



Children First Initiative

Some Answers to the Most Common Criticisms

Noreen Connell

Q: Why restructure both instruction and administration – and all in one year? Isn't this too ambitious? Why not start with pilot projects, like other Chancellors have done?

A #1: Change in one area can be subverted if the whole system isn't changed. Pilot projects rarely "scale up" successfully, they just give different constituencies more time to close them down.

A #2: Change is painful. Might as well get as much as possible done in one miserable, chaotic year.

A #3: The new governance of the city school system might explain the hurry. The election cycle for mayors may set the pace for change for the near future.

Q: Is *Children First* affordable?

A #1: This is the most common complaint and represents an indirect, veiled criticism. Many of the previous changes put into place by Chancellors tended to be additions of new functions and staff, so they cost additional funds. Children First eliminated old structures, not built upon them, so funding for the old administration apparatus can be used for the new administrative apparatus. Of course, it may not be quite the low-cost transformation that Chancellor Klein has promised, but it could remain largely self-funded.

A #2: Initially, yes. But as top administrators belatedly discover the true extent of administrative functions that were carried out by community school district staff, the bureaucracy will grow larger.

A #3: Who cares? The important question is whether this new system will result in improved performance of schools and better instruction and services for children.

Q: Is a mandated curriculum in math and English Arts a good idea?

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Appeals Court Decision on CFE Lawsuit Settling Questions, Raising Others

Joan Scheuer

On June 26, 2003, New York State's highest court, the Court of Appeals, announced its decision in the case, *Campaign for Fiscal Equity vs. the State of New York*. Reversing most of the rulings of the Appellate Division, the Court of Appeals declared that the state deprived pupils in New York City public schools of their constitutional right to a sound basic education.

Although the decision recommends far-reaching reform of the existing state school funding system, it stopped short of imposing a statewide remedy, requiring only that the state determine the costs of a sound basic education in New York

City and allocate sufficient funds to cover the costs.

The Appeals Court decision, which leaves no practical room for appeal, settles many important issues that have hobbled effective reform of the state's system of funding public

schools. Within New York State, the decision will realign the way responsibility for public education is apportioned. The decision clearly places on state government ultimate responsibility to provide the opportunity for a sound basic education to every child. But the decision does not spell out which branch or agency of government, the legislature, the City of New York, the Governor, the State Education Department or the Board of Regents should be responsible for each of the tasks assigned.

The decision leaves unresolved important questions as to how the statewide budget for education should be determined and how the

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EPP Monitor

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Published to provide information on the impact of budget and administrative decisions on children in New York City public schools.

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Active in P.A.(1) Not active in P.A.(2)

STUDENT

High school(3) College(4)

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U.S. Senate/House Member (18) Staff of (19)
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How Do Public School Resources for Students in NYC Compare to Other Parts of the State?

In the 2000-01 school year, according to the State Education Department's latest *Analysis of School Finances* report (Tables 13 and 14) issued December 2002, average per-pupil expenditures (by total enrollment, with expenditures including debt service) were:

In New York City **\$11,313**
In the rest of the State **\$12,105**

This \$792 difference in per-pupil resources means that for a class of 25 students, schools in the rest of the state, on average, have spent \$19,800 more than schools in New York City. This also means

that if the New York City school district had the same resources as the average for school districts in the rest of the state, its budget for the 2003-04 school year would have been \$13 billion, not \$12.2 billion.

A better comparison, given the higher costs of the downstate area of the state, are per-pupil expenditures of suburban school districts around New York City (Table 4). On average, they are \$2,324 higher. For a class of 25 students, this means suburban districts spent \$58,100 more per classroom. New York City's 2000-01 budget for education would have totaled \$14.7 billion.

The Mission of the Educational Priorities Panel

The goal of the Educational Priorities Panel is to improve the quality of public education for New York City's children so that there is no longer a performance gap between city schools and those in the rest of the state.

EPP pursues this goal by seeking reforms of federal, state and city budget and administrative practices affecting children. Our objectives are: to bring badly needed resources to New York City and other urban school districts; to ensure that funds are distributed fairly; and to advocate that funds are

effectively used for the benefit of students, especially those with the greatest needs for high-quality instruction.

The Educational Priorities Panel was formed as a coalition in 1976, during the height of New York City's fiscal crisis, to prevent further cutbacks to student instruction and services. The Panel's 26 member organizations represent a broad spectrum of civic, racial, ethnic, and religious groups. These organizations use EPP materials and reports to work more knowledgeably to improve public education.

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Why are NYC Schools Still Overcrowded?

Sarah Arnold

After a twelve-year effort and \$10.5 billion spent on NYC schools to “end overcrowding,” the number of elementary school children attending overcrowded schools has dropped by merely 6%. In July 1989 53% of students attended overcrowded main elementary school buildings; by June 2001 47% of elementary school students were still in overcrowded buildings. This was the finding of EPP’s report *Castles in the Sand*, released in April 2002. Why weren’t the Board of Education and the School Construction Authority (SCA) able to make a bigger dent in ending overcrowding? For one, it was more cost efficient to make school repairs rather than build new schools because of the way state funding reimbursement works. For every dollar that the SCA spent to “create new capacity,” (build new schools), New York City was only reimbursed an average of 22 cents. But for every dollar spent on repairs, the city was reimbursed on average 67 cents. So determined to “maximize their dollar” was the Board, in the last five years just 12% of the schools’ capital budget went to new capacity—and a whopping 88% was going to repairs.

Reforms Needed at the State Level

It is important to understand two basic practices of the State Department of Education when it comes to paying for new school construction. First, the state does not have a way of determining which projects are the most important. Instead, any district that wants to build a new school can get the state to pay for part of it—regardless of whether the district is overcrowded or underutilized, has older buildings that are starting to crumble or wants a “state of the art” new annex for a relatively new school.

Second, New York State has been using a different formula for reimbursing New York City for its school construction than the one it has been using for reimbursing other districts. In fact, it has been using an entirely different method. When the state reimburses New York City, it does so based on enrollment numbers submitted by the city to the state. When it reimburses districts outside of the city, it does so based on a host of other factors related to the architectural plans. One is tied directly to enrollment; the other is independent of enrollment. The historical reasons for this discrepancy have to do with New York City’s size and school building codes. But the upshot is that New York City, the district with the *most* overcrowding, has been getting much less state reimbursement for new school construction than other districts. Using enrollment for comparison purposes demonstrates the following reimbursement slight of hand. For the 50 new schools built outside of New York City in the last five years, the districts’ reimbursement for new buildings was computed using a number roughly 1.68 times school enrollment (for some schools, it was up to 3 or 4 times the school’s enrollment). For

New York City, the district with the *most* overcrowding, has been getting much less state reimbursement for new school construction than other districts.

the 25 schools built in New York City, the district’s reimbursement was computed using a number only 1.05 times student enrollment.

EPP’s Recommendations

When EPP released the report last spring, it made a number of recommendations. One major recommendation is to change the way the New York State Department of Education reimburses local districts. Other recommendations are practical, low-cost items which should be pushed for now, in time for the draft of the next Five-Year Plan which will be issued in November 2003. And still others are much needed but are longer term reforms to the whole process. The most immediate need is to change the way New York State reimburses New York City for new school buildings.

EPP recommendations for state reforms

- Revise the reimbursement formula for New York City’s new school construction.
- Raise the cost ceiling for school construction in New York City
- Do not underfund preventive maintenance
- Base the state budgets for capital repair and new school reimbursements on objective determinations of need, rather than as an across-the-board entitlement.

EPP met with Chancellor Klein in October 2002 and has been discussing the need to revise the state’s Building Aid formula with other decision-makers. The Governor put two promising proposals in his Executive Budget.

THE GOVERNOR’S PROPOSALS

1st: Prioritize projects before funding them

Instead of automatically approving all school building projects around the state, the State Department of Education would use a “priority-based selection process.” The priorities were:

Priority 1: Health and safety, all districts.

Priority 2: Overcrowding, all districts.

Priority 3: Replacements/ renovations to buildings more than 40 years old, in districts with a needs-resource index above the median.

Priority 4: Replacements/ renovations to build-

ings more than 20 years old, in districts with a needs-resource index above the median.

Priority 5: Projects to expand basic educational space, or to extend the useful life of the building by at least 15 years, for districts with needs-resource index above the statewide median

Priority 6: Anything not already covered and not ineligible.

Ineligible: Projects to modernize or renovate school buildings under 20 years old, or to correct design flaws, or to renovate or lease space for non-school purposes.

The amount available would cover roughly \$2-3 billion worth of projects. The Governor’s proposal stated that New York City may receive more than 40% but less than 60% of building aid.

What was the catch?

This proposal seemed to move New York State in the right direction. EPP has long wondered why all school building projects were treated equally by the State Education Department, when it was clear that some districts had more pressing needs than others. However, the Governor’s initiative to prioritize state Building Aid was treated as “a poison pill,” that is, so unsavory in the details that it was not going to be passed.

The Governor’s stated goal in restricting building aid was to cut down on the amount that New York State spends on school facilities each year. The amount allocated for the coming year would cover only half of the projects approved in recent years. Even NYC Department of Education officials were unenthusiastic because there was no guarantee that New York City projects would be funded. Though the current universal entitlement means that Building Aid goes to school districts with far fewer needs than New York City, school officials believed that it was better to have an entitlement to this money than facing a risk that projects could be rejected.

2nd: Simplify the reimbursement formula

The Governor had proposed using a simplified reimbursement formula which would be based on: (enrollment) x (space allotment per pupil) x (cost allowance per pupil).

What was the catch?

Having one formula which would apply to all projects in all districts, rather than having some projects funded based on enrollment and others funded based on the amount of space to be constructed, would have been a huge improvement over the current system. The formula for reimbursement already includes an adjustment for regional costs (a.k.a., labor costs are higher in downstate regions and lower in upstate regions). And it also includes an adjustment which figures in districts’ wealth and student needs. Beyond these, however, there may be still other costs which are unaccounted for that drive up construction costs in New York City. For example, in New

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New Seats Not Much Help

Laura Srebnik

The latest announcement by the Department of Education that the system is gaining 5,094 seats through closing community school district offices illustrates why so little progress has been made on overcrowding despite frequent press releases over the years about “new seats.”

According to the School Construction Authority, these seats supplement, rather than supplant capacity building projects in the DOE’s Five Year Capital Plan. Nevertheless, these new “seats” will not substantially make a dent in overcrowding.

It is natural to jump to the conclusion that the conversion of administrative space to classroom seats will reduce overcrowding. EPP found that this assumption is not always warranted. For example, if seats are created in school districts that are underutilized, there will be no impact on overcrowding.

EPP evaluated the impact of the conversion on the current community school district structure using the Department of Education’s “School Facilities Enrollment-Capacity-Utilization” Report for 2002-03. This document presents information on “utilization rates” or, the quotient of the number of children enrolled in a school (“utilization”) divided by the number for which it was originally designed (“capacity.”) A school with a utilization rate of 100% has a child registered for every seat in the school as per its design. EPP defines schools with utilization rates over 125% as severely overcrowded.

EPP found that even though the

conversion of administrative space can increase the overall capacity of the system, it is not necessarily located where it is needed to address overcrowding significantly. CSD 3, 11, 22, 72 and 75K or, 5 of the 14 districts affected by the conversions are at 100% utilization.

At the same time, as it was creating seats that were not particularly helpful, the Department was deferring projects specifically designed to address overcrowding. Due to cost overruns and a 25% reduction in funds, the Five-Year Capital Plan was modified in December, 2001. CSD11 and CSD 22 are overcrowded districts that gained seats from the conversion of administrative space. But far larger capacity building projects have been deferred. The construction of two new schools in CSD 11 has been postponed and the Five-Year Capital Plan only allocates funds for the scope and design of these two buildings. CSD 22 was scheduled to get a new school but, all phases (scope, design and construction) have been deferred.

Other districts that EPP identified in “*Castles in the Sand*” as being most overcrowded were also affected by this amendment.

In **CSD 6**, where 17,939 students attend overcrowded elementary school main buildings, IS 93 M new school construction was deferred (Scope and Design still funded) and PS 37 M new school was deferred.

In **CSD 9**, where 11,207 students attend overcrowded elementary school main buildings, classrooms in a leased facility were deferred.

In **CSD 10**, where 20,685 children attend overcrowded elementary school main buildings, Jonas Bronck Academy in a leased facility was deferred.

In **CSD 20**, where 12,858 children attend overcrowded elementary school main buildings, PS/ IS 900 new school was deferred.

In **CSD 24**, where 18,744 children attend overcrowded elementary school main buildings, PS 246@ 199 Q, PS 650L and PS 900B - PS 110 Q new school construction was deferred and classroom space Q leased facility was deferred.

In **CSD 25**, where 8,244 children attend overcrowded elementary school main buildings, PS 244 ECC Q new school and a building addition were deferred.

In **CSD 27**, where 19,409 children attend overcrowded elementary school main buildings PS 64 addition was deferred and ECC 400 Q new school construction was deferred (Scope and Design still funded).

In **CSD 28**, where 10,698 children attend overcrowded elementary school main buildings IS 167 Q new school construction deferred (Scope and Design still funded).

In **CSD 29**, where 10,198 children attend overcrowded elementary school main buildings, PS 650P (PS 263) Q new school construction was deferred (Scope and Design still funded).

In **CSD 30**, where 13,034 children attend overcrowded elementary school main buildings, IS 1200 (PS 650R) Q new school was deferred.

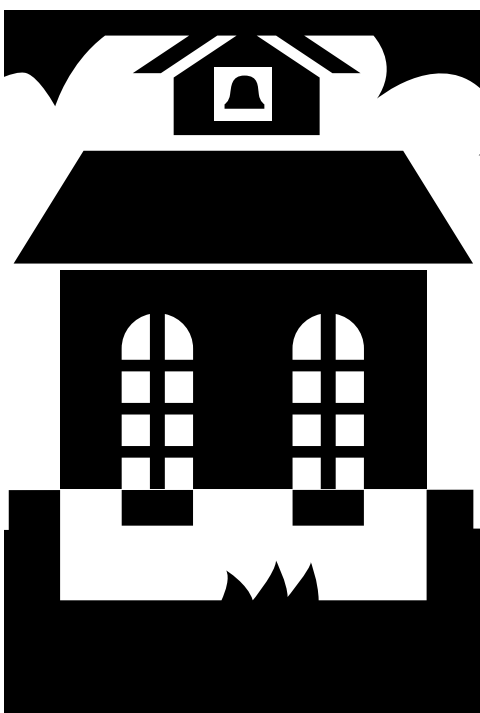
In **CSD 31**, where 13,705 children attend overcrowded elementary school main buildings, PS 43 R new school construction was deferred (Scope and Design still funded).

Various projects in leased facilities in Queens, Brooklyn and the Bronx were also deferred. ♦

Converted New Seats - 2003-2004

(announced by Department of Education, in March 6, 2003 press release)

Districts	Level of Overcrowding Before Conversion (Classroom Seats Needed (+) / Excess Seats (-))	Classroom Seats Created by Conversion	Reduction in Overcrowding
CSD 1	-5,809	330	No
Manhattan High Schools (physically located in CSD 3)	-571	870	Yes
CSD 4	-3,227	510	No
CSD 5	-3,045	420	No
CSD 7	-2,980	240	No
CSD 11	+2,132	180	Yes
Bronx High Schools (physically located in CSD 11)	+5,470	510	Yes
CSD 16	-4,161	510	No
CSD 18 (2 locations)	-1,103	600	No
Citywide Special Education (physically located in CSD 22)	+92	204	Yes
CSD 26 (2 locations)	-489	360	No



FY 04 City Budget for Education

Noreen Connell and Laura Srebnik

The Adopted Budget for FY 04, beginning July 1, 2003, allocated \$12.478 billion to the Department of Education for the 2003-04 school year. If \$932 million for pension costs and \$496 million for debt service are included, the total funding level is \$13.901 billion. These dollar amounts reflect city, state and federal funding.

The City Council and the Mayor restored a \$16 million cut to "Teacher's Choice," for supplies, leaving only a \$300,000 reduction to this budget item. The Council also added \$500,000 in the capital budget to improve workstations for teachers (fax, copy machines, computers, and printers) and \$20 million for a middle school science lab initiative (new labs, renovations or portable labs or a combination). Details on both capital budget additions are still being negotiated.

The city did not implement the \$120 million contingency program proposed in April in the event that state aid for the city was insufficient. The city allocated \$75 million in city tax levy funds at adoption to offset losses in state school aid and \$162 million to support the second year of the UFT 2002 collective bargaining agreement.

There are \$509 million in city budget cuts for the 2003-04 school year (not including state cuts, reoccurring cuts from previous years, such as the \$180 million to school districts, and self-imposed savings plans):

\$200 million (November)

\$131 million (January)

\$178 million (February, if no savings from unions)

Total: \$509 million

The good news: The new Maintenance of Effort law (MOE) has kicked in. The city can only reduce its funding for schools by the same percentage that its own revenues have declined.

Before the budget was formally adopted, city budget officials asserted that the MOE only applies to the city budget adopted at the beginning of the fiscal year (July 1) and that the Mayor has the latitude to further reduce funding to the schools in subsequent modifications of the city budget. The NYC Comptroller weighed in on the side of the Mayor's interpretation of the MOE. This opinion is not shared by state lawmakers, who provided the Mayor with control of the Board of Education in exchange for the city's maintaining its fiscal effort for public schools. However, at a July NYS Assembly hearing held after the budget was adopted, neither city budget officials, the Chancellor or the NYC Comptroller's representative would make a definitive statement about whether or not the Mayor could reduce funding throughout the year.

The bad news: Cuts being implemented for next year seem designed to get the attention of unions and parents through laying off a large number of low-wage workers (aides and paraprofessionals.) Across the board, schools' base budget are being

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DETAILS: OF FY 2003-2004 CUTS

LAYOFFS

Almost all of the staff who have been laid off appear to be part-time workers with an average net savings in the range of \$15,000 per staff member after the costs of unemployment insurance benefits are factored in. Therefore, 67 part-time positions have to be eliminated for every \$1 million in savings. Since there is an attrition rate (people retiring or quitting) for these job categories, some of the individuals receiving lay-off notices will be able to be reassigned immediately or within a few months. OMB quantifies individuals laid off in terms of full-time equivalent positions (FTEs).

Over the years, several internal management studies have concluded that there is overstaffing in some aide and paraprofessional classifications. But, EPP and parent organizations are concerned about school safety issues when fewer adults are in the building during the school day. Aides are especially critical because they remain outside of the classroom during the school day. Other EPP organizations view paraprofessionals as a means of diversifying the teacher workforce through programs that help them get college degrees. The job cuts may be aimed at exerting pressure on the DC 37 and UFT unions or they may have simply been a means of reallocating \$90 million to fund Children First's initiatives.

\$30.5 million

Elimination of 194 out of 4,000 elementary and middle school paraprofessional positions and 670 out of 900 high school general education paraprofessional positions. No early-grade or special education paraprofessionals are included in this round of layoffs.

\$23 million

Elimination of 767 out of 8,100 school aide positions, whose duties include hall and playground monitoring and handling of supplies.

\$12 million

Elimination of 327 of 1500 family paraprofessional positions. Some of these duties will be assumed by the newly created parent coordinator positions.

\$11 million

Elimination of 300 out of 5,000 school lunch worker positions.

\$6.3 million

Elimination of 70 out of 600 Substance Abuse Prevention Intervention Specialist positions (called SAPIS workers).

\$6 million

Reductions in custodial helper positions

through changes in allocations to custodians and reduction of after-school programs. No layoff figures are given because technically these are not employees of the DOE.

REDUCTIONS IN PROGRAMS FOR STUDENTS

These cuts impact children, but they also reduce overtime for teachers (called per-session pay). In EPP's survey of the nature of education-related constituency contact with the neighborhood offices of members of the Black, Puerto Rican & Hispanic Legislative Caucus, the most frequent program-related inquiry was about after-school. Working parents, in particular, seek out these programs. Their quality, however, can vary. Unfortunately, some schools have shifted many of their nontested subjects (like physical education and art) to their after-school program. The impact on students of reductions in summer school programs is also difficult to evaluate. The six-to-eight-week program consists mostly of test preparation with highly-scripted instruction. Research in other cities seems to indicate that there are no long-term benefits from summer school for at-risk students. On the other hand, many research studies also show that low-income children tend to lose ground over the summer months.

\$34 million

A \$21 million reduction in summer school programs for 44,500 children or, half of those who have been promoted but are encouraged to attend for additional instruction and a \$13 million reduction mainly affecting K-2nd grade students since they are not even tested until the third grade. Summer school programs for English Language Learners (ELLs) have been preserved.

\$5 million

Reduction in after school programs administered by the schools. These programs are a source of overtime ("per session") pay for teachers. There appears to be a policy shift towards having the NYC Department of Youth and Community Service, the not-for-profit After School Corporation (TASC) and other community-based providers to run after school programs.

OTHER CUTS

\$35 million

Reduction in the number of sabbaticals granted.

\$9 million

Reduction of 3.5% in central administration allocations.

SY 04 State Budget for Education

Legislators Reverse Most of the Governor's Draconian Cuts

Laura Srebnik

The NYS Legislature's ("Two-Way") Budget was approved on May 2, 2003. The budget proposes that total General Support for Public Schools be \$14.430 billion for FY 2003-2004. This is \$186 million (1.3%) less in funding than last year at this time but \$1.031 billion more than the Executive Budget. The Governor had until May 14 to respond. As expected, he vetoed key

provisions of the Two-Way Budget bill, rather than sign it into law. Legislative leaders had the votes to override his vetoes.

Background

The major affect of the Two-Way Budget is to distribute the losses in State Aid from FY 2002-2003 to FY 2003-2004 more equitably than the Executive Budget. Sixty-three percent of the Governor's cuts were directed

to high-needs districts. Legislators reduced this to 49 percent.

Funding for Ladder programs were restored to last year's expenditure levels:

- ✓ Class Size Reduction \$136.4 million
- ✓ Universal Pre - K Grants \$201.0 million
- ✓ Minor Maintenance and Repair Aid \$50.0 million

Other restorations in the Two-Way Budget were:

- ✓ Extraordinary Needs Aid : \$ 704.9 million (+\$20 million over base)
- ✓ Educationally Related Support Services Aid (special education): \$72.5 million (+\$3 million overbase)
- ✓ Limited English Proficiency Aid: \$86.5 million (+\$20 million over base)
- ✓ Summer School Aid : \$35.8 million (-\$5 million less than base)
- ✓ Full Day Kindergarten Conversion: \$5.6 million (-\$11 million less than base)
- ✓ BOCES Aid: \$134.5 million (+\$27 million over base)
- ✓ Public and Private Excess Cost. Aid (special education): \$89.7 million (+\$42 million over base)
- ✓ Transportation Aid: \$102.1 million (+\$13 million over base)

Programs related to Professional Support:

- ✓ Teacher Support Aid (salary enhancement) \$45 million
 - ✓ Teacher Centers (professional development) \$20 million
 - ✓ Teacher Mentor Intern (75% restoration) \$2.3 million
- In addition, Teachers of Tomorrow (recruitment) was funded in the

DROP IN SPECIAL EDUCATION FUNDING FOR NEW YORK CITY

One of the surprises in reviewing the computer listing of formula aids for New York City for the 2003-04 school year is that Excess Cost Aid (funding for special education in both public and private schools) decreased by 3.22 percent, or \$28.2 million. In contrast, moderate wealth suburban school districts in Westchester, Nassau, and Suffolk counties will be getting an increase of 6.56 percent. These are estimates of expenditures, but they may signify a trend.

State Education Department officials explained that there are fewer "weighted" pupils, that is, special education students that are counted as more than "1" student for purposes of computation. In 2002 there were 174,700 "weighted" students used as the base for estimating this year's Excess Cost Aid, while in 2001 there were 179,500. State special education funding is also influenced by a school dis-

trict's wealth, which is measured against a hypothetical average wealth of "1" for the state in a formula that gives equal weight to estimated property value and reported income based on tax filings. New York City became wealthier, based on its increase in its Combined Wealth Ratio (CWR) of 0.952 in 2002 to a CWR of 0.998 in 2003. A higher CWR means less state aid.

The New York City school district is estimated to receive \$851.1 million in funding for special education in the coming school year. In order to receive these funds, however, school districts must submit a claim based on expenditures. EPP will continue to monitor state funding for special education because EPP member organizations report that they have been experiencing greater difficulties in securing special education services over the last two years.

Per Student Funding Analysis

This per capita analysis provides a way to ascertain trends in funding the Department of Education by controlling for shifts in the number of students. For FY 03 and FY 04 funding, EPP's analysis uses the FY 03 and FY 04 estimates provided by OMB on 6/27/03. For FY 03, the Department of Education's

October 31, 2002 Audited [student] Register is used. Since the FY 04 analysis was done at the point of adoption, the official register has not been calculated, so student counts are based on a projection by the Office of Management and Budget. Funding levels do not include pension or debt service payments.

FY 03 Amended

Funds	Amended	Students	Per Student
City Contribution	\$5,096,383,752	1,110,775	\$4,588.13
Intra City Funds	\$8,443,603		\$7.60
Federal Repair Funds	\$5,000,000		\$4.50
State Contribution	\$5,829,537,747		\$5,248.17
Federal Contribution	\$1,469,249,904		\$1,322.73
Other Categorical (Private Funding & SCA Reimbursements)	\$89,327,829		\$1,322.73
Total	\$12,497,942,871	1,110,775	\$11,251.55

FY 04 Adopted

Funds	Amended	Students	Per Student
City Contribution	\$5,126,151,697	1,106,029	\$4,634.74
Intra City Funds	\$6,441,168		\$5.82
Federal Repair Funds	\$5,000,000		\$4.52
State Contribution	\$5,749,038,662		\$5,197.91
Federal Contribution	\$1,565,588,406		\$1,415.50
Other Categorical (Private Funding & SCA Reimbursements)	\$26,517,970		\$23.98
Total	\$12,478,737,903	1,106,029	\$11,282.47

Two-Way Budget at the same level as the Executive Budget (\$20 million), or \$5 million less than current levels.

The Two-Way Budget did not make significant changes in Building Aid. (See article on page 3.) Also, the Legislature contained the size of the increase in Building Aid (it only grew by \$55.9 million) by essentially shifting payments until next year. Unless districts submitted certification that general construction contracts were signed by February, they will not be recognized as new aidable projects until the next school year.

The Senate broke with tradition by choosing to work with the Assembly to restore important categorical programs instead of

supporting the Governor.

The Two-Way Budget was hailed as a new way of doing business, but, it made no progress toward redressing the chronic underfunding of NYC. The Legislature's stated intent was to prevent the Governor from making damaging cuts to districts with high "extraordinary needs" (Limited English Proficient, poor and sparsely distributed) pupil counts. Yet, restorations only increased NYC by 7.3% over the Executive Budget. By contrast, average restorations in other school districts were 11.57% to Nassau County and 12.55% to Westchester County. The statewide average was 8.9% for restoration. ❖

FY 04 City Budget

(Continued from page 5)

reduced by six percent from FY 03 levels (not including additional Children's First staffing of parent coordinators and curriculum coaches, and large categorical programs.

Impact of Changes in Budgeting Practices

Dramatic changes in the administrative structure of the school system have affected how funds are allocated to the schools. In the past, the central budget office would allocate funds to community and high school districts and they, in turn, would re-allocate the funds to schools. Now the central budget office is directly allocating funds to over 1,100 schools and has created a formula to do so. The new school funding formula is based on the number of students in each school, the grades served by the school administration, required class sizes and course loads, average teacher salary, the needs of the children and their entitlement (such as whether they are English Language Learners or low scoring on standardized tests), and other factors. A "formula amount" is then computed for each school.

This "formula amount," however, is not what schools will get as base funding, because it would be too much of a difference in funding from one year to the next. Instead, it is compared to what the basic

allocation for each school was last year, adjusted to reflect a) lower average teacher salaries (because so many senior teachers have retired) and b) this year's budget cuts (calculated at 6%). At first EPP was critical of this last computation, because the budget cuts represent only 4.5% of the Department of Education budget, but then we learned that this percentage reduction also includes funds that are being held back from the schools to pay for their parent coordinators and instructional coaches. Based on a comparison of last year's funding to the new formula, each school can have their budget reduced by \$1 to \$300,000 or increased by \$1 to \$300,000 in order to transition to the new formula. Looking at a DOE outline for principals in one district, it looks like there is a mix of schools that are losing funds and others that are gaining funds.

EPP will not have a reliable sense of how schools are faring until the school year starts, because, on top of this new funding formula for schools, the per-capita amount of Title I funds for public schools has been reduced for the boroughs of Manhattan, Staten Island, Brooklyn, and Queens and increased for the Bronx. All that we can say at this point is that Chancellor Klein has continued Chancellor Levy's policy of not shielding schools from budget cuts. ❖

State Aid Formulas for New York City

Every year, before the legislative budget negotiations conclude with a vote on the budget, a final computer run is printed that provides every legislator with detailed information on every major aid their districts will receive for the next school year. These are details for New York City:

	2002-03 School Year	2003-04 School Year
OPERATING AID (Gifted & Talented, Operating Standard and Academic Support Aid were folded into Operating Aid for SY '04. These comparisons adjust for these changes.)	\$2.600 billion	\$2.489 billion
EDUCATION RELATED SUPPORT SERVICES (Can be used to fund special education & prevention services for students who are in the general education population.)	\$33.635 million	\$33.270 million
LIMITED ENGLISH PROFICIENCY	\$47.151 million	\$60.221 million
SUMMER SCHOOL	\$32.826 million	\$26,927 million
SPECIAL SERVICES (Can be used for special education, vocational, & staff development services)	\$97.668 million	\$92.214 million
EXCESS COST (major funding formula for special education in public & private schools)	\$879.335 million	\$851.050 million
BUILDING AID (Reimbursement for major repairs & new school construction)	\$403.346 million	\$404,766 million
TRANSPORTATION (school buses)	\$286.285 million	\$307.115 million
HARDWARE & TECHNOLOGY	\$11.305 million	\$11.265 million
SOFTWARE, LIBRARY & TEXTBOOKS	\$104.803 million	\$104.302 million
UNIVERSAL PREKINDERGARTEN	\$146.528 million	\$146.528 million
EARLY GRADE CLASS SIZE REDUCTION	\$88.837 million	\$88.837 million
MINOR MAINTENANCE & REPAIR	\$33.330 million	\$33.330 million
TEACHER SUPPORT AID	\$62.707 million	\$62.707 million
TOTAL	\$5.193 billion	\$5.117 billion
DIFFERENCE BETWEEN SY03 & SY04	\$75,144, 407	

Appeals Court CFE Decision Settling Questions, Raising Others

(Continued from front page)

costs of schooling and needs of public school pupils should be evaluated in different regions of the state.

This analysis will highlight the areas of the decision that resolve a number of important questions and will then discuss some of the issues that remain problematic but must be confronted in the months and years ahead.

Issues that have been resolved:

1. A test of adequacy must be met, not equity.

The Campaign for Fiscal Equity (CFE) lawsuit was launched by parents of students in the New York City schools and a coalition of advocates. The case challenged the state's constitution on grounds of adequacy rather than equity. By grounding its case in terms of the adequacy of resources in their own city schools, the plaintiffs were able to focus chiefly on New York City without presenting an implied challenge to other districts throughout the state.

2. A sound basic education is required under the New York State constitution.

The education clause in New York State's constitution requires that "The legislature shall provide for the maintenance and support of a system of free common schools wherein all the children of this state may be educated." (NY Const, art XI, Par. 1) For decades debate has raged as to the extent of the state's obligation under this clause. Judge Kaye and the majority of the court recognized that the State had "obligated itself constitutionally to ensure the availability of a sound basic education to all its children." (Chief Judge Kaye, Majority opinion, p. 2.) A sound basic education was then described as one which provided each child with "the basic literacy, calculating and verbal skills to enable children to eventually function productively as civic participants capable of voting and serving on a jury."

3. The state constitution's education clause implies a high school level of education.

The Court of Appeals confronted the question of the educational standard implied in the New York State constitution's education clause. The defendants had argued that under the constitution the state was required to provide only a minimal standard of education, that is, no more than an eighth grade level of schooling. This absurd argument put the state in the position of demeaning its own educational standards, embarrassing the Governor, the Board of Regents and educational leaders everywhere in the state. Nevertheless, during the trial, state litigators held to the line. The Appellate Court upheld the defendants in this argument, agreeing that the constitutional floor should not be raised as high as the Regents standards, and declared that the state's obligation under the clause was limited to a minimal standard of education, the equivalent of an eighth grade level.

Judge Kaye found that in today's society the demands of potential employers make a high school level education "all but indispensable" for young jobseekers. The Appeals Court wisely rejected the idea of endorsing a grade-specific level of skills as a constitutional standard. Instead, it found that New York City children should be afforded the opportunity for "a meaningful high school education, one which prepares them to function productively as civic participants." (Majority Opinion, p.12.)

4. New York City children receive less than a sound basic education.

Following its own earlier outline, or "template," the Court of Appeals shifted emphasis from the state's method of distributing state aid to the nature and efficacy of educational inputs such as teacher quality, class size, and library and computer facili-



NYS Supreme Court Judge Leland DeGrasse

ties. During the trial, the lower court heard extensive testimony on the quality of teachers in New York City schools, and on the resources available to students. The city plaintiffs, the Appeals Court decided, had met the test. They had demonstrated that there was indeed a deficiency of resources, or "inputs" available to New York City pupils in terms of the inferior quality of teaching in New York City schools, the prevalence of crowded classes, of out-of-date books, scarce library books and inadequate computers. Reversing the Appellate Division, the Appeals Court found that the "inputs" available to New York City children fell short of those required for a sound basic education and also that deficiencies in "inputs" directly affected "outputs" as measured by demonstrable results such as graduation rates and test scores.

5. Money Matters

Is there a demonstrable link between the amount of money spent on schooling and the results of the educational program? The Court of Appeals answered the question, "Does money matter?" with a decisive yes. The court rejected defendants' argument that New York City's deficiency of

resources was unrelated to poor pupil performance, affirming that better teaching quality, smaller class size and adequate books all had a direct effect on student outcomes.

6. Responsibility for poor pupil performance ultimately lies with the state.

Defendants during the trial offered a series of explanations to account for poor pupil performance in the city schools. They suggested that funds allocated to improve schools in the city might better be spent on social services designed to improve socio-economic conditions. The court rejected this blame-the-victim argument. If, indeed, the question is one of competing social benefits, it is then a legislative question and not a judicial issue, Judge Kaye commented, adding: "And, again, we cannot accept the premise that children come to the New York City schools ineducable, unfit to learn."

A second argument that has haunted efforts to channel funds to the New York City schools was deflated in the ruling. The state has criticized the Board of Education's management of state aid



NYS Chief Judge Judith Kaye

funds, claiming waste and even corruption. It also asserts that over the years the Mayor's office has siphoned off state aid intended for school use for non-school city purposes. On the grounds that the trial court rejected the arguments on fraud and corruption, and because these claims were not substantiated at the Appellate level, the Court of Appeals made no ruling on them.

As illustrative of mismanagement, the state described the Board of Education's placement policies for special education students in effect during the trial as excessively wasteful and inefficient. Because of the clear shift in responsibility to the Mayor's office, the change in the way city funds are now managed, the elimination of the Board of Education and the coming, significant changes in the administration of special education, these state charges have little currency. The Court of Appeals declined to rule on them, but took the occasion to state clearly that both the Board of Education and the city were creatures or agents of the state and it is the state that "remains responsible when the failures of its agents sabotage the measures by which it secures for its citizens their constitutionally-mandated rights." (Majority Opinion, p.37.)

The Court majority repeated this position to rebut the claim that the city is partly responsible for under-funding its schools. This criticism has echoed throughout the state, and has been bolstered by data that shows that the city tends to reduce its contribution to education when state aid funds rise. Here, the Appeals court picked up the Appellate court's finding that the state, rather than the city, has ultimate control over the taxes that may be levied by the city and the debts it may incur. Rather than simply call for greater tax effort on the part of the city, both these courts suggest that it is within the state's legislative power to insist on a more effective way of protecting its own contribution to city schools.

Now, the unresolved issues:

1. The remedy is confined to New York City.

"Challenging as the previous issues are, in complexity they pale by comparison to the final question: remedy" Judge Kaye remarked. (Majority opinion, p.41.)

Because the evidence presented at the trial chiefly concerned New York City schools, the majority of the Appeals Court chose to limit its remedy to New York City. The Court majority decided to limit its remedy "to the adequacy of education financing for the New York City public schools, though the state may of course address Statewide issues if it chooses." (Majority Opinion, p.47.)

In a separate, but concurring opinion, Judge George Bundy Smith expressed a preference for a statewide remedy that would include the reform of the present formula, ensuring all the children of the state the opportunity to acquire a high school education. The decision of the majority of the Court of Appeals to confine its remedy to New York City may have simplified the remedy, but seems to leave districts outside the city high and dry. The decision implies that other districts may approach the court through law suits with evidence that they suffer deficiencies similar to those presented by plaintiffs in this case. But Judge Kaye comments that this may not be so easy:

"Plaintiffs have prevailed here owing to a unique combination of circumstances: New York City schools have the most student need in the State and the highest local costs yet receive some of the lowest per-student funding and have some of the worst results. Plaintiffs in other districts who cannot demonstrate a similar combination may find tougher going in the courts."

(Majority Opinion, p.54.)

Other large cities, rural districts and not a few suburban school districts with a high percentage of minority students also are shortchanged in terms of student needs. The decision does not mandate that the legislature address their needs, although the majority of the Court of Appeals expresses the hope that the legislature will undertake reform and notes that it may, if it wishes, revise the state aid formula.

In restricting its remedy to New York City, the majority ruling the city does not rely on a formula process. Nevertheless, under the Court's ruling, the



Robert Jackson, CFE founder and NYC Councilmember



Joseph F. Wayland, Partner Simpson Thacher & Bartlett LLP



Michael A. Rebell CFE Executive Director

city is assured adequate funding for all its schools. The Court rejected the statewide guidelines offered by the trial court, thereby precluding a ruling directing the state to account for differences in regional costs. Instead, it specifically directed the state to study the costs of schooling in New York City, ensuring for the city school district alone, that the effect of high costs will be accounted for.

The majority of the Appeals Court reveals a reluctance to interfere with the legislative process, rather than a readiness to prescribe remedies such as redesign of the aid formulas, greater transparency in budgeting or better laws to ensure maintenance of tax effort in large cities. But the Court observes that New York City does not receive an advantageous share of state aid. Why? The answer to this question lies in the "shares system" which is not a system at all, but the code word for the political negotiations which take place at budget time each year. At that time Senate and Assembly leaders, along with the Governor, determine how much of the state budget will be devoted to school aid. Then they compute the available increase in aid over the previous year and apportion 38 percent of the increase to New York City, 11 percent to Long Island districts and the remaining percent of the increase to the rest of the state. The evidence presented to the Court shows that over the years, this allocation has resulted in about 35 percent of all *state aid being distributed* to New York City each year, despite the fact that New York City pupils have extra needs that a distribution based only on enrollment does not begin to take into account.

2. The Shares "System" bears no relation to the needs of New York City pupils.

In Judge Kaye's words:

"... the elements of the State aid formula do not operate to the advantage of city students, the more so in that the system does not take into account the high costs of running schools in the city. . . funding components that might channel funds to meet the needs of city fail to make a difference in the end: New York City regularly receives a fixed share – just under 39 percent of any funding increase. *Thus the political process allocates to city schools a share of State aid that does not bear a perceptible relation to the*

needs of the students." (Italics ours.)

(Majority Opinion, p.50.)

This is a welcome judicial acknowledgment of the major reason why New York City schools have been under-funded for decades. Unfortunately the remedy offered does not fully address the problem.

3. The Remedy

The Appeals Court majority ruled that the state should ascertain the actual costs of providing a sound basic education in New York City (rather than in districts or regions throughout the state) explaining:

"Given all of the jurisprudential constraints discussed above, we begin our review of the trial court's directives by rejecting the provision that the remedy be statewide, and that variations in local costs be taken into account. Courts deal with actual cases and controversies, not abstract global issues, and fashion their directives based on the proof before them. Here the case presented to us, and consequently the remedy, is limited to the adequacy of education financing for New York City public schools, though the State may, of course address Statewide issues if it chooses."

(Majority Opinion, p.47.)

The Court majority added that; "...every school in New York City should be assured the resources necessary for providing a sound basic education . . . the new scheme should ensure a system of accountability to measure whether the reforms actually provide the opportunity for a sound basic education." It suggests, but does not mandate that this result be achieved "... as the result of reforms to the current system of financing school funding and managing schools to address the shortcomings of the current system." (Majority Opinion, p.51.) The state is given until July 30, 2004 to implement the necessary measures. The order of the Appellate Division is modified and the case remitted to the trial court for further proceedings.

At the end of the day, we see two possible outcomes: an entirely new statewide funding system that would meet the Court's requirements for New York City schools or, alternatively, two funding systems, one for New York City and one for school districts in the rest of the state. We hope the second

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EPP Members Visit Middle Schools

From December 2002 to May 2003, EPP's Monitoring Committee made site visits to six middle schools, two in the suburbs and four in New York City.

A key motivating factor in these visits was an analysis in EPP's report on facilities, *Castles in the Sand*, that forty-five percent of severe elementary school overcrowding in New York City could be reduced by changing the grade configuration of middle schools. The 2002 report found that all elementary school overcrowding could be eliminated in ten community school districts by either 1) relocating early-grade classes (pre-kindergarten to third) to middle schools with utilization rates below eighty percent or 2) converting middle schools into primary schools (pre-kindergarten to eighth grade). An earlier study by EPP in 1997 found that high school overcrowding could also be significantly reduced (except in Queens), if more schools were converted to a sixth-to-twelfth grade organization.

The Monitoring Committee, chaired by Betty Machol of the Women's City Club, wanted to visit those schools that had pioneered in changing their grade configuration to see the pluses and minuses of putting the youngest school children together with adolescents in one building. How did these "shared" schools compare with kindergarten-to-eighth grade schools? One of the middle schools visited shared a building with a high school. Were there significant differences in this type of grade configuration?

The visits were made by EPP staff (Noreen Connell, Sarah Arnold, and Laura Srebnik), Betty Machol, Joan Jacobson of the American Association of University Women, Regina Garrett of the Harlem Learning Zone, Jerry Oscar (volunteer), Mary Martin of the NYC Presbytery, and Marilyn Braveman, EPP's Chairperson and representative of Parent to Parent of NYC. Here is a summary of their findings:

Shared building, but no shared spaces When principals were asked how they would advise other principals who were thinking of reconfiguring the grades in their building, every one gave the same exact answer, which was that there should be careful planning on the use of space. Our tours of classrooms in all schools confirmed that younger children were confined to the lower floors and older students were not allowed access to this area of the school. In two schools, administrators reported that, unfortunately, one of their floors had to be shared. Both had placed staff offices on this floor and had additional security to make sure that the older students did not venture into the younger students side of the floor.

School officials mentioned measures they used to make sure that stairwells and other difficult-to-observe areas were off limits to either older or younger students. All the schools had different front-door entrances for each group of students. In two shared schools, the schedule for starting and ending the day were different for the younger students. This strictly enforced segregation of space

held true even in the primary school, which always had been a kindergarten-to-eighth grade school. All shared schools had a full complement of security officers and aides.

More interaction among staff, far less among students In the middle school/high school, each school of 850 students was headed by a principal. In the other schools, each group of grades was the responsibility of an assistant principal. At the start, the Monitoring Committee had wondered whether it would come across schools where older students would be enlisted to tutor younger students. The primary school was the only one that reported such a program, though another principal "was thinking about it."

Administrators in the primary school as well as the middle school/high school reported that one of the positive outcomes of the grade configuration was that teachers had a better sense of what their students would be expected to know in the higher grades. Instruction was better aligned. In the primary school, the fourth and fifth grade teachers were experimenting with "departmentalization," that is, students would be taught math by one teacher and English by another. This allowed them to teach "to their strengths."

Most of the schools reported that another advantage of a shared building was that teachers could seek out other teachers to get a better understanding of when a student's learning or behavior problems began.

Grade reconfiguration had improved the reputation and the atmosphere of the schools Principals of four of the six schools reported that their school had a troubled past. The school either had been on the state's or district's list of low-performing schools, had been reorganized, or had been opened in a school that had been shut down. The three schools with early-grade classes reported that the reconfiguration of grades in the building was helping to turn the school around in that it was gaining a reputation as a "safe school" where parents wanted to send their young children.

Principals related that parents had told them that before the school year began they were fearful of having young children in the same building as adolescents, but they could see with their own eyes that "it was working." The presence of younger children improved the behavior of young teenagers and created a more positive atmosphere in the school. The story of the middle/high school was quite different. While the middle school had replaced another middle school, the significant improvement came about because the high school became smaller, and even more important, selective in its admissions.

Troubling observations of early-grade classrooms The primary school, which had always had kindergarten classes and had just recently added a pre-kindergarten program, had bright, cheery classrooms filled with blocks and other play equipment.

Though our visit was short, the children were active, running around, and joyfully engaged in play — typical of a well-run, early-grade program. In stark contrast, the pre-kindergarten and kindergarten classes in the three New York City middle schools had no visible building block area or play equipment. One EPP staff member was shocked to observe a kindergarten teacher trying to instruct students in addition and, most surprising of all, subtraction. In another classroom the teacher and a paraprofessional were telling the five-year-old children that they were being given a one-hour homework assignment and that they would be having a spelling test the next day. In all these kindergarten and pre-kindergarten classes, at the time the Monitoring Committee came into the room, children were sitting in chairs working with mimeographed materials having to do with either letter recognition or numbers or pre-printed pictures that the children were supposed to fill in with color. Many of the children were restless or listless.

At first, EPP staff thought that the absence of play equipment could be a symptom of underfunding for instructional supplies, since all of these programs were new. Education officials, however, confirmed that newly created pre-kindergarten and early-grade smaller classes were given sufficient funds for this purpose. A more ready explanation is the new stress on academics, even in the earliest grades, and a rejection of a developmental approach to early childhood education. In discussions among EPP representatives about these classroom observations, some have mentioned that parents tend to push schools to start formal instruction earlier because they think that their children will do better in school later on. Administrators, with an eye on tests at third and fourth grade, also are encouraging less play and more structured instruction in pre-kindergarten and kindergarten classes. Even President Bush, in his comments on Head Start, seems to want four-year olds to be exposed to reading instruction.

So far, research does not indicate that homework or exposure to instruction more suited to first graders provides any lasting academic benefit to kindergarten and pre-kindergarten students. Teachers that EPP consulted tended to react to our report about lessons on subtraction and spelling in kindergarten with much stronger, negative opinions. They felt that these were developmentally inappropriate activities for these young children. One worrisome possibility, that cannot be confirmed with such a small number of site-visits, is that middle school principals and assistant principals, many of whom have little or no training and experience in early-childhood education, may be imposing too academic an environment for four and five year old children. On the other hand, there are anecdotal reports that these practices are also widespread in elementary schools where a developmental approach has been jettisoned in favor of test preparation in the earliest grades. These practices may be counterproductive. ❖

Children First

Laura Srebnik

“**C**hildren First” is intended to create a system of good schools in which effective teaching and learning is a reality for every school teacher and child. It is an ambitious effort to restructure funding, administration and instruction.

Curriculum

The Department of Education has developed uniform curricula for English and mathematics instruction but has exempted more than 200 schools from having to adopt prescribed textbooks. Both the English and math curricula are intended to strike a balance between emphasizing basic reading and computational skills and critical thinking, logic, problem solving and other higher order skills. It is premature to evaluate its effect on achievement because it has yet to be implemented. The reading and writing program for grades K-9 will be implemented beginning fall 2003. K-5 schools will have the choice of implementing the math program in fall 2003 or 2004. The new math program for 6th - 8th grade and high school will be implemented in fall 2003. At this time, there are no uniform curricula for any other subjects.

Professional Development

Professional development for teachers will occur through the distribution of CD's during the summer followed by three days of training at the beginning of the school year. Reading and math coaches will work with the principal of each school to provide and coordinate professional development both in the classroom and among groups of teachers. The Leadership Academy will conduct programs especially designed for new principals, aspiring principals, and for current sitting principals. The Special Education Instructional Specialists will be trained in fall 2003 in the Orton-Gillingham method and will in turn, teach the classroom teachers. The program will also include a new ELL Teacher Academy to provide professional development and an aggressive new plan to attract and retain certified ELL teachers and ELL teacher candidates to the Teaching Fellows program.

Funding

The Department of Education will streamline and consolidate separate community school districts, special education, Chancellor's district and high school administrative structures and offices. The only separate administrative structure remaining will be for Citywide Special Education (programs for children with severe and/or multiple disabilities and for students whose disabilities do not occur enough to warrant services delivery sites throughout all communities).

One common criticism is that Children First's \$250 million price tag is too high. The Department of Education has already added \$19 million to the FY 03 Adopted Budget to purchase materials for the standardized curriculum and \$14 million to the FY

04 Preliminary Budget for 272 more middle school teachers to reduce class size in 8th grade English classes. An estimated \$160 million to \$180 million will be needed from the school instruction budget category for Parent Coordinators in all schools and math and literacy coaches in schools that will be using the standardized curriculum. Schools that have been exempted from using the standardized curriculum will receive a special allocation for staff development.

In answer to this criticism, the Chancellor stated at a June 2003 hearing before the City Council Education Committee that no new funds have been allocated for Children First in the 2003-2004 school year and it is not expected to generate new expenses. Financing the \$250 million initiative is

predicated largely on generating savings by reducing other areas of the DOE budget. Administrative restructuring is expected to generate \$100 million in savings. These savings will be re-allocated to the schools. For example, the streamlining of special education administration and district CSE evaluations (except those for specialized evaluations of hearing and visually impaired students and non-public placements) can help pay for the 510 Special Education Instructional Specialists who will be moved to the schools. State and federal funds that had been received but not allocated will be another major source of funding. Other funds will come from private sources including \$45 million for the Leadership Academy to recruit, train and develop

(Continued on page 12)

School Year 2002-2003 Unit of Appropriation	Total Amount for School Year 2003-2004	Purpose of this U/A and other Comments
301 Instructional personnel at the elementary and middle school level.	\$2.95 billion	This will reflect funding for math and reading coaches, the 272 additional middle school teachers and the parent coordinators
302 Instructional "other than personnel services" at the elementary and middle school level	\$122.5 million	This will reflect new funding for classroom libraries and textbooks
311 Instructional personnel at high school level.	\$1.0 billion	
312 Instructional OTPS at the high school level	\$133 million	
305 Administrative personnel for community school district offices (elementary and middle school administration)	0	Under Children First, this U/A will not exist and all funds will be shifted to U/A315 that used to be only for high school administrative personnel
306 Administrative OTPS for community school district offices (elementary and middle school administration)	0	Under Children First, this U/A will not exist and all funds will be shifted to U/A316 that used to be only for high school administrative OTPS
315 Administrative personnel for high schools	\$146.5 million	Under Children First, this U/A will be the source of funds for administrative personnel for elementary, middle and high schools, including Chancellor's district schools and most special education
316 Administrative OTPS for high schools	\$9.4 million	This U/A will be the source of funds for administrative OTPS for elementary, middle and high schools, including Chancellor's district schools and most special education
325 Administrative personnel for Special Education	\$15 million	
326 Administrative OTPS for Special Education	\$ 8 million	
327 Administrative personnel for Citywide Special Education	\$31 million	This will be primarily for Citywide Special Education administrative personnel
328 Administrative OTPS for Citywide Special Education	\$574,100	This will be primarily for Citywide Special Education administrative OTPS

Children First

(Continued from page 11)

high quality principals. The planning phase of Children First has been funded by the Broad Foundation and the Robertson Foundation.

The FY 03 budget serves as the basis for the initial FY 04 allocations to schools. The FY 03 budget was adjusted due to a 6% cut resulting from NYC Financial Plan reductions in paraprofessionals and aides, lower average teacher salaries, and the lack of a surplus to roll into FY 2003-2004. (The \$50 million surplus had already been reallocated to increase funds for schools and help address the

projected funding gap in FY 2003-2004.

The units of appropriation for high school administrative personnel (U/A 315) and other than personnel (U/A 316) and special education (U/A's 325 and 326) will become the units of appropriation for most administrative costs in general education and special education. Therefore, if \$100 million will be saved by streamlining the current administrative structure, nearly \$70 million will still be left to support the 10 Instructional Divisions and the 6 Operational Centers in addition to more than \$270 million allocated for central

administration in other budget categories. Citywide special education administration (U/A 327 and U/A 328) will not be eliminated because it will remain as a separate administrative division. At the end of this issue's report on the city education budget (see page 7), changes in allocations to schools are described.

Administrative Restructuring

Key Officials

Diana Lam, Deputy Chancellor for Teaching and Learning.
 Michele Cahill, Senior Counselor to the Chancellor for Educational Policy.
 Bob Knowling, Chief Executive Officer, Leadership Academy.
 Helen Santiago, Senior Instructional Manager for Teaching and Learning.
 Rose DePinto, Senior Instructional Manager for Secondary Schools.
 Jean Desravines, Special Assistant to Senior Counselor for Parent Engagement.
 John Lee, Senior Manager, No Child Left Behind Act.
 Elizabeth Sciabarra, Chief Executive for New School Development, working with Senior Counselor to the Chancellor for Education Policy Michelle Cahill.
 Dr. Lester Young, Office of Youth Development and School-Community Services (This includes the administration of "alternative" high schools, which had been considered a separate superintendency.)
 Maureen Hayes, Chief of Staff
 Maria Santos, in charge of Early Childhood, Gifted and Talented, Special Education, Instructional Technology and English Language Learners.
 LaVerne Evans Srinivasan, Deputy Chancellor for Operations and Planning.
 Kathleen Grimm, Deputy Chancellor for Finance and Administration.
 Caroline Kennedy, Strategic Partnerships (coordination of foundation and business support)
 Steve Allinger, Intergovernmental Affairs

Instructional Division Personnel

113 Local Instructional Supervisors, of which 32 will be Community School District Superintendents (Roughly 10 per Region).
 50 Administrators of Special Education (5 per Region).
 200 Special Education Instructional Support specialists (20 per Region).
 40 Special Education Instructional Coaches (for Citywide Special Education).
 510 Special Education support staff (previously located at district CSE).

The NYC school system will be organized into 10 Instructional Divisions. The community school district lines and school zones will not change but the district offices will cease to exist in their current form. Each region will comprise at least 120 schools. The elementary, middle, high and Chancellor's district schools (with their current

Instructional Division	Regional Superintendent, Learning Support Centers (LSC) and the co-located CSD Superintendents and LSC Satellites	Additional Community School District Superintendents and their Offices
1 (CSD 9, 10)	Irma Zardoya, 1 Fordham Plaza, Bronx, 718-741-7090 and CSD 10 Superintendent Gail Davis	CSD 9 Superintendent Yvonne Torres, 1260 Franklin Avenue, Bronx, 718-681-7402
2 (CSD 8, 11, 12)	Laura Rodriguez, 1230 Zerega Avenue, Bronx, 718-828-2440 and CSD 8 Superintendent Marlene Filewich	CSD 11 Superintendent Mary Ann Hawthorne, 1250 Arnow Avenue, the Bronx, 718-519-2614. CSD 12 Superintendent Eduardo Genao, 1000 Jennings Street, Bronx, 718-328-2310
3 (CSD 25, 26, 28, 29)	Judith J. Chin, 30-48 Linden Place, Queens, 718-281-7575 and CSD 25 Superintendent Gerard Beirne. LSC Satellite and CSD 28 Superintendent Harold Wilson, 90-27 Sutphin Boulevard, Queens, 718-557-2600	CSD 26 Superintendent Anita Saunders, 61-15 Oceania Street, Queens, 718-631-6900. CSD 29 CSD Superintendent Walter O'Brien, One Cross Island Plaza, Queen, 718-978-5900
4 (CSD 24, 30, 32)	Reyes Irizarry, - 28-11 Queens Plaza North, Queens, 718-391-8300 and CSD 30 Superintendent Philip Composto	CSD 24 Superintendent Joseph Quinn, 800 Cooper Avenue, Queens, 718-417-2600. CSD 32 Superintendent Matilda Torres Maldonado, 797 Bushwick Avenue, Brooklyn, 718-574-1200
5 (CSD 19, 23, 27)	Kathleen M. Cashin, 82-01 Rockaway Boulevard, Queens, 718-62-5800 and CSD 27 Superintendent Rita Giaramita. LSC Satellite and CSD 23 Superintendent Joyce Hicks-Mitchell, 1655 St. Mark's Avenue, Brooklyn, 718-922-4960	CSD 19 Superintendent Patricia Synan, 557 Pennsylvania Ave., Brooklyn, 718-240-2700
6 (CSD 17, 18, 22)	Gloria Buckery, 5619 Flatlands Avenue, Brooklyn, 718-968-6100 and CSD 22 Superintendent Robert Sheedy	CSD 17 Superintendent Jacqueline Peek-Davis, 1224 Park Place, Brooklyn, 718-493-5446. CSD 18 Superintendent Joan Mahon-Powell, 1106 E. 95 St - 121 Conklin Avenue, Brooklyn, 718-927-5100
7 (CSD 20, 21, 31)	Michelle Fratti, 415 89th Street, Brooklyn, 718-556-8350 and CSD 20 Superintendent Laura Feijoo. LSC Satellite and CSD 31 Superintendent Donald James, 715 Ocean Terrace, Staten Island, 718-759-4900	CSD 21 Superintendent Ethel Tucker, 521 West End Avenue, Brooklyn, 718-714-2500
8 (CSD 13, 14, 15, 16)	Carmen Farina, 131 Livingston Street, Brooklyn, 718-935-3900 and CSD 15 Superintendent Alison Sheehan	CSD 13 Superintendent Viola Abbott, 355 Park Place, Brooklyn, 718-636-3204; CSD 14 Superintendent James Quail, 215 Heyward Street, Brooklyn, 718-302-7600 and CSD 16 Superintendent Marcia Lyles 1010 Lafayette Avenue, Brooklyn, 718-574-2800
9 (CSD 1, 2, 4, 7)	Peter Heaney, 333 Seventh Avenue, Manhattan and 78 Madison Avenue, 212-356-7500 and CSD 2 Superintendent Tanya Kaufman	CSD 4 Superintendent Jorge Izquierdo, 319 East 117th Street, Manhattan, 212-828-2880 and CSD 7 Superintendent To be Determined, 501 Courtland Avenue, Bronx, 718-742-6500
10 (CSD 3, 5, 6)	Lucille Swarns, 4360 Broadway, Manhattan, 917-521-3700 and CSD 6 Superintendent Margaret Hill	CSD 3 Superintendent Roser Salavert, 154 W. 93rd St, Manhattan, 212-678-2880 and CSD 5 Superintendent Dennis Pradier, 433 W. 123rd Street, Manhattan, 212-769-7500
Citywide Special Education	Dr. Susan Erber, 400 1st Avenue, Manhattan, 212-802-1503	

enhanced service model retained) will be located within the geographic boundaries of the Divisions.

Each Instructional Division will be overseen by a Regional Superintendent whose mission is to improve teaching and learning from K to 12th grade. Superintendents began their new function on July 1. They will report directly to Deputy Chancellor Diana Lam.

Each Division will have a Learning Support Center. They will be housed in ten main locations and regions 3, 5 and 7 will have additional satellite offices. The Learning Support Centers will be staffed by Local Instructional Supervisors responsible for working with 10 to 12 schools and principals to promote instructional leadership and teacher training. The Chancellor has designated 32 of the 113 Local Instructional supervisors as Community School District Superintendents to work in small district offices with a District Parent Support Officer and a clerical worker. Their offices will either be in the Learning Support Center, where the Regional Superintendent is also located, or in a separate location.

Each Learning Support Center will also house a Committee on Special Education instead of the current system of 37 separate offices. In addition, Special Education Instructional Support Specialists will work with the Local Instructional Supervisors. Under "Children First," principals will be responsible for special education services but five Regional Administrators of Special Education in each Learning Support Center will oversee the school psychologists, who will become the case managers of evaluations. Special education evaluators who had worked in the segregated CSE offices will be moved to the schools and will spend half of their time assisting the school psychologist in performing evaluations.

Adding to the difficulty of adjusting to this dramatic change is the fact that program details and key personnel keep shifting. For example, negotiations are being held to ensure that the proposed elimination of the majority of Committees on Special Education is in compliance with *Jose P* (the court agreement on special education). The district CSE's will operate on a per session (day by day) basis until they are concluded.

Citywide Special Education, which provides separate services for children with severe disabilities, will be administered and delivered separately.

Citywide Special Education administrators will oversee networks of roughly 12 schools and 40 coaches will be appointed to work with teachers. Classroom space will be developed centrally with the goal of serving children as close to home as possible.

Operational matters will be addressed by separate Operational Centers so that the Regional Superintendents and Learning Support Center personnel can focus on teaching and learning. Operations will be streamlined and relocated from more than 80 district and administrative offices to six Operations Centers co-located with six of the Learning Support Centers. They will provide information technology, food and transportation services, personnel management and other back office support. One center will serve the operating needs of Citywide Special Education schools. Each center will be run by a Regional Operations Manager who will report directly to Deputy Chancellor Kathleen Grimm.

School Support Staffing

New school level personnel:

1200 Parent Coordinators

Math Coaches in targeted schools (and funding for exempted schools)

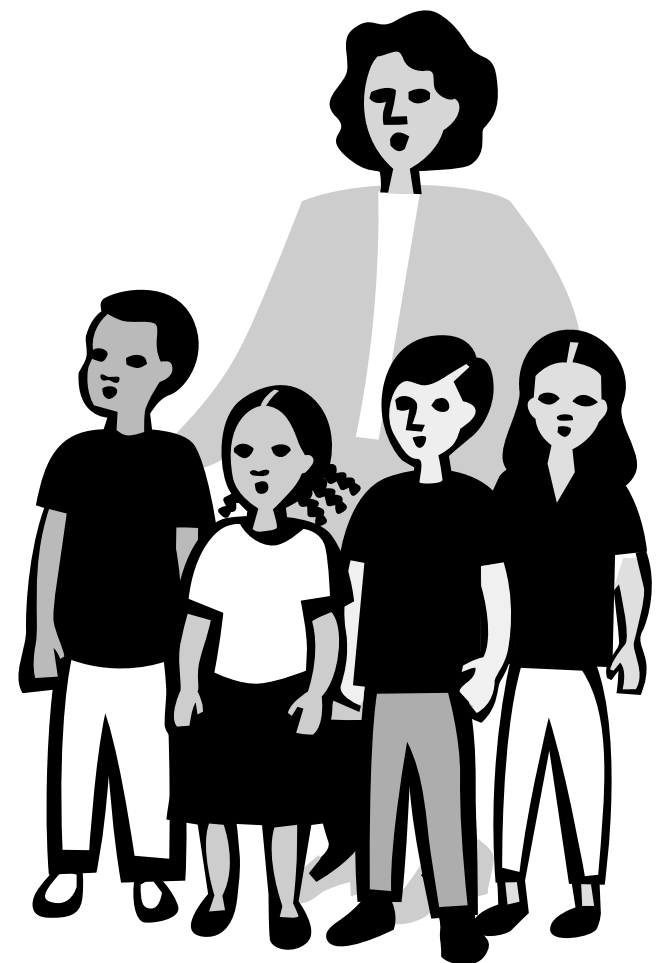
Reading Coaches in targeted schools (and funding for exempted schools)

510 Special Education support staff (previously located at district CSE)

272 Middle School Teachers to reduce 8th grade English class size

All main Learning Support Center and satellite sites will have Parent Support Offices staffed by teams of full-time, trained Parent Support Officers open during the workday as well as two evenings and one weekend day. Parents will be able to go to a Learning Support Center site in any Division to raise issues not resolved at the school level or to take care of school-business matters, including registration and transportation.

A Parent Academy will provide support and training for school-based Parent Coordinators and Parent Support Officers in the Learning Support Centers on instructional programs and curricula to develop school-home connections and to strengthen parent leadership and participation in such key organizations as Parent-Teacher Associations, Parent Associations, and School Leadership Teams. Parent coordinators will acquire the skills and information needed to provide school-based work-



shops. Specific allocations for the Parent Academy and Parent Support Offices in each of 10 new regional offices have not been released. Parent engagement standards will be part of every principal's performance review. Each school will have a trained full-time Parent Coordinator to make schools "welcoming" to parents.

The community school boards will be replaced by 11-member community District Education Councils beginning December 1, 2003. The new Councils comprise nine parents elected by parents, a nonvoting high school senior appointed by the district superintendent, and two civic leaders appointed by the Borough President. The Presidents' Councils for each community school district will be retained and are expected to work with the Education Councils. At this time, it is not known if these Councils will have offices. ❖

Class Size Reduction—Risk and Opportunity

(Continued from page 16)

economy continues in recession, this funding could once again be at risk for elimination in Spring 2004. Popular support for the creation of a city commission might making cutting out this state program more difficult.

Tasks for a Commission

The rationale for creating the commission goes beyond short-term budget strategy. If, indeed, more resources are to come to New York City as a result

of the CFE decision, careful planning must be done on how to phase in class size reduction over a five-to-ten-year period. A similar program in California was poorly implemented. Principals often want to start in grades that are to be tested by the state, even though there is no research showing that a one-year reduction in class size has any long-term benefit. Middle class parents often are more vocal in wanting the program to begin in their schools, and a "brain drain" of experienced teachers from schools servicing low-income areas can emerge.

The commission also needs to quantify the capital resources needed to create more classrooms. This is particularly important because the declining economy has also resulted in shrinking the city's capital budget (see articles on pages 3 and 4).

The most important role that such a commission could play, however, is to ensure that the restructuring of the city's education system and the state's funding system result in a tangible benefit for students – smaller class sizes. There is always the risk that they might not. ❖

Where Does the Money Go – FY 03?

This is EPP's analysis of the Department of Education's FY 03 Adopted Budget. It does not include pension or debt service payments. Rather than showing fringe benefits as a separate category, they are distributed in proportion to the personnel services allocations across categories. A \$791,970,507 labor reserve fund is also distributed in proportion to personnel services allocations across categories.



55% Instruction

(42% General Ed.; 13% Special Ed.)

Funds for elementary and middle schools in community school districts and high schools. Funds for special education instruction and support services. Fringe benefits (health insurance, etc.) for these employees.



20% Categorical

Special funding programs for additional instruction or services for students at

high risk for academic failure, such as children from non-English speaking families and high poverty communities (mostly federal Title I and state Extraordinary Needs Aid). Fringe benefits for these employees



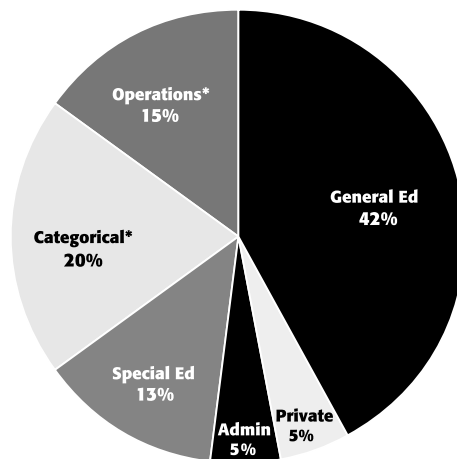
15% Operations

Funds for school buses and public transportation, school security, school lunches, building repairs, electric and heating costs and leases. Fringe benefits for these employees.



5% Administration

Funds for community school district administration, high school administration, special education administration and central administration. Fringe benefits for these employees.



5% Private Schools*

The NYC Department of Education budget includes payments for private school tuition for some special education students, pre-school special education tuition and transportation (almost all private agencies and for the state's textbook purchasing program for private schools. Also included are funds for the Fashion Institute of Technology.

* Title I funds to private schools and funds for school lunch and transportation to individual private school students are included in the "Categorical" and "Operations" categories.

Where Does the Money Go – FY 04?

This is EPP's analysis of the Department of Education's FY 04 Adopted Budget. It does not include pension or debt service payments. Rather than showing fringe benefits as a separate category, they are distributed in proportion to the personnel services allocations across categories. reserve fund is also distributed in proportion to personnel services allocations across categories.



54% Instruction

(40% General Ed.; 14% Special Ed.)

Funds for elementary and middle schools in community school districts and high schools. Funds for special education instruction and support services. Fringe benefits (health insurance, etc.) for these employees.



21% Categorical

Special funding programs for additional instruction or services for students at

high risk for academic failure, such as children from non-English speaking families and high poverty communities (mostly federal Title I and state Extraordinary Needs Aid). Fringe benefits for these employees



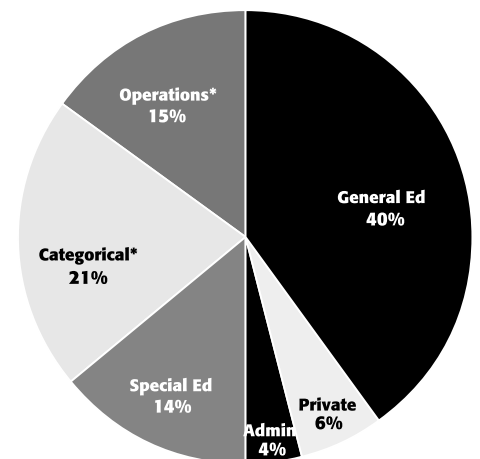
15% Operations

Funds for school buses and public transportation, school security, school lunches, building repairs, electric and heating costs and leases. Fringe benefits for these employees.



4% Administration

Funds for regions, special education administration and central administration. Fringe benefits for these employees.



6% Private Schools*

The NYC Department of Education budget includes payments for private school tuition for some special education students, pre-school special education tuition and transportation. Almost all of these funds go to private agencies and for the state's textbook purchasing program for private schools. Also included are funds for the Fashion Institute of Technology.

* Title I funds to private schools and funds for school lunch and transportation to individual private school students are included in the "Categorical" and "Operations" categories.

NYC Schools overcrowded

(Continued from page 3)

York City schools must nearly always include elevators. This is extra space and equipment. Would they be reimbursed? Also, in recent years the city Board of Education had to clean up industrial pollution (the technical term is "brownfield remediation") before it could build on a site. Would these kinds of costs be included?

The Baby Was Thrown Out with the Bath Water

School district officials immediately complained about the Governor's facilities proposals (which included another factor having to do with measurements of school district wealth). The result is that legislators who had initially pledged to support reforms in Building Aid began to say that "this was not the year." The two-way budget (created through negotiations between the Assembly and the Senate,

excluding the Governor) excluded all of the Governor's language on changes in Building Aid.

Worse, some legislators informed EPP's legislative representative, Martine Guerrier, that it was their understanding that New York City school officials had agreed at some point to a 15 percent discount in Building Aid in return for providing less data. EPP believes the report that city education officials agreed to this "discount" is somewhat dubious, because it resulted in the loss of hundreds of millions of state dollars over the course of the Board of Education's ten-year capital plan. Much more likely is that there have been efforts to contain Building Aid for the city. New York City's share of total state Building Aid continues to grow. Rather than funding school districts based on objective measurements (which is what all the complicated state-aid formulas are designed to do), funding for

New York City is always measured in comparison to the rest of the state. That New York City is one of the few overcrowded school districts in the state or that it is still playing "catch up" after twenty years of almost no funding for repairs (euphemistically called "deferred maintenance") is irrelevant in this "shares" concept of funding education by regions. The Court of Appeals decision in the Campaign for Funding Equity lawsuit explicitly rejected this "shares" policy where New York city is "capped" at 38% of state aid increases.

State funding for facilities needs to be urgently reformed in order to reduce overcrowding in New York City schools. It's an open question how many years it will take to have New York City students counted in the same manner as students in the rest of the state when it comes to computing state reimbursement for constructing new schools. ♦

Children First Initiative

(Continued from page 1)

A #1: Every school was “reinventing the wheel,” and some failing schools were reinventing the wheel every two years and doing it very poorly. The “churning” of different approaches meant that staff developers at these schools were not developing genuine expertise. Now consistency and depth in delivering instruction is a real possibility for most schools.

A #2: Deputy Chancellor Diana Lam has striven to balance the curriculum between basic and higher order skills. In the future, however, under another administration, the choices could be extreme or downright terrible.

A #3: The focus on these two “tested” areas of school curriculum might accelerate the neglect of non-tested areas of instruction. Teaching to the test is one thing, only teaching to the test is a bit worse.

Q: Isn't the focus on parents just window dressing for a system run on a corporate model?

A #1: You're confused. Corporations, love them or hate them, tend to be more focused on the customer. Parent satisfaction is an important goal for the Children First initiative because it is based on a corporate model.



A #2: No. But the base of knowledge about successful parent engagement is pretty slim and based mainly on the work of a few academics and community organizers. The Mayor and the Chancellor should be commended for developing the nation's first comprehensive and ambitious system to communicate with and involve parents. Much will be learned from this large-scale experiment.

A #3: The focus on parents is inevitable in a system controlled by a Mayor. One of the unanticipated consequences of community control is

that the role of parents was diminished. Widespread dissatisfaction by parents could spell electoral doom for any Mayor.

A #4: Heretofore, the public education system created “islands of excellence” by providing choice for middle-class parents. Low-income parents were largely ignored. The scope of Children First is even more ambitious than it first appears in that there is an attempt to reach out to *all* parents and improve *all* schools. These lofty goals may not be rewarded, however, if middle class parents feel that they are not getting their “choice” honored. This could be a flashpoint. The risk is if the system reverts back to focus on satisfying mainly this constituency.

Q: Will Children First result in school-based decision making?

A #1 Oh, pleeeaaase! Mandated textbooks? Mandated staffing? More tests? One manager for every ten principals? The schools will be micromanaged to death. With the elimination of districts, the principal's workday will become even more impossible. Pushing out low-performing students will accelerate in a desperate move to improve the statistics. Test statistics will become the be all and end all.

A #2 Children First is an attempt to manage instruction, the weak link in education systems world wide. Harvard professor Richard Elmore's analysis that school principals and bureaucracies serve mostly as buffers rather than managers has been widely circulated in elite foundations for the last several years. The mere mention of “loose-coupling” at a conference creates an expectant hush in the audience. Children First teams one instructional supervisor to ten school principals in order to create a management system for instruction. This is real administrative accountability for learning. It could all turn out to be a nightmarish return to lockstep, by-the-book instruction. On the other hand, the Chancellor's District, where failing schools were heavily managed, improved student test scores dramatically. It all rests on the capacity of current managers and the ability to train new managers. And the willingness of teachers and other staff to embrace and “buy-into” these changes.

Q: Will Children First succeed?

A Who knows? It's putting ideas to the test. It's real change. Let's hope it works. Success could revolutionize urban education in America. Failure could usher in more attempts at privatization and a market-driven, for-profit education system. A lot is at stake. ❖

Appeals Court's CFE Decision

(Continued from page 9)

outcome would not imply a return to the “shares system.”

4. How are the costs of the ruling to be met?

Only in the dissenting opinion by Justice Susan P. Read do we find a concern for the costs implied by the decision. The dissenting Judge refers to the record of state aid disbursements in 2002-2003: a record \$12.3 billion from the General Fund for public education statewide (Read, Dissenting Opinion, p.13). But the decision does not suggest any mechanism for how costs might be met. It does not specify that the legislature revise the aid formula, nor rule out the legislative practice of distribution by shares.

The reception of the decision was greeted with enthusiasm by CFE and its supporters, and by advocates of school finance reform throughout the state. Governor Pataki gamely described the decision as “a positive

opportunity for us to focus on education, on the classroom, on the teachers, on the kids and make sure that every single kid gets a good-quality high school education.” (*The New York Times*, June 27, 2003. p1.) Steve Sanders, Chairman of the Assembly Education Committee, commented: “As we fix the funding system, it will be done not just to benefit New York City students, but to ensure that all students are treated fairly.” (*The Journal News*, June 27, 2003 p.2A). Nevertheless, outside the city there was concern about where the money would come from to meet the mandated costs and whether school districts outside the city would suffer cuts in support if the state were forced to reapportion limited education funds. Elizabeth Lyman of the Citizens' Budget Commission said, “If they don't do some reallocation, this is going to cost way more money than the state can afford.” And Larry Cummings, head of the Central New York

School Boards Association made this response: “It's simply implausible that upstate legislators would want to get their hands bloodied on this one, just to help New York City.” (*The Journal News*, June 27, 2003)

5. Who decides?

The Court has assigned a very big task. But to whom? The opinion reads that “the *State* need only ascertain the actual costs of providing a sound basic education to every child in the City of New York”. The trial court had recommended setting up a commission of experts to fulfill this task on a statewide scale. Anticipating such an outcome, the CFE has already created a panel of academic experts that is hard at work on costing out the educational requirements of every school district in the state. But this decision mentions no commission or panel. Who, or what will represent “the state”? Cost determinations could be made by the Governor, by administra-

tors in the State Education Department, a Regents committee, or a legislative body. There is no requirement for review or representation. Although the case is remanded to the lower court, it is not clear how that court will apply the decision.

Conclusion

Uncertainty about the locus of this decision plus concern about future costs has dampened enthusiasm for the decision in many upstate areas. But under Michael Rebell's leadership, CFE has made every effort to enlist support for statewide reform. Working with CFE throughout the state are: the New York State School Boards' Association, the League of Women Voters of New York State, the school boards of Rochester, Buffalo and other major districts. Their task will now be to press the state legislature to translate the Court of Appeals' decision into comprehensive statewide reform of state aid funding. ❖

Class Size Reduction—Risk and Opportunity

Noreen Connell

Within a few short months of each other, two highly significant events happened: Mayor Bloomberg unveiled a dramatic restructuring of administration and instruction of the public school system and Chief Judge Kaye issued the NYS Court of Appeals decision on the Campaign for Fiscal Equity lawsuit. This issue of the *EPP Monitor* tries to describe these historic events in all of their complexity (beginning on page 1).



It is too soon to tell whether both of these events make much of a difference for children at the end of the day. Am I being too cynical? The word I would choose is “cautious.”

Lessons Learned

Mayoral control of the Chicago school system was supposed to transform one of the worst urban school systems in the nation. It improved somewhat, but the independent research community in that city bravely and tirelessly reported that all the much-heralded summer school and grade retention program was not resulting in a dramatic improvement in learning. So at the end of the day, Paul Vallas left the Chicago school system, and students were only marginally better off.

While *Children First* may be the beginning of a better education management system, so far, there has been no huge shift of resources to the classroom (see City Budget for Education, page 5).

In two states with court orders requiring more resources for high-needs school districts, New Jersey and Texas, it took more than a decade of political wrangling for the flow of dollars to begin. Hopefully, regional alliances (that CFE, EPP, the NYS League of Women Voters, and other organizations have worked hard to create) will allow this state to escape upstate-downstate, urban-suburban bottlenecks in fashioning a new system of funding schools – or at least the funding New York City’s schools, which is the NYS Court of Appeals “bottom line.”

Much more worrisome than the scattering of negative editorials in upstate papers have been statements made that one of the positive outcomes of the court case could be “more small classes for children that are falling behind.” *This is a dangerous misunderstanding.* New York City currently has and always has had quite a few small classes for children “that are falling behind,” because the city’s class sizes are, on average, so large that remedial classes are common. One of the objectives of getting more resources to city schools is to reduce *all* class sizes so fewer children fall behind. *The aim of class size reduction is to prevent children from having to enter small, remedial classes.*

The rapidity with which court testimony identifying class size as an indicator of inadequate education has been translated into business as usual is a wake up call that neither Mayoral control or the CFE decision will automatically result in small class sizes.

Planning for Smaller Classes

Parents and advocates now have an important new ally in this struggle. The United Federation of Teachers, responding to their members’ complaints, has initiated a campaign with parent and advocates to amend the New York City charter to create a commission to study how to implement the reduction of average class sizes in New York City. Some member organizations of EPP have formal policies against transforming the charter amendment process into an issue referendum process, which has helped to create confusion in California and Florida. Nevertheless, these organizations have agreed to let EPP support a commission to study class size reduction, which could also come about as a result of a City Council vote.

So far, more than half of the early-grade class sizes (k to 3) are at an average of 20 students because of special state funding. This year, the Governor attempted to eliminate all the funding for this program because of declining state revenues. If the

(Continued on page 13)

Educational Priorities Panel

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