Meeting Students’ Greatest Needs
Recommendations for the 2016 Legislative Session | Feb. 26, 2016

Representing New York's parents, classroom teachers, school-related professionals, school business officials, school building and program administrators, superintendents and school board members
Meeting Students’ Greatest Needs

Today’s agenda:

✓ A school funding system that supports student success
✓ Supporting struggling schools
✓ Meeting the needs of English language learners
The proposed state budget provides only about one-half the support needed to maintain current services.

**ECB assumptions:**

- 2.7% increase in salaries
- 6.6% increase for health insurance
- Reduction in TRS costs
- 2.3% increase for non-personnel costs
- No offset to total cost increase from local revenue due to prospect of 0% tax cap

**Conclusion:** $1.7 billion state aid increase needed.

**SOURCE:** ECB estimates and Division of the Budget publications
The School Property Tax Cap: The “2% cap” is not 2%.

<table>
<thead>
<tr>
<th>School Year</th>
<th>Change in CPI</th>
<th>Allowable Levy Allowable Levy Growth Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>-13</td>
<td>2.00%</td>
</tr>
<tr>
<td>2013-14</td>
<td>-14</td>
<td>2.00%</td>
</tr>
<tr>
<td>2014-15</td>
<td>-15</td>
<td>1.46%</td>
</tr>
<tr>
<td>2015-16</td>
<td>-16</td>
<td>1.62%</td>
</tr>
<tr>
<td>2016-17</td>
<td>-17</td>
<td>0.12%</td>
</tr>
</tbody>
</table>

How much would a 0.12% tax increase yield?

$17 per student

More than 50% of districts would not raise $25,000

Less than 20% would raise enough to preserve a single, first-year teacher

The bottom line: For all districts – rich, poor, and in between – state aid is essentially the only source of additional revenue for 2016-17.
## Comparing the components: ECB and the Governor’s proposal

<table>
<thead>
<tr>
<th>Component</th>
<th>ECB</th>
<th>Governor’s Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Services</strong></td>
<td>$1.7 billion</td>
<td>$863 million</td>
</tr>
<tr>
<td><strong>GEA</strong></td>
<td>End in coming year ($434 million)</td>
<td>$189 million restoration (56% of GEA remains)</td>
</tr>
<tr>
<td><strong>Foundation Aid</strong></td>
<td>Increase and Re-start</td>
<td>$266 million</td>
</tr>
<tr>
<td><strong>Expense-Based Aids</strong></td>
<td>Fully Fund ($408 million)</td>
<td>Fully Fund ($408 million)</td>
</tr>
<tr>
<td><strong>Fund Initiatives</strong></td>
<td>$500 million</td>
<td>$138 million</td>
</tr>
<tr>
<td>- Expand PreK</td>
<td></td>
<td>- Community Schools Aid</td>
</tr>
<tr>
<td>- Professional development</td>
<td></td>
<td>- PreK expansion/quality</td>
</tr>
<tr>
<td>- Support struggling schools</td>
<td></td>
<td>- Early College High Schools</td>
</tr>
<tr>
<td>- Support English Language Learners</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Aid Increase</strong></td>
<td><strong>$2.2 billion</strong></td>
<td><strong>$991 million</strong></td>
</tr>
</tbody>
</table>
End the Gap Elimination Adjustment and re-start the Foundation Aid formula

Foundation Aid & the Gap Elimination Adjustment
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Gap Elimination Adjustment</th>
<th>Foundation Aid Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$1,107</td>
<td>$1,205</td>
</tr>
<tr>
<td>2008-09</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2009-10*</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2010-11**</td>
<td>$1,412</td>
<td>$0</td>
</tr>
<tr>
<td>2011-12</td>
<td>-$2,556</td>
<td>$112</td>
</tr>
<tr>
<td>2012-13</td>
<td>-$2,156</td>
<td>$171</td>
</tr>
<tr>
<td>2013-14</td>
<td>-$1,639</td>
<td>$251</td>
</tr>
<tr>
<td>2014-15</td>
<td>-$434</td>
<td>$428</td>
</tr>
<tr>
<td>2015-16</td>
<td>-$244</td>
<td>$266</td>
</tr>
<tr>
<td>2016-17</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>2017-18***</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

SOURCE: Compiled from Division of the Budget annual Description of New York State School Aid Programs. *In 2009-10, School Aid was reduced by a $1.1 billion “Deficit Reduction Assessment” which was fully offset by federal stimulus aid. **In 2010-11, the full GEA was $2.1 billion, but was offset by $726 million in federal stimulus aid. ***For 2017-18, the GEA is projected to eliminated; no projection of Foundation Aid is available.
Ending the GEA is necessary – but not enough

**Gap Elimination Adjustment per Pupil**

- **Total State**: $162
- **NYC**: $82
- **Big 4**: $47
- **High Need Small Cities & Suburbs**: $23
- **High Need Rural**: $13
- **Average Need**: $197
- **Low Need**: $185

**SOURCE:** ECB analysis of NYSED School Aid data

**ECB recommendation:** End the GEA in one year, 2016-17 – not two years as the Governor has proposed.

Foundation Aid: Commit to increasing and re-starting the formula

ECB Recommendations:

- Restart the Foundation Aid formula and provide a significant increase in 2016-17.
- Establish a concrete timeline for full phase-in (3 years).
- Revisit some of the underlying assumptions that drive the formula – *it was enacted nearly a decade ago.*

**SOURCE:** ECB analysis of NYSED School Aid data
Other State Aid Issues

- Accelerate payment of more than $300 million owed to schools for Prior Year Adjustments (approved aid corrections)
  - Only $18.6 million would be appropriated; districts could wait 15 years
  - Settlement funds should be used to meet this one-time expense

- Do not make eligibility for aid increases contingent on having new teacher/principal evaluation plans approved by 9/1/2016.

- Do not freeze data used in state aid calculations – districts stand to lose $90 million.

- The Governor’s inclusion of aid runs with the Executive Budget this year enables more informed and transparent local decision making.
New York's Struggling Schools Face Great Challenges

144 SCHOOLS

83% Of students are economically disadvantaged

93,738 STUDENTS IN 17 HIGH-NEEDS DISTRICTS

$75M for 20 “Persistently Struggling” Schools

$0 For 124 “Struggling Schools”

17 districts still owed $2.7 Billion In Foundation Aid
ECB Proposed Modifications to Support Struggling Schools

1. Revise the timeline. Establish a timeframe of at least five years before a school is eligible for external receivership

2. Ensure adequate and sustained state funding through full funding of Foundation Aid

3. Provide state support to meet the facility and transportation needs of creating and running a community school

4. Provide additional funding for all struggling schools

<table>
<thead>
<tr>
<th>2015-16 Designation</th>
<th>Schools</th>
<th>Timeline for Demonstrable Improvement</th>
<th>Funding Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persistently Struggling</td>
<td>20</td>
<td>1 Year</td>
<td>$75 million</td>
</tr>
<tr>
<td>Struggling</td>
<td>124</td>
<td>2 Years</td>
<td>$0</td>
</tr>
</tbody>
</table>
What is a community school?

Describing an overall framework that facilitates school-community partnerships

- Primary goal is learning and healthy development
- After-school and/or summer enrichment
- Parent & family engagement
- Medical, dental, mental health and social services
- Early childhood education, adult education, community events

Barriers in New York: State building and transportation aid regulations, sufficient funding for struggling schools
The receivership timeline is rushed and not realistic.

**Year 1, 2015-16**
- Receivership law passed: April 1, 2015
- 20 schools have 1 year to show improvement, 124 schools have 2 years
- Deadline for Community Engagement Plan: September 30, 2015
- Funding allocated: January 2016
- Deadline for persistently struggling schools to show demonstrable improvement or face independent receivership: June 30, 2016

**Year 2, 2016-17**
- The 124 “struggling” schools will have one more year to show demonstrable improvement or face independent receivership
- These schools have so far received no additional funds to support improvement efforts
Key Points: Supporting struggling schools

- Communities are prepared to do the hard work needed to turnaround struggling schools
- Lasting change must be driven locally in these 144 schools; the state needs to be a partner and allow for local control
- The timeframe is rushed and not realistic
- ECB changes are necessary course correction to allow for an improved implementation
Total ELL pupils statewide: 213,470

Languages are spoken in New York’s schools: 200+

#4 New York has the fourth highest number of English language learners in the country:

70% Of ELL students are in Big 5 city schools:

$0 Funding attached to new regulations:

8,166 Unaccompanied minors in New York, fiscal years 2014 and 2015:
Part 154 Regulations: New requirements for English Language Learners adopted in September 2014

New requirements related to:

- Identification and placement
- New educational, support and transitional services
- New requirements related to student ratios and groupings
- Planning and reporting
- Communication with families
- Professional development

These changes came with no funding for school districts and they only exacerbated an existing shortage of qualified teachers.
ECB’s four recommendations for the 2016 Legislative Session

Supporting the success of English Language Learners is a moral imperative.

1. Create an English Language Learner (ELL) aid category and fund it at $75 million
2. Adjust funding structures for special services aid and BOCES aid to help offset new costs
3. Make regulatory and statutory changes to allow flexibility during this time of critical bilingual teacher shortages
4. Add fast-track options for teachers to obtain bilingual extension certification and incentives for individuals in teacher prep programs to become certified to teach English Language Learners.
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