§ 211-d. Contract for excellence. 1. a. Every school district that, as of April first of the base year, has at least one school identified as in corrective action or restructuring status or as a school requiring academic progress: year two or above or as a school in need of improvement: year two shall be required to prepare a contract for excellence if the school district is estimated to receive an increase in total foundation aid for the current year compared to the base year in an amount that equals or exceeds either fifteen million dollars or ten percent of the amount received in the base year, whichever is less, or receives a supplemental educational improvement plan grant. In school year two thousand seven--two thousand eight such increase shall be the amount of the difference between total foundation aid received for the current year and the total foundation aid base, as defined in paragraph j of subdivision one of section thirty-six hundred two of this chapter.

b. In addition to the school districts required to prepare a contract for excellence under paragraph a of this subdivision, every school district that filed a contract for excellence in the base year shall file a contract for excellence in the current year if such district is estimated to receive a two-year increase, equal to the positive difference of the total foundation aid apportioned for the current year less the total foundation aid base, as defined in paragraph j of subdivision one of section thirty-six hundred two of this chapter, for the base year, in an amount that equals or exceeds either twenty-seven million five hundred thousand dollars or twenty percent of such total foundation aid base for the base year; provided however, that this requirement shall apply only to a school district that, as of April first of the base year, has at least one school that has been identified as in corrective action or restructuring status or as a school requiring academic progress: year two or above or as a school in need of improvement: year two.

c. In a city school district located in a city of one million or more inhabitants, a contract for excellence shall be prepared for the city school district and each community district that meets criteria specified in this subdivision.

d. All computations pursuant to paragraphs a and b of this subdivision and subdivision two of this section shall be based upon data included in the computerized school aid run produced by the commissioner in support of the enacted state budget which established the foundation aid formulas for the current year. For purposes of this section, accountability status of schools shall be determined as of April first of the base year, except that if the commissioner determines that the accountability data on file for a school as of April first of the base year was in error and officially adjusts the accountability status of the school after such date, such adjusted data shall be used for the purposes of paragraphs a and b of this subdivision and subdivision two of this section.

e. Notwithstanding paragraphs a and b of this subdivision, a school district that submitted a contract for excellence for the two thousand eight--two thousand nine school year shall submit a contract for excellence for the two thousand nine--two thousand ten school year in conformity with the requirements of subparagraph (vi) of paragraph a of subdivision two of this section unless all schools in the district are identified as in good standing and provided further that, a school district that submitted a contract for excellence for the two thousand nine--two thousand ten school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eleven--two thousand twelve school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the product of the amount approved by the commissioner in the contract for excellence for the two thousand nine--two thousand ten school year, multiplied by the district's gap elimination adjustment percentage and provided further that, a school district that submitted a contract for excellence for the two thousand eleven--two thousand twelve school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twelve--two thousand thirteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than

the amount approved by the commissioner in the contract for excellence for the two thousand eleven--two thousand twelve school year and provided further that, a school district that submitted a contract for excellence for the two thousand twelve--two thousand thirteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand thirteen--two thousand fourteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twelve--two thousand thirteen school year and provided further that, a school district that submitted a contract for excellence for the two thousand thirteen--two thousand fourteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand fourteen--two thousand fifteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand thirteen--two thousand fourteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand fourteen--two thousand fifteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand fifteen--two thousand sixteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand fourteen--two thousand fifteen school year; and provided further that a school district that submitted a contract for excellence for the two thousand fifteen--two thousand sixteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand sixteen--two thousand seventeen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be

not less than the amount approved by the commissioner in the contract for excellence for the two thousand fifteen--two thousand sixteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand sixteen--two thousand seventeen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand seventeen--two thousand eighteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand sixteen--two thousand seventeen school year; and provided further that a school district that submitted a contract for excellence for the two thousand seventeen--two thousand eighteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eighteen--two thousand nineteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand seventeen--two thousand eighteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand eighteen--two thousand nineteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand nineteen--two thousand twenty school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand eighteen--two thousand nineteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand nineteen--two thousand twenty school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty--two thousand twenty-one school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an

amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand nineteen--two thousand twenty school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty--two thousand twenty-one school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-one--two thousand twenty-two school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty--two thousand twenty-one school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-one--two thousand twenty-two school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-two--two thousand twenty-three school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-one--two thousand twenty-two school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-two--two thousand twenty-three school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-three--two thousand twenty-four school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-two--two thousand twenty-three school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-three--two thousand twenty-four school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-four--two thousand twenty-five school year which shall, notwithstanding the requirements of

subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-three--two thousand twenty-four school year; and provided further that a school district that submitted a contract for excellence for the two thousand twenty-four--two thousand twenty-five school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-five--two thousand twenty-six school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-four--two thousand twenty-five school year; and provided further that a school district that submitted a contract for excellence for the two thousand twenty-five--two thousand twenty-six school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-six--two thousand twenty-seven school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-five--two thousand twenty-six school year; provided, however, that, in a city school district in a city having a population of one million or more, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, the contract for excellence shall provide for the expenditure as set forth in subparagraph (v) of paragraph a of subdivision two of this section. For purposes of this paragraph, the "gap elimination adjustment percentage" shall be calculated as the sum of one minus the quotient of the sum of the school district's net gap elimination adjustment for two thousand ten--two thousand eleven computed pursuant to chapter fifty-three of the laws of two thousand ten, making appropriations for the support of government, plus the school district's gap elimination adjustment for two thousand eleven--two thousand twelve as computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations

for the support of the local assistance budget, including support for general support for public schools, divided by the total aid for adjustment computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the local assistance budget, including support for general support for public schools. Provided, further, that such amount shall be expended to support and maintain allowable programs and activities approved in the two thousand nine--two thousand ten school year or to support new or expanded allowable programs and activities in the current year.

2. a. (i) In a common, union free, central, central high school, or a city school district in a city having less than one hundred twenty-five thousand inhabitants, required to prepare a contract for excellence pursuant to subdivision one of this section and, as of April first of the base year, does not contain any schools identified as in corrective action or restructuring status or requiring academic progress: year three or above, each contract for excellence shall describe how the sum of the amounts apportioned to the school district in the current year as total foundation aid, in excess of one hundred four percent of the district's foundation aid base, as adjusted for additional amounts payable as charter school basic tuition over such amount payable in the base year, shall be used to support new programs and new activities or redesign or expand the use of programs and activities demonstrated to improve student achievement; provided however, up to fifty percent of additional funding received in the current year may be used to maintain investments in programs and activities listed in paragraph a of subdivision three of this section.

(ii) In a common, union free, central, central high school, or a city school district in a city having less than one hundred twenty-five thousand inhabitants, required to prepare a contract for excellence pursuant to subdivision one of this section and, as of April first of the base year, has at least one school identified as in corrective action or restructuring status or requiring academic progress: year three or above, each contract for excellence shall describe how the sum of the amounts apportioned to the school district in the current year as total foundation aid, in excess of one hundred four percent of the district's foundation aid base, as adjusted for additional amounts

payable as charter school basic tuition over such amount payable in the base year, shall be used to support new programs and new activities or redesign or expand the use of programs and activities demonstrated to improve student achievement; provided however, up to thirty-five percent of additional funding received in the current year may be used to maintain investments in the programs and activities listed in paragraph a of subdivision three of this section.

(iii) In a city school district in a city having a population of one hundred twenty-five thousand or more inhabitants but less than one million inhabitants that either receives a supplemental educational improvement plan grant or is required to submit a contract for excellence based solely upon the criteria specified in paragraph b of subdivision one of this section, each contract for excellence shall describe how the sum of the amounts apportioned to the school district in the current year as total foundation aid, and as supplemental educational improvement plan grants, in excess of one hundred four percent of such aid apportioned to the district in the base year, as adjusted for additional amounts payable as charter school basic tuition over such amount payable in the base year, shall be used to support new programs and new activities or redesign or expand the use of programs and activities demonstrated to improve student achievement; provided however, up to fifty percent of additional funding received in the current year may be used to maintain investments in the programs and activities listed in paragraph a of subdivision three of this section.

(iv) In a city school district in a city having a population of one hundred twenty-five thousand or more inhabitants but less than one million inhabitants that satisfies the criteria specified in paragraph a of subdivision one of this section and does not receive a supplemental educational improvement plan grant, each contract for excellence shall describe how the sum of the amounts apportioned to the school district in the current year as total foundation aid, in excess of one hundred three percent of the district's foundation aid base, as adjusted for additional amounts payable as charter school basic tuition over such amount payable in the base year, shall be used to support new programs and new activities or expand the use of programs and activities demonstrated to improve student achievement; provided however, up to twenty-five percent of additional funding received in the current year

may be used to maintain investments in the programs and activities listed in paragraph a of subdivision three of this section.

(v) In a city school district in a city having a population of one million or more inhabitants, each contract for excellence shall describe how the amounts apportioned to the school district in the current year as total foundation aid and academic achievement grants, in excess of one hundred three percent of the district's foundation aid base, shall be used to support new programs and new activities or expand the use of programs and activities demonstrated to improve student achievement; provided however, up to thirty million dollars or twenty-five percent of additional funding received in the current year, whichever is less, may be used to maintain investments in the programs and activities listed in paragraph a of subdivision three of this section.

(vi) Each contract for excellence for a school district that was required to prepare a contract for excellence in the base year shall provide for the expenditure of an amount equivalent to the total budgeted amount approved by the commissioner in the district's approved contract for excellence for the base year; provided that such amount shall be expended to support and maintain allowable programs and activities approved in the base year or to support new or expanded allowable programs and activities in the current year.

(vii) (A) Notwithstanding any other provision of this section to the contrary, a school district that submitted a contract for excellence for the two thousand seven--two thousand eight school year and the two thousand eight--two thousand nine school year and is required to submit a contract for excellence for the two thousand nine--two thousand ten school year but did not fully expend all of its two thousand seven--two thousand eight foundation aid subject to the contract for excellence restrictions during the two thousand seven--two thousand eight school year may re-allocate and expend such unexpended funds during the two thousand eight--two thousand nine and two thousand nine--two thousand ten school years for allowable contract for excellence programs and activities as defined in subdivision three of this section in a manner prescribed by the commissioner. For purposes of determining maintenance of effort pursuant to subparagraph (vi) of this paragraph for the two thousand eight--two thousand nine school year, funds expended pursuant to this subparagraph shall be included in the total budgeted amount

approved by the commissioner in the district's contract for excellence for the two thousand seven--two thousand eight school year; provided that such amount shall not be counted more than once in determining maintenance of effort for the two thousand nine--two thousand ten school year or thereafter.

(B) Notwithstanding any other provision of this section to the contrary, a school district that submitted a contract for excellence for the two thousand nine--two thousand ten school year but did not fully expend all of its two thousand nine--two thousand ten foundation aid subject to the contract for excellence restrictions during the two thousand nine--two thousand ten school year may re-allocate and expend such unexpended funds during the two thousand eleven--two thousand twelve school year for allowable contract for excellence programs and activities as defined in subdivision three of this section in a manner prescribed by the commissioner; provided that such amount shall not be counted more than once in determining any maintenance of effort pursuant to this section.

b. (i) The contract shall specify the new or expanded programs for which additional amounts of such total foundation aid or grant shall be used and shall affirm that such programs shall predominately benefit students with the greatest educational needs including, but not limited to, those students with limited English proficiency, students in poverty and students with disabilities.

(ii) (A) In a city school district in a city having a population of one million or more inhabitants such contract shall also include a plan, which shall be developed in collaboration with the collective bargaining units representing teachers and the principals beginning in September two thousand twenty-two and signed off on by the chancellor and the presidents of each bargaining unit, to reduce actual class sizes, beginning September two thousand twenty-three and to be achieved by September two thousand thirty for all classes, with the exception of physical education and performing groups, as follows: (1) kindergarten-third grade to have no more than twenty students per class; (2) fourth-eighth grade to have no more than twenty-three students per class; and (3) high school to have no more than twenty-five students per class. Physical education and performing groups shall have no more than

forty students per class at all levels. For each of the first three years of the plan, an additional twenty percent of the classrooms in the city school district, excluding special education classes, shall be in compliance with the class size targets, and for each of the following four years, an additional ten percent of the classrooms in the city school district, excluding special education classes, shall be in compliance with the class size targets such that the city school district is in full compliance by two thousand thirty and all classes should maintain the target class size. The class size reduction plan shall prioritize schools serving populations with higher poverty levels.

(B) The class size reduction plan shall include any exemptions to the class size targets. These exemptions shall be limited to: (1) space; (2) over-enrolled students; (3) license area shortages; and (4) severe economic distress. Any such exemptions shall be approved by the chancellor and the presidents of the collective bargaining units representing the teachers and the principals as part of the class size reduction plan. Should the chancellor and the presidents of the collective bargaining units representing the teachers and the principals be unable to reach agreement on the exemptions after thirty days, the issue shall be determined by an arbitrator. In addition, any exemption based on available space shall include a reference to the capital budget to demonstrate that the budget is aligned with resolving the exemption status. Exempted classes, for the years in which they are exempt, and special education classes shall not count toward the applicable target percentage.

(C) The class size reduction plan shall also include the methods to be used to achieve the class size targets, such as the creation or construction of more classrooms and school buildings, the placement of more than one teacher in a classroom or methods to otherwise reduce the student to teacher ratio, but only as a temporary measure until more classrooms are made available in conformance with the plan. For elective and specialty classes, the collective bargaining unit representing teachers may negotiate class sizes higher than the targets if such increase is approved by a majority of the staff in the school.

(iii) A city school district in a city having a population of one million or more inhabitants shall prepare annual reports, on the dates set forth below, to the commissioner on the status of the implementation

of its plan to reduce actual class sizes pursuant to subparagraph (ii) of this paragraph. Such report shall be publicly released and posted on the city school district's website, identifying all schools that received funds targeted at class size reduction efforts pursuant to the requirements of this section and providing the following information regarding such schools:

(A) the amount of contract for excellence funds received by each school and the school year in which it received such funds;

(B) a detailed description of how contract for excellence funds contributed to achieving class size reduction in each school that received such funding including specific information on the number of classes in each school that existed prior to receiving contract for excellence funds and the number of new classes that were created in each school for each year such funding was received, the number of classroom teachers that existed in each school prior to receiving contract for excellence funds and the number of new classroom teachers in each school for each year such funding was received, the student to teacher ratio in each school prior to receiving contract for excellence funds and the student to teacher ratio in each school for each year such funding was received;

(C) the actual student enrollment for the current school year and the projected student enrollment for the upcoming school year for each school by grade level;

(D) the actual class sizes for the current school year, and the projected class sizes for the upcoming school year for each school by grade level;

(E) the annual capital plan for school construction and leasing to show how many classrooms will be added in each year and in which schools and districts to achieve the class size targets;

(F) how the school capacity and utilization formula is aligned to the class size targets in the city school district's class size reduction plan; and

(G) the schools that have made insufficient progress toward achieving the class size reduction targets set forth in the approved class size reduction plan pursuant to subparagraph (ii) of this paragraph and a detailed description of the actions that will be taken to reduce class sizes in such schools.

The report shall be submitted to the commissioner on or before November fifteenth two thousand twenty-three and on or before November fifteenth of each year thereafter and made available to the public by such date on the city school district's website. If the department determines that the November fifteenth report does not demonstrate sufficient decreases in class size, the department shall issue a letter making that determination public on its website and the city school district shall immediately submit a plan for corrective action, which shall be developed in collaboration with the collective bargaining units representing the teachers and the principals and signed off on by the chancellor and the president of each collective bargaining unit. The city school district's corrective action plan shall also be made available to the public on the city school district's website upon submission to the department. The final corrective action plan shall be made available to the public upon approval by the department. The report shall also be certified by the state or city comptroller that the city school district's capital and education funding plans will provide sufficient space and staffing for the reduction in class size set forth in this paragraph and, if not, what measures and/or funding should be added to the plan to achieve such targets.

(iv) Provided the commissioner approves and the city school district remains in compliance with the class size reduction plan, as set forth herein, the state shall take such compliance into consideration when determining increases in foundation aid.

(v) In addition to the annual reports, the city school district shall submit a financial impact statement on November fifteenth, two thousand twenty-five. The financial impact statement may recommend a pause of the class size reduction plan, but in no event may it result in a roll back or increase in class sizes.

c. The contract for excellence shall state, for all funding sources, whether federal, state or local, the instructional expenditures per pupil, the special education expenditures per pupil, and the total expenditures per pupil, projected for the current year and actually incurred in the base year.

3. a. The commissioner shall adopt regulations establishing allowable programs and activities intended to improve student achievement which shall be limited to: (i) class size reduction, (ii) programs that increase student time on task, including but not limited to, academic after-school programs, (iii) teacher and principal quality initiatives, (iv) middle school and high school re-structuring, (v) expansion or replication of effective model programs for students with limited English proficiency, and (vi) full-day kindergarten or prekindergarten. Provided, however, that districts may use up to fifteen percent of the additional funding they receive for experimental programs designed to demonstrate the efficacy of other strategies to improve student achievement consistent with the intent of this section and, in school year two thousand seven--two thousand eight, up to thirty million dollars or twenty-five percent of such additional funding, whichever is less, may be used to maintain investments in programs and activities listed in this subdivision. Any such district seeking to implement an experimental program shall first submit a plan to the commissioner setting forth the need for such experimental program and how such program will improve student performance.

b. The commissioner shall assist school districts that include in their contract for excellence the implementation of incentives, developed in collaboration with teachers in the collective bargaining process, for highly qualified and experienced teachers to work in low performing schools to ensure that such incentives are effective.

4. a. A district's contract for excellence for the academic year two thousand eight--two thousand nine and thereafter, shall be developed through a public process, in consultation with parents or persons in parental relation, teachers, administrators, and any distinguished educator appointed pursuant to section two hundred eleven-c of this chapter.

b. Such process shall include at least one public hearing. In a city school district in a city of one million or more inhabitants, a public hearing shall be held within each county of such city. A transcript of the testimony presented at such public hearings shall be included when

the contract for excellence is submitted to the commissioner, for review when making a determination pursuant to subdivision five of this section.

c. In a city school district in a city of one million or more inhabitants, each community district contract for excellence shall be consistent with the citywide contract for excellence and shall be submitted by the community superintendent to the community district education council for review and comment at a public meeting.

* d. For the two thousand seven--two thousand eight school year, school districts shall solicit public comment on their contracts for excellence.

* NB Effective until July 1, 2023

* d. In a city school district in a city of one million or more inhabitants, the public process set forth in paragraphs a through c of this subdivision shall commence no later than thirty days after a state budget is enacted each year and be completed no later than thirty days after its commencement. Notice of the public process shall be provided fifteen days prior to the commencement of the first public hearing and shall be posted on the city school district's website as well as transmitted via email to school administrators, parent and teacher organizations, and elected officials. The proposed plan shall be submitted for state approval within two weeks following the completion of the public process. The proposed plan shall be posted on the city school district's website within twenty-four hours of its submission along with a summary of the public comments and the city school district's explanation and reasons for which public comments were incorporated into the proposed plan and which public comments were not incorporated into the proposed plan.

* NB Effective July 1, 2023

5. a. Each contract for excellence shall be subject to approval by the commissioner and his or her certification that the expenditure of additional aid or grant amounts is in accordance with subdivision two of this section.

b. In a city school district of one million or more inhabitants, upon

approval of the contract for excellence, one-third of the contract for excellence funds shall be released to the city school district. The remainder of the funds shall be released to the city school district upon submission of the November fifteenth report described in subdivision two of this section, only if such report demonstrates sufficient reduction in class sizes, and the remainder of the funds shall be released upon submission by the city school district of the corrective action plan described in subdivision two of this section. In the years following a year which required a corrective action plan pursuant to subdivision two of this section, no contract for excellence funds shall be provided by the state until and unless such corrective action plan has been fully implemented.

6. (a) Increases in total foundation aid and supplemental educational improvement plan grants shall be used to supplement, and not supplant funds allocated by the district in the base year for all purposes set forth in subdivision three of this section. In a city of one million or more, the city school district will provide the collective bargaining unit for teachers with the list of budget codes in which funding provided under this section is utilized for a budget that would begin July first, two thousand twenty-five and after. Except in a city of one million or more, the school district audit report certified to the commissioner by an independent certified public accountant or an independent accountant pursuant to section twenty-one hundred sixteen-a of this chapter shall include a certification by such accountant in a form prescribed by the commissioner of compliance with the first sentence of this subdivision.

(b) Within ten days of adoption of a budget by the city of New York, an independent certified public accountant, or an independent accountant or the comptroller of such city shall certify in a form prescribed by the commissioner that (i) an audit by such office has confirmed that increases in total foundation aid and supplemental improvement grants in the base year were used to supplement, and not supplant funds allocated by the district in the previous year and (ii) in the adopted budget, increases in total foundation aid and supplemental improvement grants supplement, not supplant funds allocated by the district in the base year for such purposes.

Upon a determination that either (i) increases in total foundation aid and supplemental improvement grants in the base year were used to supplant funds allocated by the district, or (ii) increases in total foundation aid and supplemental improvement grants as appropriated will supplant funds allocated by the district in the base year, the district shall be ordered to restore funds in such amounts as to eliminate the violation.

7. The trustees or board of education of each school district subject to this section, or the chancellor in the case of a city school district in a city of one million or more inhabitants, shall assure that procedures are in place by which parents or persons in parental relation may bring complaints concerning implementation of the district's contract for excellence.

a. In a city school district in a city of one million or more inhabitants, such procedures shall provide that complaints may be filed with the building principal with an appeal to the community superintendent, or filed directly with the community superintendent, and that any appeal of the determination of a community superintendent shall be made to the chancellor.

b. In all other districts, such procedures shall either provide for the filing of complaints with the building principals with an appeal to the superintendent of schools or for filing of the complaint directly with the superintendent of schools, and shall provide for an appeal to the trustees or board of education from the determination of the superintendent of schools.

c. The determination of the trustees or a board of education or the chancellor may be appealed to the commissioner pursuant to section three hundred ten of this title.

8. School districts subject to the provisions of this section shall publicly report the expenditure of total foundation aid in the form and manner prescribed by the commissioner which shall ensure full disclosure

of the use of such funds.

9. The department shall develop a methodology for reporting school-based expenditures by all school districts subject to the provisions of this section.