

TO: The Honorable the Members of the Board of Regents
FROM: Theresa E. Savo
SUBJECT: 2006-2007 Budget Development Process
DATE: July 18, 2005
STRATEGIC GOAL: Goals 1-6
AUTHORIZATION(S):

Executive Summary

Issue for Discussion

The fourth step in the 2006-2007 budget development process calls for the Board to:

- Review the existing three-year initiatives against established initiative outcomes and evaluation criteria (April 2005);
- Discuss conceptual direction of the Regents State Aid proposal (May 2005);
- Evaluate the 2006-2007 initiatives proposed by the program offices using the established criteria in the Regents Standing Committees (June 2005);
- **Discuss the proposed 2006-2007 budget initiatives and the State Aid proposal with the full Board of Regents (July 2005); and**
- Act on the "Bluebook" 2006-2007 Budget Proposal, including the State Aid and Priority Legislative Proposals (September 2005).

Reason(s) for Consideration

Board direction and input are sought at each step in the process of developing the Department's annual budget proposal.

Proposed Handling

Discussion

Procedural History

The Department budget is developed over several months and involves staff from all areas of the Department. The Department Budget Proposal is expected to:

- be linked to the Department's strategic plan;
- achieve the outcomes established by the Regents;
- include all program areas in the development process; and
- follow the initiative selection criteria established by the Regents.

The three-year budget developed in 2004 for the 2005-2006 State Fiscal Year forms the basis for the 2006-2007 budget proposal. Budget preparations for 2006-2007 include:

- evaluating current initiatives;
- establishing priorities; and
- making necessary deletions, additions or modifications to initiatives.

Background Information

Each year, after reviewing proposed budget initiatives with the Commissioner, Deputy Commissioners meet with the respective Regents Standing Committees in June to review and evaluate the initiatives using established evaluation criteria. The draft budget proposal, reflecting any changes recommended by the Regents Standing Committees, is then reviewed with the full Board in July and the Regents act on the final budget proposal in September.

Recommendation

I recommend that the full Board of Regents consider and discuss the magnitude and scope of the proposed 2006-2007 budget initiatives that have been developed and reviewed with the respective Standing Committees in preparation for action in September.

Timetable for Implementation

N/A

**PROPOSED
2006-2007 BUDGET INITIATIVES**

July 2005

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**Summary of Request Over Level Funding
Regents Priority Budget Initiatives
for Consideration in 2006-2007**

AID TO LOCALITIES

(\$ THOUSANDS)

	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
Implementation of the Regents Statewide Plan for Higher Education:	\$ 82,000	-	\$ 84,551	\$ 87,480
Support for New Classroom Teachers	\$ 52,000	-	\$ 52,000	\$ 52,000
Higher Education Opportunity Program	\$ 5,500	-	\$ 6,050	\$ 6,655
Liberty Partnerships Program	\$ 7,250	-	\$ 8,338	\$ 9,588
Science and Technology Entry Program (STEP)/ Collegiate Science and Technology Entry Program (CSTEP)	\$ 2,500	-	\$ 3,000	\$ 3,600
Improve Graduation Rates for all Students	\$ 4,000	-	\$ 4,000	\$ 4,000
Strengthen Graduate Education	\$ 4,000	-	\$ 4,000	\$ 4,000
Teacher Opportunity Corps	\$ 2,750	-	\$ 3,163	\$ 3,637
Professional Education Opportunity Programs	\$ 4,000	-	\$ 4,000	\$ 4,000
New Century Libraries:	\$ 44,000	-	\$ 47,500	\$ 50,500
NOVEL	\$ 14,000	-	\$ 17,500	\$ 20,500
Local Library Capital Construction Grants	\$ 30,000	-	\$ 30,000	\$ 30,000
Employment and Independence Initiative:	\$ 6,000	-	\$ 12,000	\$ 12,000
Integrated Employment (Case Services)	\$ 2,000	-	\$ 4,000	\$ 4,000
Supported Employment	\$ 2,000	-	\$ 5,000	\$ 5,000
Independent Living	\$ 2,000	-	\$ 3,000	\$ 3,000
Postsecondary Education and Disabilities	\$ 15,000	-	\$ 30,000	\$ 30,000

STATE OPERATIONS

(\$ THOUSANDS)

Enhancing SED Staffing Capacity:	\$ 1,015	20	\$ 1,015	\$ 1,015
Department-wide	\$ 365	7	\$ 365	\$ 365
Higher Education	\$ 650	13	\$ 650	\$ 650
Strengthened Accountability to Ensure Effective Use of School Resources	\$ 78,800	105	\$ 79,700	\$ 79,700

Regents Priority Aid to Localities	\$ 147,000	-	\$ 174,051	\$ 179,980
Regents Priority State Operations	\$ 79,815	125.0	\$ 80,715	\$ 80,715
TOTAL	\$ 226,815	125.0	\$ 254,766	\$ 260,695

**Summary of Request Over Level Funding
Regents Priority Budget Initiatives and Future Budgetary Needs
for Consideration in 2006-2007**

(\$ THOUSANDS)

AID TO LOCALITIES

REGENTS GOAL 1: High Standards for All Students	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
Ensuring Excellence and Opportunity:				
<i>REGENTS PRIORITY</i> - Higher Education Opportunity Program (HEOP)	\$ 5,500	-	\$ 6,050	\$ 6,655
<i>REGENTS PRIORITY</i> - Liberty Partnerships Program (LPP)	\$ 7,250	-	\$ 8,338	\$ 9,588
<i>REGENTS PRIORITY</i> - Science and Technology Entry Program (STEP)/ Collegiate Science and Technology Entry Program (CSTEP)	\$ 2,500	-	\$ 3,000	\$ 3,600
<i>REGENTS PRIORITY</i> - Improving Graduation Rates for all Students	\$ 4,000	-	\$ 4,000	\$ 4,000
REGENTS GOAL 2: High Standards for All Educational Institutions				
<i>REGENTS PRIORITY</i> - Strengthen Graduate Education	\$ 4,000	-	\$ 4,000	\$ 4,000
REGENTS GOAL 3: Assuring the Public is Served by Ethical Professionals				
Teachers of Tomorrow Program:				
Teacher Recruitment and Training	\$ 36,000	-	\$ 36,000	\$ 36,000
<i>REGENTS PRIORITY</i> - Support for New Classroom Teachers	\$ 52,000	-	\$ 52,000	\$ 52,000
<i>REGENTS PRIORITY</i> - Teacher Opportunity Corps	\$ 2,750	-	\$ 3,163	\$ 3,637
<i>REGENTS PRIORITY</i> - Professional Education Opportunity Programs	\$ 4,000	-	\$ 4,000	\$ 4,000
REGENTS GOAL 4: Accessibility of Education and Cultural Resources				
New Century Libraries:				
<i>REGENTS PRIORITY</i> - NOVEL	\$ 14,000	-	\$ 17,500	\$ 20,500
<i>REGENTS PRIORITY</i> - Local Library Capital Construction Grants	See Capital Projects Below			
Future Support	\$ 73,000	-	\$ 73,000	\$ 73,000
Parent Involvement Advocacy Initiative	\$ 5,000	-	\$ 5,000	\$ 5,000
State Adult Literacy Education	\$ 800	-	\$ 800	\$ 800
Employment and Independence Initiative:				
<i>REGENTS PRIORITY</i> - Integrated Employment (Case Services)	\$ 2,000	-	\$ 4,000	\$ 4,000
<i>REGENTS PRIORITY</i> - Supported Employment	\$ 2,000	-	\$ 5,000	\$ 5,000
<i>REGENTS PRIORITY</i> - Independent Living Centers	\$ 2,000	-	\$ 3,000	\$ 3,000
Readers Aid	\$ 200	-	\$ 700	\$ 1,500
<i>REGENTS PRIORITY</i> - Postsecondary Education and Disabilities Initiative	\$ 15,000	-	\$ 30,000	\$ 30,000
Subtotal	\$ 232,000	-	\$ 259,551	\$ 266,280

for Consideration in 2006-2007

(\$ THOUSANDS)

STATE OPERATIONS

	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
REGENTS GOAL 3: Assuring the Public is Served by Ethical Professionals				
Support the Civil Prosecution of Illegal Practice	No State Funding Required			
Educate Professionals and Consumers to Prevent Harm	No State Funding Required			

REGENTS GOAL 4: Accessibility of Education and Cultural Resources

Office of the Professions Technology Initiative	No State Funding Required			
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REGENTS GOAL 5: Stewardship of All Resources

Support for SED Staffing - New York State Summer Institutes and Nonpublic School Services	\$ 700	10	\$ 700	\$ 700
<i>REGENTS PRIORITY</i> - Strengthened Accountability to Ensure Improved Student Achievement and Effective Use of School Resources	\$ 78,800	105	\$ 79,700	\$ 79,700
Enhancing SED Capacity				
<i>REGENTS PRIORITY</i> - Department-wide	\$ 365	7	\$ 365	\$ 365
<i>REGENTS PRIORITY</i> - Higher Education	\$ 650	13	\$ 650	\$ 650
Subtotal	\$ 80,515	135	\$ 81,415	\$ 81,415

CAPITAL PROJECTS

	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
REGENTS GOAL 5: Stewardship of All Resources				
Cultural Education Collection Stewardship	\$ 11,000	-	\$ -	\$ -
NYS Museum Renewal	No State Funding Required			
<i>REGENTS PRIORITY</i> - New Century Libraries - Local Library Capital Construction Grants	\$ 30,000	-	\$ 30,000	\$ 30,000
Subtotal	\$ 41,000	-	\$ 30,000	\$ 30,000

STATUTORILY MANDATED LOCAL ASSISTANCE

	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
Aid to Libraries	\$ 2,400	-	\$ 2,400	\$ 2,400
Aid to Public Radio and Television Stations	\$ 12,900	-	\$ 12,900	\$ 12,900
Aid to Independent Colleges and Universities	\$ 7,630	-	\$ 7,630	\$ 7,630
Education of Native Americans	tbd	-	tbd	tbd

for Consideration in 2006-2007

(\$ THOUSANDS)

Nonpublic Mandated Services Aid	tbd	-	tbd	tbd
Private Schools for the Deaf and Blind (\$4201)	\$ 3,453	-	\$ 7,284	\$ 11,244
Education of Preschool Children with Disabilities (\$4410)	\$ 18,775	-	\$ 38,760	\$ 59,424
Summer Education of Children with Disabilities (\$4408)	\$ 49,800	-	\$ 56,800	\$ 63,800
Additional Costs Associated with Revised Rate Setting Methodology	tbd	-	tbd	tbd
Subtotal	\$ 94,958	-	\$ 125,774	\$ 157,398

STATUTORILY MANDATED STATE OPERATIONS

	2006-07		2007-08	2008-09
	Cost	FTE	Cost	Cost
School Health and Safety System	\$ 400	6	\$ 400	\$ 400
Tenured Teacher Discipline Hearings	\$ 775	-	tbd	tbd
Fingerprinting Teacher Certification Applicants	\$ 325	-	\$ 325	\$ 325
Subtotal	\$ 1,500	6	\$ 725	\$ 725

Regents Priority Budget Initiatives

Aid to Localities	\$ 117,000	-	\$ 144,051	\$ 149,980
State Operations	\$ 79,815	125	\$ 80,715	\$ 80,715
Capital	\$ 30,000	-	\$ 30,000	\$ 30,000
TOTAL	\$ 226,815	125	\$ 254,766	\$ 260,695

Future Budgetary Needs

Aid to Localities	\$ 115,000	-	\$ 115,500	\$ 116,300
State Operations	\$ 700	10	\$ 700	\$ 700
Capital	\$ 11,000	-	\$ -	\$ -
Statutorily Mandated	\$ 96,458	6	\$ 126,499	\$ 158,123
TOTAL	\$ 223,158	16	\$ 242,699	\$ 275,123

GRAND TOTAL	\$ 449,973	141	\$ 497,465	\$ 535,818
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EMSC
2006-2007
PROPOSED BUDGET INITIATIVES

EMSC Budget Initiatives for Consideration in 2006-2007
Summary of Request Over Level Funding
(\$ THOUSANDS)

AID TO LOCALITIES

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
Parent Involvement Advocacy Initiative	\$ 5,000	\$ 5,000	\$ 5,000
State Adult Literacy Education	\$ 800	\$ 800	\$ 800

STATE OPERATIONS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 2: High Standards for all Educational Institutions			
REGENTS GOAL 5: Stewardship of All Resources			
Strengthened Accountability to Ensure Improved Student Achievement and Effective Use of School Resources *	\$ 78,800	\$ 79,700	\$ 79,700
Support for EMSC Staffing - Including New York State Summer Institutes	\$ 700	\$ 700	\$ 700

* Includes \$10 million requested as State Aid to Schools

STATUTORILY MANDATED LOCAL ASSISTANCE

	2006-07 Cost	2007-08 Cost	2008-09 Cost
Education of Native Americans	tbd	tbd	tbd
Nonpublic Mandated Services Aid	tbd	tbd	tbd

STATUTORILY MANDATED STATE OPERATIONS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
School Health and Safety System	\$ 400	\$ 400	\$ 400

Regents Goal 1

“All students will meet high standards for academic performance and personal behavior and demonstrate the knowledge and skills required by a dynamic world.”

Statutorily Mandated Needs:

Education of Native Americans

The Commissioner of Education, by law, has responsibility for overseeing the education of Native American students residing on reservations in New York State. Pursuant to Sections 4101 (1) and (2) of Article 83 of Education Law, the Commissioner contracts with school districts for the tuition, transportation and maintenance of three, State-owned, reservation school buildings in the State.

Nonpublic Mandated Services Aid

Chapter 507 of the Laws of 1974 requires that nonpublic schools be reimbursed for the actual costs they incur in providing required services to the State. These services include the administration of State testing and evaluation programs and participating in State programs for reporting basic educational data.

Additional funding is requested to meet the costs of inflation, continue component re-testing of State exams, continue administration of NYSESLAT, and phase in grades 3-8 testing.

Regents Goal 4

“Education, information, and cultural resources will be available and accessible to all people.”



Parent Involvement Advocacy

The No Child Left Behind Act of 2001 holds schools accountable for results, gives parents greater choice and promotes teaching methods that work. The parental involvement provision in Title I stresses the importance of ongoing, meaningful communication between school and home and emphasizes the rights of parents to have information that will enable them to make well-informed decisions and share responsibility in the development of effective schools. The Department must therefore continue to strengthen and support parental involvement in all aspects of education.

A parent involvement program will enable the Department to meet the following goals:

- Provide technical assistance and support to local school districts to enable districts to implement effective parent involvement activities that support student achievement;
- Ensure that parents receive timely information, in a language they understand, on student and school improvement;
- Disseminate information on effective parent involvement strategies and programs; and
- Provide parents with the information and skills they require to effectively support and advocate on behalf of their children. Build capacity in schools to increase parental involvement in all activities designed to improve student achievement.

Funds would support work with schools on increasing parental involvement. Proposed activities to be funded include:

- Establish regional parent resource centers to provide support to schools and families to develop and implement innovative parent involvement programs. In New York City, the downstate technical assistance center would work in conjunction with the ten regional districts and the central board and serve as a resource to building level parent involvement coordinators.

- Establish a statewide information hotline for parents.
- Support provision of services by SED staff.

The expenditure of these funds will result in:

- Higher student achievement for all students,
- Increased attendance and fewer student behavioral disruptions, and
- Increased public support for quality education.

Requested Resources

Five million dollars per year for three years.
Ten percent would be allocated to fund direct provision of services by staff.

Regents Goal 4:

“Education, information, and cultural resources will be available and accessible to all people.”

State Adult Literacy Education

Currently there are three state funded programs for Adult Education, which in 2004-05 totaled \$95.34 million. The programs are: Employment Preparation Education (EPE) and Welfare Education Program (WEP), which are available to school districts and BOCES, and Adult Literacy Education (ALE), which is available to libraries, community based organizations and colleges. The plan for the distribution of these funds is:

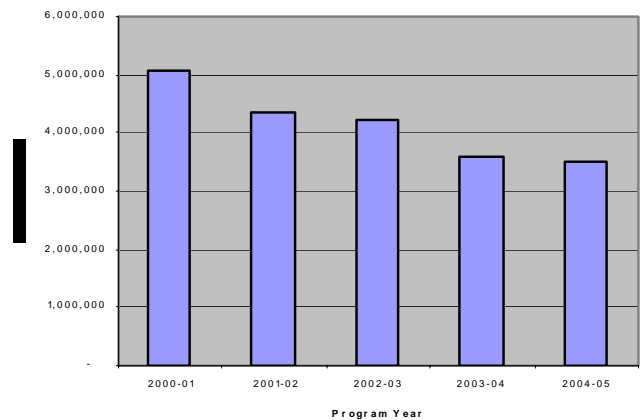
Source	NYC	ROS	Total
EPE	\$33,403,820 ¹	\$56,596,180	\$90,000,000
ALE	634,000 ²	2,700,000 ³	3,340,000
WEP	487,302	1,512,397	2,000,000
Total	\$34,525,122	\$60,808,577	\$95,340,000
Percent	36.2%	63.8%	100.00%

1. Includes \$11.5 million for Consortia for Workers Education.
2. All funding dedicated to contract with New York City Department of Youth and Community Development.
3. Awarded to Literacy Volunteers of New York State through a sole source contract.

Although New York City is the area of greatest need, it receives only a little over one-third of the state funding for adult education. It is estimated that the NYC Department of Education (NYCDOE) will only generate \$17 million in EPE for 2004-05 so the actual split according to expenditures will be around \$30 million for NYC and \$65 million for the ROS (the \$5 million initially allocated to NYC was redistributed to the ROS).

The NYCDOE is the only agency eligible to receive EPE and the amount of contact hours generated by NYCDOE programs has decreased from 5,083,759 in 2000-01 to 3,26,680 in 2004-05 (projected).

Adult Education Contact Hours Generated by the New York City Department of Education



While the \$40 million in federal funds that are allocated to local provider agencies favors NYC - \$24 million vs. \$16 million for ROS, NYC's total share of the funds available for adult education (39.5%) is not commensurate with its share of the state's population needing literacy services (50%).

More than any other part of the state, NYC experiences long waiting lists for entry into basic education, GED and, especially, English language acquisition classes. The situation is so severe in some parts of the city that waiting lists are no longer kept and admission to class is through a lottery. The \$6 million increase in EPE last year did nothing to alleviate the crisis in NYC and the \$6 million increase provided for 2005-06 will also have little impact on the NYC situation.

A restructuring of adult education funding starting with the 2006-07 program year is proposed which would create a new program called State Adult Literacy Education (SALE) to be funded at a level of \$6.8 million in 2006-07. Agencies would be funded through multi-year contracts to provide adult basic education, GED, and English language acquisition courses. The competition would be conducted in conjunction with the competition for federal Workforce Investment Act (WIA), Title II funding.

Eligible agencies would be libraries, faith/community based organizations and SUNY and CUNY colleges. The rating criteria would favor proposals that are consortia of providers and would also favor proposals that could provide a cash match. Funded agencies would be held to the

same requirements as those funded under WIA, Title II - minimum of 10 hours of staff development for each teacher, reporting under the Adult Literacy Information and Evaluation System (ALIES) and assessing student progress through tests approved by the Department.

SALE would be for students who are not at the bottom Educational Functioning Level in either adult basic education or English language acquisition. Students at this level would be served through ALE, which would be competitively awarded through the same request for proposal as SALE. SALE would also favor consortium applications that would serve a wide area of the state or one of the seven regions. ALE would remain funded at \$3.34 million with 60% for NYC and 40% for ROS.

In order to fund SALE, it is proposed that EPE be reduced by \$6 million and an additional \$800,000 be provided. Below is a comparison of 2005-06 State funding for adult education and what is proposed for 2006-07.

	2005-06	2006-07
EPE	\$96.0 million	\$90.0 million
ALE	\$3.34 million	\$3.34 million
WEP	\$2.0 million	\$2.0 million
SALE	N/A	\$6.8 million
Total	\$101.34 million	\$102.14 million

In the 2007-08 and 2008-09 program years increases of \$1 million would be requested for each of the four programs.

Requested Resources:	\$800,000
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Regents Goal 5

"Resources under our care will be used or maintained in the public interest."

Statutorily Mandated Needs:

SCHOOL HEALTH AND SAFETY PROGRAM

The New York State Education Department's Office of Facilities Planning is statutorily mandated, as the New York State Code Jurisdiction on public school property, to ensure the health, safety and well-being of the 2.8 million public school students and staff. With the increasing need to repair, renovate, and replace school facilities now approaching an average age of 60 years, over 2,000 capital project building permits are processed annually. The Office also oversees programs such as Rebuild Schools to Uphold Education (RESCUE), annual fire safety inspections at over 6,000 school facilities, and assists with Project SAVE.

The Department requires an additional \$400,000 annually to strengthen technical assistance, compliance monitoring and the capital building permit review process.

Regents Goal 5:

"Resources under our care will be used or maintained in the public interest."

Strengthened Accountability to Ensure Improved Student Achievement and Effective Use of School Resources

New York State has in-place a nationally recognized model for student performance accountability. Approximately 70 percent of New York State Schools are currently making Adequate Yearly Progress (AYP). NCLB requires each school to make AYP. As more NCLB assessments are implemented, it is likely that more schools will not make AYP. However, approximately 30 percent of the State's schools need varying levels of support and assistance to help them close the gaps in student achievement. These low-performing schools will be the focus of intensive State efforts.

Strategy

A dedicated source of funding is needed to implement a strategy of "school by school reform" in low-performing schools. The following strategy will ensure that student performance will be held to high standards, practices proven to raise student achievement will be shared, and school finances will be held to a high standard of accountability and integrity. The strategy requires:

- additional Department staff in key shortage areas related to school improvement and accountability, fiscal oversight, auditing and technical assistance;
- support for expanding the responsibilities of seven existing regional school support centers located throughout the State;
- targeted technical assistance using academic intervention teams comprised of administrators and content experts working in at-risk schools;
- allowing boards of cooperative educational services to offer increased services to schools identified as schools in need of improvement and providing State aid for such services located throughout the State;
- improved annual independent school audits; and

- data and information systems to monitor school financial condition, track student achievement, and manage the collection, processing and projection of State aid-related data.



Categories of Schools/Services to be Provided

There are five categories of schools that need varying degrees of technical assistance:

- **Schools that demonstrate acceptable performance** - May require occasional fiscal audits, periodic data audits, and to participate in workshops and training provided by BOCES or the Department on a regional basis.
- **Schools that are in danger of being identified as Schools In Need of Improvement (SINI) because they have not met AYP** - Would receive technical assistance through a BOCES or directly from the local educational agency.
- **Schools in Need of Improvement, year 1 or year 2** - Would receive technical assistance through a BOCES or one of the seven Regional School Support Centers located throughout the State.
- **Corrective Action Schools/Districts** - At the school level, technical assistance would be provided by one of the Regional School Support Centers. At the district level, the Commissioner will assign an academic intervention team to the district.
- **Schools Under Registration Review (SURR) or schools required to implement a restructuring plan** - An academic intervention team will be assigned by the Commissioner to each school in this

category. Schools removed from registration review would either continue to receive support from an intervention team or be provided support by the Regional School Support Centers.

Service Delivery System

The following information describes the types of assistance each of the service providers would deliver to the schools above:

Regional School Support Centers

Funds for Regional School Support Centers (six located upstate and one in New York City) will be allocated proportionately to each Center based on the number of schools in need of improvement and used for the following activities:

- Provide technical assistance and instructional advice to schools in need of improvement in reading, particularly in the early grades; mathematics, and other areas as needed.
- Work with academic intervention teams assigned by the Commissioner to work on-site in highest need schools.
- Identify best practices and use a variety of technologies to disseminate these practices, e.g., the Department's Virtual Learning Space, regional workshops, urban forums.
- Provide assistance to districts and schools in need of improvement to analyze student performance data and develop district and school improvement plans.
- Coordinate activities of existing networks – particularly those that support students in low-performing schools such as Bilingual Education Technical Assistance Centers (BETAC) and Special Education Training and Resource Centers (SETRC).

Academic Intervention Teams

The Commissioner will assign an academic intervention team to each school district in the State that is identified for corrective action and to each school in the State that has been identified for Registration Review or is required to implement a restructuring plan. The primary purpose of the intervention teams is to build the capacity of local educational agencies to successfully undertake corrective actions, redesign and restructuring plans that result in improved student achievement consistent with

State standards for school and district performance.

The intervention team will consist of persons with expertise in educational management and instructional leadership, curriculum and assessment, academic intervention and student support services, parent and community involvement, educational assessment and improvement of classroom instruction for low-achieving students. Such teams will conduct a comprehensive review of district or school operations, including the design and operation of the instructional program, and develop recommendations for incorporation into the Results Based Plans to be developed by districts and the restructuring plans implemented by schools. Up to 2 FTEs will be hired as consultants to serve each targeted school/district.

Upon completion of the comprehensive review, member(s) of the intervention team shall be assigned to the district or school to assist as necessary in building the capacity of school and district staff in such areas as: disaggregation of test data and root cause analysis; implementation of professional development programs, including coaching and mentoring of administrators and teachers; implementation of curriculum and effective instructional practices, including the use of technology; and promotion of parental, community and inter-agency involvement with schools. In collaboration with Department staff, intervention teams will assist local educational agencies (LEAs) to develop or modify as appropriate partnership agreements between the LEA and the Department.

Aid to Localities Grants

Each district and school receiving services from an academic intervention team will be required to implement the comprehensive plan recommended by the team. It is expected that high need districts will receive substantial increases in a revised State Aid formula. Districts/schools should use these additional funds in the first instance. If additional funds are still required to implement the comprehensive review recommendations, the school/district will be eligible for a grant to be used for this purpose. The academic intervention team will assist the district in preparation of an application for use of these funds. Implementation grants may be used to support activities, such as: recruiting, hiring, training, and retaining qualified

professionals; improving student support services; improving curriculum, instruction and assessment practices; and involving the whole community in meeting higher standards, including establishing community learning centers.

Based on their work, the academic intervention teams will:

- Report, quarterly, to the school principal, school superintendent, Board of Education, and Commissioner on the progress of the intervention team. The principal and superintendent shall report quarterly to the intervention team and Board of Education on the progress made in implementation of improvement plans.
- For schools implementing restructuring plans or plans required for Schools Under Registration Review, assess the school's progress, annually, and recommend to the Board of Education and the Commissioner whether the school should continue to implement its plan, modify its plan, or close or phase out the school.
- For districts in Corrective Action, recommend to the Commissioner, annually, the corrective actions that should be taken by the Department.
- In consultation with the local school community, recommend to the Commissioner, annually, whether the school, including a school newly removed from registration review, or district should continue to receive assistance from the intervention team, the Regional School Support Center and/or Department staff.

District Superintendents of Schools/Boards of Cooperative Educational Services (BOCES)

Legislative agreement is necessary for Boards of Cooperative Educational Services (BOCES) to expand use of school improvement Cooperative Service Agreements (CoSERs) to allow a portion of the district expense to be covered through this mechanism. These funds would be used to assist schools in component districts that are newly identified as Schools in Need of Improvement (SINI) or which are in danger of identification based on the analyses of assessment data. This program of prevention and early intervention would complement the work of the proposed academic intervention teams that would focus on Schools Under

Registration Review (SURR) and buildings in Corrective Action or restructuring action status under No Child Left Behind (NCLB). Districts with schools identified for this program would be required to:

- participate in a comprehensive needs assessment conducted by the Regional School Support Center (RSSC);
- work with the district superintendent or his/her designee to determine the nature and extent of participation in school improvement CoSERs (i.e. leadership, planning curriculum development, professional development) based on identified needs;
- purchase the identified school improvement services with the district expense share paid from the funds allocated to each RSSC and administered by the district superintendents of the region; and
- participate in ongoing regional school improvement activities as directed by the district superintendent.

In instances where the fiscal integrity, or management of a school district reaches a level of serious concern, the Commissioner of Education should have the option of using the district superintendents to provide technical assistance or supervision and, in some instances, oversight for these districts. District superintendents should be actively involved in identifying school districts with the potential for fiscal stress, for training aimed at improving financial and capital management.

A comparable mechanism for provision of these services to the large City school districts will also be implemented.

State Education Department

Office of Elementary, Middle, Secondary and Continuing Education (EMSC)

EMSC needs additional staff to support the low-performing schools, the work of the academic intervention teams, and to provide fiscal oversight to school districts. These positions (the number of positions is shown in parenthesis) will be deployed in the following areas:

- Standards, Assessment and Reporting (8)
- Curriculum and Instructional Support (8)
- School Improvement and Community Services (Regional) (9)

- School Improvement and Community Services (NYC) (15)
- Bilingual Education (4)
- School Operations and Management (9)

The individuals in these positions will have expertise in the following areas:

- proven strategies for raising the achievement of at-risk students;
- educational management and instructional leadership;
- curriculum and assessment;
- student support services;
- fostering cross/system (city and State) interagency collaboration to provide information and services to students and families in low-performing schools;
- educational assessment;
- successful school reform models; and
- research skills, data collection and analysis.

Office for Vocational and Educational Services for Individuals with Disabilities (VESID)

VESID requires additional staff to provide special education technical assistance and support to low-performing schools. These positions will be deployed in the following areas:

- Special Education Quality Assurance (5)
- Special Education Quality Assurance - NYC (3)
- Program Development and Support Services (2)

The individuals in these positions will have expertise in the following areas:

- proven strategies for raising the achievement of students with disabilities;
- educational management and instructional leadership;
- curriculum and assessment, including alternate assessment and alternate learning standards
- student support services, including Positive Behavioral Intervention Skills (PBIS);
- fostering cross-system (city and State) interagency collaboration to provide information and services to students with disabilities and their families in low performing schools;
- educational assessment; and
- successful school reform models, including integrating general and special education.

These regional staff with special education expertise could be assigned to (and employed by) the RSSC or BOCES rather than VESID, if that is likely to be the most effective process.

Office of Management Services (OMS)

OMS requires additional staff (26) in the Office of Audit Services (OAS) to audit districts on a more frequent basis and review annual school district independent audits. Department staff coordinate their audit work with that of the Office of the State Comptroller. Some of the Department's audit staff will conduct forensic audits. The Department will use a risk-based system to focus the audits on districts with indicators of poor student performance and fiscal stress, or those where concerns have been expressed. In addition, some of the audit resources will be devoted to conducting random audits of school districts that have no known problems or issues.

Audits will assess the adequacy of the school district's management and focus on seven key areas: governance and planning, accounting and reporting, revenue and cash management, purchasing and expenditures, facilities and equipment, student services, and student-related data.

Additional IT support (16) is required for the Student Data System, State Aid Management System, School District Financial Condition Indicator System and the Grants Management System applications.

School District Financial Condition Indicator System

To enhance the fiscal oversight and integrity of school districts, the EMSC Office of Educational Management Services will monitor school district fiscal health and practices; investigate complaints; provide technical assistance, particularly to at-risk districts identified by the Department, district superintendent, or fiscal indicator system; and train school personnel and school board members in internal controls and best financial practices.



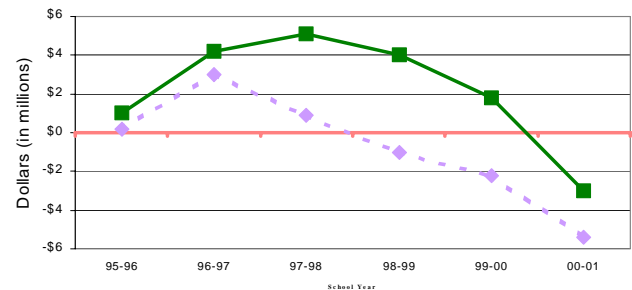
School Board Members, Superintendent and Business Official working collaboratively on the school district budget.

The best prevention against fiscal emergencies is regular monitoring of district financial health, and appropriate budget adjustments. A school district Financial Condition Indicator System (FCIS) will provide a comprehensive overview of a school district's financial condition and economic environment. Features of the system will include: an early warning system for school districts to prevent financial distress; fiscal benchmarks and best financial management practices; a public reporting tool providing information about the management of public funds to achieve educational goals (the system will educate the public on what constitutes a fiscally sound school district); and a long-range financial planning tool for school district officials. Long-range planning and early warning and public information tools will be developed and piloted in the big five fiscally dependent school districts.

The cost of developing and implementing the FCIS will be far less than that expended by the State on school districts in fiscal stress. The benefits of implementing the FCIS are: that the measurement of financial condition and use of such data by the public school districts and the State will help improve the fiscal health of schools and the cost-effective use of district resources, and that the system will save taxpayers considerable amounts of money by avoiding the need for special legislative assistance when districts require financial assistance.

The following chart shows how an actual school district depleted its savings (fund balance) and consistently overspent (surplus/deficit), plunging itself into fiscal stress. Careful monitoring of fiscal indicators will help a district and the State to divert such stress before it occurs.

The Challenge is to Divert Fiscal Stress Before It Occurs



— ♦ — Annual Surplus (Deficit) — ■ — Fund Balance

Source: Audited Financial Statements

Student Data System

Teachers, school administrators and State officials rely on data to assess the quality and outcomes of the State's educational system at levels ranging from the individual student to the State as a whole. Building a statewide student data system will meet a variety of educational and accountability needs, including: transforming the way educational data are collected, maintained and used and creating greater capacity to raise the achievement of all students in New York; reducing redundant data collection and facilitating reporting by integrating Department data systems; and informing educational policy and providing accountability for federal, State and local institution and program management.

State Aid Management System

The current mainframe computer system used by the Department consists of over two million lines of code and a complex network of programs that have evolved over the past 20 years to accommodate State aid formula changes introduced by new legislation each year. The development of a unified State Aid Management System will address shortcomings of the current system by providing: a single point of access to state aid data; the means for enabling the Department to collect information from school districts across the State more effectively; the capability to analyze districts' fiscal needs; a streamlined method for distributing funds to school districts; and modeling capability during the annual State budget process to inform and assist the Executive and the State Legislature as they address State education funding requirements.

Grants Management System

The Grants Management System is another aspect of accountability. Approximately \$3 billion in grants are processed annually, much of it to schools. The current system is labor and paper intensive and has limited reporting capability. An updated web-based system will improve the efficiency of the process and provide improved reporting capability. This will also allow the Department to reduce clerical staff but will increase the need for professional staff so that it can move to risk-based auditing consistent with the Office of the State Comptroller's approach. The risk-based auditing will use a combination of audits performed in-house using audit software and field visits to monitor and provide technical assistance targeted at schools in need of improvement and other high-risk schools.

Requested Resources

\$ 8,000,000 - Regional School Support Centers
\$40,000,000 - Academic Intervention Teams
\$10,000,000 - Aid to Localities Grants **
\$ 6,800,000 - Department Staff
\$ 300,000 - Financial Condition Indicator Sys*
\$ 3,700,000 - Student Data System
\$ 5,000,000 - State Aid Management System
\$ 5,000,000 - Grants Management System

Summary

\$68,800,000 - State Operations
\$10,000,000 - Aid to Localities **
\$78,800,000 – 2006-2007 Total***

* \$1,200,000 Annualized

** Requested as State Aid to Schools

*** Includes 105 FTE for Department

Support for SED Staffing

To insure that the New York State Education Department is able to continue to support the work in the New York State Summer Institutes and Nonpublic School Services, the Department is requesting state operations funding to support ten positions and NPS costs. Both of these offices are currently supported by federal Title V-A Innovative Programs funds. However, Innovative Programs funding has been on a downward trajectory since the 2002-03 program year. From an operations base of \$3.575 million in 2002-03, New York will be reduced to \$1.764 million in the 2005-06 program year (a cut of over 50 percent beginning July 2005), and further reduced to \$.889 million in the 2006-07 program year (a cut of over 75 percent beginning July 2006)

The New York State Summer Institutes has served students from every area of the State for over 34 years. The program identifies tomorrow's leaders in the arts by providing students representing New York's economic, cultural and racial diversity with intensive, pre-professional training and career development opportunities. Over 15,000 students have participated in this legislative initiative.

The Office of Nonpublic School Services is responsible for the coordination of programs and services for over 7000 nonpublic schools and organizations. This includes functioning as ombudsman for, providing technical assistance on home instruction, approving requests for charters and incorporation of nonpublic schools and organizations, and registration of nonpublic secondary schools.

Requested resources:

2006-07 - \$700,000 for 10 FTE and non-personal service costs.

**HIGHER EDUCATION AND THE PROFESSIONS
2006-2007
PROPOSED BUDGET INITIATIVES**

Higher Education Budget Initiatives for Consideration in 2006-2007

Summary of Request Over Level Funding

(\$ THOUSANDS)

AID TO LOCALITIES

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 1: High Standards for All Students			
Ensuring Excellence and Opportunity:			
Higher Education Opportunity Program (HEOP)	\$ 5,500	\$ 6,050	\$ 6,655
Liberty Partnerships Program (LPP)	\$ 7,250	\$ 8,338	\$ 9,588
Science and Technology Entry Program (STEP)/ Collegiate Science and Technology Entry Program (CSTEP)	\$ 2,500	\$ 3,000	\$ 3,600
Improving Graduation Rates for all Students	\$ 4,000	\$ 4,000	\$ 4,000
REGENTS GOAL 2: High Standards for All Educational Institutions			
Strengthen Graduate Education	\$ 4,000	\$ 4,000	\$ 4,000
REGENTS GOAL 3: Assuring the Public is Served by Ethical Professionals			
Teachers of Tomorrow Program:			
Teacher Recruitment and Training	\$ 36,000	\$ 36,000	\$ 36,000
Support for New Classroom Teachers	\$ 52,000	\$ 52,000	\$ 52,000
Teacher Opportunity Corps	\$ 2,750	\$ 3,163	\$ 3,637
Professional Education Opportunity Programs	\$ 4,000	\$ 4,000	\$ 4,000
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
Postsecondary Education and Disabilities Initiative	\$ 15,000	\$ 30,000	\$ 30,000

STATE OPERATIONS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
Enhancing OHE Staffing Capacity	\$ 600	\$ 600	\$ 600

STATUTORILY MANDATED AID TO LOCALITIES

	2006-07 Cost	2007-08 Cost	2008-09 Cost
Aid to Independent Colleges and Universities	\$ 7,630	\$ 7,630	\$ 7,630

STATUTORILY MANDATED STATE OPERATIONS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
Tenured Teacher Discipline Hearings	\$ 775	tbd	tbd
Fingerprinting Teacher Certification Applicants	\$ 325	\$ 325	\$ 325

Regents Goal 1

“All students will meet high standards for academic performance and personal behavior and demonstrate the knowledge and skills required by a dynamic world.”

“The Foundation of Every State is the Education of Its Youth.”

The **Regents Statewide Plan for Higher Education, 2004-2012**, developed in collaboration with SUNY, CUNY and the independent and proprietary sectors, **identifies priorities directed at making the system even more effective** at meeting the needs of New York’s people.



Regents Higher Education Priority 4: *Closing Performance Gaps in Higher Education*

Problem: More students need to complete their college programs and more students need to complete their programs on time. Consider the following:

- Almost 40% of the full-time, first-time students matriculating in baccalaureate programs in 1997 did not graduate within six years from the institution they entered initially.
- For Black and Hispanic students, the rates were 57.4 percent and 56.6 percent, respectively.
- For 2003, while the overall State **six-year** graduation rate for first time entrants is 60.2 percent (above the national average), White (64.9 percent) and Asian (63.8 percent) students graduated at significantly higher rates than Black (42.5 percent) and Hispanic (43.4 percent) students.

Solutions:

► Incentive Grants

Create an incentive program to provide grants to colleges and universities to help improve their retention and graduation rates, help close the performance gap by ethnicity in our State's colleges and universities and assist more students to graduate on time.

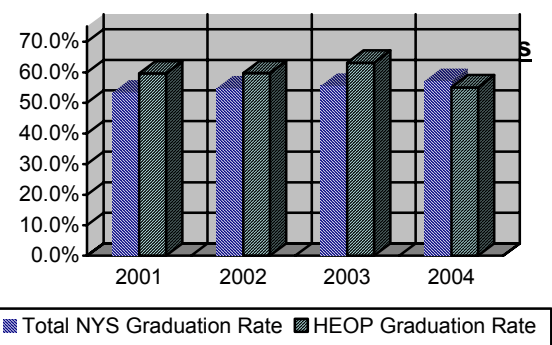
Requested Resources	
SFY 2006-2007	\$4.0 Million

► Strengthen proven opportunity programs

Higher Education Opportunity Program (HEOP)

The Higher Education Opportunity Program (HEOP) provides access to and financial support for higher education to students who do not meet the regular entrance requirements and are economically disadvantaged. HEOP is one of a few proven strategies for helping to reduce youth underemployment and unemployment in the State.

Five-Year Baccalaureate Degree Graduation Rates - NYS vs. HEOP



- ☑ 29,608 HEOP students have graduated since 1969.
- ☑ Of the 995 HEOP graduates in 2003-2004, 61% were employed directly after graduation, enrolled in graduate or professional school, or matriculated at a senior college or another institution.
- ☑ Graduation rates for Black and Hispanic HEOP participants are consistently

higher than for regularly admitted Black and Hispanic students.

Requested Resources

An additional \$5.5 million for a total of \$27.5 million is requested to serve 6,250 (FTE). This aid will:

- Increase academic support; and
- Increase supplemental financial assistance.

Liberty Partnerships Program

The Liberty Partnerships Program (LPP) provides at-risk secondary school students with services designed to improve their ability to graduate from high school and enter postsecondary education and the workforce. LPP helps to establish collaborative and supportive partnerships between postsecondary education institutions, public and non-public K-12 schools, parents, and other stakeholders. **There are 57 Liberty Partnerships Programs serving over 14,000 students living in urban, rural and suburban communities.**

Keys to Success

- Year-round programs and services that promote educational and personal excellence among at-risk youth.
- Effective teaching and learning experiences throughout the K-16 continuum.
- Professional development opportunities that facilitate innovations in academic and social intervention.
- Collaborative community activities generating systemic and sustained resources for at-risk students and high-need schools.
- Parent/extended community involvement.

Outcomes

- ☑ The annual dropout rate of LPP students is 2%; compared to the statewide rate of over 5%.
- ☑ Approximately 1,590 high school graduates in the LPP go on to postsecondary education institutions each year.
- ☑ Through relationships with partners, Liberty Partnerships Programs at the State and local levels have been able to leverage expanded resources for students and partner schools.

Requested Resources

An additional \$7.25 million for a total of \$18.75 million is requested to address the challenges to at-risk student achievement. The success of the program has created a backlog of students who desire to enter the program. Additional funding will provide opportunities to:

- Increase students served by 1,200.
- Reduce student/staff ratios.
- Strengthen professional development for staff and faculty.
- Expand use of technology to improve student/program performance.

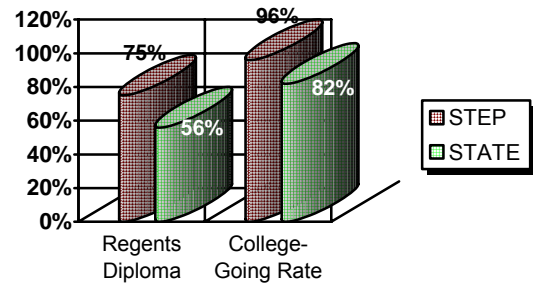
Science and Technology Entry Programs: Promoting Careers in Math, Science, Technology, and Health

- The **Science and Technology Entry Program (STEP)** helps to increase the number of historically underrepresented and disadvantaged students prepared to enter college, and improve their participation rate in mathematics, science, technology, health-related fields and the licensed professions.
- The **Collegiate Science and Technology Entry Program (CSTEP)** works to increase the number of historically underrepresented students who enroll in and complete undergraduate or graduate programs leading to professional licensure or careers in mathematics, science, technology (MST), and health-related fields.

Outcomes

- ☑ In 2003-04, 91% of STEP graduates enrolled in college.
- ☑ 68% of college-going graduates of the STEP actually pursued careers in math, science, technology, and health in 2003-04.

Spring 2003 STEP Compared to State Averages



- ☑ In 2003-04, **80% of college seniors in the C-STEP program graduated.**
- ☑ **19% of C-STEP participants enrolled in graduate/professional school in 2003-04; 32% were employed in math, science, technology, or health-related fields.**
- ☑ **46% of C-STEP students achieved a 3.0 or better G.P.A in 2003-04.**

The STEP program serves over 5,500 students per year and the C-STEP program serves approximately 3,500 students annually. We can't stop here! Proportionate representation of the New York State school population would require that an additional 3,077 minorities earn baccalaureate degrees in math, science, technology, and health fields. We are requesting additional funds to serve more students.

Requested Resources

An additional \$2.5 million for a total of \$12.0 million is requested to serve 12,100 students.

- This increase will produce 334 additional minority MST bachelor degrees annually through CSTEP and 148 additional minority students enrolling in college and majoring in MST fields annually through STEP.



Regents Goal 2

“All educational institutions will meet Regents high performance standards.”

An Investment in Tomorrow

New York State's higher education system is a critical partner in meeting the State's workforce, and economic development needs as well as meeting the educational needs of its citizens. **New York State is a world leader in higher education**, with:

- 266 colleges and universities;
- a wide variety of institutions in the public, independent and proprietary sectors serving every geographic region of the State;
- institutions focused on specific needs of different populations, including vocational education, liberal arts and sciences, graduate level study, health care and the arts;
- over 25,000 registered programs in these institutions leading to degrees or certificates;
- over **one million students** enrolled in the State's colleges on an annual basis;
- over 200,000 degrees earned each year at our institutions;
- one of the highest college-going rates in the nation (second only to Massachusetts);
- the nation's largest, need-based grant aid program for students which helps keep our college-going rates high; and
- a statewide graduation rate for undergraduates that is at or above national rates.



Regents Higher Education Priority 8: *Strong Graduate Programs to Meet the States Needs*

Problem: Between 1995-96 and 2001-02, the number of doctorates conferred in New York declined by 8.4 percent, mirroring a national trend in the decline in the number of doctorates awarded. Large numbers of faculty are expected to retire in the next decade, as nearly one-third of full-time faculty, nationwide, is 55 or older. The lack of scholars can seriously jeopardize New York's ability to conduct needed research; teach future leaders of business; prepare teachers in such critical areas as mathematics, the sciences, bilingual education and foreign languages; prepare professionals; and contribute to national security.

Solution: Support graduate education through a competitive doctoral and post-doctoral fellowship program in academic fields where more scholars are needed for research, faculty assignments and/or professional practice.

Requested Resources	
SFY 2006-2007	\$4.0 Million

Regents Higher Education Priority 13: *Funding a Highly Effective System*

The Board of Regents and the Department:

- **support increases in operating aid for the State University and City University systems** consistent with increases in the Higher Education Price Index. Such support would ensure that cost of living increases would not be solely borne by students through raises in tuition.
- **support increases in Bundy Aid to independent colleges to move the aid to full funding as defined in statute.** The independent sector in New York State serves 40% (454, 909 students in Fall 2004) of our higher education student population. Strong State support for independent colleges contributes to meeting the higher education needs of all New York State residents.

The Regents recommend that the Governor and the Legislature establish a placeholder on TAP

to allow the Commissioner, the President of the Higher Education Services Corporation and the four higher education sectors to work in a collaborative way to develop an effective policy for strategic growth in TAP over time. Such a policy would allow the Executive and the Legislature to better plan for increases that would be needed and ensure that students in both our public and private colleges have the necessary resources to attend college.

Similarly, it is recommended that the Department work with the four sectors of higher education to **establish a sound approach to supporting the Higher Education Opportunity Programs (HEOP, CD, SEEK, and EOP) in their efforts to close the performance gap in postsecondary education.** All sectors of higher education have a need for better support for their opportunity programs to ensure the success of students. However, a coherent policy for supporting the opportunity programs and ensuring that all students have access to these services is lacking.

Requested Resources	
SFY 2006-07	\$ TBD



Statutorily Mandated Needs:

Aid to Independent Colleges and Universities

The annual entitlement for each institution is based on the number of earned degrees conferred the previous year.

The current rates are \$600 per associate degree, \$1,500 per baccalaureate degree, \$950 per master's degree, and \$4,550 per doctoral degree. Since 1990-91, the program has not been fully funded, **nor has it kept pace with the Higher Education Price Index (HEPI).** In 2005-06, the State Budget provided only \$42,037,500 or 27% of full funding.

Of the 142 independent degree-granting institutions in New York State, 103 participate and receive Bundy Aid.

An additional \$7.63 million for a total of \$51.88 million is requested for this program.

Regents Goal 3

“The public will be served by qualified, ethical professionals who remain current with best practice in their fields and reflect the diversity of New York State.”

Regents Higher Education Priority 10: *An Adequate Supply of Qualified Professionals*

Problem: Critical shortages in the licensed professions (e.g., nursing and pharmacy) that deprive New York residents of needed services.

Solution: Help address shortages in the licensed professions by creating a grant-based program for colleges and universities to **establish professional education opportunity programs to prepare high school and community college students to enter professional education programs** and to encourage these students to consider long-range career opportunities in the licensed professions. By targeting students at this early stage, when they are ready to enroll in college, they will already be aware of the requirements for licensure in the professions and will be able to complete the program in a more timely way. Financial support and academic enrichment will be provided to students who pursue professional education programs in professions with shortages and who practice in communities where shortages of licensed professionals exist.

Requested Resources

SFY 2006-07

\$4.0 Million

Regents Higher Education Priority 11: *An Adequate Supply of Qualified Teachers, School Leaders and Other School Professionals*

Teachers of Tomorrow

will guide them on the



path to their dreams

Teachers of Tomorrow Helps to Recruit and Retain Teachers for High-Need Schools

Research shows that a **certified teacher is the single most important factor in improving student achievement**. Yet only 9,000 of approximately 18,000 new teachers seek employment in New York State public schools each year. The Teachers of Tomorrow program:

- attracts **qualified teachers to hard-to-staff schools and hard-to-staff subject areas**
- recruits and prepares **second career teachers and paraprofessionals** through alternative teacher certification programs
- supports new teachers through **first-year teacher support**, thereby reducing attrition and facilitating the transition to teaching

To assist high-need school districts recruit and retain certified teachers, Teachers of Tomorrow provides:

- **certification stipends and tuition reimbursement** to help teachers with interim licenses and teachers in hard-to-staff schools meet certification requirements
- **recruitment incentives** to new teachers in teacher shortage or subject shortage areas
- **summer teaching experiences** to new teacher candidates
- opportunities for hard-to-staff schools to recruit **national board certified teachers**

Invest in Success: Support a Program that Works!

In its first three years (2000-2003), the Teachers of Tomorrow program:

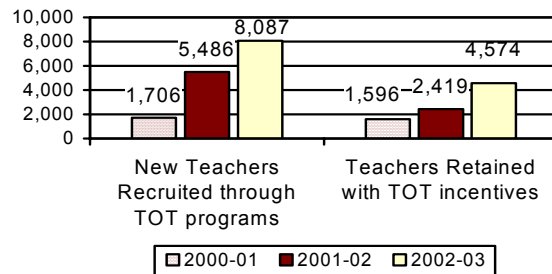
- Supported **39 high-need, low-performing school districts** that recruited **7,247 new teachers** in hard-to-staff schools and subject areas.
- Assisted **high-need, low-performing districts to permanently certify 4,977 existing teachers**.
- Advanced **5,920** temporarily licensed teachers to **provisional certification**.

- Provided resources for **1,572** pre-service teachers to receive **internships in urban settings** (available in the Big 5 school districts - New York City, Yonkers, Buffalo, Rochester and Syracuse).

To date, 21 New York State colleges have prepared over **4,000 second career individuals for teaching positions** through Teachers of Tomorrow's alternative certification programs.

Teachers of Tomorrow has successfully helped hard-to-staff school districts recruit, prepare, and retain qualified teachers.

In future years, Teachers of Tomorrow will continue to help close the gap by **improving the educational outcomes of our students in the lowest performing school buildings**. Invest in success by expanding Teachers of Tomorrow.



Partnership Incentive Grants to Help Prepare and Recruit Teachers and Paraprofessionals

Through a competitive four-year grant program, **expand Teachers of Tomorrow to provide funds to hard-to-staff school districts that develop partnerships to recruit, prepare, support and retrain teachers through an alternative teacher certification program**. Each partnership would provide matching funds to support the program. School districts may use these funds to recruit new teacher education candidates from colleges in New York State.

Increase the Number of Teacher Candidates

Expand Teachers of Tomorrow to allow paraprofessionals and candidates holding a Transitional-B or a supplemental certificate to participate in the program in order to attract them to a hard-to-staff subject matter area or a hard-to-staff school. Such a change will give districts more flexibility in managing their workforce and encouraging individuals to meet critical shortage needs.

Create a competitive grant program to encourage collaborations between colleges and school districts to identify, recruit, prepare and place high school and community college students into the teaching profession. Teacher of Tomorrow funds could be used to help such alliances to replicate exemplary models such as:

- The Empire Promise Teacher Opportunity Corps promotes collaboration between colleges and school districts to assist high school students to receive the necessary support and guidance to effectively transition from high school to teacher preparation programs to a teaching assignment in their communities.
- Today's Student, Tomorrow's Teachers increases the number of teachers by improving the likelihood of their academic success, preparing them for the workforce and forging partnerships among school districts, universities/colleges, and the business community.

Resources Requested

An additional \$36 million, for a total of \$56 million, is requested to support this program:

- 2006-2007 School Year - \$36 million
- 2007-2008 School Year - \$36 million
- 2008-2009 School Year - \$36 million

Support New Classroom Teachers

According to the Education Trust, students taught by inexperienced teachers for multiple years have lower achievement rates than their counterparts taught by experienced teachers.

Expand Teachers of Tomorrow to encourage entry-level teacher support programs. **Provide**

funding to districts with programs enabling veteran skilled teachers to deliver support to novice teachers.

- Reduces teacher turnover
- Improves teacher quality
- Helps raise student achievement

Goal: increased teacher retention and increased teacher effectiveness. The exodus of beginning teachers from the classroom ranges from 30% to 50% - most departing in the first three years. The problem is most critical in urban schools. Teacher retention rates among beginning teachers with support are significantly higher than those of beginning teachers without support.

Requested Resources

Based on an estimated 9,750 entry-level teachers to be served by the Entry-Level Teacher Retention program, projected costs are:

- 2006-2007 School Year - \$52 million
- 2007-2008 School Year - \$52 million
- 2008-2009 School Year - \$52 million



Teacher Opportunity Corps

The Teacher Opportunity Corps (TOC):

- enhances the preparation of teachers and prospective teachers by helping them address the learning needs of students at risk.

- encourages historically underrepresented and economically disadvantaged individuals to enter teaching.

Strategies for Success

The TOC emphasizes high performance - study, graduation and certification in teaching careers.

- TOC’s specialized curriculum and supplemental field placements at low-performing schools help participants address the needs of students at risk.
- TOC provides support services including counseling, academic advisement, research experiences and preparation for certification examinations designed to maximize participants’ success.
- Support is provided to TOC participants in their critical first year of teaching.

Benefits and Outcomes

- Most projects have reported a 95% teacher retention rate after 5 years.
- A more diverse teaching pool, which reflects the enrollees in New York State.
- Novice teachers gain successful classroom management/survival skills, which help them meet the needs of students at-risk.
- Successful collaborations with schools/districts serving students at-risk.
- In 2003-04, **114 TOC participants graduated; 96 applied for certification; and 71 graduates continued their studies in graduate school.**

<p>Requested Resources</p> <p>An additional \$2.75 million for a total of \$3.5 million is requested to serve 1,900 enrollees at an average cost of \$1,842 per enrollee. Resources will be used to:</p> <ul style="list-style-type: none"> • Increase TOC by 1,493 enrollees at \$1,842 per enrollee. • Increase the numbers of bachelor’s and master’s degrees granted to historically under-represented and economically disadvantaged teachers entering and being retained in teaching annually through TOC.

Improve the Teaching Environment

Create a grant program that will improve the retention rates for new teachers, especially in schools under registration review and low-performing schools, by addressing issues (e.g., safety, housing, lack of parking, inadequate supplies) that cause them to leave the profession. This will be a joint initiative of the Office of Higher Education and the Office of Elementary, Middle, Secondary and Continuing Education.

Requested Resources	
SFY 2006- 07	\$ TBD



Statutorily Mandated Needs:

<p>Tenured Teacher Disciplinary Hearings</p> <p>Chapter 691 of the Laws of 1994 requires the New York State Education Department to compensate hearing officers and stenographers for their customary fees and other reasonable expenses incurred in the performance of their duties. The cost of disciplinary cases filed each year has grown significantly.</p> <p>An increase of \$775,000 for a total of \$3,275,000 is requested for case expenditures.</p>

<p>Fingerprinting Teacher Certification Applicants</p> <p>Chapter 181 of the Laws of 2000 requires fingerprinting of prospective employees of school districts, charter schools and Boards of Cooperative Educational Services and applicants for teacher and administrator certification. A General Fund appropriation increase of \$325,500 for a total of \$1,325,500 is required to meet the Department’s responsibilities under the statute including the cost of developing and maintaining databases, processing fingerprint cards and evaluating criminal records.</p>

Regents Goal 4

“Education, information, and cultural resources will be available and accessible to all people.”

Enhancing OHE Staffing Capacity

To insure that resources under the care of the New York State Education Department are used and maintained in the public interest, the Office of Higher Education is requesting funding for a total of 13 positions. The positions requested here are needed to provide critical capacity in the following areas:

- College and University Evaluation (3)
- Research and Information Services (2)
- Collegiate Programs Development (3)
- School Personnel Review and Accountability (5)



College and University Evaluation and Research and Information Services:

Successful implementation of the Regents Statewide Plan for Higher Education, 2004-2012 will require:

- Ongoing coordination with the four sectors of higher education;
- Implementation of new Department initiatives in higher education and the professions;
- Coordination with other parts of the Department as they implement their initiatives; and
- Collecting and processing a significant amount of existing and new information/data on how the State is progressing to attain the 13 Regents Priorities in the Statewide Plan.

Current staffing levels in OHE are not sufficient to support the aforementioned activities.

The Regents have the opportunity to promote leadership for higher education planning. The

cooperation received from the higher education community during the development of the Statewide Plan can only be sustained if they are assured that the Department will continue to move in the proactive way to implement the Plan. These requested resources will allow us to do so. We, therefore, request the following new positions:

- OCUE - 2 Associates in Higher Education (SG-26); 1 Grade 6 Keyboard Specialist
- ORIS - 1 Research Associate (SG-23); 1 Education Program Assistant II (SG-18)

Collegiate Programs Development:

An Associate in HEOP (SG-26) is needed to serve as an institutional liaison for an assigned caseload of postsecondary institutions that are awarded annual HEOP funds. Liaison responsibilities include application reviews, award determinations, student eligibility reviews, campus monitoring visits, report reviews, and budget approvals. With only two HEOP professionals currently performing these duties, adequate oversight of the 61 institutions receiving HEOP funds is difficult.

An Education Program Assistant II (SG-18) is needed to maintain HEOP student data, process payment vouchers, prepare and track contract materials and developing the mandated annual report. At present, these duties are being shifted to several staff on a variety of non-HEOP State and federal funds that should be used elsewhere. This position is crucial to the effective administration of HEOP. This position also will enhance and maintain the CSTEP data reporting process and contract tracking procedures. By enhancing CSTEP and HEOP electronic data reporting, this position will speed the process by which postsecondary institutions receive payments, as well as simplify the submission of required program reports.

Pre-Collegiate Preparation Programs

An Assistant in Higher Education (SG-22) is sought to serve as program assistant for the Liberty Partnerships Program (LPP). This program provides funds to postsecondary institutions that are used to reduce New York State's school dropout rate. The addition of this position would allow LPP to improve its effectiveness in increasing the graduation rate among at-risk students. The additional staff

would allow the transition of the current manual processing of paperwork in the office grants management approach to a field-based oversight and monitoring of 57 grant projects utilizing data driven information for technical assistance and feedback. This new position would include responsibilities for coordinating web based data collection and processing existing and new information.

School Personnel Review and Accountability:

OSPRA oversees Fingerprinting; Teacher Discipline and Teacher Tenure Hearings.

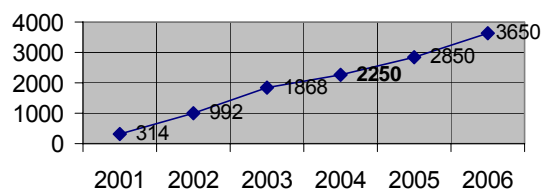
Fingerprinting

As part of the Project SAVE initiative, Chapter 180 of the Laws of 2000 imposed fingerprinting requirements on prospective employees of school districts, BOCES and charter schools. There is before the Legislature a bill that would extend this protection to students with disabilities in publicly funded schools. Students with disabilities are perhaps the most vulnerable student population. Exposing them to individuals with criminal histories involving physical or sexual abuse of children is simply unconscionable, regardless of the costs and burdens of fully implementing a fingerprinting system.

Further, OSPRA has experienced an **exponential** growth in its responsibilities since the SAVE legislation was enacted.

- subsequent legislation expanded the scope of the fingerprinting requirement to cover NCLB supplemental service providers
- arrest notifications have grown dramatically as the fingerprint database has increased
- the number of investigation files have increased;
- requests for subsequent clearances for employment have increased dramatically

Number of Notices



Regents/SUNY/CUNY Joint Budget Initiative

I. Postsecondary Education and Disabilities:
\$15.0 Million

A high school diploma is no longer sufficient to ensure individuals with disabilities competitive employment; in many cases a college education is necessary. Currently, about 50% of students with disabilities and 20% of individuals with disabilities over the age of 21 are expected to access postsecondary education. These numbers will continue to grow. Over 2 billion dollars in school aid is allocated annually to support students with disabilities (3-21 years of age) to prepare them for future employment. To further this effort of enhanced employment opportunities, increased access to postsecondary education is needed by funding programs for the improvement of disability services at institutions of higher education.

The lack of college and university support services for students with disabilities, coupled with physical barrier to full access to campuses, have worked together to deny many potential students the opportunity to pursue a postsecondary education.

This proposal, generated from recommendations made by the Task Force on Postsecondary Education and Individuals with Disabilities, was developed in consultation with representatives of SUNY, CUNY, the independent colleges and universities, and the degree-granting proprietary colleges.

Requested Resources

\$15 million to:

- Provide base funding for capacity building.
- Support the development of programmatic activities.
- Support recruitment programs that establish targets for recruitment of students with disabilities.

Need for Additional Staff

To meet the additional responsibilities of the proposed legislation and to ensure that the time required for the issuance of the clearance for employment does not exceed the current maximum of 14 days from the receipt of a prospective employee's application (compared to up to 12-week delays that occurred when the law which first authorized the fingerprinting of prospective employees was first made effective on July 1, 2001) OSPRA is seeking:

- One Senior Attorney (SG-25)
- Two Senior Investigators (SG-18))
- One EPA 1 (SG-14)
- One Legal Assistant (SG-14)

Requested Resources

SFY 2006-2007 \$600,000 (13 FTE)

Regents Goal 1

Regents Priority 4: **Closing Performance Gaps in Higher Education**

Higher Education Opportunity Program	\$27.5 million
Liberty Partnership Program	\$18.7 million
STEP/CSTEP	\$12.0 million
New: Improving College Graduation Rates for All Students	\$4.0 million
Total	\$62.2 million

Regents Goal 2

Regents Priority 8: **Strong Graduate Programs to Meet the States Needs**

New: Strengthen Graduate Education \$4.0 million

Regents Priority 13: Funding a Highly Effective System

Aid to Independent Colleges and Universities	\$51.88 million
Support for SUNY/CUNY Operating Aid	TBD
Higher Education Funding Strategy for TAP	TBD
Higher Education Funding Strategy for all Opportunity Programs	TBD

Total **\$55.88 million**

Regents Goal 3

Regents Priority 10: **An Adequate Supply of Qualified Professionals**

Nursing Faculty Scholarship Program \$1.5 million

New: Professional Education Opportunity Programs \$4.0 million

Regents Priority 11: **An Adequate Supply of Qualified Teachers, School Leaders and Other School Professionals**

Teachers of Tomorrow Program (support base program) \$20 million

New: Encourage Partnerships to help prepare and recruit teachers and paraprofessionals \$36 million

New: Mentoring of New Teachers \$52 million

New: Improving the Teaching Environment TBD

Teacher Opportunity Corp \$3.5 million

Teacher Tenure Discipline Hearings \$3.275 million

Fingerprinting Teacher Certification Applicants \$1.3255 million

Total **\$121,600,500**

Professions Budget Initiatives for Consideration in 2006-2007
Summary of Request Over Level Funding
(\$ THOUSANDS)

STATE OPERATIONS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 3: Assuring the Public is Served by Ethical Professionals			
Support the Civil Prosecution of Illegal Practice	No State Funding Required		
Educating Professionals and Consumers to Prevent Harm	No State Funding Required		
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
Office of the Professions Technology Initiative	No State Funding Required		



Regents Goal 3

“The public will be served by qualified, ethical professionals who remain current with best practice in their fields and reflect the diversity of New York State.”

Support the Civil Prosecution of Illegal Practice

When unlicensed practitioners provide services restricted to licensed professionals, **people get hurt**.

A 2003 law gave the Department new authority to **civilly prosecute cases of illegal practice** in the licensed health, design, and business professions. This complements the Attorney General's continuing responsibility for the **criminal** prosecution of illegal practice, which in practice is limited to the most severe cases.

Endangering Lives and Well Being

Unlicensed practitioners **threaten our health and safety**. Many operate underground, and these "backroom practitioners" are often highly mobile and **victimize our most vulnerable citizens**.

Victims—often recent immigrants and New Yorkers who are poor or infirm—may not realize the need for licensure. They may recognize the illegal practitioner as someone from the community who offers a service they need but can't otherwise afford or do not know how to access. There are sophisticated illegal practitioners as well, including licensed professionals (and revoked licensees) who knowingly extend their practices beyond bounds.

For civil prosecution of these dangerous practitioners, the Department's Office of the Professions (OP) will need to **establish an entirely new prosecutions process**. This new operation will need specialized staff to support and manage civil prosecutions: undercover investigators, translators, and hearing officers, among others.

Demand

Consumers and the professional community alike expect OP's pursuit of illegal practice to be as aggressive as its pursuit of misconduct by licensed professionals. We anticipate the number of illegal practice complaints will *at least* **double** from the current 600, and the law will likely yield at least 100 hearing cases annually.

Each allegation will have to be investigated, and existing staff members cannot meet this new demand.

The redeployment of existing staff would only compromise OP's ability to act against professional misconduct. Beyond the normal growth within the established professions, demands on investigators, prosecutors, and legal service staff will increase as **100,000 or more practitioners enter into seven new professions**. This explosive growth foreshadows increases in both professional misconduct and illegal practice complaints, particularly in the new, closely related mental health professions—where once unregulated services will be newly restricted to licensees.

New Process, New Skills

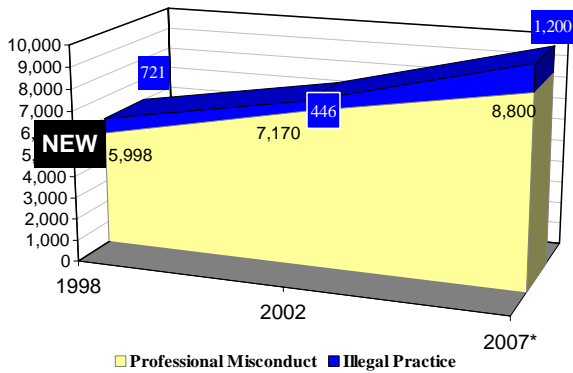
OP will need individuals with new and different skills to implement the **lengthy, multistage prosecutions process** defined in law:

NEW

If an investigation substantiates a complaint, the Office will pursue a **formal cease and desist order**.

Misconduct and Illegal Practice Complaints

Projection: 10,000 Combined by 2007



*Minimum projection, based on implementing the new mental health therapy professions, clinical laboratory professions, and the civil prosecution of illegal practice.

Alleged violators will have a right to a hearing, with two additional opportunities to appeal. As a result, OP must establish an all-new **hearing process** for these cases.

NEW

Cases that proceed to hearings will require paid **hearing officers**.

NEW

OP will need a new **system to monitor compliance** to ensure the effectiveness of cease and desist orders.

NEW

Along with monitoring compliance, OP will need to **track actions and collect fines** (up to \$5,000 per violation) **and restitution**. This includes going to court to enforce cease and desist orders, restitution, and civil penalties.

Supporting Enforcement

A \$10 dedicated surcharge collected with each licensee's triennial registration fee will generate two million dollars needed to implement the law. That includes funding for new staff members (coordinator, investigators, attorneys, legal assistants, etc.) and undercover investigators, expert consultants, travel, stenographic transcripts, equipment and more.

The **field overwhelmingly supports OP's request** for additional resources. Given its new authority, OP wants to send a clear message that **unlicensed practice is dangerous and won't be tolerated**.

Requested Resources:

\$2 million in additional annual spending authority. Revenue to be generated by a dedicated surcharge.

CULTURAL EDUCATION
2006-2007
PROPOSED BUDGET INITIATIVES

**Cultural Education Budget Initiatives for Consideration in 2006-2007
Summary of Request Over Level Funding**

(\$ THOUSANDS)

AID TO LOCALITIES

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
New Century Libraries:			
NOVEL	\$ 14,000	\$ 14,000	\$ 14,000
Library Construction Grants	See Capital Projects Below		
Future Support	\$ 73,000	\$ 73,000	\$ 73,000
Increased Funding - Documentary Heritage Program (DHP) and Archives Partnership Trust (APT)	No State Funding Required		

CAPITAL PROJECTS

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 5: Stewardship of All Resources			
Cultural Education Collection Stewardship	\$ 11,000	\$ -	\$ -
NYS Museum Renewal	No State Funding Required		
New Century Libraries - Local Library Construction	\$ 30,000	\$ 30,000	\$ 30,000

STATUTORILY MANDATED LOCAL ASSISTANCE

	2006-07 Cost	2007-08 Cost	2008-09 Cost
Aid to Libraries	\$ 2,400	\$ 2,400	\$ 2,400
Aid to Public Radio and Television Stations	\$ 12,900	\$ 12,900	\$ 12,900

Regents Goal 4

“Education, information and cultural resources will be available and accessible to all people.”

New Century Libraries: Investing in Information and Literacy

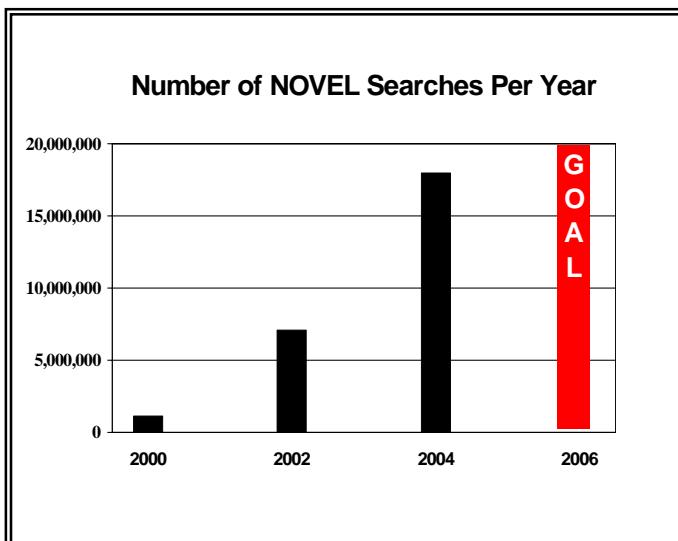
The **New Century Libraries** initiative will ensure that all New Yorkers will have access to the information and literacy resources they need.

- Pre-K -12 students will have the school libraries, public libraries and summer reading programs they need to raise learning and achievement levels.
- Those who begin higher education programs will have the research resources they need to complete them.
- Teachers and faculty will have the information resources they need to teach.
- Adult learners will have the information resources they need to compete for jobs and business in a global market.
- Immigrants will have the English literacy programs they need to enter the job market.

NOVEL: A Critical Resource for New Yorkers in the Information Age

NOVEL, New York’s first statewide virtual library, is an integral part of this initiative.

A “library without walls,” NOVEL enables all New Yorkers to access full-text of hundreds of journals, national and International newspapers, health and medical resources, business collections, and age-appropriate materials for



Requested Resources FY 2006–2007

- \$14 million for NOVEL
- \$30 million for Library Construction Grants (capital)

youngsters – all reliable and up-to-date,

NOVEL is a smart investment that means tremendous cost savings to localities. It would cost local communities 30 times more to provide the resources of NOVEL on their own. If funded at the requested level, NOVEL would save local libraries in excess of \$150 million.

NOVEL has become a vital resource in demand by New Yorkers. By March 2005, more than 5,100 libraries were actively using the pilot NOVEL program. Use of NOVEL databases soared 500% between 2001 and 2005. Libraries need ongoing support for updated technology and staff training to meet increasing public demand for access to NOVEL in the library, from home, school, or work.

NOVEL is currently supported by temporary federal funds.

Public Library Construction Grants: Investing in a Community Resource

New Century Libraries proposes that in 2006–07 the State invest \$30 million in public library construction to renovate and upgrade public library facilities, enabling them to be accessible to New Yorkers with disabilities and accommodate new computer and Internet technologies. Particularly in disadvantaged areas, libraries are centers of community life that promote information literacy and afford opportunities for lifelong learning.

\$73 million in Future Support for:

- Public library district model.
- School libraries.
- Urban libraries.
- Literacy and reading programs
- Training
- Academic and research libraries
- Library services for individuals with disabilities.

Regents Goal 5

"Resources under our care will be used or maintained in the public interest."

NYS Museum Renewal

Since 1836 the New York State Museum has collected and interpreted the State's natural and cultural legacy. Museum researchers have been pioneers in the investigation of the natural and human history of New York. The Museum's vast collections represent some 11,500 years of human activity.

The Need

Recent capital funding appropriations have led to great improvements in the Museum galleries but many remaining museum exhibitions on the first floor are "tired." The exhibits contain dated information, use little or no technology, do not represent the ethnic and racial diversity of the State and do not make use of the Museum's important collections.

Exhibition Renewal Overview

The Museum's disciplines of geology, biology, anthropology and history will be featured in presentations of integrated exhibit stories about the State's natural and human past and their connections to the present. While the main exhibits will serve as a window on New York, the temporary exhibits will continue to bring the world to New York.

The new exhibitions will be more interactive, will employ as wide a range of exhibit techniques, approaches and media as possible and will use the Museum's collections more intensively.

Requested Resources

No additional funds are requested.

- \$10 million appropriation authority is requested for 2006-07 to initiate the first major phase and planning for the next phases.



Cultural Education Research and Collection Stewardship Facility

The collections of the Museum, Archives and Library are the essential resources of these institutions and the basis of all of their services, research and educational activities.

The Need

The Cultural Education Center (CEC) lacks sufficient space and adequate environmental controls to adequately preserve and protect the collections and allow for their growth:

- The State Museum is forced to store collections in a remote facility with poor environmental controls.
- The State Records Center is at 104% of capacity.
- SED has been able to mitigate the collection storage environment in the CEC but not to professional standards.
- Professional standards include an appropriate fire suppression system and adequate humidity and temperature controls that are prohibitively expensive to retrofit.

Proposal Overview

A Feasibility Study and Conceptual Design for a new OCE Research and Collection Stewardship Facility has been completed which includes the following major elements:

- An environmentally friendly (“green”) building in reasonable proximity to the CEC.
- A flexible modular design with room for expansion.
- Environmental and security controls that meet professional collection standards.
- A flexible infrastructure that can accommodate technological advances.
- Research and collection labs for staff scientists, curators, and conservators.
- Public access, including rooms for visiting scientists and long-term researchers, outdoor nature trails and other areas that provide educational experiences for visitors.

Requested Resources: Total of \$ 11 million in special revenue appropriation authority:

- \$ 8 million for architectural and engineering design.
- \$ 3 million for land acquisition.

Increased Funding for the Documentary Heritage Program and the Archives Partnership Trust

The New York State Documentary Heritage Program (DHP) provides advisory services and competitive grants to improve archival programs in New York's 3000 historical records repositories. The New York State Archives Partnership Trust (APT) was established to forge public-private partnerships to raise an endowment and support projects that ensure the preservation and educational uses of and access to New York State's archival treasures.

The Need

Originally authorized for \$2,000,000, the DHP has, for over 15 years, operated on only \$500,000 made available annually from the Local Government Records Improvement Fund. \$400,000 supports the advisory program; grants are made from the remaining \$100,000. To date, this small investment has yielded remarkable results: 283 grants over the period have made possible the documentation of many diverse communities and the development and maintenance of archival programs, preserving and providing access to many community records. However, more needs to be done. We lose historical records through deterioration or destruction every day, and thereby lose some of our history.

Since its inception 13 years ago, the APT has operated on a flat \$300,000 annual budget, while operating expenses have risen significantly. The funding supports staff salaries, fringe and indirect expenses, insurance, supplies, equipment, travel, Board costs and other expenses, now totaling more than the amount available. This makes it necessary to transfer endowment interest to cover the operating deficit, rather than to support projects in the Archives.

Proposal Overview

This proposal recommends that a new \$1 million from the Cultural Education Account be put in the DHP grant program.

The proposal also recommends an increase in the APT operations funding. This proposal recommends that an additional \$500,000 from the Cultural Education Account be directed to the Trust account. During any fiscal period, funds not required for fundraising purposes will be transferred to the endowment account to meet the State's responsibility to match private donations to the endowment.

Requested Resources: Total of \$1.5 million in special revenue appropriation authority:

- \$1 million for the New York State Documentary Heritage Program
- \$500,000 for the New York State Archives Partnership Trust

No new state funds are required for this request.

**VESID Budget Initiatives for Consideration in 2006-2007
Summary of Request Over Level Funding**

(\$ THOUSANDS)

AID TO LOCALITIES

	2006-07 Cost	2007-08 Cost	2008-09 Cost
REGENTS GOAL 4: Accessibility of Education and Cultural Resources			
Employment and Independence Initiative:			
Integrated Employment (Case Services)	\$ 2,000	\$ 4,000	\$ 4,000
Supported Employment	\$ 2,000	\$ 5,000	\$ 5,000
Independent Living Centers	\$ 2,000	\$ 3,000	\$ 3,000
Readers Aid	\$ 200	\$ 700	\$ 1,500
Postsecondary Education and Disabilities Initiative	See Office of Higher Education section		

STATUTORILY MANDATED LOCAL ASSISTANCE

	2006-07 Cost	2007-08 Cost	2008-09 Cost
Private Schools for the Deaf and Blind (\$4201)	\$ 3,453	\$ 7,284	\$ 11,244
Education of Preschool Children with Disabilities (\$4410)	\$ 18,755	\$ 38,760	\$ 59,424
Summer Education of Children with Disabilities (\$4408)	\$ 49,800	\$ 56,800	\$ 63,800

**VESID
2006-2007
PROPOSED BUDGET INITIATIVES**

Regents Goal 4

“Education, information, and cultural resources will be available and accessible to all people.”

VESID Employment and Independence Initiative – Regents Priority Initiative

I. Integrated Employment (Case Services): \$2 Million

VESID assists persons with disabilities enter employment in New York State. Additional funding is needed to sustain services for eligible consumers and to assure that VESID's capacity to serve these consumers is maintained. Individuals with disabilities going to work support New York State. In 2004, over 13,800 individuals with disabilities were placed into employment by VESID resulting in \$208 Million in annualized earnings that are returned to the community. Unfortunately, these numbers represent significant decreases from the 2003 accomplishments. VESID predicts that such decreases may continue in the coming years because the capacity of the VESID system is not adequate to meet all needs. Most recent Department of Labor figures estimate that over 400,000 unemployed disabled New Yorkers could benefit from a coordinated system of services and placement, of which VESID is a vital partner.

In the last five years, VESID has helped to reduce the reliance upon public benefits by assisting over 17,500 welfare recipients in obtaining employment. The employment of these individuals increased tax revenues and savings in public benefits.

II. Supported Employment: \$2 Million

The Supported Employment program is a cost-effective program that serves individuals with severe disabilities. Individuals are placed and supported in integrated job settings. Most individuals served in the Intensive program require on-going Extended Supported Employment services. Extended on-site support services ensure employment continues successfully for individuals with severe disabilities previously served in the Intensive Program. However, funds expended for Extended Supported Employment must be State dollars that cannot be counted towards the federally required State maintenance of effort (MOE).

VESID has also assumed the responsibility for the Extended support for individuals with disabilities who are no longer eligible for OMRDD support.

VESID is seeking an additional \$2 Million to provide Extended Supported Employment services to individuals moving successfully from Intensive

services to Extended services. These funds are necessary to avoid a \$2 million deficit in our MOE and a corresponding reduction in our federal Section 110 allocation.

III. Independent Living: \$2 Million

New York's 36 Independent Living Centers serve over 72,000 individuals and thousands of businesses throughout New York State. They have become the primary resource for information necessary to enhance community integration of people with disabilities, increase physical and communication access and remove disincentives to work. Independent Living Centers remain instrumental in facilitating implementation of the U.S. Supreme Court's Olmstead Decision, creating strategies with school districts to enhance transition planning and services for youth with disabilities, and increasing access to new and emerging employment options under the Workforce Investment Act and New York's Medicaid Buy-in programs. Independent Living Centers continue to be the only consumer controlled, community based, nonresidential, not-for-profit network in New York State operating based on a self-help, peer driven model.

Requested Resources

- Integrated Employment (Case Services) - \$2 Million is necessary to increase program capacity, fund certain necessary rate increases for contracted vendors, and to prevent Order of Selection.
- Supported Employment - \$2 Million to provide Extended services to the most severely disabled individuals.
- Independent Living - \$2 Million to maintain the services provided to individuals with disabilities by the 36 Independent Living Centers across the State.

Regents/SUNY/CUNY Joint Budget Initiative

I. Postsecondary Education and Disabilities: \$15.0 Million

A high school diploma is no longer sufficient to ensure individuals with disabilities competitive employment; in many cases a college education is necessary. Currently, about 50% of students with disabilities and 20% of individuals with disabilities over the age of 21 are expected to access postsecondary education. These numbers will continue to grow. Over 2 billion dollars in school aid is allocated annually to support students with disabilities (3-21 years of age) to prepare them for future employment. To further this effort of enhanced employment opportunities, increased access to postsecondary education is needed by funding programs for the improvement of disability services at institutions of higher education.

The lack of college and university support services for students with disabilities, coupled with physical barrier to full access to campuses, have worked together to deny many potential students the opportunity to pursue a postsecondary education.

This proposal, generated from recommendations made by the Task Force on Postsecondary Education and Individuals with Disabilities, was developed in consultation with representatives of SUNY, CUNY, the independent colleges and universities, and the degree-granting proprietary colleges.

Requested Resources

\$15 million to:

- Provide base funding for capacity building.*
- Support the development of programmatic activities.*
- Support recruitment programs that establish targets for recruitment of students with disabilities.*

Regents Goal 4

“Education, information, and cultural resources will be available and accessible to all people.”

VESID Employment and Independence Initiative – Additional Budgetary Needs

I. Readers Aid: \$200,000

The Readers Aid program provides reimbursement to Institutions of Higher Education for the cost of providing interpreters, readers or note-takers for eligible students who are deaf, deaf-blind or blind; that are residents of New York State; and are matriculated in a degree-granting program. Institutions of Higher Education are eligible to receive up to \$600 (\$300 per academic semester) to provide access to these services for eligible students vital to their studies, enabling students to succeed academically.

Currently, over 500 New York State students are enrolled in this program. The amount per semester has been lowered from \$500 to \$300 to stay within the current annual appropriation of \$300,000. This request is only a small portion of the total cost for interpreters, readers and note-takers for all New York State residents that are deaf, deaf-blind or blind and are enrolled in New York State Institutions of Higher Education.

Requested Resources

- Reader's Aid - \$200,000 for reimbursement to Institutions of Higher Education for the cost of providing interpreters, readers or note-takers for eligible students that are deaf, deaf-blind or blind. The Institutions of Higher Education would be eligible to again receive up to \$1,000 (\$500 per academic semester) for each eligible student for these services.

Special Education Services - Statutorily Mandated Needs

Allowance to Private Schools for the Blind and Deaf (4201)

To support private schools for the education of students, who are deaf, blind or severely orthopedically disabled as required by section 4201 of the Education Law, including an assessment on raising standards. The appropriation requested also provides for State reimbursement of education costs for deaf infants below the age of three attending programs approved by the Commissioner at various public and private settings. The requested additional funding of \$3,453,000 represents a 3.4% COLA.

Education of Children with Disabilities - Summer School (4408)

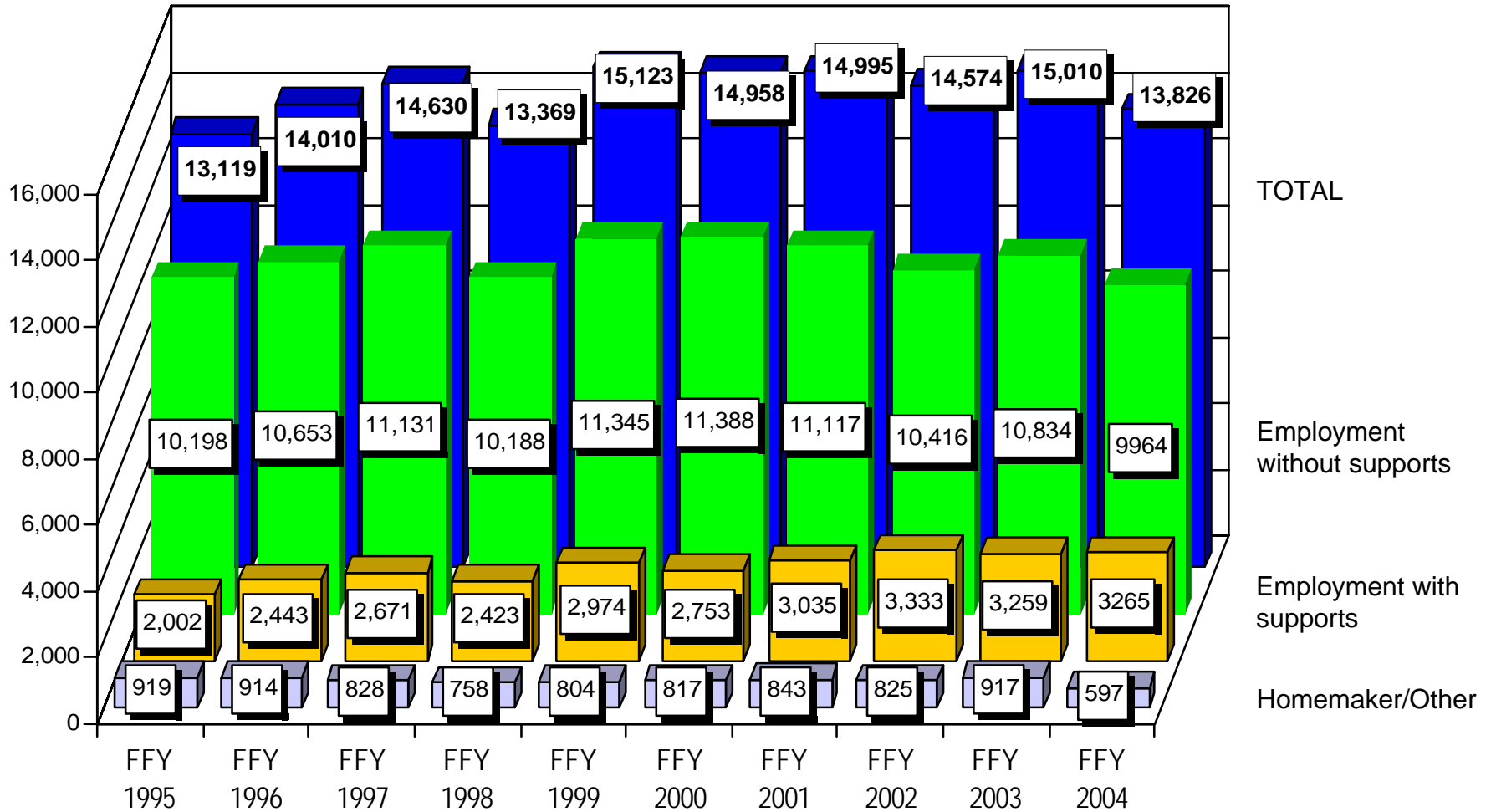
To support severely disabled children including students enrolled in State-operated and State-supported schools, ages 5-21, who receive special program and/or services during July and August, recommended by the Committee on Special Education. The funds will be used for prior year claims. State funding represents 70 of total program costs; counties and local school districts fund the remaining costs.

An additional \$49,800,000 is required to pay claims.

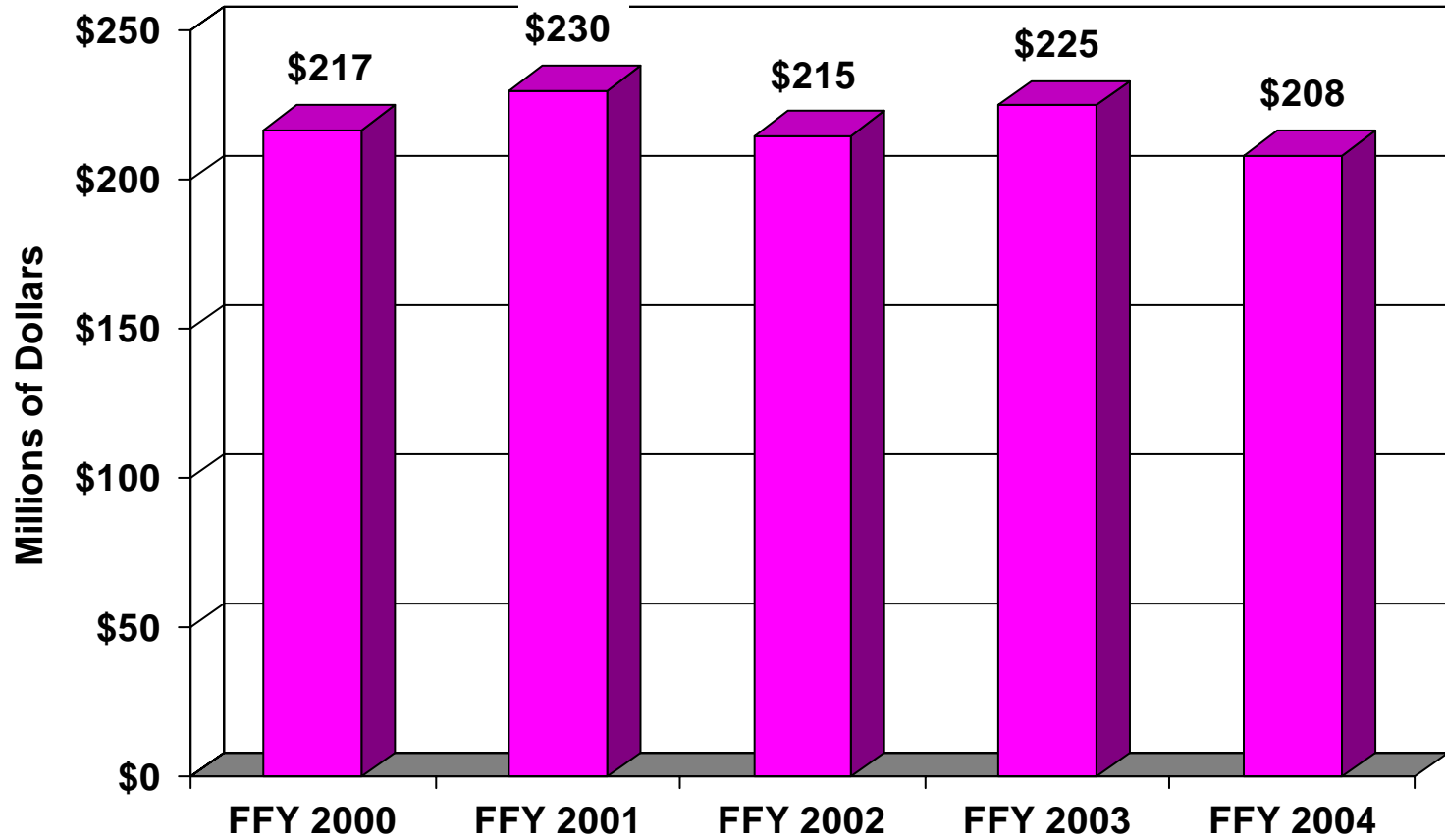
Education of Children with Disabilities – Preschool (4410)

To support the education of preschool children with disabilities consistent with federal and State requirements. The requested additional funding of \$18,775,000 represents a 3.4% COLA.

Job Placements for VESID Consumers in Integrated Settings



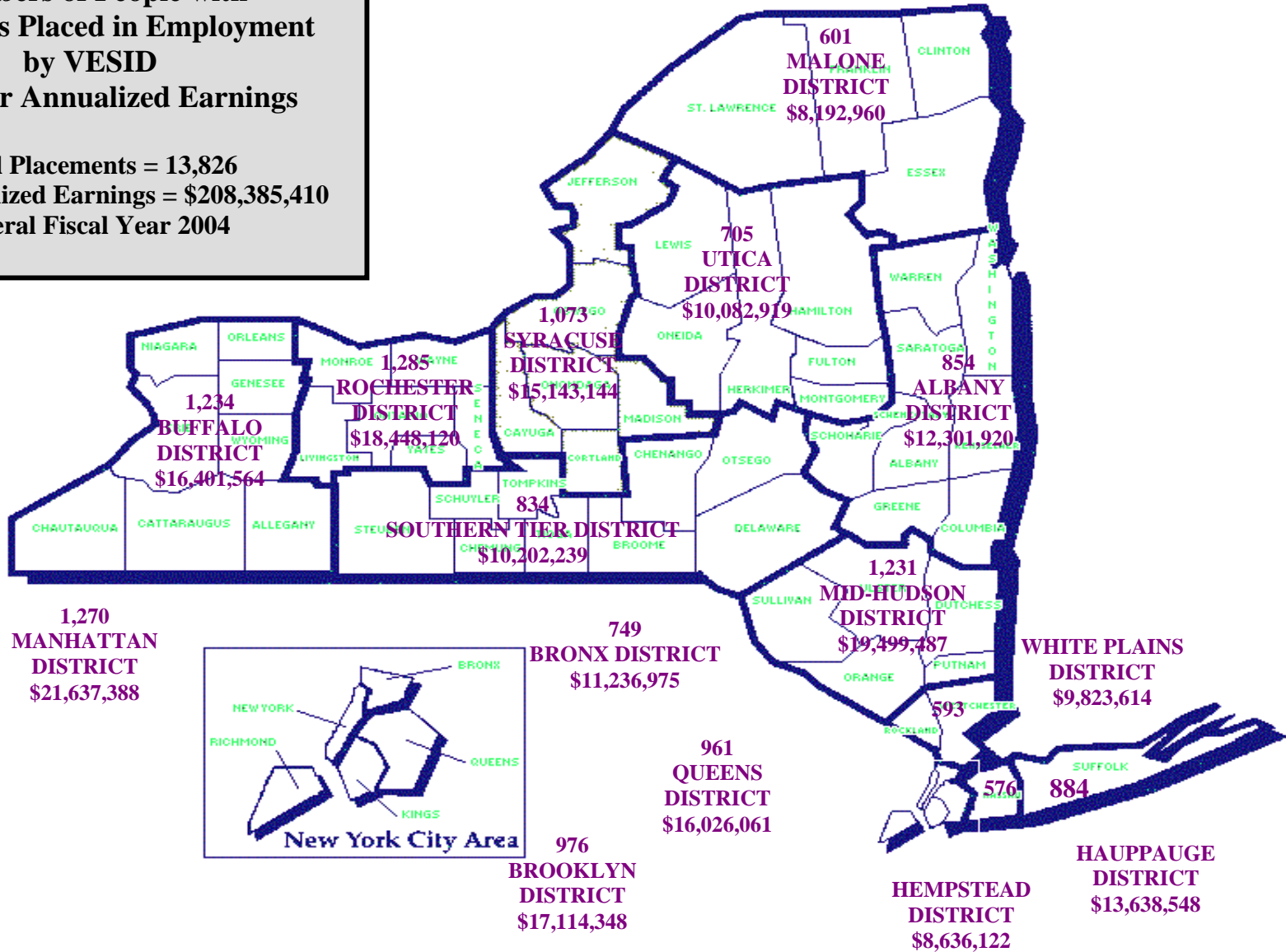
Annualized Earnings of VESID Consumers Obtaining Employment



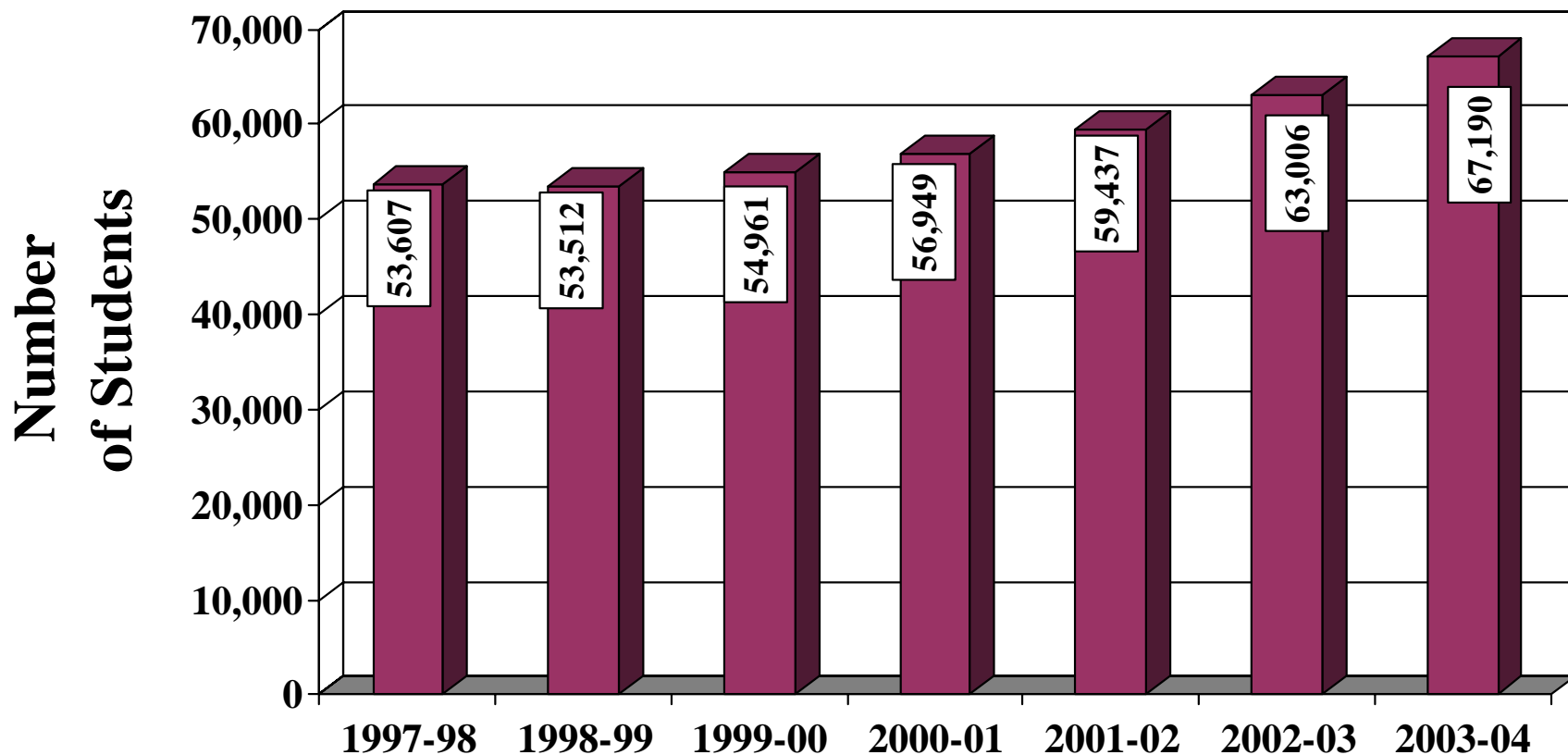
REGENTS BUDGET INITIATIVE: VOCATIONAL AND EDUCATIONAL SERVICES FOR INDIVIDUALS WITH DISABILITIES
VESID EMPLOYMENT AND INDEPENDENCE INITIATIVE

Numbers of People with Disabilities Placed in Employment by VESID and Their Annualized Earnings

Total Placements = 13,826
Total Annualized Earnings = \$208,385,410
Federal Fiscal Year 2004

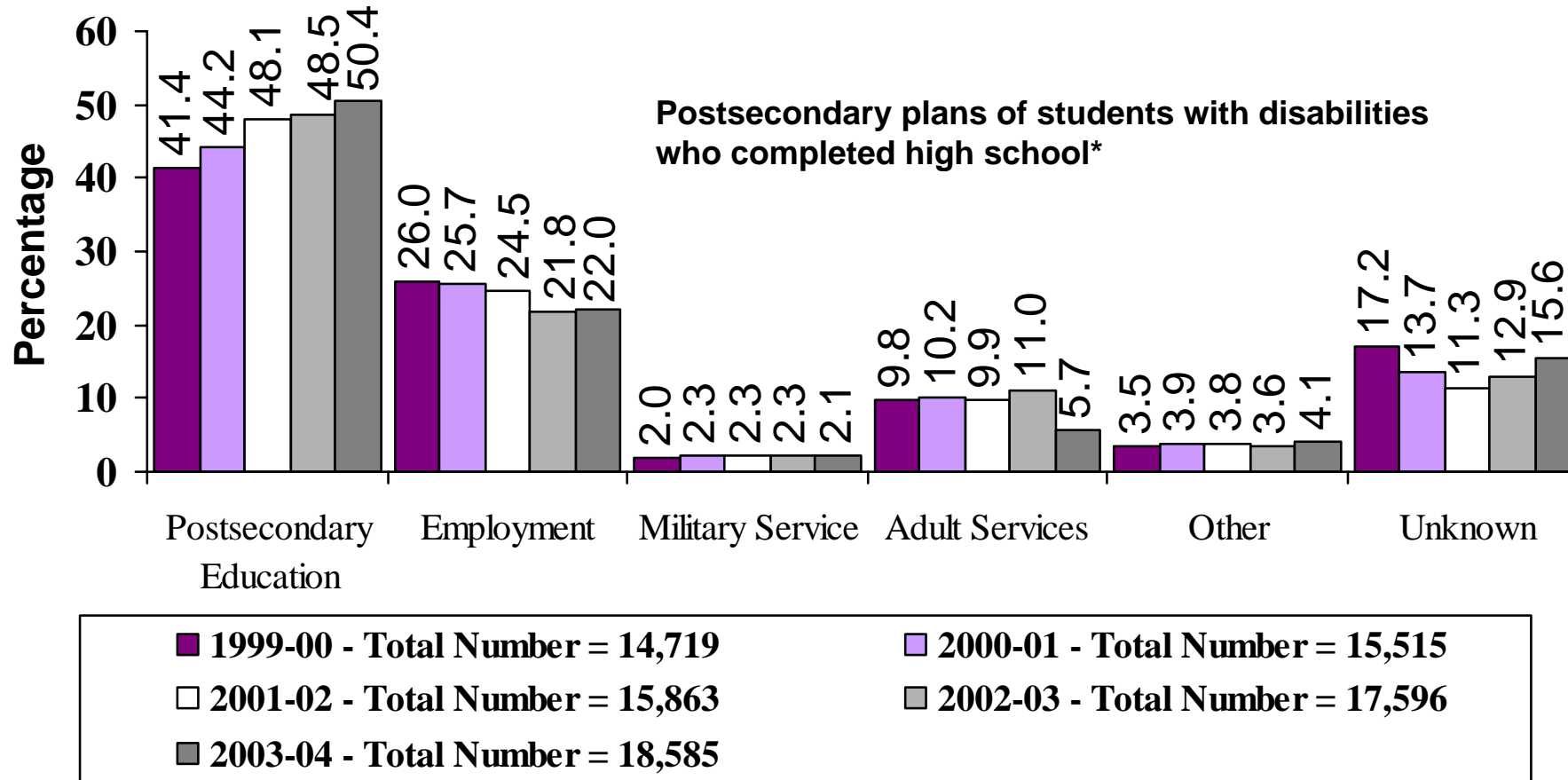


Compared to 1997-98, the number of preschool children provided special education services in 2003-04 has increased by 25 percent.



Integrated settings for preschool students with disabilities are those in which special education services are provided at home, part-time or full-time in typical early childhood programs.

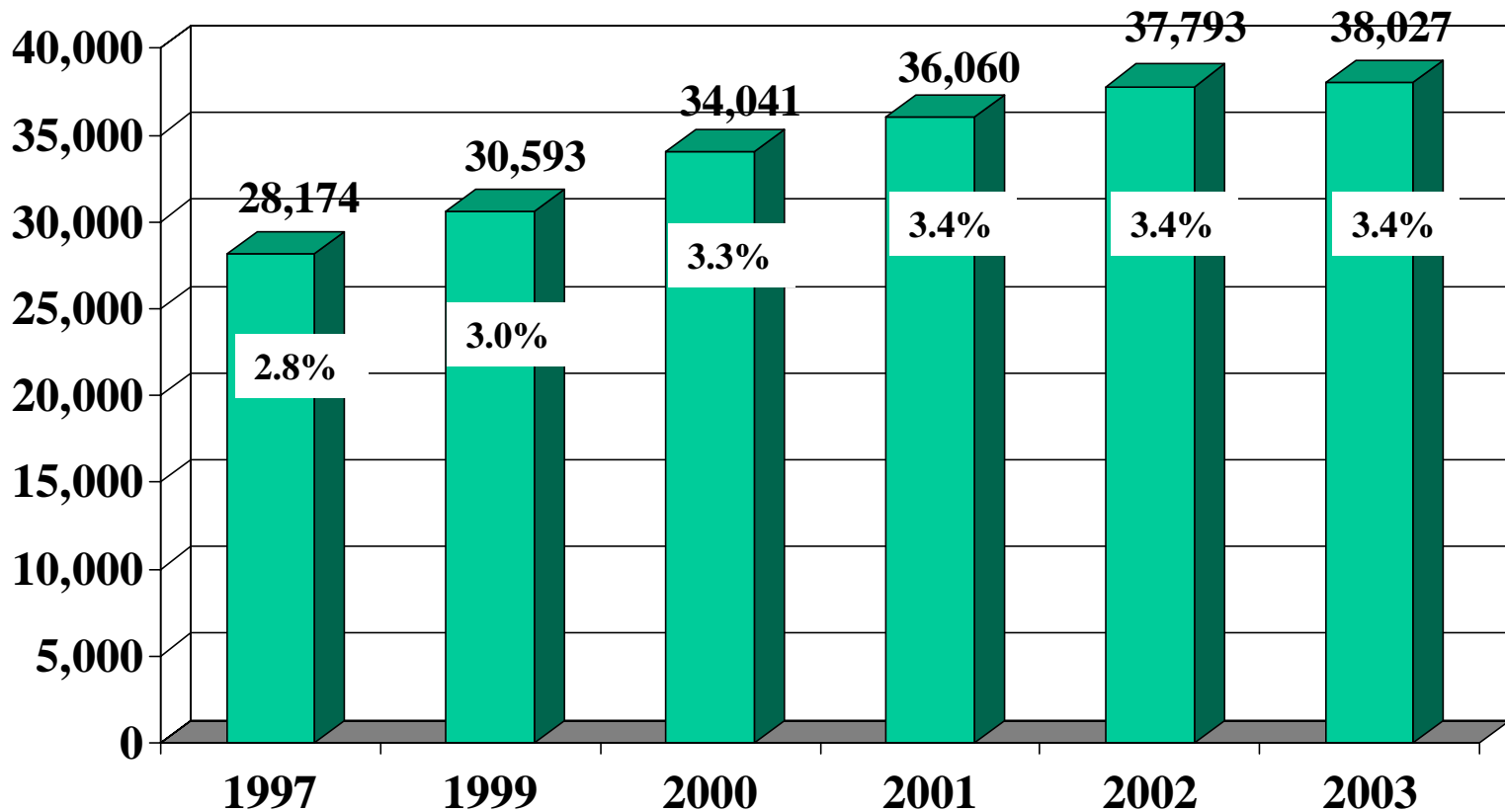
Of the students with disabilities who completed high school, 50.4 percent had plans to pursue postsecondary education. Greater numbers of students are completing high school.



*Plans of students with disabilities who dropped out are not included in these calculations.

The number of self-identified students with disabilities in New York State higher education programs has been increasing steadily.

Number of Individuals with Disabilities and Percent of Total Enrollment in NYS Institutions of Higher Education*



*Data for 1998 are not available