and career ready

Regents Reform Agenda: Our Assets

Legislative Support — Laws of 2010

- Chapter 100: Longitudinal Data Systems Capital Funds
- Chapter 101: Raised charter school cap from 200 to 460; Promotes equal access; increases public accountability and transparency
- Chapter 103: Authorizes boards of education and NYC Chancellor to contract with Educational Partner Organizations (EPOs) to manage schools identified as SURR or Persistently Lowest Achieving (PLAs), subject to Education Commissioner approval
- Chapter 103: Establishes comprehensive annual evaluation system for teachers and principals, based on measures of effectiveness and establishes expedited disciplinary process for those rated “ineffective” in 2 consecutive annual evaluations

Financial Investments Targeted for Education Reform

- Race to the Top — \$696.6 million
- School Improvement Grants — \$354 million
- Teacher Incentive Fund — \$40.5 million
- Institute for Education Sciences — \$27.5 million
- Public-Private Partnerships: Smart Scholars Early College Initiative — \$12.0 million
- Regents Research Fund — \$4.0 million raised to date



State Aid to Schools

Regents 2011-12 Proposal

- Provides for a realistic phase-in of Foundation Aid on a schedule consistent with the Executive proposal
- Holds the overall amount of Foundation Aid at last year's levels, while using more current data to allocate aid among districts
- Makes tough — but fair — choices in reining in the growth of expense-based aids:
 - Growth in BOCES Aid and Transportation Aid are controlled through the use of an allocation more focused on high need districts and better reflecting district fiscal capacity
 - Building Aid is not affected for 2011-12, but the Regents suggest a number of ways in which future growth could be moderated, including:
 - ✓ Limiting the use of the 10% incentive aid ratio
 - ✓ Eliminating the provision allowing districts to select the most favorable reimbursement rate back to 1981
 - ✓ Eliminating an overly-generous loophole in the calculation of aid on costs that are incidental to approved projects
 - ✓ Eliminating aid for projects with a useful life of less than fifteen years

Any reductions in State Aid should provide the least cuts to the highest-need districts

Regents 2011-12 State Aid Proposal

Program	2010-11 School Year	Regents 2011-12 Request	Regents Change from Base
General Purpose Aid	\$15,546	\$15,413	(\$133)
• Foundation Aid	\$14,894	\$14,894	\$0
• Aid for Early Childhood Education	\$394	\$439	\$45
Support for Pupils with Disabilities	\$788	\$825	\$37
BOCES/Career and Technical Ed	\$913	\$908	(\$5)
Instructional Materials Aids	\$283	\$287	\$4
Expense-Based Aids	\$4,058	\$4,264	\$206
Computerized Aids Subtotal	\$21,588	\$21,697	\$109
All Other Aids	\$277	\$259	(\$18)
Total GSPS	\$21,865	\$21,956	\$91
Net Adjustments	(\$2,270)	\$0	\$2,270
Federal ARRA Apportionments	\$1,336	\$0	(\$1,336)
Grand Total	\$20,931	\$21,956	\$1,025

Mandate Relief

Last Legislative Session

- Regents supported legislative initiatives to provide relief:
 - Repealing the Wicks law
 - Eliminating unnecessary and burdensome planning and reporting requirements
 - Promoting strategies to encourage regional transportation agreements
- Department advanced legislation (A.8398/5636) to address special education costs and mandates

Current Activities

- Regents State Aid proposal with several mandate relief proposals, including further changes to the existing special education requirements, eliminating certain planning and reporting requirements, and reducing burdensome middle school requirements.
- This month, the Board considered a menu of 50 mandate relief proposals — both regulatory and statutory
- The Regents will continue to explore opportunities to reduce mandates while maintaining or improving the quality of our educational programs

Reducing Special Education Costs

The Regents:

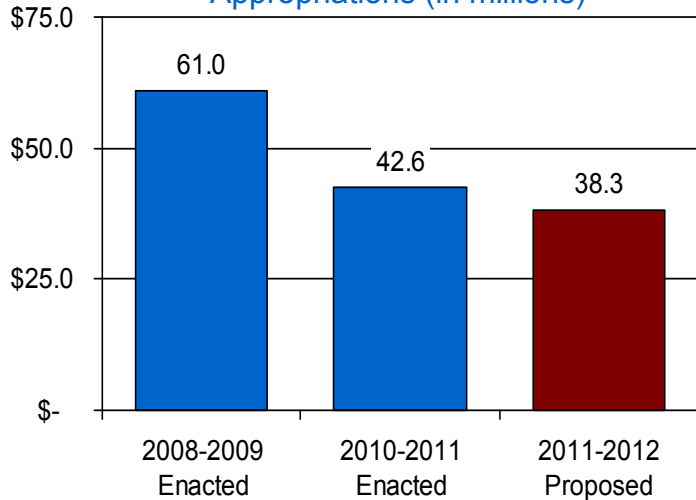
- Provided flexibility for addressing mid-year programming needs without additional cost
 - Eliminated certain minimum service requirements
 - Are examining additional mandate relief options
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School Districts Can:

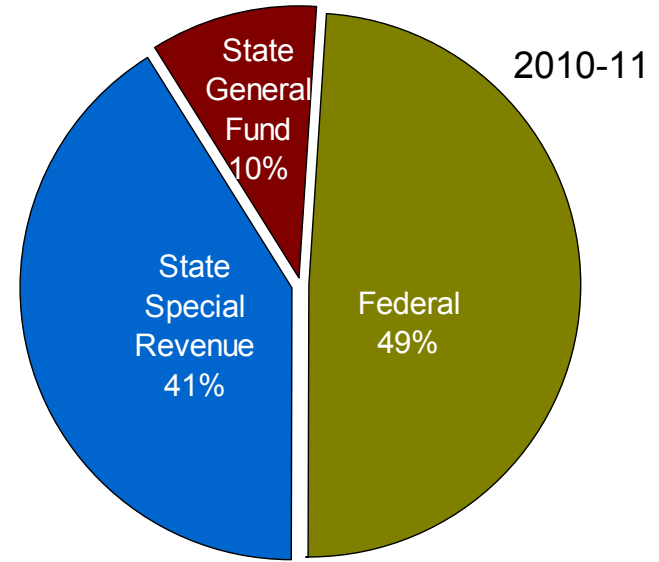
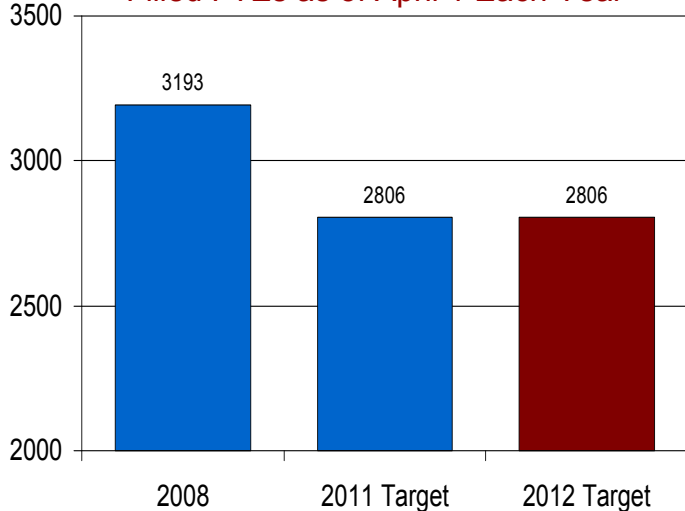
- Lower classification rate with research based general education instruction
 - Serve more students in in-district programs
 - Reduce reliance on 1:1 staffing with positive behavioral strategies
 - Control due process costs through improved collaboration with parents
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Our Challenge: Constrained Capacity and Resources

General Fund Operations
Appropriations (in millions)



Filled FTEs as of April 1 Each Year

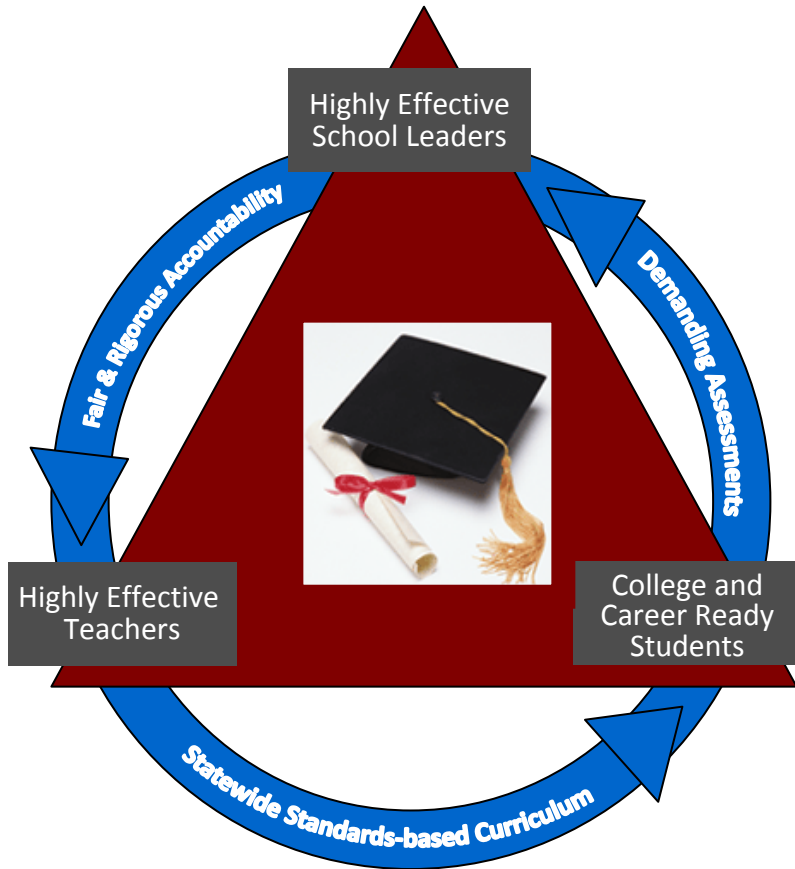


Since 2008:

- Department has lost almost 400 staff
 - General Fund support down 1/3
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- Over 90% of staff supported by funding sources that provide little or no discretion in use
 - RTTT funds for reform initiatives, not for State or local basic operations

Additional 10% General Fund cut will be difficult

Critical Regents 2011-12 Requests



Regents Exams	\$15,000,000
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Tenured Teacher Hearings	\$7,500,000
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Access to GED Testing	\$700,000
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The Ultimate Goal and Our Challenge –
Graduating All Students College and Career Ready

Structural Imbalance in Regents Exams

Despite Cost Containment by the Department

- A key measure of taxpayers' "return on investment"
- Needed benchmarks for State's accountability system
- 5 exams required for Regents Diploma
(English, Math, Science, Global History and Geography, U.S. History and Government)
- 8 exams required for Regents Diploma with Advanced Designation
- 17 exams in 5 different subjects
- Administered 3 times a year
- 2.3 million exams taken annually

What we have eliminated to contain costs:

- Paper scoring materials for Regents exams; scoring training materials/ answer keys now on web
- Translation of exams into 4 foreign languages
- August Administration of Algebra 2/Trigonometry and Chemistry exams
- HS foreign language Regents exams except for Spanish, French and Italian

Request \$15 million for Regents Exams to maintain current exams and allow us to:

- Design Grade 9 and 10 Regents English Exams
- Restore translations into Chinese, Haitian-Creole, Korean, Russian
- Make exams less predictable
- Make exams more comprehensive
- Make exams more performance-based
- Make exams better aligned to college and career readiness
- Ensure adequate test monitoring and security

Tenured Teacher Hearings

Process to Discipline or Discharge a Tenured Educator

- Budget request of \$7.5 million covers the cumulative deficit and the annual funding gap. Program has been chronically underfunded.
- SED is about 15 months behind in paying bills. SED's role is limited to minimal administrative responsibilities and paying the costs of the AAA arbitrator and stenographer. Costs have spiraled due to increases in the number and length of cases and arbitrator rates.
- Arbitrators are resigning; refusing to conduct further hearings; and delaying the issuance of decisions.

Fully Functioning System is Essential for Reform

Legislative Proposal – Programmatic and Fiscal Reforms Would:

- 1) Limit Department's liability to the annual appropriation and subsidize overall costs
- 2) Split any additional costs equally between school district and teachers

GED: Access and Success

More New Yorkers should have the opportunity to pass this test and earn a High School Equivalency Diploma



- NYS has 2nd **highest** test access but 2nd **lowest** results
- 66% of those with some preparation pass and only 44% without preparation pass the test
- NYS is 1 of 4 states that does not charge a fee
- Funding shortfall of \$700,000

Board of Regents supports

Student readiness requirement (pre-test)

Imposition of reasonable fee

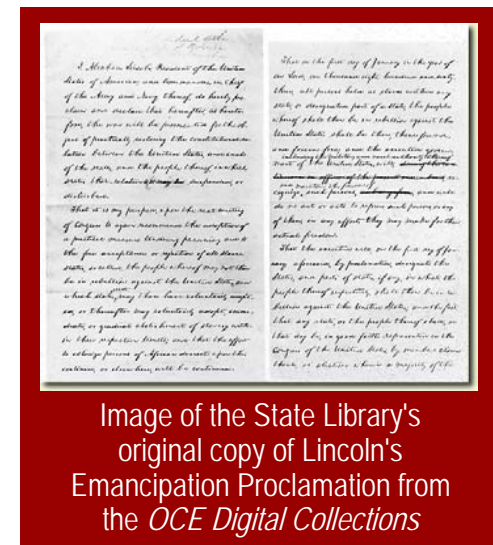
Adult Career and Continuing Education Services (ACCES)

- The State Education Department has reorganized to increase focus on services for individuals no longer in the P-12 system or in higher education
- ACCES' wide range of education and career services provides better access to continued learning and improved career opportunities
- The services we offer include:
 - Vocational Rehabilitation for individuals with disabilities
 - Independent Living administration for individuals with disabilities
 - Adult Education programs
 - General Educational Development (GED) test administration
 - Proprietary Schools Supervision and consumer protection
- During the last year, ACCES programs:
 - Achieved 12,000 employment outcomes for individuals with disabilities
 - Served 83,000 individuals through the Independent Living Centers
 - Provided for adult education services for over 129,000 adults
 - Administered 55,000 GED tests with a 53% pass rate
 - Provided protection for over 200,000 proprietary school students

Cultural Education

Plays an important role in learning and generates over \$1 billion in annual economic activity

- SED operates the State museum, archives and library.
 - Approximately 770,000 onsite visitors and 1.5 million remote users
 - Preserves over 50 million records and provides 30,000 interlibrary loans.
- SED also works with libraries, local governments, public television, public radio, zoos, and botanical gardens.
- Aggressive actions are being taken to reduce costs to better align with revenues. More work lies ahead.



In Summary

- Our students need a world-class education more than ever — precisely because of the difficult economy
- Regents education reform agenda has momentum — and support from many
- But reform will be put at risk if districts are unable to find cost-effective ways to fund mandated costs and basic operations
- We seek your support to help:
 - Regents State Aid proposal
 - Regents critical funding requests
 - Substantive mandate relief

