

Genesee Valley PTA

Monroe County
Federation of Teachers

NYS United Teachers

Monroe County
Association of School
Business Officials

Monroe County
Council of School
Superintendents

Monroe County
School Boards
Association

National Education
Association of New
York, Western New
York Region

Reform of Public Education Funding Imperative

The delivery of high-quality, world-class programs and services that support the advancement of education must become New York State's first priority. In turn, such a demand calls for prudent and fiscally responsible budgeting to become New York State government's number one job. To appropriately and equitably address public education, reform of the state education funding system is imperative.

Current state aid is complex and difficult to understand. It is vulnerable to annual economic fluctuations, based heavily on local property taxes, and fails to address high-need areas. Since 1980, the burden for public education in New York State has increasingly fallen on local property owners. In Monroe County between 1980 and 2002, local property taxes have had to increase by 5.8% to cover for a 3.3% decrease in state aid to education and a 0.7% decrease in revenues from the Monroe County sales tax. At no time during this period did the percentage of state aid rise to more than 39.49%.

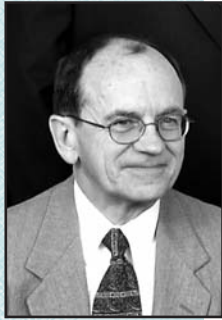
New York State government must provide school aid funding that ensures adequacy, equity, flexibility, predictability and clarity. Together, district-by-district, stakeholders must demand adequate and sufficient resources to provide services that meet the needs of all students and assure the opportunity for a sound basic K-12 education. Mandated Academic Intervention Services [AIS], special education and new State standards must also be adequately funded. As colleagues and advocates for public education, we must demand equity to distribute a foundation level of state aid for every student. That figure must be based on the cost of providing a sound basic education that fairly compensates for differences in community costs, needs and resources; reduces dependence on regressive property taxes; and prohibits municipalities from using state education aid to replace local education resources.

The New York State Legislature must take steps to ensure that boards of education retain the discretion to determine what educational programs best address local needs. Restrictions on access to categorical aids should be reduced. Local communities should not be restrained from determining the level of funding they will expend to support specific educational programs in their districts.

The Legislature must establish and ensure predictability that provides for the timely passage of the state budget and stable funding distributed through a consistent, uniformly applied formula that would not require annual manipulations by the Legislature and that would facilitate long-term planning by school districts. Most importantly, the Legislature must establish a funding formula that is easily explained and understood by all stakeholders... educators, boards of education and taxpayers.

Between 1974 and 2002, the costs of educating students in Monroe County public schools rose much faster than the state's support for approved educational programs. In order to meet the ever-increasing demanding challenges associated with the delivery of quality educational programs and services, a state aid formula must be established that is fair to all districts. With declining revenues and increasing costs, it is imperative that the Legislature simplifies the current process and formula, as well as provide for the equitable and consistent allocation/distribution of funds. Such reform is necessary in order for all districts to meet the needs of all students.



MEMO from Eugene Kinney...**The Campaign for Fiscal Equity (CFE)
Decision: Weighing The Impact**

by
Eugene Kinney

*Genesee Valley
PTA*

On June 26, 2003, the New York Court of Appeals ruled in favor of the Campaign for Fiscal Equity (CFE), affirming that every public school student is entitled to a meaningful high school education. The Court ordered the State to implement major education funding and accountability reforms to allow students in New York City schools to meet this constitutional standard.

Since the original CFE lawsuit was filed on behalf of NYC students, the Court's decision technically applies only to NYC public schools. However, because NYC has 40% of the public school students in the state, any change to school aid for NYC will likely have a statewide impact. In addition, CFE attorneys maintain that any effective changes to the state funding system must be statewide, thus benefiting under-funded schools and districts in every part of the state.

The existing state aid formula is very complex and dysfunctional. Less than 5 % of the more than 700 school districts in the state are actually "on the formula." State aid for all remaining school districts is driven by special caps and rules defining exceptions to calculate final aid figures. It has been estimated that it would cost between \$3.5 to 4.0 billion incremental dollars to fix the existing formula without penalizing wealthier school districts. The court decision comes at a time when New York State is in a financial crisis, and the cost and educational demands on school districts are increasing. The concern is that any infusion of significant new money for education is unlikely, and the possibility of funds being reallocated in 'Robin Hood' fashion is much greater.

The Court decision requires the state to: 1) define the "actual cost of providing a sound, basic education in New York City;" 2) reform the funding system "to ensure that every school in New York City has the resources to provide this education;" and 3) have in place accountability measures to ensure that the reforms actually provide the opportunity. The State has until July 30, 2004 to comply before the court steps in with recommendations. CFE, along with New York State Council of School Superintendents (NYCOSS), New York State Parent-Teacher Association (NYS PTA), New York State School Boards Association (NYSSBA), and New York State United Teachers (NYSUT), have been working with consultants to determine the actual cost of providing a sound, basic education statewide. Results of this study will be released this fall.

On September 3rd, Governor Pataki appointed the first 16 members to a state commission to address these issues and to report back by March 1, 2004. Controversy has surrounded the selection of many business representatives as Commission members few or no representatives of major public education organizations, or the Regents. In addition, the March 1 report date for this Commission is late in the 2004 budget cycle, making it unlikely that the committee recommendations can be addressed in the coming budget year.

How New York State leadership responds to the CFE court decision complicates an already ominous 2004 budget picture.

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