

# ALBANY



## GOVERNOR RELEASES EXECUTIVE BUDGET LET THE GAMES BEGIN!



Each year the cost of public education in New York State is more than the year before. Retirement system contributions, health care costs, liability insurance, contractually obligated salary expenses all contribute to a school inflationary increase that typically outpaces the rate of consumer inflation. Simply put, the things schools need to spend money on are largely out of their control and increase at a rate that exceeds consumer costs. So it's no surprise that each year the state proposes a "historic" or "record" amount for education aid. Unless you cut aid for education, by definition it's more than you've ever spent. There's no disputing that it's a heavy burden for the state to maintain. It's the largest area of state spending and exceeds \$60 billion. It's also a constitutionally protected obligation, so it's appropriate to at the least, keep pace with current costs.

This year, the governor's Executive Budget suggests an increase of \$961 million for public school spending (the governor rounds it up to \$1 billion by including aid for charter school and other expenses not associated with traditional public schools.) The proposal amounts to an increase of just under 4% from last year. To cut to the chase, it's a good place to start a discussion, but I'd hate to have us end there. It comes close to covering school inflationary expenses, meaning that our districts would just about be able to do next year what they're doing this year. Status quo. With little opportunity to raise local revenue under the tax levy cap, that's about all a local district could hope for under this plan. That leaves a lot left undone. No adjusting for equity and the increased needs of English Language Learners, or unaccompanied minors, or the fact that some areas of the state pay higher costs or the dramatic increases in student poverty that must be addressed immediately.

Your Rural Schools Association, the Board of Regents, the Education Conference Board and the Alliance for Quality Education have all called for an increase of at least \$2 billion to begin making good on the state's court ordered plan to provide a sound, basic education for its children. It's not horrible for the governor to propose a roughly 4% spending increase for education when the rest of state spending is being frozen. When you compare it to the other things the state needs to spend money on (roads and bridges, feeding and housing the poor and elderly, protecting the public, etc.) it's apparent that public education is the state's highest priority. Sadly, it's not enough of a priority to do what desperately needs to be done to provide our students the future they require and that the world demands.

That means that we have our work cut out for us. It's time to call your legislators and the governor's office. It's time to tell them that pre-school, after school programming and community school services are the answer to our social ills and that the governor has not proposed nearly

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enough to let them make an impact. And while it's true that 70% of the increase is directed at high need districts, the total doesn't come close to changing the lives of those in need.

A billion dollars is a lot of money...more than some states spend in total, let alone as an increase for public education. But when you break it down, you really whittle away at any good that can come of that amount. Take out the "reimbursables" (that schools have already spent for BOCES, transportation, special education and building expenses) and are waiting on the state for repayment; that's \$333 million alone. Take out the "set asides" for community schools and other programs that are unavailable to many schools. Then take what remains and divide it arbitrarily by region of the state. It's like the old farmer said when he saw a sausage for the first time..."after you clean it, there's not much to it!"

What's really missing from the Executive Budget is change. There's no change here, nothing that makes a real difference, nothing that addresses the real problems. Nothing that changes the funding formula to provide transparency or equity. Nothing that begins to assess what a community can afford and then make up the difference. This plan is a little more of the same old same old. There is one notable exception. The Executive Budget would essentially take the amount received by districts currently and make additions or subtractions each year based on whatever is negotiated with the legislature. It would remove the state's obligation to repay districts billions of dollars under the CFE court ruling. We'd be starting from scratch with only current aid as an expectation. That's inequitable, probably in violation of the court order and certainly no way for the state to operate in the long term. This in particular should be rejected by the legislature.

Under normal circumstances we'd shudder at the Executive Budget and then get on with the work of convincing legislators to substantially increase the amount. That's not going to be easy this year, as it's an off election year (so no political pressure), the state's revenues are down (so no windfall to pass along) and no new court cases forcing the issue (until June, when we expect a decision in the Campaign for Educational Equity case.) District fiscal concerns will be compounded by the low tax levy cap, which should raise only about \$200 million statewide this year. The Executive state aid proposal and the amount raised under the cap flat out won't cut it.

**Take a look at the charts and narrative below. They come from the Executive Budget Briefing Book. The lines in bold are your RSA's reaction.**

## **Education Aid Increase**

### **Category of Increase**

#### **Change**

#### **(millions)**

Additional Foundation Aid \$428

\$50 Million Community Schools Set-aside

Reimbursement for Expense-Based Aids / Other \$333

Fiscal Stabilization Fund \$150

Empire State After-School Program \$35

Expanded Prekindergarten for Three- and Four-Year-Olds \$5

Early College High Schools \$5

Other Education Initiatives \$5

### **School Aid Growth Cap \$961**

Charter School Tuition Reimbursement \$22

Smart Schools Debt Service \$17

**Total Education Aid \$1 billion**

## School Aid

The FY 2018 Executive Budget provides an overall school aid increase of \$961 million (3.9 percent). This includes a \$428 million increase in Foundation Aid with a community schools set-aside increase of \$50 million for the continued transformation of high-need schools into community hubs, \$333 million in reimbursements for expense-based aids, \$35 million investment in public after-school programs in high-need school districts, a \$5 million expansion of high-quality prekindergarten for three and four-year-old children, and an additional \$5 million investment in early college high schools. Approximately 70 percent of total funding supports school districts categorized as High Need. **RSA: While each of the proposed new programs are valuable, each would need a significantly higher investment to be of benefit. Collectively, they detract from much needed Foundation Aid, particularly when Foundation Aid is slated for less than a \$500 million increase this year. If Foundation Aid were increased, these programs would certainly be valuable as pilot programs.**

## Community Schools

The Budget continues the Governor's push to transform New York's high-need districts into community schools. Last year's Budget invested \$175 million to support the Governor's community school efforts across the State—\$100 million as a set-aside within Foundation Aid, and \$75 million in grants to support the operating and capital costs associated with the transformation of failing schools into community hubs. The FY 2018 Budget increases the community schools set-aside by \$50 million—for a \$150 million total community schools set-aside—for the continued transformation of high-need schools into community hubs. School districts will be able to apply these funds to a wide-range of community schools activities, including hiring community school coordinators, providing before- and after-school mentoring services, offering summer learning activities, and providing health and dental care services. **RSA: Wonderful program-truly game changing if done on a large scale in rural districts. When the funds "set aside" to do Community Schools come from the total education aid total, it gives the appearance of detracting from the basic aid all schools need. The solution is to increase Foundation Aid and then use Community Schools to open a whole new world for students in rural areas.**

## Empire State After-School Program

Last year, the FY 2017 Budget provided \$65 million—in addition to \$88 million in Federal Support—for public after-school programs throughout the State. The FY 2018 Budget increases the State's after-school investment to an unprecedented \$100 million through \$35 million in new funding for public after-school programs in the State's 16 Empire State Poverty Reduction Initiative (ESPRI) communities. This new funding will create an additional 22,000 spots for students in after-school programs, increasing the number of spots in ESPRI school districts by 36 percent. With these new investments, 80,000 students in ESPRI school districts will receive after-school care in the 2017-18 school year. **RSA: A mediocre \$12 million increase in a vital program. Our rural schools desperately need after school programs and transportation aid to get our kids there and back. This program needs significantly more resources devoted to it.**

## Prekindergarten

The Budget includes an additional \$5 million investment in prekindergarten to expand high-quality half day and full-day prekindergarten for three- and four-year-old children in high-need school districts. Preference for these funds will be given to the few remaining high-need school districts currently without a prekindergarten program. This funding builds upon the State's prekindergarten program for three- and four-year-old students included in the FY 2016 Enacted Budget. The State will also continue its \$5 million investment in the implementation of QUALITYstarsNY, a quality rating and improvement system intended to ensure New York's youngest students are enrolled in the highest quality prekindergarten programs possible. **RSA: This is the most disappointing aspect of the Executive Budget. Pre-school is the answer to the cognitive learning deficiencies experienced by so many of our students living in poverty. A \$5 million increase statewide is less than an inflationary increase for existing programs. Pre-school must be expanded, transportation aid for pre-school must be included if New York State is to thrive: Pure and simple. This amount indi-**

cates that the governor needs to be made aware of the life changing nature of pre-school educational outcomes for high need students.

### **Non-Public School Programs**

Approximately 400,000 elementary and secondary students attend more than 1,600 non-public schools in New York State. The Executive Budget increases aid by 3.9 percent to \$181 million to reimburse nonpublic schools' costs for State-mandated activities. The Budget will also continue the two-year \$60 million appropriation, first enacted in 2016-17, to accelerate reimbursement for the Comprehensive Attendance Policy (CAP) program. In addition, consistent with spending under the Smart Schools Bond Act, the Budget includes \$25 million in capital funding to enhance classroom technology and connectivity projects that will benefit students attending non-public schools. This program will finance improved educational technology and infrastructure such as interactive whiteboards, computer servers, wireless access points, routers, desktop, laptop and tablet computers, and high-speed and wireless internet connectivity. **RSA: The best you can say about this aid is that it keeps the heat off of the tuition tax credit issue. This is a way to funnel money to parochial schools without establishing the new revenue stream of tuition tax credits. It also establishes the precedent of paying prior year aid claims. Now that the state has done that for parochial schools, perhaps they can pay the decade old claims of its public schools.**

### **Charter Schools**

The Budget maintains the charter cap at its current level while providing additional flexibility. The Budget would also create a new tier of Charter School Transitional Aid to provide school districts with support in making tuition payments to charter schools. Additionally, the Budget would increase support for new and expanding charter schools located in privately leased space in New York City. The Executive Budget updates the charter facilities aid calculation in New York City to better reflect actual costs. **RSA: Keeping the charter school funding at current levels helps. Increasing the reimbursement to public schools for the amount needed to pay charters also helps. The New York City piece doesn't affect rural members.**

### **Early College High Schools**

New York currently has more than 55 early college high school programs with more than 8,000 students enrolled. These programs allow students to get a jump start on college by providing opportunities to earn college credit. To build upon the success of the existing programs, the Budget commits an additional \$5.3 million to expand the State's early college high school programs. This expansion is specifically geared for schools focused on computer science. **RSA: A small increase to a small program. This is a valuable program, but again, either "go big or go home."**

### **Other Budget Actions**

**Advanced Placement Test Assistance.** New York State has one of the highest rates of participation in national Advanced Placement (AP) exams in the country. Unfortunately, Advanced Placement exams can be costly—approximately \$93 per exam. While partial subsidies exist, the remaining cost can still be a burden for low-income families. Because of this, the FY 2018 Budget provides \$2 million to fund AP exam costs for 68,000 low-income students. This funding will provide further access to advanced coursework for low-income students, and will promote educational equity across the State. **RSA: Well done!**

**Extend Mayoral Control of New York City Schools.** The existing governance structure for New York City schools is extended for an additional three years, until June 30, 2020. **RSA: Mayoral Control of public schools appears to have become limited to the large cities. Provided it is not expanded beyond its current application, there is no cause for objection.**

**Master Teachers Program.** Building on the success of Governor Cuomo's Master Teacher Program which has already awarded more than 800 teachers, the Budget provides \$2 million to fund an additional co-

hort of 115 master teachers—specifically teachers in computer science. Each master teacher is awarded \$15,000 per year for four years (\$60,000 total). Those selected as master teachers will pledge to engage in peer mentoring, participate in and lead professional development activities, work closely with pre-service and early career teachers to foster a supportive environment for the next generation of STEM teachers, and ensure the most innovative teacher practices in STEM are shared across all grades and regions. **RSA: Great program! The issue is that professional development is needed by all teachers. This program allows the best among our schools to serve as practical role models.**

**Empire State Excellence in Teaching Awards.** To recognize and honor excellence and innovation in the classroom, the Budget provides \$400,000 to fund a second round of Empire State Excellence in Teaching awards. This funding will be awarded on a regional basis and will recognize at least 60 teachers. Awardees receive \$5,000 to use for professional development activities, including coursework to enhance expertise, attendance at a state or national education conference, or enrollment in a summer institute or certification program. **RSA: Again, a great program that should serve notice that all teaching staff needs significant professional development. It's wonderful to make our best better, but more important to make our worst better.**

**Prevent Cyberbullying Initiative.** The Budget invests \$300,000 to combat and prevent cyberbullying and other forms of online harassment. Funds will be used to provide a wide array of school-based cyberbullying prevention strategies, including cyberbullying professional development for school counselors and school-based public awareness campaigns. **RSA: Given the massive psychological implications that regularly highlight suicide and lifelong self-esteem issues, this is a start to a much needed program.**

**State Education Department Inspector General.** The Budget establishes a new, independent Inspector General to oversee and investigate allegations of corruption, fraud, criminal activity, conflicts of interest, or abuse, by any person within the State Education Department. Unlike other State agencies, the State Education Department is not currently overseen by any investigative entity. This Inspector General would be appointed by mutual agreement between the Senate and Assembly. **RSA: This is a fairly transparent attempt by the governor to gain control over the one state agency currently beyond his reach. The state constitution separates the Department of Education from the rest of the Executive Branch with good reason. The governor already uses his budgeting power and his ability to hold up appointments to pressure SED. It is disingenuous to say that SED is not overseen by an investigative entity. They are subject to state audit, as well as investigation by the State Attorney General. In my 32 years of affiliation with public education in New York State, I've never heard any reason to create another state agency to oversee SED. They don't misuse funds and this new state entity would simply create an obligation to allow more influence by the governor into state education policy. The governor already has full legislative and budgetary authority to influence education policy. This new bureaucratic layer is unnecessary.**

#### [2017-18 Executive Budget Recommended Formula-Based School Aid](#)



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