

CFE Report On New York City's

Approved 2007-08

Contract For Excellence

The Campaign for Fiscal Equity, Inc.
June 2008



The Campaign for Fiscal Equity, Inc. (CFE) is a leading non-profit organization working to protect and promote the constitutional right to a sound basic education—defined as a meaningful high school education-- for every public school child in the State of New York. CFE was founded in 1993 by a coalition of concerned parents and education advocates who filed the landmark case *CFE v. State of New York*, which established this right. To make this right a reality, CFE works to ensure that the neediest students in low performing schools make academic progress, graduate high school and become active civic participants who can compete in the global economy. CFE works to educate and engage the public and policy makers to ensure that the historic school budget increases, accountability reform and meaningful public participation that resulted from the landmark CFE court decision and law reform are fully implemented.

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CFE Report on New York City's Approved 2007-08 Contract for Excellence

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CFE ANALYSIS OF APPROVED 2007-08 CONTRACT BY DEMOGRAPHIC AND PERFORMANCE INDICATORS

In April 2007, the New York State Legislature along with the leadership of the Executive, passed historic education legislation that provided for a multi-year infusion of new school funding; the creation of a clear cut system of accountability for new funds distributed under the legislation; and a fair and simple funding formula, known as Foundation Aid. This legislation provides a down payment on a four-year commitment to provide adequate resources to districts across the state. To make certain that these new monies are being spent wisely to improve teaching and learning for students with the greatest needs, the legislation requires that identified districts develop an annual plan specifying how the district will spend that part of its Foundation Aid subject to the Contract for Excellence legislation. This Contract for Excellence (Contract) must be developed with public input, enhance current programs or initiate new programs that employ improvement strategies approved by the State Education Department, and be submitted to the Commissioner of Education for approval. The legislation requires that each covered district be held accountable for implementing its approved plan and reaching its intended goals. In 2007-08, 55 high-needs districts, including New York City, were required to complete a Contract.

The Regulations of the Commissioner specify that districts allocate funding to schools with the largest percentages of (1) students with limited English proficiency or English language learners, (2) students in poverty; (3) students with disabilities; and (4) students with low academic achievement. Students with low academic achievement means students who are not performing at least at Level 3 on the following accountability measures: a) elementary/middle-level English language arts; (b) elementary/middle-level math; (c) secondary-level English language arts; and (d) secondary-level math; and/or did not graduate within four years of first entry into the ninth grade, as determined for the latest available school year.

The Regulations of the Commissioner also specify that “For school districts in cities with a population of one hundred twenty-five thousand or more, at least 75 percent of the contract amount shall be distributed to benefit students having the greatest educational needs who are enrolled in the top 50 percent of schools within the district ranked in order of greatest to least relative incidence, as measured against total school enrollment, of poverty, disability, limited English proficiency and low school performance; provided that all schools within the district that are in improvement status shall receive at least their pro rata share of contract funds based on their share of total district need.”

CFE conducted an analysis of the final distribution of \$258 million in Contract money to 1,072 New York City schools based on data available from the New York State School Report Cards and the Department of Education’s (DOE) website. These schools represent 73 percent of the 1,470 schools that were included in the public account of the DOE’s distribution of Fair Student Funding as of May 2007. CFE’s findings indicate that, compared with previous proposed distributions, the Approved Contract better focused Contract dollars on the neediest students in the lowest-performing schools. Despite this improvement, the distribution fell short of matching the principles, summarized later in this section that CFE believes should govern distribution.

The following table, compiled by CFE from New York State and Department of Education data, summarizes the distribution of Contract dollars from 2007-08 across the City:

Count of all schools	1,470
Count of schools receiving Contract dollars	1,072
Percentage of schools receiving Contract dollars	73%
Enrollment in all schools	985,469
Enrollment in schools receiving Contract dollars	816,904
Percentage of enrollment in schools receiving Contract dollars	83%

CFE analyzed Contract dollar expenditures separately according to each of three school demographic indicators, Percent Poverty in 2006, Percent English language learners in 2006-07, and Percent Students with Disabilities in Self-Contained Classrooms, and two performance factors, Percent Scoring at Levels 3 and 4 on the grades 3-8 English Language Arts (ELA) assessment and graduation rate for the 2002 Cohort. These indicators served as proxies for those measures of student need required by Commissioner’s Regulations. The results of these analyses are reported in tables on the following pages.

The relationship between poverty and performance is strong. The Contract for Excellence is intended to mitigate this relationship and provide those children with the greatest risk of educational failure the resources to succeed. Some schools with exceptionally high poverty rates are already performing above the City and State averages. Of those 361 schools in the highest quartile of poverty – 85.0 percent or greater – 20 met or exceeded the percentage of students scoring at Levels 3 and 4 statewide (63.4 percent) and 2 met or exceeded the statewide graduation rate for the 2002 cohort (67 percent). A larger number of these schools (40) were able to meet or exceed the percentage of students scoring at Levels 3 and 4 in New York City (50.8 percent) or the current State graduation standard of 55 percent (six schools did so).

Because the analyses presented in the following pages examine the five indicators separately, a school judged not eligible for Contract dollars on one indicator may be found eligible on another. Therefore, this section also provides composite results showing the number of schools that qualify on at least one indicator, the number of those schools that received Contract dollars, and, finally, the number of schools that received Contract dollars but did not qualify on any indicator. Schools were judged to qualify for funding if their scores on at least one indicator placed them in one of the two school categories with the greatest need on that indicator.

The final subsection provides recommendations on determining the eligibility of schools to receive Contract dollars.

BY DEMOGRAPHIC INDICATOR: SCHOOLS WITH POVERTY-LEVEL DATA REPORTED FOR 2005-06

METHODOLOGY

Of the 1,470 New York City schools for which we have data, 1,365 schools (93 percent) had poverty data reported for the 2005-06 school year. Based on the percentage of enrolled students who came from families in poverty, schools were divided into the following four categories of approximately equal size:

- 1) Percent in poverty at least 85.0% (361 schools)
- 2) Percent in poverty between 75.0% and 84.9% (323 schools)
- 3) Percent in poverty between 60.0% and 74.9% (338 schools)
- 4) Percent in poverty less than 60.0% (343 schools)

ANALYSIS

In the following tables, we present data showing counts of schools, school enrollment, total Contract dollars distributed, and Contract dollars per student for all schools with poverty-level data and for schools within each poverty category.

Total # of schools with poverty data	1,365
Total Enrollment in these schools	964,286
Total Contract \$\$ distributed to these schools	\$251,837,599

Schools in the category with the highest poverty levels were more likely to receive Contract dollars than schools in any other poverty category; 89 percent of schools with poverty rates at or above 85 percent received Contract dollars. Further, schools in this category received 1.75 times more Contract dollars per student than schools in the lowest-poverty category. It should be noted that many schools in the lowest-poverty category have significant poverty rates, as high as 60 percent, placing them above the State average.

COMPARISON OF SCHOOLS RECEIVING AND NOT RECEIVING CONTRACT DOLLARS FOR SCHOOLS WITH 2006 POVERTY-LEVEL DATA AND WITHIN EACH POVERTY-LEVEL CATEGORY

	Receiving Contract \$\$	Not Receiving Contract \$\$
Schools with poverty-level data	1,021	344
Enrollment	803,644	160,642
Contract \$\$ distributed to subset of schools with poverty-level data	\$251,837,599	\$0
Contract \$\$ per student	\$313	\$0
Poverty percent was at least 85.0%		
Number of schools	320	41
Enrollment	212,165	15,125
Total Contract \$\$ distributed	\$86,816,138	\$0
Contract \$\$ per student	\$409	\$0
Poverty percent was between 75.0% and 84.9%		
Number of schools	257	66
Enrollment	181,071	26,529
Total Contract \$\$ distributed	\$61,197,009	\$0
Contract \$\$ per student	\$338	\$0
Poverty percent was between 60.0% and 74.9%		
Number of schools	269	69
Enrollment	189,451	24,061
Total Contract \$\$ distributed	\$52,533,033	\$0
Contract \$\$ per student	\$277	\$0
Poverty percent was less than 60.0%		
Number of schools	175	168
Enrollment	220,957	94,927
Total Contract \$\$ distributed	\$51,291,419	\$0
Contract \$\$ per student	\$232	\$0

As shown in the table below, the Contract dollars distributed to schools in categories with poverty levels of at least 60.0 percent were distributed to sufficient numbers of schools to reach at least 87 percent of student enrollment. Even so, 41,654 students attended 107 schools that did not receive Contract dollars even though three-quarters or more of the enrollment came from families in poverty.

PERCENT OF ENROLLMENT IN SCHOOLS TO WHICH CONTRACT \$\$ WERE DISTRIBUTED BY POVERTY CATEGORY

The 320 schools with at least 85.0% poverty	212,165/ 227,290	93%
The 257 schools with between 75.0% and 84.9% poverty	181,071/ 207,600	87%
The 269 schools with between 60.0% and 74.9% poverty	189,451/ 213,512	89%
The 175 schools with less than 60.0% poverty	220,957/ 315,884	70%

COMPARISONS AMONG THE 1,021 SCHOOLS WITH POVERTY DATA RECEIVING CONTRACT \$\$

Only 50 percent of the schools receiving Contract dollars had poverty levels at or above 75.0 percent in 2005-06. In contrast, examination of the school-level data shows that 49 schools with poverty levels below 30 percent received almost \$18 million in Contract dollars.

SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH POVERTY CATEGORY AS A PERCENT OF ALL SCHOOLS WITH POVERTY DATA RECEIVING CONTRACT \$\$

The 320 schools with at least 85.0% poverty	320/ 1,021	31%
The 257 schools with between 75.0% and 84.9% poverty	257/ 1,021	25%
The 269 schools with between 60.0% and 74.9% poverty	269/ 1,021	26%
The 175 schools with less than 60.0% poverty	175/ 1,021	17%

Among students enrolled in schools that received Contract dollars, 49 percent were enrolled in schools where the poverty level was in the top half of high need New York City schools:

ENROLLMENT IN SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH POVERTY CATEGORY AS A PERCENT OF ENROLLMENT IN ALL SCHOOLS WITH POVERTY DATA RECEIVING CONTRACT \$\$

The 320 schools with at least 85.0% poverty	212,165/ 803,644	26%
The 257 schools with between 75.0% and 84.9% poverty	181,071/ 803,644	23%
The 269 schools with between 60.0% and 74.9% poverty	189,451/ 803,644	24%
The 175 schools with less than 60.0% poverty	220,957/ 803,644	27%

Over \$50 million Contract dollars (20 percent) were distributed to schools in the category with the lowest poverty levels, that is, with 2006 poverty levels of less than 60.0 percent. An examination of school-level data revealed 152 very low-performing schools that were in neither of the two highest poverty nor the two highest ELL categories.

CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITHIN EACH POVERTY CATEGORY AS A PERCENT OF ALL CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITH POVERTY DATA

The 320 schools with at least 85.0% poverty	\$86,816,138 /\$251,837,599	34%
The 257 schools with between 75.0% and 84.9% poverty	\$61,197,009 /\$251,837,599	24%
The 269 schools with between 60.0% and 74.9% poverty	\$52,533,033 /\$251,837,599	21%
The 175 schools with less than 60.0% poverty	\$51,291,419 /\$251,837,599	20%

BY DEMOGRAPHIC INDICATOR: SCHOOLS WITH ENGLISH LANGUAGE LEARNER (ELL) DATA REPORTED FOR 2005-06

METHODOLOGY

Of the 1,470 New York City schools in this analysis, 1,282 schools (87 percent) had English Language Learner (ELL) percentages reported for the 2005-06 school year. Schools were divided into quartiles according to the percentage of ELL enrolled:

- 1) ELL Percent was equal to or greater than 19.6%
- 2) ELL Percent was between 9.7% and 19.5%
- 3) ELL Percent was between 4.3% and 9.6%
- 4) ELL Percent was less than 4.3%.

ANALYSIS

In the following tables, we present data showing counts of schools, school enrollment, total Contract dollars distributed, and Contract dollars per student for all schools with ELL percentages and for schools within each ELL quartile.

Total # of schools with ELL data	1,282
Total Enrollment in these schools	931,798
Total Contract \$\$ distributed to these schools	\$249,377,983

The tables on the following pages show that schools with the largest percentages of ELLs were more likely to receive Contract dollars and received substantially more Contract dollars per student than schools with the smallest percentages of ELLs. Nonetheless, 11,022 students attended 32 schools that did not receive Contract dollars even though at least 19.6 percent of enrolled students were ELLs. It is not clear whether New York City considered directly the percentage of ELLs in allocating Contract dollars or whether the relationship between Contract dollars and the ELL percentage is the result of the small correlation between ELL percentage and poverty or performance. Schools with at least 19.6 percent of students enrolled as ELLs received \$182 – or 79 percent – more Contract dollars per student as schools where fewer than 4.3 percent were ELLs. However, as shown below, more than \$32 million was distributed to schools in the lowest quartile of ELLs. These schools may have had substantial student need on other indicators.

COMPARISON OF SCHOOLS RECEIVING AND NOT RECEIVING CONTRACT DOLLARS FOR SCHOOLS WITH ELL PERCENTAGES AND WITHIN EACH ELL QUARTILE

	Receiving Contract \$\$	Not Receiving Contract \$\$
Schools with ELL Data	952	330
Enrollment	779,991	151,807
Contract \$\$ distributed to subset of schools with ELL Percentage	\$249,377,983	\$0
Mean Contract \$\$ per students	\$320	\$0
ELL percent was equal or greater than 19.6%		
Number of schools	290	32
Enrollment	235,731	11,022
Total Contract \$\$ distributed	\$97,677,907	\$0
Mean Contract \$\$ per students	\$414	\$0
ELL percent was between 9.7% and 19.5%		
Number of schools	249	72
Enrollment	177,416	72,767
Total Contract \$\$ distributed	\$69,298,774	\$0
Mean Contract \$\$ per students	\$391	\$0
ELL percent was between 4.3% and 9.6%		
Number of schools	227	93
Enrollment	187,370	40,524
Total Contract \$\$ distributed	\$50,227,815	\$0
Mean Contract \$\$ per students	\$268	\$0
ELL percent was less than 4.3%		
Number of schools	186	133
Enrollment	138,618	68,350
Total Contract \$\$	\$32,173,487	\$0
Mean Contract \$\$ per student	\$232	\$0

The Contract dollars allocated to schools in the quartile with the largest percentage of ELLs were distributed to sufficient numbers of schools to reach 96 percent of student enrollment in that quartile. Contract dollars reached a larger percentage of enrollment in schools with between 4.3 and 9.6 percent ELLs than in schools with between 9.7 and 19.5 percent ELLs.

PERCENT OF ENROLLMENT IN SCHOOLS TO WHICH CONTRACT \$\$ WERE DISTRIBUTED BY ELL QUARTILE

The 290 schools with at least 19.6% ELLs	235,731/ 246,753	96%
The 249 schools with between 9.7% and 19.5% ELLs	177,416/ 250,183	71%
The 227 schools with between 4.3% and 9.6% ELLs	187,370/ 227,894	82%
The 186 schools with less than 4.3% ELLs	138,618/ 206,968	67%

COMPARISONS AMONG THE 952 SCHOOLS WITH ELL DATA RECEIVING CONTRACT \$\$

Thirty percent of schools with Contract dollars were in the quartile with the largest percentage of ELLs; 20 percent were in the quartile with fewer than 4.3 percent ELLs.

SCHOOLS RECEIVING CONTRACT \$\$ IN EACH ELL QUARTILE AS A PERCENT OF SCHOOLS WITH ELL DATA RECEIVING CONTRACT \$\$

The 290 schools with at least 19.6% ELLs	290/ 952	30%
The 249 schools with between 9.7% and 19.5% ELLs	249/ 952	26%
The 227 schools with between 4.3% and 9.6% ELLs	227/ 952	24%
The 186 schools with less than 4.3% ELLs	186/ 952	20%

Among the nearly 800,000 students enrolled in schools that received Contract dollars, 18 percent were enrolled in schools where fewer than 4.3 percent of students were ELLs:

ENROLLMENT IN SCHOOLS RECEIVING CONTRACT \$\$ IN EACH ELL QUARTILE AS A PERCENT OF ENROLLMENT IN SCHOOLS WITH ELL DATA RECEIVING CONTRACT \$\$

The 290 schools with at least 19.6% ELLs	235,731/ 779,991	30%
The 249 schools with between 9.7% and 19.5% ELLs	177,416/ 779,991	23%
The 227 schools with between 4.3% and 9.6% ELLs	187,370/ 779,991	24%
The 186 schools with less than 4.3% ELLs	138,618/ 779,991	18%

Almost \$250,000,000 in funding was distributed to schools with ELL percentages. As demonstrated below, 67 percent of Contract dollars were distributed to schools in the two quartiles with the highest percentages of ELLs. Thirteen percent of Contract dollars were distributed to schools in the quartile with fewer than 4.3 percent ELLs.

CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITHIN EACH ELL QUARTILE AS A PERCENT OF ALL CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITH ELL DATA

The 290 schools with at least 19.6% ELLs	\$97,677,907/ \$249,377,983	39%
The 249 schools with between 9.7% and 19.5% ELLs	\$69,298,774/ \$249,377,983	28%
The 227 schools with between 4.3% and 9.6% ELLs	\$50,227,815/ \$249,377,983	20%
The 186 schools with less than 4.3% ELLs	\$32,173,487/ \$249,377,983	13%

BY DEMOGRAPHIC INDICATOR: SCHOOLS WITH DATA FOR STUDENTS WITH DISABILITIES IN SELF-CONTAINED CLASSROOMS REPORTED FOR 2005-06

METHODOLOGY

Of the 1,470 New York City schools in this analysis, 1,312 schools (89 percent) reported students with disabilities (SwD) in self-contained classrooms data for the 2006-07 school year. Schools in District 75 were not included in this analysis.

Schools were divided into quartiles according to the percentage of such students enrolled:

- 1) SwD in self-contained classrooms percent was equal or greater than 7.2%
- 2) SwD in self-contained classrooms percent was between 4.2% and 7.1%
- 3) SwD in self-contained classrooms percent was between 0.7% and 4.1%
- 4) SwD in self-contained classrooms percent was less than 0.7%

ANALYSIS

In the following tables, we present data showing counts of schools, school enrollment, total Contract dollars distributed, and Contract dollars per student for all schools with SwD-in-self-contained-classrooms percentages and for schools within each quartile.

Total # of schools with SwD-in-self-contained-classrooms data	1,312
Total enrollment in these schools	945,361
Total Contract \$\$ distributed to these schools	\$253,550,788

The mean Contract dollars allocated per student did not vary substantially according to the school's percentage of SwD in self-contained-classrooms, allowing CFE to conclude that the percentage of SwD in self-contained classrooms was not a significant factor in the allocation of funds to schools. Schools in the quartile with the smallest percentages of SwD in self-contained classrooms were almost as likely to receive Contract dollars as schools in the quartile with the largest percentages of SwD in self-contained classrooms. Furthermore, schools in these two quartiles received almost identical amounts of Contract dollars per student. SwD in self-contained classrooms tend to be students with more significant disabilities. Schools are eligible to receive excess cost aid from the State or additional federal funds to serve such students. It is therefore not surprising that the percentage of such students would not be considered in allocating Contract dollars.

COMPARISON OF SCHOOLS RECEIVING AND NOT RECEIVING CONTRACT DOLLARS FOR SCHOOLS WITH SWD-IN-SELF-CONTAINED-CLASSROOMS PERCENTAGES AND WITHIN EACH QUARTILE

	Receiving Contract \$\$	Not Receiving Contract \$\$
Schools with SwD in self-contained classrooms percentage	970	342
Enrollment	785,252	160,109
Contract \$\$ distributed to subset of schools with SwD-in-self-contained-classrooms Percent	\$253,550,788	\$0
Mean Contract \$\$ per student	\$323	\$0
SwD-in-self-contained-classrooms percent was equal or greater than 7.2%		
Number of schools	242	85
Enrollment	192,907	34,862
Total Contract \$\$ distributed	\$66,794,199	\$0
Mean Contract \$\$ per student	\$346	\$0
SwD-in-self-contained-classrooms percent was between 4.2% and 7.1%		
Number of schools	274	62
Enrollment	266,016	29,407
Total Contract \$\$ distributed	\$83,142,670	\$0
Mean Contract \$\$ per student	\$313	\$0
SwD-in-self-contained-classrooms percent was between 0.7% and 4.1%		
Number of schools	244	79
Enrollment	231,659	41,152
Total Contract \$\$ distributed	\$70,801,539	\$0
Mean Contract \$\$ per student	\$306	\$0
SwD-in-self-contained-classrooms percent was less than 0.7%		
Number of schools	210	116
Enrollment	94,670	54,688
Total Contract \$\$ distributed	\$32,812,380	\$0
Mean Contract \$\$ per student	\$347	\$0

The Contract dollars allocated to schools in the three quartiles with the largest percentages of SwD in self-contained classrooms were distributed to sufficient numbers of schools to reach 85 to 90 percent of student enrollment in those quartiles. Only in the quartile consisting of schools in which such students composed less than 0.7 percent of enrollment did the Contract dollars reach a smaller percentage of students (63 percent).

PERCENT OF ENROLLMENT IN SCHOOLS TO WHICH CONTRACT \$\$ WERE DISTRIBUTED BY QUARTILE

The 242 schools with at least 7.2% SwD in self-contained classrooms	192,907/ 227,769	85%
The 274 schools with between 4.2% and 7.1% SwD in self-contained classrooms	266,016/ 295,423	90%
The 244 schools with between 0.7% and 4.1% SwD in self-contained classrooms	231,659/ 272,811	85%
The 210 schools with less than 0.7% SwD in self-contained classrooms	94,670/ 149,358	63%

COMPARISONS AMONG 970 SCHOOLS WITH SWD IN SELF-CONTAINED CLASSROOMS WITH DATA RECEIVING CONTRACT \$\$

Fifty-three percent of schools that received Contract dollars were in the two quartiles with the largest percentages of SwDs in self-contained classrooms – those schools where such students made up at least 4.2 percent of enrollment.

SCHOOLS RECEIVING CONTRACT \$\$ IN EACH QUARTILE AS A PERCENT OF ALL SCHOOLS WITH SWD-IN-SELF-CONTAINED-CLASSROOMS DATA RECEIVING CONTRACT \$\$

The 242 schools with at least 7.2% SwD in self-contained classrooms	242/ 970	25%
The 274 schools with between 4.2% and 7.1% SwD in self-contained classrooms	274/ 970	28%
The 244 schools with between 0.7% and 4.1% SwD in self-contained classrooms	244/ 970	25%
The 210 schools with less than 0.7% SwD in self-contained classrooms	210/ 970	22%

Among students enrolled in schools that received Contract dollars, 12 percent were enrolled in schools with less than 0.7 percent of SwD in self-contained-classrooms.

ENROLLMENT IN SCHOOLS RECEIVING CONTRACT \$\$ IN EACH QUARTILE AS A PERCENT OF ENROLLMENT IN ALL SCHOOLS WITH SWD-IN-SELF-CONTAINED-CLASSROOMS DATA RECEIVING CONTRACT \$\$

The 242 schools with at least 7.2% SwD in self-contained classrooms	192,907/ 785,252	25%
The 274 schools with between 4.2% and 7.1% SwD in self-contained classrooms	266,016/ 785,252	34%
The 244 schools with between 0.7% and 4.1% SwD in self-contained classrooms	231,659/ 785,252	30%
The 210 schools with less than 0.7% SwD in self-contained classrooms	94,670/ 785,252	12%

Fifty-nine percent of the almost \$254,000,000 Contract dollars were distributed to schools in the two quartiles with the highest percentages of SwD in self-contained-classrooms. Thirteen percent of Contract dollars were distributed to schools in the quartile with less than 0.7 percent of such students.

CONTRACT \$\$ DISTRIBUTED TO SCHOOLS IN EACH QUARTILE AS A PERCENT OF ALL CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITH SWD IN-SELF-CONTAINED-CLASSROOMS DATA

The 242 schools with at least 7.2% SwD in self-contained classrooms	\$66,794,199/ \$253,550,788	26%
The 274 schools with between 4.2% and 7.1% SwD in self-contained classrooms	\$83,142,670/ \$253,550,788	33%
The 244 schools with between 0.7% and 4.1% SwD in self-contained classrooms	\$70,801,539/ \$253,550,788	28%
The 210 schools with less than 0.7% SwD in self-contained classrooms	\$32,812,380/ \$253,550,788	13%

BY PERFORMANCE: SCHOOLS WITH ELA PERFORMANCE DATA REPORTED FOR 2006-07

METHODOLOGY

Of the 1,470 New York City schools in this analysis, 1,073 schools (73 percent) had grades 3-8 English language arts (ELA) assessment results reported for the 2006-07 school year. The criterion measure was the percentage of tested grades 3-8 students who met or exceeded the State ELA Learning Standard by scoring at Level 3 or 4. Schools were first divided into two categories according to whether the percentage of students who scored at Level 3 or 4 was above or below 50.8 percent, the percentage of students citywide scoring at those levels in 2006-07. Schools on either side of this point were further divided into two groups to form the following four ELA performance categories:

Schools below the citywide percentage of students scoring at Level 3 or 4 (50.8 percent):

- 1) Percent scoring at Level 3 or 4 was less than 36.0%
- 2) Percent scoring at Level 3 or 4 was between 36.0% and 50.7%

Schools at or above the citywide percentage of students scoring at Levels 3 or 4:

- 3) Percent scoring at Level 3 or 4 was between 50.8% and 63.3%
- 4) Percent scoring at Level 3 or 4 was greater than 63.4%

Schools in the fourth category equaled or exceeded the percentage of students statewide who scored at Level 3 or 4 on the grades 3-8 ELA in 2006-07.

ANALYSIS

In the following tables, we present data showing counts of schools, school enrollment, total Contract dollars distributed, and Contract dollars per student for all schools with ELA data and for schools within each ELA performance category.

Total # of schools with grades 3-8 ELA performance data	1,073
Total Enrollment in these schools	686,501
Total Contract \$\$ distributed to these schools	\$182,871,001

Schools with fewer than 36.0 percent of students scoring at Level 3 or 4 received more than twice as many Contract dollars per student as schools where at least 63.4 percent scored at Level 3 or 4 on the 2006-07 ELA assessments. Nonetheless, more than \$25 million was distributed to schools in the highest category of performance. It is also noteworthy that 48 schools where at least 80 percent or more students scored at Level 3 or 4 received Contract dollars.

COMPARISON OF SCHOOLS RECEIVING AND NOT RECEIVING CONTRACT DOLLARS FOR SCHOOLS WITH ELA PERFORMANCE DATA AND WITHIN EACH ELA PERFORMANCE CATEGORY

	Receiving Contract \$\$	Not Receiving Contract \$\$
Schools with grades 3-8 ELA performance data	805	268
Enrollment	564,067	122,434
Contract \$\$ distributed to subset of schools with grades 3-8 ELA performance data	\$182,871,001	\$0
Mean Contract \$\$ per student	\$324	\$0
Percent scoring at Level 3/4 was below 36.0%		
Number of schools	233	23
Enrollment	131,678	8,558
Total Contract \$\$ distributed	\$53,825,295	\$0
Mean Contract \$\$ per student	\$409	\$0
Percent scoring at Level 3/4 was between 36.0% and 50.7%		
Number of schools	242	51
Enrollment	177,623	18,989
Total Contract \$\$ distributed	\$66,770,047	\$0
Mean Contract \$\$ per student	\$376	\$0
Percent scoring at Level 3/4 was between 50.8% and 63.3%		
Number of schools	151	50
Enrollment	120,731	19,835
Total Contract \$\$ distributed	\$36,421,085	\$0
Mean Contract \$\$ per student	\$302	\$0
Percent scoring at Level 3/4 was above 63.4%		
Number of schools	179	144
Enrollment	134,035	75,052
Total Contract \$\$ distributed	\$25,854,574	\$0
Mean Contract \$\$ per student	\$193	\$0

The two lowest-performing categories comprised schools with a smaller percentage of students scoring at Level 3 or 4 than scored at that level citywide in 2006-07. The Contract dollars distributed to schools in these categories were distributed to sufficient numbers of schools to reach at least 90 percent of student enrollment in those categories. Nonetheless, 27,547 students attended 74 schools that did not receive Contract dollars even though fewer than 50.8 percent of students scored at Level 3 or 4.

PERCENT OF ENROLLMENT IN SCHOOLS TO WHICH CONTRACT \$\$ WERE DISTRIBUTED WITHIN EACH ELA PERFORMANCE CATEGORY

The 233 schools with less than 36.0% scoring at Level 3/4	131,678/ 140,236	94%
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	177,623/ 196,612	90%
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	120,731/ 140,566	86%
The 179 schools with more than 63.4% scoring at Level 3/4	134,035/ 209,087	64%

COMPARISONS AMONG 805 SCHOOLS WITH ELA PERFORMANCE DATA RECEIVING CONTRACT \$\$

The majority (78 percent) of the schools receiving Contract dollars had a smaller percentage of students scoring at Level 3 or 4 than scored at that level statewide in 2006-07. The ELA assessment performance of 22 percent of funded schools met or exceeded the State percentage of students scoring at Levels 3 or 4.

SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH ELA PERFORMANCE CATEGORY AS A PERCENT OF ALL SCHOOLS WITH ELA-PERFORMANCE DATA RECEIVING CONTRACT \$\$

The 233 schools with less than 36.0% scoring at Level 3/4	233/ 805	29%
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	242/ 805	30%
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	151/ 805	19%
The 179 schools with more than 63.4% scoring at Level 3/4	179/ 805	22%

The chart below shows that among students enrolled in schools that received Contract dollars, 24 percent were enrolled in relatively high-performing schools where more than 63.4 percent of students scored at Level 3 or 4 on the 2006-07 ELA assessment.

ENROLLMENT IN SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH ELA-PERFORMANCE CATEGORY AS A PERCENT OF ENROLLMENT IN SCHOOLS WITH ELA PERFORMANCE DATA RECEIVING CONTRACT \$\$

The 233 schools with less than 36.0% scoring at Level 3/4	131,678/ 564,067	23%
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	177,623/ 564,067	31%
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	120,731/ 564,067	21%
The 179 schools with more than 63.4% scoring at Level 3/4	134,035/ 564,067	24%

Sixty-six percent of Contract dollars were distributed to schools in the two lowest-performing categories. In those schools, as indicated below, fewer than 50.8 percent of students scored at Level 3 or 4 on the 2006-07 ELA assessment. The remaining 34 percent of Contract dollars were distributed to schools in the two highest-performing categories. In these schools at least 50.8 percent of students scored at Level 3 or 4.

CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITHIN EACH ELA-PERFORMANCE CATEGORY AS A PERCENT OF ALL CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITH ELA PERFORMANCE DATA

The 233 schools with less than 36.0% scoring at Level 3/4	\$53,825,295/ \$182,871,001	29%
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$66,770,047/ \$182,871,001	37%
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$36,421,085/ \$182,871,001	20%
The 179 schools with more than 63.4% scoring at Level 3/4	\$25,854,574/ \$182,871,001	14%

BY PERFORMANCE: SCHOOLS WITH HIGH SCHOOL GRADUATION DATA REPORTED FOR 2005-06

METHODOLOGY

Of the 1,470 New York City schools in this analysis, 235 schools (16 percent) reported 2002 cohort graduation rates for the 2005-06 school year. These were secondary, high, and K-12 schools that enrolled students in grade 12 during that school year. These secondary schools were subdivided into four groups. Schools were first divided according to whether the school graduation rate equaled or exceeded the current State standard for graduation rate (55 percent). Schools on either side of this standard were further divided into two groups to form the following four graduation-rate categories:

Schools below the State graduation-rate standard:

- 1) HS Graduation Rate less than 40%
- 2) HS Graduation Rate of 40% to 54%

Schools that met or exceeded the State graduation-rate standard:

- 3) HS Graduation Rate of 55% to 66%
- 4) HS Graduation Rate of 67% or greater.

Schools in the fourth category equaled or exceeded the statewide graduation rate of 67 percent for the 2005-06 school year.

ANALYSIS

In the following tables, we present data showing counts of schools, school enrollment, total Contract dollars distributed, and Contract dollars per student for all schools with graduation rates and for schools within each graduation-rate category.

Total # of schools with HS graduation data	235
Total Enrollment in these schools	274,414
Total Contract \$\$ distributed to these schools	\$66,012,443

On average, schools with graduation data, that is, schools that included grade 12, received fewer Contract dollars per student than schools including grades within the 3 to 8 range, \$279 compared with \$324. Schools with graduation rates below 55 percent received more than twice as many Contract dollars per student as schools with graduation rates equal to or above the State graduation rate of 67 percent. The 40 schools with graduation rates above the State rate, however, received over \$9 million in Contract dollars. When the Big 5 school districts (New York, Buffalo, Rochester, Syracuse, and Yonkers) are removed, the State graduation rate increases to 78 percent. The 14 New York City schools in which 78 percent or more of the student graduated received almost \$1 million in Contract dollars. The median school in this group had a poverty rate of 24.7 percent.

COMPARISON OF SCHOOLS RECEIVING AND NOT RECEIVING CONTRACT DOLLARS FOR ALL SCHOOLS WITH GRADUATION RATE DATA AND WITHIN EACH GRADUATION RATE CATEGORY

	Receiving Contract \$\$	Not Receiving Contract \$\$
Schools with graduation data	169	66
Enrollment	236,794	37,620
Contract \$\$ distributed to subset of schools with HS Graduation Data	\$66,012,443	\$0
Mean Contract \$\$ per student	\$279	\$0
HS Grad Rate less than 40%		
Number of schools	43	14
Enrollment	51,009	4,731
Total Contract \$\$ distributed	\$17,525,928	\$0
Mean Contract \$\$ per student	\$344	\$0
HS Grad Rate of 40% to 54%		
Number of schools	49	15
Enrollment	79,802	5,679
Total Contract \$\$ distributed	\$27,360,782	\$0
Mean Contract \$\$ per student	\$343	\$0
HS Grad Rate of 55% to 66%		
Number of schools	37	6
Enrollment	47,139	2,755
Total Contract \$\$ distributed	\$11,940,383	\$0
Mean Contract \$\$ per student	\$253	\$0
HS Grad Rate of 67% or greater		
Number of schools	40	31
Enrollment	58,844	24,455
Total Contract \$\$ distributed	\$9,185,350	\$0
Mean Contract \$\$ per student	\$156	\$0

The Contract dollars distributed to schools below the State graduation rate (67 percent) were distributed to sufficient numbers of schools to reach at least 92 percent of student enrollment in each of the three categories. The 35 schools that were not funded with Contract dollars in these three categories enrolled a total of 13,165 students.

Percent of Enrollment in schools to which Contract \$\$ were distributed by Graduation-Rate Category

The 43 schools with graduation rates below 40%	51,009/ 55,740	92%
The 49 schools with graduation rates of 40 to 54%	79,802/ 85,481	93%
The 37 schools with graduation rates of 55% to 66%	47,139/ 49,894	94%
The 40 schools with graduations rates of 67% or greater	58,844/ 83,299	71%

COMPARISONS AMONG SCHOOLS WITH HIGH SCHOOL GRADUATION DATA RECEIVING CONTRACT \$\$

The majority (76 percent) of the schools receiving Contract dollars had 2005-06 graduation rates below the State rate of 67 percent.

SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH GRADUATION-RATE CATEGORY as a Percent of SCHOOLS WITH GRADUATION DATA RECEIVING CONTRACT \$\$

The 43 schools with graduation rates below 40%	43/ 169	25%
The 49 schools with graduation rates of 40% to 54%	49/ 169	29%
The 37 schools with graduation rates of 55% to 66%	37/ 169	22%
The 40 schools with graduations rates of 67% or greater	40/ 169	24%

Of students in schools that received Contract dollars, 25 percent were enrolled in schools with graduation rates at or above the State average of 67 percent:

ENROLLMENT IN SCHOOLS RECEIVING CONTRACT \$\$ WITHIN EACH GRADUATION-RATE CATEGORY AS A PERCENT OF ENROLLMENT IN SCHOOLS WITH GRADUATION DATA RECEIVING CONTRACT \$\$

The 43 schools with graduation rates below 40%	51,009/ 236,794	22%
The 49 schools with graduation rates 40% to 54%	79,802/ 236,794	34%
The 37 schools with graduation rates of 55% to 66%	47,139/ 236,794	20%
The 40 schools with graduations rates of 67% or greater	58,844/ 236,794	25%

Fourteen percent of Contract dollars were distributed to schools at or above the State graduation rate of 67 percent:

CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITHIN EACH GRADUATION-RATE CATEGORY AS A PERCENT OF ALL CONTRACT \$\$ DISTRIBUTED TO SCHOOLS WITH GRADUATION DATA

The 43 schools with graduation rates below 40%	\$17,525,928/ \$66,014,443	27%
The 49 schools with graduation rates of 40% to 54%	\$27,360,782/ \$66,014,443	41%
The 37 schools with graduation rates of 55% to 66%	\$11,940,383/ \$66,014,443	18%
The 40 schools with graduation rates of 67% or greater	\$9,185,350/ \$66,014,443	14%

CFE ANALYSIS OF APPROVED 2007-08 CONTRACT

In each of the five preceding analyses, CFE divided schools into four categories according to the extent of student need demonstrated. For purposes of discussion, we considered a school to be eligible for Contract dollars if it fell in one of the two highest-need categories on any of the following four indicators: Poverty level, Percent ELL, Percent scoring at Levels 3 or 4 on the grades 3-8 ELA assessment, or graduation rate. We also considered schools eligible if they were in improvement status for the 2006-07 school year. Of schools on the data base, 394 schools were identified as in improvement status in 2006-07. Of the 1,470 schools analyzed, 1,086 met one or more of these criteria. Of those schools, 894 (82 percent) received Contract dollars. Schools with high poverty and/or ELL rates received slightly more Contract dollars per student on average than schools eligible only by reason of low performance. There were 178 schools that received Contract dollars that did not fall in a qualifying category on any of the four indicators and were not in improvement status. These schools, however, received substantially fewer dollars per student (\$119 compared with \$345) than schools judged eligible for funding.

CONTRACT \$\$ TO SCHOOLS WITH THE LARGEST PERCENTAGES OF HIGH-NEED STUDENTS

	Total # of Schools	Total # of Schools with Contract \$\$	Contract \$\$ Distributed	Contract \$\$ per Student
Schools in the High Poverty <u>and/or</u> ELL Percent categories (with duplicates removed)	892	733	\$195,497,691	\$347
Schools with neither High Poverty nor High ELL Percent but in the lowest two ELA or graduation-rate categories	152	119	\$26,820,989	\$330
Schools in improvement status that were eligible on no other criterion	42	42	\$22,717,034	\$349
Schools Eligible for funding	1,086	894	\$245,035,714	\$345
Schools Judged Not Eligible	383	178	\$12,816,817	\$119

There were 192 schools judged eligible for Contract dollars that were not funded. These schools enrolled 75,182 students; 68 (with a combined enrollment of 26,426 students) of these schools were judged eligible on both student demographic characteristics and on student performance.

ELIGIBLE SCHOOLS RECEIVING NO CONTRACT DOLLARS

Reason for Eligibility	Total # of Schools	Total Enrollment
Schools in the high Poverty <u>and/or</u> ELL Percent categories	91	37,894
Schools in the lowest two ELA or graduation-rate categories	33	10,862
Schools in the High Poverty <u>and/or</u> ELL Percent categories AND in the lowest two ELA or graduation-rate categories	68	26,426
All Non-funded Eligible Schools	192	75,182

In the complete listing of schools found in Appendix B, we have indicated with pink highlighting those schools without funding which we believe should have received Contract dollars because they were in the two highest-need categories on at least one of the four indicators. We have also indicated with yellow highlighting those schools judged not eligible that did receive Contract dollars. We calculated the mean Contract dollars per student distributed to community school districts and found that some historically high-performing districts, such as District 2, received more funding per student than some historically lower-performing districts. We also found that the high-performing schools with yellow highlighting are concentrated in certain districts, such as District 26.

THE EFFECT OF REDISTRIBUTING CONTRACT DOLLARS FROM SCHOOLS IN THE HIGHEST-PERFORMING CATEGORIES TO SCHOOLS IN THE LOWEST-PERFORMING CATEGORIES

CFE believes that the Contract dollars will have the greatest impact on performance if they are focused on a smaller group of schools – primarily those schools which serve the largest percentages of students with demographic risk indicators and/or whose performance is below the City average. CFE analyzed the distribution of Contract dollars among schools according to poverty level, ELL rate, SwD in self-contained classrooms rate, grades 3-8 ELA assessment performance, and four-year graduation rate. These analyses demonstrate that among funded schools, the neediest received more Contract dollars per student than less needy schools. They also demonstrate however that millions of Contract dollars were distributed to schools who were not judged to be among the City’s neediest by demographic or performance indicators. It is even more troubling that these analyses show that some of the neediest schools according to these indicators received no Contract dollars. CFE believes that, in future years, Contract dollars should go only to those schools that demonstrate the greatest need and, within those schools, should be concentrated on students with the greatest educational risk.

The 178 schools assessed as not qualified for funding by the study criteria received \$12,816,817. If the \$258 million Contract dollars had been allocated on a per student basis across the 1,086 eligible schools, with a total enrollment of 784,724, the average funding per student in those schools would have been \$329.

CFE ANALYSIS OF APPROVED 2007-08 CONTRACT BY GRADE ORGANIZATION

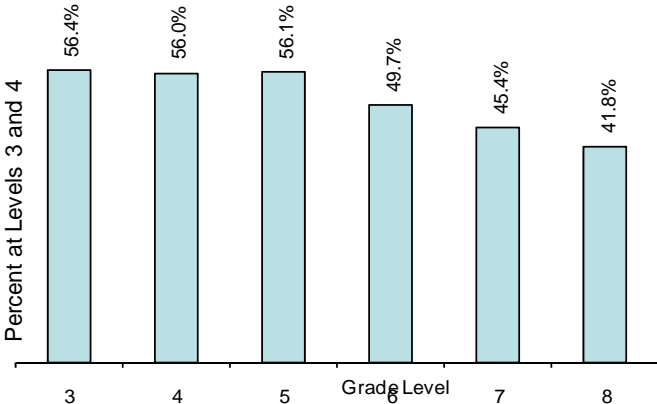
This section of the report analyzes the final 2007-08 distribution of Contract dollars to New York City schools by grade organization. It includes the following subsections:

- Total Contract Dollars Distributed by Grade Organization; and
- The Relationship between Grade Organization and Performance Categories.

While grade organization is not an explicit factor in the distribution of Contract dollars, the pattern of performance in New York City schools predicts that schools serving the middle grades (6 through 8) should be most likely to receive funding and schools serving the early grades (below 6) should be least likely to receive funding. CFE’s prediction was based on the pattern of performance on the grades 3-8 English language arts (ELA) assessment, shown in the graph below. CFE’s analysis proved this prediction true.

The graph shows that very similar percentages, about 56 percent, of students in grades 3, 4 and 5 scored at Levels 3 and 4. In each successive grade, the percentage scoring at those levels decreased until by grade 8, only 42 percent achieved that level. The relatively low percentage of elementary schools that were funded and the higher funding per student in schools serving grades 6, 7, and/or 8 corresponds to the pattern of ELA performance across grades.

THE PERCENTAGE OF NEW YORK CITY STUDENTS SCORING AT LEVELS 3 AND 4 ON THE GRADES 3-8 2007 ELA ASSESSMENTS BY GRADE LEVEL



The table on the following page shows that with the exception of the six Early Childhood Schools, Elementary Schools were the least likely Grade Organization to receive Contract dollars. Only two-thirds of Elementary Schools were funded. The mean Contract dollars per student (\$326) distributed to these schools was somewhat higher than the City average (\$316). Funded schools serving only students in grades 5, 6, 7, 8 or 9 [Junior High Schools (JHS), Middle, and Intermediate Schools] received the highest funding per student (\$381). The 25 schools that served all grades from prekindergarten, kindergarten or 1st grade through 12th grade were most likely to be funded (92 percent), but received the smallest amount per student (\$27).

TOTAL CONTRACT \$\$ DISTRIBUTED BY GRADE ORGANIZATION

Grade Organization	Total schools	Total enrollment	Schools with Contract \$\$	% with Contract \$\$	Contract \$\$ to Category	Mean Contract \$\$ per Funded School	Enrollment in schools with Contract \$\$	Contract \$\$ per Student
Early Childhood Schools	6	2,118	2	33%	\$155,745	\$77,873	1,099	\$142
Elementary Schools	624	392,860	421	67%	\$98,168,440	\$233,179	300,707	\$326
K-8 Schools	107	72,167	88	82%	\$15,142,077	\$172,069	63,408	\$239
JHS, Middle and Intermediate Schools	268	187,681	219	82%	\$64,305,962	\$293,635	168,702	\$381
Secondary Schools	90	31,473	61	68%	\$7,616,753	\$124,865	24,310	\$313
High Schools	335	283,275	245	73%	\$72,136,409	\$294,434	244,707	\$295
PK,K,1-12 Schools	25	10,498	23	92%	\$256,678	\$11,160	9,589	\$27
Other Schools [*]	15	5,397	13	87%	\$70,467	\$5,421	4,382	\$16
All Schools	1,470	985,469	1,072	73%	\$257,852,531	\$240,534	816,904	\$316

^{*} Group includes District 75 schools located in buildings with other schools, ungraded schools, and schools with missing grade organization data.

THE RELATIONSHIP BETWEEN GRADE ORGANIZATION AND PERFORMANCE CATEGORIES

To further explain patterns of distribution, CFE analyzed the allocation of Contract dollars by ELA-Performance Category and Graduation-Rate Category within Grade Organization. Schools that included grades 6, 7 and/or 8 were more likely than Elementary Schools to have fewer than 36 percent of students who scored at Level 3 or 4 on the grades 3-8 ELA assessment and, thus, to fall in the lowest-performing category. Forty-eight (48) percent of funded JHS, Middle, and Intermediate Schools were in the lowest-performing category compared with 12 percent of Elementary Schools. The only group with a higher percentage of schools in the lowest-performing category was the PK,K,1-12 Schools. This finding is consistent with the New York City pattern of grades 3-8 ELA assessment results shown in the bar graph on Page 33.

ELA PERFORMANCE CATEGORY BY GRADE ORGANIZATION

Grade Organization Group	Percentage Scoring at Levels 3 and 4 on the Grades 3-8 ELA Assessment									
	less than 36.0%		36.0% and 50.7%		50.8% and 63.3%		more than 63.4%		total	
	#	%	#	%	#	%	#	%	#	%
Early Childhood Schools	0	0%	0	0%	0	0%	0	0%	0	100%
Elementary Schools	51	12%	149	36%	92	22%	120	29%	412	100%
K-8 Schools	24	28%	32	37%	19	22%	12	14%	87	100%
JHS, Middle and Intermediate Schools	104	48%	50	23%	31	14%	30	14%	215	100%
Secondary Schools	24	46%	9	17%	7	13%	12	23%	52	100%
High Schools	2	25%	0	0%	2	25%	4	50%	8	100%
PK,K,1-12 Schools	18	86%	2	10%	0	0%	1	5%	21	100%
Other Schools*	10	100%	0	0%	0	0%	0	0%	10	100%
All Schools	233	29%	242	30%	151	19%	179	22%	805	100%

* Group includes District 75 schools located in buildings with other schools, ungraded schools, and schools with missing grade organization data.

As expected, funded schools with graduation data fell into four Grade Organizations: Secondary Schools; High Schools; PK, K, 1-12 Schools; and Other Schools. Ninety-one percent (148 schools) were included in the High School category. Most of the remaining schools (18) were Secondary Schools. Secondary Schools were somewhat more likely than High Schools to have graduation rates that exceeded 66 percent.

GRADUATION-RATE CATEGORY BY GRADE ORGANIZATION

Grade Organization	Graduation-Rate Category									
	below 40%		40% to 54%		55% to 66%		67% or greater		total	
	#	%	#	%	#	%	#	%	#	%
Early Childhood Schools	0	0%	0	0%	0	0%	0	0%	0	100%
Elementary Schools	0	0%	0	0%	0	0%	0	0%	0	100%
K-8 Schools	0	0%	0	0%	0	0%	0	0%	0	100%
JHS, Middle and Intermediate Schools	0	0%	0	0%	0	0%	0	0%	0	100%
Secondary Schools	3	17%	3	17%	4	22%	8	44%	18	100%
High Schools	39	26%	46	31%	32	22%	31	21%	148	100%
PK,K,1-12 Schools	0	0%	0	0%	1	50%	1	50%	2	100%
Other Schools*	1	100%	0	0%	0	0%	0	0%	1	100%
All Schools	43	25%	49	29%	37	22%	40	24%	169	100%

* Group includes District 75 schools located in buildings with other schools, ungraded schools, and schools with missing grade organization data.

CONTRACT DOLLARS DISTRIBUTED BY CONTRACT STRATEGY

This section reports analyses of the final distribution of 2007-08 Contract dollars to New York City schools by Contract strategy. Some improvement strategies are limited to specific grade levels; the effectiveness of others may depend on the grade level and performance of the student groups to which they are applied. This section investigates whether City schools chose different strategies depending on those variables. It includes the following subsections:

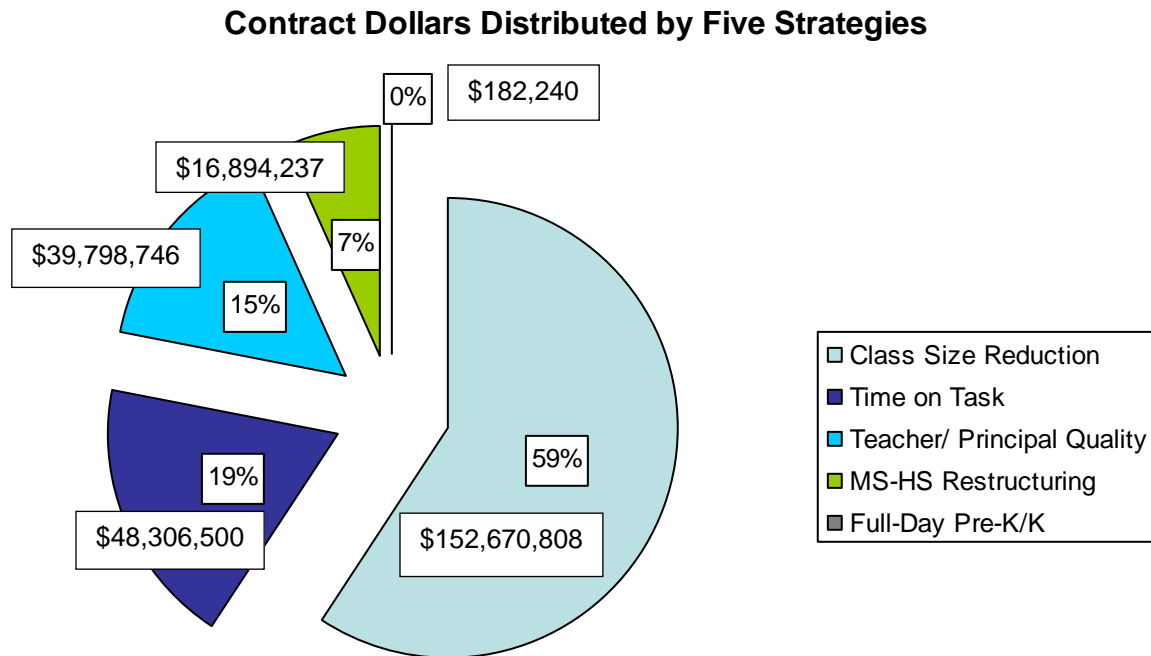
- Analysis of Strategy Decisions According to ELA-Performance Category;
- Analysis of Strategy Decisions According to Graduation-Rate Category; and
- Analysis of Strategy Decisions According to Grade Organization.

DISTRIBUTION OF CONTRACT DOLLARS BY STRATEGY

The legislation requires that schools use Contract dollars to fund one or more of the following five strategies for school improvement:

- Class size reduction;
- Increasing time on task;
- Improving teacher/principal quality;
- Middle or high school restructuring; and/or,
- Providing full-day prekindergarten or kindergarten (Since New York City already had universal full-day kindergarten, funds in this category went to implement full-day prekindergarten programs).

The largest percentage (59 percent) of Contract dollars was allocated for use in reducing class size. Less than one percent was allocated for providing full-day pre-kindergarten. For the City as a whole, the number and percentage of Contract dollars allocated by strategy is shown in the following chart:



ANALYSIS OF STRATEGY DECISIONS ACCORDING TO ELA PERFORMANCE CATEGORY

As evidenced below, in every ELA-Performance Category, the largest percentage of Contract dollars were allocated to reduce class size. Schools with fewer than 36 percent of tested students scoring at Levels 3 and 4 allocated a larger percentage of funding to middle or high school restructuring than schools in other ELA-Performance Categories. This finding follows logically from the data in the table “Total Contract \$\$ Distributed by Grade Organization Group,” on page 32. This table shows that disproportionate numbers of schools that included grades in the range 6 to 8 are in the lowest-performing ELA category.

PERCENT OF CONTRACT DOLLARS ALLOCATED TO EACH STRATEGY BY ELA PERFORMANCE CATEGORY

	Class-Size Reduction	Time on Task	Teacher/Principal Quality	Middle or High School Restructuring	Full-Day Pre-Kindergarten
The 233 schools with less than 36.0% scoring at Level 3/4	59%	16%	14%	11%	0.0%
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	61%	21%	15%	4%	0.1%
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	58%	20%	22%	1%	0.1%
The 179 schools with more than 63.4% scoring at Level 3/4	61%	21%	18%	0.1%	0.2%

The following table shows the allocation of Contract dollars across strategies within each ELA-Performance Category, including the number of schools allocated funds for each strategy, the mean allocation per funded school, and the mean dollars per student. The table illustrates that schools in every performance category allocated substantially more Contract dollars per student for class-size reduction than for any other improvement strategy. The schools in the two lowest-performing categories received more money per student for class-size reduction than schools in the two highest-performing ELA categories. Ninety-five schools in the lowest-performing category, which includes disproportionate numbers of schools with the middle grades, received an average of \$62,959 for middle or high school restructuring. These schools allocated more Contract dollars for this purpose than schools in any other performance category.

CONTRACT DOLLARS ALLOCATED BY ELA-PERFORMANCE CATEGORY

	Contract \$\$	# Schools with Funding	Contract \$\$ per School	Enrollment in Funded Schools	Contract \$\$ per Student
Class Size Reduction by ELA Category					
The 233 schools with less than 36.0% scoring at Level 3/4	\$31,785,144	152	\$209,113	100,735	\$316
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$40,675,722	163	\$249,544	133,850	\$304
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$20,979,598	99	\$211,915	87,613	\$239
The 179 schools with more than 63.4% scoring at Level 3/4	\$15,668,856	110	\$142,444	87,148	\$180
Time on Task by ELA Category					
The 233 schools with less than 36.0% scoring at Level 3/4	\$8,495,773	123	\$69,071	78,541	\$108
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$13,904,824	141	\$98,616	110,753	\$126
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$7,329,371	79	\$92,777	70,686	\$104
The 179 schools with more than 63.4% scoring at Level 3/4	\$5,414,723	89	\$60,840	64,290	\$84
Quality Staff by ELA Category					
The 233 schools with less than 36.0% scoring at Level 3/4	\$7,563,277	200	\$37,816	121,155	\$62
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$9,682,358	203	\$47,696	160,145	\$60
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$7,854,422	113	\$69,508	101,973	\$77
The 179 schools with more than 63.4% scoring at Level 3/4	\$4,683,464	100	\$46,835	85,843	\$55
Restructuring by ELA Category					
The 233 schools with less than 36.0% scoring at Level 3/4	\$5,981,101	95	\$62,959	65,902	\$91
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$2,417,517	42	\$57,560	41,186	\$59
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$221,534	18	\$12,307	21,395	\$10
The 179 schools with more than 63.4% scoring at Level 3/4	\$32,047	8	\$4,006	8,092	\$4
Full-day Prekindergarten by ELA Category					
The 233 schools with less than 36.0% scoring at Level 3/4	\$0	0			
The 242 schools with between 36.0% and 50.7% scoring at Level 3/4	\$89,626	4	\$22,407	3,446	\$26
The 151 schools with between 50.8% and 63.3% scoring at Level 3/4	\$36,160	1	\$36,160	559	\$65
The 179 schools with more than 63.4% scoring at Level 3/4	\$55,484	1	\$55,484	955	\$58

ANALYSIS OF STRATEGY DECISIONS ACCORDING TO GRADUATION-RATE CATEGORY

In three of the four Graduation-Rate Categories, a majority of Contract dollars were allocated for reducing class size. The exception was the category with graduation rates between 55 and 66 percent, which allocated 45 percent of Contract dollars to class-size reduction. The category with the highest graduation rates allocated the largest percentage of funds (68 percent) to class-size reduction. Since few schools with graduation data served kindergarteners, very few dollars were allocated to providing full-day prekindergarten.

PERCENT OF CONTRACT DOLLARS ALLOCATED TO EACH STRATEGY BY GRADUATION-RATE CATEGORY

	Class Size Reduction	Time on Task	Teacher/Principal Quality	Middle or High School Restructuring	Full-Day Pre-Kindergarten
The 43 schools with graduation rates below 40%	58%	13%	14%	14%	0%
The 49 schools with graduation rates of 40 to 54%	52%	23%	11%	15%	0%
The 37 schools with graduation rates of 55% to 66%	45%	8%	10%	5%	0%
The 40 schools with graduations rates of 67% or greater	68%	8%	17%	7%	0.01%

The following table shows the allocation of Contract dollars across strategies within each Graduation-Rate Category, including the number of schools allocated funds for each strategy, the mean allocation per funded school, and the mean dollars per student. In every Graduation-Rate Category, the largest number of Contract dollars per student was allocated to reducing class size. Even in schools with secondary grades, more Contract dollars per student were allocated to reduce class size than for any other strategy. The Contract dollars per student for class-size reduction did not differ greatly among categories. The difference between the categories with the lowest and highest graduation rates was \$65 per student or 40 percent. In contrast, the difference between the lowest and highest-performing ELA Performance Categories in Contract dollars per student for reducing class size was \$136 per student or 75 percent.

CONTRACT DOLLARS ALLOCATED BY GRADUATION-RATE CATEGORY

	Contract \$\$	# Schools with Funding	Contract \$\$ per School	Enrollment in Funded Schools	Contract \$\$ per Student
Class size funding by Grad Rate Category					
The 43 schools with graduation rates below 40%	\$10,163,485	33	\$307,984	44,563	\$228
The 49 schools with graduation rates of 40 to 54%	\$14,215,181	43	\$330,586	73,601	\$193
The 37 schools with graduation rates of 55% to 66%	\$7,891,557	26	\$303,521	39,326	\$201
The 40 schools with graduations rates of 67% or greater	\$6,207,499	23	\$269,891	38,096	\$163
Time on Task by Grad Rate Category					
The 43 schools with graduation rates below 40%	\$2,355,306	30	\$78,510	39,253	\$60
The 49 schools with graduation rates of 40 to 54%	\$6,189,783	38	\$162,889	70,291	\$88
The 37 schools with graduation rates of 55% to 66%	\$1,399,980	14	\$99,999	28,043	\$50
The 40 schools with graduations rates of 67% or greater	\$763,666	18	\$42,426	25,937	\$29
Quality Staff by Grad Rate Category					
The 43 schools with graduation rates below 40%	\$2,521,576	40	\$63,039	49,692	\$51
The 49 schools with graduation rates of 40 to 54%	\$2,973,227	46	\$64,635	78,269	\$38
The 37 schools with graduation rates of 55% to 66%	\$1,697,938	33	\$51,453	43,768	\$39
The 40 schools with graduations rates of 67% or greater	\$1,552,283	31	\$50,074	53,984	\$29
Restructuring by Grad Rate Category					
The 43 schools with graduation rates below 40%	\$2,485,561	33	\$75,320	47,372	\$52
The 49 schools with graduation rates of 40 to 54%	\$3,982,591	37	\$107,638	73,873	\$54
The 37 schools with graduation rates of 55% to 66%	\$950,908	28	\$33,961	41,198	\$23
The 40 schools with graduations rates of 67% or greater	\$660,932	27	\$24,479	52,139	\$13
Full-day Prekindergarten by Grad Rate Category					
The 43 schools with graduation rates below 40%	\$0	0			
The 49 schools with graduation rates of 40 to 54%	\$0	0			
The 37 schools with graduation rates of 55% to 66%	\$0	0			
The 40 schools with graduations rates of 67% or greater	\$970	1	\$970	589	\$2

ANALYSIS OF STRATEGY DECISIONS ACCORDING TO GRADE ORGANIZATION

In the five Grade Organizations with 90 or more schools, from one-half to two-thirds of Contract dollars were allocated to reduce class size (see table below). In those categories, the next highest allocations were to increase time on task and to improve teacher/principal quality. Schools in two groups – Elementary Schools and K-8 Schools – allocated Contract dollars to provide full-day prekindergarten.

PERCENT OF CONTRACT DOLLARS ALLOCATED TO EACH STRATEGY BY GRADE ORGANIZATION

	Class Size Reduction	Time on Task	Teacher/Principal Quality	Middle or High School Restructuring	Full-Day Pre-kindergarten
6 Early Childhood Schools	15%	48%	37%	0%	0%
624 Elementary Schools	65%	20%	16%	0%	<0.3%
107 K-8 schools	68%	16%	16%	1%	<0.2%
268 JHS, Middle and Intermediate Schools	50%	20%	18%	12%	0%
90 Secondary Schools	59%	17%	13%	11%	0%
335 High Schools	59%	17%	13%	11%	0%
25 PK,K,1-12 Schools	11%	0%	83%	6%	0%
15 Other Schools	0%	0%	100%	0%	0%

The following table shows the allocation of Contract dollars across strategies within each Grade Organization, including the number of schools allocated funds for each strategy, the mean allocation per funded school, and the mean dollars per student. In the five Grade Organizations with the largest number of schools, the greatest amount per student was allocated to reducing class size. A total of 697 schools were allocated funds to reduce class size. Eight hundred schools, representing every Grade Organization, received funds for improving teacher/principal quality; 581 schools, all in the five largest Grade Organizations, received funds to increase time on task. Contract dollars for providing full-day prekindergarten were allocated to five Elementary Schools, one K-8 School, and one High School. Funds for restructuring middle and high schools went to 278 schools mainly in the categories JHS, Middle and Intermediate Schools, and High Schools. In the Other Schools Group all funds were allocated to improving staff quality.

CONTRACT DOLLARS ALLOCATED BY GRADE ORGANIZATION

	Total Funds for Strategy	# of Schools with Contract \$\$	Mean per School	Enrollment in Schools with Contract \$\$	Mean \$\$ per Student
6 Early Childhood Schools					
Class size reduction	\$23,534	1	\$23,534	626	\$38
Increasing time on task	\$74,345	1	\$74,345	626	\$119
Improving teacher/principal quality	\$57,866	2	\$28,933	1,099	\$53
Middle or high school restructuring	\$0	0			
Providing full-day pre-kindergarten	\$0	0			
624 Elementary Schools					
Class size reduction	\$63,392,708	275	\$230,519	207,311	\$306
Increasing time on task	\$19,353,412	220	\$87,970	164,865	\$117
Improving teacher/principal quality	\$15,250,141	313	\$48,722	233,330	\$65
Middle or high school restructuring	\$27,069	14	\$1,934	10,631	\$3
Providing full-day pre-kindergarten	\$145,110	5	\$29,022	4,401	\$33
107 K-8 schools					
Class size reduction	\$10,227,519	46	\$222,337	37,353	\$274
Increasing time on task;	\$2,428,313	37	\$65,630	28,462	\$85
Improving teacher/principal quality	\$2,365,646	77	\$30,723	56,420	\$42
Middle or high school restructuring	\$84,439	16	\$5,277	12,115	\$7
Providing full-day pre-kindergarten	\$36,160	1	\$36,160	559	\$65
268 JHS, Middle and Intermediate Schools					
Class size reduction	\$31,982,817	177	\$180,694	150,180	\$213
Increasing time on task	\$12,826,727	152	\$84,386	124,405	\$103
Improving teacher/principal quality	\$11,494,850	174	\$66,062	154,873	\$74
Middle or high school restructuring	\$8,001,568	114	\$70,189	100,546	\$80
Providing full-day pre-kindergarten	\$0	0			

	Total Funds for Strategy	# of Schools with Contract \$\$	Mean per School	Enrollment in Schools with Contract \$\$	Mean \$\$ per Student
90 Secondary schools					
Class size reduction	\$4,459,542	27	\$165,168	12,931	\$345
Increasing time on task	\$1,286,708	31	\$41,507	9,723	\$132
Improving teacher/principal quality	\$1,021,363	34	\$30,040	18,157	\$56
Middle or high school restructuring	\$849,140	20	\$42,457	13,063	\$65
Providing full-day pre-kindergarten	\$0	0			
335 High schools					
Class size reduction	\$42,557,657	169	\$251,820	199,526	\$213
Increasing time on task	\$12,336,995	140	\$88,121	169,145	\$73
Improving teacher/principal quality	\$9,324,700	165	\$56,513	223,342	\$42
Middle or high school restructuring	\$7,916,087	113	\$70,054	204,141	\$39
Providing full-day pre-kindergarten	\$970	1	\$970	589	\$2
25 PK,K,1-12 Schools					
Class size reduction	\$27,031	2	\$13,516	1,844	\$15
Increasing time on task	\$0	0			
Improving teacher/principal quality	\$213,713	22	\$9,714	12,792	\$17
Middle or high school restructuring	\$15,934	1	\$15,934	613	\$26
Providing full-day pre-kindergarten	\$0	0			
15 Other Schools					
Class size reduction	\$0	0			
Increasing time on task	\$0	0			
Improving teacher/principal quality	\$70,467	13	\$5,421	4,382	\$16
Middle or high school restructuring	\$0	0			
Providing full-day pre-kindergarten	\$0	0			