



# 2012-13 EXECUTIVE BUDGET & REFORM PLAN

*New NY Transformation Plan...the next step*

Governor Andrew M. Cuomo

January 17, 2012

# 2012-13 Executive Budget & Reform Plan

1. Budget Plan

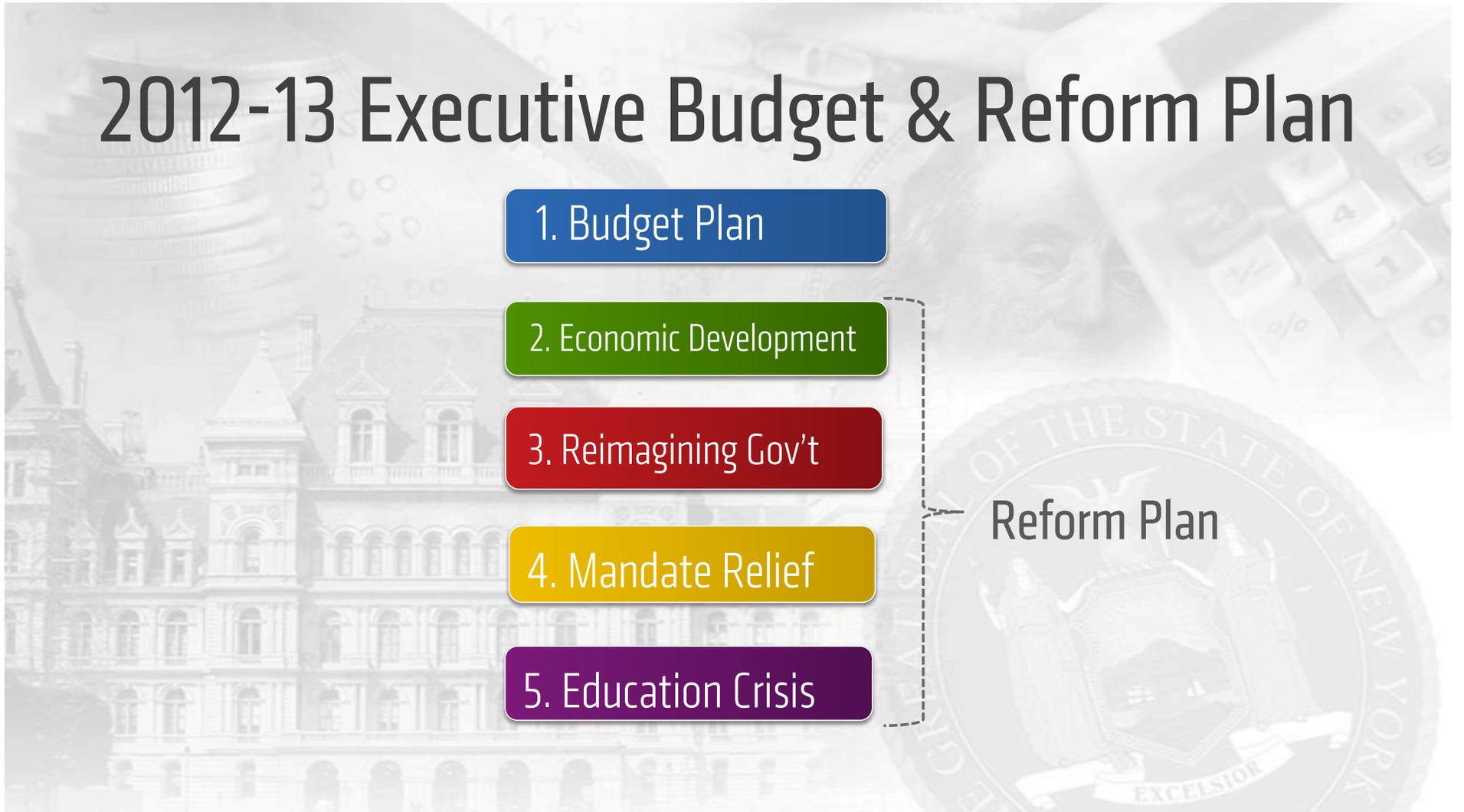
2. Economic Development

3. Reimagining Gov't

4. Mandate Relief

5. Education Crisis

Reform Plan



# 1. Financial Plan

## *Balancing the Budget*



# Good work we did last year is paying dividends this year

crain's new york business.com

## For real: a functioning Albany Trust has grown between the Legislature and the governor

May 29, 2011

Perhaps Gov. Andrew Cuomo was correct: Albany was broken, but not beyond repair. All it needed was the right mechanic. And Mr. Cuomo has proved to be just that.

In light of Albany's recent accomplishments, including a timely and responsible state budget and last week's

It turns out that politics do indeed have a capital. It had just been broken. They were proud voters had been whole town. Since January, Mr. Cuomo has managed his population of car salesmen to persuade lawmakers

**Newsday**  
THE LONG ISLAND NEWSPAPER

## Surprise Budget a Win for New York

Editorial

### Who can believe the news coming out of Albany?

For the first time in 15 years, New York's governor and legislative leaders have agreed on a budget that would actually cut spending. And although state budgets are often months late, this year's probably will beat the April 1 deadline -- even though opposing parties with warring agendas control the Assembly and Senate.

The  
**SARATOGIAN**

Serving Saratoga Springs, N.Y. region

## State Legislature passes historic on-time budget

ALBANY — After a year of scandal, gridlock and the designation as the most dysfunctional state governing body in the nation, New York's Legislature hopes the

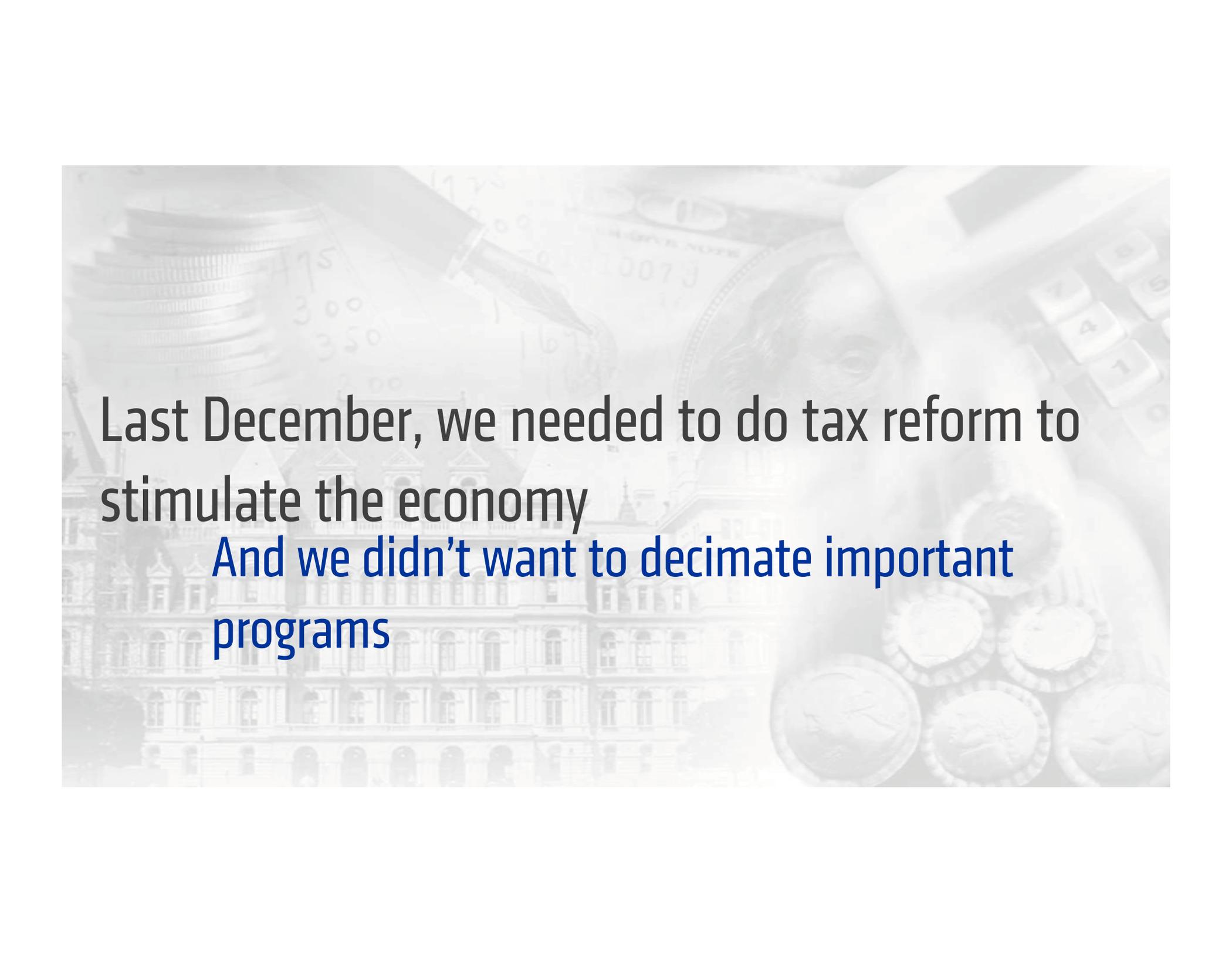
rare on-time budget it approved early Thursday turns the page on a nasty chapter for the two-century-old body.



This year's budget is refreshingly **straightforward**



Last April, we reduced the deficit and made real cuts



Last December, we needed to do tax reform to  
stimulate the economy  
And we didn't want to decimate important  
programs



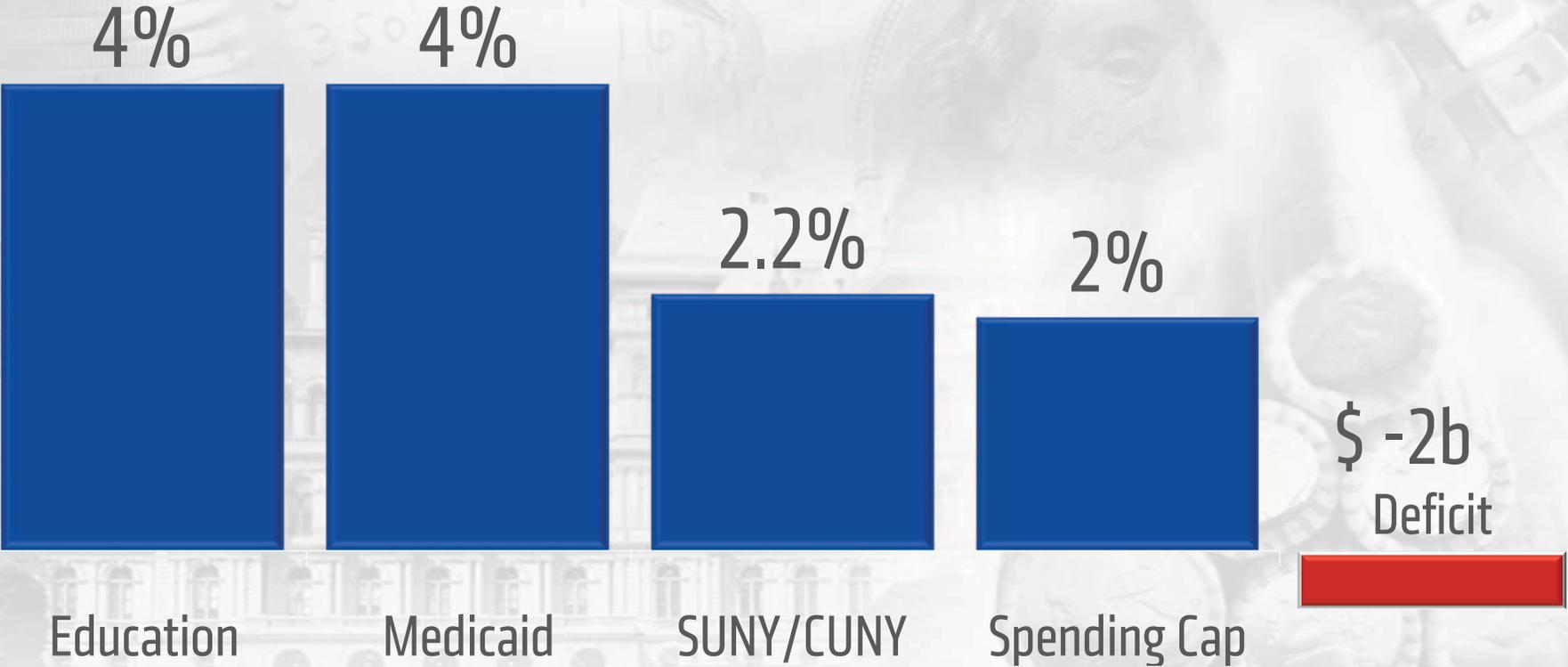
We cut middle class taxes  
To the lowest rates in 58 years



We also made management changes  
throughout the year

1. Financial Plan

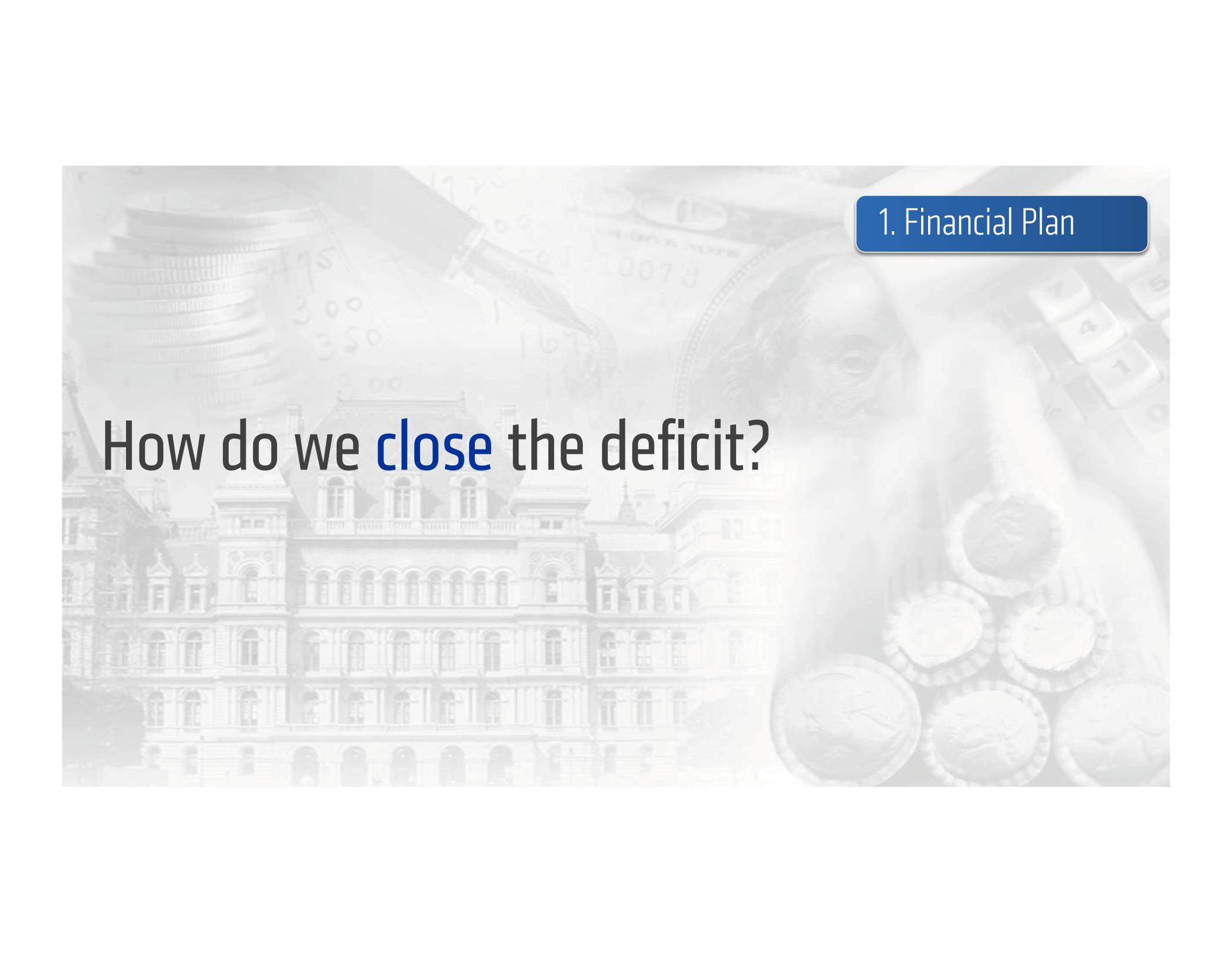
# Givens





## 1. Financial Plan

Therefore...

A collage of financial-related images including a fountain pen, a calculator, stacks of coins, a hand holding coins, and a building facade, all in a faded, light gray tone. The text '1. Financial Plan' is overlaid on a dark blue rounded rectangle in the top right corner.

## 1. Financial Plan

How do we **close** the deficit?

The background of the slide is a collage of financial and institutional imagery. It includes a stack of coins on the left, a fountain pen in the upper center, a calculator on the right, and a large, detailed image of a classical building with many windows and a central tower. Faintly visible are a US dollar bill and some handwritten numbers like '475', '300', and '350'.

## 1. Financial Plan

We continue the principles we **established** last year



## 1. Financial Plan

We are going to do an honest & disciplined budget

- No sale of state assets
- No one shots
- No new fees
- No new taxes

The background is a grayscale collage of financial and government-related imagery. It includes a stack of coins on the left, a fountain pen in the upper center, a hand holding a pen over a document with numbers in the upper right, a calculator on the right, and a large portrait of Benjamin Franklin on the right side. In the lower left, there is a faint image of a grand, multi-story building with many windows, likely a government capitol or parliament building.

## 1. Financial Plan

We are going to demonstrate

**Fiscal Discipline**

**Real Reform**

**Entrepreneurial Government**

A composite background image featuring a stack of coins on the left, a fountain pen in the center, a \$100 bill on the right, and a calculator in the bottom right. In the background, there is a large, detailed illustration of a classical building with many windows and a central dome, possibly a government or institutional building. The overall color palette is muted, with greys, blues, and browns.

## 1. Financial Plan

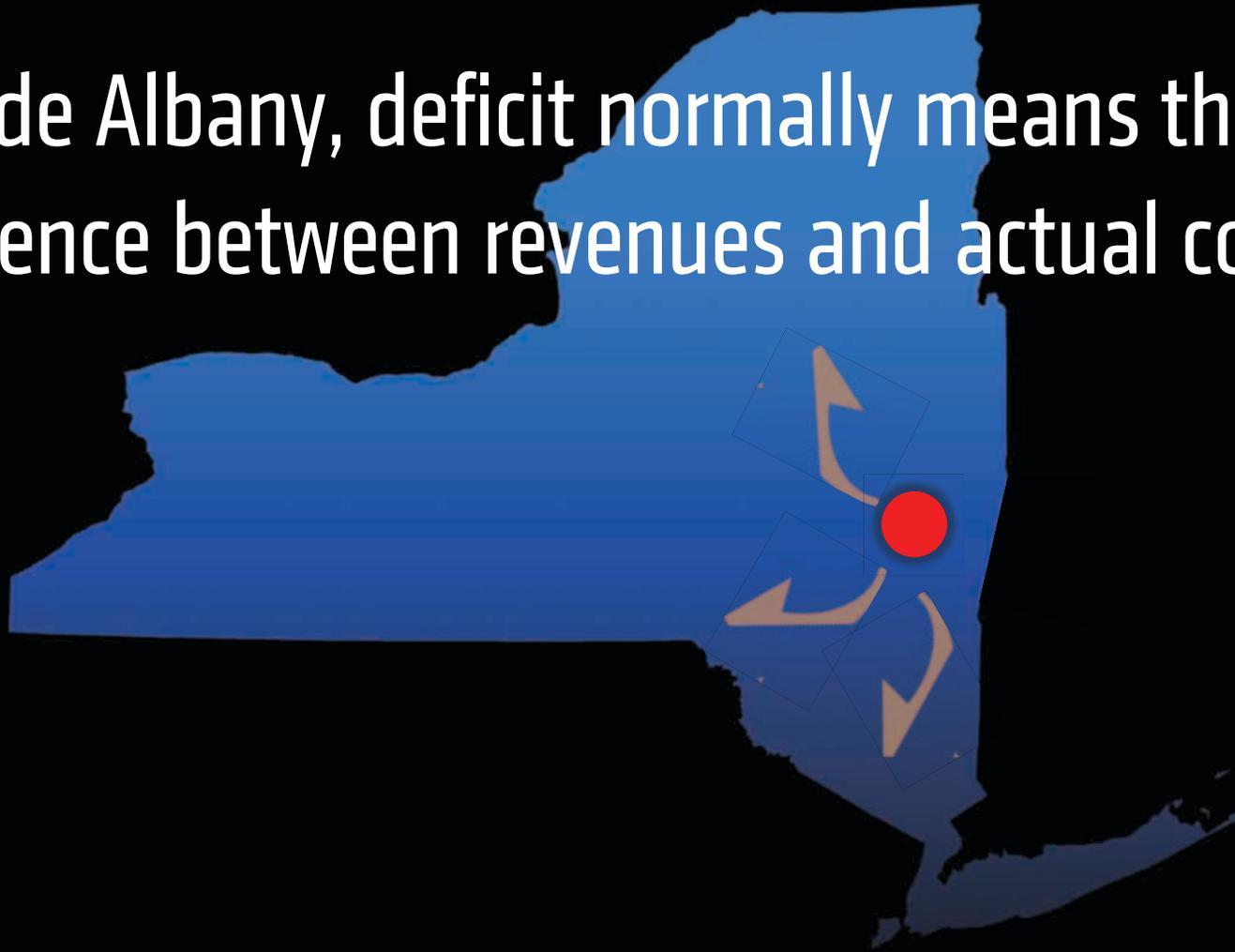
**Begin by bringing honesty to the budget process**



## 1. Financial Plan

Last year we talked about using **reality-based** budgeting as opposed to Albany-based budgeting for two of our largest areas:  
**Medicaid and Education**

Outside Albany, deficit normally means the difference between revenues and actual costs



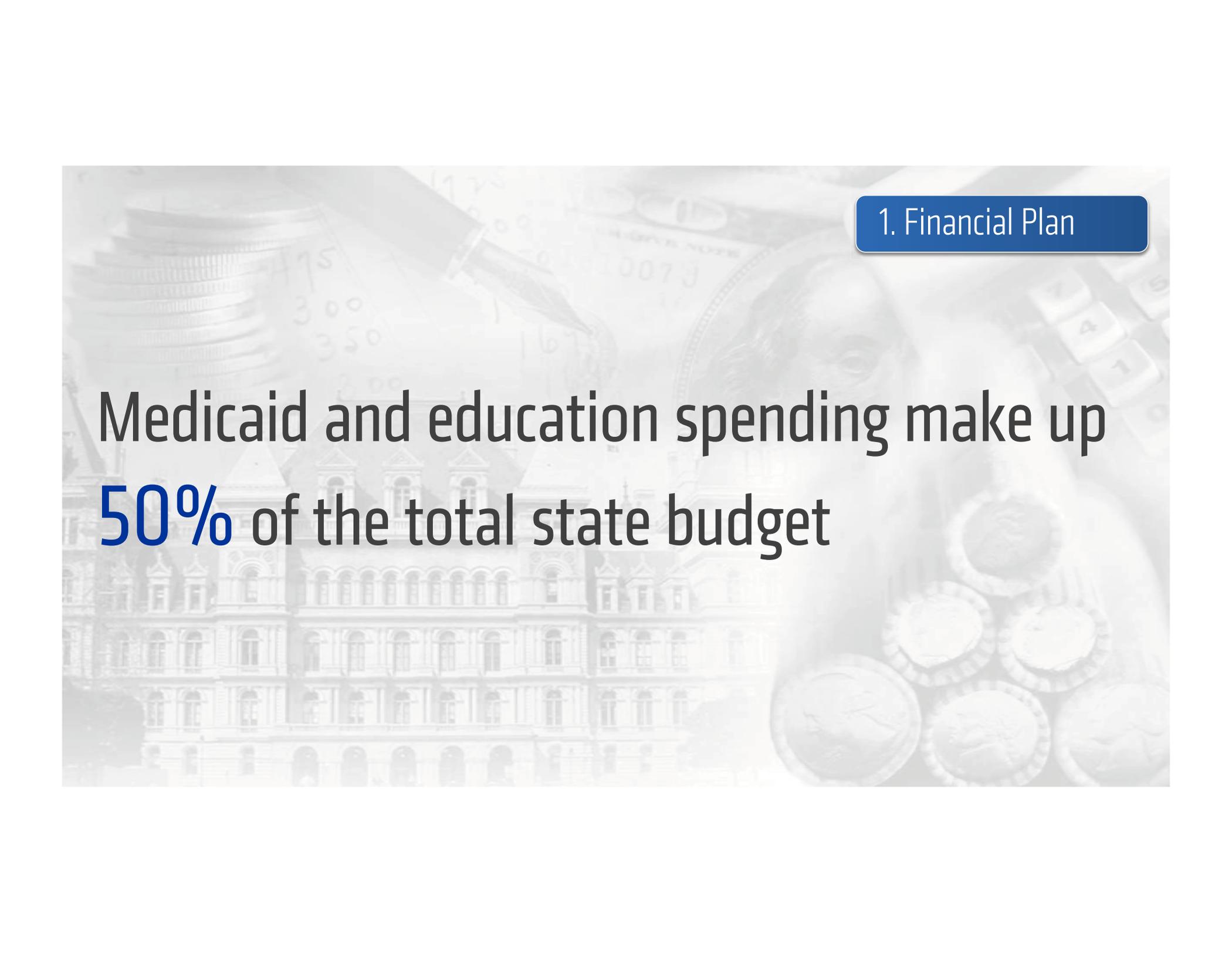
In Albany, deficit has meant the shortfall  
to get to unaffordable increases





## 1. Financial Plan

Last year we eliminated the unsustainable **13% annual** increases in Medicaid and Education spending



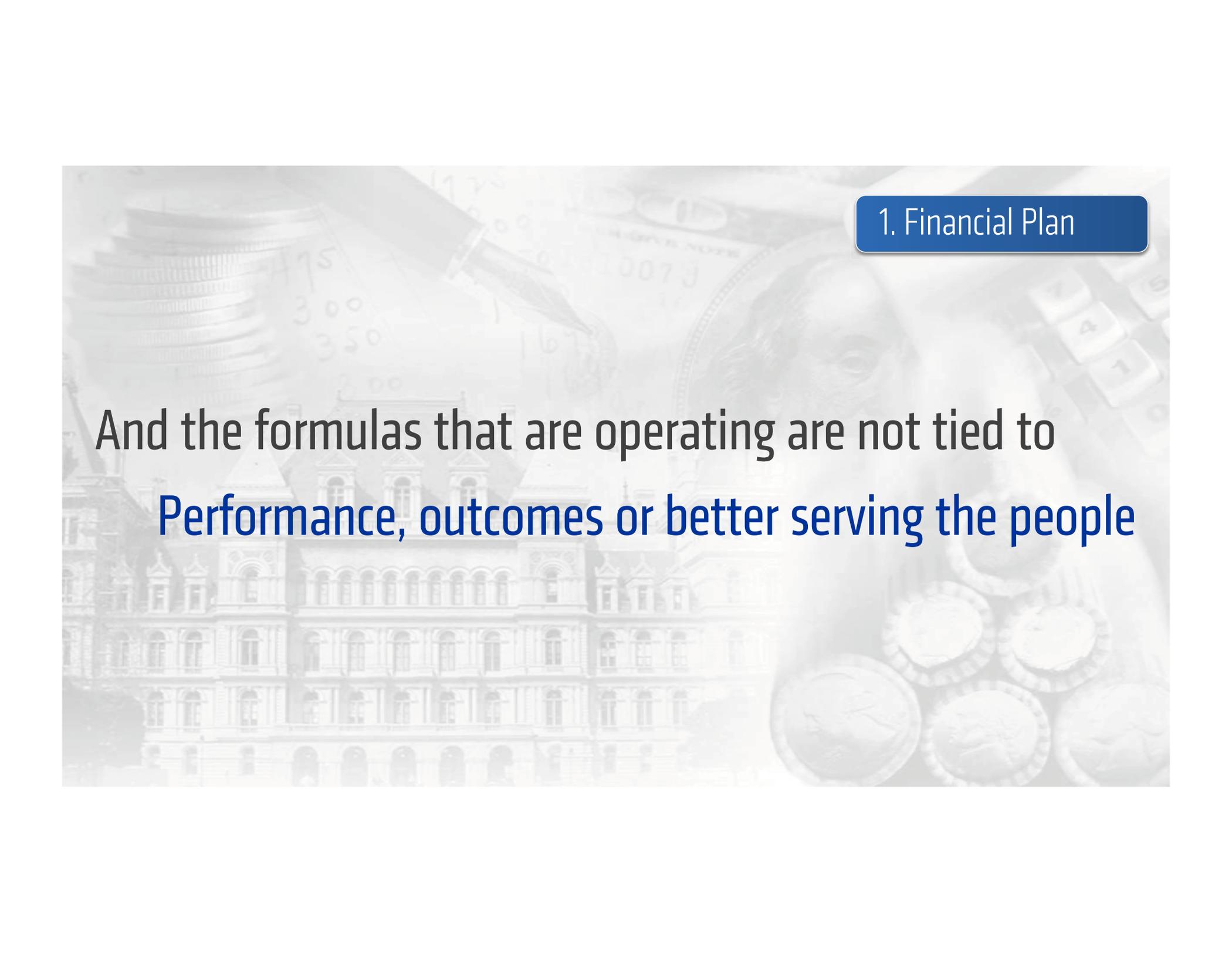
## 1. Financial Plan

Medicaid and education spending make up  
**50%** of the total state budget



## 1. Financial Plan

This year the “deficit” exists, in part, because there are still other growth inflators in the law



## 1. Financial Plan

And the formulas that are operating are not tied to  
**Performance, outcomes or better serving the people**

# Two Step Plan

1. This year we will **eliminate all automatic inflators**
2. Next year we will add **performance and cost indices**

## Closing the \$2 billion budget deficit

	Scheduled % increase	Actual increase	Savings
State Agency Operations	4.5%	FLAT	\$1.3b

State Agency Operations are: NPS spending (technology, contractual services, rent/lease expenses), debt service costs, healthcare costs

## 1. Financial Plan

# Closing the \$2 billion budget deficit

	2012	2013 (proposed)	Increase	% Growth
OAG	\$162m	\$162m	FLAT	FLAT
OCA	\$2.5b	\$2.5b	FLAT	FLAT
OSC	\$139.4m	\$139.4m	FLAT	FLAT

## 1. Financial Plan

### Local Aid

	2012	2013 (proposed)	Increase	% Growth
Medicaid	\$15.3b	\$15.9b	\$614m	4%

# 1. Financial Plan

## Local Aid

	2012	2013 (proposed)	Increase	% Growth
Education	\$19.5b	\$20.3b	\$805m	4.1%

1. Financial Plan

# Local Aid

	2012	2013 (proposed)	Increase	% Growth
AIM	\$715m	\$715m	FLAT	FLAT

## 1. Financial Plan

### Local Aid

	2012	2013 (proposed)	Increase	% Growth
TANF Basic Assistance	\$539m	\$566m	\$27m	5%

1. Financial Plan

# Local Aid

	2012	2013 (proposed)	Increase	% Growth
Public Assistance	\$1.3b	\$1.317b	\$17m	1.3%

## Closing the \$2 billion budget deficit

	Scheduled % increase	Actual increase	Savings
<b>TOTAL</b>			
<b>Aid to Localities</b>	<b>3.9%</b>	<b>2.6%</b>	<b>\$756 million</b>

Aid to Localities includes AIM, STAR, TANF and TAP

## 1. Financial Plan

# Closing the \$2 billion budget deficit

	Scheduled % increase	Actual increase	Savings
State Agency Operations	4.5%	FLAT	\$1.3b
Aid to Localities	3.9%	2.6%	\$756m
		<b>Total</b>	<b>\$2b</b>

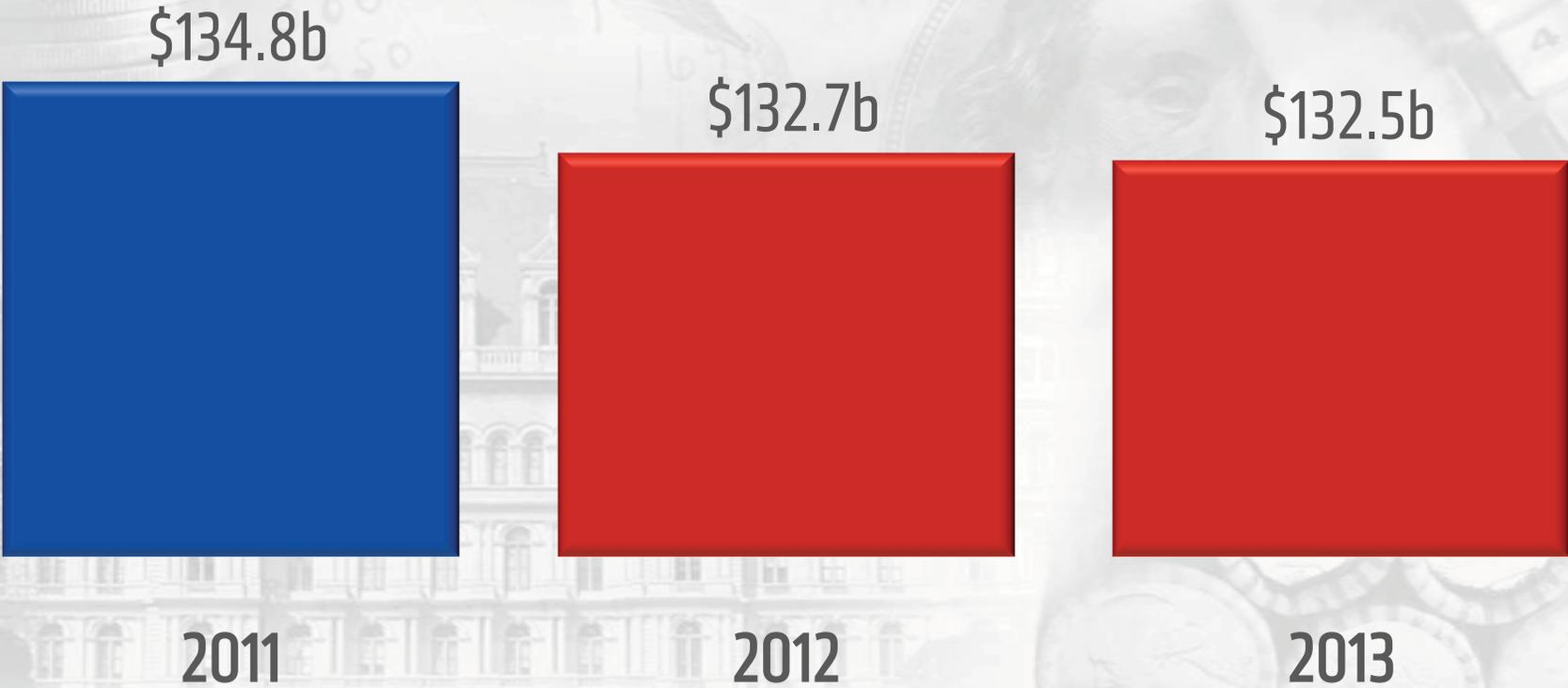
## 1. Financial Plan

# General, State Operating and All Funds

	2012	2013 (Proposed)	Change	% Change
State Operating Funds	\$87b	\$88.7b	\$1.7b	1.9%
All Funds	\$132.7b	\$132.5b	-\$225m	-0.2%

# All Funds Past 3 years

1. Financial Plan





This year...

The budget is manageable, the **reform proposals** will be more of a challenge

## 2. Economic Development



**Q:** How does government spur private sector job creation in a down economy while limiting spending and maintaining fiscal discipline?

**A:** Creative public/private sector partnerships that leverage state resources & assets to generate billions in economic growth



# NYS “Entrepreneurial Government”



+ \$15 billion in infrastructure

+ \$4 billion for convention center

+ \$2 billion for Javits transformation

+ \$2 billion for energy highways

+ \$1 billion from gaming

+ \$1 billion for Buffalo

= \$25 billion in state, federal & private economic activity

# NY Works Fund/Infrastructure

## 2. Economic Development

Step 1. Accelerate selected infrastructure projects with maximum economic impact



# NY Works Fund/Infrastructure

## 2. Economic Development

Step 2. Design Build legislation will save at least a year in time and reduce costs by hundreds of millions of dollars



# NY Works Fund/Infrastructure

## 2. Economic Development

1. Improve more than **100 bridges**
2. Repair **2,000 miles** of roads
3. Finance upgrades to **90 municipal water systems**
4. Improve **48 state parks** & historic sites
5. Repair **114 flood control projects**



# NY Works Fund/Infrastructure

## 2. Economic Development

	NY Works Fund	Source
State	1.3 billion	\$723m new capital \$600m existing capital accelerated
Federal	1.7 billion	Combination new and accelerated federal aid (e.g. dam & municipal water systems)
Authorities	\$5 billion	New Tappan Zee Bridge
	\$3.23 billion	Existing capital accelerated (e.g. NYSERDA & PA)
	\$770m	To complete the MTA capital plan*
Private	\$3 billion	Leveraging new private investment
<b>TOTAL</b>	<b>\$15 billion</b>	



\*Note that MTA was also held harmless for the reduction in the payroll tax (\$250m annual approp. by NYS)

# New Convention Center at Aqueduct Racetrack

2. Economic Development

## Phase 1

3.2 m sq ft of convention center space; 1,000 hotel rooms  
(all on existing land)  
(requires expansion of racino operations)

## Phase 2

1/2m sq ft of additional convention center space;  
2,000 hotel rooms



# New Convention Center at Aqueduct Racetrack

2. Economic Development

**TOTAL:**

**\$4 billion pvt investment**

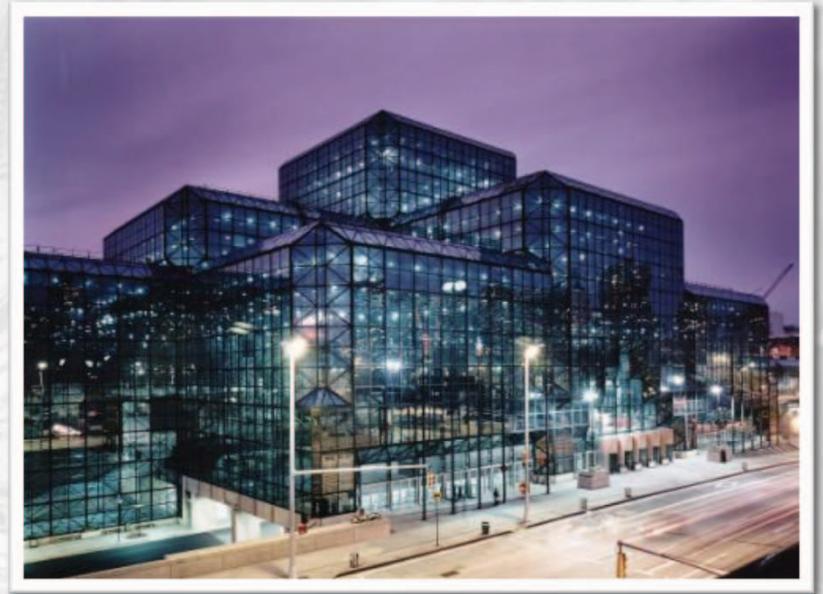
**\$0 state**



# Javits Transformation

2. Economic Development

Master plan 18 acres to  
revitalize NYC's West Side;  
similar to Battery Park City



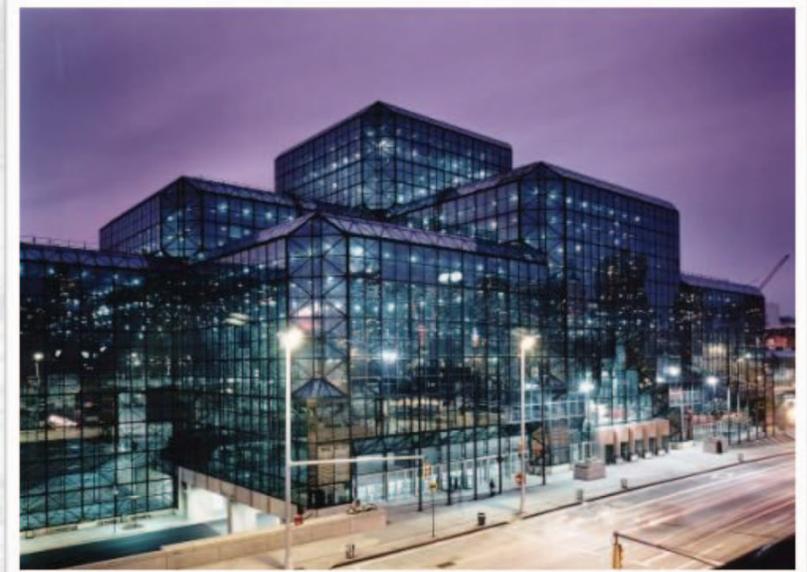
# Javits Transformation

2. Economic Development

**TOTAL**

**\$2 billion pvt sector development**

**\$0 state**



# Energy Highways

## 2. Economic Development

Establish the Energy Highway Task Force; will issue RFP and hold conference to report options to the Governor by June 1 to bid and build new Energy Highway



# Energy Highways

2. Economic Development

**TOTAL**  
**\$2 billion private commitment**  
**\$0 state**



# Casino Gaming

2. Economic Development

## Constitutional Amendment to legalize casino gaming



# Casino Gaming

2. Economic Development

## TOTAL

\$1 billion projected revenue

\$0 state

(combine Racing and Wagering &

Lottery to develop

new gaming oversight body)



# \$1 Billion for Buffalo Economic Development

2. Economic Development

Invest \$1 billion to bring business back to Buffalo to address chronic poverty and population decline



# \$1 Billion for Buffalo Economic Development

2. Economic Development

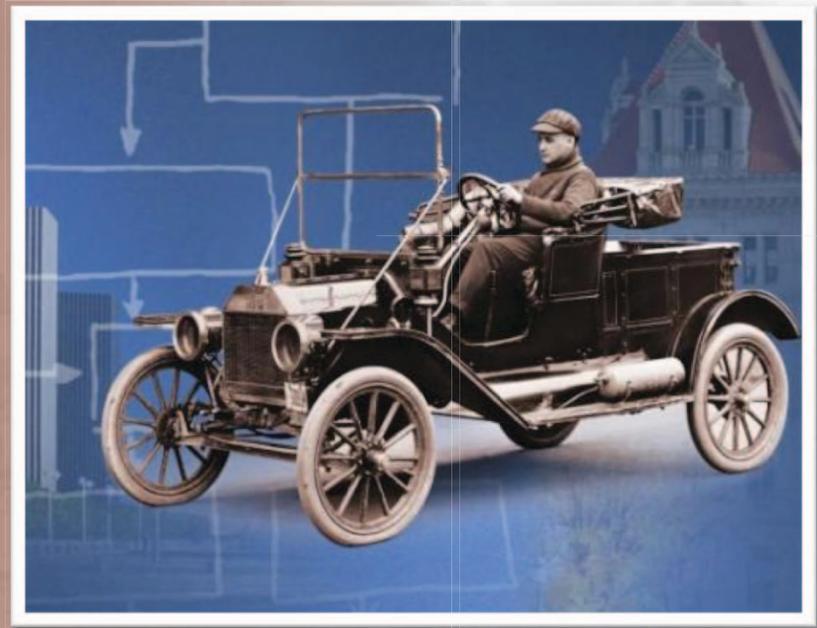
<b>Private Sector Activity</b>	\$5 billion potential
<b>State</b>	\$100m booked from the state (\$75m in capital & \$25m in funds) annually for 2 years  Allocation of \$800m based on plan



Economic Development Blueprint

	State	Federal	Private	Other	Total
NY Works Fund	\$723m (\$600m accelerated)	\$1.7b	\$3b	\$9b authorities	\$15b
Convention center	\$0	\$0	\$4b	\$0	\$4
Javits transformation	\$0	\$0	\$2b	\$0	\$2
Energy highways	\$0	\$0	\$2b	\$0	\$2
Gaming	\$0	\$0	\$1b	\$0	\$1
Buffalo	\$200m	\$0	\$0	\$800m	\$1
Total state, federal & private economic activity	\$1.5b	\$1.7b	\$12b	\$9.8b	\$25b

### 3. Reimagining Government

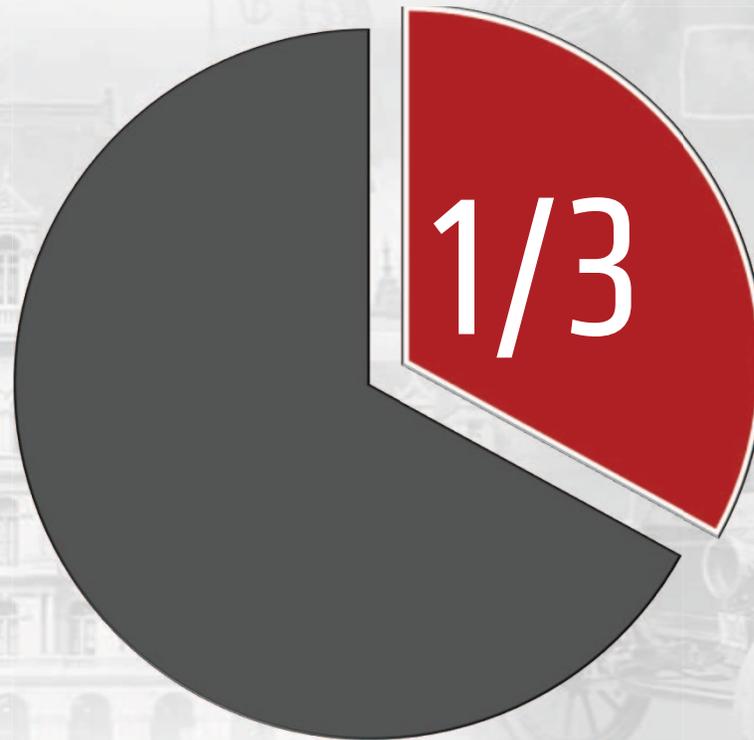


# SAGE effort...

We must address the very **foundation** of government

### 3. Reimagining Gov't

1/3 of the state budget goes to service providers





### 3. Reimagining Gov't

# 140,000

providers across numerous agencies under different  
rules and standards



### 3. Reimagining Gov't

Our government hasn't been designed  
**IT EVOLVED**

# Governor Al Smith's 1927 Reorganization of the Executive Branch

**GOVERNOR**

**ELECTED OFFICIALS**

COMPTROLLER  
DEPT. OF AUDIT & CONTROL

ATTORNEY GENERAL  
DEPARTMENT OF LAW

LIEUTENANT  
GOVERNOR

**CIVIL DEPARTMENTS**

CORRECTION  
DIVISION OF PAROLE  
DIVISION OF PROBATION  
COMMISSION OF CORECTION

MENTAL HYGIENE

CHARITIES

PUBLIC WORKS

PUBLIC SERVICE  
PUBLIC SERVICE COMMISSION

INSURANCE

BANKING

TAXATION & FINANCE

**CIVIL DEPARTMENTS**

CONSERVATION

LABOR  
INDUSTRIAL BOARD  
INDUSTRIAL COUNCIL

EDUCATION

HEALTH  
PUBLIC HEALTH  
CONTROL

AGRICULTURE & MARKETS

STATE  
BOARD OF CANVASSERS  
COMMISSIONERS OF THE  
LAND OFFICE

CIVIL SERVICE

EXECUTIVE  
BUDGET  
STANDARDS & PURCHASES  
STATE POLICE  
MILITARY & NAVAL AFFAIRS

**AUTHORITIES & PUBLIC BENEFIT CORPORATIONS**

PORT OF NEW YORK AUTHORITY

ALBANY PORT DISTRICT COMMISSION

# Today's Organizational Chart

**GOVERNOR**

**ELECTED OFFICIALS**

**COMPTROLLER**  
DEPT. OF AUDIT & CONTROL

**ATTORNEY GENERAL**  
DEPARTMENT OF LAW

**LIEUTENANT GOVERNOR**

**CIVIL DEPARTMENTS**

**CORRECTION**  
DIVISION OF PAROLE  
DIVISION OF PROBATION  
COMMISSION OF CORRECTION

**DMV**

**DED**

**HEALTH**

**PUBLIC WORKS**

**CQC**

**OASAS**

**OMH**

**AGING**

**OPWDD**

**OCFS**

**IG**

**FINANCIAL SERVICES**

**TAX APPEAL TRIBUNAL**

**TAXATION & FINANCE**

**PUBLIC SERVICE**  
PUBLIC SERVICE COMMISSION

**INSURANCE FUND**

**PUBLIC EMPLOYMENT RELATIONS BOARD**

**CIVIL DEPARTMENTS**

**CONSERVATION**

**LABOR**  
INDUSTRIAL BOARD  
INDUSTRIAL COUNCIL

**EDUCATION**

**BD. OF ELECTIONS**

**ABO**

**TRANSPORTATION**

**CUNY**

**SUNY**

**ARTS COUNCIL**

**AGRICULTURE & MARKETS**

**OGS**

**OFT**

**DEPT. OF STATE**  
BOARD OF CANVASSERS  
COMMISSIONERS OF THE LAND OFFICE

**CIVIL SERVICE**

**VETERANS**

**EMPLOYEE RELATIONS**

**EXECUTIVE**  
DIVISION OF THE BUDGET  
STANDARDS & PURCHASES  
STATE POLICE  
MILITARY & NAVAL AFFAIRS

**AUTHORITIES & PUBLIC BENEFIT CORPORATIONS**

**THRUWAY**

**BRIDGE**

**ORDA**

**PANYNJ**

**NYPA**

**DASNY**

**LOTTERY**

**DCJS**

**RACING & WAGERING**

**WORKERS COMP**

**DOMESTIC VIOLENCE**

**VICTIMS' SERVICES**

**HUMAN RIGHTS**

**NYSERDA**

**SLA**

**MTA**

**LIPA**

**ESDC**

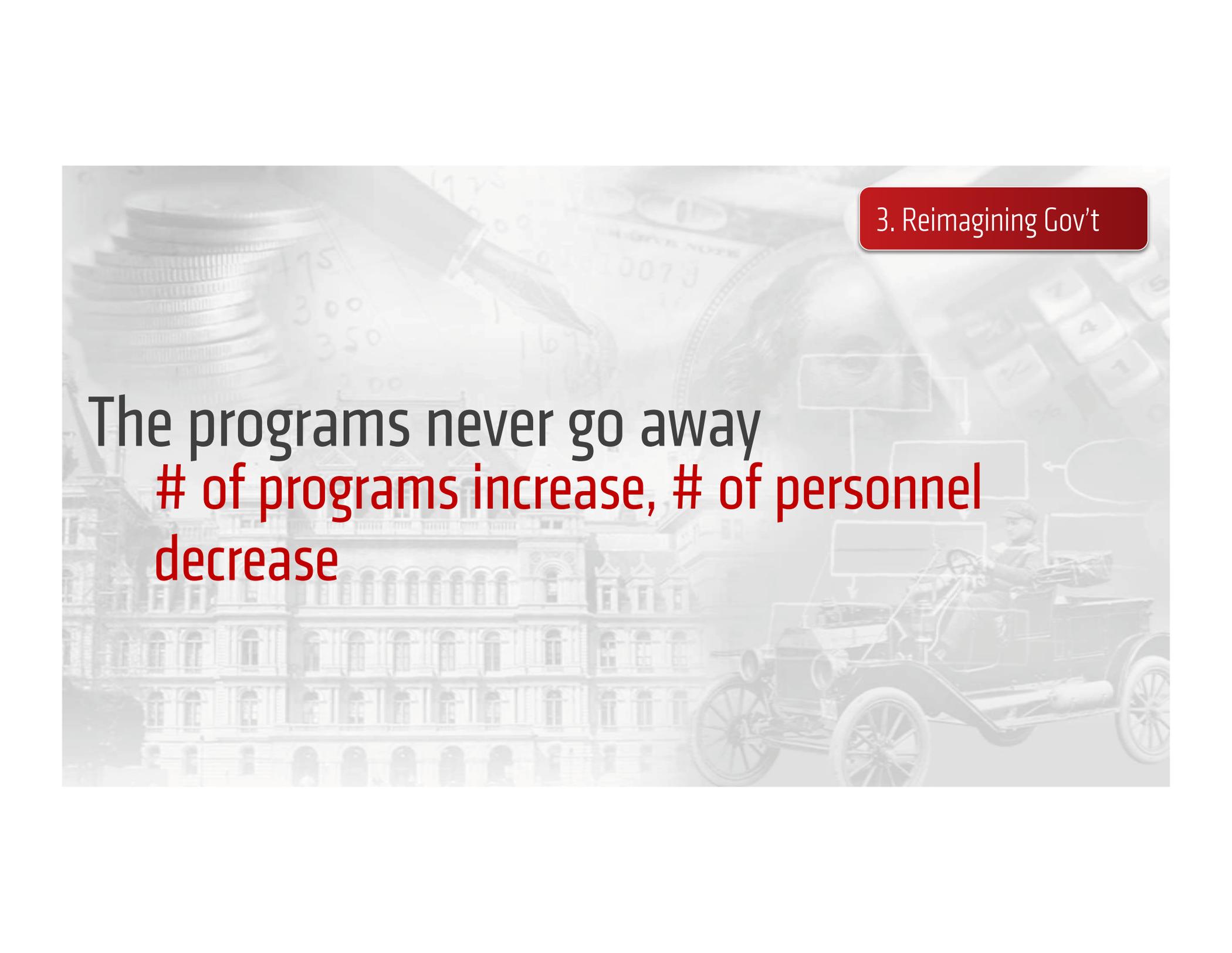
**HCR**

**ALBANY PORT DISTRICT COMMISSION**



### 3. Reimagining Gov't

There are thousands of programs  
Every year dozens more are passed  
With no rhyme or reason



### 3. Reimagining Gov't

The programs never go away  
# of programs increase, # of personnel  
decrease

# Reevaluate State Programs

- SED
- SUNY
- CUNY
- DOL
- OTDA
- OPWDD
- DOCCS
- DCJS
- OMH
- OCFS
- DOH
- SOFA
- ESD



**13** agencies administer **91** job training programs

# Reevaluate State Programs

SED

SUNY

CUNY

**DOL**

OTDA

OPWDD

DOCCS

DCJS

OMH

OCFS

DOH

SOFA

ESD



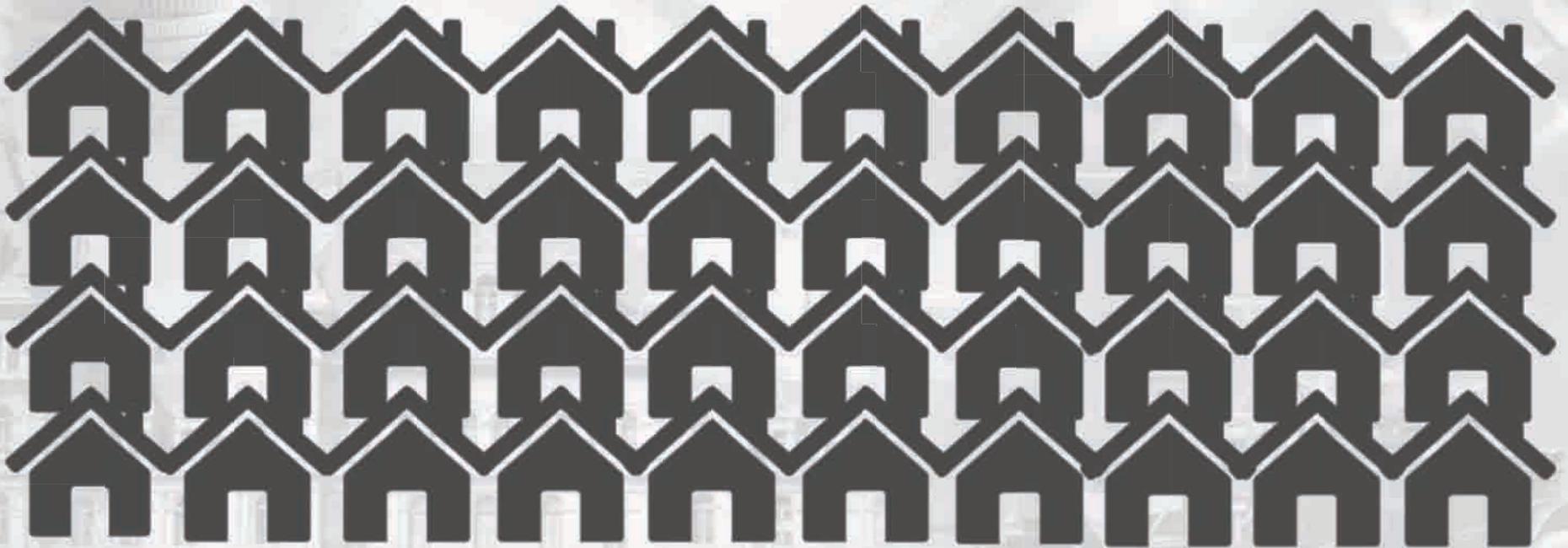
Department of Labor alone administers **40 job training programs**

Department of Labor administers **40**

**housing** programs alone

Reevaluate State Programs

3. Reimagining Gov't



Housing and Community Renewal runs **40 housing programs**



### 3. Reimagining Gov't

**We must reevaluate the functions of government across agencies**

# SAGE on Steroids

Will submit a plan to eliminate hundreds of redundant and obsolete programs to the Legislature this year



### 3. Reimagining Gov't

Second, we must cap and control **administrative costs** and **executive compensation**

# Range of Administrative Costs in Government Contracts

3%



50%

# Range of Executive Compensation

\$50k

Over \$1m



## For Example

- Downstate Early Intervention/Special Ed Provider funded by **99% public funds** (\$19m annual revenue)
- **\$3.3 million** in administrative costs
- CEO comp **\$2.2 million+\$1 million** shareholder distribution from accumulated profits

# Healthcare Redesign

Medicaid Redesign Team has been successful in reforming our healthcare system to perform better and cost less



# Healthcare Redesign

3. Reimagining Gov't

Must continue by enacting the Health Exchange  
**No cost to NY—fully funded by the  
federal government**

# Healthcare Redesign

3. Reimagining Gov't

Must continue by enacting the Health Exchange

**1 million uninsured New Yorkers will gain coverage**

# Healthcare Redesign

3. Reimagining Gov't

Must continue by enacting the Health Exchange

**Will reduce costs to individuals who purchase coverage directly by 66% and small businesses by 22%**

## 4. Mandate Relief



#### 4. Mandate Relief

# Mandate Relief

Everyone wants it in concept, except nobody wants to do it...

Stop taxes  
from going  
through the roof.

#### 4. Mandate Relief

## Medicaid Relief

Currently, Medicaid is a major cost driver for counties

Stop taxes  
from going  
through the roof.

# Medicaid Relief

## 4. Mandate Relief

Remember: the local Medicaid program is **\$8b**

Stop taxes  
from going  
through the roof.

#### 4. Mandate Relief

## Medicaid Relief

To provide relief, in 2005, the state capped the amount of growth the counties had to pay annually

2006	2007	2008 →
3.5% cap	3.25% cap	3% cap

#### 4. Mandate Relief

## Medicaid Relief

So counties have 2% property tax cap and 3% cap on the growth of Medicaid

Stop taxes  
from going  
through the roof.



#### 4. Mandate Relief

## Medicaid Relief

**This year we will go further...**

We will phase in taking over growth of Medicaid over 3 years to hold counties harmless

# Medicaid Relief

## 4. Mandate Relief

State pays 100% of year-to-year Medicaid growth for counties

	2012-13	2013-14	2014-15	2015-16
County Pays % of Medicaid Growth	3%	2%	1%	0%
Cost to the State/ Benefit to the County		\$61 million	\$187 million	\$370 million



#### 4. Mandate Relief

Medicaid is the #1 mandate, #2 is pension reform

Stop taxes  
from going  
through the roof.

## Pension Reform

We can no longer sustain the current pension system...

Stop taxes  
from going  
through the roof.

4. Mandate Relief

# Annual Increase of Pension Costs for Local Governments & Schools

**185%** increase from 2009-2015



Source: NYS Division of the Budget

\*projected

## We must create a **New Tier VI**

Voluntary option for Defined Contribution—follows TIAA CREF-type model

- The employee vests in system after 1 year instead of 10 years
- Portable plan

## We must create a **New Tier VI**

- Plan will have progressive contribution rates--4, 5 & 6%
- Share in risk/reward for employees & employers to account for market volatility
- Ends pension abuse by excluding overtime and other payments from final avg. salaries

We must create a **New Tier VI**

4. Mandate Relief

**50%** cheaper than Tiers 3 & 4

Stop taxes  
from going  
through the roof.

We must create a **New Tier VI**

4. Mandate Relief

No current union employees will be affected  
These are future union employees v.  
overburdened taxpayers today

Stop taxes  
from going  
through the roof.

We must create a **New Tier VI**

4. Mandate Relief

Our responsibility is clear:  
Let's do pension reform in this budget

Stop taxes  
from going  
through the roof.

# 5. Priority Mission: Education



The background is a grayscale collage. It features a stack of coins on the left, a fountain pen in the upper center, a US dollar bill with the number '1007-J' in the upper right, a large portrait of Benjamin Franklin in the center, a hand holding a pen over a document on the right, and a large classical building with many windows at the bottom. A purple rounded rectangle in the top right corner contains the text '5. Education Crisis'.

## 5. Education Crisis

# Crisis in education

Education has become more about the business interests than the students' interest

# Crisis in education

Reform movement is shifting focus onto the student rather than the industry



## 5. Education Crisis

**Crisis in education**  
And student achievement rather than  
industry funding as a measure of success

Change thinking:

Performance for the student

Performance for the taxpayer

# Change thinking:

From

To

Process

Results

System

Individual

Salaries/pensions

Grad rates/test results

Bureaucracy

Student

The background is a grayscale collage. It features a stack of coins on the left, a fountain pen in the center, a calculator on the right, and a large classical building with many windows in the lower half. There are also some faint numbers and a person's hand holding a pen visible.

## 5. Education Crisis

Last year we began to change the  
education funding paradigm

Created competitive grants based on  
performance

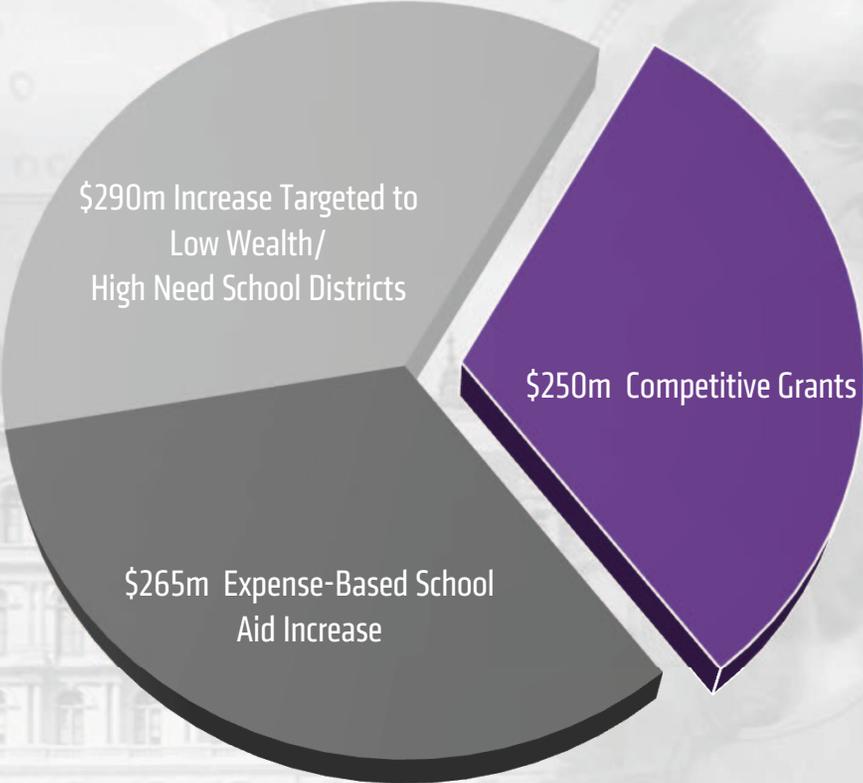
The background is a grayscale collage. At the top, there are stacks of coins, a fountain pen, and a calculator. Below these are various numbers and a document with the text '1007-J'. In the center, there is a large image of a classical building with many windows. In the foreground, there is a person's arm reaching up, possibly in a classroom setting.

## 5. Education Crisis

**This year we will include additional funds for our competitive grants**

# \$805m Increase Under School Aid Growth Cap

## 5. Education Crisis

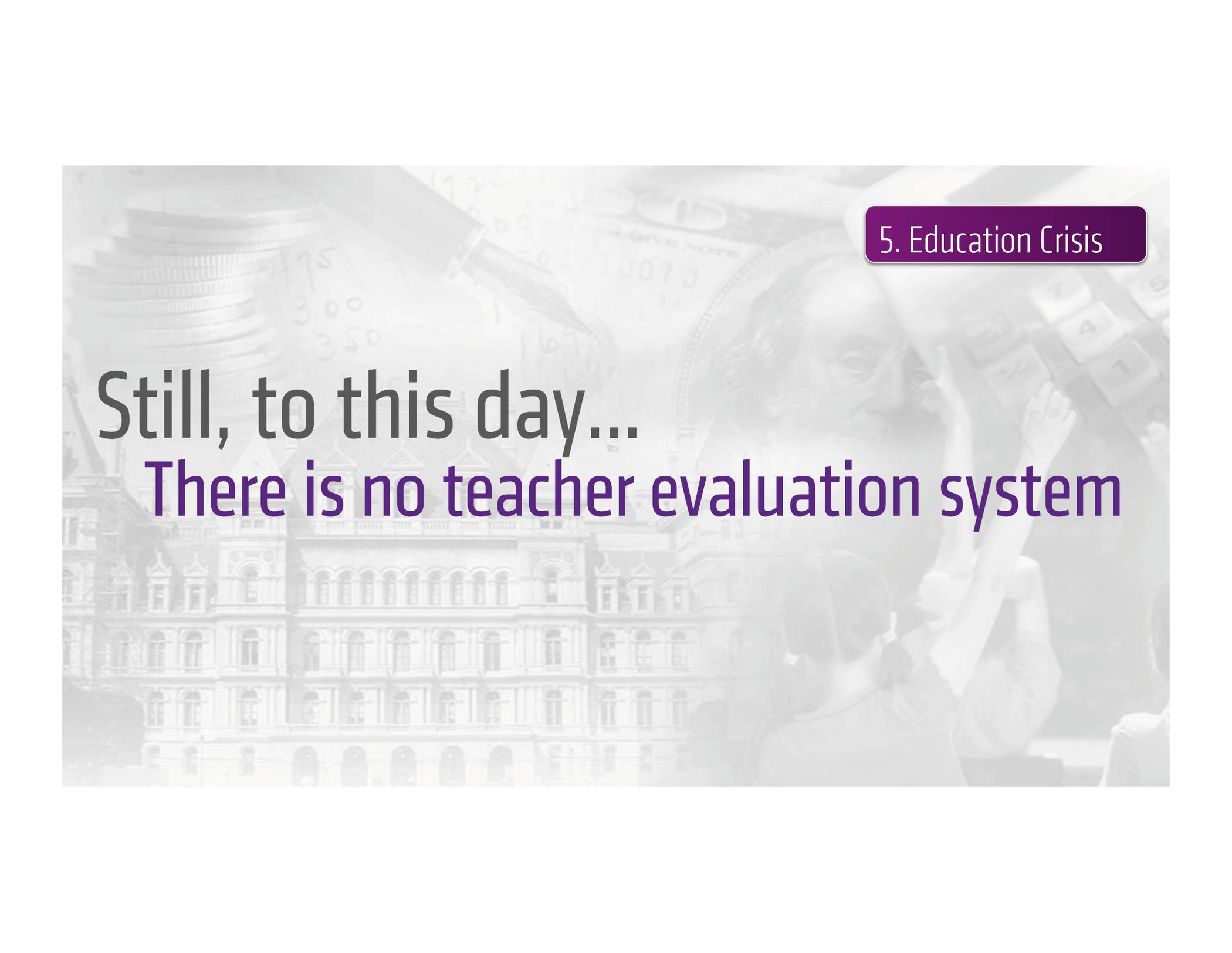


## 5. Education Crisis

# Crisis in education

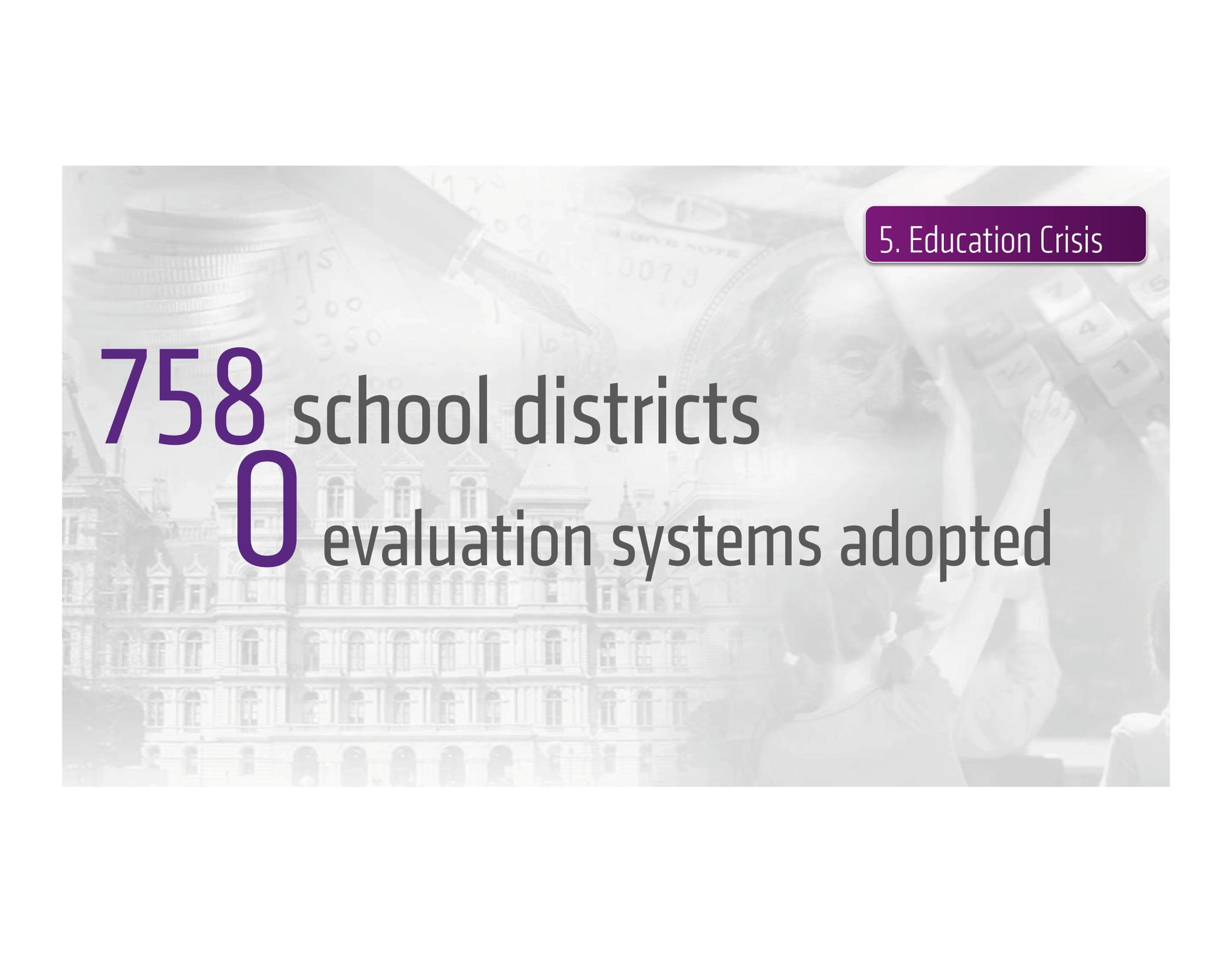
In 2010 the federal government ran Pres. Obama's Race to the Top program which required real teacher evaluations & we won \$700m





## 5. Education Crisis

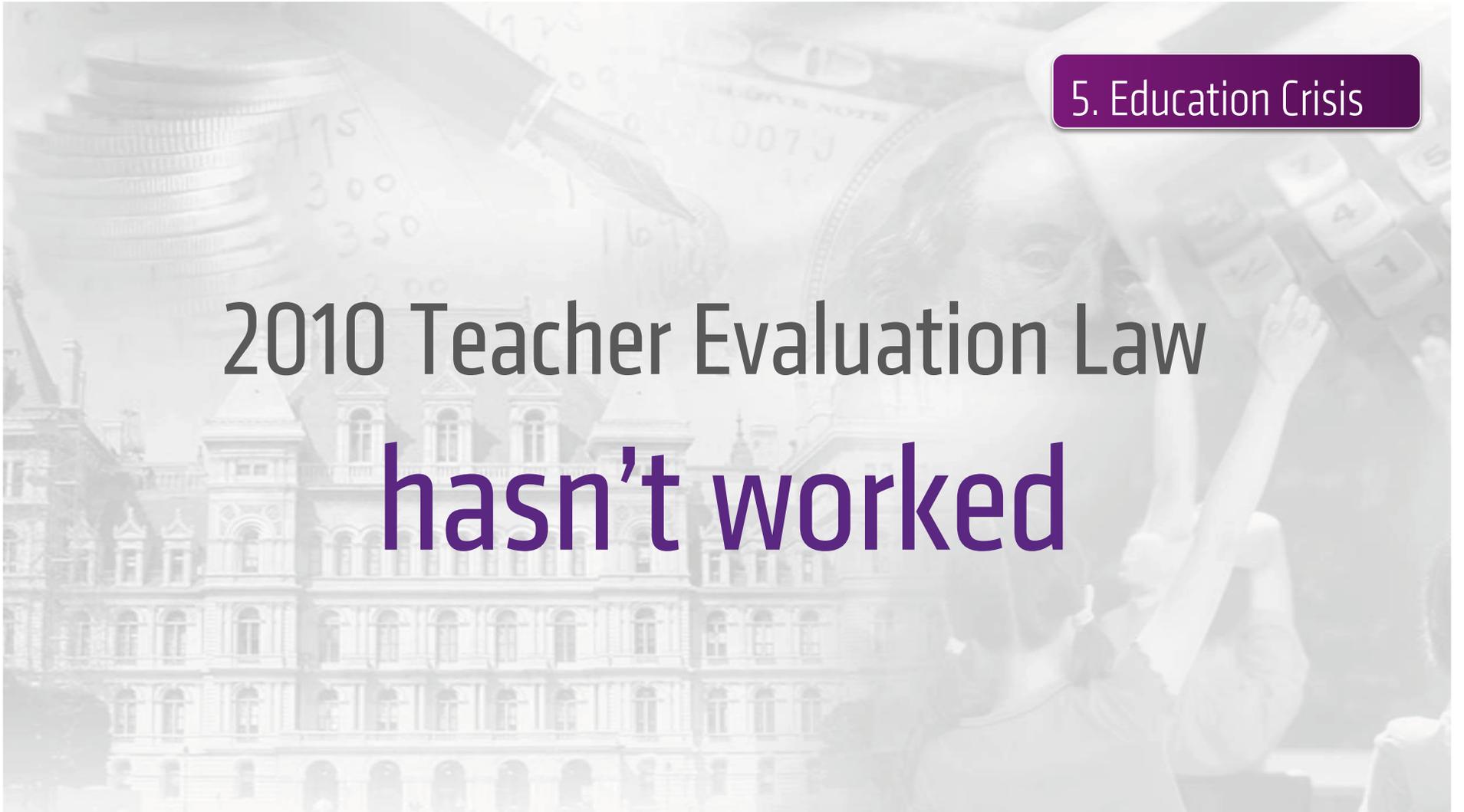
Still, to this day...  
There is no teacher evaluation system

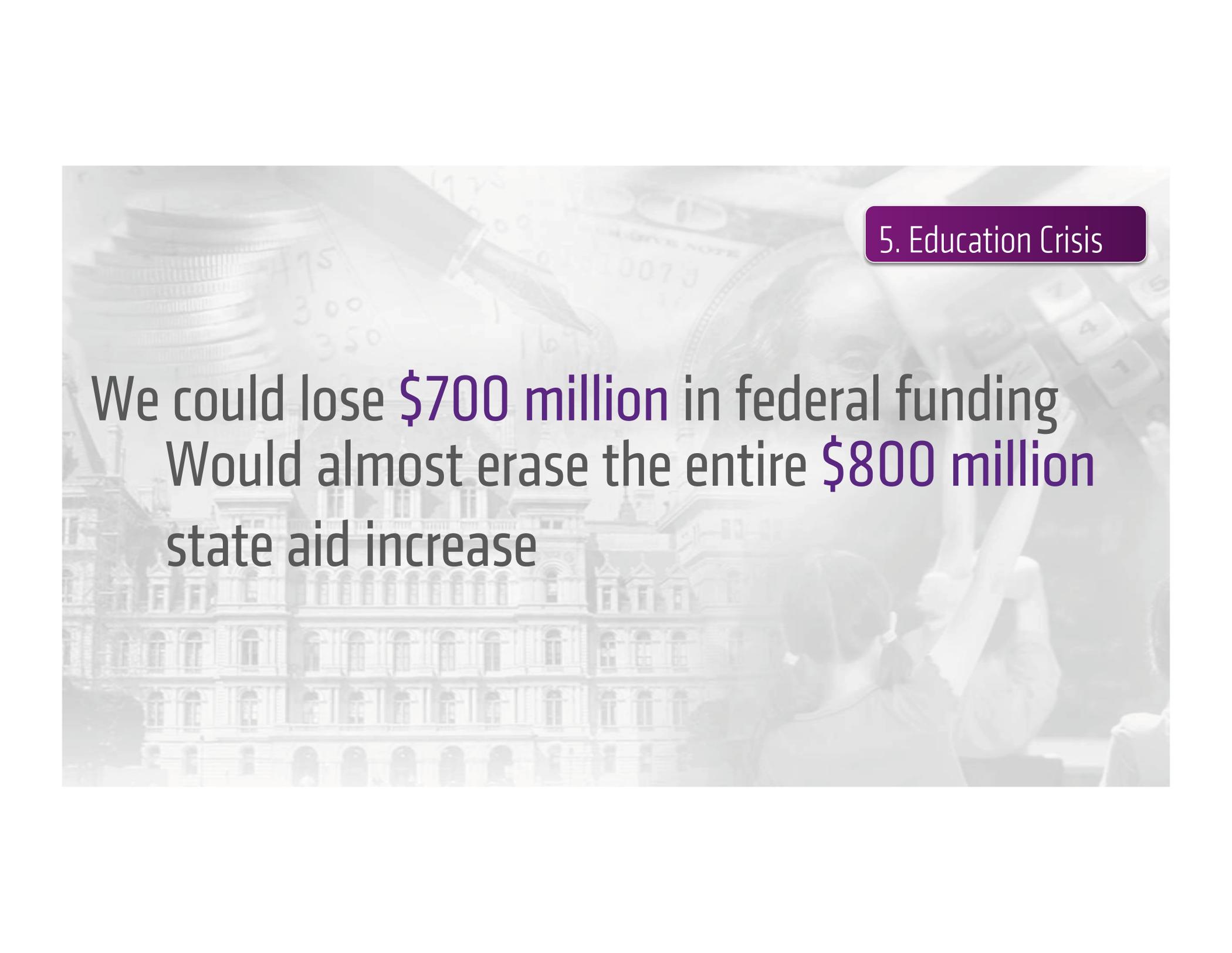
The background is a grayscale collage of various symbols related to education and finance. It includes a stack of coins, a fountain pen, a calculator, a hand holding a pen over a document, a portrait of Benjamin Franklin, and a large classical building with many windows. The text is overlaid on this collage.

## 5. Education Crisis

**758** school districts  
**0** evaluation systems adopted

# 2010 Teacher Evaluation Law hasn't worked



The background is a grayscale collage. At the top, there are stacks of coins, a fountain pen, and a calculator. In the center, there is a large image of a US dollar bill. At the bottom, there is a large, multi-story classical building with many windows, and a person is seen from behind, pointing at a whiteboard.

## 5. Education Crisis

We could lose **\$700 million** in federal funding  
Would almost erase the entire **\$800 million**  
state aid increase



5. Education Crisis

This is a **crisis**  
We must **act**



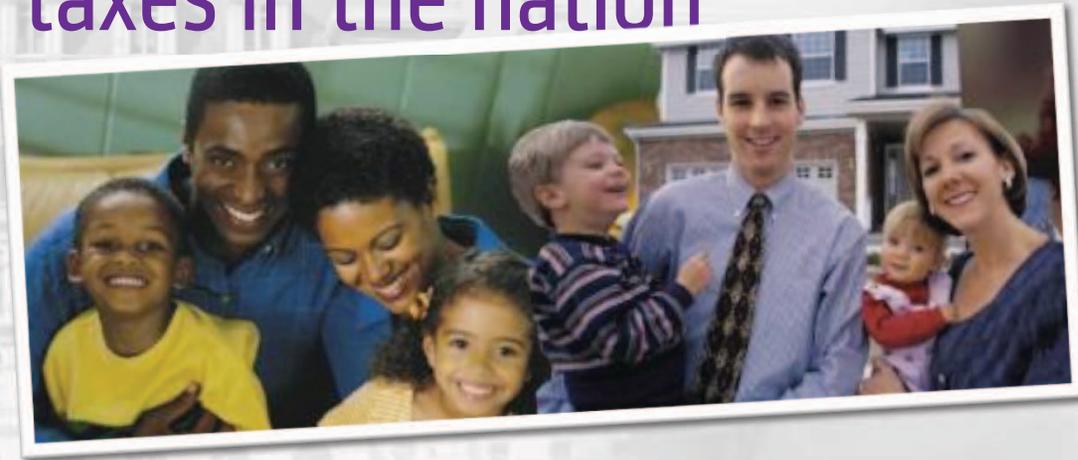
## 5. Education Crisis

Most important...

**It's the right thing to do**

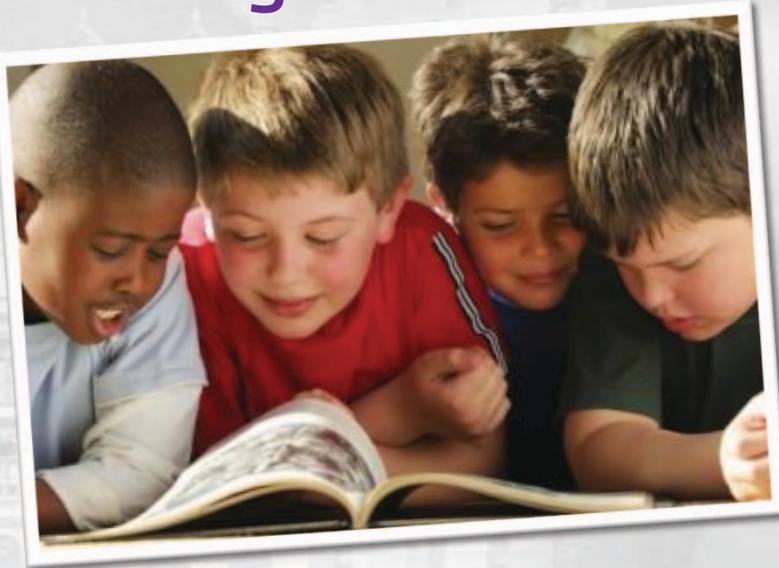
## 5. Education Crisis

Taxpayers should get what they pay for  
Highest per pupil spending in nation/highest  
property taxes in the nation



## 5. Education Crisis

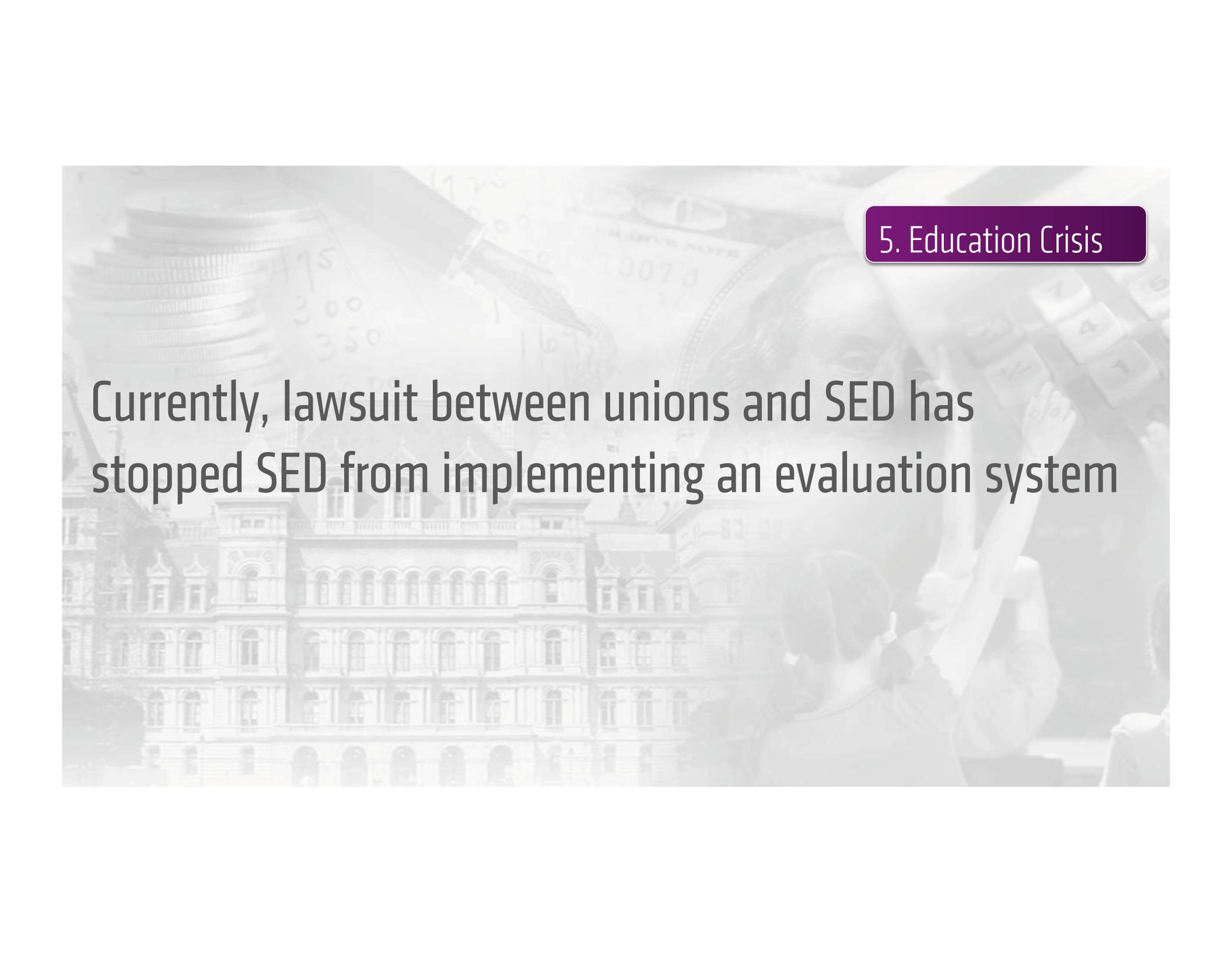
Students deserve the best education  
NY ranks 38<sup>th</sup> in graduation rates



## 5. Education Crisis

Teachers deserve the best input & help when they need it & rewards, honuses and incentives





## 5. Education Crisis

Currently, lawsuit between unions and SED has stopped SED from implementing an evaluation system

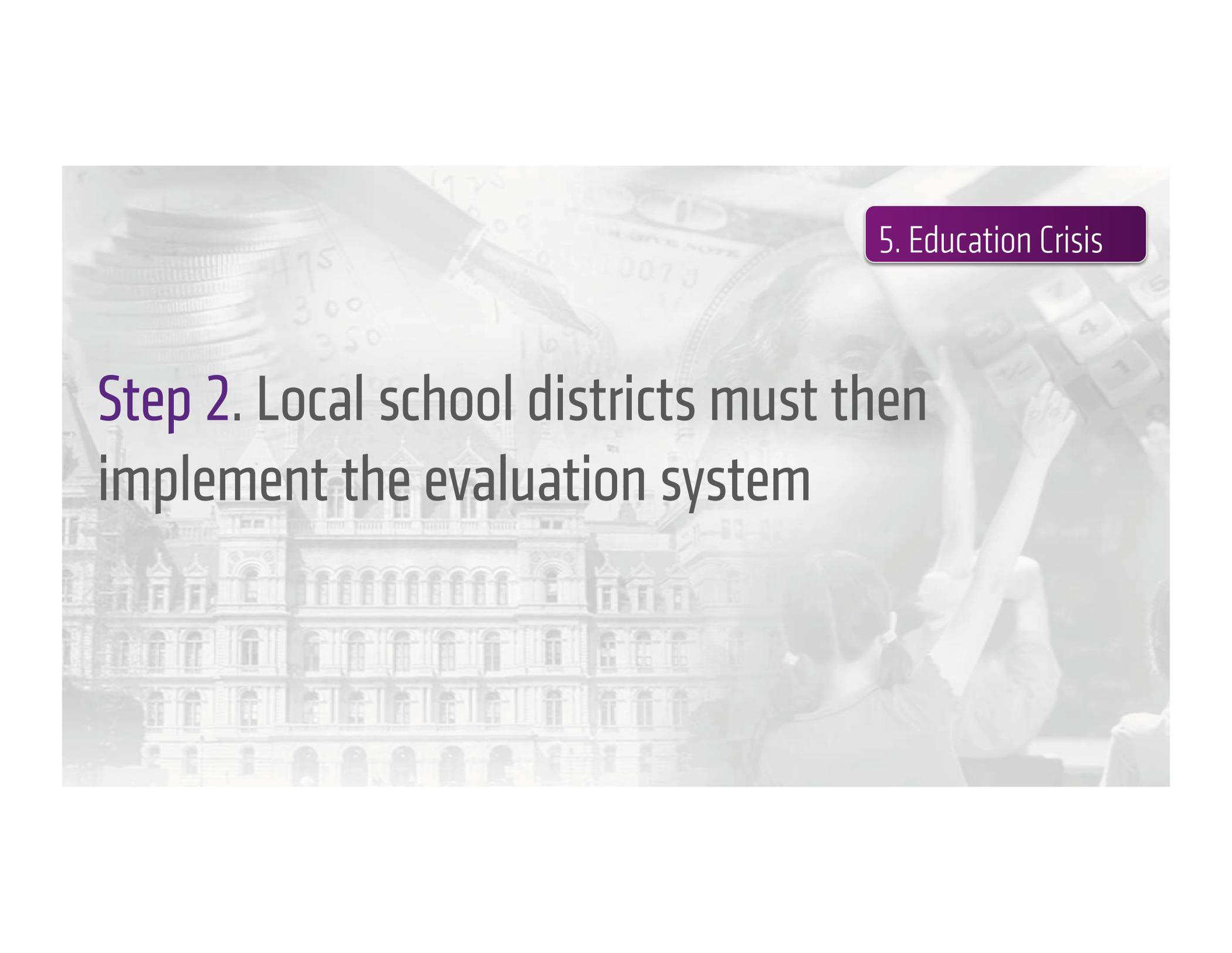
## 5. Education Crisis

**Step 1.** SED and the unions must end the lawsuit and finalize development of a real evaluation system based on student achievement, classroom observations and student feedback that also includes: (1) incentives for good performance (2) objective data for statewide comparison of districts and (3) fair and certain promotion and dismissal criteria and proceedings

The background is a grayscale collage. At the top, there are stacks of coins, a fountain pen, and a calculator. In the middle, there's a close-up of a person's face looking at a document. At the bottom, there's a large, ornate building, likely a government or institutional structure. The overall theme is the intersection of finance and education.

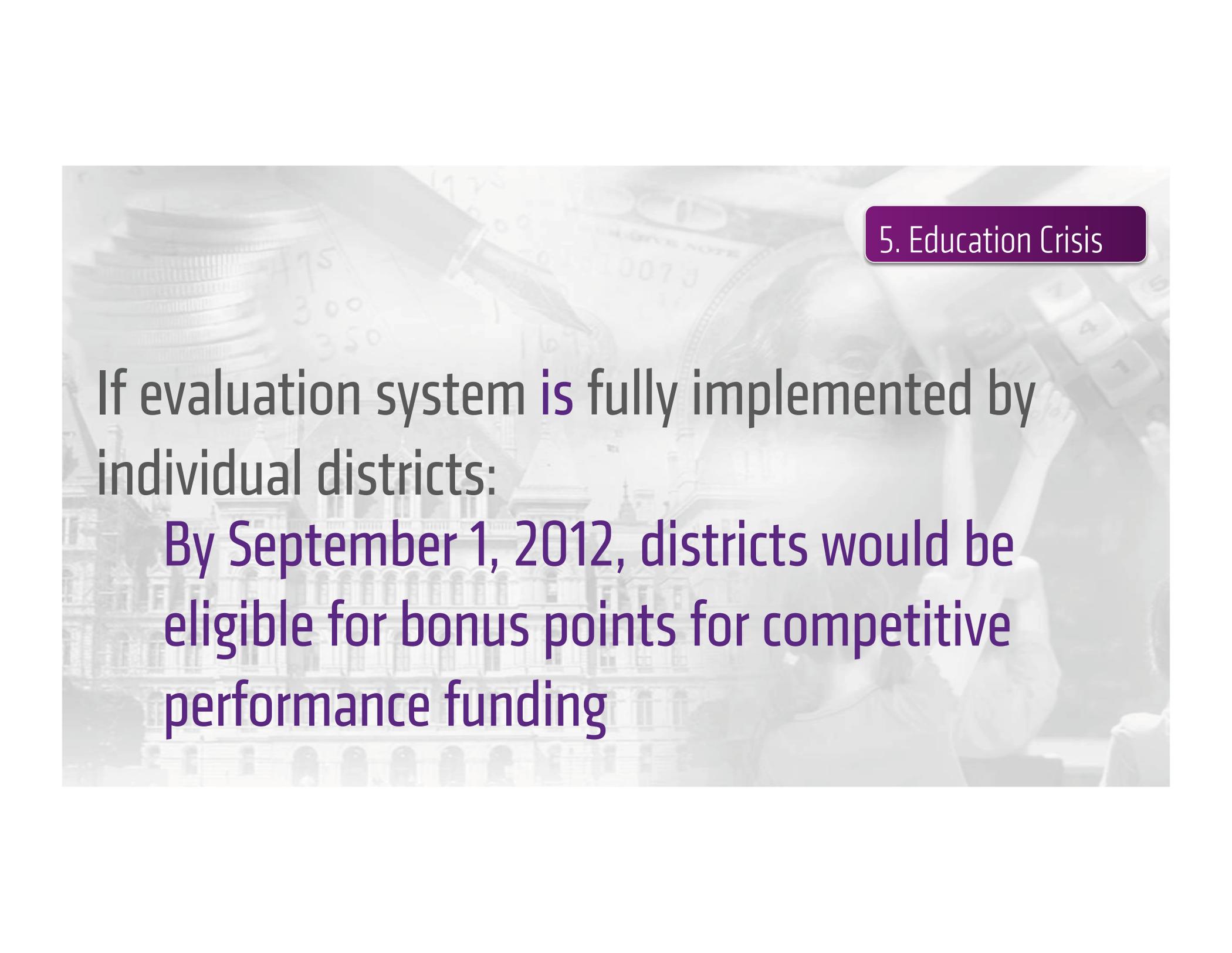
## 5. Education Crisis

If not completed in 30 days we will propose an evaluation system in our 30-day budget amendments



## 5. Education Crisis

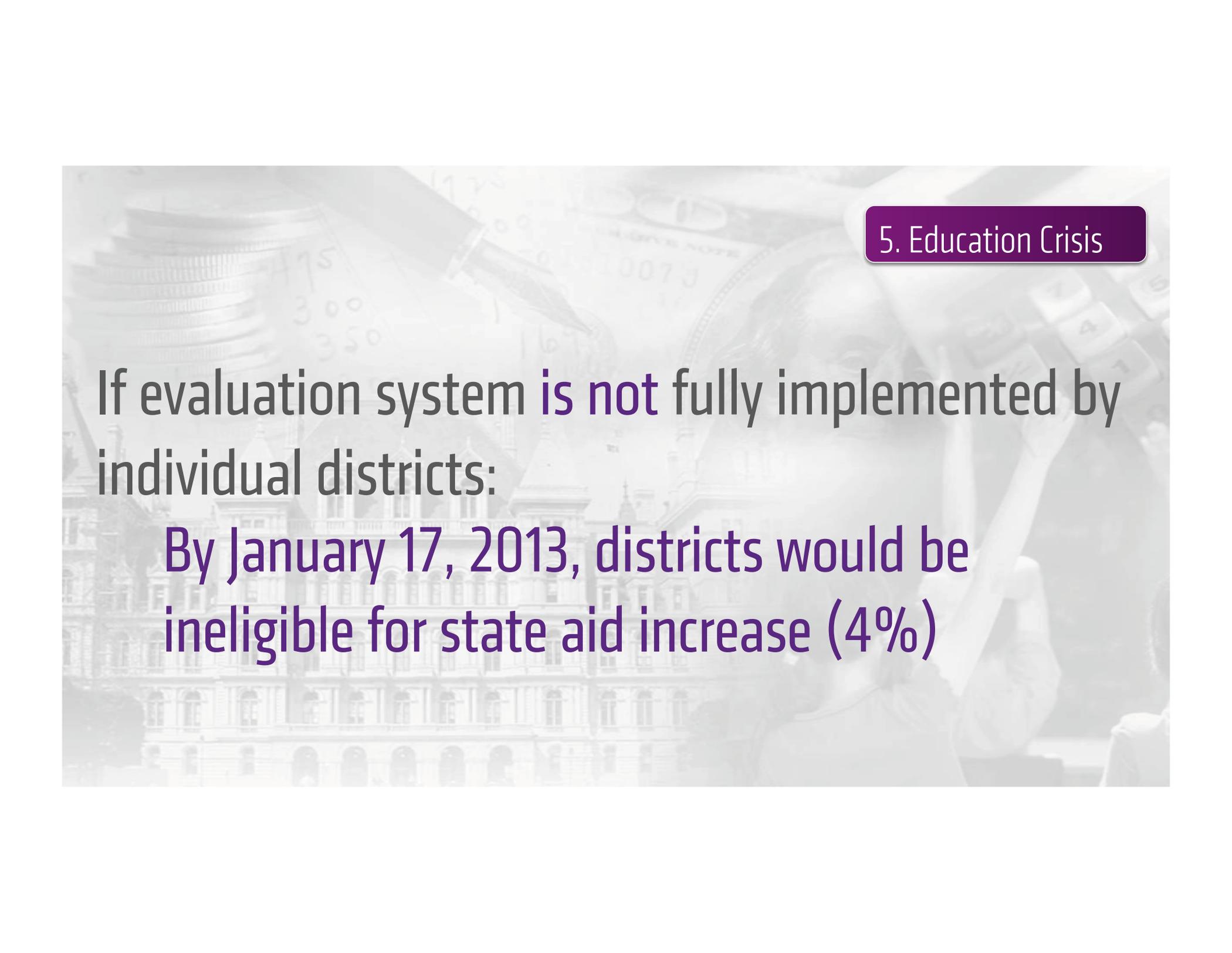
**Step 2.** Local school districts must then implement the evaluation system

The background is a grayscale collage of various symbols related to finance and education. It includes stacks of coins, a fountain pen, a calculator, a stack of papers, and a building that resembles a government or institutional structure. The overall theme is the intersection of money and learning.

## 5. Education Crisis

If evaluation system **is** fully implemented by individual districts:

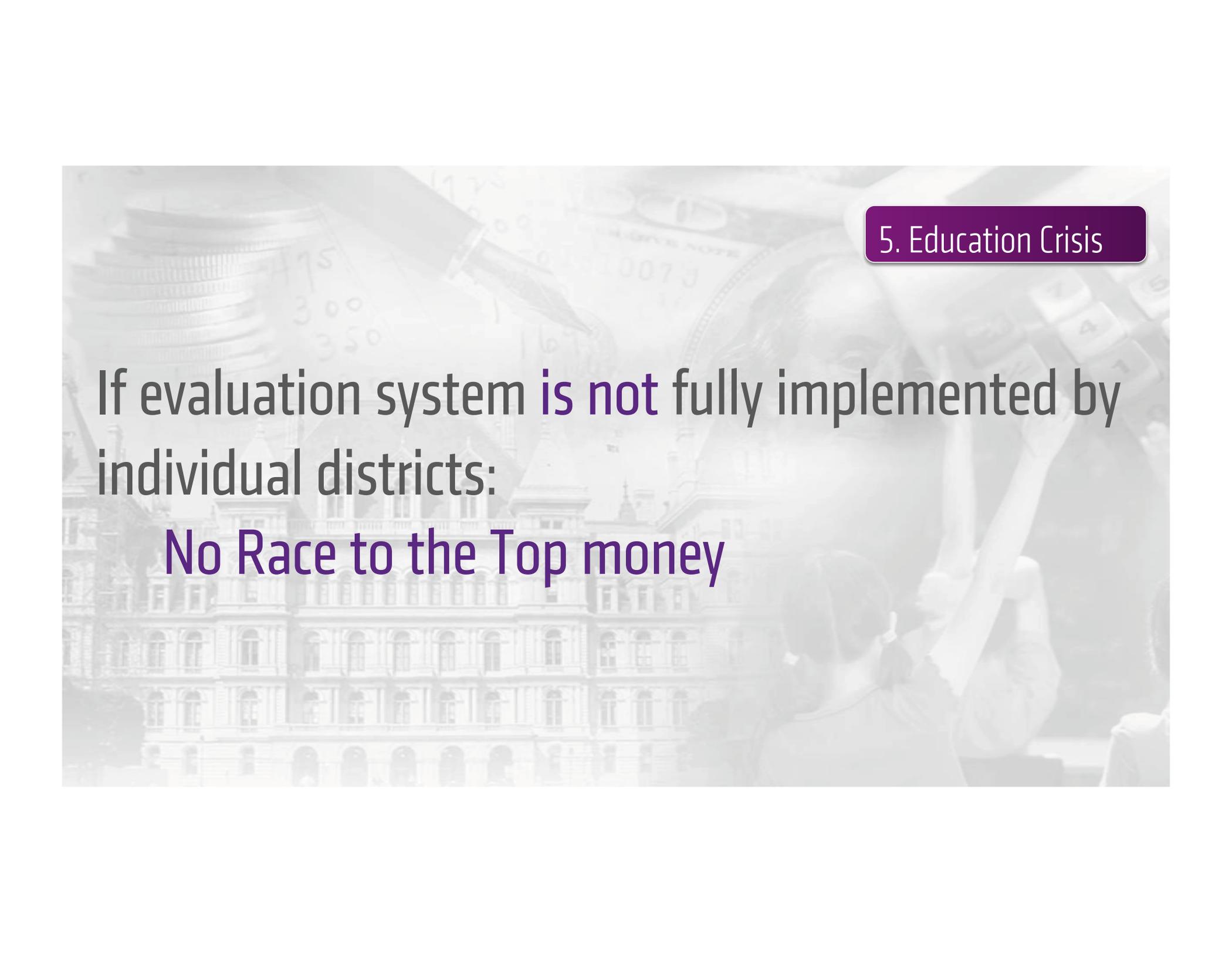
**By September 1, 2012, districts would be eligible for bonus points for competitive performance funding**



## 5. Education Crisis

If evaluation system **is not** fully implemented by individual districts:

**By January 17, 2013, districts would be ineligible for state aid increase (4%)**

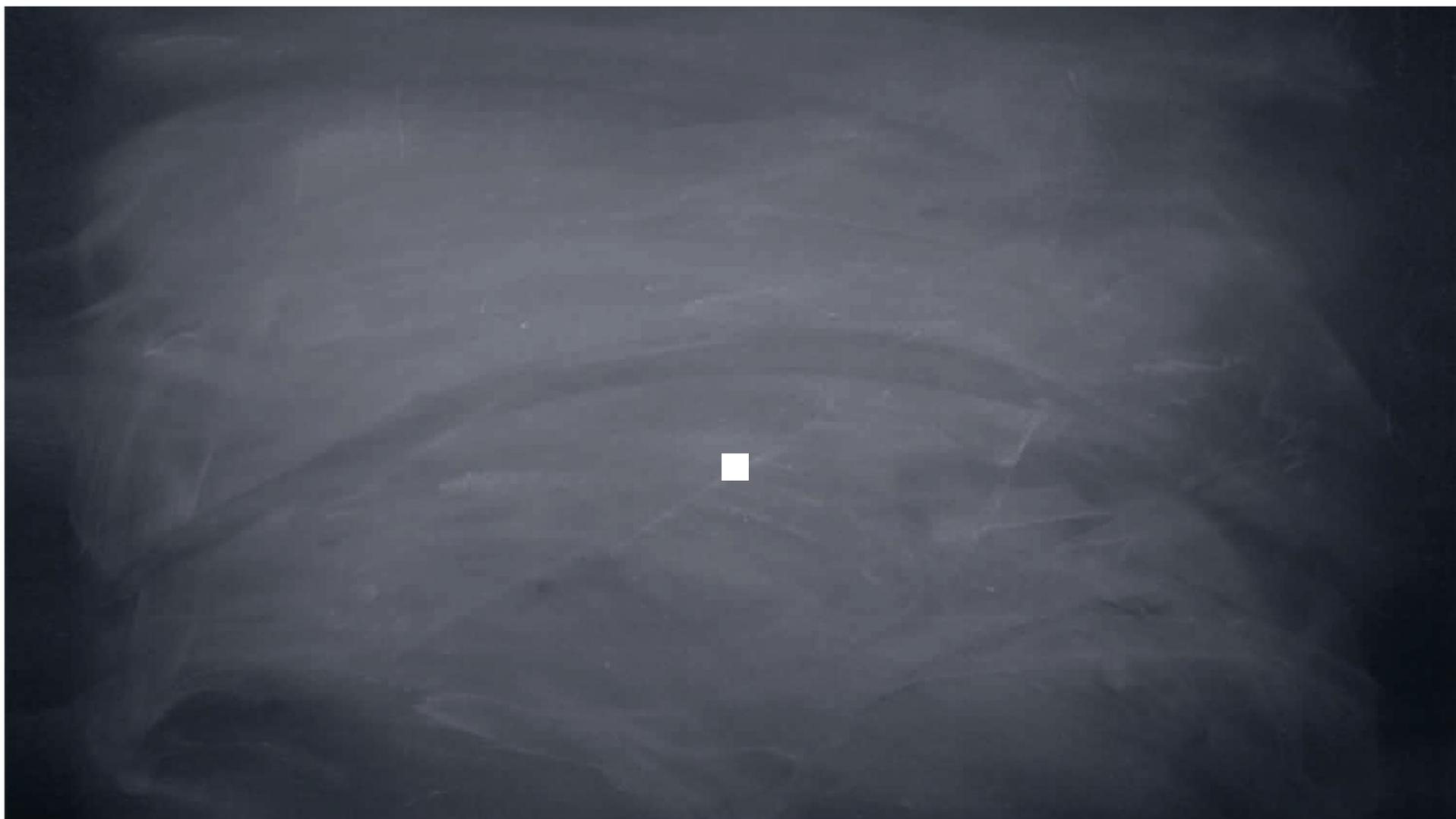
The background is a grayscale collage. On the left, there are stacks of coins and a fountain pen. In the center, there's a large image of a classical building, possibly a school or government building. On the right, there's a close-up of a person's face and hands holding a calculator. The overall theme is education and finance.

## 5. Education Crisis

If evaluation system **is not** fully implemented by individual districts:

**No Race to the Top money**

Equation is simple:  
No evaluation  $\neq$  no money





## 5. Education Crisis

If we are serious about education **we**  
**have no choice**

The background is a grayscale collage of financial and government-related imagery. It includes a fountain pen writing on a document with numbers, a stack of coins, a calculator, a US dollar bill, and the Great Seal of the State of New York. The seal features a figure holding a scale and a sword, with the motto 'EXCELSIOR' and the text 'THE GREAT SEAL OF THE STATE OF NEW YORK'.

In closing

This is a **pro economic growth strategy** based on **fiscal discipline**, **real reform** and **entrepreneurial government** to lead us to...



A *New* NY

