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AQE RELEASES NEW REPORT
"CONTRACTS FOR EXCELLENCE YEAR ONE:
GRADING THE STATE EDUCATION DEPARTMENT"

Expects More than Twice as Much Money to be Covered by
Contracts for Excellence in 2008

In four press conferences across the state, the Alliance for Quality Education released a report entitled *Contracts for Excellence Year One: Grading the State Education Department*, which evaluates the State Education Department's oversight of the 2007 Contracts for Excellence. The report praises the State Education Department (SED) for overseeing the creation of new education programs in school districts around the state, playing an assertive oversight role with school districts, and making school districts target funds to needy schools. The report determines the SED fell short in the areas of public participation, full information disclosure and meeting the needs of English language learners. The Contract for Excellence is the new accountability system designed by Governor Spitzer that ties record increases in education aid to the best educational practices. While the report makes several recommendations for improvements to the Contracts based on the findings, AQE, the Campaign for Fiscal Equity and others, note that the funding for the Contracts is scheduled to more than double next year as part of the \$1.24 billion foundation aid increase expected to be in the Governor's budget. The 2008 funding is the second installment of the state's four-year commitment to increase classroom-operating aid (called foundation aid) by \$5.5 billion.

"Our report shows that while there is room for improvement, the Contracts for Excellence are essential to the educational success of students," said Billy Easton, Executive Director, Alliance for Quality Education. "The Contracts for Excellence focus on delivering educational results. Like any other contract in the world the Contract for Excellence ties funds to results. The increase of \$1.24 billion expected in 2008 means we can expect school districts to deliver more in terms of educational results."

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The report finds that the New York State Education Department (SED) required districts to target funds to students in low performing schools, students with disabilities, English language learners and students from low income families. These students—as defined by law—are students with the greatest educational needs. However, the report also points out SED's shortcomings surrounding public participation and transparency requirements.

Key Findings in *Grading the State Education Department*

- A wide variety of education reforms were implemented across the state under the Contracts for Excellence.
- School districts were required to target 75% of Contract for Excellence funds to schools with the highest concentrations of high need students and to guarantee that all low performing schools received a fair proportion of total Contract dollars.
- The State Education Department played an effective oversight role by requiring several districts, most notably New York City, to reallocate funds within their Contracts.
- Very few districts articulated in their Contracts specific programs to meet the needs of English language learners despite the fact that over 200,000 English language learners are in our schools.
- Eighty-nine percent (89%) of school districts did not comply with the public participation requirements of the Contracts for Excellence.
- The State Education Department, and most school districts, fell considerably short of full disclosure of Contract for Excellence documents and procedures.

“This year’s Contracts for Excellence represent a good start, but must be strengthened with meaningful public participation, greater transparency and accessibility of plan and program information, and contract development that is integrated into school budget planning,” said Geri Palast, Executive Director, Campaign for Fiscal Equity. “For the Contracts to produce results, the school districts must receive the necessary funding, \$1.24 billion new dollars this year, and policymakers, school officials, parents and students must have the tools and information guaranteed in the education reform law.”

“There is an urgent need to raise graduation rates in Albany and the Contract for Excellence is an effective tool to help make that happen,” said Ivette Alfonso, an Albany public school parent representing Citizen Action of New York. “Unfortunately, due to the fact that the state does not pay its fair share of charter school costs Albany did not have to complete a Contract for Excellence in 2007. We are calling for the state to pay its fair share for charter school costs for districts like Albany by adding \$20 million in Charter school impact aid and to ensure that Albany completes a Contract for Excellence.”

"Students who leave middle school unprepared for high school level work are much more likely to drop out of high school," said Enrique Palazon of the Coalition for Educational Justice. "The Coalition for Educational Justice and the Alliance for Quality Education believe that we need to invest in our struggling middle schools in New York City to improve graduation rates. Middle school reform is supposed to be part of the Contract for Excellence, we want our voices heard. The Contract must include a significant investment to improve our struggling middle schools."

"Albany is paying an unfair burden for charter schools as a result we have no Contract for Excellence this year," said Bill Ritchie, guidance counselor from Hackett Middle School in Albany and a representative of the Albany Public School Teachers Association. "We want the Contract for Excellence, but we cannot have it because of the massive amount of dollars being diverted out of our public schools and into charter schools. The bill is going to Albany's taxpayers and it should be going to New York State that is why we are calling for an additional \$20 million in charter school impact aid for Albany and other districts that have high concentrations of charter schools."

The 2007 Contracts for Excellence expenditures statewide totaled \$428 million in 55 school districts with schools the state has classified as needing improvement. The Governor and Legislature enacted legislation this year that commits the state to a \$7 billion four-year phased-in increase in education aid. AQE estimates that approximately \$500 million additional dollars will be covered by the Contracts for Excellence as a result of the 2008 state budget, more than doubling the total funds covered by the Contracts.

The report can be found online at www.aqeny.org