

EPP Monitor

A Publication of the Educational Priorities Panel, Inc.

Volume 8 Issues 1&2

Spring/Summer 2004



PHOTOS: LUIS WIL ALICEA

Undaunted in the rain stand Jill Chaifetz, *Advocates for Children*; Randi Weingarten, *UFT*; Noreen Connell, *EPP*; Jill Levy, *CSA*; Hector Gesualdo, *ASPIRA*; Michael Rebell, *CFE*; and Brooklyn Borough President Marty Markowitz.



With balloons waving in the background Julie Kleczzewski of *American Association of University Women* delivers a message calling for the state to adequately fund City public schools. Clockwise from the left Joan Scheuer, *EPP*; Maggie Jacobs, *AJC*; Queens Borough President Helen Marshall; Ellie Stier, *Women's City Club*; partially obscured Dr. Roscoe Brown, Jr., *EPP*.

economy demands. To quote Victor Hugo, 'an invasion of armies can be resisted, but not an idea whose time has come'."

The gray skies above and drizzles of rain did not dampen the resolve of those present. Likening the rain to the funds needed for schools to flourish and children to fulfill their potential, Councilwoman Margarita Lopez used the rain to inspire the crowd in her impassioned speech and plea to the governor, "...let the children grow."

The rally was attended by elected officials and advocates,

Bronx Borough President Adolfo Carrion; Public Advocate Betsy Gotbaum; Councilman Joel Rivera; EPP Chair Marilyn Braveman, Dr. Roscoe Brown of The Graduate Center for Urban Education Policy; May del Rio; Jill Levy, *CSA*; Randi Weingarten, *UFT*; Larry Wood of Goddard-Riverside Houses; Maggie Jacobs of American Jewish Committee; Jill Chaifetz of *Advocates for Children*; Teresa Ying Hsu of *Asian-American Communication*; Robin Brown of *UPA*; Stephen Boese of *Healthy Schools Network*; Natatia Griffith of *Coalition of 100 Black Women of NYC*; Students and Ronn Jordan of *NW Bronx Community & Clergy Coalition*; Nicky Heller, *EPP Founder* representing the *League of Women Voters of NYC*; Ellie Stier of *Women's City Club*; Joan Scheuer of *EPP*; Anthony Ng of *United Neighborhood Houses*; Rhonda Carlos Smith of *National Black Child Development Institute of NY*; Roni Wattman of *City Club of New York*; Julie Kleczzewski of *American Association of University Women*; Jose Davila of *NY Immigration Coalition*; and Heidi Siegfried of *New York City Partnership for the Homeless*. ♦

Countdown For Justice

By Martine Guerrier

Waving bright red balloons imprinted with the slogan "Countdown for Justice," advocates and elected officials stood shoulder to shoulder in front of City Hall on Thursday, April 1, 2004. Noreen Connell, Executive Director of EPP stood flanked by Hector Gesualdo of *ASPIRA* and Hazel Dukes of the *NAACP* calling upon the New York State Legislature to fund the City's capital plan to build more schools, and set a down payment on the courts' *CFE* ruling. Hector Gesualdo received cheers with his message that the citizens of New York City will no longer stand by and allow its children to be

denied their civil right to a sound basic education. "This is a countdown for justice," stated Hazel Dukes. "We call on the NYS Legislature and the Governor to fully fund the five year Capital Plan so that enough schools will be created to end overcrowding and reduce class size. We can not condemn another group of students to inadequate and unequal funding of public schools in New York City."

"Our children deserve the best!"

Noreen Connell blasted the state for allowing New York City's school children to be denied fair and adequate school funding, creating the crises of school overcrowding and the lack of access to good schools in many communities. She stated that "the children who started kindergarten in 1993 [when *CFE* filed its first legal papers],

who only have a 50 percent chance of graduating next year, should at least have the benefit of knowing that the students who come after them will have better opportunities to learn."

Brooklyn Borough President Marty Markowitz demanded the state not only recognize that New York City pays its fair share in taxes, but should return to New York City its fair allocation of school funding because everyone agrees "our schools and our kids need it." "Our children deserve the best!" declared Queens Borough President Helen Marshall in her speech. Manhattan Borough President C. Virginia Fields recognized, "...until New York City receives ... equitable ... state funding, we will be unable to provide our students with the resources they need to meet Regents standards."

City Councilman Robert Jackson lauded Michael Rebell for making the case that New York City school children have been denied adequate funding and resources by the state of New York for more than 30 years. Recognizing the potential for delay in providing New York City school children with an equitable solution to the systemic failure of New York State's funding practices, Councilman Jackson suggested "we should put them in a room, lock the door and don't let them out until it's done," invoking the image of the founding fathers of America holed up in a room constructing the *U.S. Constitution*.

Focus on the future

Public school parent Cecilia Blewer said, "we are in a period where school reform is not enough ... what *CFE* represents is the point at which the system crosses over from a 19th century model to a 21st century model... *CFE* means coming to terms with the future. It is the privilege of legislators to usher in this historical moment the political

See centerfold pages 6 and 7 for comparison of state education funding proposals.

EPP Monitor

A publication of the Educational Priorities Panel

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

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 Principal (6) Other Staff of the DOE (13)
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The Mission of the Educational Priorities Panel

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

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

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

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

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Five Quick and Inexpensive Ways to End Overcrowding

By Michael Woloz

At press time, the leadership of the state legislature was still formulating a plan for state facilities funding. Even if the Chancellor is successful in getting \$6.5 billion in direct state subsidies for his \$13.1 billion capital plan more needs to be done to reduce school and district overcrowding. Here are five innovative ways this can be done:

1. Reform the leasing process. Leasing arrangements provide the city with inexpensive new schools in existing spaces and are particularly effective when neighborhoods undergo population shifts.

- The City must offer a competitive RFP process where large real estate firms assemble a bundle of buildings in neighborhoods without enough schools. The firms would be responsible for ensuring that the buildings are pre-qualified (environmental tests, feasibility studies, and landlord's backgrounds) and **provide these services at no cost**, as is the custom with commercial leasing projects. This will give the city a bargaining advantage, as it can always go elsewhere without having spent a dime on preliminary studies.

- Create an open bidding process for all design and build elements to encourage contractors to participate. This will lower the overall cost of leasing projects.

- Adjust strategies to make leasing space to schools an attractive idea to building owners such as agreeing to longer lease periods. The current policy of one-year termination clauses is often unreasonable to building owners.

Example: In 2003, the real estate broker Cushman & Wakefield negotiated a deal that resulted in the lease, design and construction of Millennium High School, which occupies the 13th floor of a skyscraper in the Financial District, **in less than five months**. The urgent timeline to open Millennium High School forced the city to explore quicker, faster ways to get the job done. As a result, the leasing process was greatly accelerated when a single brokerage firm performed all the necessary groundwork and negotiated a fair deal on behalf of the city.

2. Build New Schools Using Innovative Financing.

- Reform and reactivate the Educational Construction Fund (ECF), created in the mid-1960's to encourage mixed-use developments with school components. The ECF became inactive in the 1970's after completion of only 14 schools. The ECF must be reactivated, but it must be reformed to allow the city to enter into partnerships with residential developers and create mixed-use residential/school buildings that could be built with tax-exempt bonds.

- Look to examples like Buffalo, which was able to secure state approval for the renovation of up to 19 schools, a project that is not only eligible for State Building Aid, but is also funded through short-term borrowing by a private partner, thus dramatically reducing the City of Buffalo's share of the costs. The project also created a union apprenticeship program so that the renovation process would create more training and skilled-job opportunities for young people. NYC must closely

analyze Buffalo's success in getting its innovative finance proposal approved by Albany and see how we can use such funding to both create and renovate schools.

3. Build New Schools on Existing School Property.

By building three or four story school facilities—extensions or new schools—on existing school property, the city can reduce overcrowding and create smaller class sizes in a relatively quick and inexpensive way. Since the city already owns the property, a number of costly and time-consuming hurdles are immediately eliminated. Here are the low-cost advantages to this strategy:

- No need to purchase land.
- Minimal land clearance costs and little possibility of environmental hazards.
- Shared facilities, such as playing fields and kitchens, will maximize state Building Aid.
- More large high schools can be converted into a campus of smaller schools.

Example: In 2000, PS 21 in Flushing, Queens built an extension on property that the school shares with the Parks Department in a jointly operated property ownership arrangement. Thirty-seven modular units were built, trucked over, configured at the site and seamlessly connected to the main facility in less than a year. Today, the extension which, from the outside appears as if it was built from the ground up and is very similar in appearance to the main facility, houses classroom space for 300 students as well as a multi-purpose cafeteria/gymnasium.

4. Spend Money Where the Need is First. While many neighborhoods suffer from school overcrowding, the City must build new schools in the most overcrowded school districts first. Let's start by relieving the most overcrowded elementary schools as of September 2003 by building new schools in these districts.

- Example:**
1. PS 92 (District 6, Manhattan) - 505 students over capacity
 2. PS 7 (District 24, Queens)- 347 students over capacity
 3. PS 89 (District 24, Queens)- 333 students over capacity
 4. PS 108(District 27, Queens)-333 students over capacity
 5. PS 152(District 22, Brooklyn)- 306 students over capacity
 6. PS 105(District 20, Brooklyn)- 287 students over capacity
 7. PS 83 (District 11, Bronx) - 278 students over capacity
 8. PS 161 (District 17, Brooklyn) - 256 students over capacity
 9. PS 60 (District 27, Queens) - 254 students over capacity
 10. PS 88 (District 24, Queens) - 252 students over capacity

5. Reconfigure Existing Schools. In some cases an elementary school may be overcrowded while a neighboring junior high school has capacity to spare. Some districts, like District 17 and District 23 in Brooklyn, have reconfigured grades by establishing Early Childhood Centers (K-3rd Grades) in middle schools. It was done at a fraction of the cost of building new schools since expensive amenities like cafeterias and gymnasiums were not needed.

Three schools that have reduced district overcrowding by establishing Early Childhood Centers are MS 394 in District 17, Brooklyn, and MS 323 and IS 271, both in District 23, Brooklyn. **At these schools, principals reported that the reconfiguration of grades in the building helped to turn their schools around and gain reputations as "safe schools" where parents wanted to send**

Chancellor's Capital Plan

Category	Identified Cost (in millions)
New School Construction (including leases)	
13 Small buildings (K-3 or K-8)	\$334
54 P/IS (many K-8)	\$2,326
23 HS or I/HS schools (many 6-12)	\$1,552
Total	\$4,212
Restructuring Current School Space	
Allocations for restructuring schools	\$2,034
Creation of charter & partnership schools	\$350
Technology enhancements	\$736
Safety enhancements	\$157
Science lab upgrades	\$294
ADA accessibility projects	\$179
Gymnasiums & playgrounds upgrades	\$338
Room conversion and partition	\$37
Auditorium upgrades for Art & Music performances	\$417
Creation of new co-op tech schools	\$11
Total	\$4,553
Maintenance & Repair Investments	
<i>Capital Improvement Program ("CIP") Projects</i>	
Exterior modernization projects	\$923
Interior modernization projects	\$1,711
Other CIP categories	\$297
<i>Other Capital Needs</i>	
Asbestos abatement program	\$69
Lead Abatement Program	\$79
Modernizing temporary classroom units	\$9
Emergency lighting/Local Law 41/78 for fire safety	\$33
Building Code compliance & survey	\$40
Insurance for school construction	\$330
Completion costs for prior projects	\$225
Modernization of cafeteria kitchens	\$70
Funding for emergency capital projects	\$371
Central administrative technology needs	\$200
Total:	\$4,357
GRAND TOTAL:	\$13,122

Information taken from NYC Dept. of Education, Proposed 2005-2009 Five-Year Capital Plan (February 2004 Revision) summary sheet.

their children. Parents and teachers have also reported positive results.

EPP applauds the Chancellor for including grade reconfiguration in his 5-year Capital Plan. We must make sure that this inexpensive, timesaving policy is adopted on a large scale as soon as possible.

EPP has identified 10 overcrowded elementary schools that share a district with an underutilized junior high school. Overcrowding at these schools can be eliminated if an Early Childhood Center is established at the nearby junior high school:

- Example:**
1. District 9, Bronx: PS 70 is 106 students over capacity. JHS 117 is 192 under capacity.
 2. District 14, Brooklyn: PS 40 is 101 students under capacity. JHS 126 is 402 students under capacity.
 3. District 15, Brooklyn: PS 24 is 123 students over capacity. JHS 88 is 189 students under capacity.
 4. District 17, Brooklyn: PS 161 is 256 students over capacity. JHS 394 is 505 students under capacity.
 5. District 27, Brooklyn: PS 197 is 118 students over capacity. IS 53 is 314 students under capacity.
 6. District 31, Staten Island: PS 32 is 138 students over capacity. IS 24 is 49 students under capacity.
 7. District 32, Brooklyn: PS 123 is 216 students over capacity. JHS 383 is 237 students under capacity. ❖

Third Grade Retention – Déjà Vu All Over Again

By Noreen Connell

One of the most surreal episodes surrounding the controversy of the new “Gates” program for third graders was a March 17th press conference where both the Chancellor and the press developed a case of amnesia. Chancellor Klein sorrowfully noted that thirty-seven percent of the city’s ninth graders were failing, so a grade retention policy was urgently needed, “Right there is where you see why it is we can’t continue the way we’re going, which is pushing children through the elementary schools...” This was a case statement with one glaring logical problem. The cohort of students he was talking about were subjected to Mayor Giuliani’s far more draconian grade retention program when they were in the 6th, 7th, and 8th grades.

Advocates have also developed faulty memories. This new third-grade retention policy is actual-

ly an improvement over the Mayor Giuliani’s five-year-old policy, because the old one required retention from the third to eighth grades. Mayor Bloomberg’s program is much smaller.

Given this lapse in short-term memory, here is a one-minute history: In 21 years, New Yorkers have had three Mayors — Koch, Giuliani, and now Bloomberg — proclaim that they will reduce the numbers of children who cannot read through a bold experiment. The experiment is simple: force the lowest-achieving students to go to summer school and then, if they don’t test well the second time, force them to repeat a grade.

Expensive

The public is never fully informed of just how often this policy has been put in place or how expensive it is. At the peak of the “Gates” program, the tab in the 1982-3 school year came to \$58.9 million for

the 4th and 8th grades. In the second year of the most recent experiment, which affected students in grades 3 to 8, the cost came to a staggering \$536.4 million in 1999-2000. Mayor Bloomberg estimates in his Executive Budget for the 2004-5 school year that the cost for his policy will be \$116 million. Sadly, this represents the only added city investment in improving instruction during the 2004-05 school year. (see page 11 for more details.)

Troubling patterns

This investment would be worth the cost and effort if the experiment worked. By the second year of the last experiment with grade retention, troubling patterns emerged that were similar to the first experiment:

■ Three fourths of students forced to attend summer school in 1999 had to go to summer school the next year.

(Continued on page 5)

High-Need African-American and Latino Students Doing Better in Suburban Districts

By Martine Guerrier

In a two-year study of 23 downstate suburban school districts, titled *Checkerboard Schooling III*, EPP found that these districts educate 7.03% of African-American and Latino students in New York State, as many as the combined big city school districts of Yonkers, Rochester, Syracuse, and Buffalo.

The objective of EPP’s report was to evaluate how districts with a majority of African-American and Latino students fared in funding and expenditures. The first Checkerboard report, authored by Dr. Joan Scheuer, found many high-need districts had not benefited from a formula created by Governor Cuomo called Extraordinary Needs Aid, because there were year-to-year caps on increases. The 1999 report helped to change this budget policy for high-need districts.

Good news

The latest study found that from the 1995-96 school year to the 2000-01 school year, when the state economy was stronger, almost all majority African-American and Latino suburban districts received sizeable increases in state school aid. This helped bring their average expenditure levels to an average of \$14,837 per pupil for the highest-need group of districts and \$14,358 for the rest, which brought them closer to the expenditure level of middle-income suburban districts with a majority of white

students spending \$15,009. New York City spent \$11,474, \$3,000 less per pupil than the majority African-American and Latino suburban public school districts.

Better elementary school performance

The review of test performance data showed that these high-need suburban districts had managed to increase the numbers of 4th grade students on grade level and to decrease the numbers testing at Level 1 (no similar improvements occurred at for middle school students). When the issue of the Mayor’s grade retention policy emerged, EPP revisited the data on the performance of these 113,687 students on the state’s English Language Arts test.

For the purpose of analysis, the districts were divided into two groups. In the highest-poverty districts, where on average 74 percent of the students are eligible for free and reduced price lunch, just 5.18 percent of their fourth grade students tested at Level 1 on the 2003 English Language Arts

	High-Need Suburban	New York City
Total Number of elementary schools	83	667
Number of schools with no students at Level 1	21	61
Percent of schools with no students at Level 1	25%	9%
Number of schools with under 5% students at Level 1	47	184
Percent of schools with under 5% of students at Level 1	57%	28%
Number of schools with between 5% to 10% at Level 1	11	208
Percent of schools with between 5% to 10% at Level 1	13%	31%
Number of schools with between 11% to 15% at Level 1	4	120
Percent of schools with between 11% to 15% at Level 1	5%	18%
Number of schools with between 16% to 20% at Level 1	none	53
Percent of schools with between 16% to 20% at Level 1	none	8%
Number of schools with more than 20% at Level 1	none	41
Percent of schools with more than 20% at Level 1	none	6%

test. The modest-income group of districts, where 46 percent of students are receiving free and reduced price lunch, had on average 3.23 percent of their students testing at this level. In contrast, New York City had 8.9 percent of students testing at Level 1 on the 2003 ELA test.

In the high-need suburban districts, no school had more than 15 percent of students testing at Level 1, while New York City had 94 schools at this dismal performance level. Close to a third of students testing on Level 1 in the 2003 ELA test in New

York City came from by these low performing schools.

The comparison of school test performance data raises several questions. Should the Chancellor’s District for low-performing schools have been abolished in the *Children First* reorganization? Will the new regional structure turn these schools around? If not, does the Zarb Commission recommendation to create a new state-level agency for low-performing schools make sense? [See centerfold for more information.] Why did high-need suburban students perform so much better on the 4th grade tests? ❖

(Continued from page 4)

■ The 2000 assessment found that for one grade, at-risk children who attended summer school had lower test scores on average than they had on their first test.

■ Even more perplexing, the group of students who were promoted in error tested at higher levels than students who were retained.

So even when the issue of the 30 to 50 percent increase in dropout rates of students who repeat a grade is factored out of the discussion, neither summer school, grade repetition, and additional instructional services seemed to have been particularly robust strategies for helping large numbers of children succeed. Yet, once again the New York City school system is embarking on a program to spend hundreds of millions of dollars on these costly strategies.

Counterproductive practices

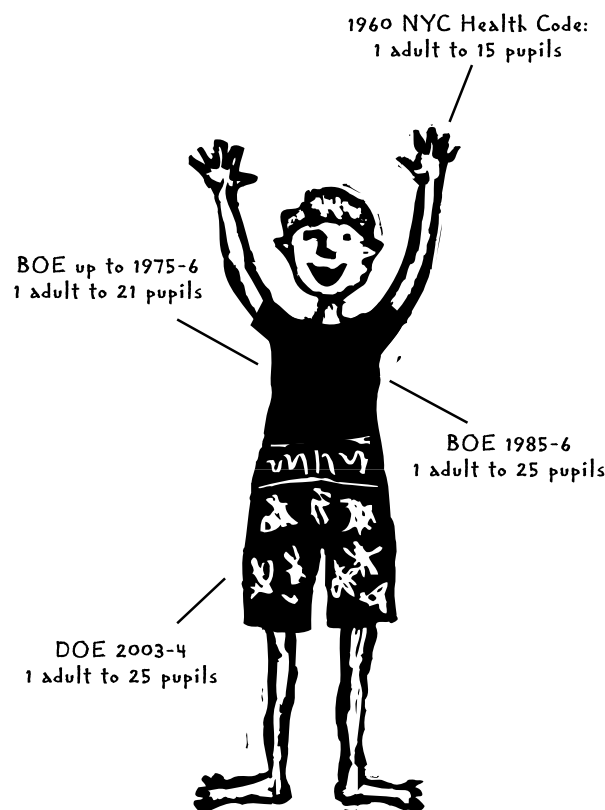
What other contributing factors are there in the high numbers of children in New York City testing at Level 1 in the early grades? EPP's long involvement in trying to improve early-grade education has often encountered counterproductive administrative practices that weaken the quality of instruction from kindergarten to third grade. Here are some examples.

KINDERGARTEN STAFFING For over 25 years, there has been a relentless effort by city budget officials to reduce kindergarten staffing levels in the public schools. In 1960, the NYC Department of Health enacted a health code requiring all public and private day care centers and schools to limit kindergarten classes to no more than 25 children and to have a paraprofessional or assistant teacher in all classes of more than 15 children.

Public schools never met these standards, but until the 1975-76 fiscal crisis, kindergarten class sizes were getting smaller, close to an average of 21 students. By the 1985-86 school year, there were only 190 kindergarten paraprofessionals and systemwide the average class size was up to the maximum of 25 students. That year, the Chancellor secured a waiver exempting the public school system from the health code. In 1989, in response to a Legal Aid Society lawsuit, the waiver was struck down. Five years later, 42 percent of classes had a paraprofessional, but the average kindergarten class size had grown to almost 27 students.

In 1995, Mayor Giuliani demanded that the health code be amended so that the public schools were no longer covered by kindergarten class size limits and adult-to-child staffing ratios. This past year, there was another round of paraprofessional layoffs, some affecting kindergartens. There appears to be a policy of eliminating paraprofessionals whenever class sizes come down to 25 students. In contrast, private schools and child care centers continue to staff their kindergartens with at least two adults whenever there are more than 15 children in a class.

EARLY-GRADE CLASS SIZES Since Chancellor Nathan Quinones, no other Chancellor has implemented a plan to reduce class sizes in the early grades. A body of research since 1987 affirmed his belief that low-income students need more individual attention. The standards he set 17 years ago, for class sizes of 25 in the early grades, remain the city standards today.



Kindergarten staffing – not much progress in 40 years

Since 1999, the NYS Legislature has provided funds to New York City to reduce class sizes in early grades, kindergarten to third, to an average of 20 students. When the budget policy was first enacted, the Board of Education succeeded in getting a portion of these funds re-directed to the eighth grade. Worse, still NYC education officials argue every year for “budget flexibility” to use these funds for other purposes and to eliminate the budgetary requirement of having to actually reduce class size.

Last year, a coalition of groups, including the United Federation of Teachers, Class Size Matters, and the United Parents Associations mounted a campaign to put the question of class size on the ballot by gathering 115,842 signatures from New York City registered voters. The Mayor went to court to block the initiative.

This year, anecdotal information indicates that in some schools receiving state funds for class size reduction, no classes are at an average of 20 students. Because of NYS Education Department understaffing, there seems to be little effort at monitoring the use of \$88 million in state funding for this purpose.

“TEST-GRADE” PRACTICES The most comprehensive study of small-class-size benefit, conducted in Tennessee, as well as a University of Wisconsin study of class size reduction, confirm that when students are placed in small size class in kindergarten or first grade, their achievement levels improve measurably compared with children who remain in large size class. This improvement is sustained when children remain in small classes up through third grade. However, both studies found that when students are placed in small classes for the first time in the second or third grades, no significant achievement gains take place. The analogy that EPP has used to explain this phenomenon is that successful farmers do not water their crops only a month before harvest.

A last-minute watering the crops is exactly what many elementary school principals try to do. They

place their best teachers and reduce class sizes in third grade, when students face city tests, and the fourth grade, when students face the much more important state tests. But it is in kindergarten when children need to expand their cognitive and verbal abilities and in first grade when they should begin learning how to read. Learning difficulties begin manifesting themselves in the first and second grades when good teachers in small enough classes could quickly help children move beyond whatever barriers they are experiencing. Yet these are often the neglected grades when it comes to principals' decisions on class sizes and staff assignments.

Research is ignored

Why does New York City continue to adopt the unsuccessful strategy of grade retention? One explanation is that the policy of having children repeat a grade appeals to deeply held beliefs about individual responsibility, hard work, and promotion to higher grades based on merit. When past grade retention policies fail to raise student achievement, these beliefs are so ingrained that these policies are resurrected once again in the hopes that a better administered program will work.

Another explanation is that the Manhattan Institute, a conservative think tank, has kept alive the myth that the 1982 Gates Program was a “success” that was “sabotaged” by neglect and underfunding by successive Chancellors. This myth has done double damage. First, it induces new policy makers to once again adopt this strategy. Secondly, it forces education officials to make sure that they cannot be accused of undercutting this strategy, so staff time is taken up with trying to make sure that there is early notification for summer school, better summer school attendance, and services for children who are forced to repeat a grade. The administration of Chancellor Harold Levy is a prime example of how the grade retention policy consumed the best efforts of central and district staff with little tangible results.

Yet a third explanation is that budget and education policy makers have been influenced by an even more damaging myth than the one sustained by the Manhattan Institute. It lacks a name, but the best descriptive term for it is “patch-up.” At every level of failing urban public school systems there is an illogical belief that it is easier and less expensive to provide meaningful help to students who fail than it is to prevent students from failing. This is illogical for two reasons.

Systemwide policies to improve low-performing schools, reduce class size, attract and retain good teachers, sustain staff development, and align curricula have been shown to succeed in reducing the numbers of children who cannot read by third or fourth grade. In contrast, remediation programs of all kinds, except one-to-one tutoring, have only shown marginal improvements in student performance.

The problem is that for every well-run remediation program, there is a poorly-run remediation program. For the two years, 1996 and 1997, when the Board of Education was forced by federal regulations to detail the year-to-year gains of students receiving Title I services based on test score com-

(Continued on page 8)

An Emerging Consensus on Facts, not Policy

By Joan Scheuer & Noreen Connell

This centerfold compares four proposals for reforming the way state education aid is distributed. All of the plans respond to the decision of the state's highest court calling for a revised school aid system that would ensure a sound basic education for pupils in New York City—and, as the court said, “if the legislature wishes,” pupils in the rest of the state.

The Trial Court Judge has said that if the legislature fails to comply with the Court of Appeals decision by July 30, 2004, a Special Master will be appointed to decide the case. The Special Master may well interpret the court's order literally and confine his remedy to New York City alone—a very unappealing alternative for many non-city legislators.

Our comparison shows that the proposals have many features in common. Though their research procedures and calculations differ, they follow similar steps in defining adequacy, determining the costs of providing a sound basic education, and accounting for the differences in pupil needs, regional costs, and the local contribution. All the proposals recognize that compliance with the court's decision calls for billions of additional dollars in state aid. We include data on recent increases in aid over the last five years that do not look so different from the large new sums required to comply with the court's decision. All of the plans should be commended for, at long last, establishing some basis for education funding. Learning standards will now determine resources, rather than the reverse.

This centerfold is an attempt to ferret out “the devil in the details,” even though we still had to simplify the details to keep the explanations short. A first draft of this table was already reviewed by EPP member representatives. Their main criticism is that we didn't give a thumbnail description of how the plans differ in terms of their overall objectives. So here is our attempt:

■ The CFE/NYS School Boards Association plan is an effort to entice the largest possible number of legislators to support their funding recommendations. Three quarters of all school districts would benefit from additional resources and/or lower property taxes. This is a classic win-win scenario. If this plan does not gain the support of the Republican Senate leadership, it will be proof positive that regional antagonisms are stronger than self interest. It could happen.

■ At the other polar extreme is the plan outlined by economists of the Maxwell School, Syracuse University. Devoid of political calculations, it does an honest accounting of the true costs of raising student achievement and retaining teachers in high-need school districts. It even goes so far as to question the extra costs of “save harmless” policies and attempts to target property tax relief to those who need it the most.

■ The lower-cost plans of the Regents and the Zarb Commission do not exemplify a political strategy as much as accommodation to political pressures to contain the state's costs for education funding reform. Both use a sample of low-spending, but successful school districts with few high-need pupils to calculate the “floor” for arriving at adequacy. Then both make adjustments for additional funding with incomplete or low weightings for high-need pupils. Both would be improvements over the current system, but they will leave New York City and high-need suburbs without a high enough level of resources to help their students reach adequacy. This would be a missed opportunity to get it right the first time.

Basis for Comparison	Current System State Aid System	Syracuse University Maxwell School
Funding System A per-pupil foundation level attempts to ensure that each student receives sufficient educational resources.	A weak foundation level that has not kept pace with inflation. Additional equalization formulas attempt to assist low-wealth districts. Foundation level is \$4,000 per pupil.	Foundation level, called Full Educational Cost Adjustment that attempts to determine the cost of resources “adequacy” for high-needs school districts, therefore student-need index is highest among all plans.
Basis for defining educational “adequacy”	None. Negotiated shares of increases are based on geographic regions. Legislators set goals for increases to NYC, LI, and rest of state. NYC is currently capped at 38% of new funds.	Provides 3 options for student performance targets on 4th, 8th, & Regents exams in English & math. Model level is performance of students in upstate suburbs.
Projected cost increase in 5-7 years Cannot be easily compared because of different components, phase-in periods, assumptions about inflationary factors during phase-in period, & levels of local contribution.	History of 5-year increases, all state ed. funds including STAR (property tax relief): SY'95-SY'99: \$2.7 billion ² FY'00-FY'05: \$4.2 billion ³	Projects increase to be \$11.3 billion in additional cost from a base school year of 2000-01, \$12 billion if save harmless policy is adopted.
Components included in new funding system All the plans consolidate fourteen or more formulas and different grants geared to instruction and general operations. Where special education funding is included in two of the plans, EPP's estimates inexact.	<u>Operating Aid</u> & 14 other computerized formulas <u>Excess Cost</u> public & private (sp. ed. funding) for less disabled students <u>Grants</u>	Includes \$8.45 billion in 2003-04 aids. <u>Operating Aid</u> (combines other formulas)
Components not included EPP calculation of included/excluded components does not include chargebacks and transition adjustments for operating aid and building aid (capital outlay).	<u>Excess Cost</u> public & private (sp. ed. funding) for more disabled students <u>BOCES & Sp. Services</u> <u>Building Aid</u> <u>Transportation Aid</u>	Excludes \$5.97 billion. <u>Excess Cost</u> public & private (sp. ed. funding) <u>BOCES & Sp. Services</u> <u>Building Aid</u> <u>Transportation Aid</u> <u>Grants</u>
Does the Foundation level include federal funding?	No	Yes
Phase-in period	—	None mentioned
Pupil Count used in formula	Attendance	None mentioned
Student-needs Besides the foundation amount, student needs funding drives significantly different amounts to districts based on their students' socio-economic profile. If the inclusion of federal funding in the CFE plan (also an option is Zarb) is factored out, pupil weighting for poverty is very limited. In NYC, state and federal categorical funding currently provides 17% in additional funding above state and city operating aid. ⁵	In Operating Aid, children in poverty and/or English Language Learners are given an additional weight of 0.25 (counted as one and 1/4th child). In addition, there are formula aids, such as Extraordinary Needs Aid & Limited English Proficient Aid, Bilingual grants, and class size reduction formula which are wealth adjusted. Combined, they are a 13% increase over operating aid. Impact of population sparsity also included, because it results in smaller schools and more administrative cost per pupil (not originally in ENA formula and not based on objective studies).	Children in poverty have an additional weight of 1 (bly expensive) to 1.2. English Language Learners have weight of 1 to 1.2. These weights are somewhat off use of federal funds, which are already heavily weighted toward poverty. Weights also provided to districts with small enrollment that approximate real costs.
Regional cost index	None (except in Building Aid)	Creates a teacher wage model. The resulting estimate that different from Regents labor market analysis, but range is .90 to 1.54. Includes factors such as student poverty.
Local contribution There are differences of opinion as to whether law allows mandated contribution levels from school districts and whether they can be enforced. There are differences in how the plans arrive at a local share of the foundation formula.	The per-child income & property wealth of each school district is compared to the average for the state. This computation creates an “aid ratio” to arrive at a local share. This share can range from less than 10% (low-wealth districts) to 90% or more (high-wealth districts).	Mandatory contribution. Provides three options, but estimates based on a tax rate of \$15 per \$1000 of assessed valuation of property. Will not be a significant change for most districts.
Formula for school districts		(Foundation level <i>times</i> pupil need <i>times</i> regional <i>minus</i> federal aid <i>minus</i> mandated local contribution)
Save harmless No district receives less than previous year, even if fewer students or higher wealth. Fewer than 20 states have this policy. ⁷	Allows minor reductions. The result is that there is less money for districts that need increases. More expensive to sustain.	Optional: provides cost estimates of retaining or eliminating save harmless. Figures below are shown without harmless.
Limits on increases in state aid		No
NYC % of increase as stated in each proposal	Currently 38%	75.5%
State education budget process	Because of late budgets, funding not known until summer.	None mentioned.
Additional Recommendations		STAR — Recommends restructuring STAR so it is a targeted “circuit breaker” on state income tax. Accountability — Recommends technical assistance by SED and increase in SED staffing levels. Correctly identifies SED understaffing as a problem for accountability and school/district capacity building.
Most frequent criticism	Formulas not operative for many districts & are “backed into” negotiated shares based on geography, not student needs. Provides insufficient funding for NYC and some other high-needs districts.	Legislators object to econometric models. Only provide costs, but no guidance on best methods of improving instruction.
Additional EPP comments Though all the plans claim to “simplify” education funding, they retain complex formulas. The Maxwell School plan is the only one that attempts to relate the costs of pupil need & enrollment size to real data.	Funding is not aligned with Regents standards for learning. Need/Resource categories are seriously flawed and reflect a “concept drift” from original Extraordinary Need Aid formula created by Governor Cuomo.	Best student-need index, best gap closer. Only proposal that provides reality-based estimates of costs of raising student achievement in high-need school districts. Solution of federal funding a serious problem.

	Regents Proposal NYS Education Department	CFE & NYS School Boards Association	Zarb Commission Standard & Poor's	EPP Comments
ust- orce re	A low foundation level, called Foundation Cost measured by determining the instructional costs of districts that are doing well, \$4,500 per pupil. Student-need index is high, but only for poverty & small school size, not ELL.	A high foundation level, estimated to be \$8,077. ¹ Called Sound Basic Education , it is scaled for student needs and school size. Student-need index has the most factors, but each provides fewer additional funds.	Equalized formula with some of the same attributes of a foundation approach, called Basic Operating Aid . Uses the lowest spending subset of high-achieving districts to arrive at quantification of "adequacy" funding level.	EPP agrees with the emerging consensus that a foundation formula should be used.
based aid s.	Low-spending, successful school districts where at least 80% of students are at grade level on the 4th & 8th grade test and pass 5 Regents tests. Similar to mid-level of Maxwell.	Professional judgement panel supplemented by successful schools & econometric analysis of costs. Only plan to describe instructional strategies, such as small class sizes, pre-k, and support services.	Low-spending successful school districts. Provides options for 4 different student performance targets. The highest one is successful school districts where 80% are proficient, as in Regents.	EPP agrees with the emerging consensus that "adequacy" should be based on Regents learning standards. CFE itemization of strategies to raise achievement is commendable. Problem: Successful schools method looks at districts with few high-need students & fails to capture urban costs.
costs save	Projects increase of \$5.98 billion from base of 2003-04 school year.	Projects increase of \$8.5 billion from base of 2003-04 school year. ⁴ Estimates from base of 2000-01 year range from \$7.2 billion to \$9.5 billion.	Projects increase of \$2.5 billion to \$5.6 billion , from base of the 2001-02. Range depends on student performance targets and which cost index is used.	Lower estimates tend to reflect political judgements. Page 24, figure 13 of Standard & Poor's technical report shows that if more downstate successful schools had been included in sample, real costs would be as high as \$9.2 billion.
	Includes \$8.37 billion in 2003-04 aids. <u>Operating Aid</u> (combines 7 other formulas) Pre-K, textbook, library, computer software, LEP aid, kept as separate formulas. <u>Grants</u> (includes 9 grants)	Includes \$10.16 billion in 2003-04 aids. <u>Operating Aid</u> (combines 12 other formulas) <u>Most Grants</u> <u>Excess Cost</u> public & private (sp. ed. funding) below \$30,000 per pupil	Includes \$8.85 billion in 2003-04 aids. <u>Operating Aid</u> (combines 12 other formulas) <u>Excess Cost</u> public (except high cost component) <u>Grants</u> (most)	Inclusion of funding for less disabled sp. ed. students in CFE's SBE Foundation & Zarb's Basic Operating Aid problematic. Could potentially provide an incentive for districts to classify more students as disabled.
	Excludes \$6.05 billion <u>Excess Cost</u> public & private (sp. ed. funding) <u>BOCES & Sp. Services</u> <u>Building Aid</u> <u>Transportation Aid</u>	Excludes \$4.26 billion <u>Excess Cost</u> public & private (sp. ed. funding) above \$30,000 per pupil <u>BOCES & Sp. Services</u> <u>Building Aid</u> <u>Transportation Aid</u>	Excludes \$5.57 billion <u>Excess cost</u> private BOCES & Sp. Services <u>Building Aid</u> <u>Transportation Aid</u> <u>Grants</u> (a few)	Separate funding stream for small class sizes in the early grades eliminated in all plans. Separate funding for pre-K retained in Regents & CFE.
	No	Yes	Mentions options but makes no recommendations	Federal funding is not intended to be part of any state's operating aid formula. Invites supplanting. NYC would not benefit from future increases in NCLB funding.
	7 years	4 years	5 years	A shorter phase-in period would be better.
	Average daily membership (slightly less than enrollment)	Enrollment	No recommendation.	Enrollment is the least biased measurement.
(dou- have a f set by ighted with	Children in poverty have an additional weight of 1. Once programs are created, funds are reduced by 20%. English language Learners are NOT INCLUDED. The continuation of Limited English Proficiency formula and Bilingual grants provide woefully inadequate funding for these instructional services. Weights provided to students in rural areas due to geographic sparsity (having to run higher-cost small schools).	Includes poverty, English Language Learners, most special education students, & small school size. Slightly different from other proposals. Foundation formula is scaled by student need. For example, a SBE foundation formula of \$10,072 is for k-5, school size above 558, 34% student poverty, 0.9% ELL & 9.8% sp. ed. Student poverty weights are lower than Regents, but higher than Zarb. An additional poverty factor is included in setting local contribution. Inclusion of federal funding means not much improvement over current weights.	Supplemental Needs Aid has an additional weighting of 0.35 for poverty, 0.2 for English Language Learners, and an average additional weight of 1.1 for sp. ed. Current funding for Extraordinary Needs Aid, LEP Aid, & Bilingual grants are folded into this category. Weightings are not much higher than current weights. High-need districts will get additional funding for instructional materials. School districts must submit plan for the use of these funds & an accounting of expenditures. If federal funds are used, small improvement over current weights.	Low weights for poverty & English Language Learners are based on the policies of other states, not a true costing out of additional services needed. For example, a 1994 study found that NYC Bd. of Ed. instructional allocations for English Language Learners, which EPP found to be inadequate, were 181% of the allocations for students not receiving these services. ⁶ Thus, CFE & Zarb weights for ELL students would cover only one fourth of the true costs. This disadvantages NYC & 23 downstate suburban districts. The Regents weight for poverty is better, but the exclusion of ELL pupils is a serious flaw.
ate not out nt	Professional Cost Index is based on non-teacher labor market analysis. Almost the same as Maxwell School, but range is 1.0 to 1.49. Also called Regional Cost Index.	Geographic Cost of Education is different from other proposals. Computed for the district level based on geographic differences in recruiting teachers. Narrow range of 1 to 1.24.	Compares Regional Cost Index to Geographic Cost of Education Index. Clearly shows that Geographic Cost of Education provides lower index of costs for NYC, but does not affect amount of additional funding needed.	EPP supports the Regents methodology for estimating regional cost differences.
it most cant	Assumes a standard local tax rate of \$15 per \$1000 of assessed valuation of property, which is the current mid-point of tax effort among most schools districts. Method to determine local share not a significant change from the current "aid ratio" method.	Does not express contribution as expected local property tax rate. Instead uses the current concept of "aid ratio" (based per-child income & property wealth) that is then adjusted for student poverty and is mandatory. Significantly increases the state's share of education funding.	Mandates maintenance of effort (MOE) for other 4 large cities. Does not recommend mandated contribution level. Refers to a concept of "aid ratio" similar to the current method, but makes slight changes in pupil count adjustment.	If a mandated contribution level is difficult to obtain, then state should provide incentives for reasonable local tax rates. Zarb's MOE for cities important. None of these plans reform shameful local property tax system, among the most inequitable in the nation. Climb of property values in Downstate area & decline Upstate will continue to cause problems.
(cost) ion	(Foundation level times pupil need times regional cost) minus expected local contribution	(Foundation level adjusted for pupil need times geographic cost) minus federal aid minus mandated local contribution adjusted for child poverty.	Not specified, but similar to all but CFE: (basic operating aid times supplemental needs aid times regional cost) minus voluntary local contribution	Formulas not very different. The important factors are whether federal aid is included, pupil-need weights, geographic costs, and how local share is determined.
minat- ut save	Yes	Yes	Yes Report complains of NYS' costly school aid system, yet it recommends one of the factors that results in district inefficiency.	Save harmless is politically popular and difficult to eliminate as a policy. The plans could have at least considered per-pupil save harmless.
	Yes, caps range from no more than 5% to no more than 15%.	No	None mentioned.	Caps result from save harmless policy and hurt high-need districts.
	64%	62% ⁸	Estimates on funding gap, 74% to 87% ⁹	Court ruling only mandates increased funding for NYC.
	None mentioned.	Forward funded by a year, must be determined by December for the next school year.	Two-year budgets should be adopted (similar to forward funded).	EPP supports the recommendations of CFE & Zarb plans.
e ly	Building Aid – Recommends \$31 million grant for NYC to address school overcrowding. (Mayor is requesting \$10 billion). Accountability – Will continue to focus on districts with schools that fail to meet adequate yearly progress goals. SED has closed low-performing schools that fail to improve. SED accountability standards better than most other states.	Building Aid – Creates 5-year construction fund which would provide NYC with \$2.4 billion in state borrowing above the Chancellor's request for \$6.5 billion & \$1 billion for other high-needs districts. This provides funding to reduce class sizes in all grades to state averages, not CFE goals or pre-K programs. Bases Building Aid formulas on realistic geographic differences in construction costs, instruction needs, & student poverty index. Reforms Lease Aid. Assists low-wealth districts by only including local match in computation of debt limit. Accountability – Proposals for low-achieving schools. Requires district plans; independent audits; & independent review of validity & reliability of Regents tests.	Building Aid – Recommends simplifying reimbursement formula, providing Dormitory Authority assistance to districts, review of leasing, and allowing districts to use alternate financing mechanisms. Accountability – Creates new independent Office of Educational Accountability to monitor low-performing districts. Replaces principal tenure with contract agreement. Other recommendations are about teachers, performance standards, Regents. Requires reports on expenditures of Supplemental Aid.	Building Aid – Regents proposals woefully inadequate and fail to address formula inequities that have perpetuated overcrowding in NYC schools. In contrast, CFE proposal is the most comprehensive, has best strategies to carry out the court's order, & will help other high-need districts. But CFE also proposes short-term reimbursement that will only benefit high-wealth districts and lessen available funds for instruction for all districts. None of the plans provide for input by school staff and parents. Zarb the only plan that addresses promising new financing strategies. Accountability – SED understaffing addressed by Maxwell School & partially by Zarb's creation of another bureaucracy & reports on district spending of Supplemental Needs Aid.
vides ing	Very long phase-in period and low caps on year-to-year increases.	Ambitious goals & complex econometric models. Numbers continue to change because responsive to comments. Geographic cost index too dependent on district wage policies & does not capture teacher costs in urban school districts.	Well documented & researched information, but vague on many specifics and provides too many options. Reflects many of the Governor's Executive Budget proposals.	NOTES ¹ Estimate based on phone conversation with the Fiscal Policy Institute on April 15, 2004. ² Analysis of School District Finances, NYS Ed. Dept., December 2002, Table 1 page 4. ³ Description of NYS School Aid Programs, Ed. Unit, NYS Div. Of Budget, October 1999 & January 2004, Table II-C & Table II-B. ⁴ Based on a phone conversation with the Campaign for Fiscal Equity on April 13, 2004. ⁵ School Based Expenditure Reports, Fiscal Year 2000-01, Systemwide Summary, NYC Board of Education, January 2002, page SW-#17. ⁶ Resource Allocations in the New York City Public Schools, Coopers & Lybrand, October 1994, Appendix A, page 10. ⁷ Public School Finance Programs of the U.S. & Canada, 1993-94 Volume One, American Education Finance Asso. & Center for the Study of the States, 1995, Table 9. ⁸ Based on a phone conversation with the Campaign for Fiscal Equity on April 13, 2004. Change from report due to recalculation of school size factor. ⁹ Standard & Poor's Resource Adequacy Study, p.23
posals sing Inclu-	Best simplification, most transparent. On the plus side, does not include federal aid. Gap closer. A change in how NYC's wealth is measured (eliminates borough aid) could make projections of future aid questionable. Exclusion of ELL students in pupil-needs index a serious problem.	More of a "all boats will rise" strategy than gap closer. Inclusion of sp. ed. students in pupil-need index may provide incentives for referrals. Outlines good strategies for raising student achievement, but they are optional. Inclusion of federal funding a serious problem. Building Aid proposal is the strongest among all plans.	Lowest pupil-needs weights. Inclusion of sp. ed. students in pupil-need index may provide incentives for referrals. Avoids recommendations on funding. Instead, offers a variety of accountability measures. Reflects many contradictions prevalent in education policy in NYS.	

The “Crisis” in Special Education Has Many Components

By Noreen Connell

March 18 was a red-letter day. Two separate events confirmed that the Children First reorganization was taking a heavy toll on special education.

Public Advocate Betsy Gotbaum held a press conference in the City Hall rotunda to announce the result of a phone survey of 199 school psychologists and 95 principals and administrators. Their responses indicated that there were serious problems:

- 40 percent of the administrators and 44 percent of the psychologists said “they have been given a direct order to keep referrals and evaluations down.” Over 20 percent of both groups of respondents said that “they knew of colleagues who have been given such an order.”
- 56 percent of administrators said “their school has a backlog of students awaiting placement.” A much higher proportion of psychologists reported this problem, 74 percent.
- 70 percent of administrators said “their school has a backlog of students awaiting reevaluation.” A higher proportion of psychologists reported this problem, 81 percent.
- 81 percent of administrators and 87 percent of psychologists said “their school had trouble locating IEP’s (Individual Education Plans).”

By huge margins, both administrators (83 percent) and psychologists (96 percent) indicated in one way or the other during the phone interview that “the DOE’s reforms have adversely affected the referral/evaluation process.”

On the same day, just a building away, the newly installed Deputy Chancellor for Teaching and Learning, Carmen Fariña, issued a strongly worded memo to the ten Regional Superinten-

dents stating that school-site meetings were to be scheduled with principals, psychologists, and local instructional supervisors and to report weekly on all the schools visited. The memo stated, “The purpose of these meetings is to educate the principal on how to monitor compliance with special education assessments... The plan for each school must first determine whether a reasonable amount of daytime work is being performed by school staff.” Later on, in the memo when discussing schools with the highest cases out of compliance, the Deputy Chancellor authorizes “if necessary, referring administrators or staff for disciplinary action.” Throughout the memo regional staff are directed to end the backlog of referrals and evaluations and to hire staff to create new special education classes and to access independent providers for evaluations and services. The memo ends with the information that the Office of Auditor General and Ernst & Young staff will visit schools in the spring “to ensure compliance with the above mandates.”

Whether by coincidence or plan, the Fariña memo focused on a lack of productivity at the school site, while the Gotbaum press conference pointed fingers at administrators, especially at the regional level.

More than a record-keeping problem

When schools opened in September, the word spread quickly that the elimination of 37 district committees on special education (replaced with just 10 Regional committees) and the elimination of the school-based special education evaluator position were creating havoc.

The most understandable and immediate problem was that student records had not been sent to the schools, so new special education children were at the schoolhouse doors

without any documentation of their disabilities or evaluations as to what type of instruction and services they needed (called “Individualized Education Program”). These records had been kept by district offices of Committees on Special Education and were not redirected to the schools, but instead were put into warehouses. The first mystery is why these records had not been made into computer accessible documents in the eight-month period from the January announcement of Children First to the September opening of the schools. Stories abounded about school staff members spending a whole day in a warehouse only to locate a handful of records for their students. The second mystery is why there are still complaints that records of students already in the school were no longer accessible, since these records are kept at the school.

Shortly after the Gotbaum’s press conference, the Department of Education filed a “freedom of information” appeal with the Public Advocate’s Office to get the detailed results of the survey, a highly unusual request from one city agency to another. This peaked EPP’s interest, so we simply phoned the Public Advocate’s Office to get a copy of the survey responses. Almost all of them were negative. Only one, from a psychologist, was positive, “Think reorganization is great. It empowers us and eliminates duplication... New job exhilarating. Now that I am responsible for placements as well, more meaningful contacts. Many share my views.” This was supposed to be the result of the reorganization, so what were the other respondents complaining about?

Unfamiliar tasks and a lack of training, computers & supplies,

EPP looked at the survey responses from both the psychologists and

administrators to try to identify the nature of their complaints, not just their conclusions. The most frequent response by psychologists is that their training and background did not prepare them for this job and that, worse, that they did not have well-trained clerical assistance to accomplish their tasks. Many said that they had become, by default, clerical workers. A good number of the summary statements are similar to these, “Not trained as education evaluators, we can do psychological testing, not appropriate [to do] education evaluations” and “One person has to do three jobs — that of psychologist, educational evaluator, and clerical worker.”

Several principals stated that they wanted their special education evaluators back and that they didn’t think psychologists were trained to do their new jobs. The absence of adequate office space, supplies, and access to computers that faced psychologists at the opening of school was surprising. The access to computers is critical, because it is only through entering data in the CAPS system that needed services are documented. One psychologist said, “Who are these fools that are trying to erode professionalism, how do I work without ATS [the school system’s software system] and a working computer with a CD ROM?”

Inappropriate placements

The summary of one psychologist’s statement gives a broad picture of pressures at the school and regional level: “Am aware of placement of a general education kid in special education without proper documentation, IEP. Parent asked to sign waiver to allow placement pending evaluations. Have to rubber stamp what AP decided.

Students in special education placed in
(Continued on page 9)

Third Grade Retention – Déjà Vu All Over Again

(Continued from page 5)

parison of the same students, there were a significant number of remediation programs where students’ achievement levels actually decreased. This reality is one of the reason why an army of researchers since the 1980’s has been unable to document any large-scale benefits of Title 1 funded programs. The result is that Title 1 was restructured to focus on the identification of low-performing schools, not the provision of remediation services. [See article on suburban schools, page 4.]

The second problem with the “patch-up” approach is that it fails to recognize that once students begin to flounder academically, a complex set of problems manifest themselves that require much greater effort and more skilled intervention than occur in a regular classroom. Though EPP as a coalition has advocated for smaller class sizes since 1996, we do not believe that placing low-achieving students in smaller classes is a sufficient turnaround strategy for children who are experiencing failure. These struggling students must have the

benefit of a highly experienced, skillful teachers and an enriched curriculum, which is rare in remediation programs and low-performing schools.

Summer school and extra services for students held back are the prime example of the “patch-up” approach. The first question that the Mayor and the Chancellor should be asking is why so many children are failing to read by third grade. They should be primarily focusing on strategies to ensure that more children succeed, such as reducing class sizes for all young children — rather than just reducing class sizes for those who fall between the cracks, when smaller class sizes are not enough to reverse the damage. ♦

(Continued from page 8)

general education without evaluations. Several administrators from the Region encouraged me to do very little assessments, just review report card, no testing, and proceed with conference to finish cases. I feel unable [to finish cases] until have face-to-face testing. It is unethical to have conference without evidence of child's skills. No training. No help from Region."

The "ROC Runaround" and pressure from the principal

Next to details about the absence of clerical support, computers, and training, the highest volume of complaints are directed at the Regional Operating Center staff, ranging from allegations of their incompetence and inconsistency to willful efforts to lose or tamper with records and a pur-

poseful lack of assistance in securing specialized bilingual, hearing, and speech evaluations. These responses are typical: "Referrals sent in September are not opened for months; opened only after repeated phone calls," "Can't reach Regional CSE's," and "...Directions for operation are day to day." The most serious allegations are that Regional staff purposely sit on or lose referrals to reduce the number of students in special education or to deny them services. Several psychologists simply stated that speech therapy and bilingual evaluations "were no longer available." Not all the complaints were about the regional staff. Several psychologists report that principals are actively discouraging them from making initial referrals to special education because this is a factor in the evaluation of a

principal's job performance.

What does all this mean?

EPP asked advocates and a union representative to provide EPP with their take on the "crisis." Their responses differed. One advocate said that the Public Advocate's survey revealed "generalized kvetching" about having to work. She said that there was a lack of productivity in both the old and the new system of referrals and evaluations and added, "The old teams were rarely, if ever, in classrooms. How is this different? I think the bigger issue is that the lack of resources remains the same. The new system has not created better placements, more integrated settings for students or added resources to the classrooms in either the general education or special education settings."

But both this advocate and the union representative agreed that under the old system the district level special education staff could counter inappropriate directives from the principal (either more referrals or fewer). The flexible use of special education funding, called Academic Intervention Services, gives an incentive for principals to provide fewer services to individual students in order to use the funds for other programs at their school. Another problem is that student-teacher ratios are being ignored and some principals are prohibiting bilingual services. Apparently, plans for professional development for special education teachers have not been fully implemented. The union representative believes that a contributing factor to this denial of services at the school level is the poor performance of Regional special education staff. There are not only inconsistent interpretations of practices and policies across the Regions, but inconsistencies within Regions.

Clearly, the reorganization of the school system has stumbled badly in creating better instruction and services for children with disabilities. The question is whether this "crisis" can be ended. The March 18 directive from the Deputy Chancellor has resulted in even more "rush-rush" evaluations and referrals, but it may have put an end to the issue of an "unofficial policy" of discouraging special education referrals and services. On the other hand, the Mayor's Executive Budget proposes to reduce special education funding by over \$366 million in the next school year. [See page 11] ❖

Children First Initiative

(Continued from page 12)

instructional environment that was far superior to those serving middle class communities. This is a difficult task. More is needed than just more resources, smaller schools, and smaller classes, though they are preconditions for improvement. Managing instruction might the way. Or it might not. There could be a reason why the best learning communities since antiquity have been collegial and participatory.

Mediation might be important

One last rumination on this bold Children First experiment. The shed-

ding of mediating and buffering functions might not be such a cost-free aspect of Elmore's prescription, especially in this town. The New York City board and bureaucracy's various permutations in structure were geared to navigating, co-opting, and smothering all the various ethnic, racial, and class conflicts that emerged. In the past there was competition for appointments of community superintendents among Irish, Italian and Jewish men. New, less rigorous balance was created between African Americans, Latinos, and women. Every board member had a constituency that was more than geographic.

Board members and top administrators not only "represented" their constituency, many of them also "influenced" their constituency. Though advocates were opposed to grade retention when Mayor Giuliani imposed this policy on Chancellor Crew, no firestorm erupted. Board members did not want to "embarrass the Chancellor." Only one voted to oppose grade retention. Advocates meekly testified at the obligatory Board of Education hearing. It was a done deal.

In contrast, when Mayor Bloomberg proposed yet another grade retention policy, only a few large Department of Education contractors could be trotted out to support it. The mediators were gone. What this portends for the future is uncertain. ❖

Education Budget Decision Makers

New York State

Governor George Pataki,

The Executive Chamber, State Capitol
Albany, NY 12224

(518) 474-8390 (212) 681-4580

Assembly Speaker Sheldon Silver

932 Legislative Capitol Building
Albany, NY 12248

(518) 455-3791 (212) 312-1420

Senate Majority Leader Joseph J. Bruno

909 Legislative Office Building
Albany, NY 12247

(518) 455-3191

Assemblyman Steven Sanders, Chair Education Committee

836 Legislative Office Building
Albany, NY 12248

(518) 455-5506

Senator Stephen Saland, Chair Education Committee

609 Legislative Office Building
Albany, NY 12247

(518) 455-2411

Assemblyman Harman D. Farrell, Jr., Chair Ways & Means Committee

923 Legislative Office Building
Albany, NY 12248

(518) 455-5491

New York State, cont.

Senator Owen Johnson, Chair Finance Committee

913 Legislative Office Building
Albany, NY 12247

(518) 455-3411

New York City

Mayor Michael Bloomberg

City Hall, New York, NY 10007

(212) 788-3000

Councilman Gifford Miller, Speaker, New York City Council

336 East 73rd Street
New York, NY 10021

(212) 788-7210 (212) 535-5554

Councilwoman Eva Moskowitz, Chair, Education Committee

250 Broadway
New York, NY 10007

(212) 788-7393

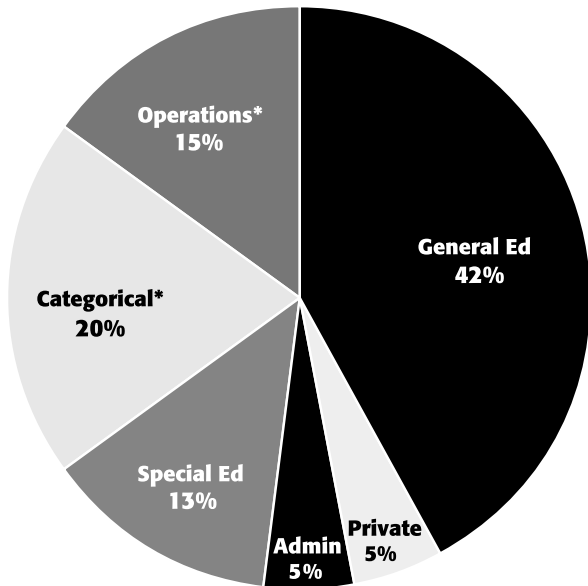
Councilman David Weprin, Speaker, Chair Finance Committee

250 Broadway
New York, NY 10007

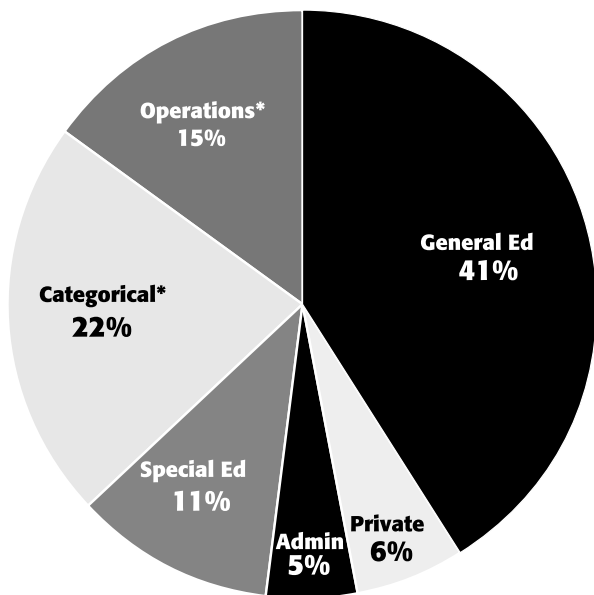
(212) 788-6984

Where Does the Money Go? School Year 2003-04

Adopted Budget \$12,478,737,903

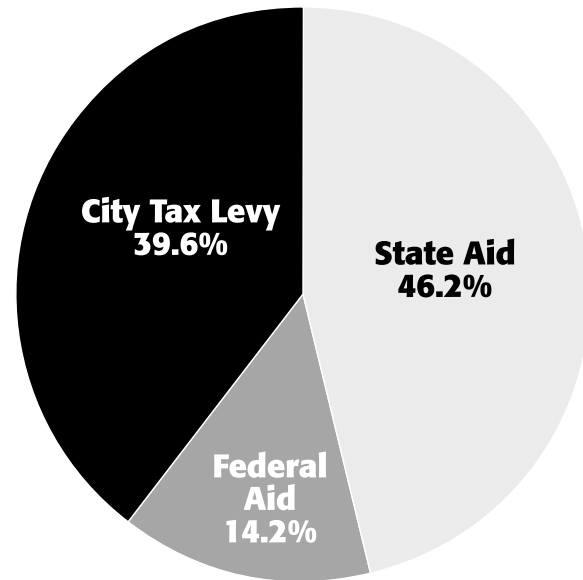


Mayor's Executive Budget proposals for the 2004-05 School Year \$13,025,849,562

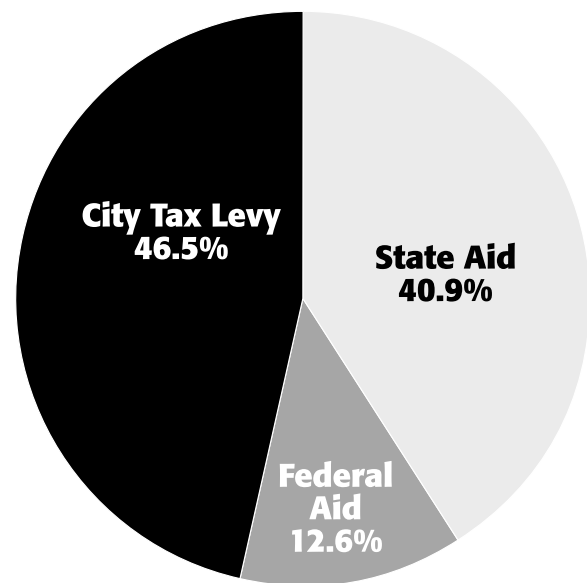


Where Does the Revenue Come From? School Year 2003-04

Without City Contributions to Pension & Debt Service



With City Contributions to Pension & Debt Service



Source: 2/4/04 Financial Status Report, NYC DOE excludes adjustments, intra city & other categorical

EPP's analysis does not include pension or debt service payments. Rather than showing fringe benefits as a separate category, they are distributed in proportion to the personnel services allocations across categories. A labor reserve fund is also distributed in proportion to personnel services allocations across categories.

General Ed Instruction

Funds for elementary and middle schools in community school districts and high schools.



Special Ed Instruction

Funds for special education instruction and support services. Resource room and self contained classes in the districts, and in Citywide for more disabled children. Fringe benefits (health insurance, etc.) for these employees.



Categorical

Special funding programs for additional instruction or services for students at high risk for academic failure, such as children from non-English speaking families and high poverty communities (mostly federal Title I and state Extraordinary Needs Aid). Fringe benefits for these employees



Operations

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



Administration

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



Private Schools*

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

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

The Mayor's Executive Budget Recommendations for the Public Schools

On April 26th, the Mayor released his proposed budget for the city, which will be negotiated with the City Council. By law, the city's budget must be adopted by June 30th.

Mayor Bloomberg's recommendations raise the Department of Education's total budget (including city, state, and federal funding) just above the **\$13 billion** threshold, \$13,025,849,562. When debt service (payments of interest and principal on money borrowed to make major repairs and build new schools) and pension payments are included, planned expenditures for public education will exceed **\$15 billion**.

Third-Grade Gates Program

The Mayor has invested substantial resources for his plan to have students testing at Level 1 on the city's third-grade math and English tests repeat the third grade if they are still testing at this level after mandatory summer school.

- Because there will be an increase in the numbers of children in third grade, the Mayor is adding **\$25 million** for additional teachers to keep classes at the same size.
- Intervention programs for retained and low-performing third graders will be funded with an additional **\$59 million**.
- While the Mayor has added **\$32 million** for summer school for second and third graders, \$57 million is being cut from the summer school program because it will no longer be mandated for low-performing students in the other grades (the policy of the Giuliani administration).

Special Education

Planned allocations for special education in the 2004-05 school year have been reduced from the levels of the adopted budget for the 2003-04 school year. For this reason, the proportion of the Department of Education's budget for special education has shrunk from 13 percent to 11 percent.

Together, these reductions in proposed funding come to **\$366 million**, more than can be accounted for by a purported 6,000 drop in the numbers of students in special education. However, the Mayor is proposing to increase some areas of special education funding. Citywide (UA 321/322), which serves the most disabled students, currently funded at **\$535 million**, will go to **\$605 million** next year, a **\$69 million** addition.

The Office of Management & Budget asserts that there are no reductions in funding for special education students and that these changes in budget allocations simply reflect the fact that more students are being educated in general education classrooms. Yet when personnel and other than personnel allocations for general education (elementary, middle, and high schools U/A's 301, 302, 311 & 312) are added together, there is only a \$146 million increase in the Executive Budget for these categories when the added funds for the third-grade Gates program and reduction in summer school for the other grades are factored out.

Headcount

The Message of the Mayor contains summary information on the number of employees in the public

Mayor's Principal Priorities

Proposed Commitment

Career ladder for teachers, expand professional development for teachers and administrators, create incentive and merit programs for principals and teachers, and provide more training and services for parents. This includes \$10 million for language translators	\$830 million
Early grade intervention and academic enhancements. This includes \$117 million to reduce class sizes from 25 to 20 in grades K-3 and from 32 to 28 in middle schools.	\$1.9 billion
Universal pre-kindergarten funding to provide half-day schooling to 35,000 3-year olds and full-day schooling to 75,000 4-year olds	\$542 million
Creation of new small schools; restructure middle & high schools into small learning communities of 400- 500 students	\$812 million
Additional supports for Special Education students and English Language Learners	\$514 million

school system. See table below for staffing levels:

Since pedagogues include not only teachers and administrators, but also guidance counselors, school secretaries, and paraprofessionals, it has always been difficult to verify teacher staffing levels. The one-year drop in the total number of teachers, 3000, is much smaller than the one-year drop in the total number of pedagogues, which fell from 123,859 to 109,611, according to the *Message of the Mayor* in 2003 and 2004. Most of this 14,248 decline in pedagogues probably stems from the elimination of community school district

and special education positions.

The Department of Education is once again using a headcount system that combines teachers and paraprofessionals, making it even more difficult to find out how many classroom teachers there are. Many parents and teachers have complained about the increases in general education class sizes during the 2003-04 school year. The summary information in the Executive Budget states that there was only a 1000 decrease in the number of general education teachers. Could this 1.5 percent decrease in general education teachers have resulted in such widespread reports of classroom overcrowding? ♦

Comparisons of special education funding levels

Units of Appropriation (Personnel/OTPS)	SY 2004	SY 2005	Difference
303/304 Elementary & middle school resource & self-contained classes	\$514 million	\$333 million	-\$181 M
313/314 HS resource & self-contained classes	\$200 million	\$60 million	-\$140 M
323/324 Centrally controlled related services & school-based evaluations	\$274 million	\$248 million	-\$26 M
325/326 Administration	\$25 million	\$6 million	-\$19 M

Comparison of the purported staffing levels

	2003	2004
Total employees	136,518	134,181
Total teachers	80,000	77,000
General education teachers	63,000	62,000
Special education teachers	14,000	15,000
Bilingual teachers	2,000	Not reported

The First Six Months of Children First Initiative

By Noreen Connell

Though never articulated in public, the *Children First* initiative seems to be heavily influenced by Harvard Professor Richard Elmore's effort at constructing a new paradigm for public school administrators. He observes that in America the real role of principals and even the highest education officials has traditionally been one of mediating relationships, that is, buffering educators from the demands of parents and politicians. In order for public schools to survive and improve, especially for high-poverty children, administrators from top to bottom have to become managers of instruction, with a chain of command and clear performance expectations similar to those of other institutions. They can't just hope for "better" teachers, they have to create them.

It is an impressive analysis — as long as you don't notice that Elmore comes from an environment where professors may be drowning in committee meetings but are not generally managed with a heavy hand. University presidents, pretty much relegated to fund raising, are buffering and mediating 100 percent of the time. Talent for each academic discipline is recruited, not necessarily shaped by the department head. And yet for the most part, despite this



lax — some would say non-existent — management of instruction, learning somehow takes place.

Sometimes what is sauce for the gander is not sauce for the goose. *Children First*, more than anything else, is an attempt to actualize Elmore's prescription to manage instruction. Before this initiative was implemented, EPP made the suggestion that a new administrative position be added to each school to help principals deal with an added administrative workload that would come from the elimination of community school district staff. We had not an inkling that every school would get an additional part-time principal, called Local Instructional Superintendents (LISs), who patrol the school hallways with eagle-eyes for the sloppy bulletin board. We also never imagined that the staff development coaches would report to the Local Instructional Superintendent, not the principal.

Anyone slightly familiar with the history of the profound impact of Frederick Winslow Taylor's Principals of Scientific Management on American industry at the beginning of the 20th century (he gave us the beginning of the modern assembly line) should take another look at *Children First*. Numbed by the churning of education initiatives in New York City, some perceive it as just another slogan or a pretext for dismantling community school districts or a platform for the re-election of the Mayor. Any of these interpretations might be right. My bet

is that it's something more interesting. If so, the tensions with the teacher's union won't go away when a collective bargaining agreement is signed. There will be a continuing clash between different models of relationships at the school level, the UFT's "teacher professionalism" versus "management of instruction." It's not just a Mayor and a Chancellor from business backgrounds trying to curb the power of a union that has had a major role in fashioning education policy. It's an attempt to manage teaching in a way that has not been tried before, way beyond the "follow the rules" dictates of the early Board of Education bureaucracy.

Will it work?

Of course, given the old institutional culture of the Board of Education, Elmore's high ideals could degenerate into just a messy pile of "follow the rules" dictates. So far, the unanswered phone calls and e-mails by staff at the Regional Operating Centers (they're not called rocks for nothing) do not indicate any keen management skills on the part of the managers. But after a few stumbles and corrections, a new structure could work, ultimately.

I'm conflicted about this possibility. EPP's two studies of how low-performing schools turned around concluded on the note that schools serving very high-poverty communities had to create an

(Continued on page 9)

Educational Priorities Panel

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