



COMMUNITY PERCEPTION VS. SCHOOL DISTRICT REALITY

**HAVING TROUBLE TELLING YOUR COMMUNITY THAT YOUR DISTRICT
ISN'T SHARING IN THE STATE AND FEDERAL MONEY GRAB?**

HERE ARE 10 POINTS TO MAKE

Ever since passage of the state budget, the media has served up a steady drumbeat of misinformation about recent changes in state and federal aid provided to school districts. To hear the press' version, schools have never been so awash in cash. Federal money is arriving in droves with billions in state aid close behind. They report the promise of full funding over the next three years and create the public perception that schools have never had it so good. Politicians have also jumped in, many urging districts to use the funds to lower tax rates. All of this makes it challenging for our school districts to have a rational conversation with their communities. There are a few things the community hasn't heard and our state leaders have forgotten to mention-and before we declare a state of educational nirvana, we need to get a few things straight:

1. Federal stimulus, recovery and relief funding isn't here yet. Only some of the funding from the first of three federal relief bills have arrived. The great

bulk of that help isn't even in the pipeline and eligible use of the funds hasn't been clarified. There's no application for them and little to any guidance. This reality contrasts sharply with media suggestions that districts can use the funds right now and for whatever ails them. It's just not true and confuses local communities as they attempt to analyze the upcoming budget vote next month.

2. The federal money is a "one shot". It has a time period during which it can be used and restrictions on **how** it can be used. Districts that use federal funding to begin programs that have long term implications do so at the risk of raising taxes to pay for them once the federal money has dried up (a process of no more than three years at the latest.) Sure, there are lots of good uses for those funds but prudent planning (and the nature of a child's sequential education) demand that we invest in sustainable programs, not add and then eliminate programs and services based on one time assistance. **Suggestion:** Investment in the up-front costs of programs that become reimbursable in subsequent years is a particularly good use of the federal money. BOCES, pre-school, full day K, any program that the state forces you to pay start-up costs, then reimburses you the following year.

3. State Aid. Oh boy...Yes, fully funding Foundation Aid fulfills the state's commitment made in a court order it agreed to well over a decade ago. Fully funding the existing formula helps many districts that have been waiting a LONG time. State leaders can legitimately take a bow for complying with that court order. That said, it is complying 14 years late and doing so with a one year investment and a promise to complete the project within three years. Anyone else hear the echoes of the Gap Elimination Adjustment and the 12 years it took the state to get back to pre-recession levels of state aid? Asking school districts to rejoice and plan for years of additional funding is asking for a leap of faith across a wide chasm of past experience. Before the Great Recession we had a court order. We had this exact same legislative promise to pay in full over a period of years. We even had the first couple of years of living up to their responsibility under their own installment plan. Then, the economy turned....

4. Payment of the full funding amount over the next three years assumes the state's economy will be able to afford it. Federal aid to the state will help with the first couple of years, but New York State has always lagged behind its sister states after a recession. Don't be surprised if three years becomes five, or even ten if the economy is less than robust. The press has bought the "wine and roses" scenario. "This is a new era and schools can

expect to be flush for the foreseeable future!" Hardly. School funding is set up on an annual basis with annual state aid fluctuations and annual local budget votes. Long range planning is hard, particularly when state leaders chose not to increase the percentage of unrestricted fund balance, or add a special education reserve fund.

5. Districts that concede to demands to lower taxes should also plan for future years of raising them again. New York State aid to education ebbs and flows in regular cycles. A child's education does not. Lowered taxes now are never remembered or appreciated in future years. If taxes are lowered for two or three years, then (when federal funds and state aid taper off) they're raised again, the district is left with overriding a tax cap that may be at or near 0 percent. Don't count on your community remembering and appreciating that you lowered their taxes a few years back. They will vote based on what's happening at that time.

6. Fully funding Foundation Aid by 2024 means that the state will have fulfilled its 2007 responsibility 17 years late. From where we stand now, it's already a 14 year old promise! It's outdated and the result of shoveling 2021 money toward problems that existed in 2007 means that many school districts (with 2021 problems) are not helped. Indeed, many of our most impoverished districts are set to receive only minute inflationary increases. Districts that have lost student population have been declared fully funded already and only receive the minimal 2 or 3% increase. Conversely, because the state correctly left the wealthiest for last in full funding a decade ago, they are now going to receive huge sums. The result? Under this "historic" infusion of aid, the rich are getting richer and the poor are often getting next to nothing. At the end of this three year program, the gap between the "haves" and "have nots" will be more extreme, not reduced. **Suggestion:** If you've lost enrollment, take your student population in 2007 and let your community know what your aid numbers would be if you still had that number of students. It won't do anything more than lead you into a discussion of what costs don't decline despite lower student enrollment, but it's a start to their "getting it."

7. It's hard to envision that this was not a planned result. Two years ago New York City based organizations crisscrossed the state testifying at Senate Education Committee hearings and demanding that the state fully fund the existing formula rather than fix what everyone recognized as a now flawed way to meet the needs of poor school districts. Why? Because New York City is both high need and has an increasing student population. Using the existing

formula would drive enormous sums of aid to the City. It has done and will continue to do exactly that, to the detriment of all other high need districts.

8. It is evident that the Foundation Aid formula must be updated. Even the state legislature recognizes it and positioned the state's use of the federal aid to incorporate new census data, an updated poverty index and brand new regional cost figures. Let's hope that's a precursor to their updating the Foundation Aid formula too, because impoverished school districts can't wait three years watching wealthy districts receive even more while they starve.

9. Most districts that aren't getting big aid increases lose out because of student enrollment losses. By basing everything on a "per student count", these districts are considered to already be receiving their fair share. Nothing could be further from the truth, as schools have fixed costs. It doesn't matter if your third grade class goes from 30 kids to 15; those 15 still need a teacher. They can't skip third grade. Meanwhile, kids that remain in those districts are living in communities that have seen tremendous losses in employment, the community's tax base and overall wealth. They're poorer, the school is poorer and the state isn't doing a thing about it. These districts are able to raise the least revenue on their own. The tax cap puts a lid on even miniscule local revenue increases. The formula needs to update its poverty index, regional cost index, sparcity and factor in the increased costs of student mental health needs and English Language Learners.

10. The state hasn't provided any structural relief. Despite our love of local control, the fact is that the state set up these school districts and now is deaf to calls to reform them to address student needs. They haven't made it easier to merge. They haven't authorized regional high schools. There's no silver bullet. If they're going to expect high need school districts to continue, they've chosen the most inequitable means of planning for their survival. They've created a structure where impoverished students in impoverished districts will be ignored, while wealthy and politically important communities will be showered with help. New York State is already known as having the nation's most inequitable state aid distribution system. Now we'll spend three years formalizing and exacerbating that inequity in perpetuity.

Want to talk social injustice? Let's start with relegating an entire generation of kids to a second class education. The problem isn't that urban kids will get more. The problem is that in using this formula to accomplish that, it also drives money to wealthy students who don't need it, while diverting it away from

needy kids who do. Make no mistake, this is a social and political choice that has been made. It's deplorable and inexcusable. Work to correct that result must begin immediately if we're to fix it by next year's installment of aid.

THAT's what your community needs to know in the face of the press telling them about the state's one in a lifetime investment in public education. Good luck!

Communities Committed To Educational Excellence!

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