

School District Income Verification Program

Year 10 Summary Report



**State of New York
George E. Pataki, Governor**



School District Income Verification Liaison Committee

December 2003

To the Governor and the Legislature of the State of New York:

In accordance with Section 171 subdivision twenty-fifth of the Tax Law, as amended by Chapter 436 of the Laws of 1997, the Executive Director of the Office of Real Property Services, the Commissioner of Taxation and Finance, and the Commissioner of Education entered into a Memorandum of Agreement which sets forth the procedures to assign school district codes for the purpose of aggregating 2001 personal income data for use in determining state aid for education in the 2003-2004 school year. The agreement also continued an interagency School District Income Verification Liaison Policy Committee to ensure the coordination and timely progress of the program, to prepare a report evaluating the program, and to make recommendations for future improvements.

This report summarizes the tenth year of the program in which 99.4 percent of taxpayer address records were successfully assigned a school code, of those which could be assigned. In addition, the Liaison Committee welcomed the official participation of school and BOCES district representatives, who provided valuable input and feedback on program's procedures.

This report consists of an executive summary, a description of the program methodology and results, analysis, initiatives, a process flow chart, a glossary of terms, and an appendix containing additional program statistics by individual school district.

We would also like to acknowledge the participation and cooperation of superintendents of schools, District Superintendents, the Chancellor of the City School District of the City of New York, and County Directors of Real Property Tax Services (or their equivalent) throughout the State.

Respectfully submitted,

The School District Income Verification
Policy Committee

School District Income Verification Program Year 10 Summary Report

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Executive Summary

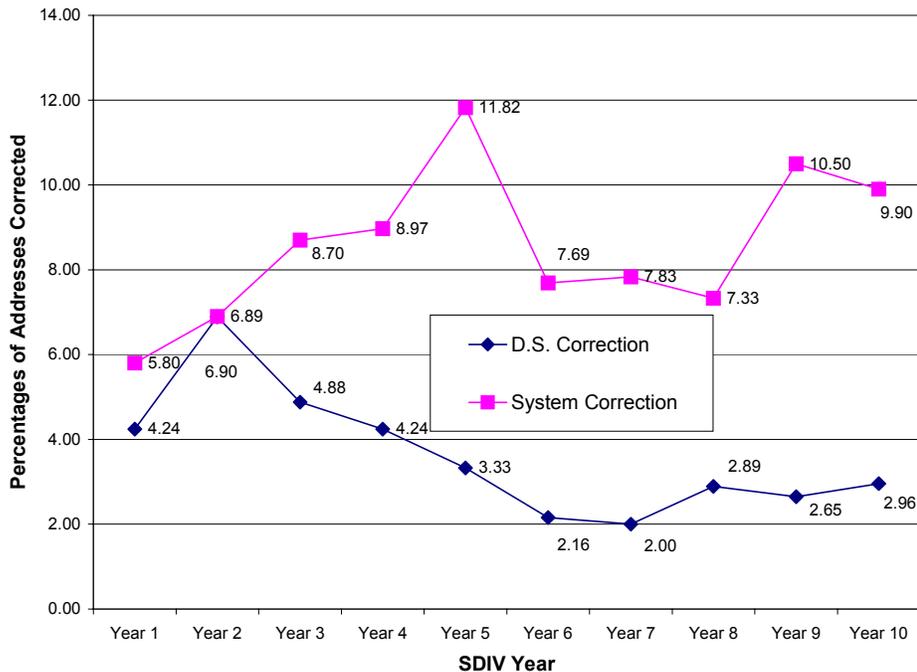
Since 1980, personal income wealth has been used in the calculation of state aid to public school districts. From that time on, income wealth has been attributed to school districts based on the school district codes reported by residents on their personal income tax returns. Concern over the accuracy of taxpayer reported school district codes resulted in the creation of a statewide system for the assignment of school district codes to taxpayer addresses.

First implemented in accordance with Chapter 50 of the Laws of New York State (1993), the statewide School District Income Verification (SDIV) Program has continued to demonstrate that a statewide computerized matching system is an appropriate and cost effective means of assigning school district codes to taxpayer address records. The current system was first authorized by a 1994 amendment to Section 171, subdivision twenty-fifth, paragraph d of the Tax Law, and assigned school district codes to 1995 personal income tax returns for the purpose of aggregating income data to be used in determining state aid for education for the 1997-98 and 1998-99 school years. School district codes assigned to 2001 tax returns will be used for determining state aid for the 2004-2005 school year as required by the Tax Law. As also required by the Tax Law, a Memorandum of Agreement (MOA) governing the program was executed by the Executive Director of the Office of Real Property Services, the Commissioner of Taxation and Finance, and the Commissioner of Education and was approved by the Director of the Budget on September 23, 2002.

The system developed by the Office of Real Property Services (ORPS) under the direction of an interagency Liaison Committee was again able to correct or newly assign school codes to over 750,000 (from Appendix B) taxpayer addresses. As in previous years, districts were provided an opportunity to participate in the review of several categories of address records attributed to their district. This voluntary review was undertaken by 257 New York State school districts in Year 10 whose aid is dependent upon personal income wealth. Any changes recommended by a participating school district as a result of the review were implemented if they were certified by the District Superintendent (DS) of the appropriate Board of Cooperative Educational Services (BOCES). Of the 756,337 address records for which school codes were corrected or newly assigned, 12,168 resulted from this school district address review process. The remaining 744,169 addresses had school codes corrected or newly assigned by one of the automated methods of the program.

A comparison of correction rates in the first six years of the SDIV program is illustrated in Figure 1. System corrections refer to instances in which the taxpayer address is attributed to a different school district than the first one reported by the taxpayer. These corrections may be due to computerized assignment methods or to DS corrections described above. These corrections, when divided by the total number of address records processed, yield a “system correction” rate expressed as a percentage. The system correction rate increased from 5.80 percent in Year 1 to 11.82 percent in Year 5, before dropping to 7.69 in Year 6. However, after the relatively flat trend of Years 7 & 8, the system correction rate climbed back to 10.5% and 9.9% in Years 9 and 10, respectively. Improvements in the processing methods in the last few years have allowed for more records to be corrected by the system techniques. Based upon the system rates of the last two years, these correction rates may have plateaued.

Figure 1: System and District Superintendent Correction Rates



The District Superintendent correction rate considers DS corrections to a select group of "anomalous" addresses in the address review phase of the program only. The DS correction rate is the ratio of DS corrections to the total number of addresses changeable by participating districts. These address codes are either initially assigned by ORPS' computerized methods and differ from taxpayer reported codes, are previous year corrections to the same address, or are those which can not be assigned by the previous two categories.

As the figure reveals, since Year 2, when the DS correction rate was 6.89 percent, there has been a steady but slowing reduction in DS error correction rates, which were down to

2.00 in Year 7. It rose slightly in Years 8, 9 and 10 to 2.89, 2.65 and 2.96%, respectively. Nevertheless, the generally downward slope in DS correction since Year 2 is evidence of the increased effectiveness of the overall system-wide assignment process.

The taxpayer address information provided by the Department of Taxation and Finance (DTF) was used solely for the purpose of assigning school district codes corresponding to the permanent residential address of taxpayers. The information was divulged only to persons with the need to know in furtherance of this purpose. All persons permitted to inspect the information were required first to sign DTF's "Agreement to Adhere to the Secrecy Provisions of the Tax Law and the Internal Revenue Code" (Form EN-202). This extra measure provides further confidentiality ("secrecy") assurance of taxpayer information. As an aid to understanding the terminology of this report, a glossary appears in Appendix D.

Program Methodology Description and Results

In accordance with Section 171 subdivision twenty-fifth paragraph d of the Tax Law as amended by Chapter 170 of the Laws of 1994, and Chapter 436 of the Laws of 1997, the Executive Director of the Office of Real Property Services (ORPS), the Commissioner of Taxation and Finance (DTF), and the Commissioner of Education (SED) entered into a Memorandum of Agreement which was approved by the Director of the Division of the Budget (DOB) on September 23, 2002. This agreement defined the roles of the participating agencies in implementing a statewide School District Income Verification Process (SDIV), described methodologies, set deadlines for various phases of the program, and continued a Liaison Committee to guide the program.

SDIV staff, under the direction of the Liaison Committee, designed, tested, and implemented a methodology to assign school district codes to tax year 2000 taxpayer address records supplied by the Department of Taxation and Finance.

This section details the procedures, software, data, methods, rationale, and results of the Year 10 SDIV process.

Each of the following steps and their results are described in the following pages:

- School district maps were sent to school districts requesting to participate in the boundary review/correction, the first step of the Year 10 process.
- DTF processed Year 10 (tax year 2001) taxpayer reported personal income tax (PIT) information and transmitted computerized files to ORPS.
- ORPS processed Year 10 PIT address records using various methods to assign school codes.
- The School District Address Review process for Year 10 was conducted.
- ORPS transmitted a final file to DTF. DTF provided aggregated school district income data to the State Education Department and the Division of Budget. SED used these figures to calculate state aid for education.
- A Year 10 Further Address Review process was implemented, permitting districts which participated in the Phase 3 Address Review to submit a request for review following their receipt of the 2001 adjusted gross income results for their district. Compelling evidence of potential errors in the attribution of adjusted gross income to the district had to be provided via a formal written request to the SDIV Liaison Committee.

Phase 1: School District Boundary Review/Correction

The SDIV program uses taxpayer supplied address information in concert with digital school district boundaries to assign school district residence codes to these addresses. The first phase of the program allowed districts to review and correct as necessary, their boundaries as shown on ORPS produced maps. In October of 2002, maps were sent to districts for review. Most districts (634), in the ORPS GIS had complete digital tax map (DTM) boundaries, that is, boundaries taken from approved digital or paper real property tax maps. Others (34), have boundaries composed of both DTM and non-DTM portions. While, still others (15 - excluding New York City districts), has boundaries from only non-DTM sources. To correct DTM boundary portions, districts sent ORPS paper or digital tax maps that portrayed the correct boundary portion(s). To correct non-DTM portions, districts manually drew approximate boundary corrections with the written consent of the affected district(s). The following counties did not have complete DTM school boundaries in the ORPS GIS at the time maps were created for review:

- Westchester (certain towns only)
- New York
- Queens
- Richmond
- Onondaga (one district)
- Kings
- Bronx

DTM boundary portions for districts in these counties will be incorporated into the ORPS GIS as they become available.

DTF Address Processing

DTF performed address “scrubbing” to correct and standardize address components of the 8,103,609 records that made up the tax year 2000 PIT data transmitted to ORPS for Year 10 processing.

In October 2002, DTF prepared address labels for New York State personal income tax forms for the over eight million taxpayers who reported their 2002 income. In order to increase the accuracy of taxpayer school district code reporting, the codes printed on the mailing labels were updated using the corrections made in the Year 9 SDIV program.

Phase 2: Assignment of School District Codes by ORPS

ORPS Address Scrubbing

As mentioned in the DTF Address Processing section above, DTF supplied ORPS with taxpayer addresses which had been scrubbed by DTF software. ORPS then scrubbed the taxpayer addresses using a different software package in order to delineate address components for various stages of processing.

ORPS Assignable Address Records

As a result of the address scrubbing, 7,634,557 address records were identified as ORPS "assignable," i.e., records eligible for assignment of a final school district code unless changed during the school district address review. Certain address records were deemed "unassignable" or ineligible for address assignment. These included two categories of unverifiable records and the previous year corrected records (see Appendix B).

The first unverifiable category consists of addresses to which mail is delivered but which are either outside of New York State or are those at which no taxpayer physically resides. This group includes 445,986 out-of-state, post office box, general delivery, and business firms or non-residential addresses. A school district code assigned based on the location of these addresses would not be reliable because persons using these addresses either live out of state or choose to have their mail delivered to these addresses but do not necessarily reside there. These 445,986 address records, whose taxpayer reported school codes were not changed by ORPS processing, were excluded from the Phase 3 School District Address Review.

The second category of unverifiable address records consists of mailing addresses which correspond to actual taxpayer residence addresses, but which are not specific enough to accurately determine their geographic location by automatic processes. This group is made up of rural route and highway contract addresses. Since it is possible for a rural route or highway contract to cross school district boundaries, any school district code assigned to these type of addresses by the current SDIV processing methodology would be unreliable. However, the 23,066 rural route and highway contract addresses identified statewide were eligible for review and correction by school districts participating in the address review on the Unassigned lists.

As part of the address scrubbing process, an address record type code was assigned which provided information about the nature of the address. This was used to identify unverifiable address records. The following table shows the breakdown of ORPS unassignable address records that were identified:

Table 1
ORPS Unassignable Address Records

Address Record Category	Frequency
Out-of-State	100,670
General Delivery	133
Business/Firm or Non-Residential	15,939
Post Office Box	329,244
Rural Routes and Highway Contracts	23,066
Total	469,052

Processing Order of Precedence

All ORPS assignable address records (7,634,557) were candidates to be assigned school district codes by one of four methods: NYC, PIT/TAR, GIS, or GIS/ZIP+4. Based on the reliability of the data sources and procedures used in each method, an order of precedence was established for applying these methods. Methods with higher anticipated reliability were applied first.

The NYC method was the most straightforward of the four methods, requiring a relatively simple translation of the county code attributed to each address record by the scrubbing software, to one of the five New York City borough school districts. It also permitted potential assignment of a large number of address records, thereby removing them from further processing. Accordingly, this method was used first in processing the ORPS assignable records. The success of this method depended chiefly on the quality of PIT address record scrubbing.

The next address matching method applied was the PIT/TAR method. This method matches addresses of properties on the tax assessment roll file with taxpayer reported residence addresses. Where matches are found, the school district to which the school taxes are paid as recorded on the assessment roll, is then attributed to the PIT record. The success of this method was most influenced by the quality of PIT and TAR address scrubbing and the reliability of the TAR address and school code information.

Address records not assigned by either the NYC or PIT/TAR methods, were processed by the GIS method, where address records are assigned latitude and longitude coordinates (geocoded) based on the house number and street name. The geographic coordinates representing a particular address are then "overlaid" onto map surfaces that contain school district boundaries using GIS software. Thus, depending on the spatial location of each geocoded address record on a computerized map surface, a school district assignment will be made. Factors influencing the method's effectiveness were the scrubbing of the PIT address records and the locational accuracy of both the school district boundaries and the geocoded address records.

The final method, the GIS/ZIP+4 method, involved GIS overlay of address records onto the school district boundaries using geocodes based on their ZIP+4 code (less accurate than by house number and street). Only the most reliable ZIP+4 locations were used. This method depended on the accurate assignment of ZIP+4 postal codes to taxpayer addresses, the accuracy of digital school district boundaries, and the accuracy of longitude/latitude points representing ZIP+4 code data.

Addresses that could not be assigned by one of the four methods described above, remained "unassigned" by ORPS. If the address record contained a valid school district code reported by the taxpayer, the code was attributed to that record by ORPS unless corrected in the school district address review. Where no valid code was supplied by the taxpayer, the address record was not attributed to any school district. The results of ORPS processing after the four methods, but prior to the address review and correction, are summarized in the following table:

Table 2
Phase 3 Processing Results

Method	# of records in	# of records assigned	% of Total PIT Records
NYC	7,634,557	3,139,279	38.74
PIT/TAR	4,495,278	2,872,713	35.45
GIS	1,622,565	1,397,021	17.24
GIS/ZIP+4	225,544	176,242	2.17
Unassigned & Unverified	49,302	N/A	0.61

Total PIT Records= 8,103,609

Phase 3: School District Address Review Process

The computerized assignment of school district codes to address records resulted in some address record additions to or deletions from school district assignments, based upon what taxpayers reported. School codes of other address records remained either: unchanged because they were verified as being correct; unverifiable; or unassignable by one of the four methods through which address records were processed. Other records, regardless of what the ORPS assignment would have been using the four methods, were attributed to the previous year match of school districts described earlier on page 2, *DTF Address Processing*.

Each superintendent of schools was given the opportunity to review several categories of the address records attributed to or deleted from their district as a result of ORPS school code assignments or the previous year match code. All reviewable address records were correctable (as described in the list below). To participate in the regular review process, the superintendent had to file a Department of Taxation and Finance secrecy form (EN-202) with the Office of Real Property Services by the required deadline. (Because the confidentiality of information on the PIT files is governed by the New York State Tax Law and the Internal Revenue Code, anyone participating in the review of this information was required to file a secrecy form with DTF.)

Each superintendent of schools electing to participate in the school district address review received up to three lists of addresses as described below:

Additions: A list of all addresses reported by taxpayers as being located in another district, but which were added to the given school district by SDIV processing.

Deletions: A list of all addresses reported by taxpayers as being located in the given district, but which were deleted from that district and assigned to a different district by the SDIV processing.

Unassigned: A list of all addresses for which no school district code was assigned by any of the four SDIV program assignment methods (*Processing Order of Precedence*, pages 4 and 5). Most address records on the unassigned lists were verifiable. The ORPS unverifiable highway contract and rural route addresses however, were included in this changeable list because the Liaison Committee felt that the superintendents of schools might be able to more reliably assign these addresses.

Each participating superintendent was instructed to review the lists and make any necessary changes to the school codes attributed to the address records shown. These results are then submitted to the District Superintendent of the supervisory district in which the district was located for inter-district review and certification. School Superintendents were allowed to contact other participating districts within the supervisory district to reconcile differences in school code assignment to taxpayer address records. The District Superintendent was then required to indicate whether or not the correction was certified.

Before certifying that addresses would be assigned to another district, the District Superintendent was also required to give the receiving district the opportunity to review the change. If the receiving district was located within that Superintendent's supervisory district, the contact was to be made to the superintendent of the receiving district. If the receiving district was not located within the District Superintendent's supervisory district, the contact was to be made to the District Superintendent where the school district was located. The Chancellor of the New York City School District acted in both capacities for changes which involved New York City addresses.

Phase 4: Processing of School District Corrections

Of the 688 school districts in Year 10, 257 districts elected to participate in the school district address review process. A total of 12,168 valid school district code corrections (2.96 percent of all address records), from the three changeable list types described above, were certified by District Superintendents. Changes had to be both designated by the school superintendent and certified by a District Superintendent to be made by ORPS. ORPS processed the corrected codes as the final assigned code for the appropriate address records.

Final codes for all other records were either the previous year corrected code or those reported by the taxpayer, if unassigned. If the address record were a previous year corrected code but contained an unchangeable address type, the taxpayer reported school code, if valid, was used as the final assigned code. If the taxpayer code was invalid or missing, the previous year corrected code was used.

ORPS prepared the files in accordance with the September 23, 2002 Memorandum of Agreement and delivered them to DTF by August 8, 2003. DTF aggregated income by school district based on the final assigned codes and then delivered their results to SED which calculated State Aid based on the aggregate income figures.

Year 10 Further Address Review

In past years, districts that believed that their adjusted gross income was overstated were permitted to participate in a so-called Prior Year Review Process. That process was designed to accommodate the fact that districts never had an opportunity to review the addresses of "late filers", address lists based upon tax returns submitted after the usual filing date which often reflected unusually high incomes. Due to reengineering changes in the SDIV timetable, all such addresses are now reviewed by participating districts – effectively eliminating the need for a Prior Year Review. However, for districts that can present a compelling case for review, an opportunity to review those address records confirmed by both the computerized assignment process and the reporting taxpayer as belonging to the same district (and therefore not sent to districts during the regular review), was still possible.

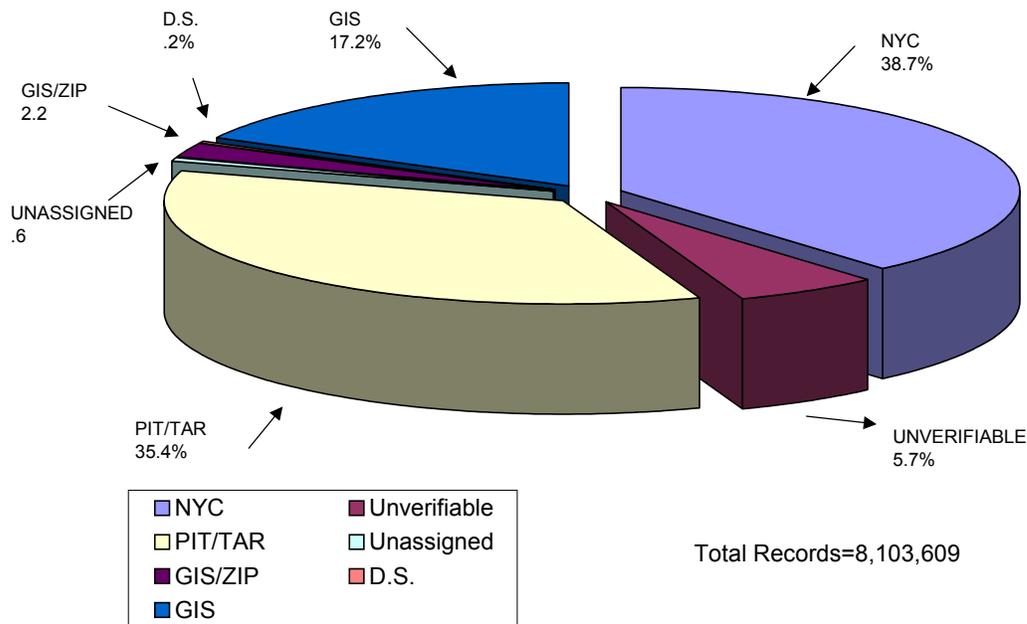
In November of 2003, Phase 3 participants were mailed a Request Review Form together with a notification of the 2001 adjusted gross income figures. Only three districts did request a review, but following analysis by the SDIV Liaison Committee, none of the requests were authorized for additional review.

Program Results and Analysis

The following results are highlights of the Year 10 program:

- The 8.1 million address records furnished by DTF were processed within both the program time constraints and as specified in the interagency Memorandum of Agreement.
- Corrections to address assignments made in Year 9 were used in Year 10 where the taxpayer address and taxpayer identification remained constant.
- Procedures for correction of district boundaries were greatly simplified and made voluntary for school districts.
- Non-DTM portions of district boundaries could be corrected by mutual agreement with the affected district(s).

**Figure 2: PIT ADDRESS RECORDS by CATEGORY
(Category as % of Total)**



A total of 8,103,609 PIT address records were processed by the SDIV system as described above. These records can be grouped into a number of categories that indicate their final disposition as a result of ORPS processing and school district review and correction. Figure 2 illustrates these "address record categories."

Address records could be finally assigned by one of the four ORPS assignment methods (NYC, PIT/TAR, GIS, GIS/ZIP+4), or by superintendents of schools and certified by District Superintendents in the school district address review process (DS Corrections). These corrections were either: (1) originally assigned by one of the four assignment methods; (2), unassigned by the four methods and appeared on "Unassigned" lists; or (3), were previous year corrected records.

As New York City represents such a large portion of New York State taxpayers, it is not surprising that the NYC method captured the highest percentage of PIT address records (38.7%). The PIT/TAR method accounted for about 35% of address assignments, followed by 17.2% assignments under the GIS method. In addition:

- 1) The percentage of address records which could not be verified diminished slightly (dropping from 5.8 percent last year to 5.7 percent this year).
- 2) The DS correction rate, always small, remained unchanged from last year' rate of 0.2 percent; and
- 3) The GIS method of assignment garnered 17.2 percent of assignments, up from the 16.6 percent in the prior year.

Figure 3 and Table 3 (taken together) illustrate the performance of the SDIV process in

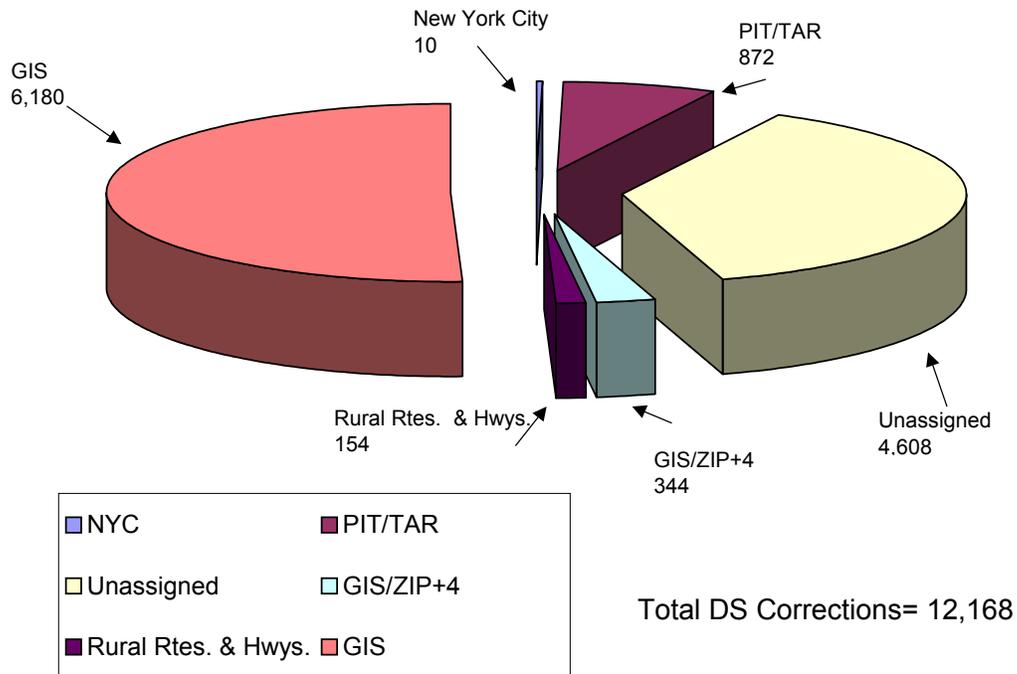
yet another way. Here, the number of District Superintendent corrections to an initial ORPS assignment, are shown for each of the four methods of assignment, as well as for previous year corrected, rural route, highway contract, and other unassigned address records. It is assumed that a large number of District Superintendent corrections to records initially assigned by a given method, indicate that the given method was less accurate than other methods with fewer District Superintendent corrections. Figure 3 shows the absolute number of District Superintendent corrections by initial method of assignment or category. Table 3 shows, for each method or address category, the number of District Superintendent corrections as a percentage of the total number of records that could possibly have been corrected.

An inspection of both Figure 3 and Table 3 reveals that the New York City method was the most accurate of the four methods of assignment: i.e., this method had the smallest correction rate of .14. That is, only .14 percent of addresses eligible for correction under this method were in fact corrected. The PIT/TAR method was also proven to have been accurate as well, with only .39 percent of addresses corrected. By way of contrast, addresses processed by the ZIP+4 method was 7.26 percent. Although a high rate relative to the aforementioned methods, the ZIP+4 method actually declined from last year's 15.51 percent figure. Finally, the highest correction rate, reflecting inaccuracy of computerized assignment, is associated with unassigned addresses. This year's rate of 28.07 percent is more than five times the rate of last year at 5.54%. It is not yet clear what explains this increase, which is such an outlier in its change over the prior year. The other methods' correction rates generally changed little.

Table 3
District Superintendent Correction Analysis

Method or Address Category	# Eligible for DS Correction (A)	DS Corrections (B)	DS Correction Rate (B/A)
<i>From Additions and Deletions Lists</i>			
NYC	6,899	10	0.14
PIT/TAR	222,865	872	0.39
GIS	155,014	6,180	3.99
GIS/ZIP+4	4,739	344	7.26
<i>From Unassigned Lists</i>			
Rural Rtes & Hwys.	4,856	154	3.17
Unassigned	16,418	4,608	28.07
Sum	410,791	12,168	3.00

**Figure 3: DISTRICT SUPERINTENDENT (DS) CORRECTIONS
Year 10**



Continuing Quality Improvements:

- 1) *Resolve school district coding anomalies on tax maps, assessment rolls, and the SDIV program's digital boundary file:* A number of inconsistencies with regard to individual parcels still exist throughout the State. In numerous situations, a parcel listed on the roll of one school district is wholly surrounded by parcels from another school district. The improper portrayal of certain types of properties on the various files and maps also needs to be resolved. These include Native American Reservations, the federal installation at West Point, and Special Act (Institutional) School District properties.
- 2) *Obtain better reference address data:* The advent of 911 emergency management systems has contributed to many countywide efforts to associate an address with each tax parcel. These efforts will allow for computation of the precise geographic location of each tax parcel address record in the county, thereby facilitating school district code assignment for most taxpayers in that county. Also, ORPS has formed a Real Property System Team to concentrate on improving the current computerized tax administration system, including identification of correct geographic locations for each tax parcel, as well as establishment of parcel address standards.
- 3) Over time, many of the Previous Year Corrected address code changes have resulted in appropriately corrected mailing labels by taxpayers. As a result, many of these previous year corrected addresses have proven to be verified – that is, the taxpayer reported address and the ORPS assigned district code are now one and the same the majority of the time. In the interests of improved efficiency and, reduced correction workload by school district staff – such verified address locations will no longer be sent for review.¹

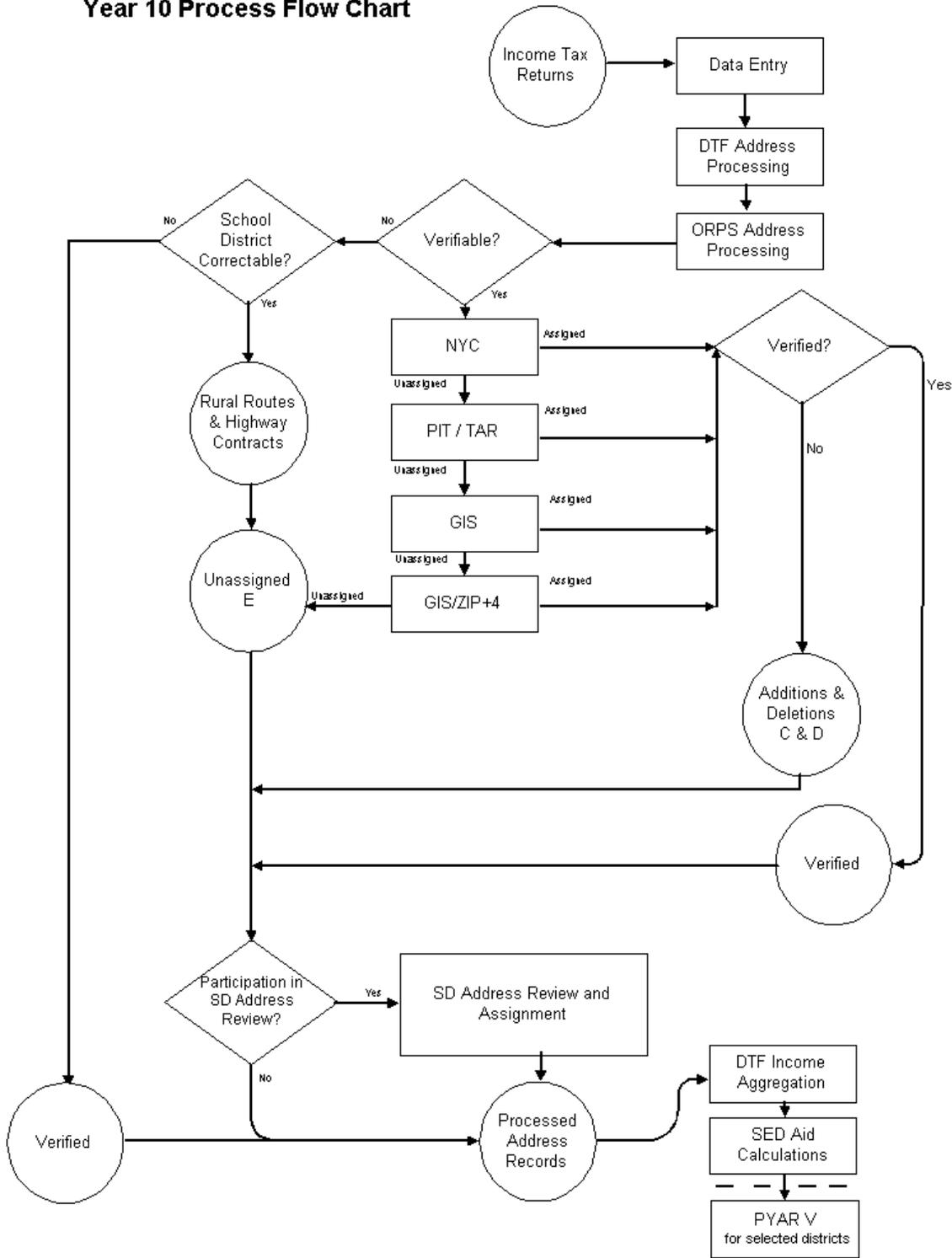
¹ The elimination of the Previous Year Corrected list was recommended and approved on November 7,

If you have any questions, please contact Dr. Willard Van Horne or Matt Reilly at the State Education Department (518/474-5213), or the School District Income Verification Program staff at the Office of Real Property Services (518/473-1642).



APPENDICES

Appendix A School District Income Verification Year 10 Process Flow Chart



Appendix B School District Income Verification Program

Year 10 Summary Statistics

	# PIT Address Records	% of Total	% of ORPS Assignable
Total Processed	8,103,609	100.0%	N/A
Minus Unchangeable	-445,986	5.5%	N/A
Minus Rural Routes & Highway Contracts	-23,066	0.3%	N/A
ORPS Assignable	7,634,557	94.2%	100.0%
Minus Unassigned	-49,302	0.6%	0.6%
ORPS Current Year Assigned	7,585,255	93.6%	99.4%
Minus Other Verified	-6,828,918	84.3%	89.4%
Initial Corrected/Newly Assigned	756,337	9.3%	10.0%
Minus Newly Assigned	-185,157	2.3%	2.4%
Minus Corrected	-571,180	7.0%	7.4%
Adjustments from SD Address Review Correction	756,337		
Plus Rural Routes & Highway Contracts	154		
Plus Unassigned	4,608		
Minus Additions/Deletions*	-5,789		
Final Corrected/Newly Assigned	755,310		

* Additions and deletions which were corrected back to the DTF reported school district code.

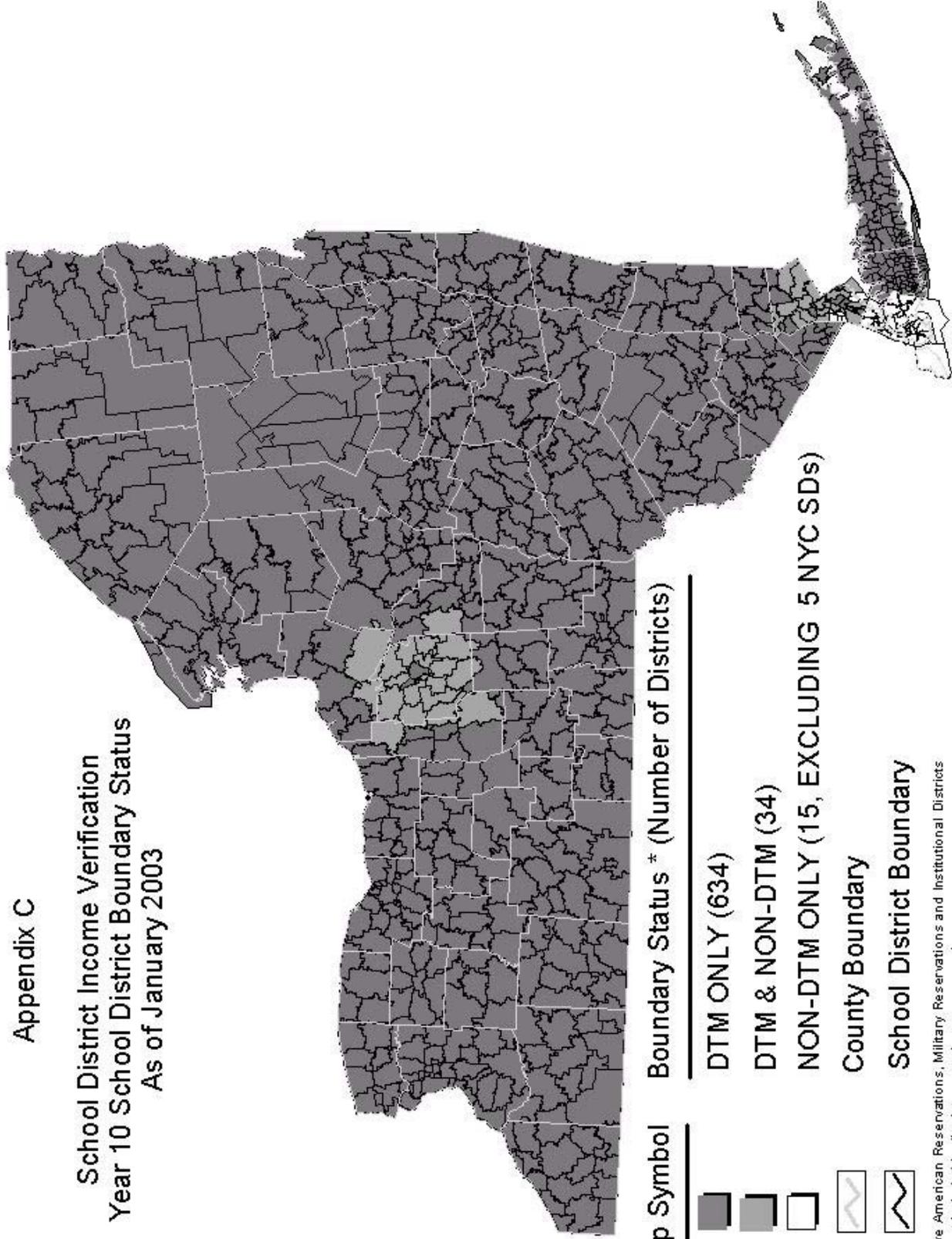
Does not include the 1,617 additions and deletions corrected to a school district code other than the DTF reported school district code.

School District Address Review Process

Reviewable by all districts	1,274,691
Reviewable by 257 participating districts	540,189
Minus Unchangeable	-129,398
Total Changeable	410,791
Minus Total Uncorrected	-398,623
Corrected	12,168
Consisting of:	
Rural Rtes. & Hways	154
Unassigned	4,608
Additions/Deletions	7,406

Appendix C

School District Income Verification Year 10 School District Boundary Status As of January 2003



Map Symbol

-  **DTM ONLY (634)**
-  **DTM & NON-DTM (34)**
-  **NON-DTM ONLY (15, EXCLUDING 5 NYC SDs)**
-  **County Boundary**
-  **School District Boundary**

Native American Reservations, Military Reservations and Institutional Districts are not included in district counts but appear on the map.

Appendix D

Glossary of Terms

Additions List - a list sent by ORPS to superintendents of school districts which elected to participate in the school district address review process. This list showed all addresses added to a school district by the SDIV processing which corrected taxpayer reported school district of residence codes. School superintendents had the opportunity to verify or correct all entries prior to submitting the lists to their District Superintendents for final certification.

Address Record - a portion of a computer data file that contains various information about one taxpayer address. Included in each record is address and school district related information. Two files mentioned in this report: the tax assessment roll (TAR) file and the personal income tax (PIT) file, contain address records.

Address Review Process (Phase 3) - a phase of the SDIV program which allows districts the opportunity to review and correct school codes assigned to address records which were attributed to or deleted from their district as a result of ORPS processing (see pages 6-7 for a full description).

Address Scrubbing - a computer procedure used to standardize address information, matching the standardized addresses against a United States Postal Service address master file to assign a valid ZIP+4 code to each address record.

Assigned Address Record - an address record for which a school code has been attributed by one of the ORPS processing methods or through superintendent correction in the school district address review. Assigned records are the sum of all verified, corrected and newly assigned address records.

Batch - a set of taxpayer address records transmitted from DTF to ORPS for school code assignment.

BOCES - Board of Cooperative Educational Services.

Corrected Address Record - an address record for which the program (either ORPS processing or DS correction) changed the taxpayer reported school district code.

Deletions List - a list sent by ORPS to superintendents of school districts who elected to participate in the school district address review process. This list showed all addresses deleted from a school district by the SDIV processing which corrected taxpayer reported school district codes. School superintendents had the opportunity to verify or correct all entries prior to submitting the lists to their District Superintendents for final certification.

Digitize - encode map features in digital form for use by a computer.

District Superintendent - one of 38 BOCES District Superintendents in New York State. All references to District Superintendents also apply to the Chancellor of the City School District of the City of New York.

DOB - New York State Division of the Budget.

DTF - New York State Department of Taxation and Finance.

DTF School District Code - a three-digit code created by DTF to uniquely identify each school district in New York State to which income is attributed.

DTM (Digital Tax Map) Boundaries - school district boundaries which have been digitized from *approved* real property tax maps and incorporated into the ORPS GIS.

EN-202 - (See *Secrecy Form*.)

Further Address Review - a process developed to allow school districts which meet certain criteria and which had previously participated in the regular school district address review, to review and correct previously unreviewed address records, as confirmed by the SDIV Liaison Committee (see page 8 for a full description).

Geocoding - the process of identifying a point location by x, y coordinates from another location description such as a street address (usually very accurate) or a ZIP+4 code (usually less accurate).

Geographic Information System (GIS) - a computer system designed to allow users to collect, manage, and analyze large volumes of spatially referenced and associated attribute data.

GIS Method - one of four computerized methods used to assign school district codes. Geocoding software assigns latitude and longitude coordinates to each address based on its *street* information. GIS software "overlays" digital school district boundaries on the geocoded addresses to assign the school district code.

GIS/ZIP+4 Method - one of four computerized methods used to assign school district codes. Geocoding software assigns latitude and longitude coordinates to each address based on its *ZIP+4 code*. GIS software "overlays" digital school district boundaries on the geocoded addresses to assign the school district code.

Grid Coordinates - an x, y coordinate from the point of origin of the appropriate zone of the New York State Plane Coordinate System to the visual center of each land parcel in TAR.

Liaison Committee - a Statewide mandated group consisting of active representatives from ORPS, SED, and DTF, selected to oversee the implementation of the School District Income Verification Program. An additional two members include school district representation at the BOCES level and a member at the school district level. In addition, a representative from the Division of the Budget joined the Committee to observe and monitor the progress of the SDIV Program.

Memorandum of Agreement (MOA) - An agreement of understanding signed by SED,

ORPS and DTF and approved by DOB, defining the annual School District Income Verification Program.

Newly Assigned - an initially uncoded address record which was assigned a valid school district code by the program.

New York City (NYC) Method - one of four computerized methods used in the SDIV Program to assign school district codes. Address scrubbing software is used to assign a county code for each scrubbed address. Once a county code has been assigned, the appropriate New York City school district is assigned from the corresponding coterminous borough boundary.

Non-DTM (non-Digital Tax Map) Boundaries - school district boundaries in digital form but not originating from approved tax maps. The source of non-DTM boundaries is data from the US Census Bureau or other non-tax map source and is less detailed than that from most tax maps.

ORPS - New York State Office of Real Property Services (formerly the State Division of Equalization and Assessment).

Personal Income Tax (PIT) File - a computerized file created by DTF containing New York State personal income tax return data relevant to this program. DTF PIT files referred to in this report are for the 1998 tax year.

PIT - personal income tax.

PIT/TAR Method - one of four computerized methods used in the SDIV Program to assign school district codes. This computerized matching method compares scrubbed addresses from personal income tax returns to scrubbed addresses from the tax assessment rolls. When addresses match exactly, the school district code contained on the TAR file is moved to the PIT file. If the taxpayer-designated code is the same, no change is made. If different, the taxpayer-designated code is replaced by the TAR school district code.

Secrecy Form - DTF Form EN-202. Because the confidentiality of information on the PIT file is governed by the NYS Tax Law and the Internal Revenue Code, anyone participating in the review of this information is required to file a secrecy form with DTF.

SED - New York State Education Department.

SED School District Code - a six-digit code created by SED to uniquely identify all school districts in New York State.

SDIV - School District Income Verification.

SDIV Program - a joint effort consisting of three New York State agencies statutorily designated to the task of implementing a computerized system to assign school district codes to taxpayer address records. The codes are used to aggregate income data which is used in determining state aid for education.

Superintendent (or Superintendent of Schools) - the head of each of the school districts in New York State to which income is attributed in the SDIV program for aid in fiscal year 2001-2002. All references to superintendents also apply to the Chancellor of the City School District of the City of New York.

TAR - tax assessment roll

Tax Assessment Roll (TAR) File - computerized data maintained at ORPS representing parcel level information contained on assessment rolls for all parcels in all municipalities in New York State.

Taxpayer Designated School District Code - a three-digit code defined by DTF and reported by taxpayers as their school district of residence on each New York State personal income tax return.

Unassigned Address Review List - a list sent by ORPS to superintendents of school districts who elected to participate in the school district address review process. The list contained addresses for which no school district code was assigned by any of the four SDIV program assignment methods.

Unchangeables Address Review List - a list sent by ORPS to superintendents of school districts who elected to participate in the school district address review process. The list contained addresses that were not taxpayer residences or were located outside of New York State (i.e., post office box, out-of-state, firm, and general delivery address records).

Unverifiable Address Record - an address record which contains a valid address but is not a valid NYS residential address, or is not specific enough to accurately determine the precise location of the residential address by automated methods (i.e., rural routes, firms, general deliveries, or post office boxes). However, rural routes and highway contracts are correctable by school superintendents in the address review process because local reference information may be available to them to manually correct school codes for those types of addresses on a case-by-case basis.

Verifiable - an address record which contains a valid address that adequately reflects the actual location of the NYS residence of the taxpayer.

ZIP Code - a five-digit U.S. Postal Service designated code used primarily to facilitate mail delivery.

ZIP+4 Code - a more precise nine-digit U.S. Postal Service designated code primarily used to facilitate mail delivery.

