

NEW YORK STATE EDUCATIONAL CONFERENCE BOARD



ASSOCIATION
OF SCHOOL
BUSINESS OFFICIALS



April 5, 2024

Hon. Kathy Hochul
Governor
Executive Chamber
State Capitol
Albany, NY 12224

Hon. Andrea Stewart-Cousins
President Pro Tempore and Majority Leader
New York State Senate
State Capitol
Albany, NY 12247

Hon. Carl Heastie
Speaker
New York State Assembly
State Capitol
Albany, NY 12248

Re: Foundation Aid

Dear Governor Hochul, Leader Stewart-Cousins and Speaker Heastie:

On behalf of our membership representing public school parents, teachers, paraprofessionals, administrators, and board members, we were encouraged by reports of progress yesterday on the education portion of a new state budget. We write now to reiterate some of our priority concerns.

Inflation Factor

We again urge rejection of the proposed change in how inflation is accounted for in the Foundation Aid formula – replacing the current factor based upon a one-year change in the Consumer Price Index with one using an eight-year annual average, drawn from the preceding 10 years, excluding the highest and lowest years.

This change would reduce aid for all districts, deepening cuts for those now on save-harmless, pushing more districts on to save-harmless, and leaving all remaining districts with less state assistance than they would receive under current formulas. As one of our members observed, basing state funding in part on costs from 10 years ago would be fine if schools and their employees could purchase what they need at the prices that prevailed a decade ago.

Save-Harmless Funding/Due Minimum Increase

We also reiterate our strong opposition proposed reductions in Aid save-harmless funding which would impose year-over-year cuts in state support to just over half the state's school districts.

Adoption of this proposal would be an abrupt reversal of longstanding state policy, including the last two state budgets when save-harmless was not only continued but augmented by guaranteed 3% minimum aid increases as proposed in Executive Budgets. While these districts may be serving fewer students than in years past, they are delivering an expanded range of services in response to student and family needs. Seventy-five percent of this cut would hit average or high need school districts.

We also recommend the enacted budget again ensure a minimum percent increase for all districts. Schools face inflationary pressures like families and other organizations and struggle to recruit and retain essential employees. For districts subject to annual budget votes, the property tax cap restricts their capacity to raise local revenues. The "Big 5" school districts do not possess independent taxing authority and must rely on their city governments to raise any local support.

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Reviewing and Updating the Formula

The Educational Conference Board continues to stress the importance and necessity of a carefully constructed review of how the current Foundation Aid formula meets the needs of today’s students. When first enacted in 2007, the Foundation Aid formula was an exemplary achievement in public policy. It still delivers the greatest benefit to many of the neediest school districts and their students.

But nearly twenty years have now passed. Some formula components have never been updated and others have become disconnected from the reality they are intended to represent. In the intervening time span we have also gained deeper understanding of how the life circumstances of children may affect their learning, as well as what strategies can best enhance their prospects for success in school and in life beyond.

The best outcome requires a process that is thoughtful, deliberative and objective. One fundamental point to bear in mind is that either a detrimental or positive effect from one formula modification for any districts may be fully offset by other changes. The reverse is also true. Accordingly, whatever the merit of any one intended improvement, it will be necessary to assess the combined effects of a package of changes.

As such, our organizations have supported \$1 million in Foundation Aid research funding for the State Education Department and continue to do so.

Conclusion

We all thank you and your colleagues for your past efforts in support of our students and their schools. We will do all that we can as your partners in seeking to fulfill our State Constitution’s promise of a system of “...free common schools, wherein all the children of this state may be educated.”

Sincerely,

John Yagielski
Chair
**New York State
Educational Conference
Board**

Brian S. Cechnicki
Executive Director
**Association of School
Business Officials—New
York**

Jennifer K. Pyle
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**Conference of Big 5 School
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Robert Lowry
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