



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY,
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TO: P-12 Education Committee
College and Career Readiness Working Group

FROM: John B. King, Jr.
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SUBJECT: Options for Funding the Regents Examination System

DATE: May 10, 2011

AUTHORIZATION(S):

SUMMARY

Issue for Action

How do we ensure the continued fiscal viability of the Regents Examination Program given the anticipated shortfall in funding?

Reason(s) for Consideration

Review of policy

Proposed Handling

The question will come before the P-12 Education Committee and the College and Career Readiness Working Group at its May 2011 meeting where it will be discussed and action taken.

Background Information

There has been a structural imbalance between our available resources and the costs of administering the Regents examination program for several years. Federal carryover funds have been used to fill the gap. These funds are now depleted. To address this imbalance in 2010-11, in June 2010, the Board approved a number of actions that are projected to reduce costs for the NYS assessment program by more than \$6 million, including elimination of Grade 5 and 8 social studies exams, Grade 8 Second Language Proficiency exams, component retesting in Math and English Language Arts, High school foreign language Regents exams in German, Hebrew and Latin, and August Algebra2/Trigonometry and Chemistry exams. The Department also continued cost saving strategies that were implemented in 2009-10 that reduced operation costs by over \$4.0 million. In addition, the 2010-11 State Budget provided for a one-time revenue transfer of \$2.5 million from a Special Revenue account into a newly created Education Assessment account. These revenues were used to restore the proposed cuts of the January administration of Regents exams, exam translations, and the high school foreign language exam in Italian.

For 2011-12, the Board of Regents requested \$15 million in General Fund support for the Regents examinations. The enacted State Budget, includes funding of \$7.0 million for Regents examinations.

This additional funding of \$7 million will ensure the following Regents examinations currently required for high school graduation and/or federal accountability purposes are maintained:

- Comprehensive English (ELA 11),
- Global History and Geography,
- U.S. History and Government,
- Integrated Algebra, and
- Living Environment

This additional funding will support the following Regents examinations to preserve policy options for the implementation of state law 3012(c), the state's teacher and principal evaluation law:

- Physical Setting/Physics,
- Physical Setting/Chemistry,
- Physical Setting/Earth Science,
- Algebra2/Trigonometry, and
- Geometry

This additional funding will also ensure accessibility and support for English language learners continuing:

- Regents Competency Tests (RCTs)
- Translation of exams into Spanish, Chinese, Haitian-Creole, Korean, and Russian.

The \$15 million funding request covered administration of Regents exams required for graduation, Regents exams that are not required for graduation, restoration of certain cost savings measures taken in 2010-11 and introduction of new Regents exams. Since the 2011-12 State Budget included \$7 million, there is a funding gap of \$8 million that must be addressed. We recommend a combination of action steps noted below.

There are a number of cost containment actions that can be taken to reduce the costs of Regents exams by \$3.9 million.

Chart A

Action Step	Estimated Savings
Identify additional production cost reductions, leverage other funding streams, and make necessary changes in workforce.	\$2.3 million
Reduce the number of assessments printed and shipped (Regents and NCLB) to better align with the number of exams actually needed to administer. If a district chooses to order surplus exams for practice purposes they will be responsible for the additional cost.	\$.70 million
Review all vendor contracts to improve cost effectiveness and cancel contracts and in-source exam activities where possible and when it is less costly.	\$.60 million
Expand the distribution of related exam materials (i.e. teachers guides, scoring instructions) electronically	\$.30 million
Total	\$3.9 million

Based on prior discussions with the Board in March, June and October 2010, we recommend additional programmatic actions to reduce costs by \$4.1 million.

Chart B

Examination	Estimated Savings
Eliminate January Administration of Regents Exams	\$1.4 million
Postpone development of ELA 9 and ELA 10	\$1.2 million
Continue the elimination of Grades 5 and 8 Social Studies Exams (eliminated in 2010-11)	\$.80 million
Eliminate Regents Italian, French, Spanish exams	\$.70 million
Total	\$4.1 million

New York is the only state to offer its end of course testing program three times per year; other states only offer one make-up opportunity. The January administration of Regents exams has had a history of being problematic due to school closings related to inclement weather, and rescheduling the exams or giving make-up exams is not possible at this juncture.

The development of ELA 9 and ELA 10 continues to be an important priority; however, given the funding shortfall, a temporary delay of this work is warranted. Traditional funding for Grades 5 and 8 Social Studies exams is not available; however, the Department is exploring other possible funding options.

When a Regents exam in a language other than English is not made available by the state, schools are allowed to use locally developed exams, aligned to Checkpoint B, to satisfy diploma requirements. There are also a number of commercially available exams that Districts may administer to students to ensure foreign language competence and attainment of the Learning Standards. (e.g., SAT II, AP, Cambridge IGCSE and International Baccalaureate).

The Department will explore longer term actions steps to address future funding shortfalls due to the uncertainty of the fiscal condition of the state and this program.

- Revise the current practice of the public release of exams after administration. Exams will be kept secure to allow items to be reused, thus producing savings on development costs.
- Modify the current practice of the Department printing and shipping exams to explore other options if cost effective.
- Pilot on-line testing to gauge the capacity of the Department and the field to administer exams electronically and to measure security risks.

Recommendation

It is recommended the Regents take the actions steps outlined in Chart A and Chart B and advise on long term actions steps.