

NEW YORK STATE EDUCATIONAL CONFERENCE BOARD



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:

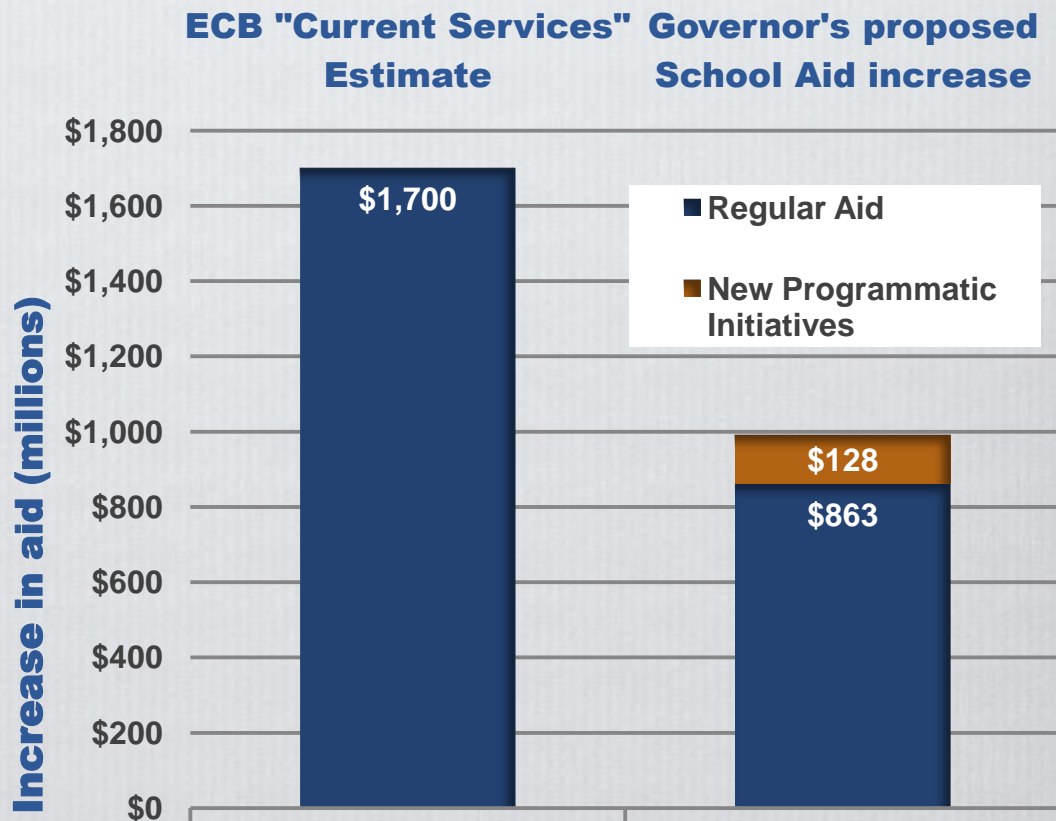
- ✓ **A school funding system that supports student success**
- ✓ **Supporting struggling schools**
- ✓ **Meeting the needs of English language learners**

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%.

School Year	Change in CPI Allowable Levy Growth Factor
2012-13	2.00%
2013-14	2.00%
2014-15	1.46%
2015-16	1.62%
2016-17	0.12%

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

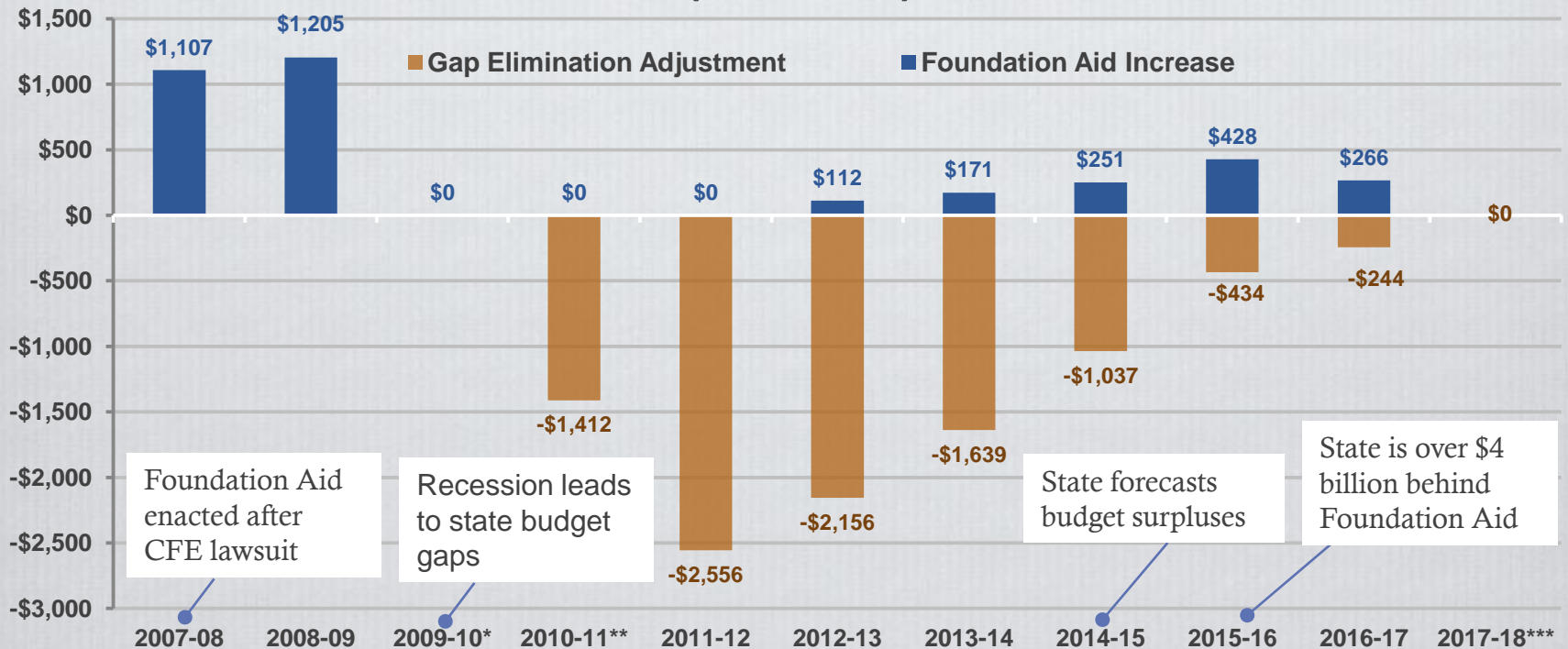
The bottom line: For all districts – rich, poor, and in between – state aid is essentially the only source of additional revenue for 2016-17.

Comparing the components: ECB and the Governor's proposal

	ECB	Governor's Proposal
Current Services	\$1.7 billion	\$863 million
GEA	End in coming year (\$434 million)	\$189 million restoration (56% of GEA remains)
Foundation Aid	Increase and Re-start	\$266 million
Expense-Based Aids	Fully Fund (\$408 million)	Fully Fund (\$408 million)
Fund Initiatives	\$500 million - Expand PreK - Professional development - Support struggling schools - Support English Language Learners	\$138 million - Community Schools Aid - PreK expansion/quality - Early College High Schools
Total Aid Increase	\$2.2 billion	\$991 million

End the Gap Elimination Adjustment and re-start the Foundation Aid formula

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



Foundation Aid enacted after CFE lawsuit

Recession leads to state budget gaps

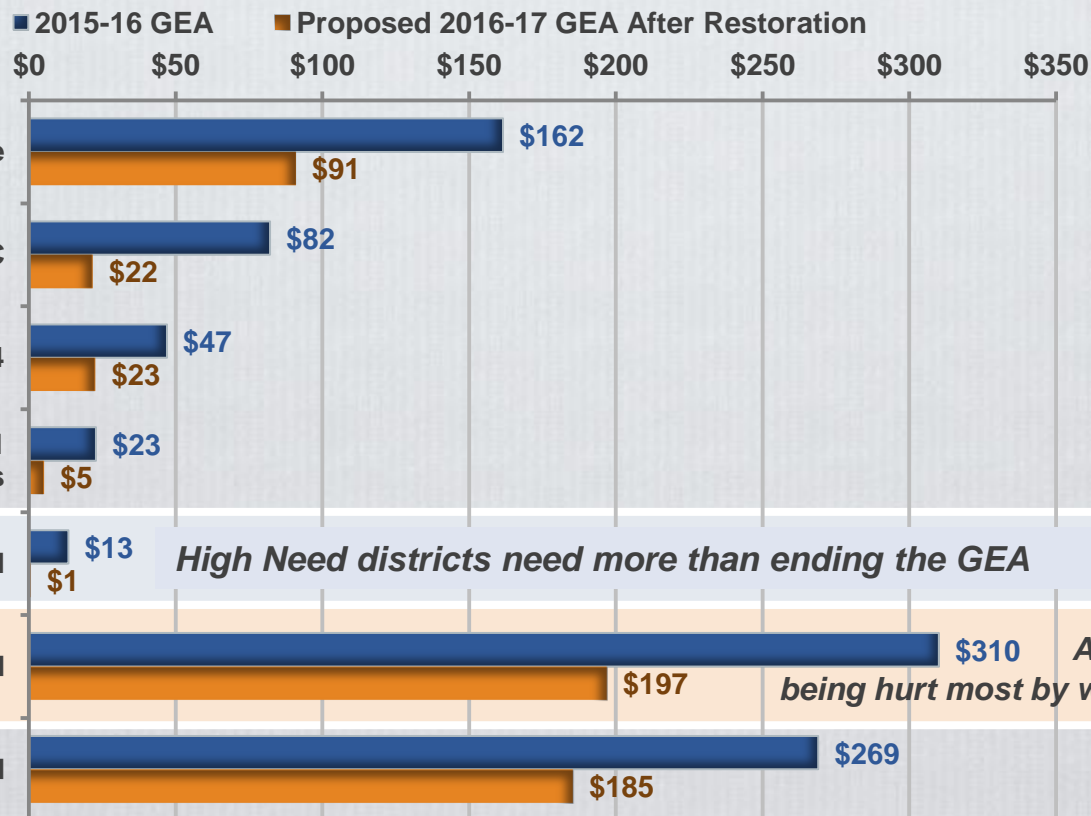
State forecasts budget surpluses

State is over \$4 billion behind Foundation Aid

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 be eliminated; no projection of Foundation Aid is available.

Ending the GEA is necessary – *but not enough*

Gap Elimination Adjustment per Pupil



SOURCE: ECB analysis of NYSED School Aid data

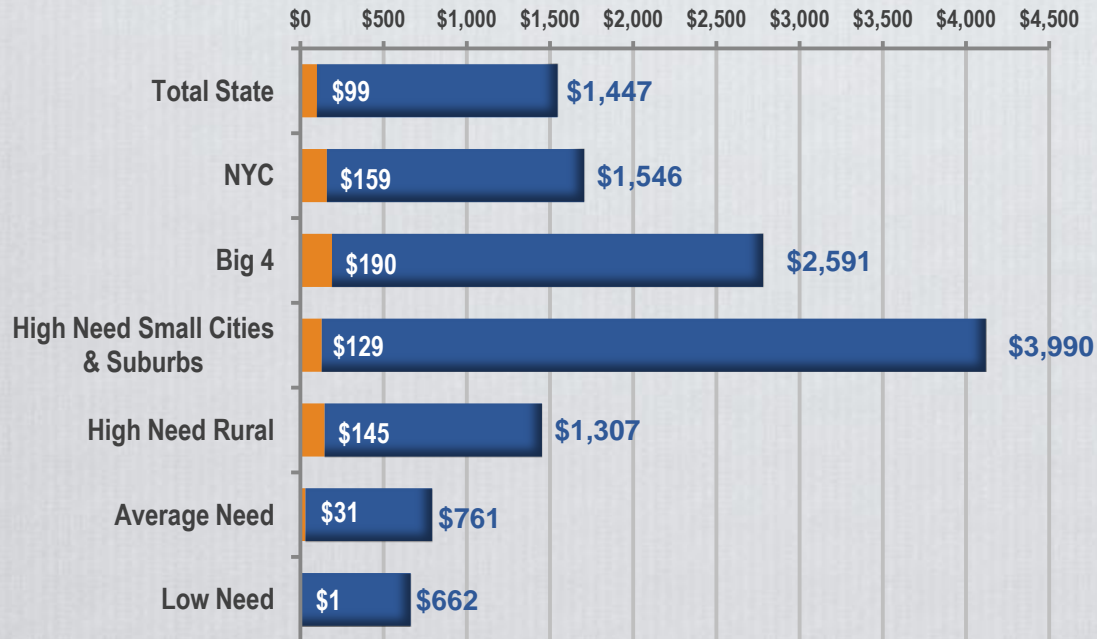
High Need districts need more than ending the GEA

Average Need districts are being hurt most by what remains of the GEA

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

- 2016-17 Foundation Aid Increase per Pupil
- Fully Phased-in Foundation Aid Increase per Pupil



SOURCE: ECB analysis of NYSED School Aid data

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.*

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

93,738

STUDENTS IN 17
HIGH-NEEDS DISTRICTS

83%

Of students are economically
disadvantaged

\$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**

2015-16 Designation	Schools	Timeline for Demonstrable Improvement	Funding Provided
Persistently Struggling	20	1 Year	\$75 million
Struggling	124	2 Years	\$0

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



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**

Scope of English Language Learners (ELL) in New York

213,470

Total ELL pupils
statewide

200+

Languages are spoken in
New York's schools

#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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