

Supporting School Success



Draft Proposal on State Aid to School Districts for School Year 2000-01 *New York State Board of Regents*

The New York State Education Department
The State Aid Work Group
November 1999

Contents

Executive summary	1
How are we doing?	2
Support for the standards must be fair and effective.....	12
Goals of the Regents State Aid proposal	12
How we will achieve these goals.....	13
Provide more resources to high need school districts.....	13
Promote successful practices for improving academic performance	
Strengthening teaching	14
Ensure school success through extra time and extra help	14
Ensure the use of cost-effective methods in providing educational services.....	16
Provide additional accountability for the use of resources to achieve greater student achievement	16
Appendix	18
Discussion papers to develop the Regents 2000-01 proposal on State Aid to school districts	19
School finance for high performance—selected articles	20
Data sources.....	22
Definition of terms	23

**Draft Proposal on
State Aid to School Districts
for School Year 2000-01
New York State Board of Regents**

The Regents proposal seeks to build public consensus for a multi-year effort to ensure that school funding supports the attainment of higher standards by all students, and that school districts use both State and local resources in a cost-effective manner. The apportionment of State funding to school districts should support the fair distribution of the resources needed to enable all students to meet high learning standards, and should be understandable to the public.

It recommends:

- Targeting aid to high need school districts by:
 - Adjusting Operating Aid for cost and need differences and
 - Raising the cap on operating aids for high need school districts; lowering the cap for low need school districts
 - Providing additional accountability for those school districts where students are not successfully achieving high standards
- Strengthening teaching in schools with concentrations of student poverty by using *Operating Standards Aid* to attract and retain qualified teachers, in such schools, including sustained high quality training focused on subject content and teaching skills
- Ensuring school success through extra time and help by:
 - Restructuring the existing *Educationally Related Support Services Aid* by focussing it on academic intervention and support with a new, standards-oriented name, *Academic Intervention Services Aid* and
 - Enriching aid for summer school and alternative education programs and allowing aid to be paid for transportation to summer school
- Ensuring that students and school staff are effective users of ideas and information that support the curriculum by upgrading school library media programs through creation of a new *School Library Media Program Support Aid*, including the existing aid for library materials

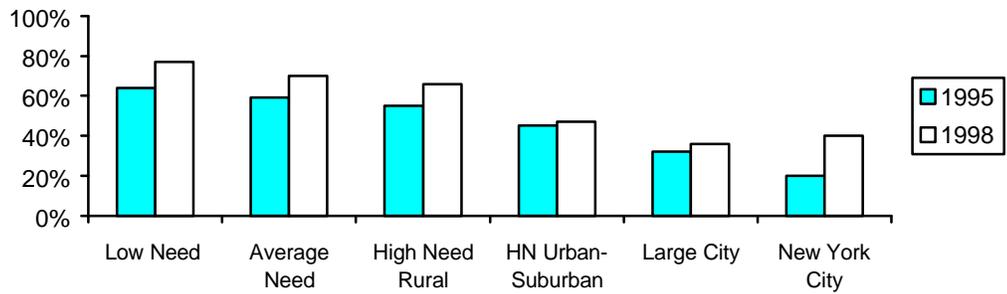
How Are We Doing?

Everyone Is Improving

In the initial stages of implementing higher standards for all of New York’s school children, there are signs that students throughout New York State are making significant progress toward meeting higher learning standards.

Between 1995 and 1998, one of the largest improvements occurred on the Regents English Examination, the first examination to be required under the new graduation standards. (See Figure 1.)

Figure 1. Percent of Average Grade Enrollment Passing the Regents English Examination--1995 and 1998



Increased learning is occurring in districts around the State, regardless of local fiscal capacity and regardless of the percentage of students from poverty backgrounds. Achievement in school districts with the least student poverty and the greatest fiscal capacity is reaching impressive levels.

As of June 1999, 78 of 100 general education students statewide who first entered ninth grade three years earlier scored 55 or greater on the Regents English Examination (see Figure 2). Outside of the Big Five city school districts, the same figure is 91 of 100 general education students (Figure 3).

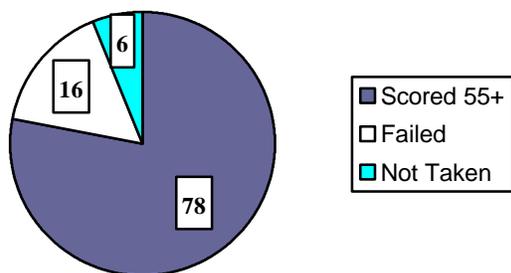


Figure 2. Achievement of General Education Students **Statewide** Who First Entered Ninth Grade in September 1996 (As of June 1999)

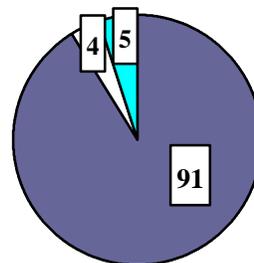
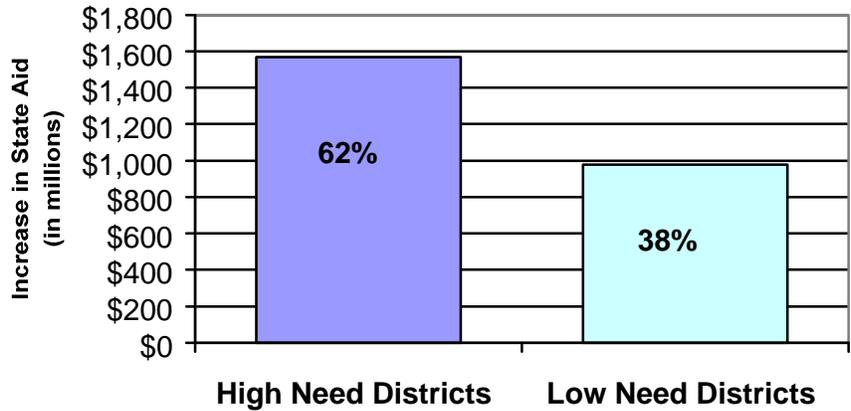


Figure 3. Achievement of General Education Students **Outside the Big Five** Who First Entered Ninth Grade in September 1996 (As of June 1999)

The Legislature and Governor have added unprecedented increases in State Aid over the past three years, and much of those increases has been focused on those districts with student populations that have the farthest to go to meet the new standards (see Figure 4).

Figure 4. Estimated Change Over The Last Three Years



There Is a Performance Gap

Despite these important gains, significant gaps in student achievement continue to present challenges to educators and policy makers. In the Big Five city school districts, for example, in June 1999 only 56 of 100 general education students who first entered ninth grade three years earlier scored 55 or greater on the Regents English Examination (see Figure 5). About 33 of every 100 general education students had not taken the exam because they typically are held back and take longer to graduate. In contrast to the 91 students who met this standard in the rest of the State. Schools around the State with high concentrations of students living in poverty face more challenges in reaching the State's higher learning standards. Poor students continue to be more likely to attend schools with fewer resources.

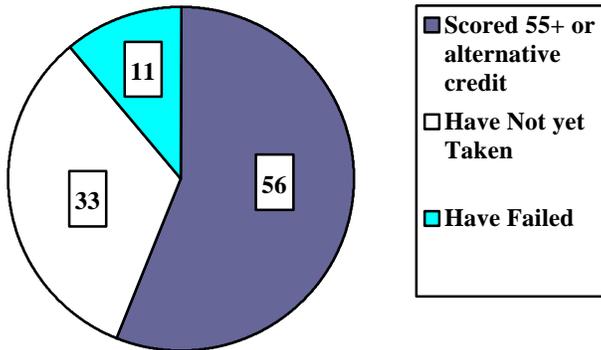


Figure 5. Achievement of General Education Students in the Big Five Who First Entered Ninth Grade in September 1996 (As of June 1999)

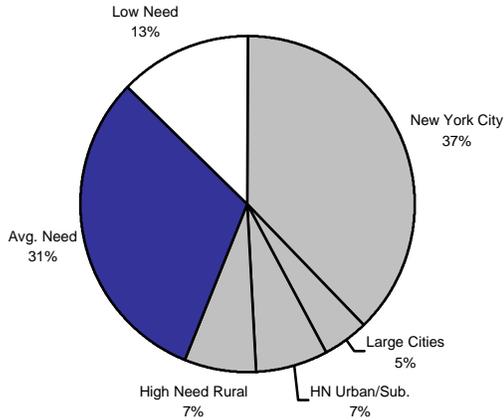


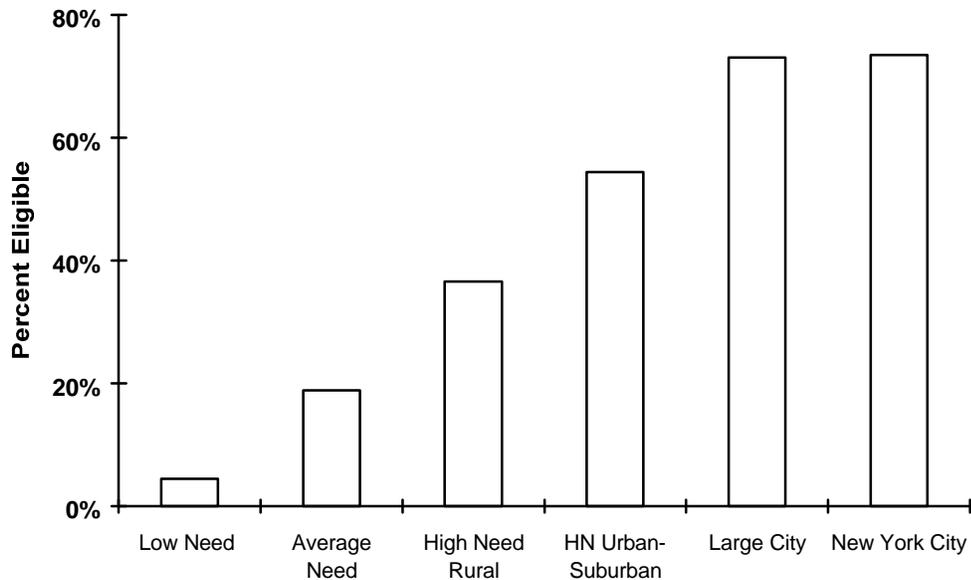
Figure 6. Enrollment by School District Need Categories (Fall 1997)

A majority of the State's children attend schools with high concentrations of student poverty. Fifty-six percent of public school students attend school in high need school districts (Figure 6). (See the appendix for a definition of high need school district categories and other terms.)

Student poverty varies dramatically in New York State school districts. Figure 7 shows that three out of every four students in the Big Five city school districts come from a poverty background. In contrast,

among the 133 school districts statewide classified as "low need," only one of every twenty students comes from a poverty background.

Figure 7. Student Poverty Varies in New York State School Districts -- Free/Reduced Price Lunch Eligibility—Fall 1997

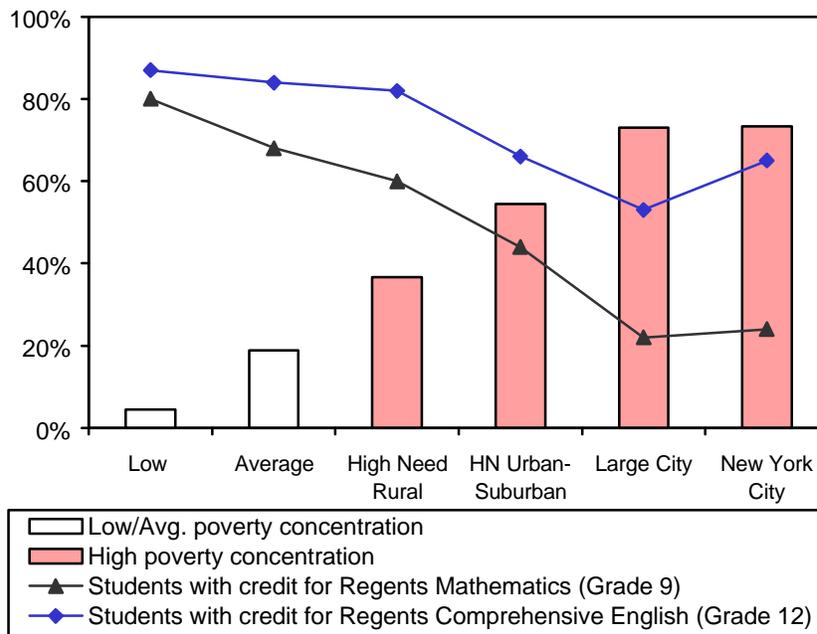


Concentrations of Poverty Affect Student Performance

Performance in mathematics and English gets worse as the concentration of student poverty increases. (See Figure 8.)

The Large City Districts had the smallest percentages of students passing Regents English and Mathematics Exams.

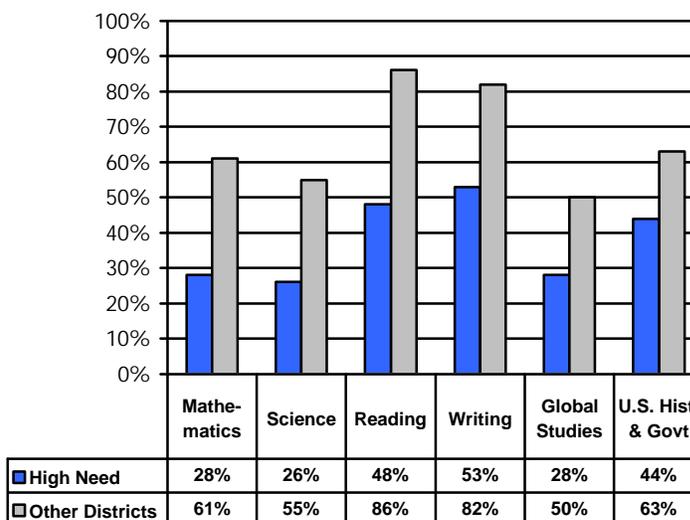
Figure 8. Student Performance in English and Mathematics By School District Need Status (January and June 1998)



I

Figure 9. Students with Disabilities in High Need School Districts Perform Significantly Worse Than Their Counterparts in Other School Districts (May 1998)

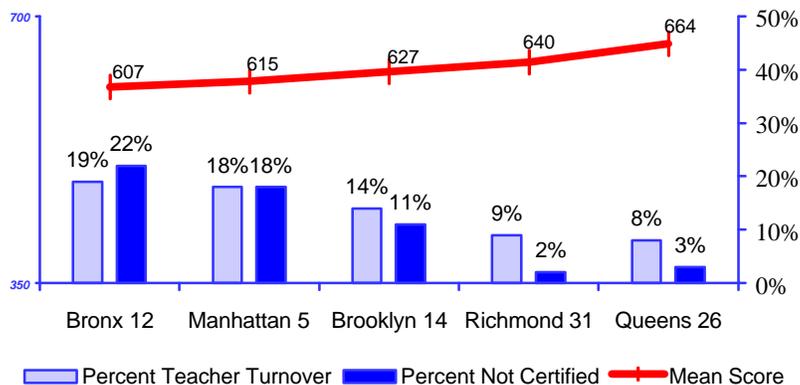
In high need school districts, students with disabilities were less likely to pass the less demanding Regents Competency Tests than students with disabilities in other districts. (See Figure 9.) This disparity was most pronounced for Competency Tests in Reading and Mathematics.



Resources Support Achievement

A relationship between selected teacher quality characteristics and student achievement is illustrated by data from community school districts within New York City. Figure 10 shows that schools with less teacher turnover and fewer uncertified teachers had higher average performance on the fourth grade English Language Arts (ELA) examination.

Figure 10. Grade 4 ELA Results and Fall 1996 Teacher Characteristics in New York City Districts

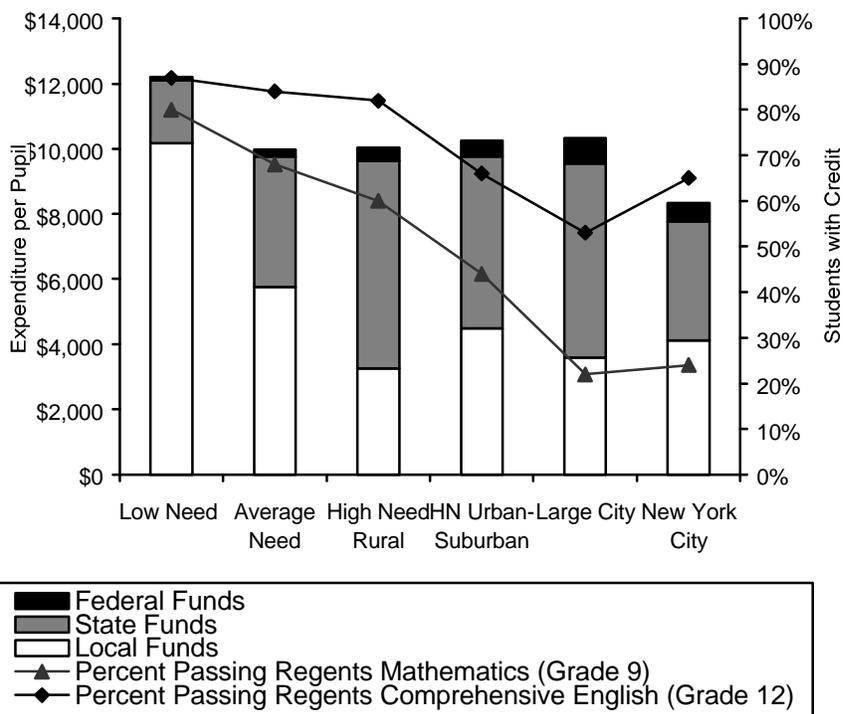


Low need school districts spent the most per pupil and had the highest student achievement. (See Figure 11.)

The spending of other high need city school districts was near the statewide average, but was not sufficient to raise achievement, given their high student needs.

New York City spent less than the other large cities, despite its higher regional costs.

Figure 11. Expenditure per Pupil and Student Achievement by School District Need Status (January and June 1998)



State Aid and Local Resources Must Be Better Focused on Closing the Gap in Student Achievement

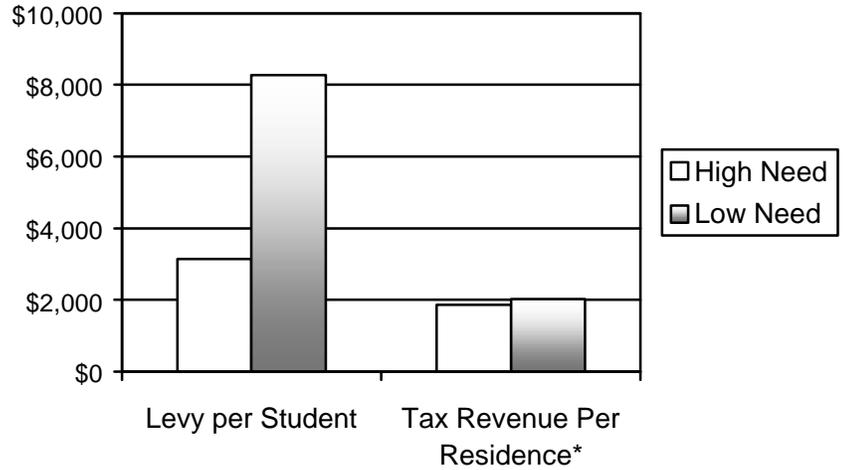
Wealthy school districts raise far more money than poor districts with the same tax effort. Figure 12 illustrates the need for wealth equalization in State financing systems. It shows that high need districts raise less than half as much as low need districts, but make the same tax effort.

High need school districts have limited fiscal capacity with which to meet their significant student needs.

New York City is a high student-need school district that has average fiscal capacity. However, unlike most other districts of similar wealth, New York City has far higher concentrations of students living in poverty

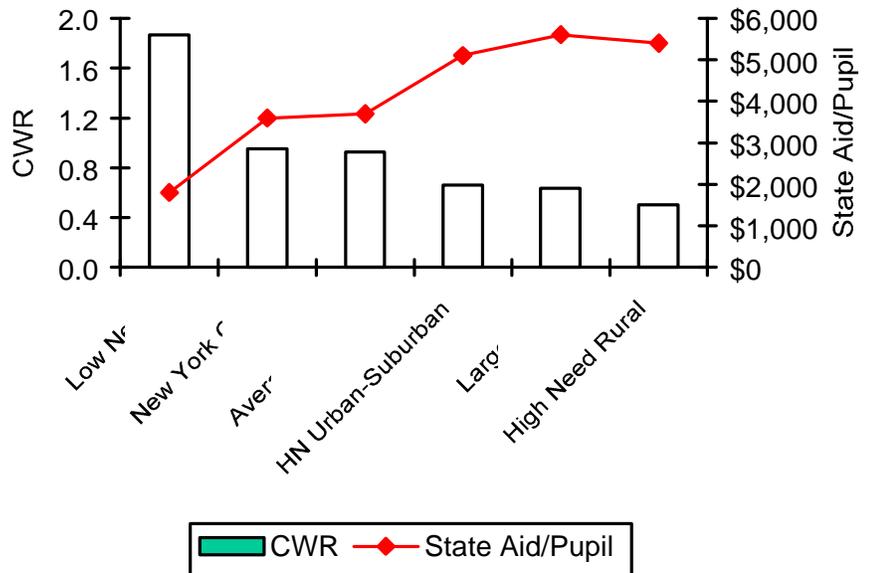
State Aid is intended to increase as school districts' ability to support education declines; State Aid is the *mirror image* of district fiscal capacity. This principle of wealth equalization is shown in Figure 13. It shows the lower the district fiscal capacity, the more the State Aid.

Figure 12. Revenue Data for High and Low Need School Districts (1997-98 est.)



*Using the statewide average selling price of a single-family home

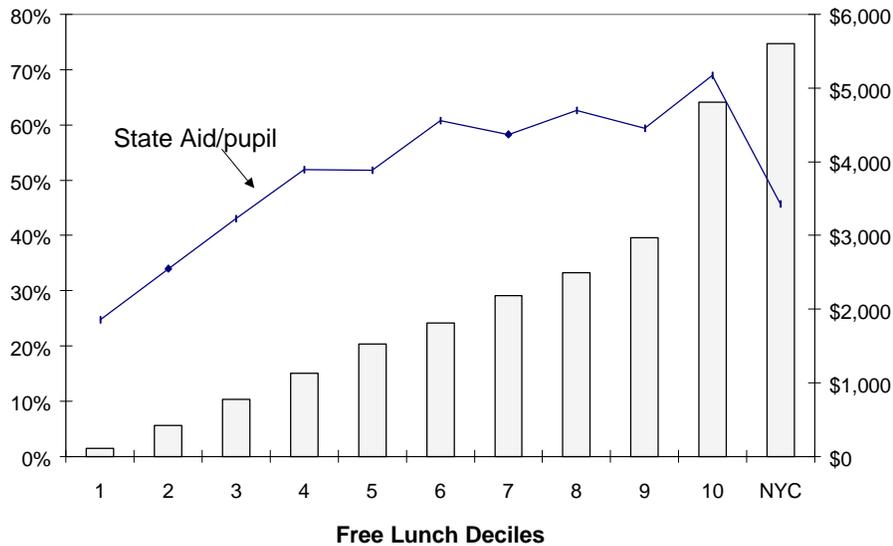
Figure 13. State Aid Per Pupil Compared With Combined Wealth Ratio (February 1999)



State Average
CWR: 1.000
Aid/pupil: \$3700

Although some State Aid formulas incorporate measures of student need, overall State Aid is only moderately related to student poverty. Figure 14 shows that State Aid per pupil is not related to student poverty at higher poverty levels.

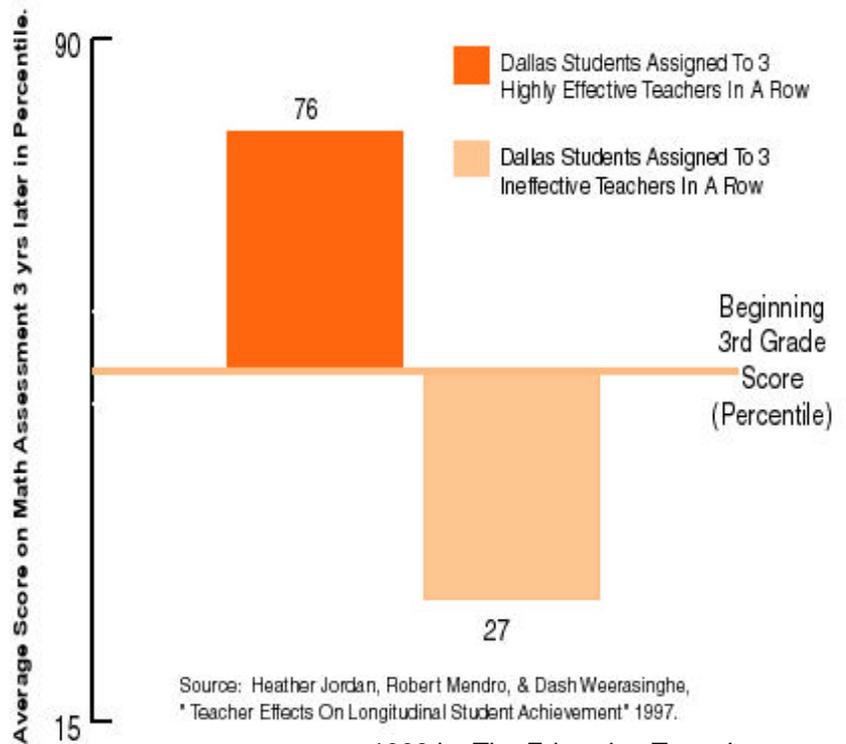
Figure 14. State Aid/Pupil Compared With Student Poverty (Lunch Program Eligibility) (February 1999)



Teachers Make a Difference—a Big Difference

Figure 10 (page 6) showed that teacher stability and preparation can relate to student achievement. Figure 15 shows the effects on student achievement in mathematics of effective and ineffective teachers in a Texas school district. Achievement soared for students assigned to three highly effective teachers in a row. The achievement of students assigned to three ineffective teachers in a row declined markedly. They appear to know *less* following three years of education.

Figure 15. Effects On Students' Math Scores In Dallas (Grades 3-5)



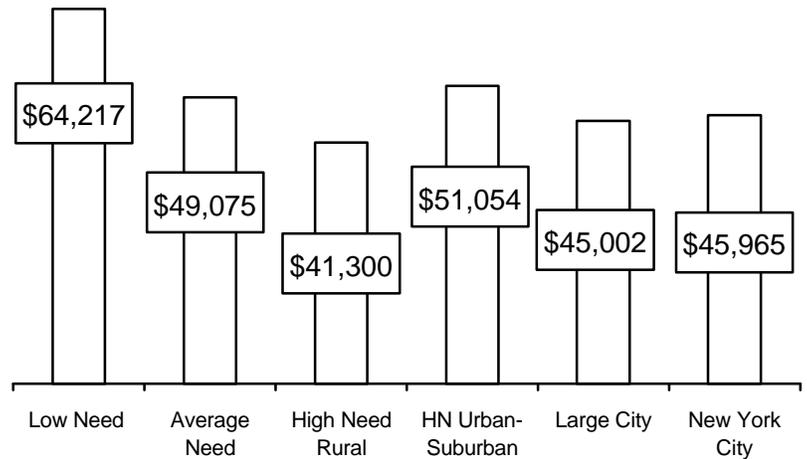
Source: Heather Jordan, Robert Mendro, & Dash Weerasinghe, "Teacher Effects On Longitudinal Student Achievement" 1997.

1998 by The Education Trust, Inc.

Teacher salaries are low in many high need schools (see Figure 16). This puts them at a competitive disadvantage with more affluent neighbors.

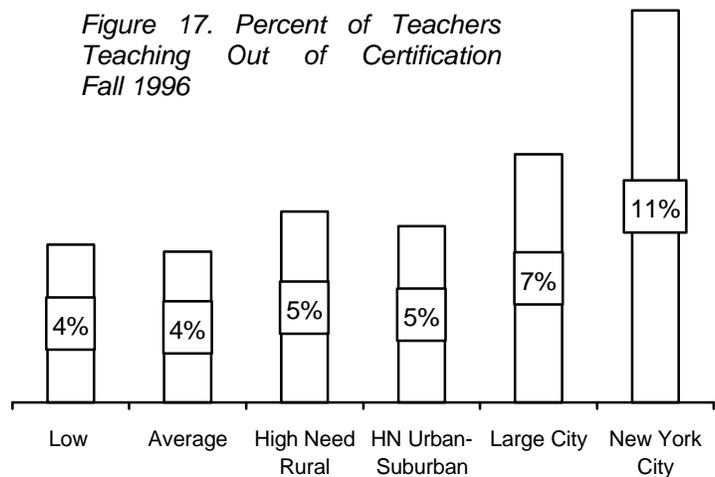
The Big Five city school districts have consistently lower teacher salaries than do surrounding suburban districts.

Figure 16. Median Teacher Salary by School District Need Status (Fall 1996)



Teachers in the New York City school district are more likely to be teaching outside their area of expertise (Figure 17).

Figure 17. Percent of Teachers Teaching Out of Certification Fall 1996

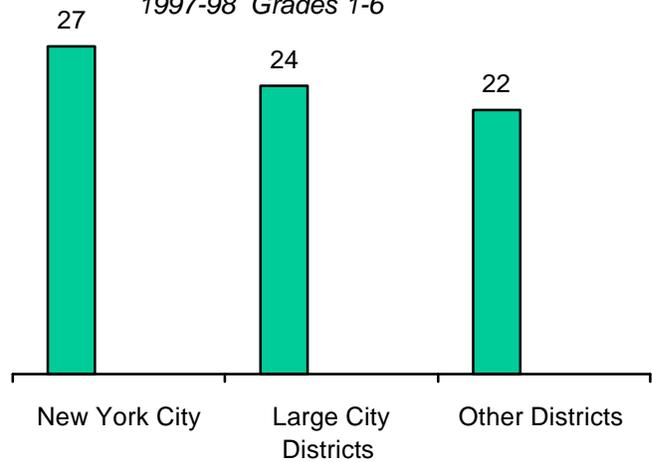


Personal Attention and Access to Knowledge and Ideas That Support the Curriculum Are Important to Attaining High Learning Standards

In addition to effective teachers, students in high need school districts are more likely to lack other resources they need to master a higher standards curriculum. This is especially true for high need school districts where high costs and/or student needs result in the education dollar being worth less.

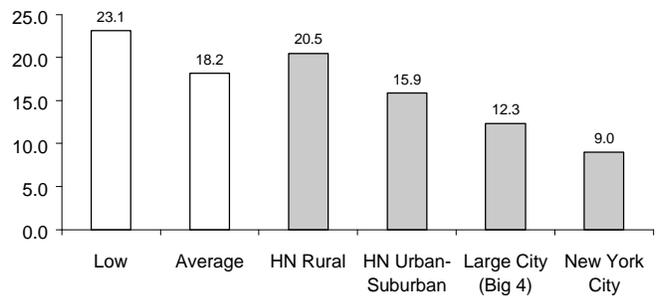
Class sizes in New York City were substantially larger than classes in other school districts. Classes in Large City Districts were larger than classes in districts outside the Big Five (see Figure 18). Teachers with larger classes have less time to devote to students needing extra help.

Figure 18. Contrasts in Class Size 1997-98 Grades 1-6



Urban high need school districts have fewer library books than other districts (Figure 19).

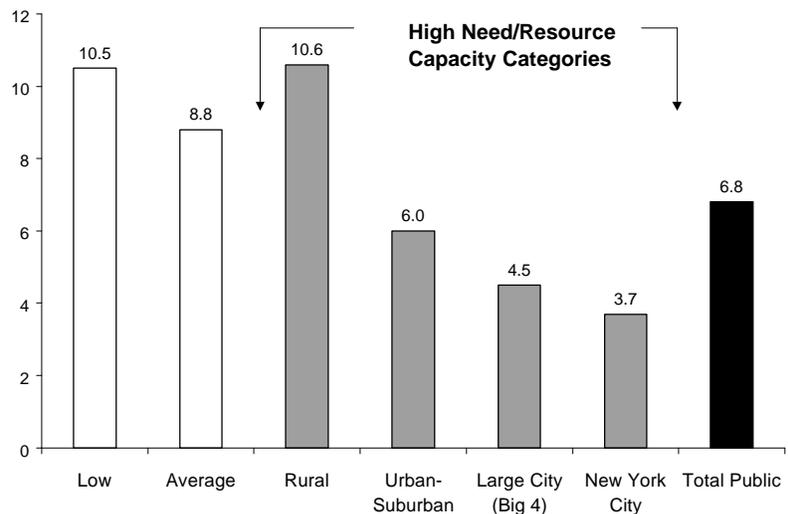
Figure 19. Number of Library Books Per Student (Fall 1997)



Students attending New York City public schools have less than half the library books that students have who attend average and low need school districts.

Figure 20. Number of New Generation Microcomputers Per 100 Students (Fall 1997)

Figure 20 shows that students in high poverty urban school districts have fewer computers and less Internet access to support instruction.



Conclusion

In conclusion, in spite of the gains made in the last three years, the data on student achievement and school resources illustrate:

- A gap in student performance
- A gap in school spending
- A revenue picture that suggests school revenues are not appropriately focused on those students who have the farthest to go to meet the standards

Attaining higher standards requires using school funding to improve instruction. This will involve providing extra help and time for students that need it, while giving all students the basic resources necessary to meet high standards: qualified teachers and principals with the time to meet students' needs and with opportunities to build their skills; and instructional materials that are current.

The Regents State Aid proposal seeks to ensure that funding supports the attainment of higher standards by *all* students. Without a serious commitment to use resources for high performance in all school buildings, the achievement of the 56 percent of New York State's students attending school in high need districts will not change appreciably.

Support for the Standards Must be Fair and Effective

The Regents proposal seeks to ensure that school funding supports the attainment of high standards by all students, and that school districts use both State and local resources in a cost-effective manner. The apportionment of State funding to school districts should support the fair distribution of the resources needed to enable all students to meet high learning standards, and should be understandable to the public.

The proposal seeks to establish a firm public consensus for the implementation of the concepts advanced over several years. The Regents will pursue support for cost-effective methods that close the gap in student achievement while at the same time evaluating and adjusting aid formulas to create a funding system that is both fair and effective. The proposal makes specific recommendations for the first step toward this goal and advances more general recommendations for implementation in the coming years. The goal is to eliminate 90 percent of the achievement gap among schools within five years.

Goals of the Regents State Aid Proposal

In order to support high achievement by all students, New York State will need to use school revenues differently than in the past. Specifically it will need to:

- Provide more resources to school districts with high concentrations of needy pupils and low fiscal capacity;
- Evaluate and adjust existing aid programs to move toward a system that is fair and effective;
- Promote successful practices for improving academic performance; and
- Ensure the use of cost-effective methods in providing educational services.

Beyond these specific funding goals, there are broader goals behind the Regents proposal. There are many benefits to all New Yorkers of funding high performance for all students.

- As standards increase and schools have the resources to meet them, the level of learning in New York State will rise.
- Costs for remediating failure in schools will decline.
- Graduates of New York State's schools will be more prepared to meet the challenges of work, postsecondary education and parenting.
- Related costs for public assistance, health and social services, and criminal justice will diminish.

- The State's productivity will rise. As well educated New Yorkers work more they will be able to generate more income taxes and sales taxes, thus enabling reduced tax burdens for all New Yorkers.

If learning doesn't improve, the added costs of not meeting these goals will become a burden to all New Yorkers.

How We Will Achieve These Goals

Provide More Resources to High Need School Districts

Analyses of public school district finances in New York State have over the years necessarily emphasized the diverse nature of school district fiscal characteristics. This diversity includes:

- Income and property wealth, the two commonly used determinants of school district fiscal capacity;
- The cost of doing business;
- The characteristics of students; and
- Tax effort and tax yield.

The principle underlying recommendations to target State Aid is cost-effectiveness. New York State as a whole must get maximum results for all students with resources that are available. The task is to align resources in ways that research and practice show will produce the best achievement gains. While progress for all of the State's students is of interest and concern, the State's focus should necessarily be on school districts with the greatest achievement gap.

The Regents recommend that New York State:

- Continue to adjust State Aid on the basis of school district fiscal capacity. In addition, adjust Operating Aid to reflect regional cost differences and the added costs of ensuring that high need pupils achieve the same high academic standards as the rest of New York State's pupils.
- Phase out limits on year-to-year increases in State Aid. In the first year, increase aid to high need districts by raising the cap on operating aids for school districts with high poverty and low fiscal capacity; reduce the cap for school districts with low poverty and ample fiscal capacity.

Promote Successful Practices for Improving Academic Performance

Strengthening Teaching

The single most important education resource affecting student achievement is effective teaching. A variety of research shows positive relationships between teacher quality, teacher knowledge of the subject matter to be taught, percentage of teachers with master's degrees, and class size with student achievement. In order to build the capacity of the State's teaching workforce, the Regents recommend that State Aid help school districts to:

- Establish salary scales that allow them to attract and retain qualified teachers. This will require paying operating aids in a manner that recognizes differences in costs, student need and fiscal capacity;
- Provide highly qualified teachers and principals for all students. Provide incentives to teach in high poverty schools by targeting aid to high need school districts and requiring *Operating Standards Aid* to be used to attract and retain qualified teaching and administrative personnel; and
- Make teachers successful through sustained high quality training focused on subject content and teaching skills. Build the capacity of teachers to teach a high standards curriculum to diverse students by increasing *Operating Standards Aid*.

Ensure School Success Through Extra Time And Extra Help

Throughout their elementary and secondary education, many students will need additional instructional time to master aspects of the curriculum. A variety of alternatives should be available to provide many avenues for learning to occur. State Aid to school districts should be enriched to ensure a strong State partnership in funding these extra-time efforts of school districts to meet the standards. The Regents recommend strengthening State support for school districts in the following key areas.

- Additional instructional time, including academic intervention services, summer school, tutoring for all students who need extra time and help to meet the standards and language instruction for students with limited English. Increase funding for the existing *Educationally Related Support Services Aid* Program and rename it as *Academic Intervention Services Aid* to emphasize the greater focus on additional instructional assistance to meet the State's standards.

- Additional support services, including counseling, family outreach, physical therapy, occupational therapy and speech therapy linked to student success would also be available to students with *Academic Intervention Services Aid*.
- Aid for summer school attendance and transportation to summer school programs. Recommendations include: enriching aid for summer school attendance, allowing *Transportation Aid* to be paid for transportation to summer school programs, and raising the cap on operating aids for the highest need school districts to allow aid to flow to school districts with high student needs and limited fiscal capacity.
- Support for students attending non-public schools that adopt the Regents standards and graduation requirements through expanded access to programs providing professional development and academic intervention services.
- Access for all students enrolled in public schools to library materials and services provided by qualified staff by broadening the existing apportionment for library materials based on public school district enrollment into a *Public School District Library Media Program Support Aid*. The apportionment for public school students would be targeted to schools with concentrations of student poverty.

Ensure the Use of Cost-Effective Methods in Providing Educational Services

The goal of the Regents proposal is to achieve greater cost-effectiveness in school funding. Each recommendation is selected to increase the capacity of the school system to attain high learning standards for all students. This strategy would be remiss if it didn't acknowledge the considerable gains that school districts can make by using existing resources in ways that produce achievement gains. The following recommendations are made to emphasize the importance of this area of endeavor.

- Develop strategies that target resources for high performance with school districts participating in the Comprehensive District Education Planning pilot.
- Provide school leaders with tools to help target resources for high performance in a series of cost-effectiveness workshops with school business officials in 1999.
- Focus research sponsored by the Regents and conducted by the Educational Finance Research Consortium on identifying effective resource allocation strategies in high poverty schools and school districts.

Provide Additional Accountability for the Use of Resources to Achieve Greater Student Achievement

Successful school districts use resources in ways that contribute to high student achievement. For school districts whose student achievement falls below State standards, additional accountability should ensure that resources are being used in a manner that is most likely to support gains in student achievement. School districts falling below the standards:

- Should be required to participate in school district comprehensive educational planning to focus available resources on raising student achievement
- Should be assisted by State monitoring that builds upon program accountability procedures for registration review. This risk-assessment model of accountability provides levels of monitoring commensurate with district need, as evidenced by student achievement. For districts with student achievement below State standards, fiscal information should be gathered that:
 - Assesses the cost-effectiveness of the district's plan to use available resources for improving student achievement

- Evaluates how districts target funding to high need schools
- Assesses the district's ability to achieve the goals stated in their plan
- Assesses the appropriateness of validated programs to meet the performance deficiencies identified

Appendix

- ❖ Discussion papers to develop the Regents 2000-01 proposal on State Aid to school districts
- ❖ School finance for high performance—selected articles
- ❖ Data sources
- ❖ Definition of terms

***Discussion Papers to Develop
the Regents 2000-01 Proposal on
State Aid to School Districts***

- April 1999: Strategies for State Aid—Short and Long-term
Overview of State Aid History—New York and the Nation
- June 1999: Student Achievement, Pupil Need and State Aid
- July 1999: Linking Funding and Successful Strategies for High Student
Achievement. A Report on Funding Equity and Adequacy,
Other State Efforts to Provide Adequate Funding and Linking
Funding and Successful Strategies to Raise Student
Achievement
- Selected Articles on School Finance to Support High
Learning Standards
- September 1999: Moving Towards Adequacy: Recognizing High Cost Factors
in the Financing of Public Education
- The Educational Finance Research Consortium Begins
Three Condition Studies
- Article from the research literature: Peternick, L., Smerdon,
B.A., Fowler, Jr., W. and Monk, D.H. Using Cost and Need
Adjustments to Improve the Measurement of School Finance
Equity. *Developments in School Finance*, 1997, 151-168.
- Comparison of Legislative Action for 1998-99 with the Re-
gents Proposal, Governor's Proposal and Legislative Action
on State Aid to School Districts for School Year 1999-00
- October 1999: School District Local Tax Effort
- State Aid Recommendations to Build the Capacity of
Teachers to Meet High Learning Standards
- Ensuring School Success Through Extra Time and Help

School Finance for High Performance Selected Articles

Clune, W. H. Educational Adequacy: A Theory and Its Remedies. *University of Michigan Journal of Law Reform*, 1995, No. 3, pp. 481-491.

Clune, W.H. The Shift From Equity to Adequacy in School Finance. June 1993. Also published in Vol. 8 *Educational Policy* No. 376, 1994.

Duncombe, W. and J. Yinger. Performance Standards and Educational Cost Indexes: You Can't Have One Without the Other. Prepared for a conference sponsored by the Committee on Education Finance, National Research Council, Irvine, California, January 30-31, 1998.

Guthrie, J. W. and R. Rothstein. Enabling "Adequacy" to Achieve Reality: Translating Adequacy into State School Finance Distribution Arrangements. In *Equity and Adequacy in Education Finance*, edited by H.F. Ladd, R. Chalk and J.S. Hansen. Washington, D.C. 1999, National Academy Press, 1999.

Haycock, K. Good Teaching Matters...A Lot: How Well-Qualified Teachers Can Close the Gap. *The Education Trust*, Vol.3, Issue 2, Summer 1998.

Hickrod, G.A. and F. C. Genge. The "Quadriform" and the Curriculum: An Approach to Economic Efficiency in the Public Schools. *Journal of Education Finance*, 20, Fall 1994, pp.209-221.

Levin, H. Economics of school reform for at-risk students. In E.A. Hanushek and D.W. Jorgenson (Eds.), *Improving America's Schools: The role of incentives* (pp.225-240). Washington, D.C.: National Academy Press, 1996.

Levin, H. Raising school productivity: An X-efficiency approach. *Economics of Education Review*, 16(3), 303-311, 1997.

Madden, N.A., R.E. Slavin, N.L. Karweit, L.J. Dolan and B.A. Wasik. Success for All Longitudinal Effects of a Restructuring Program for Inner City Elementary Schools. *American Educational Research Journal*, Spring 1993, V. 30, No. 1, pp. 123-148.

K.H. Miles. Freeing Resources for improving Schools: A Case Study of Teacher Allocation in Boston Public Schools. *Educational Evaluation and Policy Analysis*, 1995, V.17, No.4, pp.476-493.

Odden, A. "Creating School Finance Policies That Facilitate New Goals," *CPRE Policy Briefs*, September, 1998.

Odden, A. Improving State School Finance Systems: New Realities Create Need to Re-Engineer School Finance Structures. CPRE Occasional Paper Series OP-04. Consortium for Policy Research in Education, University of Pennsylvania, Philadelphia, PA, 1999.

Odden, A. and C. Busch. Reallocating Education Dollars to Improve Results. *Financing Schools for High Performance—Strategies for Improving the Use of Educational Resources*. San Francisco: Jossey-Bass Publishers, 1999, pp.163-186.

Peternick, L. B. A. Smerdon, W. Fowler, Jr. and D. H. Monk. Using Cost and Need Adjustments to Improve the Measurement of School Finance Equity. *Developments in School Finance*, 1997, 151-168.

Reschovsky, A. and J. Imazeki. Does the school finance system in Texas provide students with an adequate education? Paper presented at the American Educational Finance Association Conference in Seattle, Washington, March, 1999.

R. E. Slavin. How Can Funding Equity Ensure Enhanced Achievement? *Journal of Education Finance*, Spring 1999, Vol. 24, pp. 519-528.

B.A. Wasik and R.E. Slavin. Preventing early reading failure with one-to-one tutoring: A review of five programs. *Reading Research Quarterly*, 1993, v. 28, pp. 179-200.

Data Sources

New York State Education Department (1999). Annual Report of the Regents to the Governor and the Legislature on the Educational Status of the State's Schools. Albany, New York.

New York State Education Department (1999). State Aid Database, February 1999.

New York State Education Department (1998). School Facilities Database.

New York City Board of Education. School facilities data, 1998.

New York State Education Department (1998). State Aid to Schools: A Primer.

Definition of Terms

- ***District wealth***: Also known as *fiscal capacity*. Measures of district wealth are used in many State Aid formulas and can represent:
 - Income and property wealth combined, known as the Combined Wealth Ratio (CWR)
 - Property wealth
 - Income wealth
- These are measures of the district's ability to raise revenues locally.
- ***Student need*** is referred to in many NYSED materials. This generally refers to the following:
 - ***Need/Resource Capacity***. This is each district's percent of students with extraordinary need in relation to its ability to raise revenues locally.
- For the purposes of State Aid, ***high need school districts*** are districts with high concentrations of students with extraordinary needs and low fiscal capacity, as measured by high Need/Resource Capacity.
- For the purposes of State Aid, ***students with extraordinary needs*** includes students in poverty (as measured by student eligibility for K-6 free and reduced price lunch programs), limited English proficient students and students living in geographically sparse areas of the State.

Source: New York State Education Department (1999). Annual Report of the Regents to the Governor and the Legislature on the Educational Status of the State's Schools. Albany, New York, Table 3.1, page 70.

NEED/RESOURCE CAPACITY CATEGORY DEFINITIONS

The need/resource capacity index, a measure of a district's ability to meet the needs of its students with local resources, is the ratio of the estimated poverty percentage¹ (expressed in standard score form) to the Combined Wealth Ratio² (expressed in standard score form). A district with both estimated poverty and Combined Wealth Ratio equal to the State average would have a need/resource capacity index of 1.0. Need/Resource Capacity (N/RC) Categories are determined from this index using the definitions in the table below.

Need/Resource Capacity Category	Definition
New York City	New York City
Large City Districts	Buffalo, Rochester, Syracuse, Yonkers
High N/RC Districts	All districts at or above the 70th percentile (1.181) who meet one of the following conditions: 1) more than 100 students per square mile or 2) have an enrollment greater than 2,500 and more than 50 students per square mile.
Urban-Suburban	
Rural	All districts at or above the 70th percentile (1.181) who meet one of two conditions: 1) fewer than 50 students per square mile or 2) fewer than 100 students per square mile and an enrollment of less than 2,500.
Average N/RC Districts	All districts between the 20th (0.785) and 70th (1.181) percentile on the index.
Low N/RC Districts	All districts below the 20th percentile (0.785) on the index.

¹ **Estimated Poverty Percentage:** A weighted average of the 1991 kindergarten through grade 6 percent free/reduced price lunch percentage and the 1990 Census poverty percentage. (An average was used to mitigate measurement errors in each measure.) The result is a percentage that more closely approximates the percentage of children eligible for free- or reduced-price lunches than the percentage below the federally established poverty line.

² **Combined Wealth Ratio:** The ratio of district wealth per pupil to State average wealth per pupil, used in the 1994-95 Governor's proposal.