New York City Department of Education

Program Name:	Fair Student Funding
Implemented:	2007-2008 School Year
Program Type:	District-Wide
Legal Authorization:	Mayor Control

New York School Empowerment Benchmarks		
1.	School budgets based on students not staffing	yes
2.	Charge schools actual versus average salaries	yes
3.	School choice and open enrollment policies	yes
4.	Principal autonomy over budgets	yes
5.	Principal autonomy over hiring	yes
6.	Principal training and school-level management support	yes
7.	Published transparent school-level budgets	yes
8.	Published transparent school-level outcomes	yes
9.	Explicit accountability goals	yes
10.	Collective bargaining relief-flat contracts, etc.	yes
New York City met 10 out of 10 school empowerment benchmarks.		
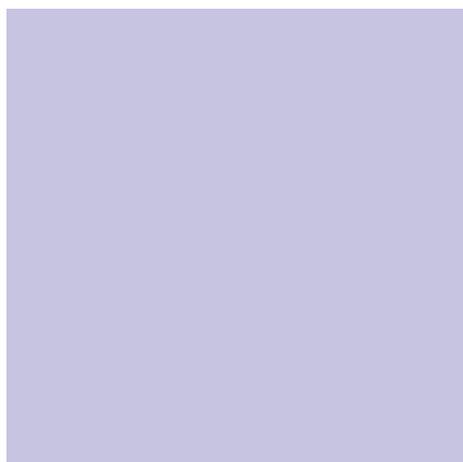
I. Program Overview

In 2008 the New York City Department of Education served approximately one million students with 78 percent qualifying for the free or reduced-price lunch program and approximately 15 percent English language learners. In 2002 the state legislature granted Mayor Bloomberg control of the schools and he appointed Schools Chancellor Joel Klein to run the schools.

In the first few years of mayor control, Bloomberg and Klein worked to stabilize and bring coherence to the city school system. Once the schools were stabilized, Bloomberg and Klein took steps to empower principals by giving them decision-making power and resources and holding them accountable for results.

In 2007 Schools Chancellor Joel I. Klein announced that the New York City public schools would receive unprecedented new levels of funding for the 2007-08 school year and that the administration's new "fair student funding" program would bring greater equity and transparency to those budgets.[1] As a result of the infusion of new state and city education dollars, as well as ongoing efforts to reduce bureaucracy, schools would receive roughly $900 million in new aid, some of which is tied to specific programs and increased teacher salaries and benefits. They would have significantly greater discretion—to hire new teachers, buy supplies or provide enrichment services for students and staff—over several hundred million dollars of new funds as well as over funds that were previously on school budgets but tied to specific programs. One hundred ten million dollars of the $900 million would go directly to 693 schools that had traditionally been receiving less than their fair share. Educators would now have substantially more funds, as well as the decision-making power they need to make informed decisions to help New York City public school students succeed in school.

Also included in the new funding going to schools was $170 million that the Department of Education redirected to schools as new "Children First Supplemental Funds" for schools to purchase newly organized school support services and other goods, services and staff that they determine help students succeed. The $170 million came from cuts to central and regional budgets. This brought to $230 million the amount the DOE has cut from the bureaucracy and sent to schools since 2006 to purchase support services at their own local discretion. Along with new money schools received in 2007, principals and their teams were given additional discretion over hundreds of millions of dollars that were previously tied to specific programs.

This autonomy allows principals and their teams to choose the best programs and support services for their particular students and teachers. It also allows them to purchase the materials, staff and services that are best aligned with their school's specific needs.

The New York City Department of Education empowered all public schools through a school financing reform called "fair student funding," (FSF) so that principals had discretion over resources and educational decisions in their own schools. New York City's public school empowerment program builds on the "empowerment schools" initiative pilot. In the 2006-07, 332 New York City public schools took on greater decision-making

power and resources in exchange for accepting accountability for results. These "empowerment schools" worked under performance agreements, committing to high levels of student achievement with clear consequences for failure. In exchange for this commitment, principals and their teams had the freedom to design educational strategies tailored to their students. These schools hand-picked their support teams, hired additional teachers, implemented creative schedules, designed tailored assessments, invested in professional development and purchased both internal and external services to meet their needs and their students' needs. Initial results were promising, with more than 85 percent of empowerment schools meeting the performance targets set by the Department of Education.

The expansion of school empowerment through fair student funding was based on extensive research and outreach by the leadership of the New York City schools.[2] The Fair Student Funding Plan is based on an inclusive, research-based process that involved more than 100 meetings with almost 6,000 people in all five boroughs. The city education department completed careful analysis of current budget practices and input from expert advisers, including leaders from other districts that have pioneered student-based budgeting systems.

Beginning with the 2007-08 school year, all 1,500 public schools were empowered, and their principals and their teams gained broader discretion over allocating resources, choosing their staffs and creating programming for their students. Under FSF schools have increased resources because the new formula allocates funds based on student need.

In New York City, fair student funding is based on simple principles:

■ School budgeting should fund students fairly and adequately, while preserving stability at all schools.

■ Different students have different educational needs and funding levels should reflect those needs as accurately as possible.

■ School leaders, not central offices, are best positioned to decide how to improve achievement.

■ School budgets should be as transparent as possible so that funding decisions are visible for all to see and evaluate.

In New York public schools, FSF aims to achieve three major goals:

■ Improve student achievement: School leaders and communities know best what their schools need for their students to achieve. Fair student funding eliminates restrictions on dollars and gives schools more opportunity to make the best choices for their students. It also creates new financial incentives for schools to enroll struggling students— and new rewards when schools succeed in improving students' results.

■ Move toward equity: In the 2007-2008 school year, FSF directed $110 million in new funds toward schools that had not received their fair share of resources, without taking funds away from other schools. Going forward, fair student funding aims to bring all schools up to their fair funding level as soon as resources permit.

■ Make school budgets more transparent: Fair student funding eliminated many complex funding streams, providing more than five billion dollars to schools

in a single, simplified budget allocation. And while FSF isn't perfect, it's a big step forward in transparency and the accountability it brings and a strong vehicle for improvement over time.

II. Student-Based Budgeting Formula

Under New York City's fair student funding system schools receive more equity and transparency in two ways—first, by the weighting of the students based on their needs and second by making school-level salaries transparent and moving to a system that charges schools the average cost of their particular employees. Principals are empowered by receiving money instead of resources from the central office that they can spend as best serves their particular schools.

Under FSF, schools receive additional resources based on the needs of their students and the size of their student population. The Department of Education assigns "weights" to different types of students based on their grade level and need, determined by factors like how well they are doing in school, how poor their families are and whether they qualify for special education and English language learner services.

This is the allocation methodology for almost $6 billion of schools' money and makes up approximately 64 percent of school budgets. This funding covers basic instructional needs and is allocated to each school based on the number and need-level of students at the school. All money allocated through FSF can be used at the principals' discretion.

The following weights are available:

- Foundation Grant—All schools regardless of size or type receive a lump-sum foundation grant of $225,000. The dollars are not tagged to particular positions and schools, not central administration, determine whether they need more core administrative staff and fewer teachers or the reverse. The foundation grant also allows small schools to maintain a core administrative staff.

- Grade Weight— Every student receives a weight determined by his or her grade level. The Department chose to provide middle school students with the largest weights because these students experience the largest drop-offs in student achievement. They chose to fund grades 9–12 at a slightly higher level than grades K–5 for several reasons: older students tend to have higher costs for non-personnel (such as more costly science materials), they often take electives that break into smaller classes and their schools often require more administrative personnel.

- English Language Learners—Experts recognize that English language learners (ELL) have higher needs. ELLs who have become proficient in English graduate at higher rates than all other students— more than 60 percent—while more than half of ELLs who never become English-proficient drop out of high school. Funding for ELLs is determined by grade level: a K–5 weight, a 6–8 weight and a 9–12 weight. Students in higher grades will receive additional resources for two reasons: (a) as students age, the state requires them to receive additional periods of specialized education; and (b) it is more developmentally difficult for

older students to master a new language.

■ Low Achievement Weight—The Department also drives additional funds to students at the greatest risk of academic failure. It determines students with greater needs by looking at their past achievement. Therefore, to the extent possible, it relies on student achievement data—results on state math and English language arts exams—to identify students eligible for additional funding. Students receive additional weights based on their achievement at entry to a school. A school will receive additional funding for enrolling struggling students, but will not lose money for success in educating them. At schools beginning in fourth grade or later (e.g., all 6–8, 9–12 and 6–12 schools), students receive additional weights based on their achievement upon entering the school. There are two funding levels—a larger weight for students "Well Below Standards," and a smaller one for students who are below grade level but closer to proficiency ("Below Standards"). As with the grade-level weights, these intervention weights are higher in grades 6–8 than in grades 9–12.

■ Poverty Weight—Students enrolled at schools that begin before grade four (e.g., all K–5, K–8 and K–12 schools) qualify for the poverty weight if they also qualify for free or reduced lunch. The poverty weight is for students before grade 4 because there is not test score data available before entry to fourth grade.

■ Special Education— FSF gradually shifts special education funding away from per-class type and toward funding individual student needs. In doing this, FSF aims to help reinforce that special education students are an integral part of a school, not a separate subset of students. FSF aims to eliminate the view of special education as strictly prescriptive, immovable and segregated from the kinds of innovative thinking that occur in general education. The full continuum of services is available to serve students, as schools receive special education per-student funding based on the number of periods a day that a student requires special education services, rather than funding based on a specific service delivery model. This should increase schools' flexibility to develop service delivery models or a combination of models tailored to meet the individual needs of the students.

■ Portfolio Weight—at the high school level, the Department provides students with a portfolio of different education models. Students attending these schools will continue to be eligible for additional funding. Portfolio categories for the 2008–09 school year are:

   ■ Career and Technical Education (26 schools)

   ■ Specialized Academic (12 schools)

   ■ Specialized Audition (6 schools)

   ■ Transfer (37 schools)

In summary, the FSF formula allocates dollars to schools through four basic categories:

   ■ Foundation—a fixed, $225,000 sum for all schools;

   ■ Grade weights, based on student grade levels;

Fair Student Funding Weights 2008-2009			
	K–5	6–8	9–12
Grade Weights	1.00 / $3,946	1.08 / $4,262	1.03 / $4,064
Need Weights			
Academic Intervention	K–5	6–8	9–12
Poverty	0.24 / $947	—	—
Achievement—well below standards	—	0.50	0.40
6-8	0.50	1,974	
9-12	0.40	1,578	
Achievement—below standards	—	0.35	0.25
6-8	0.35	1.381	
9-12	0.25	986	
ELL	0.40 / $1,578	0.50 / $1,974	0.50 / $1,974
Special Education			
Less than 20%	0.56 / $2,210	0.56 / $2,210	0.56 / $2,210
20–60%	0.68 / $2,684	0.68 / $ 2,684	0.68 / $2,684
Greater than 60% (self-contained)	1.23 / $4,853	1.23 / $ 4,853	0.73 / $2,881
Greater than 60% (integrated)	2.28 / $8,997	2.28 / $8,997	2.52 / $9,944
Portfolio Weights			
Specialized Audition schools	—	—	0.35 / $1,381
Specialized Selective schools	—	—	0.25 / $986
CTE schools	—	—	0.05–0.25/ $197–$1,026
Transfer schools	—	—	0.40 / $1,578

Source: New York City Education Department

- Needs weights, based on student needs; and
- Enhanced weights for students in "portfolio" high schools.

Like most districts, the New York City Department of Education also has a "hold harmless" clause to transition schools to fair student funding. Schools historically funded above their formula level received a "hold harmless" amount equal to the amount over the formula. In 2007-2008, 690 schools fell into this category. Schools keep this allocation at least through the 2008–09 school year. Schools that have historically been funded under their formula level began to receive new money to bring them to a fully funded level. Last year 693 schools fell into this category. These schools received a total of $110 million in new money in the 2007–08 school year. Each school received approximately 55 percent of the gap between the school's previous funding level and the FSF formula level up to $400,000. In 2008-2009, most of these schools will remain under their formula level. The current plan is to bring these schools up to formula as soon as the fiscal situation improves.

New York City used to allocate resources to schools based on the number of teachers at the school. Each school was charged an average district-wide teacher salary for each individual teacher—the same amount per teacher, whether the teacher was a high-paid veteran or a new entry-level teacher. This meant that schools with

School –Wide Average Salary Process		
	School A	School B
Spring 2007 salary snapshot	50 teachers Average salary through June 2008: $64,000	50 teachers Average salary through June 2008: $68,000
June 2007-April 2008	5 teachers retire. Replaced with 5 relatively lower-salary teachers; school is charged $64,000 each for them	5 teachers retire. Replaced with 5 relatively higher-salary teachers; school is charged $68,000 for them
Spring 2008 salary snapshot	50 teachers. New average salary charged for all teachers through June 2009: $61,000	50 teachers. New average salary charged for all teachers through June 2009: $71,000
June 2008-April 2009	3 relatively higher salary teachers hired; no teachers leave. School is charged $61,000 for them	4 relatively lower-salary teachers hired; no teachers leave. School is charged $71,000 for them

Source: New York City Department of Education, Resource Guide for School Budgets

high-paid teachers were charged less for them than their actual salaries and schools with entry-level teachers were charged more for them than their actual salaries. On the books, the schools were getting the same resources, but in reality the school with entry-level teachers did not get rewarded for costing less money in salaries. The inevitable consequence was that the Department gave the same resources to schools that had less experienced, lower-paid teachers and needed more resources as it did to schools with higher-paid experienced teachers. For example, at two schools with 100 teachers each, one with teachers earning an average of $60,000 and one with teachers earning an average of $70,000, the school with highly paid teachers uses $1 million more resources from the Department than the school with new teachers with lower pay, yet they would be charged the same amount against their funding. Under the average district salary allocation used in the majority of school

districts in the United States, each school is charged the average district salary for each teacher. In the previous example the average would be $65,000, so the schools would be charged the same amount against them for teacher salaries by the Department. In effect the school with lower salaries subsidized the school with higher salaries.

To address this inequity in New York City, schools are now funded based on the needs of their students, not the numbers of their teachers. Under this approach, a school will no longer be financially punished because it has trouble attracting experienced teachers. Schools now receive an allocation based on the individual needs of their students—their FSF allocation—and are responsible for paying their teachers out of that allocation. So the school with the greater resource of an experienced teacher pays for it and the school with the entry-level teacher has money left over to use as it sees fit.

New York City public schools still are not charged their teachers actual salaries, but are charged the average actual salaries for the teachers of that particular school alone, which increases equity substantially. No longer are schools that cannot attract veteran teachers charged disproportionately more than they should be. In the above example, the $60,000 average salary school reaps the monetary remainder of costing the Department less money and the $70,000 average salary school pays for the resources it employs.

As of April 2007, principals were given autonomy over the hiring of teachers, thus principals can choose whether they want an experienced teacher at a higher price or an entry-level teacher who will save the school, not the Department, more money.

And with this autonomy, principals are held to account for the achievements of their schools. Yet, since principals do not have autonomy over the hiring of teachers already at the school who were hired prior to April of 2007, the Department offers a gradual financial transition. Principals are only responsible for the increased salary of the teachers hired after April 2007. For teachers hired prior to the change, the Department covers the funding gap of collective bargaining or other pay increases earned by that particular teacher and will cover those increases of those staff members for as long as they teach at that school.

Thus, the 2008–09 school-wide average salary is calculated by taking a snapshot of all active teachers at a school as of March 2008. The salaries of those teachers are forecasted for their amounts as of June 30 to capture longevity, differentials and collective bargaining increases. The forecasted salaries for the teachers at that school alone are totaled and then divided by the number of active teachers as of March 2008. The school-wide average salary is charged for all teachers for the entire 2008-09 school year.

In addition, a school receives a supplement to cover a portion of the amount that teachers on schools' budgets prior to April 2007 contribute to the annual increase of the school's average each year because of longevity, steps and differential increases. This funding will be given to schools as a separate allocation. It is intended to help ease the transition to charging actual salaries for teachers, which will occur when all teachers at a school are hired after April of 2007. Because the school-wide average salary charged for all teachers in the 2008–09 school year is based on a snapshot of teachers' salaries

the previous spring, principals have a year to adjust for hiring decisions before their budgets are affected.

For example, if a school hired either a $60,000 teacher or an $80,000 teacher last school year, the school was charged the same amount, whatever its average salary was last year. However, this school year, the school's average salary will rise or fall based on the costs of the teachers hired this past year. The school will have roughly $20,000 more or less left to spend on other priorities this year, depending on whether the school hired the $60,000 or the $80,000 teacher.

The policy of lagging the salary impact of hired, transferring and exiting teachers was made in direct response to principals' requests for planning time to manage the effects of their decisions. For example, if a principal wants to bring on a more experienced teacher, he or she will have a year to plan for the increase in average teacher salary that may cause.

The bottom line for future budgets is that a school experiences changes in purchasing power based on both attrition and hiring decisions made by the school. Schools that have lowered their school-wide average salaries experience an increase in purchasing power; schools that have increased their school-wide average salaries experience a decrease in purchasing power.

Moving from charging a school salaries based on district-wide averages to charging a school salaries based on a school-wide average gives principals control over their own schools. It also increases the equity between schools within a school district and offers parents and the community a more transparent method to judge spending at the school level and to make comparisons between schools.

III. Autonomy

Principals have more control over resources under New York City's fair student funding plan. Before 2007 principals controlled just 6 percent of their schools' budgets. In the 2008-2009 school year each principal has discretion over about 85 percent of his or her budget.[3]

In New York City public schools principals also have discretion over staffing decisions. The Department of Education negotiated with the United Federation of Teachers to reach a historic agreement that gave principals more control over staffing. In exchange for a 15 percent increase in teacher salaries, the new contract gives principals the power to make final decisions regarding hiring for all vacancies. There are no more "bumping" by more senior teachers and no more involuntary placements of teachers in any school. This means that, for the first time, principals will be able to choose the teams they think are best for their unique student populations. The contract also allows principals to assign teachers to professional activities such as hall, lunchroom and schoolyard duty, tutoring and advising student clubs. Finally, the discipline and grievance procedure has been streamlined and teachers who engage in sexual misconduct with students or other minors can now be suspended without pay pending a hearing and face automatic termination once charges are sustained. The contract also gives the Department of Education the ability to create "lead teacher" positions, with a $10,000 salary differential, giving principals a powerful new tool to recruit experienced, talented teachers to high-need schools.

IV. School-Level Management Support

The New York City Department of Education provides extensive support for school principals. The NYC Leadership Academy is the primary provider of training to prospective public school principals and professional development to principals already working in City schools. In 2008 the Academy won a new contract to provide principal training. It has trained principals for City schools since 2003 through a private funding agreement that ended at the close of the 2008 fiscal year. Under the new contract, the NYC Leadership Academy will provide several services to the DOE including residency-based training for educators who want to become principals, on-the-job training for aspiring school leaders already working in City public schools, professional development for principals opening new schools, mentoring for all first-year principals, coaching for experienced principals, workshops and Web-based training for principals and their teams and consulting to senior DOE staff on policy matters regarding school leadership. The DOE is negotiating a contract expected to last for five years and cost approximately $10 million annually.

In addition, beginning in 2007-08, principals chose the type of support that was best for them, their staff and their students. In consultation with their school communities, principals selected from among three types of school support organizations, all designed to support schools as they work to meet the high standards that the New York City Department of Education has set for them:

■ "Empowerment support organizations" provide support that is localized, relevant and practical for each school involved. Empowerment teams work hard to understand what works and does not work for their schools in order to develop the right supports and to advocate for the policy changes that make sense. Principals select a team of four or five individuals who serve a network of approximately 23 schools to provide support, guidance, advocacy and coaching related to all issues from instruction through budget. The job of the network team is to support schools with all their instructional and operational needs so they can reach their accountability targets. By selecting their network of schools and network leader, hiring the network team and providing regular feedback about the network team, principals are able to ensure that those who support them have the skills and knowledge to ensure excellent performance. The network team is accountable to the principal, who can replace the team if their needs are not met.

■ "Learning support organizations" are led and operated by the Department of Education's most accomplished regional leaders. Each includes distinctive support offerings, focusing on areas including instruction, programming, scheduling, youth development and professional development. Packages are available to schools across the City without regard for regional boundaries and service packages are differentiated to meet the unique needs of a broad variety of schools.

■ "Partnership support organizations" are operated by groups outside of the Department of Education including intermediaries, colleges, universities and other organizations with demonstrated records of supporting communities and schools in a variety of capacities. In 2007 the New York City Department of Education invited external organizations to submit proposals detailing how they would support schools and join with school leadership to leverage what's working elsewhere in the City and country. There are currently six partnership support organizations supporting New York City public schools.

Principals at each school have discretionary funds above their FSF allocations to purchase services from the support organizations. For the fiscal 2008 year, every school received a supplemental "children first allocation," which represents funds that were previously spent on behalf of schools, rather than by schools. For the fiscal 2008 year, the children first allocation was composed of $85,000 in base funding and an additional $120.48 per student for every school. The average amount disbursed through this allocation was $166,000 per school. These funds help school principals purchase customized services from the school support organizations or use the money for any purpose at the discretion of the principal.

V. School Site Councils

"School leadership teams" are school-based organizations composed of an equal number of parents, teachers and administrators to make important decisions

about their schools. They meet at least once a month and determine the structure for school-based planning and shared decision-making. The team's core responsibility is developing the school's "comprehensive educational plan" and aligning it with the school-based budget. Principals also turn to school leadership teams for advice when making important decisions. Teams must include as mandatory members: the school principal, the PA/PTA president (or designated co-president), the United Federation of Teachers' chapter leader and an equal number of parents and staff. High school teams must also include at least two students. School leadership teams may choose to include representatives from community-based organizations.

VI. School Choice Component

In New York City elementary schools and middle schools are moving toward open-enrollment policies. Elementary and middle school students have choices within their districts (which are based on geographic boundaries) and can to attend City-wide open enrollment schools. Kindergartners can apply directly to individual school locations while middle school students rank their choices of district and City-wide middle schools and are placed into one of their choices.

The high schools are all open-enrollment schools. The student-driven process enables students to rank schools and programs in an order that accurately reflects their preferences. Students can rank up to 12 programs from more than 600 high school programs City-wide. The Department of Education conducts workshops and fairs to help parents and students learn about

the high school admissions process and make informed choices. In 2008, 86 percent of the 85,126 students who applied for admission to a New York City public high school were matched to one of their top five choices.[6] Nearly half—49.8 percent—of applicants received their first choice and 76 percent received one of their top three choices. Overall, 91 percent of students were matched with one of their choices.

New York City also offers parents in low-performing or dangerous schools transfer options. The NCLB Public School Choice program gives parents of eligible students enrolled at Title I Schools In Need of Improvement (SINI) and Schools Under Register Review (SURR) at the state level the option to request a transfer. The Progress Report Transfer program gives parents of eligible students enrolled at non-SINI/SURR schools receiving a 2006-07 Progress Report "F" grade the option to request a transfer. Parents of students enrolled at newly identified phase-out schools (as of November 2007) will also have the option to request a transfer through the Progress Report Transfer program. The NCLB School Choice Program for Persistently Dangerous Schools gives parents of eligible students enrolled at schools identified as "persistently dangerous" by the New York State Education Department the option to request a transfer. It also encouraged schools to accept students who transfer out of failing schools under the federal No Child Left Behind act by providing $2,000 per child.

VI. Accountability

The Office of Accountability's mission is to improve academic outcomes for all New York City public school students. There

are several mechanisms to hold schools accountable:

Bold Progress Reports grade each school with an A, B, C, D or F to help parents understand how well their school is doing and compare it to other, similar schools.[7] These progress reports are the centerpiece of the City's effort to arm educators with the information and authority they need to lead their schools and to hold them accountable for student outcomes. The reports also provide parents with detailed information about school performance, both to hold their schools accountable and to inform family decisions.

School surveys gather information from the people who know most about how well schools are serving the learning needs of students: teachers, parents and students.

Quality reviews provide more in-depth profiles of each school, based on two to three-day visits by experienced educators who talk to parents, students and staff, observe classrooms and review how schools use information and set goals to improve learning for all students. Quality Reviews assess how well a school is organized to help raise student achievement, with a focus on how effectively the school uses data to identify and meet students' individual needs and how well schools adjust to evidence of success or failure in improving student learning.[8] The quality review rating scale includes five ratings—outstanding, well-developed, proficient, underdeveloped with proficient features and underdeveloped.

Schools that earn both an A on their progress report and the top score of "well developed" on their quality review are awarded additional funding.[9] Schools can spend the "excellence rewards" of approximately $30 per student at their discretion on whatever programs or other school-related expenses will best support their continued progress.

The New York City Department of Education has also invested in the technology and data systems necessary to allow schools to use evidence from student performance to inform their strategic planning and accountability goals. The "achievement reporting and innovation system" (ARIS), is a groundbreaking tool introduced in 2007 to principals and small teams of teachers to help them raise student achievement. As of 2008 it has been available to all New York City classroom teachers.[10] ARIS gives educators access in one place to critical information about their students—ranging from enrollment history, diagnostic assessment information, credits accumulated toward graduation and test scores to special education status and family contact information. ARIS combines this information with an online library of instructional resources and with collaboration and social networking tools that allow users to share ideas and successes with other educators in their school and across the City.

The student data available in ARIS include current and past scores on state reading, math, social studies and science tests; scores on Regents exams; scores on no-stakes periodic assessments in reading and math; high school credits earned; enrollment history; family contact information; English language learner; special education status and other biographical information.

Teachers can use ARIS to diagnose their students' learning needs and measure their success in meeting those needs. They can see an overview of the academic progress of every student in all of their classes. With just

a few clicks, they can view more detailed information about individual students or groups of students. Principals can view information about any student or class in their schools. Teachers and principals can also create customized reports based on this data so they can monitor the specific skills or analyze the trends in their students' progress, that matter most to them.

New York City has also used school closure as a form of accountability. Each principal signs a detailed statement of performance terms that clearly states accountability consequences and rewards.[11] For example, the contract states that "the Chancellor will consider immediate closure of any school with a Progress Report grade of F and a Quality Review score of less than Proficient." In 2007, 10 schools that were failing under No Child Left Behind were closed and 36 other district schools are being phased out.

VII. Performance Outcomes

New York City public schools have seen several positive trends in student outcomes since Mayor Bloomberg gained control of the schools in 2002 and more recently since instituting fair student funding. In 2007, the New York Department of Education was awarded the Broad Prize for Urban Education recognizing New York City as the nation's most improved urban school district.[12] The annual prize, the largest and most prestigious education award in the country, is given to the district that has demonstrated the greatest progress in raising academic performance for all students while also reducing the achievement gap between ethnic groups and high and low-income students.

This progress has continued on several fronts.

■ In 2008 New York City elementary and middle school students made substantial progress at every grade level in English language arts and math since 2007, outpacing gains made by students state wide and building on consistent progress since the start of the Bloomberg administration.[13] New York City's one-year gains in both English language arts and math were larger than the rest of the state's at every grade level with only one exception. In 2008, in math, 79.7 percent of students in fourth grade and 59.6 percent of students in eighth grade—the two grades tested by the state since the start of the administration— are meeting or exceeding grade-level standards, up from 52 percent and 29.8 percent, respectively, in 2002. In English language arts, 61.3 percent of students in fourth grade and 43 percent of students in eighth grade are meeting or exceeding grade levels, up from 46.5 percent and 29.5 percent, respectively, in 2002. Also, African-American and Latino students in New York City achieved greater gains in both English language arts and math than their White and Asian peers, narrowing the racial and ethnic achievement gap. More City students are meeting or exceeding state standards at all grade levels. In math, the percentage of students in grades three to eight meeting or exceeding standards rose 9.2 percentage points since 2007, from 65.1 percent to 74.3 percent. In English language arts, the percent of students in grades three to eight meeting or exceeding standards rose 6.8 points since 2007 from 50.8 percent to 57.6 percent.

- New York City students are narrowing the achievement gap with the rest of the state. In fourth-grade math, New York City students have closed the gap with students in the rest of the state by 18 points since 2002. They scored 24.4 points below students in the rest of the state in 2002 in math; in 2007 City students scored 9.1 points below students in the rest of the state and in 2008 City students scored 6.4 points below students in the rest of the state. In eighth-grade math, City students have closed the gap by 11.7 points since 2002, from 27.2 points in 2002 to 20.2 points in 2007 to 15.5 points this year. In English language arts, they are also gaining on students in the rest of the state. In fourth grade, the gap has narrowed by 8.4 points since 2002. City students scored 23.5 points below students in the rest of the state in 2002; in 2007 they scored 18.6 points below students in the rest of the state and in 2008 they scored 15.1 points below students in the rests of the state. In eighth-grade English language arts, they have narrowed the gap slightly, by 2.7 points, since 2002, from 22.5 points in 2002 to 23.3 points in 2007 to 19.8 points this year.

- New York City is also narrowing the achievement gap. African-American and Latino students are making progress faster than White and Asian students, successfully narrowing the racial achievement gap. In fourth-grade math, the gap separating African-American and White students has narrowed by 16.4 points since 2002. In eighth-grade math, African-American students have closed the gap with White students in New York City by 4.9 points since 2002. In fourth-grade English language arts, the gap separating African-American and White students in New York City has narrowed by 6.3 points since 2002. In eighth-grade English language arts, African-American students have closed the gap with White students by 3.8 points since 2002, from 33 points in 2002 to 28.6 points in 2007 to 29.2 points in 2008.

The gap separating Latino and White students in New York City in fourth-grade math has narrowed by 15.2 points since 2002. In eighth-grade math, Latino students have closed the gap with White students by 8.7 points since 2002, from 34.3 points in 2002 to 30.3 points in 2007 to 25.6 points in 2008. In fourth-grade English Language Arts, the gap separating Latino and White students has narrowed by 6.2 points since 2002. In eighth-grade English Language Arts, Latino students have closed the gap with White students by two points since 2002.

- Echoing state-level results, New York City students also made impressive gains on the 2007 National Assessment of Educational Progress (NAEP) tests, the nation's benchmark for student achievement. Overall, 79 percent of fourth graders performed at or above basic levels of achievement on the math exam, nearly equaling the 81 percent average nationally. This performance represents a six-percentage point gain since 2005 and a nearly 12 percentage-point gain since 2003. New York City eighth graders also made progress in math, with 57 percent performing at or above basic levels of achievement, an increase of three percentage points from

the NAEP exam in 2005.

Although the achievement gap among ethnic groups remains large, this year's NAEP math results reflect New York City's significant progress in narrowing that gap. The City's Black and Hispanic fourth graders outperformed similar students in "large central" cities (cities with a population of 250,000 and above) nationwide and among the 11 urban districts—including New York City—that participated in the NAEP Trial Urban District Assessment (TUDA). In fourth grade, 72 percent of the City's Black students scored at or above basic levels in math, a gain of 14 percentage points since 2003. By comparison, 58 percent of fourth grade Black students in other large central cities and 63 percent nationally scored at or above basic levels in math. Additionally, 74 percent of Hispanic fourth graders achieved at or above basic levels in math, a 14 percentage point gain since 2002. By comparison, 66 percent of Hispanics in other large central cities and 69 percent nationally scored at or above basic levels.

■ New York City has reduced the number of "needs improvement" schools under No Child Left Behind and reduced the number of schools under state review for low performance. The state identified 401 New York City schools that are "in need of improvement" or "requiring academic progress" under the No Child Left Behind law in 2008, down from 432 last year.[15] Since 2007, 10 schools in need of improvement closed, 58 improved enough to return to good academic standing and 37 were newly identified as needing improvement.

A total of 36 schools in need of improvement are already phasing out and will close in the coming years. In addition, fewer New York City schools are under state review. In 2003, 77 schools in New York City were under registration review by the state. In 2008 only 20 schools are on the state list.[16]

■ New York City's English language learners have also made gains toward becoming proficient in English.[17] More than 13 percent of English language learners became proficient in 2008, compared to less than 4 percent in 2003. More than 29 percent of fourth-grade English language learners met standards on the State English Language Arts (ELA) test in 2008, compared to just over 4 percent in 2003. This increase is especially significant given that now English language learners take the ELA exam after only one year in the school system—rather than after three years in the school system, as they did before 2007. Almost 64 percent of fourth-grade English language learners and 42 percent of eighth-grade English language learners met standards on the state math exam in 2008, up from 2003 rates of 36 percent and 14 percent, respectively.

■ In 2008, New York City increased the number of high school graduates who enrolled in the City University of New York (CUNY) four-year senior and community colleges and Hispanic graduates of public schools have outpaced the rising CUNY enrollment overall.[18] Since 2002, the enrollment of Hispanic high school graduates at CUNY's four-year senior colleges has gone up by 53 percent, compared to 37 percent of high school graduates overall.

At community colleges, enrollment of Hispanic high school graduates has risen by 100 percent, compared to 70 percent for public school students overall. Since 2002, the number of Black students who enrolled at four-year senior colleges increased by 32 percent and by 50 percent at community colleges. The enrollment growth at senior colleges comes even as academic standards have risen at CUNY, which eliminated remedial instruction from its Bachelors degree programs and has been raising admissions standards.

- The number of New York City public school students who took an AP exam rose 5.6 percent last year and the number of students who earned a passing score of 3 or higher on an AP exam rose 4.3 percent. Since the state legislature approved mayoral control of the school system in 2002, the number of AP test takers has risen 39.2 percent and the number of students passing an AP exam has risen 31.6 percent.[19] The greatest increases in participation came among Black and Hispanic students. Among Hispanic students, 5,616 took an AP exam, compared to 3,532 in 2002, while among Black students, 3,825 took an AP exam, compared to 2,422 in 2002. More students also earned a score of 3 or higher on an AP exam last year. Among Black students, 1,020 passed an AP exam in 2008, up from 945 in 2007 and 715 in 2002. Among Hispanic students, 2,657 passed an AP exam in 2008, up from 2,516 in 2007 and 2,141 in 2002.

- New York City's four-year high school graduation rate continues to improve. The City's four-year rate reached a new high of 55.8 percent in 2007, with more students earning Regents diplomas and Black and Hispanic students narrowing the graduation gap with their White and Asian peers. The City's graduation rate has risen 5.7 percentage points since 2005 and 2.4 points since 2006. By comparison, graduation rates state-wide have risen by 2.8 points since 2005 and 1.4 points since 2006. The City's increases translate into more than 5,000 additional students graduating since 2005. In addition, the dropout rate has declined since 2005 by 3.3 points, to 14.7 percent from 18 percent.[20]

- Major felony crime and violent crime at City public schools dropped substantially during the 2007-08 school year.[21] During the 2007-08 school year, 1,042 major crime incidents were reported, compared with 1,166 incidents reported in the 2006-07 school year, representing an 11 percent decrease in major felony crime. Violent incidents also decreased, falling 10 percent in the last year and 31 percent since the 2000-01 school year.

Lessons Learned

1. Use technology to provide principals and teachers one-stop data information about students. In New York schools teachers can use ARIS to diagnose their students' learning needs and measure their success in meeting those needs. They can see an overview of the academic progress of every student in all of their classes. With just a few clicks, they can view more detailed information about individual students or groups of students.

2. Give schools the resources in actual dollars to purchase central office services

and let them choose between competing support systems and decide which central office support functions are necessary for their individual schools.

3. Give schools individual progress reports that measure overall achievement and achievement gains and grade schools the same way students are graded on a A-F scale. Link rewards and consequences to school grades.

4. Give every school a foundation grant to cover the basic administrative costs of running a school. This allows schools of every size to cover the basics and it does not work against small schools. It allows New York City to continue to embrace small schools even under a system that funds schools on a per-pupil basis.

5. Reduce the central office and redirect resources to individual schools. Charter schools in the United States demonstrate that schools can function with much leaner support services than most urban districts.

6. Negotiate collective-bargaining agreements to give principals control over staffing decisions. Principals should not be forced to select teachers based on seniority or forced-placement by the school district.

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Contact Information

Eric Nadelstern,
Chief Executive Officer
Empowerment Schools
52 Chambers Street, Room 205
New York, NY 10007
Phone: (212) 374-7929

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