



STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY 12224

DAVID A. PATERSON
GOVERNOR

April 29, 2009

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary Duncan:

I am pleased to submit New York's application for the State Fiscal Stabilization Funds available through the American Recovery and Reinvestment Act of 2009. This vital new funding source will not only help save and create teaching jobs; it will also preserve essential educational programs and bolster New York's continuing efforts to narrow the achievement gap.

Your approval of New York's application will ensure that our school districts can continue to provide students with a high-quality education. Thanks to the education funding provided in the State Fiscal Stabilization Fund, our State Budget, enacted at the beginning of April, is now able to increase resources for school districts and community colleges despite an unprecedented State revenue shortfall. We were also able to restore funding for selected other programs, including post-secondary student financial assistance and preschool special education, through the funds available for other government services in the State Fiscal Stabilization Fund.

New York is committed to President Obama's goal of improving student achievement and has strong pupil assessment and school accountability systems already in place. I wholeheartedly share the President's dedication to ensuring outstanding teachers in our schools, determining best practices in the classroom, preparing students for college and careers, and uplifting our struggling schools. I can assure you that New York is committed to spending this money in the best interests of our children.

The Honorable Arne Duncan

Thank you for your strong and enthusiastic commitment to preserving and strengthening our nation's K-12 and public higher education systems. It is especially welcome during these very challenging times.

Sincerely,

A handwritten signature in blue ink that reads "David A. Paterson". The signature is written in a cursive style with a clear, legible font.

David A. Paterson

Application for Initial Funding under the State Fiscal Stabilization Fund Program

CFDA Numbers: 84.394 (Education Stabilization Fund) and
84.397 (Government Services Fund)



**U.S. Department of Education
Washington, D.C. 20202**

**OMB Number: 1810-0690
Expiration Date: 9/30/2009**

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0690. The time required to complete this information collection is estimated to average 17 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: State Fiscal Stabilization Fund Program, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E108, Washington, D.C. 20202-3118



STATE OF NEW YORK
EXECUTIVE DEPARTMENT
DIVISION OF THE BUDGET
ALBANY, NY 12224

DAVID A. PATERSON
GOVERNOR

ROBERT L. MEGNA
DIRECTOR OF THE BUDGET

July 17, 2009

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary Duncan:

This correspondence is to submit an amended page 1 to New York State's application for the State Fiscal Stabilization Funds available through the American Recovery and Reinvestment Act of 2009. After being contacted by the U.S. Department of Education, we are resubmitting our application to update information about our State Contact and Chief School Officer.

The amended page 1 now names Robert L. Megna, Director of the Budget, as New York State's Contact for the Education Stabilization Fund. The corresponding contact information has also been updated.

In addition, the Chief School Officer information has been updated. Carole F. Huxley, the Interim New York State Education Commissioner, has signed the application as New York State's Chief School Officer.

Thank you again for your strong and enthusiastic commitment to preserving and strengthening our nation's K-12 and public higher education systems.

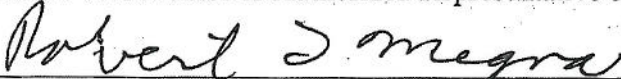
Sincerely,

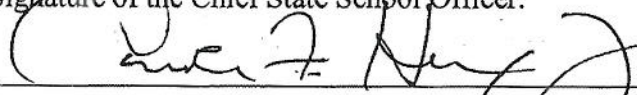
A handwritten signature in black ink that reads "Robert L. Megna". The signature is written in a cursive style with a large, stylized "R" and "M".

Robert L. Megna

STATE FISCAL STABILIZATION FUND APPLICATION

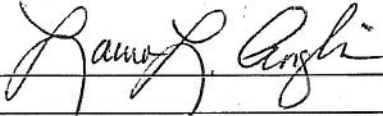
**PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)**

Legal Name of Applicant (Office of the Governor): Office of Governor David A. Paterson	Applicant's Mailing Address: State Capitol Albany, NY 12224
State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Robert L. Megna Position and Office: Director, Division of the Budget Contact's Mailing Address: New York State Division of the Budget State Capitol Albany, NY 12224 Telephone: 518-474-2300 Fax: 518-402-2298 E-mail address: robert.megna@budget.state.ny.us	State Contact for the Government Services Fund (CFDA No. 84.397) <i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i> Name: Same Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:
To the best of my knowledge and belief, all of the information and data in this application are true and correct.	
Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	Telephone: 518-474-7516
Signature of Governor or Authorized Representative of the Governor: 	Date: 7/10/09

Recommended Statement of Support from the Chief State School Officer <i>(Optional)</i> : The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.	
Chief State School Officer (Printed Name): Carole F. Huxley, Interim New York State Education Commissioner	Telephone: 518-474-5844
Signature of the Chief State School Officer: 	Date: 7/13/09


STATE FISCAL STABILIZATION FUND APPLICATION

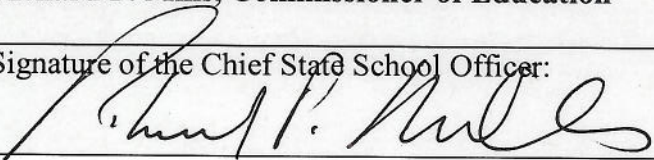
**PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)**

<p>Legal Name of Applicant (Office of the Governor): Office of Governor David A. Paterson</p>	<p>Applicant's Mailing Address: State Capitol Albany, NY 12224</p>
<p>State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Laura L. Anglin Position and Office: Director, Division of the Budget Contact's Mailing Address: New York State Division of the Budget State Capitol Albany, NY 12224 Telephone: 518-474-2300 Fax: 518-402-2298 E-mail address: laura.anglin@budget.state.ny.us</p>	<p>State Contact for the Government Services Fund (CFDA No. 84.397) <i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i> Name: Same Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:</p>
<p>To the best of my knowledge and belief, all of the information and data in this application are true and correct.</p>	
<p>Governor or Authorized Representative of the Governor (Printed Name): Laura L. Anglin</p>	<p>Telephone: 518-474-2300</p>
<p>Signature of Governor or Authorized Representative of the Governor: </p>	<p>Date: May 7, 2009</p>
<p>Recommended Statement of Support from the Chief State School Officer <i>(Optional)</i>:</p>	
<p>The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.</p>	
<p>Chief State School Officer (Printed Name):</p>	<p>Telephone:</p>
<p>Signature of the Chief State School Officer:</p>	<p>Date:</p>

STATE FISCAL STABILIZATION FUND APPLICATION

**PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)**

Legal Name of Applicant (Office of the Governor): Office of Governor David A. Paterson	Applicant's Mailing Address: State Capitol Albany, NY 12224
State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Laura Anglin Position and Office: Director, Division of the Budget Contact's Mailing Address: New York State Division of the Budget State Capitol Albany, NY 12224 Telephone: 518-474-2300 Fax: 518-402-2298 E-mail address: laura.anglin@budget.state.ny.us	State Contact for the Government Services Fund (CFDA No. 84.397) <i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i> Name: Same Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:
To the best of my knowledge and belief, all of the information and data in this application are true and correct.	
Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	Telephone: 518-474-7516
Signature of Governor or Authorized Representative of the Governor: 	Date: April 29, 2009

Recommended Statement of Support from the Chief State School Officer (Optional): The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.	
Chief State School Officer (Printed Name): Richard P. Mills, Commissioner of Education	Telephone: 518 474 5844
Signature of the Chief State School Officer: 	Date: April 29, 2009

PART 2: EDUCATION REFORM ASSURANCES

The Governor or his/her authorized representative assures the following:

- (1) The State will take actions to improve teacher effectiveness and comply with section 1111(b)(8)(C) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 6311(b)(8)(C)) in order to address inequities in the distribution of highly qualified teachers between high- and low-poverty schools, and to ensure that low-income and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers. (*Achieving Equity in Teacher Distribution Assurance*)
- (2) The State will establish a longitudinal data system that includes the elements described in section 6401(e)(2)(D) of the America COMPETES Act (20 U.S.C. 9871(e)(2)(D)). (*Improving Collection and Use of Data Assurance*)
- (3) The State will –
 - (3.1) Enhance the quality of the academic assessments it administers pursuant to section 1111(b)(3) of the ESEA (20 U.S.C. 6311(b)(3)) through activities such as those described in section 6112(a) of the ESEA (20 U.S.C. 7301a(a)); (*Improving Assessments Assurance*)
 - (3.2) Comply with the requirements of paragraphs (3)(C)(ix) and (6) of section 1111(b) of the ESEA (20 U.S.C. 6311(b)) and section 612(a)(16) of the Individuals with Disabilities Education Act (IDEA) (20 U.S.C. 1412(a)(16)) related to the inclusion of children with disabilities and limited English proficient students in State assessments, the development of valid and reliable assessments for those students, and the provision of accommodations that enable their participation in State assessments; (*Inclusion Assurance*) and
 - (3.3) Take steps to improve State academic content standards and student academic achievement standards consistent with section 6401(e)(1)(A)(ii) of the America COMPETES Act. (*Improving Standards Assurance*)
- (4) The State will ensure compliance with the requirements of section 1116(b)(7)(C)(iv) and section 1116(b)(8)(B) of the ESEA with respect to schools identified under these sections. (*Supporting Struggling Schools Assurance*)

Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	
Signature: <i>David A. Paterson</i>	Date: <i>April 29, 2009</i>

PART 3: INITIAL BASELINE DATA FOR EDUCATION REFORM ASSURANCES

SPECIAL NOTES:

- In completing this portion of the application, please refer to Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances.
- The data described in Appendix B for two of the education reform assurances in Part 2 of the application – the Improving Assessments Assurance and the Improving Standards Assurance – are the most current available baseline data for these areas. Thus, the Department is not inviting States to submit additional information with respect to these two assurances.
- The Governor or his/her authorized representative should confirm whether the initial baseline data sources described in Appendix B for the four assurances referenced below – Achieving Equity in Teacher Distribution; Improving Collection and Use of Data; Improving State Academic Content and Student Achievement Standards; and Supporting Struggling Schools – reflect the State’s current status with respect to these assurances. A State that confirms the use of these initial baseline data sources does not have to submit additional baseline data with this application. If a State elects not to use the identified data sources for one or more of these four assurances, it must submit other initial baseline data for that assurance.

The Governor or his/her authorized representative confirms that the data sources that are currently available to the Department and described in Appendix B are a reasonable reflection of the current status of the State with respect to the following education reform assurances that he/she provided in Part 2 of the Application (*check only those assurances for which the State accepts the data described in Appendix B*):

- Achieving Equity in Teacher Distribution Assurance.
- Improving Collection and Use of Data Assurance.
- Improving Standards Assurance.
- Supporting Struggling Schools Assurance.

Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	
Signature: <i>David A. Paterson</i>	Date: <i>April 29, 2009</i>

PART 4, SECTION A: MAINTENANCE-OF-EFFORT (MOE) ASSURANCE

SPECIAL NOTES:

- In completing Part 4 of the application, please refer to Appendix C – Instructions for Part 4: Maintenance of Effort.
- The Governor or his/her authorized representative should check only those MOE requirements that he or she anticipates the State will meet. If the Governor or his/her authorized representative anticipates that the State will be unable to meet one or more of the requirements, he or she must sign the additional waiver assurance in Part 4, Section B.
- For the purpose of determining MOE, State support for public institutions of higher education (IHEs) must not include support for capital projects or for research and development or tuition and fees paid by students.

The Governor or his/her authorized representative assures the following (*check appropriate assurances that apply*):

- X In FY 2009, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X In FY 2010, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X In FY 2011, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X In FY 2009, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- X In FY 2010, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- X In FY 2011, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

---OR---

_____ To the best of his/her knowledge and based on the best available data, the State will be unable to meet any of the above-referenced maintenance-of-effort requirements.

Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	
Signature: <i>David A. Paterson</i>	Date: <i>April 29, 2009</i>

PART 4, SECTION B: MAINTENANCE-OF-EFFORT WAIVER ASSURANCE

SPECIAL NOTES:

- If a State anticipates that it will be unable to comply with one or more of the Stabilization program MOE requirements referenced in Part 4, Section A of the application, the State must provide the assurance below.
- States that anticipate meeting all of the Stabilization program MOE requirements should not complete the waiver assurance in this section of the application. *See Appendix C – Instructions for Part 4: Maintenance of Effort. The criterion for a waiver of the MOE requirements is provided in Appendix C.*
- The Department will be providing additional guidance to States regarding the process for applying for waivers of the Stabilization program MOE requirements.

The Governor or his/her authorized representative assures the following:

To the best of his/her knowledge and based on the best available data, the State meets or will meet the eligibility criterion for a MOE waiver for each of the Stabilization program MOE requirements that the Governor or his/her authorized representative anticipates the State will be unable to meet.

Governor or Authorized Representative of the Governor (Printed Name):	
Signature:	Date:

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

SPECIAL NOTES:

- A State has some flexibility in determining the “levels of State support” for MOE purposes. For example, for the purpose of the elementary and secondary education MOE requirements, a State may use the level of support that the State provides through its primary elementary and secondary funding formulae, or it may use other relevant data. *See Appendix C – Instructions for Part 4: Maintenance of Effort.*

1. Levels of State support for elementary and secondary education *(the amounts may reflect the levels of State support on either an aggregate basis or a per-student basis):*

FY 2006 \$19,859,480,902

FY 2009* \$ N/A

FY 2010* \$ N/A

FY 2011* \$ N/A

(* Provide data to the extent that data are currently available.)

2. Levels of State support for public institutions of higher education *(enter amounts for each year):*

FY 2006 \$3,275,000,000

FY 2009* \$4,250,424,400

FY 2010* \$4,167,337,300

FY 2011* \$ N/A

(* Provide data to the extent that data are currently available.)

3. Additional Submission Requirements: In an attachment to the application –

- (a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and -
- (b) Identify and describe the data sources used in determining the levels of State support for public IHEs.

PART 5, SECTION A. STATE USES OF THE EDUCATION STABILIZATION FUND

SPECIAL NOTES:

- Section A of Part 5 requests data on the Education Stabilization Fund (CFDA No. 84.394). In completing this portion of the application, please refer to Appendix D – Instructions for Part 5: State Uses of Funds.
- At a later date, the Department will collect data on the levels of State support for elementary, secondary, and postsecondary education in FY 2011.
- These data may differ from the data in the levels of support for maintenance-of-effort purposes. See instructions in Appendix D.
- The term “postsecondary education” refers to public IHEs.

1. Levels of State Support for Elementary, Secondary, and Postsecondary Education

Provide the following data on the levels of State support for elementary, secondary, and postsecondary education:

- | | |
|--|-----------------------------------|
| (a) Level of State support for elementary and secondary education in FY 2008 provided through the State’s primary elementary and secondary education funding formulae | <u>\$18,782,355,682</u> |
| (b) Level of State support for public IHEs in FY 2008 | <u>\$4,072,911,000</u> |
| (c) Level of State support for elementary and secondary education in FY 2009 provided through the State’s primary elementary and secondary education funding formulae | <u>\$20,417,212,126</u> |
| (d) Level of State support for public IHEs in FY 2009 | <u>\$4,250,424,400</u> |
| (e) Level of State support for elementary and secondary education in FY 2010 provided through the State’s primary elementary and secondary education funding formulae included in the enacted FY 2010 State Budget | <u>\$19,650,588,485</u> <i>JA</i> |
| Level of State support for elementary and secondary education in FY 2010 pursuant to October 1, 2008 primary formulae including equity adjustments | <u>\$21,991,078,942</u> <i>JA</i> |
| (f) Level of State support for public IHEs in FY 2010 | <u>\$4,167,337,300</u> |

Additional Information: Did the State, prior to October 1, 2008, approve formula increases to support elementary and secondary education in FY 2010 or 2011, or to phase in State equity and adequacy adjustments?*

- Yes No

* See Appendix D Worksheets for further guidance on how such increases affect a State’s “use of funds” calculations.

2. State's Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education.

3. Data on State Support for Postsecondary Education

Additional Submission Requirement: In an attachment to the application, identify and describe the specific State data sources that were used in determining the calculations provided above for the levels of State support for public IHEs.

4. Restoration Amounts

Based on the Worksheets included in Appendix D, calculate and provide the amount of Education Stabilization funds that the State will use to restore the levels of State support for elementary, secondary, and postsecondary education in FYs 2009 and 2010. As explained in the Instructions in Appendix D, a State must determine the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2009 before determining the amount of funds available to restore the levels of such support in FY 2010.

SPECIAL NOTES:

- At a later date, the Department will collect data on the amount of funds, if any, that remain available to (1) restore the levels of State support for elementary, secondary, and postsecondary education in FY 2011, and (2) award subgrants to local educational agencies (LEAs) based on their proportionate shares of funding under Part A of Title I of the ESEA.
- The calculations for these data must be based on the State's total Education Stabilization Fund allocation as reflected in Appendix A and not on the State's initial Education Stabilization Fund award.
- Although the State must follow the Instructions in Appendix D, in order to determine the amount of funds that LEAs and IHEs will receive under the program (i.e., the "restoration amounts"), the Governor has discretion in determining when to release these funds to LEAs and IHEs.

- (a) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2009 \$ 0
- (b) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2009 \$ 0

Restoration Amounts (continued)

- | | |
|--|------------------------|
| (c) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010 | <u>\$2,340,490,457</u> |
| (d) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2010 | <u>\$83,087,100</u> |
| (e) Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010 | <u>\$44,980,234</u> |

5. Process for Awarding Funds to Public IHEs

Additional Submission Requirement: In an attachment to the application, describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions.

**PART 5, SECTION B: STATE USES OF THE
GOVERNMENT SERVICES FUND**

SPECIAL NOTES:

- Section B of Part 5 requests data on the Government Services Fund (CFDA No. 84.397).
- In this section, provide preliminary estimates of the percentage of the Government Services Fund that the State intends to spend under various broad categories (to the extent such estimates are available). The total percentages in the chart should equal 100 percent.
- To the extent such estimates are available; the estimated percentages must be based on the State's total Government Services Fund allocation and not on the State's initial Government Services Fund award.

Uses of the Government Services Fund

Category	Estimated Percentage of Funds to Be Used
Public Safety	
Elementary and secondary education (excluding modernization, renovation, or repair of public school facilities)	20%
Public IHEs (excluding modernization, renovation, or repair of IHEs)	4%
Modernization, renovation, or repair of public school facilities	
Modernization, renovation, or repair of IHEs	
Medicaid	
Public assistance	
Transportation	
Other (please describe) <ul style="list-style-type: none"> • Restore support for student financial aid through the Tuition Assistance Program (TAP) • Restore support for Preschool Special Education • Mortgage Foreclosure Prevention Program 	76%
Undetermined	
TOTAL	100%

**PART 6: ACCOUNTABILITY, TRANSPARENCY, AND
REPORTING ASSURANCES**

The Governor or his/her authorized representative assures that the State will comply with all of the accountability, transparency, and reporting requirements that apply to the Stabilization program, including the following:

- For each year of the program, the State will submit a report to the Secretary, at such time and in such manner as the Secretary may require, that describes:
 - the uses of funds within the State;
 - how the State distributed the funds it received;
 - the number of jobs that the Governor estimates were saved or created with the funds;
 - tax increases that the Governor estimates were averted because of the funds;
 - the State's progress in reducing inequities in the distribution of highly qualified teachers, implementing a State longitudinal data system, and developing and implementing valid and reliable assessments for limited English proficient students and children with disabilities;
 - the tuition and fee increases for in-State students imposed by public IHEs and a description of any actions taken by the State to limit the increases;
 - the extent to which public IHEs maintained, increased, or decreased enrollment of in-State students, including those students eligible for Pell Grants or other need-based financial aid; and
 - a description of each modernization, renovation or repair project funded, including the amounts awarded and project costs. (ARRA Division A, Section 14008)
- The State will cooperate with any Comptroller General evaluation of the uses of funds and the impact of funding on the progress made toward closing achievement gaps. (ARRA Division A, Section 14009)
- If the State uses funds for any infrastructure investment, the State will certify that the investment received the full review and vetting required by law and that the chief executive accepts responsibility that the investment is an appropriate use of taxpayer funds. This certification will include a description of the investment, the estimated total cost, and the amount of covered funds to be used. The certification will be posted on the State's website and linked to www.Recovery.gov. A State or local agency may not use funds under the ARRA for infrastructure investment funding unless this certification is made and posted. (ARRA Division A, Section 1511)
- The State will submit reports, within 10 days after the end of each calendar quarter, that contain the information required under section 1512(c) of the ARRA in accordance with any guidance issued by Office of Management and Budget or the Department. (ARRA Division A, Section 1512(c))
- The State will cooperate with any Inspector General examination of records under the program. (ARRA Division A, Section 1515)

Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	
Signature: <i>David A. Paterson</i>	Date: April 29, 2009

PART 7: OTHER ASSURANCES AND CERTIFICATIONS

The Governor or his/her authorized representative assures or certifies the following:

- The State will comply with all applicable assurances in OMB Standard Forms 424B and D (Assurances for Non-Construction and Construction Programs), including the assurances relating to the legal authority to apply for assistance; access to records; conflict of interest; merit systems; nondiscrimination; Hatch Act provisions; labor standards; flood hazards; historic preservation; protection of human subjects; animal welfare; lead-based paint; Single Audit Act; and the general agreement to comply with all applicable Federal laws, executive orders and regulations.
- With respect to the certification regarding lobbying in Department Form 80-0013, no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making or renewal of Federal grants under this program; the State will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," when required (34 C.F.R. Part 82, Appendix B); and the State will require the full certification, as set forth in 34 C.F.R. Part 82, Appendix A, in the award documents for all subawards at all tiers.
- The State will comply with all of the operational and administrative provisions in Title XV and XIV of the ARRA, including Buy American Requirements (ARRA Division A, Section 1605), Wage Rate Requirements (ARRA Division A, Section 1606), and any applicable environmental impact requirements of the National Environmental Policy Act of 1970 (NEPA), as amended, (42 U.S.C. 4371 *et seq.*) (ARRA Division A, Section 1609). In using ARRA funds for infrastructure investment recipients will comply with the requirement regarding Preferences for Quick Start Activities (ARRA Division A, Section 1602).
- Any LEA receiving funding under this program will have on file with the State a set of assurances that meets the requirements of section 442 of the General Education Provisions Act (GEPA) (20 U.S.C. 1232e).
- To the extent applicable, an LEA will include in its local application a description of how the LEA will comply with the requirements of section 427 of GEPA (20 U.S.C. 1228a). The description must include information on the steps the LEA proposes to take to permit students, teachers, and other program beneficiaries to overcome barriers (including barriers based on gender, race, color, national origin, disability, and age) that impede access to, or participation in, the program.

- The State and other entities will comply with the following provisions of Education Department General Administrative Regulations (EDGAR), as applicable: 34 CFR Part 74 -- Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; 34 CFR Part 76 -- State-Administered Programs, including the construction requirements in section 75.600 through 75.617 that are incorporated by reference in section 76.600; 34 CFR Part 77 -- Definitions that Apply to Department Regulations; 34 CFR Part 80 -- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, including the procurement provisions; 34 CFR Part 81 -- General Education Provisions Act—Enforcement; 34 CFR Part 82 -- New Restrictions on Lobbying; 34 CFR Part 85 -- Governmentwide Debarment and Suspension (Nonprocurement).

Governor or Authorized Representative of the Governor (Printed Name): David A. Paterson, Governor	
Signature: <i>David A. Paterson</i>	Date: <i>April 29, 2009</i>

**Application for Initial Funding
under the State Fiscal Stabilization Fund Program
Additional Submission Requirements**

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

3. Additional Submission Requirements: In an attachment to the application -

(a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and -

The calculation of the levels of state support for New York State elementary and secondary education for 2006 is based on data that is included as "Revenue from State Sources" in the National Public Education Finance Survey (NPEFS), as recommended in the Appendix C instructions for this application. See <http://nces.ed.gov/pubs2008/2008328.pdf> (Table 1, Page 6 of NCES report)

(b) Identify and describe the data sources used in determining the levels of State support for public IHEs.

The calculation of the levels of state support for New York State's public institutions of higher education (IHE) is based upon appropriations and transfers (excluding those related to tuition, fees and capital projects) as adjusted by administrative actions, made available to: the State University of New York's (SUNY) state-operated, statutory and community college campuses; SUNY's three teaching hospitals; and the City University of New York's (CUNY) senior and community colleges. The operative appropriations and other references include:

- For 2006 (AFY 2005-06)
 - Chapter 53 of the Laws of 2005
 - Chapter 61 of the Laws of 2005

- For 2009 (AFY 2008-09)
 - Chapter 53 of the Laws of 2008
 - Chapter 57 of the Laws of 2008
 - Chapter 10 of the Laws of 2008
 - Chapter 114 of the Laws of 2008
 - Chapter 113 of the Laws of 2008
 - Chapter 219 of the Laws of 2008
 - Chapter 287 of the Laws of 2008
 - Chapter 496 of the Laws of 2008
 - Chapter 1 of the Laws of 2009
 - New York State Budget Policy & Reporting Manual B-1178
 - New York State Budget Policy & Reporting Manual B-1183

- For 2010 (AFY 2009-10)
 - 2009-10 Executive Budget (S/53-A/A.153-A)

PART 5, SECTION A: STATE USES OF THE EDUCATION STABILIZATION FUND

2. State's Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education.

Summary

In New York, State funding – commonly referred to as School Aid – is provided to school districts to finance elementary and secondary education for pupils enrolled in nearly 680 public school districts throughout the State. This funding is allocated through numerous statutory aid formulae and categorical grant programs. However, for the purposes of identifying the State's "Primary Education Funding Formulae" New York State has selected the formula-based aids described below.

The selected aids provide funding to school districts for unrestricted operating support and reimbursement for expenditures related to transportation, school construction projects, the purchase of textbooks, computers and software, as well as providing services to students with disabilities. These aid categories represent the most essential funding elements of New York's system of State Aid for Education without which school districts would not be able to ensure students a quality education.

These selected aid formulae represent approximately 90 percent of total School Aid and are mostly wealth equalized whereby school districts with the least fiscal capacity receive a higher level of State support. These formulae take into account a school district's income and property wealth on a per pupil basis compared to a wealth per pupil State average to determine the level of State funding. They are used to allocate funding primarily on a per pupil or expenditure-based reimbursement basis. In addition, the largest unrestricted formula - Foundation Aid - takes into account student needs such as the number of students with disabilities, students in poverty and limited English proficient students, as well as total enrollment and regional cost factors.

I. Operating Support Formulae

The formulae in this category provide New York's school districts with operating support for a variety of essential costs, ranging from teacher salaries to educational programs. The largest of these formulae is Foundation Aid, which accounts for the majority of State Aid that most school districts receive. These formulae target support to high-needs districts and allow school districts to maintain the daily operations necessary to provide a high quality education.

1. Foundation Aid - The Foundation Aid formula was first enacted into law in 2007-08 and is being phased-in over a multi-year time period. This formula is the largest operating aid category providing support to school districts in New York State.

The Foundation Aid formula calculates aid based on a standard cost of education on a per pupil basis, which includes adjustments for a school district's pupil needs (including weightings for students with special education needs, adjustments for students in poverty measured by both

census poverty and free and reduced price lunch counts, students with limited English proficiency and school district sparsity). This formula also takes into account regional cost differences and calculates both a State share and what a school district is expected, but not required, to contribute from local resources based on fiscal capacity (accounting for tax effort and for district income and property wealth).

2. Charter School Transitional Aid - In New York State, public school districts pay a per pupil tuition amount to charter schools for each resident pupil who chooses to attend a charter school. Charter School Transitional Aid provides time limited State operating support to school districts to help offset a portion of these payments to charter schools. This aid helps mitigate the financial impact while school districts are adjusting their operations.

3. Full-Day Kindergarten Aid - This aid provides funding to encourage school districts to establish full-day kindergarten programs to strengthen the quality of education for five-year-old children. School districts receive this enhanced aid the first year they offer full-day kindergarten.

4. Reorganization Operating Aid - School districts currently receive additional operating aid, for a specified time period, if they merge or consolidate with another school district.

5. Academic Enhancement Aid - Academic Enhancement Aid is a formula-based aid that supports school districts that are identified by the State Education Department (SED) as districts in need of improvement for at least five continuous years as well as meeting certain financial criteria. Four high need school districts, including Syracuse, Wyandanch, Hempstead and Central Islip currently qualify for this additional funding.

II. Reimbursement-Based Formulae

The formulae in this aid category reimburse school districts for a variety of items that are essential to daily operations of schools. With this funding, school districts are able to maintain school buildings, transport students, and perform necessary administrative functions. Below are the four formulae that deliver this aid:

6. Building Aid – This aid provides State funding that allows school districts to modernize, renovate and repair existing school buildings or to address the need for increased capacity through new school construction. Building Aid provides State reimbursement of allowable costs for ongoing school capital projects, authorized by local voters, through a wealth-equalized calculation based on a district's property wealth per pupil. State funding for each approved project is provided over a period ranging from fifteen to thirty years, depending on the type of project based on an assumed amortization schedule. Additional Building Aid is also available to school districts that have merged or consolidated with another district through Reorganization Incentive Building Aid.

7. Transportation Aid - School districts receive Transportation Aid as reimbursement for approved expenses for transporting approximately 2.3 million students statewide. These essential transportation related expenses range from the purchase of school buses to operating a school district transportation office. Reimbursement is wealth-equalized with adjustments for geographic sparsity.

8. Boards of Cooperative Educational Services (BOCES) Aid – New York State has 37 Boards of Cooperative Educational Services (BOCES), which are regional consortiums of school districts that currently serve 668 school districts. BOCES Aid provides reimbursement to school

districts for services contracted through BOCES via a wealth equalized formula. BOCES services include career and technical education programs, academic intervention, curriculum development, library and media services, technology and computer support and purchasing, data processing, and numerous administrative operations. For a majority of districts, reimbursement is wealth-equalized by a district's property wealth per pupil.

III. Special Education

Foundation Aid, the State's largest unrestricted aid formula, takes into account the additional costs for educating students with special education needs via a pupil weighting for students with disabilities. In addition, the State also recognizes and provides additional State support to school districts for special situations in which students with extraordinary needs must be served sometimes outside of a standard public school classroom. The two wealth-equalized formulae that take these special situations into account are High Cost Excess Cost Aid and Private Excess Cost Aid.

9. High Cost Excess Cost Aid – This aid provides funding to school districts for costs associated with serving pupils whose disabilities require resource intensive programs operated by public school districts or BOCES.

10. Private Excess Cost Aid – This aid provides reimbursement to school districts for the costs of serving public school children placed by a committee on special education in programs that are not operated by public school districts or BOCES – primarily approved private special education providers.

IV. Special Purpose Aids

New York State has several formulae that reimburse school districts for special but essential expenses. Aid for instrumentalities of learning, including textbooks and computer software, ensures that all students are equipped with the materials necessary for a high quality education. Special Services Aid provides supplemental funding to the State's five large city school districts to ensure the existence of vital educational programs and necessary administrative support

11. Instructional Materials Aids - New York State provides annual funding for all school districts to purchase necessary instructional materials through the following formulas: Textbooks Aid, Computer Software Aid, Computer Hardware Aid, and Library Materials Aid. Typically, these formulae are not wealth adjusted (with the exception of Hardware Aid) but reimburse districts based upon their spending efforts up to a formula maximum.

12. Special Services Aid - This wealth-adjusted aid category provides supplemental funding to the State's five large city school districts (New York City, Buffalo, Rochester, Syracuse, and Yonkers), and other school districts that are not members of a regional Board of Cooperative Educational Services. Aid is provided based on: 1) a per pupil funding amount for all Career Education students in grades 10-12 enrolled in trade, industrial, technical, agricultural, health or business programs; 2) reimbursement for costs associated with data management and record keeping ranging from maintaining and reporting basic student data to maintaining a district's accounting, recordkeeping, payroll, and retirement system records; and 3) the first two components are supplemented by an additional wealth-adjusted Academic Improvement Aid.

3. Data on State Support for Postsecondary Education

Additional Submission Requirement: In an attachment to the application, identify and describe the specific State data sources that were used in determining the calculations provided above for the levels of State support for public IHEs.

The calculation of the levels of state support for New York State's public institutions of higher education (IHE) is based upon appropriations and transfers (excluding those related to tuition, fees and capital projects) as adjusted by administrative actions, made available to: the State University of New York's (SUNY) state-operated, statutory and community college campuses; SUNY's three teaching hospitals; and the City University of New York's (CUNY) senior and community colleges. The operative appropriations and other references include:

- For FY 2009 (AFY 2008-09)
 - Chapter 53 of the Laws of 2008
 - Chapter 57 of the Laws of 2008
 - Chapter 10 of the Laws of 2008
 - Chapter 114 of the Laws of 2008
 - Chapter 113 of the Laws of 2008
 - Chapter 219 of the Laws of 2008
 - Chapter 287 of the Laws of 2008
 - Chapter 496 of the Laws of 2008
 - Chapter 1 of the Laws of 2009
 - New York State Budget Policy & Reporting Manual B-1178
 - New York State Budget Policy & Reporting Manual B-1183

- For FY 2010 (AFY 2009-10)
 - 2009-10 Executive Budget (S/53-A/A.153-A)

5. Process for Awarding Funds to Public IHEs

Additional Submission Requirement: In an attachment to the application, describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions.

Funds will be provided to the State University of New York (SUNY) and City University of New York (CUNY) systems to restore community college base operating aid to the State Fiscal Year 2008-09 level of \$2,675 per full time equivalent (FTE) student, from a level of \$2,405 proposed in the 2009-10 Executive Budget. SUNY and CUNY distribute funding to individual community college campuses pursuant to sections 6304 and 6221 (respectively) of the New York State Education Law and Title 8 of the New York Compilation of Codes, Rules and Regulations (Part 602).