



NEWS RELEASE

**FOR RELEASE:
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School superintendents predict thousands of school layoffs, join with NYSUT, CFE and AQE to call for additional state aid

Albany, NY – March 26, 2009 – The statewide school superintendents’ association today reported that school districts across New York are estimating thousands of layoffs in the face of uncertain prospects for state and federal aid.

The Council of School Superintendents estimates that districts outside the state’s five large cities may need to make roughly 7,800 layoffs of teachers, administrators, and support staff. The Council’s estimate is based on results from a sample of the state’s school systems.

Hundreds more school jobs may be eliminated by not refilling vacancies caused by retirements and resignations.

The Council joined with New York State United Teachers, the Alliance for Quality Education and the Campaign for Fiscal Equity in calling on the Governor and Legislature to go beyond using federal stimulus aid to avoid cuts and to also add state funds to continue implementing the Foundation formula that was adopted as part of the CFE settlement.

Dr. Thomas Rogers, executive director of the Council said, “The strong state aid increases of recent years are one investment that is paying off for New York.”

Rogers explained, “The new aid helped bring down local tax increases, improve equity in school resources, and strengthen outcomes for students. But all that progress is threatened by the state budget outlook this year.”

School choices in past and present fiscal crises

Rogers noted that the last time School Aid was cut – in 2003 – school districts asked voters to approve budgets with local tax increases averaging over 10 percent. “We don’t see that happening again this year though,” he said. “Districts are working hard to hold down both spending and taxes this year,” he added.

Rogers went on, “Some very poor districts – with nothing to cut – may seek large tax increases, and so may some districts with unusual local circumstances. But our clear sense is that most will not.” He added, “School district leaders recognize the struggles their taxpayers are going through now.”

Commonly, districts are attempting to hold tax increases to below 4 percent and many are aiming for much lower increases.

Rogers added, “If state aid comes up short, that means schools will be making more spending cuts. Since 70 percent of school spending goes to personnel, when big cuts are needed, schools have no choice but to cut jobs.”

Layoff numbers in perspective

Rogers noted that the 7,800 school layoffs his organization estimated approaches the 8,900 state layoffs Governor Paterson called for on Tuesday and exceeds the 5,000 nationwide layoffs that the IBM Corporation announced on Wednesday.

“When one private sector employer announces as many layoffs as our schools are facing it’s front-page news,” Rogers said. “But school layoffs don’t just take money out of the economy now, they also undermine our capacity to prepare young people for the economy of the future.”

The Council noted that cuts in the large cities could bring the total number of potential school layoffs to over 10,000 statewide.

Impact of federal stimulus aid

The federal stimulus plan approved by Congress and President Obama promises significant help to schools and states that will avoid the need for some of the layoffs. But individual districts have yet to receive details on how much help they will get and what limits there are on how the aid may be used. Some of the federal aid comes with restrictions that will preclude districts from using it to offset state or local cuts.

Rogers said, “We’re grateful to the President and Congress for stepping forward to help. But New York schools need answers now on how much state and federal aid they will get. We have deadlines we have to meet for budget and personnel decisions that are set in state laws and local collective bargaining agreements.”

Need for state help

Rogers added, “The federal government has acted, now we’re asking state leaders to keep faith with their own past commitments.”

The Council gave examples of the progress that recent state aid increases made possible:

- ✓ There have been broad gains in results on state tests. For example, the percentage of students meeting math standards on grades 3 through 8 state tests rose from 66 percent to 81 percent over the past two years.
- ✓ Local tax increases in proposed school budgets last spring averaged 3.3 percent, below estimates of inflation at the time and down by almost half from two years before.
- ✓ In the past two years, the state’s poorest school districts have been able to close gaps in resources without burdening local taxpayers; new state aid helped many win approval for local budgets that provided more resources while still offering smaller tax increases than their better-off counterparts.

“The Foundation Aid formula approved by the Legislature and Governor in 2007 helped spark these gains,” Rogers said. He called the formula “an under-appreciated reform.” Leaders of the other groups added their calls for more state help.

Richard C. Iannuzzi, president of New York State United Teachers said:

“President Obama and our congressional leaders have done their part with the federal stimulus for education. They have made it clear that we must keep teachers teaching and students learning. The stimulus is essential, but it only takes us part of the way. Now we look to Albany to do its part and provide the additional support that is needed to maintain our students' progress, from pre-K through post-grad.”

Iannuzzi said that based on a survey of its regional offices, NYSUT's estimate of potential layoffs in schools are in sync with the superintendents' survey. “The estimate of approximately 8,000 school layoffs does not include what could be significant layoffs in Big Five schools,” Iannuzzi said. “Even with the vitally important federal stimulus, if Albany fails to do its part in allocating additional resources for education, school layoffs would occur. These would be devastating to our students and the state's already struggling economy.”

Geri D. Palast, executive director of the Campaign for Fiscal Equity said:

“After 13 years of Campaign for Fiscal Equity litigation and two years of moving our state’s resources from the courtroom to the classroom, the Governor and the State Legislature must follow the example of the President Obama and the Congress in prioritizing and investing in education. The federal government did its part, but the stimulus only restores cuts to last year’s budget levels. New York State must now commit its fair share of state resources to make a down-payment on the third year of CFE funding. Otherwise, there will be substantial educator lay-offs and program cuts that will undermine the constitutional obligation to provide a sound basic education to every public school student in New York as well as the President's intent.”

Billy Easton, executive director of the Alliance for Quality Education said:

“As the clock ticks down on the state budget, the Legislature must decide whether or not to accept the Governor's plan to provide no funding this year to comply with the Campaign for Fiscal Equity court order. Make no mistake about it, the federal government has stepped to the plate and stopped the worst case scenario by providing the federal stimulus for education, but the picture is still ugly unless the State Legislature kicks in a reasonable down-payment on CFE funds that are due to be paid this year. The choice is clear: either the state budget antes up state dollars for school kids and we continue the progress we have made in education, or schools across the state will have layoffs and our school children will pay the price.”