



**NEW YORK STATE LEGISLATURE**

**2011-2012 JOINT BUDGET HEARING**

**FEBRUARY 15, 2011– 10:00 AM**

**ELEMENTARY & SECONDARY EDUCATION**

**HEARING ROOM B – LEGISLATIVE OFFICE BUILDING**

---

New York State Executive Chambers  
**TESTIFIED SUBMITTED NO WRITTEN TESTIMONY**

Robert Duffy  
Lieutenant Governor

New York State Education Department

David M. Steiner  
Commissioner

New York City Department of Education

Cathleen Black  
Chancellor

Arch Diocese of New York

Arch Bishop  
Timothy Dolan

New York State United Teachers

Andy Pallotta  
Executive Vice President

United Federation of Teachers

Michael Mulgrew  
President

Conference Big 5 Schools

Georgia Ascitutto  
Executive Director

Louis Petrucci  
Big 5 Chairperson

Barbara Smith, CFO  
Buffalo Public Schools

Joyce Martelli, CFO  
Rochester City School District

Christine Vogelsang  
Deputy Superintendent  
Syracuse City School District

Bernard Pierorazio  
Superintendent  
Yonkers Public School

NY Library Association

Michael Borges  
Executive Director

NYS Council of School Superintendents

Robert Lowry  
Deputy Director

NYS Association of School Business Officials

Steven VanHoesen  
Dir. Government Relations

NYS School Board Association

Timothy Kremer  
Executive Director

David Little  
Dir. Government Relations

Alliance for Quality Education  
Campaign for Fiscal Equity

Nikki Jones  
Communication Director

Zakiyah Ansari  
AQE, CFE Parent Organizer

4201 School's Association

Dr. Harold Mowl  
Chair

NYS School Administrators Consortium

Peter McNally  
Vice President  
Council of School Supervisors  
& Administrators

Kevin Casey  
Executive Director  
School Administrators  
Association of NYS

Capital Region BOCES School Library System

Jamie Foust  
SLS Director

Mary Ratzer  
Staff Development Consultant

NY Association for Pupil Transportation

Pete Mannella  
Executive Director

NY School Bus Contractors Association

Robert Pape  
Exec. Vice President  
Board Member

New York City Charter School Center

**DID NOT TESTIFY SUBMITTED WRITTEN TESTIMONY**

James Merriman  
CEO

Success Charter Network

**DID NOT TESTIFY SUBMITTED WRITTEN TESTIMONY**

Eva Moskowitz  
CEO

Western NY Independent Living, Inc.

Milissa Golpl  
Disability Rights Advocate

Todd Voorwerk  
Director of Public Policy

Center for Independence of the Disabled of  
New York

**DID NOT TESTIFY SUBMITTED WRITTEN TESTIMONY**

Lourdes Rosa-Carrasquillo  
Director of Advocacy

Bard High School Early College

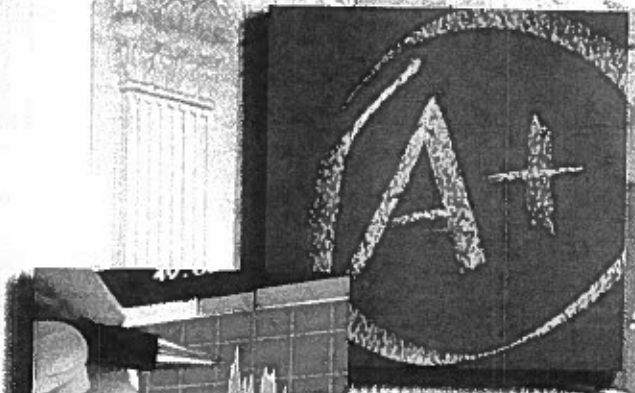
**DID NOT TESTIFY SUBMITTED WRITTEN TESTIMONY**

Martha Olson  
Dean of Administration

2

# 2011-12 Budget Presentation

Implementing the Regents Reform Agenda:  
Accelerating Student Achievement  
in Difficult Fiscal Times



---

**David M. Steiner**

President of the University of the State of  
New York and Commissioner of Education

February 15, 2011

---

# There is Good News About Schools

- NY ranks 2<sup>nd</sup> in percentage of students who pass AP exams and participation has increased for all student subpopulations
- NY rated 2<sup>nd</sup> in *Quality Counts 2011* for overall education policy and performance
- NY consistently ranks 1<sup>st</sup> or 2<sup>nd</sup> in the number of Intel Science Talent Search finalists (7 finalists for 2011)
- 19 NY schools honored by the U.S. Department of Education as *National Blue Ribbon Schools of Excellence* in 2010
- Since higher standards were adopted, more than 14 times as many students with disabilities earned Regents diplomas (526 in 1996 to 7,708 in 2009)
- More NY students in the class of 2010 took the SAT than any other class in the state's history and this group was more diverse than ever before — 42% were minorities, 38.8% said they will be first-generation college attendees
- 74% of full-time, first-time students earn their bachelor's degrees within six years of entering college



# Our Challenge: Graduating All Students College and Career Ready

New York's 4-year high school graduation rate is only 71.8% (all students) and 76.8% for General Education Students. And the gaps are disturbing.

## NYS Public School General Education Students June 2009 Graduation Rate

All students who started 9<sup>th</sup> grade in 2005, after 4 years

### Actual (Reported) Graduation

General Ed Students	% Graduating
<b>Total</b>	76.8
American Indian	62.7
Asian/Pacific Islander	82.0
Black	62.0
Hispanic	59.6
White	87.3
Students with Disabilities	42.1

### Calculated College and Career Readiness\*

General Ed Students	% Graduating
<b>Total</b>	40.8
American Indian	23.7
Asian/Pacific Islander	55.6
Black	15.2
Hispanic	16.8
White	56.2
Students with Disabilities	16.4

\*Students graduating with at least a score of 75 on Regents English and 80 on the Math Regents, which correlates with success in first-year college courses.

# Our Challenge: Graduating All Students College and Career Ready

Raising high school graduation rates is not enough.  
Graduates must be ready for college and 21<sup>st</sup> century careers.

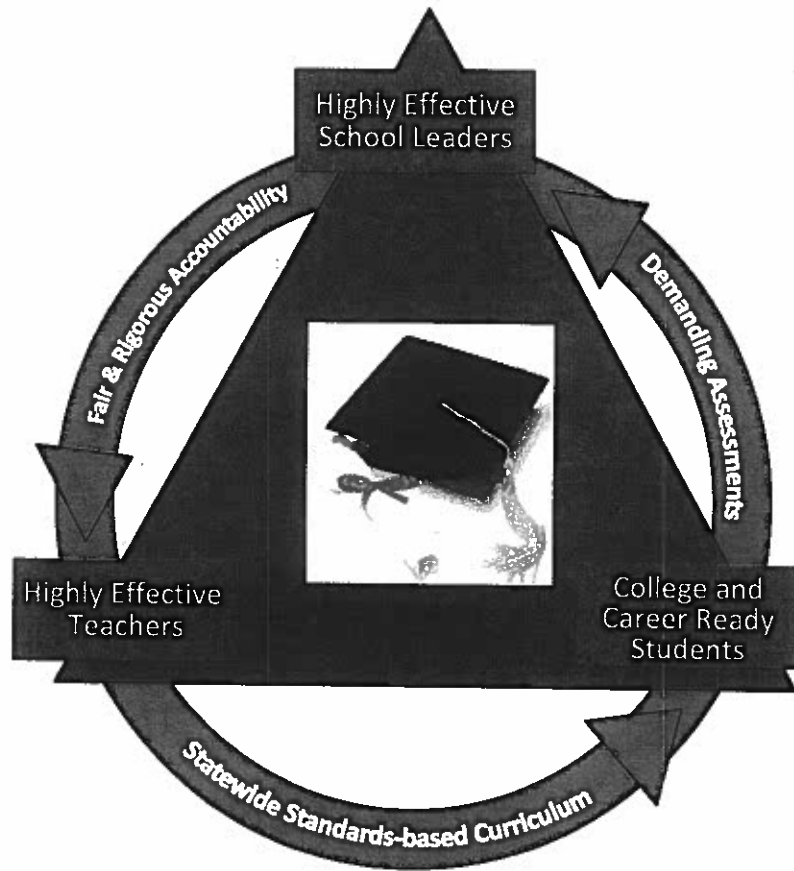
2009-10 Public School Student Performance on Selected State Assessments

Assessments → Proficiency Standards → Student Groups	Grades 3-8		Regents	
	Scoring 3 or 4*		≥ 75**	≥ 80**
	ELA	Math	English	Math
<b>All Students</b>	<b>53.2</b>	<b>61.0</b>	<b>55.6</b>	<b>41.7</b>
American Indian	42.3	49.5	42.1	26.7
Asian/Pacific Islander	67.9	81.7	68.0	65.0
Black	34.4	40.9	34.3	16.3
Hispanic	36.8	47.3	35.6	19.1
White	64.8	71.1	68.8	56.0
Students with Disabilities	15.2	24.6	14.6	9.5
English Language Learners	14.3	30.7	11.7	14.9
Economically Disadvantaged	39.1	49.0	40.9	25.4

\*Adjusted cut scores to demonstrate a student is "on track" for being college and career ready at graduation

\*\*Minimum scores estimated to be needed to avoid remediation at NYS public postsecondary institutions.

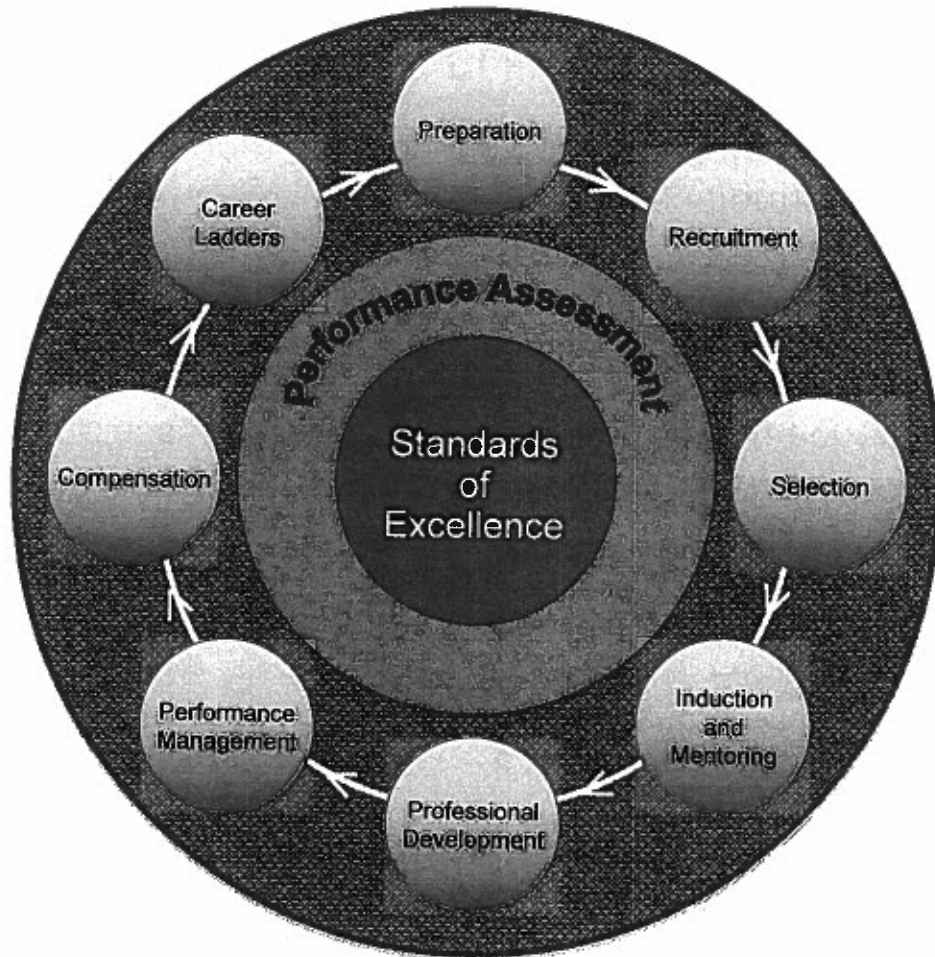
# Regents Reform Agenda



- Adopting Common Core standards and developing curriculum and assessments aligned to these standards to prepare students for success in college and the workplace
- Building instructional data systems that measure student success and inform teachers and principals how they can improve their practice in real time
- Recruiting, developing, retaining, and rewarding effective teachers and principals
- Turning around the lowest-achieving schools



# Ensuring Teacher and Principal Excellence



- Expanded clinical experience
- Exams that test clinical skills and, for professional certification, effects on students
- Career ladders
- Professional development based on evaluation system

# Regents Reform Agenda: Goals

- 1) **Teacher/School Leader Preparation and Effectiveness** – Change emphasis to content knowledge; pedagogical skills; and measurable, performance-based evaluation
- 2) **Early Childhood** – Expand access to high-quality learning opportunities
- 3) **Raise Graduation Rates for At-Risk Students** – Increase graduation by redesigning secondary schools to increase student engagement and ensure college and career readiness
- 4) **Curriculum and Professional Development** – Provide every student with a world-class, rigorous curriculum and train teachers to use it effectively
- 5) **Assessment** – Align with common core standards, evaluate college and career ready status, provide data for effective decision-making
- 6) **P-20 Data System** – Provide information that will strengthen decision-making at the classroom, school, district, and state policy levels
- 7) **Replace Failing Schools** – Close chronically underperforming schools; work with districts to implement strategies to dramatically improve outcomes for students attending the lowest-performing schools
- 8) **Transform NYSED** – From compliance-oriented to service-oriented agency leveraging its resources to prepare students to be college and career ready

# Regents Reform Agenda: Our Assets

## Legislative Support — Laws of 2010

- Chapter 100: Longitudinal Data Systems Capital Funds
- Chapter 101: Raised charter school cap from 200 to 460; Promotes equal access; increases public accountability and transparency
- Chapter 103: Authorizes boards of education and NYC Chancellor to contract with Educational Partner Organizations (EPOs) to manage schools identified as SURR or Persistently Lowest Achieving (PLAs), subject to Education Commissioner approval
- Chapter 103: Establishes comprehensive annual evaluation system for teachers and principals, based on measures of effectiveness and establishes expedited disciplinary process for those rated “ineffective” in 2 consecutive annual evaluations

## Financial Investments Targeted for Education Reform

- Race to the Top — \$696.6 million
- School Improvement Grants — \$354 million
- Teacher Incentive Fund — \$40.5 million
- Institute for Education Sciences — \$27.5 million
- Public-Private Partnerships: Smart Scholars Early College Initiative — \$12.0 million
- Regents Research Fund — \$4.0 million raised to date

# State Aid to Schools

## Regents 2011-12 Proposal

- Provides for a realistic phase-in of Foundation Aid on a schedule consistent with the Executive proposal
- Holds the overall amount of Foundation Aid at last year's levels, while using more current data to allocate aid among districts
- Makes tough — but fair — choices in reining in the growth of expense-based aids:
  - Growth in BOCES Aid and Transportation Aid are controlled through the use of an allocation more focused on high need districts and better reflecting district fiscal capacity
  - Building Aid is not affected for 2011-12, but the Regents suggest a number of ways in which future growth could be moderated, including:
    - ✓ Limiting the use of the 10% incentive aid ratio
    - ✓ Eliminating the provision allowing districts to select the most favorable reimbursement rate back to 1981
    - ✓ Eliminating an overly-generous loophole in the calculation of aid on costs that are incidental to approved projects
    - ✓ Eliminating aid for projects with a useful life of less than fifteen years

Any reductions in State Aid should provide the least cuts to the highest-need districts

# Regents 2011-12 State Aid Proposal

Program	2010-11 School Year	Regents 2011-12 Request	Regents Change from Base
General Purpose Aid	\$15,546	\$15,413	(\$133)
• Foundation Aid	\$14,894	\$14,894	\$0
• Aid for Early Childhood Education	\$394	\$439	\$45
Support for Pupils with Disabilities	\$788	\$825	\$37
BOCES/Career and Technical Ed	\$913	\$908	(\$5)
Instructional Materials Aids	\$283	\$287	\$4
Expense-Based Aids	\$4,058	\$4,264	\$206
Computerized Aids Subtotal	\$21,588	\$21,697	\$109
All Other Aids	\$277	\$259	(\$18)
Total GSPS	\$21,865	\$21,956	\$91
Net Adjustments	(\$2,270)	\$0	\$2,270
Federal ARRA Apportionments	\$1,336	\$0	(\$1,336)
Grand Total	\$20,931	\$21,956	\$1,025

# Mandate Relief

## Last Legislative Session

- Regents supported legislative initiatives to provide relief:
  - Repealing the Wicks law
  - Eliminating unnecessary and burdensome planning and reporting requirements
  - Promoting strategies to encourage regional transportation agreements
- Department advanced legislation (A.8398/5636) to address special education costs and mandates

## Current Activities

- Regents State Aid proposal with several mandate relief proposals, including further changes to the existing special education requirements, eliminating certain planning and reporting requirements, and reducing burdensome middle school requirements.
- This month, the Board considered a menu of 50 mandate relief proposals — both regulatory and statutory
- The Regents will continue to explore opportunities to reduce mandates while maintaining or improving the quality of our educational programs

# Reducing Special Education Costs

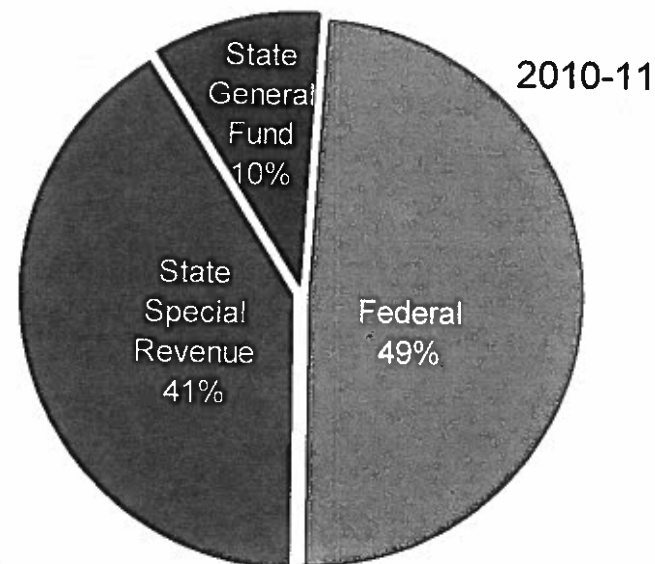
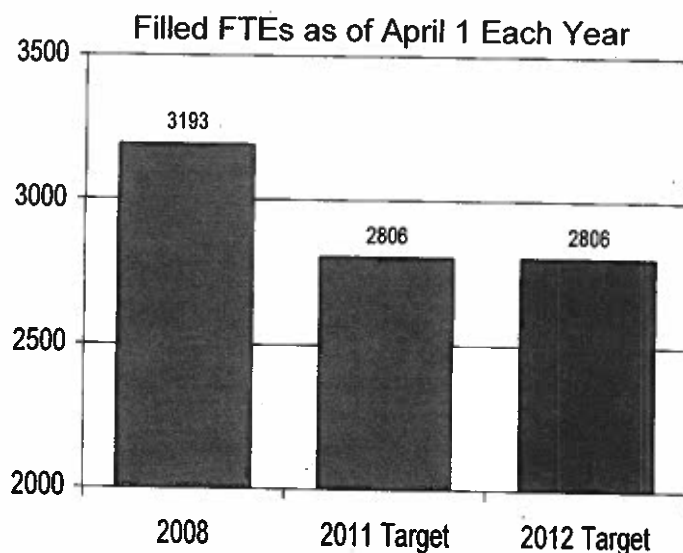
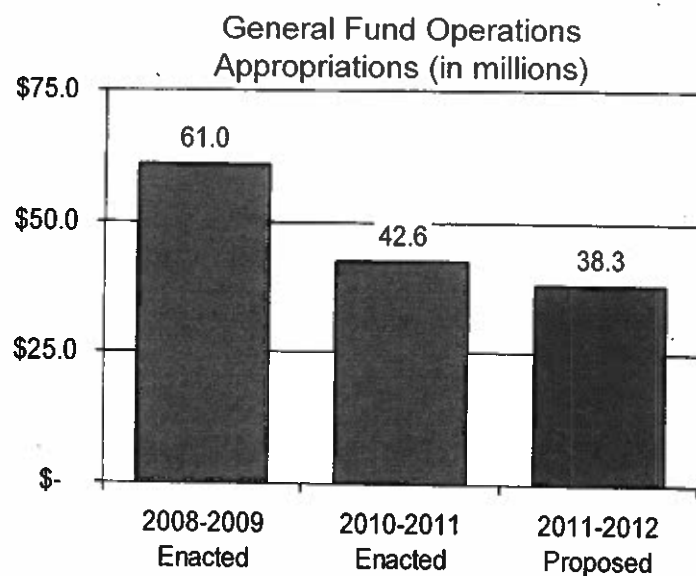
## The Regents:

- Provided flexibility for addressing mid-year programming needs without additional cost
  - Eliminated certain minimum service requirements
  - Are examining additional mandate relief options
- 

## School Districts Can:

- Lower classification rate with research based general education instruction
  - Serve more students in in-district programs
  - Reduce reliance on 1:1 staffing with positive behavioral strategies
  - Control due process costs through improved collaboration with parents
-

# Our Challenge: Constrained Capacity and Resources



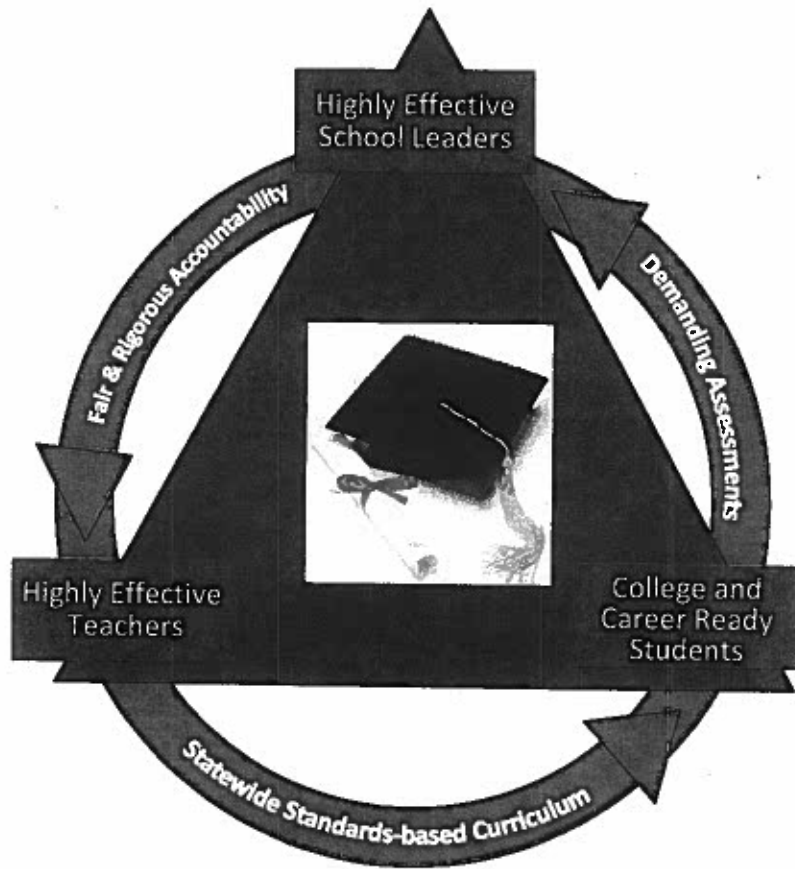
Since 2008:

- Department has lost almost 400 staff
  - General Fund support down 1/3
- 
- Over 90% of staff supported by funding sources that provide little or no discretion in use
  - RTTT funds for reform initiatives, not for State or local basic operations

Additional 10% General Fund cut will be difficult



# Critical Regents 2011-12 Requests



Regents Exams	\$15,000,000
---------------	--------------

Tenured Teacher Hearings	\$7,500,000
--------------------------	-------------

Access to GED Testing	\$700,000
-----------------------	-----------

The Ultimate Goal and Our Challenge –  
Graduating All Students College and Career Ready

# Structural Imbalance in Regents Exams

## *Despite Cost Containment by the Department*

- A key measure of taxpayers' "return on investment"
- Needed benchmarks for State's accountability system
- 5 exams required for Regents Diploma  
(English, Math, Science, Global History and Geography, U.S. History and Government)
- 8 exams required for Regents Diploma with Advanced Designation
- 17 exams in 5 different subjects
- Administered 3 times a year
- 2.3 million exams taken annually

### What we have eliminated to contain costs:

- Paper scoring materials for Regents exams; scoring training materials/ answer keys now on web
- Translation of exams into 4 foreign languages
- August Administration of Algebra 2/Trigonometry and Chemistry exams
- HS foreign language Regents exams except for Spanish, French and Italian

### Request \$15 million for Regents Exams to maintain current exams and allow us to:

- Design Grade 9 and 10 Regents English Exams
- Restore translations into Chinese, Haitian-Creole, Korean, Russian
- Make exams less predictable
- Make exams more comprehensive
- Make exams more performance-based
- Make exams better aligned to college and career readiness
- Ensure adequate test monitoring and security

# Tenured Teacher Hearings

## *Process to Discipline or Discharge a Tenured Educator*

- Budget request of \$7.5 million covers the cumulative deficit and the annual funding gap. Program has been chronically underfunded.
- SED is about 15 months behind in paying bills. SED's role is limited to minimal administrative responsibilities and paying the costs of the AAA arbitrator and stenographer. Costs have spiraled due to increases in the number and length of cases and arbitrator rates.
- Arbitrators are resigning; refusing to conduct further hearings; and delaying the issuance of decisions.

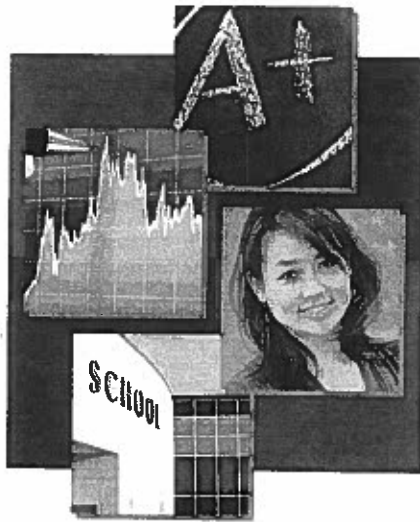
***Fully Functioning System is Essential for Reform***

### **Legislative Proposal – Programmatic and Fiscal Reforms Would:**

- 1) Limit Department's liability to the annual appropriation and subsidize overall costs
- 2) Split any additional costs equally between school district and teachers
- 3) Insert reference to main, easy to understand, program reform

# GED: Access and Success

*More New Yorkers should have the opportunity to pass this test and earn a High School Equivalency Diploma*



- NYS has 2<sup>nd</sup> **highest** test access but 2<sup>nd</sup> **lowest** results
- 66% of those with some preparation pass and only 44% without preparation pass the test
- NYS is 1 of 4 states that does not charge a fee
- Funding shortfall of \$700,000

Board of Regents supports

Student readiness requirement (pre-test)

Imposition of reasonable fee

\* General Educational Development

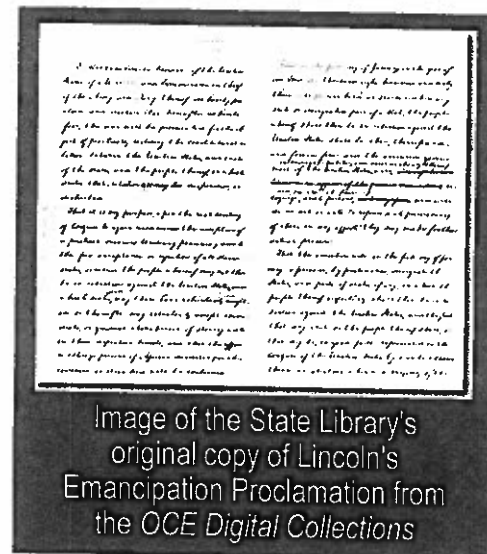
# Adult Career and Continuing Education Services (ACCES)

- The State Education Department has reorganized to increase focus on services for individuals no longer in the P-12 system or in higher education
- ACCES' wide range of education and career services provides better access to continued learning and improved career opportunities
- The services we offer include:
  - Vocational Rehabilitation for individuals with disabilities
  - Independent Living administration for individuals with disabilities
  - Adult Education programs
  - General Educational Development (GED) test administration
  - Proprietary Schools Supervision and consumer protection
- During the last year, ACCES programs:
  - Achieved 12,000 employment outcomes for individuals with disabilities
  - Served 83,000 individuals through the Independent Living Centers
  - Provided for adult education services for over 129,000 adults
  - Administered 55,000 GED tests with a 53% pass rate
  - Provided protection for over 200,000 proprietary school students

# Cultural Education

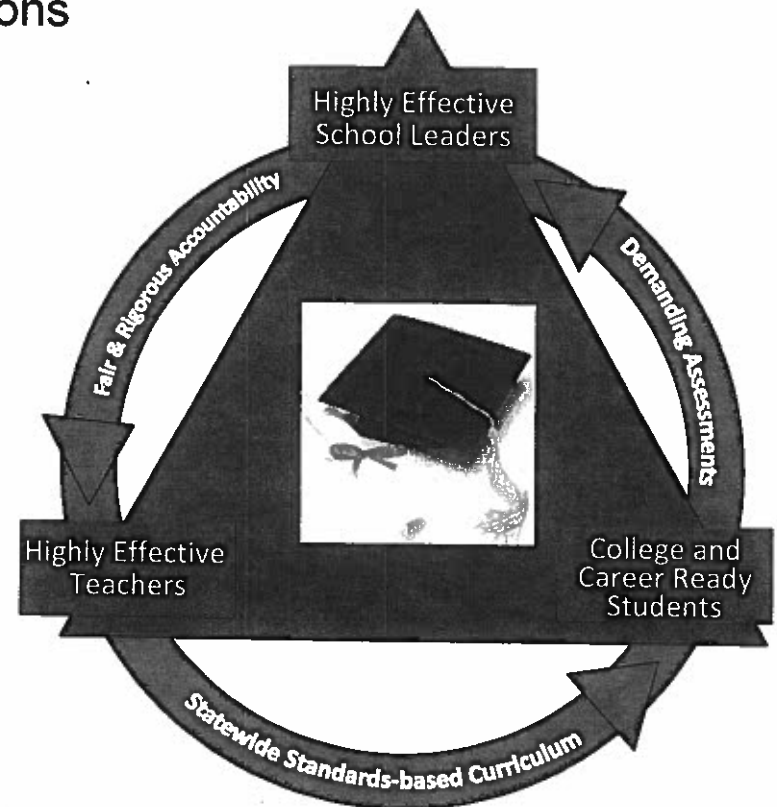
Plays an important role in learning and generates over \$1 billion in annual economic activity

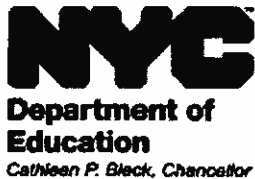
- SED operates the State museum, archives and library.
  - Approximately 770,000 onsite visitors and 1.5 million remote users
  - Preserves over 50 million records and provides 30,000 interlibrary loans.
- SED also works with libraries, local governments, public television, public radio, zoos, and botanical gardens.
- Aggressive actions are being taken to reduce costs to better align with revenues. More work lies ahead.



# In Summary

- Our students need a world-class education more than ever — precisely because of the difficult economy
- Regents education reform agenda has momentum — and support from many
- But reform will be put at risk if districts are unable to find cost-effective ways to fund mandated costs and basic operations
- We seek your support to help:
  - Regents State Aid proposal
  - Regents critical funding requests
  - Substantive mandate relief





**TESTIMONY OF NYC SCHOOLS CHANCELLOR CATHLEEN P. BLACK BEFORE  
THE STATE ASSEMBLY WAYS & MEANS AND STATE SENATE FINANCE  
COMMITTEES ON THE PROPOSED 2011-2012 EXECUTIVE BUDGET**

*February 15, 2011*

Good morning, Chairs Farrell and DeFrancisco, Education Committee Chairs Nolan and Flanagan, and all the members of State Assembly and State Senate here today.

I want to start by thanking all of you for the opportunity to come here today, as well as for your years of service on behalf of our great State. In particular, I want to say thank you to the New York City delegation—some of whom I have already had an opportunity to get to know—for all of your hard work on behalf of our City's children.

Seated with me are Dennis Walcott, the City's Deputy Mayor for Education and Community Development, and Veronica Conforme, the Department of Education's Chief Financial Officer—two individuals who are an integral part of our work on behalf of our schools and children.

In my first few weeks as Chancellor, I have been so impressed by the dedication of our many teachers, principals and school support staff who work tirelessly on behalf of our students. But, most of all, I have been bowled over by the dreams and aspirations of our students themselves; there is nothing like asking a young elementary school student what they want to be when they grow up to put a smile on your face and remind you of the responsibility we all have to their future.

It is those faces and stories that are at the forefront of my mind as I come before you today to discuss Governor Cuomo's proposed budget as it relates to New York City's public schools.

As Mayor Bloomberg said last week, you have the unenviable task of adopting a State budget that closes a \$10 billion shortfall between revenues and expenses -- a challenge that requires you to balance the twin responsibilities of funding critical services and future investments, while also making sure that the State lives within its means.

While difficult decisions lie ahead, ultimately we share the common goal of making sure that every child, in every school, receives a high-quality education that prepares them to succeed in college or enter the workforce.

Let me say from the outset, we recognize the State's precarious financial condition and are not here to ask for special treatment. We are prepared to do our part and help shoulder the





As Mayor Bloomberg shared with you last week, the Executive Budget eliminates 100 percent of the City's revenue sharing dollars, as opposed to reductions of just 2 percent for every other locality. This amounts to a loss of \$300 million for the City, and given that the Department of Education represents roughly one-third of City spending, there is no question it would translate into a direct cut to our schools. If there is a cut in revenue sharing dollars, it should be applied equally across the board, and not unfairly target New York City.

The Executive Budget also proposes significant changes to the building aid formula that will undermine our progress to support our growing school population.

Under Mayor Bloomberg's leadership, we've engaged in one of the most ambitious school construction and modernization plans in the City's history. Since 2003, we've created over 80,000 new school seats, and we're on track to complete 100,000 by the end of 2013, while at the same time significantly reducing the price per square foot for construction.

This is important work we must continue. But the plan before us today would cost the City a billion dollars next year in capital funding, bringing many critical school construction and renovation projects to a screeching halt.

Historically, the State has paid for 50 percent of the City's educational capital program. So, based on past history, the State would provide for approximately \$1.5 billion of the City's \$3 billion education capital planned in our Fiscal Year 2012 budget.

Under this new arrangement, which establishes an arbitrary cap, the State would only provide us with approximately \$500 million – a 67 percent cut. This would be a huge setback for our students – and make it much harder for us to relieve pockets of overcrowding that exist, and of course, result in larger class sizes.

This reduction in funds is further compounded by the State's proposed creation of a six-tier structure for evaluating local school capital projects, which will inevitably result in bureaucratic inaction and delay. It would also make it harder for local elected officials, and community leaders, to make their voices heard on projects in their districts.

The City has had great success speeding up school construction and bringing down costs – but this new building aid proposal threatens to send us in the opposite direction, and we urge the Legislature to reject it.

We understand that these are tough budget times and we all must learn to do more with less. But there is much the State can do to mitigate the harshness of these cuts by providing us with the authority and flexibility to thoughtfully reduce our expenses and minimize the impact on our students.

So, for example, if a school purchased all new textbooks last year and wants to instead buy new computers this year, or buy e-textbooks, they can't use their textbook dollars to do it.

This law reduces schools' buying power, reinforces antiquated instructional barriers, and creates a disincentive for schools to purchase the most effective and innovative materials on the market. This can be solved by simply merging these three separate funding streams into one that can be spent on any of the three instructional items.

Another thing the State can do is grant much needed pension relief for the City. In 2003, pension costs were 4 percent of the Department's budget; this year they are 11 percent, and they are only going to continue to increase. I urge you to consider the Mayor's pension reform plan, which will help us right-size our pension system, while also protecting core services to our students and City.

Albany can also consolidate the Board of Education Retirement System, or BERS, into two of the City's existing pension funds – the New York City Teachers Retirement System (TRS) and the New York City Employees Retirement System (NYCERS). Transferring employees to TRS and NYCERS, based on pedagogical and non-pedagogical status, would not change any of the benefits current employees receive, but it would streamline our pension system and save \$8 million annually in administrative costs and overhead.

Another area of mandate relief that must be addressed is special education. New York State has 200 mandates above and beyond what Federal law requires. While some of these mandates are reasonable and important measures, others are outdated and burdensome.

For example, City taxpayers pay millions of dollars to fund full private school tuition for special education students, even if their parents never had any intention of even considering one of our public schools. We can provide the same quality education to some of these students at a much lower cost. Albany simply needs to approve a change in state law that would put the burden of proof on the party that brings the case, which would align New York state law with nearly every other state in the country.

We could also achieve savings by expanding busing and transportation options for parents of students with disabilities. Why not provide families with the ability to opt out of busing, and instead reimburse them to transport and accompany their child to school, whether via public transportation, taxicab or in their own vehicle? This would provide more options to parents, reduce travel times for students, and create savings for school districts.

To be clear, under no terms will we compromise the quality of services and instruction that our special education students receive and deserve – rather the opposite. We're committed to finding better, more efficient ways to support and serve the needs of each child.



**RICHARD E. BARNES**  
Executive Director

4  
**NEW YORK STATE CATHOLIC CONFERENCE**

465 State Street • Albany, NY 12203-1004 • Phone (518) 434-6195 • Fax (518) 434-9796

www.nyscatholic.org

e-mail: info@nyscatholic.org

**TESTIMONY**

**OF**

**THE NEW YORK STATE  
CATHOLIC CONFERENCE**

**REGARDING THE 2011-2012  
EDUCATION BUDGET**

**BY**

**His Excellency, Archbishop Timothy M. Dolan**

**Archbishop of New York**

**Albany, New York  
February 15, 2011**

Good afternoon, Senator DeFrancisco, Senator Flanagan, Assemblyman Farrell, Assemblywoman Nolan and honorable members, my name is Timothy Dolan, Archbishop of New York. Joining me today is Dr. Timothy McNiff, Superintendent of Schools for the archdiocese, and Jim Cultrara, Director for Education at the NYS Catholic Conference, of which I am honored to serve as president.

I am grateful for this opportunity to comment on Governor Andrew Cuomo's budget proposals related to elementary and secondary education. It is my hope and prayer that my comments help you shape a state budget that is fair, just and prudent. I am honored to address distinguished public officials such as yourselves, and deeply appreciate your high interest in education. I am here on behalf of the approximately 200,000 students in the state of New York in our Catholic schools, (the largest non-governmental school system in our state), young people and their parents of every religion or none at all, of every ethnic and economic background. I am speaking for them.

While my formal written testimony addresses numerous areas where schools are in need of assistance, I will limit my oral remarks to just three of them.

First is the area of **Mandated Services and Comprehensive Attendance Policy (CAP) Reimbursement:**

The Governor is proposing an 8 percent cut in Mandated Services Reimbursement (MSR) and CAP reimbursement funding. This proposed cut is on top of the 6 percent shortfall from last year's state budget which itself was on top of cuts in reimbursement from the previous two years. Are you sensing a theme here? This 8 percent cut, I might add, is greater than the 7.3 percent cut to governmental schools.

Keep in mind that the state is already delinquent on reimbursement to religious and independent schools for mandates carried out by our schools dating as far back as the 2002-03 school year. We estimate the state's obligation to our schools to be approximately \$270 million, and as a result of the state's delinquency, our schools have been forced to raise tuition to fill the gap. Tragically, others have had to close because our families cannot bear the burden.

The blame for this growing debt falls squarely on the State Education Department which has yet to officially calculate their obligation to our schools under the 37-year old Mandated Services statute. Part of the reason for the delay is that in order to address an error the department made several years ago, they changed the CAP reimbursement formula to cover less than the full costs incurred by schools, and the department continues to use that faulty and unjust formula.

We recognize that the current fiscal situation will make it difficult for the state to satisfy its legal obligation. Nonetheless, it is imperative that you begin to do so. Accordingly, we urge you to do the following:

- First, demand that the State Education Department correct their error and revert to using the originally agreed-upon CAP formula;
- Second, demand that the State Education Department immediately provide an official accounting of the total amount that would be needed to fully reimburse our schools for the actual costs they have incurred beginning in the 2002-2003 school year to the present; and
- Third, we urge you to appropriate sufficient funds this coming fiscal year in order to keep the debt from growing any further and to ensure that the claims from each school can be fully paid. We estimate the amount needed ranges from \$50 to \$60 million more than what the Governor recommended.

The second area is the **MTA Payroll Tax**:

As you know, the MTA payroll tax is costing our parents approximately \$7 million dollars every year. Governor Cuomo's budget includes \$70 million to reimburse public schools for their MTA costs, and not a dime for students in non-governmental schools. Our schools do not have reserve funds or tax levy authority like their public school counterparts. Our only options are to raise tuition and/or reduce services to students to cover this tax. Higher tuition means fewer kids in our schools and greater strain on the public system and your budgets.

We are grateful for the efforts being made thus far to remedy this injustice. I specifically want to thank Speaker Silver for his commitment and the full Assembly for having passed an MTA chapter amendment last year. I also want to thank Senator Skelos, Senator Lanza and Senator Golden for leading the effort in the Senate this year.

While there is support from both sides of the aisle in each chamber, it is vital that you not let another year slip by without fixing the problem. I urge you to include \$7.5 million in the 2011-12 state budget to reimburse religious and independent schools for their MTA costs and to permanently include our children to the reimbursement entitlement in statute.

The third and most fundamental area is that of **Parental Choice**:

It is in the area of parental choice that we see the gravest injustice perpetrated on families, no matter whether it's a family with children in public school or a family with children in a Catholic school, Yeshiva, or some other independent school.

Let me reiterate an argument that I know you've heard before. There are thousands of children trapped in chronically low-performing government schools -- schools that have been proven to be ineffective. The cost to the taxpayer and society in general is exorbitant. The cost to the family, in the form of shattered hopes and dreams and lost human potential, is far deeper and more painful.

I stand with you in support of our public schools. All I'm asking is that our support be for *all our kids*, whether they're in government or independent schools. The leadership of the public school teachers' unions has a vested interest in and a responsibility to support their members – the vast majority of whom are dedicated and hardworking teachers who deserve our support. However, the unions' advocacy interests in this case conflict with the interests and needs of thousands of ordinary children and families. The majority of these families will continue to choose public schools for their children. But protecting jobs for adults justifies neither the burden on the taxpayer nor the violation of the rights of children who are forced to remain in schools that don't serve them and that are likely unsafe. Schools exist to serve children and should not be considered employment programs.

Our government is empowered to remove a child from a neglectful home – and rightfully so. But why then isn't a family empowered to remove their child from a government-run school that is neglecting their education or perhaps even their safety? The only means of escape for these children is if their family has enough money to move them to another school, or if they win a seat in a charter school. And what about the families whose children are enrolled in an independent school? These families are shouldering the dual burden of taxes to support public schools and tuition to support their own children's education. Why can't they get some of their own tax money back to help support their own children?

Perhaps some fear that supporting a broader parental choice program will harm public schools. I'm here to tell you that you need not be afraid.

Just look at the experience in Milwaukee where we have the oldest and broadest parental choice programs in the country. Opponents of parental choice argued that choice would decimate the public schools. In fact, just the opposite happened. Not only did public school expenditures rise, but so did public school enrollment and academic achievement.

But how can that be if more children were being enrolled in religious and independent schools? Don't take it from me, just ask former Milwaukee public officials, including Howard Fuller, the former Milwaukee school superintendent, who argue that parental choice helped to revitalize the city and, as a result, people began moving their families back into the city. Having served as the Archbishop of Milwaukee, I can attest to the fact that broad-based parental choice programs benefit all children in all schools.

Some will argue that we cannot afford parental choice programs. Again, the opposite is true – we cannot afford *not* to enact parental choice. If you continue to support only public schools, including charter schools, instead of *all* our children, then you will only exacerbate the fiscal crisis you are desperately trying to resolve, since the data clearly shows that we educate our children better for half the cost.

The Governor proposes \$250 million in new spending to reward academic improvement in public schools. If you want academic success, you need to look no further than the New York's religious and independent schools. But do the 200,000 students in our schools get rewarded? Quite the contrary.

The Governor also proposes another \$250 million to reward administrative efficiencies in public schools. Not only are New York's religious and independent schools the most efficient, but our families – the families who sacrifice to pay public school taxes and private school tuition – are saving New York taxpayers at least \$8 BILLION each and every year! Where is their reward? They don't even get a thank you. All they get are higher taxes and higher tuition.

I'm not surprised that our parents and kids are angry. They know you support public schools – and that's fine – so do they. They know you support the growth of charter schools – and that's fine too. But they want to know why you are not supporting them as well.

As the public sector expands, the religious and independent sector is shrinking – and it is taxpaying families who pay the price. Please reverse this trend. We urge you to enact a scholarship or education tax credit program that will provide meaningful assistance to enable parents to choose the school best suited for their children. You can afford to do no less.

All I'm asking is that, in justice, when you laudably move to promote education, it be for *all* our kids, not just those in government schools.

While this concludes my oral remarks, I offer additional areas in my written testimony.

My prayers and best wishes are with you. I thank you for your time and consideration. We are more than happy to answer any question you may have.

**Health, Safety, and Security Funds:** Independent and religious schools comply with a number of mandates and provide a number of health, safety and security-related services for which they receive no funding. These include equipment for access and control of buildings and classrooms, annual fire inspections; triennial asbestos inspections; the purchase and training in the use of defibrillators and security equipment; elimination of mercury and dangerous substances used for cleaning and maintenance; radon and lead testing; etc. The health, safety and security needs of students are no less great in difficult fiscal times and we urge you to include authorizing statutory language to enable schools to be reimbursed for their expenses in these areas.

**Nursing Services:** More and more school children have acute and chronic health problems that require the daily attention and care of professional school nurses. Yet the shortage of school nurses leaves school administrators and teachers in the untenable position of having to respond to health emergencies and manage chronic health problems. School administrators and teachers are not health professionals and simply cannot and should not be forced to manage and respond to their students' asthma, diabetes, food allergies and other health conditions.

In some cases, these health conditions can be life-threatening. A child who ingests or is otherwise exposed to a food allergen, for instance, can experience anaphylaxis and die without the timely and professional administration of an epipen injection. An asthmatic student can easily experience respiratory distress requiring the administration of nebulized medication. Typical playground, athletic and even classroom accidents and injuries often require immediate professional medical attention.

The protracted nursing shortage is well documented, both nationally and in New York State. The shortage of school nurses is due, in large measure, to inadequate pay. In some cases, the salary of school bus drivers and custodial employees exceeds that of school nurses. For parents, as well as for the school staff to whom children have been entrusted, there is nothing more important than the health and safety of their children. It is simply unconscionable to put the lives and well-being of children at risk.

We urge the Governor and Legislature to ensure that a full-time nurse is available for every public, independent and religious school that needs one.

**Academic Intervention Services:** Currently only \$922,000 is appropriated annually to independent and religious schools to implement the Academic Intervention Services (AIS) regulations promulgated by the Board of Regents – far below the \$20 million that is needed. Without adequate funding now, these at-risk children may easily fall behind even more - thus requiring more expensive academic interventions later. AIS funding should be increased so that, like public schools, our schools are able to provide these services to our children who are most in need.

**Transportation:** Next to their ability to afford tuition, the second most common challenge faced by parents in enrolling their children in religious or independent schools is their ability to have their children transported to school. When parents are denied their choice of a religious or an independent school because transportation services are not available, are unreasonable or are unreliable, the burden on taxpayers increases to accommodate these children in public school. It makes financial sense to enable more parents to enroll their children in religious and independent schools and thus we strongly urge the following: (1) Return to the long-standing practice of 90 percent state reimbursement of school

district transportation costs; (2) increase the maximum distance school districts are required to transport children to school from 15 to 25 miles; (3) allow parents the option to pay for the cost of transportation beyond 25 miles; (4) ensure that transportation is not denied to religious and independent schools when public schools are closed or when they make mid-year calendar changes; and (5) require small city school districts to transport children up to the maximum mileage limit rather than city limits.

**Teacher Training and Mentoring:** The Regents have mandated 87.5 hours of continuing education every five years for certified teachers employed by independent and religious schools. In addition, the regulations of the Board of Regents require new teachers to obtain a mentoring experience in their first year of employment. Despite the difficult fiscal situation, it is imperative that we provide the means for all teachers to obtain and maintain the highest level of professional competence. We urge you to include \$10 million in Mandated Services Aid to reimburse independent and religious schools for their expenses in providing the mandated continuing education to certified teachers and \$5 million in funding to reimburse schools for their expenses in mentoring new teachers.

**Learning Technology Grants:** The Governor proposes \$3.3 million for Learning Technology grants. The limited funding for this valuable program, however, serves only some 50 school districts along with their independent and religious school partners. We strongly urge you to increase the appropriation to a level sufficient to enable all needy schools to benefit from this program.





#5

# Testimony

to the  
**Senate Finance Committee**  
and  
**Assembly Ways and Means Committee**  
on the  
**Education Budget**  
for  
**Elementary and Secondary Education**  
**February 15, 2011**

New York State United Teachers  
800 Troy-Schenectady Road ♦ Latham, NY 12110-2455 ♦  
518-213-6000  
[www.nysut.org](http://www.nysut.org)

**Representing more than 600,000 professionals in education and health care**  
**Affiliated with the AFT – NEA – AFL-CIO**

**Testimony of  
Andrew Pallotta  
*Executive Vice President*  
New York State United Teachers  
to the  
Senate Finance Committee  
and  
Assembly Ways and Means Committee  
Chairman DeFrancisco and Chairman Farrell  
on the  
Education Budget  
for  
Elementary and Secondary Education**

**February 15, 2011**

---

My name is Andy Pallotta, Executive Vice President of NYSUT (New York State United Teachers). NYSUT is a statewide union representing more than 600,000 members. Our members are pre-k to 12th grade teachers, school related professionals, higher education faculty, and other professionals in education and health care.

I'd like to thank the chairs of the Joint Fiscal Committees and the Chairs of the Assembly and Senate Education Committees for the opportunity to address you today regarding the Governor's proposed budget for education.

**A Perfect Storm**

Our schools are facing a perfect storm of additional state budget cuts, a drop off in federal revenue, new cost shifts to school district being proposed, and the threat of an ill-conceived tax cap. The Executive Budget proposal alone would devastate our schools by imposing massive cuts on public education — the worst in a generation. Couple that with several hundred millions of dollars in cost shifts and add in artificial limits to local districts' ability to raise revenue locally and you have a recipe for financial disaster. If these policies and cuts are enacted as proposed, we will hollow out the quality of public education for years to come.

NYSUT members are doing everything they can to provide the services students need — finding cost-savings and economies of scale and dealing with the impact of layoffs and position losses. NYSUT and our locals have made it clear we are willing to work locally and at the state level to preserve essential services, but we can't cut our way to educational excellence.

As these deep cuts are proposed for education, the wealthiest three percent of New Yorkers would enjoy a multi-billion dollar tax cut. There is an alternative to this recipe for disaster: By closing corporate loopholes and extending the temporary income tax surcharge on the wealthiest New Yorkers," a plan supported by more than two-thirds of New Yorkers, these devastating cuts could be mitigated.

Under the Executive Budget proposal schools would be cut 7.3 percent. The proposed \$1.5 billion cut is the largest total dollar state aid cut ever proposed in the history of New York state and an amount so large it would send our schools into reverse gear. This reflects the lowest level of state support to K-12 education since the 2006-07 school year. The state's share of school funding would fall to 39%, the lowest level since 1993-94. Take a moment to take this in. Funding levels would fall to pre-CFE levels. If these cuts are enacted it will be as if the historic lawsuit NEVER HAPPENED. The reason that CFE is reversed is that the proposed cumulative cut of \$2.8 billion through the Gap elimination adjustment wipes out most of the foundation formula increases enacted in 2007. Foundation aid was designed to implement a fair funding formula based on student need and local ability to pay, as part of the CFE settlement. The rollback of the foundation formula hurts moderate and low wealth districts the most since their budgets rely on state aid the most and they lack the local real property and income wealth to make up for the loss. The Governor's own state aid runs demonstrate this.

These cuts would cause class-sizes to balloon, decimate course offerings and after school programs, particularly music, art, physical education, curtail academic support for at risk children, eliminate counseling services, and rollback early childhood programs including full day kindergarten and pre K.

If our focus really is "jobs, jobs, jobs", it doesn't make sense to propose cuts that would cause thousands of layoffs in our schools and rob children of the programs they need to compete in a global knowledge economy. These proposed cuts are on top of the cuts from last year which resulted in 10,000 positions being eliminated statewide including widespread layoffs.

Let me take a moment to tell you a little about the impact of the cuts in a few specific districts.

- The Yonkers school district is facing a \$17.5 million cut in state aid, the potential elimination of 100 teachers and 100 School Related Professionals. As a result of last year's cuts, Yonkers has already suffered the evisceration of art, music, athletics and critical student support services. Music and visual arts would be reduced to intermittent instruction at the elementary level and many will not receive art or music instruction. Already two departments, Instruction/Curriculum and Reading/Language Development, have been eliminated. The district's guidance counselor/student ratio will increase from the already absurd maximum counselor caseload of 1:1,000, stretching those services even thinner.
- The Syracuse City School District is contending with a \$47 million budget gap. If the Executive Budget proposal to slash \$14 million in school aid to the city stands, job cut numbers would be at least 539. They would include 165 teachers, 156 teaching assistants, and 15 administrators and supervisors.
- The Sachem School District on Long Island, facing a \$16 million cut in state aid, is looking at the loss of over 400 positions or 30 percent of their entire staff.
- In the Buffalo suburb of Orchard Park, which is facing a \$6 million budget gap, state aid to the district would drop by \$1.4 million under the Governor's proposed spending plan. As a result, officials are reviewing all non-mandated programs for possible elimination, including kindergarten, gifted and talented programs, electives, co-curricular activities, as well as increasing class sizes.

The list goes on and on.

## **Don't Erase Our Progress**

When it comes to current educational attainment, New York is soaring. Education Week, an independent and widely respected education watchdog, says when it comes to student performance, the Empire State repeatedly rates near the nation's top.

In its recently released annual state-by-state "Quality Counts" guide, Education Week ranks the Empire State:

- No. 1 in the nation in working to close the achievement gap between students in high-income and low-income districts — an issue on which NYSUT has long taken the lead.
- No. 2 nationwide in overall student performance, just behind Maryland. This ranking is a far more meaningful measure of educational quality compared to data from the U.S. Census since the Education Week score factors in multiple areas of education policy and student performance.

New Yorkers are proud of their public schools. Seventy-nine percent of New Yorkers steadfastly say public education should not be cut — even in the midst of these tough economic times.

## **There are alternatives to the proposed cuts**

New York is at a crossroads. Like most states, New York has seen a collapse in revenues from a national crisis spurred by the financial industry's reckless business practices and lax regulatory oversight. In the greatest recession of the last 70 years and its aftermath, families' needs are rising and the resources to meet them have fallen. Will we respond in ways that grow the economy by creating jobs and investing in families and communities across the state? Or will we choose a cuts-only approach that threatens New York's future?

New Yorkers want the Governor and Legislature to balance the state budget in a way that uses existing resources efficiently and raises additional revenues in ways that will not harm our already fragile economy and will create jobs. Our state must not respond with actions that will further hinder the growth of New York's economy or hurt the children and families hit hardest by the recession. Don't let our most vulnerable citizens bear the brunt of this recession. They didn't cause this economic meltdown and they continue to suffer its consequences most acutely.

Over the past 30 years, the top NYS income tax rate has been cut in half. With the recent extensions of the federal tax breaks originally adopted under President Bush valued at approximately \$8 billion, this is no time to provide additional breaks to the highest income households. With most New Yorkers suffering from the effects of the financial industry's collapse, it is unconscionable to provide a near \$5 billion a year tax break to the wealthiest few. We must continue the temporary income tax surcharges that were put in place in 2009. On December 31 of this year, the state's modest income tax surcharge on top earners will expire. The surcharge -- a mere one percent on single tax filers earning between \$200,000 and \$500,000 and 2.12 percent on filers earning more than \$500,000-- generates \$4.6 billion a year.

Additionally, New York state continues to give away billions of dollars in tax credits, abatements, grants and tax avoidance loopholes to very large corporations at the expense of small businesses and workers. This hasn't created the promised jobs and it doesn't work. Instead, let's make sure corporate tax breaks and state economic development grants are tied to the creation and retention of real jobs that pay good wages and include health coverage.

## **Oppose the Ill-conceived Tax Cap:**

New Yorkers want and need tax relief. Ill-conceived and irresponsible tax caps provide only the illusion of relief. If you have difficulty paying your property taxes or believe your taxes are too high, a tax cap will not help you. It is a gimmick and it would have a permanent, chilling effect on a community's ability to fund its schools. NYSUT supports a circuit breaker as the best mechanism to provide property tax relief to those who need it the most.

The Governor has advanced and the Senate has passed a Program Bill that includes a tax cap for school districts that is not the two percent that the Governor advocated for previously, but rather a zero percent tax cap. The school budget vote is eliminated and replaced with the tax levy proposition and the provisions of law relating to contingency budgets are eliminated as well.

By establishing an automatic zero when propositions are voted down, New York state would be abdicating its responsibility for ensuring a sound education for every child and would sentence thousands of children in less affluent areas to unequal access and unequal opportunity. It would make it impossible for districts to plan, to make multi-year commitments or establish economies based on multi-year contracts.

Here in New York, as negotiations between the Governor and legislative leaders continue, it is essential to learn from history and reject problematic provisions. Additionally, any potential tax cap plan must be designed as a temporary measure so that we can revisit its impact and reevaluate its necessity in better economic times.

There are many examples of damaging tax caps in California, Illinois, Indiana and Massachusetts. A hard two percent tax cap would result in thousands of layoffs, devastating cuts to programs and the loss of vital public services. If the governor's tax cap proposal had been in place last year, it would have meant a \$600 million revenue loss for districts statewide. A recent report by the New York State School Boards Association estimated that a damaging tax cap could result in the loss of more than 13,000 educator jobs in New York state this year alone. This is on top of the loss of 10,000 education jobs as a result of last year's budget cuts.

In the Governor's Program Bill the only exclusion to the cap is the tax levy needed to support voter approved capital expenditures. An arbitrary cap that fails to take into consideration rising costs beyond the control of school districts is a blunt instrument that would damage education and efforts to create equity for all children. Evidence from other states has shown that poorer districts have a harder time mustering the votes to spend more than a cap, only widening the achievement gap for children of color and for children who live in poverty. The undemocratic proposal to require a 60 percent majority to override is especially problematic. The proposed tax cap would erode democracy — because 41 percent of the electorate could veto a proposition supported by the majority of voters.

Tax caps can be particularly harmful if adopted during a weak economy and without the state aid our schools have been promised. Billions of dollars in Foundation Aid remain unpaid to school districts and this is funding that was intended to support every child's constitutional right for a sound basic education. Evidence has shown us, when school aid is funded, property taxes are held down.

## **Reject Proposals to Shift Costs and Impose Unfunded Mandates**

**Summer School Special Education:** The Executive Budget proposes to reduce the state's level of reimbursement to school districts for summer school special education costs. This amounts to a cost shift or unfunded mandate of approximately \$86 million to school districts.

**Private Schools for the Blind and Deaf (4201 Schools):** The Executive Budget would consolidate these 11 private schools into the broader classification of private special education providers and eliminate the direct state appropriation for these schools. The rate process for private special education providers has been repeatedly demonstrated to be problematic and unresponsive and could have potentially devastating implications for these schools. Likewise, this move also shifts \$167 million in costs for the education and room and board for deaf, blind and physically disabled children to local school districts. This is at a time when districts are already under unprecedented financial stress. We ask that you reject the proposed changes to the funding of these schools.

**BOCES:** The Executive Budget proposal recommends eliminating BOCES aid to local school districts for certain administrative shared services. This proposal completely contradicts the Governor's focus on creating greater economies of scale and efficiencies in school districts and other local governments. Small, rural and poor school districts which gain from the economies of scale that BOCES are able to provide would be negatively impacted if the Executive Budget proposal to eliminate some currently aidable services is enacted. We should be strengthening the role of BOCES in providing cost effective regional education and administrative programs that improve student achievement while providing taxpayers with savings.

**Teacher Centers:** The Executive Budget does not include any funding for Teacher Centers. Now more than ever, investing in education and educational resources is essential not only to our economic recovery, but to continue increasing academic achievement. For years these centers ran the most successful collaboration in education because they were designed to bring high quality resources to P-16 institutions while increasing student performance. In addition to the \$35 million in funding they received from the state, they leveraged over \$40 million worth of additional in-kind support from outside resources. Funding for Teacher Center should be restored in the 2011-12 state budget.

**National Board for Professional Teaching Standards:** The Executive Budget proposes the elimination of funding for the National Board for Professional Teaching Standards Certification program which was funded at \$490,000 in SY 2010-11. Funding for this program should be continued.

**Library Aid:** Libraries have once again been targeted for significant cuts in funding in the Executive Budget. For state fiscal year 2011-2012, the Governor has proposed a 10 percent or \$8.45 million reduction in Library Aid on top of the five cuts that have been imposed over the past three years. Library Aid has been reduced from \$102 million in 2008 to \$84.45 million at the end of 2010. If the proposed cut is approved, Library Aid will have been reduced by a total of 26% or \$26 million, to \$76 million or below 1994 levels. These proposed cuts disregard the vital role that our libraries play in our schools, communities and on our college campuses. Library visitation and circulation numbers continue to climb, and the job search tools and assistance that libraries provide have become essential to the hundreds of thousands of unemployed New Yorkers.

## **Cost Saving Proposals**

NYSUT recognizes the importance of spending education dollars wisely by reducing non-instructional and administrative costs through greater economies of scale, efficiencies and investment in energy conservation and green buildings. BOCES should be given direction and authority to pursue regionalization of procurement, payroll and other back-office and administrative services.

NYSUT is just as concerned about increases in health insurance costs as the employers. We have supported the development of a coordinated bulk drug purchase for all state agencies and local governments. The state should also explore self-insuring prescription drug procurement while protecting mandated benefit levels and eliminate the "risk charge" that siphons rebates to insurance middlemen.

NYSUT applauds President Obama and Congressional leaders for championing investments in modern green school buildings. NYSUT believes that the state should require all new school construction to adopt the New York Collaborative for High Performance in Schools (CHPS) standard developed jointly by SED and NYSERDA. Contrary to what you might believe, green schools do not cost more to build than conventional schools. In fact, green schools cost significantly less money to operate and use less water and energy, freeing up resources to focus on improving student education. A typical green school saves \$100,000 per year in direct costs. If all new school construction and school renovations went green starting today, energy savings alone would total \$20 billion over the next ten years.

In 1997 the Ohio School Facilities Commission launched an ambitious program to rebuild all 3,500 public schools as "green" schools rather than as conventional ones. The Commission found that building green schools would save the state an estimated \$1.4 billion in energy bills alone.

The state should undertake other conservation measures which include implementing net-metering for school facilities where onsite devices such as solar panels could produce enough energy to give back to the grid and offset energy bills. NYPA and NYSERDA should provide training for school district energy managers and building personnel and provide seamless one stop technical assistance from audits to installation and financing.

## **Pension Smoothing**

To provide school districts with options to help address spiking pension costs, legislation should be adopted to allow for an optional smoothing of pensions payments for the Teachers Retirement System. Allowing school districts the option to address this brief spike in costs through the amortization of pension payments will save education jobs and alleviate program cuts, while maintaining the integrity of the Teachers' Retirement System. If widely utilized, smoothing current pension costs could produce a two year savings of nearly several hundred million dollars for school districts statewide.

## **Early Retirement Incentive**

Additionally, the state should implement a 55/25 early retirement incentive similar to the incentive offered in 2010. Last year's incentive saved a large number of jobs, by allowing long time public servants at the top of the salary scale an opportunity to retire without incurring a retirement penalty.

These incentives come at very little costs to the retirement system or employers and provide school districts with a tool to reduce or avoid layoffs and keep important educational programs in place.

### **Conclusion**

We urge you to find alternatives to devastating cuts to education and the ill-conceived tax cap that has already passed in the Senate. Disinvesting in our student's education and walking away from our commitment to our most needy and vulnerable populations will only deepen the economic and social pain for families across the state.

Investments in education are critical to meeting the workforce demands of a global information and high tech economy and growing the state's economy. There is no better return for taxpayer dollars than maintaining our commitment to an excellent education for all schoolchildren. We stand ready to work with you to find alternatives to these cuts.

32170



6

TESTIMONY OF THE  
UNITED FEDERATION OF TEACHERS  
MICHAEL MULGREW, PRESIDENT

Joint Legislative Hearing on the Executive  
Education Budget proposal

FEBRUARY 15, 2011

Good afternoon Senator DeFrancisco, Senator Flanagan, Assemblymember Farrell, Assemblymember Nolan, and members of these distinguished committees. My name is Michael Mulgrew, and I am the president of the United Federation of Teachers. On behalf of our more than 200,000 members, thank you for this opportunity to testify before you on Governor Cuomo's proposed education budget.

The economic challenges facing New York State are complex and longstanding, and we commend the Governor for his leadership and willingness to take on those challenges. As we have every year, the UFT is once again ready to work with the Governor and the Legislature to protect our students, our classrooms and our communities from undue harm.

But if we are going to put New York back on the right track, the burden has to be borne by everyone, not just the poor, the workers and the middle class. While most people are struggling to keep their heads above water in this recession – the worst we've seen since the Great Depression – Wall Street is booming. Not only are profits setting new records, but so are the personal bonuses, to the tune of more than \$20 billion dollars.

That has translated into another record: the income gap between the richest and poorest, which is now the widest ever recorded. New York leads the way. Last year, the top one percent of earners in New York State earned 35% of all income, and worse, in New York City, the top 1% earned 45% of all income. Contrast that with the average hardworking families that continue to fall further and further behind. Half the households in our city have incomes of less than \$30,000 and more than 10% live in deep poverty on incomes of \$10,500 or less. To put that in perspective, the top 1 percent of city households average \$3.7 million, or an income of \$10,137 a day – what the bottom 1 percent lives on for a year. I also want to note that a record 16,000 children are now living in the homeless shelters.

Getting New York State back on track is something that we all need to get behind. But while we are asking many New Yorkers to accept painful cuts to services they depend on, the wealthiest, including the Wall Street bankers and brokers who should be taking some responsibility for having caused this recession, are not being asked to sacrifice at all. This is unacceptable.

At the very least we must renew the millionaire's tax, the temporary Personal Income Tax (PIT) surcharge enacted in 2008. If we let that lapse, we will lose \$1 billion this year – enough to substantially ameliorate the cuts to education, for instance – and almost \$5 billion next year, putting us on a path to even deeper cuts. We can't let that happen.

In the days since the Governor presented his preliminary budget, the Bloomberg administration has muddied the waters by focusing not on how to minimize those cuts but instead on how the Mayor can accomplish layoffs. I'm here to tell you that you're

being sold a false bill of goods by the mayor. It's part of a larger strategy of pitting parents against parents, teachers against teachers, and communities against communities. Don't fall for it. That's not leadership or putting children first. That's a shameful abdication of his responsibilities.

Let me be clear: The City's fiscal outlook is indeed troubling and the danger of cutbacks in education – some \$579 million worth – is still very real. However smart and practical solutions are within reach. I believe the Governor realized this when he said several times that his proposed budget cuts would not require teacher layoffs while also pointing out that the city has up to \$2 billion in surplus. What's more, proven strategies currently on the table, including the millionaire's tax and a retirement incentive, would raise enough revenue to offset the majority of the proposed cuts.

The last couple of years began with similar threats of layoffs and massive school budget cutbacks. Yet each year, the members of this legislature ignored the rhetoric and did the hard work of finding better solutions.

Still, our school communities have not been spared deep cuts, and we all know what those repeated rounds of cutbacks have done to our classrooms: Important academic programs and services that kids depend on have been lost, and schools have been forced to eliminate science and language programs, music and the arts, sports, clubs, extracurriculars and more.

As students have struggled to cope with the loss of these critical classes and activities, they've also lost their teachers – over 5,000 of them, as well as 700 other educators. That has translated into rising class sizes across all grades for more than three straight years, even as three quarters of a billion dollars in state mandated class size reduction funds disappeared without a trace into the Tweed bureaucracy. When I was a Teacher and had 30 kids in my class, I made sure that the kids got a good education. But when I had 20 kids in my class they got a better one, because I had the time to spend with each child.

We also lost the state funding for our Teacher Centers, which have been critical in improving low performing schools and in building a strong teaching workforce citywide. The high quality training, mentoring and support they provide help us retain quality teachers for our classrooms, improve student achievement and strengthen academic interventions. This year, the UFT was able to keep the Teacher Centers running, albeit with reduced staff, by using our own funding – a move that required us to cut back on other staff and programs as well as use our reserves. We do not have that option this next year, and so it is crucial that the state find the funding to continue the Centers.

Again, this year, our best chance to almost completely stop the bleeding and keep classrooms whole is also one of the simplest to understand and support: The richest among us should pay their fair share.

What makes the situation even more egregious is that the same millionaires and billionaires who are fighting against paying their fair share are the ones spreading lies about workers' pensions and ignoring the hard work that has already been done to create savings. The millionaires want you to ignore the fact that the recklessness of the financial community created the country's economic collapse, including the loss of \$11 billion in the New York City Teachers' Retirement System and \$29 billion in the New York State Teachers Retirement System.

They want you to forget that loopholes in the law prevent the pension funds from suing the financial institutions responsible for those losses. The Mayor also wants you to forget that the UFT made modifications to its pensions a year and a half ago that translate into \$100 million in savings each year.

It is also time for the Bloomberg administration to stop being tone-deaf to the realities of its on scandalous out-of-control spending. In times of fiscal crisis, they shouldn't be spending millions on unnecessary consultants and outside contracts. Especially given the three quarters of a billion dollars lost to the CityTime fiasco. This year alone they added \$1 billion dollars to the Department of Education capital budget for technology, and they plan to spend more than \$50 million for technology consultants, many of whom will earn between \$250,000 and \$517,000.

The administration also shouldn't be spending millions to recruit teachers at the same time they are threatening to lay others off. Nor should they be eliminating the Office of Teaching and Learning in order to almost double the number of people in their legal department (from 76 to 133) and hire more people in their data and accountability departments. Outside vendor contracts also need to be scrutinized. The DOE spends \$6 billion in outside vendor contracts, including over \$700 million in direct educational services that could be provided more efficiently in-house. If DOE saved just 5% on those contracts, we could put \$300 million back in the classrooms. It's time the DOE got its own house in order.

Huge savings – hundreds of millions of dollars – could also be realized through a retirement incentive, similar to the two successful incentives offered during the 1990's. Yet last year the Mayor and the Chancellor refused to opt into the retirement incentive passed by the legislature.

Since entry-level salaries for educators are less than half of the maximum they eventually reach near retirement, every one of the 25,000 potentially eligible educators who opt to retire would save approximately the cost of two new teachers' salaries. Or,

we could replace every one of the teachers who retire, so that we don't force even bigger classes and less services, and still save half of the cost of the retiring senior teacher.

There is no ignoring the realities of our still-struggling economy, but there are solutions on the table that will mitigate the devastation to our schools. We all understand what's at stake here. Our children can't afford to absorb any more cuts, and neither can the working families that support and work in their school communities. We also know that giving tax breaks to our highest earners rather than demanding shared sacrifice simply makes no sense. Every child – all 1.1 million of them – deserves a quality education, and we owe it to them to make that happen. Working together, I believe we can succeed.

###

7A

***Conference of Big 5 School Districts***  
***Budget Testimony Before***  
***New York State Legislative***  
***Fiscal and Education Committees***



February 15, 2011

Presented By:  
Louis Petrucci, Chairperson  
Conference of Big 5 School Districts

*Georgia M. Ascitutto, Executive Director*

### ***The Current Status of State Aid for Education***

1. The State's commitment to provide the necessary resources for a "sound basic education" pursuant to the Campaign for Fiscal Equity's longstanding lawsuit and the agreed to funding implementation for "high need school districts" has not been realized.
2. After two years of Foundation Aid increases, the formula was frozen in 2009-10 and districts received substantial aid reductions in the 2010-11 school year.
3. Despite the lack of funding, the Big 5 school districts and all districts across the State have implemented academic reforms and instructional strategies to raise student achievement and improve district accountability.
4. We have continued on our path for greater educational outcomes despite the State's inability to provide the necessary resources essential for our ongoing success.

### ***Why is Adequate State Funding Critical to the Big 5 School Districts?***

1. The Big 5 districts are heavily reliant on State funds, which make up roughly 50% to 80% of their budgets.
2. As a result, a State aid reduction of any percentage has a much greater fiscal impact on the Big 5 school districts.
3. We have no ability to raise local revenue.
4. We have no expectation that our cities will increase their local share for education.
5. In fact, we have no enforcement over our cities if they fail to meet their statutory required minimum level of contribution.
6. We are not among the school districts cited by the Governor as having reserves to absorb the State cuts.

7. In order to bridge budget gaps and accommodate more cuts, further reductions in staff will have to be made on top of this year's reductions (See the attached chart).
8. Some of the Big 5 school districts are growing in student enrollment. Some are experiencing even greater student poverty. All of our school districts are grappling with increased demands for services coupled with less resources (See attached district specific profiles).
9. The consequences of these additional cuts will be staggering.

***What Can the State Do?  
The State Can Do Its P.A.R.T....  
It Can Prioritize, Adopt, Relieve and Transcend***

1. Prioritize education and maintain the funding commitment to high need school districts so all children have an opportunity to learn.
2. Adopt meaningful mandate reform to reign in retirement, health and automatic pay increases and allow school leaders discretion in staff assignments under budget reductions (See attached mandate relief recommendations).
3. Relieve school districts from unfunded mandate provisions added to Education Law with the expectation of Foundation Aid increases, which have not been realized. These provisions have not demonstrated effectiveness in improving student achievement and are often duplicative with federal requirements.
4. Transcend all of the State's school systems into incubators of success and models of excellence.

Thank you for the opportunity to testify here today and we pledge to work with you as you move forward.





# CONFERENCE OF BIG 5 SCHOOL DISTRICTS

74 Chapel Street  
Albany, New York 12207  
www.big5schools.org

Telephone: (518) 465-4274  
Fax: (518) 465-0638  
big5@big5schools.org

## OFFICERS

Chairperson  
LOUIS J. PETRUCCI  
Buffalo

Vice Chairperson  
WILLA POWELL  
Rochester

Treasurer  
NED DEUEL  
Syracuse

## EXECUTIVE COMMITTEE

LOUIS J. PETRUCCI  
Buffalo

CATHLEEN P. BLACK  
New York

WILLA POWELL  
Rochester

NED DEUEL  
Syracuse

PARESH PATEL  
Yonkers

## EXECUTIVE DIRECTOR

GEORGIA M. ASCIUTTO

## 2010-11 Big 4 School Districts Employee Reductions

### BUFFALO

#### **Retirees:**

255 teachers  
27 administrators  
88 white, blue & trades  
21 aides/assts  
**Total 391**

#### **Layoffs:**

96 teachers (of which 38 were temporaries not brought back  
while the rest were probationary)  
50 teacher aides  
35 white, blue & trades  
**Total 181**

### ROCHESTER

#### **Retirees:**

214 teachers  
155 non-teachers  
**Total 369**

#### **Layoffs:**

115 teacher layoffs  
18 non-teachers layoffs  
**Total 133**

## **SYRACUSE**

### **Retirees/Attrition:**

Classroom teachers - 106.3

Other instructional staff - 85

Administrators - 6

Other employees - 22.8

**Total 220.1**

### **Layoffs:**

Classroom teachers - 22

Other instructional staff - 0

Administrators - 0

Other employees - 5.6

**Total 27.6**

## **YONKERS**

### **Retirees:**

Certified - 162

Non-cert - 88

**Total - 250**

### **Layoffs:**

Certified - 90

Non-cert - 97

**Total - 187**



# Conference of Big 5 School Districts

## 2011 Overview and Data

PRELIMINARY

### Officers

Louis J. Petrucci  
Chairperson

Willa Powell  
Vice Chairperson

### Treasurer

Ned Deuel  
Syracuse

### Executive Director

Georgia M. Asclutto

### Executive Committee

Louis J. Petrucci  
Buffalo

Cathleen P. Black  
New York City

Willa Powell  
Rochester

Ned Deuel  
Syracuse

Paresh Patel  
Yonkers

### Staff

Jennifer K. Pyle  
Deputy Director

Kammy L. Gervais  
Administrative Assistant

## Overview

The Conference of Big 5 School Districts represents the city school districts of Buffalo, New York City, Rochester, Syracuse and Yonkers.

- The Big 5 school districts enroll almost 41% of New York State's public school students.
- 75% of all English Language Learners and Limited English Proficient pupils are educated in the Big 5.
- Nearly 60% of New York State's prekindergarteners are educated in the five large urban centers.
- Over 45% of the State's special education students (ages 5-21) are educated in the Big 5.
- The percent of pupils with extraordinary needs in the Big 5 school districts are: Buffalo 85%; NYC 78%; Rochester 89%; Syracuse 79%; and Yonkers 69%.
- The Big 5 school districts have high rates of student mobility, homelessness and students living in temporary shelters.
- School buildings in the Big 5 are older than others in the State and average approximately 64 years old.
- Four of the five city school districts still utilize school buildings built before 1900.

District	K-12 Enrollment	Extraordinary Needs %	ELL/LEP %	Pre-K Pupils	Ages 5-21 Spec. Ed. Pupils
Buffalo	38,461	85%	9%	2,505	8,017
New York City	1,031,958	78%	13%	57,000	190,092
Rochester	33,017	89%	10%	2,031	6,202
Syracuse	19,961	79%	12%	1,286	4,525
Yonkers	24,254	69%	14%	1,629	3,795

Based on estimates for the 2010-2011 school year. K-12 enrollment includes charter school pupils. Extraordinary Needs Pupils as identified in the November 12, 2010 database.

District	Average Age of School Buildings	Total Number of School Buildings	Number of School Buildings Constructed In:				
			Pre-1900	1901-1920	1921-1939	1940-1969	1970-Present
Buffalo	75	71	3	12	35	16	5
New York City	63	1,113	56	154	297	359	247
Rochester	65	51	1	12	13	15	10
Syracuse	70	40	0	6	17	11	6
Yonkers	69	39	3	8	9	12	7

74 Chapel Street  
Albany, New York 12207  
Phone 518-465-4274  
Fax 518-465-0638  
Big5@big5schools.org



# CONFERENCE OF BIG 5 SCHOOL DISTRICTS

74 Chapel Street  
Albany, New York 12207  
www.big5schools.org

Telephone: (518) 465-4274  
Fax: (518) 465-0638  
big5@big5schools.org

## New York State Mandate Relief Proposals

(Preliminary)

### OFFICERS

Chairperson  
LOUIS J. PETRUCCI  
Buffalo

Vice Chairperson  
WILLA POWELL  
Rochester

Treasurer  
NED DEUEL  
Syracuse

### EXECUTIVE COMMITTEE

LOUIS J. PETRUCCI  
Buffalo

CATHLEEN P. BLACK  
New York

WILLA POWELL  
Rochester

NED DEUEL  
Syracuse

PARESH PATEL  
Yonkers

### EXECUTIVE DIRECTOR

GEORGIA M. ASCIUTTO

- 1) **Assessments**
  - A) Ensure that no new State assessment related expenses are passed on to districts already struggling with difficult administration, scanning and scoring mandates that have already placed an unfunded fiscal burden on them (regulation).
- 2) **Audits**
  - A) Provide flexibility in claims auditing to allow school districts to audit samples of claims or permit school districts to establish a minimum claims audit threshold (statute).
- 3) **Employee Relations**
  - A) Streamline the 3020-a process (statute).
  - B) Grant school leaders discretion in making teacher placement decisions when districts experience staffing reductions (last in first out) (statute).
  - C) Repeal provisions of the Taylor Law Triborough Amendment requiring school districts to pay increments on salary schedules after the expiration of a contract (statute).
- 4) **Medicaid**
  - A) Include the annual written parental consent required for Medicaid billing by school districts as part of the Medicaid application and recertification (administrative action).
- 5) **Special Education**
  - A) Reduce the two-year statute of limitations on commencement of an impartial hearing to the federal standard of one year (statute).
  - B) Eliminate requirements that go beyond federal law requiring the school psychologist and an additional parent member as members of the CSE and the requirement for a physician to be a member of the CSE if requested by the school or parent three days before the meeting (statute).

- C) If the CSE membership is revised to reflect the federal minimum participants, eliminate the requirement that school districts with more than 125,000 inhabitants must appoint Subcommittees on Special Education to the extent necessary to ensure timely evaluation and placement of students with disabilities (statute).

**6) *State Aid and Fiscal Management***

- A) Accelerate State Aid payments as the current schedule creates cash-flow problems and borrowing costs for districts (statute).
- B) Allow the Buffalo, Syracuse and Yonkers school districts to pass on a reduction in charter school payments equal to the percentage reduction they are experiencing under the Gap Elimination Adjustment and make the charter school funding formula more equitable (i.e. adjust the AOE calculation, the Statewide inflationary increase and differentiate between elementary and secondary school pupils) (statute).
- C) Authorize school districts to amortize increases in the Teachers' Retirement System (TRS) costs (statute).
- D) Suspend Contract for Excellence requirements until such time that the State implements Foundation Aid increases (statute).
- E) Suspend enhanced accountability requirements under various provisions of sections 211-a, 211-b and 211-c of the Education Law that correspond with Foundation Aid increases (statute).
- F) Eliminate the Wicks Law for school construction (statute).
- G) Adjust the Building Aid formula to allow for reimbursement for school-based health and mental health clinics in large urban areas (statute).
- H) Consolidate textbook, library and computer aid into one flexible "instructional materials aid" category (statute).
- I) Permit UPK funds to be flexibly used to match local district Pre-K needs without penalty (statute).

2/10/2011



# CONFERENCE OF BIG 5 SCHOOL DISTRICTS

74 Chapel Street  
 Albany, New York 12207  
 www.big5schools.org

Telephone: (518) 465-4274  
 Fax: (518) 465-0638  
 big5@big5schools.org

## Big 5 School Districts Race to the Top Funding\*

### OFFICERS

Chairperson  
 LOUIS J. PETRUCCI  
 Buffalo

Vice Chairperson  
 WILLA POWELL  
 Rochester

Treasurer  
 NED DEUEL  
 Syracuse

### EXECUTIVE COMMITTEE

LOUIS J. PETRUCCI  
 Buffalo

CATHLEEN P. BLACK  
 New York

WILLA POWELL  
 Rochester

NED DEUEL  
 Syracuse

PARESH PATEL  
 Yonkers

### EXECUTIVE DIRECTOR

GEORGIA M. ASCIUTTO

- I. New York State total = \$696.646 million
- II. New York State Education Department total = \$348.323 million (50% of total)
- III. Remaining \$348.323 million (50%) distribution to participating LEA's over 4 years
- IV. Big 5 total allocations as follows:

District	Amount*	Dollar Amount Per Pupil	% of LEA Funding
Buffalo	\$9.496 M	\$301	2.7%
New York City	\$256.130 M	\$258	73.5%
Rochester	\$8.181 M	\$262	2.3%
Syracuse	\$3.914 M	\$207	1.1%
Yonkers	\$3.255 M	\$136	.9%
Big 5 Total	\$280.976 M	-----	80.6%

\* All funding amounts represent 4-year totals and 2010-11 K-12 enrollment estimates without charter pupils.

***Budget Testimony Before  
The New York State Legislative  
Fiscal and Education Committees***



***Presented February 15, 2011 by:***

***Barbara J. Smith, CPA  
Chief Financial Officer  
Buffalo Public Schools***

the past five years through the collaboration and the hard work of the Teachers, Administration and Board of Education of the Buffalo Public School District, including:

- The removal of 13 schools from the state SURR list
- City Honors High School continues to be ranked one of the best schools in the nation by Newsweek, finishing 10<sup>th</sup> in 2010
- Council of Great City Schools named the Buffalo City School District as a top performer nationally in financial management in 2008
- Expansion of district foreign language programs to include Mandarin Chinese, currently taught at three schools for students from elementary to high school age
- Advanced Placement (AP) or college level courses have been significantly expanded
- Replaced two large low performing high schools with two College Board Schools, with assistance from the Bill and Melinda Gates Foundation, with an intensive college preparatory curriculum
- Support a successful Middle College program for the past 7 years which enables high school students to earn associates degrees at local colleges
- Expansion of International Baccalaureate Programs
- Expansion of sports and arts programs that had previously been decimated

The Buffalo Public School District is heading in the right direction. What's best for children is for the District to "stay the course" through the Academic Achievement plan and continue on this path to success. In just five short years; Buffalo Public Schools have significantly improved academically and financially after decades of decline.

We do not want the Buffalo Public School District to return to the dark days of massive deficits leading to teacher layoffs and low test scores. The academic preparation needed to be college and career ready in the 21<sup>st</sup> Century requires more, not less innovation and support. I implore you to work collaboratively with school administrators, union leaders, and other elected officials to solve this fiscal crisis and hold the children of the Buffalo School District harmless. The Governor's proposed budget cuts that will result in a \$62 million deficit for the Buffalo Public School District are simply unacceptable.

I will briefly describe the changes and improvements the Buffalo Public School District has made both academically and financially and how we are prepared to confront this continuing fiscal crisis. I will then offer specific structural changes necessary to reform and restructure our District for the better now and into the future.



It is critical to keep cuts as far away from the classroom as possible and we certainly do not want to destroy five years of financial and academic growth with one disastrous budget. We will be forced to do so if the Governor's proposed budget stands. Below are our proposals to help preserve academic programs, keep class sizes low, and to maintain a responsible workforce who helped raise the bar academically in schools across the City of Buffalo.

*First*, we will use our entire \$8 million federal JOBS allocation next year to save jobs. We purposely saved these funds to use in 2012.

*Second*, we will responsibly use a portion of our \$34 million unreserved, undesignated fund balance, or "rainy day" funds. It would be fiscally irresponsible to use all of the balance, especially given deficits projected in the coming years. The Government Finance Officers Association (GFOA) recommends, at a minimum, an unreserved fund balance of no less than five-to-15 percent of regular general fund operating revenues. The GFOA also recommends having no less than one-to-two months of regular general fund operating expenditures. The amount to be used will be determined as we work on our budget and await the decision on the final appeal for the wage freeze litigation. Should the BFA and the District prevail; an additional \$18.5 million will be immediately freed for use.

*Third*, it is time to revisit the charter tuition formula. We know the topic of charter schools is sensitive and brings about strong opinions and we respect those opinions. However, if we are ever going to have serious, meaningful conversations about collaboration and a District-wide system of choice, the disparity the current formula has created over time must be addressed. It is the formula that has created animosity. We all want good schools for children, let's find a way to work together to do that.

The formula, created by statute in 1998, has not been revisited once. In that same time period, the major funding formulas to public school districts have changed four times. The 1998 law created charter schools "that operate independently of existing schools and school districts..." It is time to consider funding them independently as well. In the current year, after the tuition freeze was not reinstated, charter schools received an additional total of \$11 million, \$1,576 per student, while the students in the district were cut a total of \$22 million. Any increase in the tuition directly reduces what can be provided to students within the District.

Next year, even if the tuition is frozen as recommended by the Executive Budget, the weighted Foundation Aid less the GEA the District will receive will be \$8,455 per pupil. That includes charter pupils. The weighted amount the District will pay in charter tuition will be \$12,590 per pupil. We will receive \$4,135 *less* for charter pupils than the amount we will pay for them. That is a net loss of \$31 million. I do not believe this disparity was intended, but is the result of an outdated formula combined with staggering state aid cuts. It is time for a formula change.

The current formula is flawed in three primary ways:

1. It applies an inflationary increase based on statewide expenditure increases that have averaged 15%, yet Buffalo's expenditures have only increased an average of 5%. This disparity resulted in \$16 million more in tuition charges to the District.

***Sixth***, I am asking for legislative action to be taken to amend Education Law section 3020(a) that obstructs our ability to terminate certain groups of employees. The current law is not only costly, but is an impediment to academic success.

***Seventh***, I ask for your courage in repealing provisions of the Triborough Amendment of the Taylor Law that require school districts pay incremental salary steps after expiration of a collective bargaining agreement (CBA). With two exceptions, the CBA's for the Districts unions expired in 2004. While the ongoing wage freeze litigation has played a role in these outdated agreements, there is no incentive for unions to negotiate when they will receive average annual raises of 2½ percent for approximately 25 years; especially in a tight fiscal climate where employers are seeking health care contributions and changes to other costly provisions.

***Last, but certainly not least***, as we prepare to layoff hundreds of employees, including hundreds of younger, recently hired teachers, we implore you to grant school leaders discretion in making teacher placement decisions in times of staff reduction. If "last in, first out" does not end immediately, Governor Cuomo's statement "our young people will not stay" will prove foretelling. ***Our young people will be unemployed.***

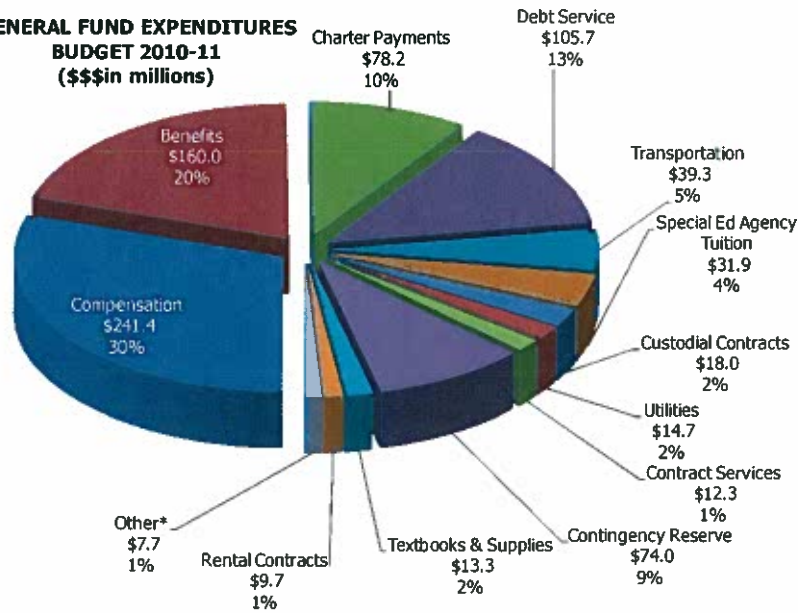
Please have the courage to make structural changes that are best for all children, even if those changes are not popular with adults who appear to have only their special interests and long term well being in mind. The danger of doing nothing during this fiscal crisis we share will devastate Buffalo Public Schools and cripple our urban district. Children will suffer and hundreds of workers will lose their jobs, further sending our economy into an ever declining tail-spin.

It is imperative that the adults work together to ensure the best outcome for all children. They truly are the future.

We will gladly discuss the issues with you further to close this budget gap and do what is best for all children. At this time next year, I hope that whoever is sitting before you in these hearings is thanking you for your bold actions and not appealing for the same changes we have for the past decade.

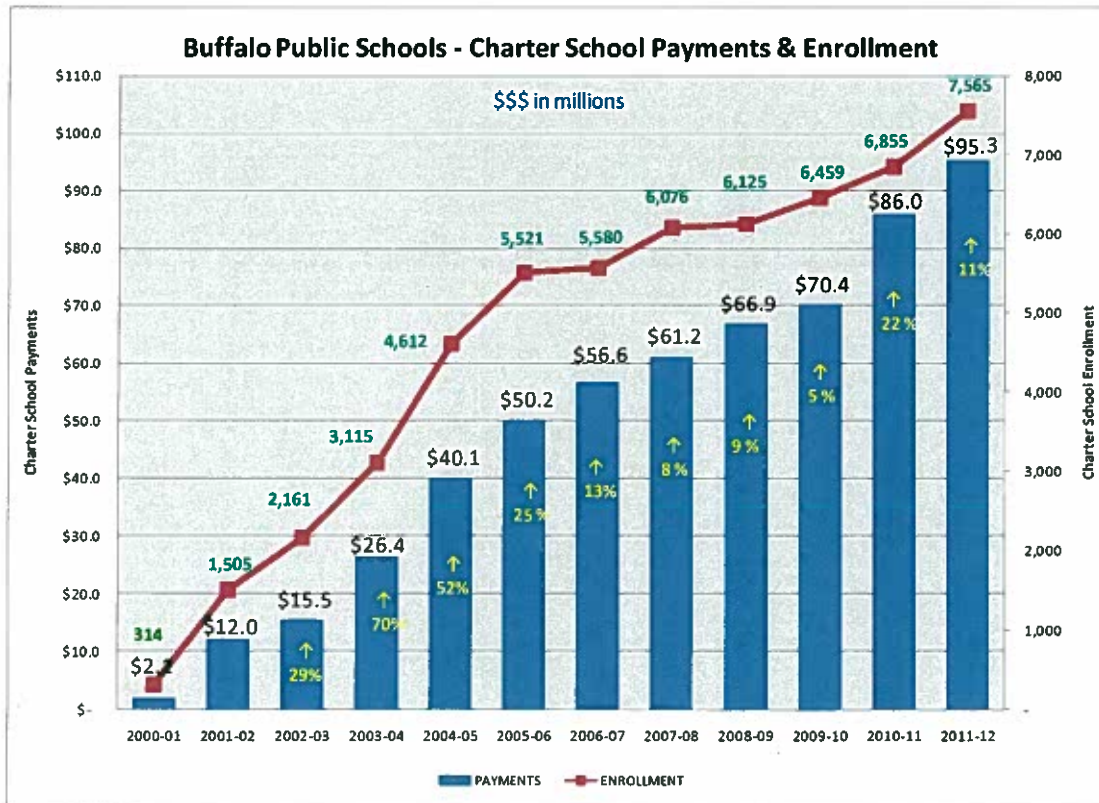
The following pages provide some information about the District that I hope you will find useful.

**GENERAL FUND EXPENDITURES  
BUDGET 2010-11  
(\$\$\$in millions)**



\*Includes repairs & maintenance, equipment purchases, interfund.

This chart shows the single largest growing expense to the District, charter tuition:



7C

Achievement – Equity - Accountability

*Rochester City School District*



*Testimony Before The New York Senate Finance Committee,  
Assembly Ways and Means Committee, Senate Education Committee and  
Assembly Education Committee*

February 15, 2011

Presented By:  
Jean-Claude Brizard, Superintendent  
Rochester City School District

In addition, the number of students earning a Regents Diploma increased by 15% in 2009 to a record 739 students, an important factor as the State phases out the less challenging local diploma.

Time on task is critical. The average charter school opens 7 to 8 hours a day. We open on average 5.5 hours. Charters open nearly 11 months a year. We max out at 185 days. One of our earliest strategies to increase time on task was to institute an in-school suspension program, which reclaimed thousands of hours of instructional time for our students. In addition to keeping students in school and learning, a tremendous side effect was a radical decrease in the number of suspensions. Just a few years ago, we averaged more than 15,000 suspensions per year. During my tenure, short-term suspensions have decreased more than 57% to 3,952 in 2009-10.

We are taking a strategic approach to reporting our progress in these and other areas. This will be enhanced as we develop departmental and district-level scorecards. The Balanced Scorecard Management System balances strategic objectives among four perspectives: operating excellence, internal processes, stakeholder satisfaction, and student achievement.

Student achievement is improving as indicated by more students graduating, more staying in school, and fewer incorrectly classified as needing special education services. Costs are going down, processes simplified, and communication improving. Through the development and use of strategic management tools, employees have a better idea about where the organization is going, how we are doing, and what can be done to create transformational change to better serve the students of Rochester.

#### **What we need**

While we face an \$80 M budget shortfall, we understand that New York State is in fiscal crisis and we must do our part. As I have in the past, I once again encourage you to work with the Big 5 school districts to identify and remove these barriers to flexibility and efficiency. Our structural deficit cannot be corrected if we do not receive relief in mandated spending. We need the ability to reinvest and invest our dollars where they will best support the growth of our children. We request that the State revisit its interpretation of mandates such as prescreening of new entrants to Pre-K with no additional funds, allow us the flexibility to access expansion funds to continue the growth of UPK programs, and grant us the ability to use savings in transportation funds to use for Pre-K transportation. We also request flexibility in claims auditing to allow school districts to audit industry accepted samples instead of 100% auditing.

I understand the importance of accountability and I support it, but with reductions in State aid, reporting requirements need to be reviewed and streamlined for efficiencies. Areas for relief may include suspending the enhanced accountability requirements under various provisions of sections 211-a, 211-b, and 211-c of the Education Law, suspending or eliminating the Contract for Excellence and annual written parental consent required for Medicaid, reducing the two-year statute of limitations on commencement of an impartial hearing to the Federal standard of one year in Special Education, and eliminating requirements that go beyond the Federal law requirements in many areas of Special Education, including Medicaid and other grant requirements.

7D

*Testimony Before*

Assembly Ways and Means Committee  
Assembly Education Committee  
Senate Finance Committee  
Senate Education Committee

GOVERNOR'S EXECUTIVE BUDGET  
February 15, 2011

Syracuse City



School District

*Daniel G. Lowengard*  
Superintendent of Schools

*Christine Vogelsang*  
Deputy Superintendent for Curriculum, Instruction and Assessment

*Suzanne Slack*  
Chief Financial Officer



## **Syracuse City School District**

725 Harrison Street  
Syracuse, NY 13210

Daniel G. Lowengard  
Superintendent of Schools

Ph. (315) 435-4164  
Fax. (315) 435-4015  
dlowengard@scsd.us

February 15, 2011

My name is Christine Vogelsang, Deputy Superintendent for the Syracuse City School District. I am here today representing Superintendent Daniel G. Lowengard and the over 21,000 students in our District. Thank you for the opportunity to discuss the proposed Executive Budget and the impact it will have on our district.

The Syracuse City School District provides educational supports and services for 21,247 students in grades Pre-K-12. 78% of our population receives free or reduced lunch while our English Language Learner's now comprise 13% of our student body. 53% of our students are black, 27% white, and 12% Hispanic. We provide special education services to 21% of our students as well. Our student population, like many of our urban peers, is one that requires a great deal of resources to achieve success.

We completely understand the dire financial situation the State of New York is in and applaud Governor Cuomo for his willingness to embrace and demand reform. His proposal to allocate \$500 million for competition amongst districts state wide is a step in the right direction but that \$500 million is less than 2% of the State education budget. True reform will come with the transformation of the way the State Aid is allocated. Those of us who work in the poorest areas of this State have been advocating for reform for quite some time. We recognize that New York spends over \$52 billion on education and is among the leaders in spending per pupil. That investment is remarkable but the distribution of those same funds is flawed and illegal.

In Syracuse, we are dependent on State Aid for 68% of our budget. The Governor's proposed budget calls for a cut of 6% or \$16 million. Once again the Governor's office is using percentages to portray the cuts as equal yet, that it is not accurate. School districts much wealthier than ours rely on so little State Aid that even a cut of 27% only negatively impacts 1% of their budget.

There has been great discussion about the need for districts to use the \$1.2 billion in reserves and \$355 million in left over federal stimulus money to offset these proposed cuts. In Syracuse we do not have excess dollars going unspent. In fact by 2012-2013, we will have used all but \$3 million of what was a \$28 million fund balance in June of 2010.

Contrary to the reports out of the Governor's office that the "cuts proposed by the Governor should by no means require significant layoffs or program cuts for our students", we will have layoffs. Currently, the number is in excess of 500 position reductions while we are proposing cuts to extra-curricular programs including sports and fine arts. We are also repurposing two schools in an effort to save money.

## **SAY YES TO EDUCATION**

With Say Yes to Education we have the blueprint in Syracuse to change urban education. The Say Yes Theory of Action, which has been in existence for over twenty years, has a research base that, if followed with fidelity, lifts children from poverty to the middle class and beyond. It has been done in four cities with smaller cohorts of students and has achieved great results.

Say Yes to Education has brought our City together in a way that is like nothing before. Our elected officials and community and business members all agree that this is what gives us the opportunity to separate ourselves. We sent two graduating classes and nearly 1,000 students off to college with Say Yes scholarships; a third group will move on this June. Locally we have supported this initiative and recently saw the Say Yes Syracuse Endowment grow to over \$8 million. We want parents to know that if their children work hard and are admitted to some of the most elite colleges in the country that their tuition costs will be covered.

While the endowment is important and removes the financial barrier of going to college, those of us who have spent our careers in urban education know it takes much more. The supports and services needed for our children at the earliest ages are just as important. These cuts threaten to severely jeopardize our ability to continue these supports that are so important to success in the classroom.

## **CAMPAIGN FOR FISCAL EQUITY**

The Campaign for Fiscal Equity (CFE) decision was supposed to level the playing field for urban students, yet the Governor's budget has eliminated the down payment established by the Spitzer administration. This year and next will eliminate all CFE funds which were only one-third of what was committed. The state aid formula not only hurts us when compared to our wealthier neighbors but even when compared to other upstate urban districts. Buffalo receives over \$3,000 more per student or \$60 million while Rochester receives over \$1,000 per student or \$20 million more than Syracuse. What it means for Syracuse is that our employees will take the largest cut amongst Upstate Cities. These cuts cannot be achieved only through attrition. Locally we are looking at potentially cutting 14% of the workforce. This is unprecedented!

## **GAP ELIMINATION ADJUSTMENT FORMULA**

The Gap Elimination Adjustment formula includes an Administrative Efficiency Ratio based on the 2008-09 year. In 2008-09 we had an anomaly of increased administrative expenses as a result of \$100,000 in legal fees and \$200,000 of accounting staff. In this particular year, we restructured our finance department to address issues with our annual external audit and the Office of State Comptroller audit. As a result of these changes, we have improved our audit results significantly each year and have ensured fiscal stewardship of District funds. This is truly an investment in our financial well-being that has paid off in the form of reduced single audit findings, sound accounting practices, and expenses within budget year after year. This \$300,000 investment is now costing us \$8 million in 2011-12 State Aid.

I ask that you allow the formula to cap Syracuse's Gap Elimination Adjustment at 4.7% as it should. A single event four years ago that has yielded tremendous results should not cost us \$8m or 120 positions.



## **SUMMARY**

As our elected officials we need your leadership now more than any time in the history of our State. There is an urgency and a necessity to seek change. You must summon the courage and make that change become reality. Our obligation is to ensure that EVERY child receives not only an education but an equal education. Until this State Aid formula is remedied that obligation will never be fulfilled.

Thank you.

TE



YONKERS PUBLIC SCHOOLS



*"Achieving Excellence Together"*

# Testimony Before Joint Legislative Budget Committee

**February 15, 2011**

Presented By:

**Bernard P. Pierorazio**  
Superintendent of Schools  
Yonkers Public Schools

# **Testimony Before Joint Legislative Budget Committee**

February 15, 2011

Presented By:

**Bernard P. Pierorazio**  
Superintendent of Schools  
Yonkers Public Schools

**Joseph J. Bracchitta**  
Chief Administrative Officer  
Yonkers Public Schools

**Bernard P. Pierorazio**  
**Superintendent of Schools**  
**Joint Legislative Budget Committee**

Good morning. I am Bernard Pierorazio, Superintendent of Yonkers Public Schools.

I would like to thank you for the opportunity to address this committee on behalf of nearly 26,000 students and 3,800 employees of the District regarding the Governor's proposed Executive Budget for 2011-2012.

As we know, the financial forecast at both the Federal and State levels is at best disconcerting and at worst devastating. This is obviously of utmost concern to the Big 5: NYC, Buffalo, Rochester, Syracuse and Yonkers, all of which are dependent school districts that do not have the authority to set a tax rate or have the populace weigh in on that assessment. We are compelled to ultimately work with the executive branch of local government, making an impassioned plea to not cut the education budget dollars as this would stifle the progress that the Big 5 have made toward closing the achievement gap, significantly raising standardized test scores and improving graduation rates statewide.

This is not to say that the Big 5 or any school district should have a blank check in light of difficult economic times, but we should continue to be funded appropriately to manage our organizations in a prudent and economically accountable manner. For, in fact, we serve those children with the highest needs and least resources.

In prior years, I have come before this body to warn of oncoming calamity to our school district:

- The economic injustice of a Foundation Aid formula that does not work;
- The corrosive effect on education of freezing, and then cutting, aid at a time when our enrollment is growing;
- The crushing systemic burden of saddling school districts with unfunded mandates that siphon millions of dollars from instructional programs; and

- The illogic and unfairness of demanding current and future strategic realignment of personnel resources in the context of wage and benefit assumptions collectively bargained years, and in some cases, decades ago.

I admit that, a year ago, I was afraid I might sound a bit like "Chicken Little". It was hard to imagine that things could be as bad as our projections showed. I hoped I was wrong.

I have never been sorrier to be right.

Today, I come before you after losing 439 staff positions, 12% of our total workforce. Teachers, custodians, clerks, central office employees and school building staff – all District functions have been touched and all areas have suffered because of the loss. There has been wrenching change to the District and, to this day, many critical positions go unfilled as we stretch remaining staff resources.

Some changes made this year have been for the good. Through ARRA funding targeted for school improvement, we have launched a new Early College High School at which students are now enrolled in a longer school day and, through articulation agreements with local colleges, are taking college level courses beginning in their freshman year of high school with the eventual goal of attaining an Associates Degree upon graduation. Cross Hill Academy has been added to the growing list of prekindergarten through eighth grade schools which have, over the past six years, displayed significant improvement in student achievement, attendance and graduation rates.

Improvements and efficiency in the placement of special needs students and programs to serve the ever growing number of English Language Learners have also been areas in which the District has been recognized.

The implementation of a new student information system continues, along with a Human Resources/Payroll system that will improve internal controls. In addition, the District has partnered with the City of Yonkers to begin implementation of an integrated finance system that will improve internal controls as well as increase the speed and accuracy of transactions. Additional areas of potential consolidation and efficiencies with our city

government have been in the areas of human resources and purchasing. Careful planning has allowed us to provide for the front-end cost of these initiatives; improved efficiencies will help us recover these costs in 3-5 years.

But some things we hoped would change have not. The so-called "permanent law" that preserves the inequities we labor under still remains. The Triborough Amendment to the Taylor Law, which acts as the single greatest disincentive to meaningful change in collective bargaining agreements is still on the books. At a time when we face the massive elimination of federal stimulus dollars, yet another governor proposes a Gap Elimination Amount of tens of millions of dollars. And despite the universal call against unfunded mandates and their impact, no significant mandate relief has been passed.

There are no warnings left to give. Without some combination of the changes I will briefly outline today, public education in Yonkers will be crippled for years to come.

# Yonkers Public Schools Revenue and Expense Forecast 2011/12

Revenue - Governor's Proposal	454,081,140
Expense Estimate	(541,854,013)
<b>Estimated Budget Shortfall</b>	<b>(87,772,873)</b>

GAP Detail - 2011/12 vs. 2010/11

**Increases in Expenses**

ARRA formerly Grant Funded	17,276,697	
<b>Contractual Salary</b>	<b>9,162,087</b>	
<b>ERS</b>	<b>3,139,087</b>	
<b>TRS</b>	<b>9,575,051</b>	
<b>Health</b>	<b>7,773,625</b>	
Other Fringe	1,125,618	
Transportation	6,769,473	
Utilities	2,384,912	
Debt Service	498,967	
		<b>57,705,516</b>

**Decreases in Revenues**

Loss of G/F ARRA	8,123,590	
Drop in State Funding	17,556,742	
Various Other Decreases	207,471	
Variation from Executive Budget estimates	4,179,554	
		<b>30,067,357</b>

<b>Estimated Budget Shortfall</b>	<b>87,772,873</b>
-----------------------------------	-------------------

## **“Broken” Foundation Aid Is Better than None**

It has become part of the accepted wisdom that the Foundation Aid formula is flawed, “but it is the only formula we have”. The argument that the inputs driving the Foundation Aid formula do not capture the extent of fiscal need in the Yonkers Public School system is not only well-known but accepted as a given. Despite our calls to fix the formula it remains - unchanged and unresponsive to our community’s needs. I hope that this is part of the “permanent law” that the Governor and this legislature examine and finally correct.

But in the interim, we have a formula – let it operate! When the Foundation Aid formula was adopted, a rise in basic state aid of at least 3% a year was promised. However, fiscal year 2011-12 will be the third year that there will be no increase in Foundation Aid. Just by giving Yonkers Public Schools what is due next year, and what is past due for two prior years, nearly \$15.6 million (\$15,561,916) of much needed aid would be returned to the District.

*Give us the aid we are legally due.*

## **But Foundation Aid Does Not Account for Enrollment Growth**

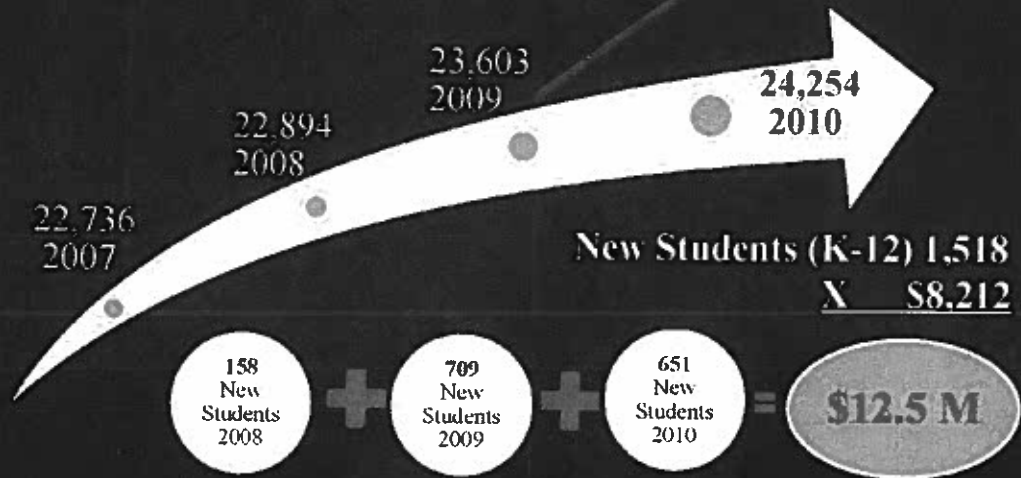
The Foundation Aid formula assumes an enrollment that is static at 2007-08 levels. This has worked as a windfall for the majority of districts in the state that have experienced enrollment declines over the past three years. However, Yonkers Public Schools has experienced robust growth in enrollment during this time period. In fact, a demographic study completed in January 2011 shows that growth trend will continue into the foreseeable future.



# Yonkers Public Schools

Student Enrollment (K-12) Increases

***\$12.5 Million Additional State Aid Owed***



Enrollment includes Yonkers students in charter schools.

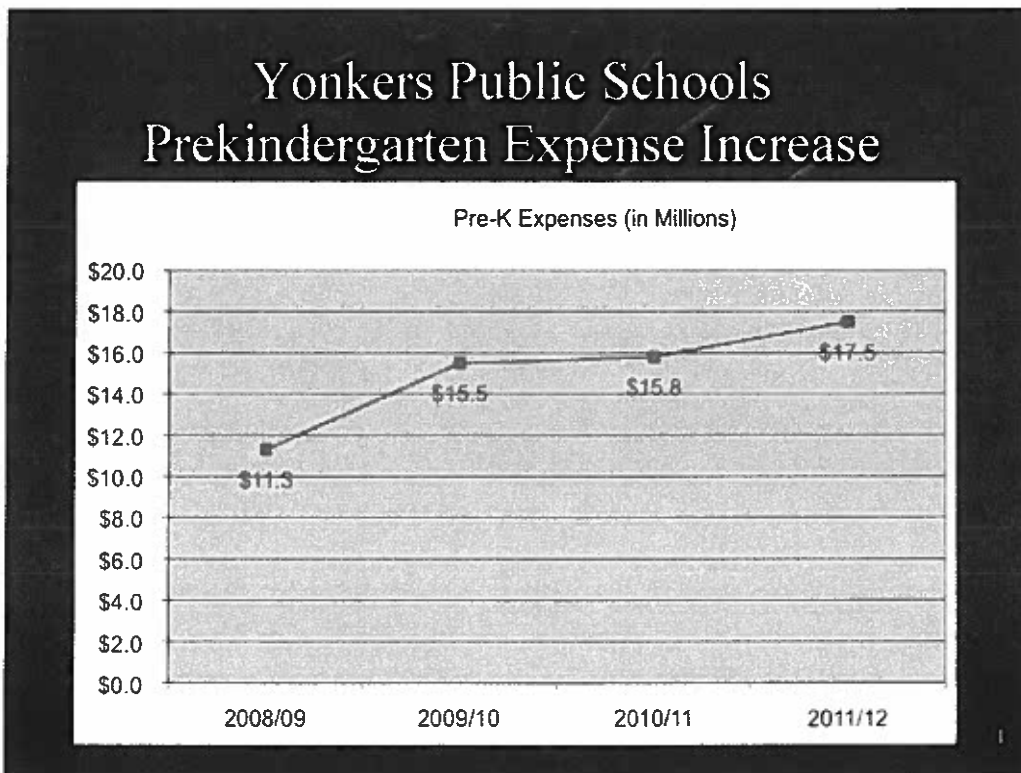
5

We are not looking for a windfall. If the new budget reflects what is equitable and properly due to Yonkers Public Schools based on enrollment growth as shown in BEDS reporting, the District should receive an additional \$12.5 million (\$12,465,816) in basic state aid. Actual enrollment for Yonkers Public Schools, including prekindergarten, is 25,631 presently and is projected to grow to over 30,000 by 2020.

*Let our aid reflect our actual enrollment.*

## Adjust the Universal PreK Grant to a More Equitable Rate

The District will expend \$15,796,890 on its PreK program this year, a program that has been run continuously since 1998. We serve predominantly high needs students. The success of the program has led to increasing enrollment and increasing expenses. The District utilizes highly certified teachers that follow a district-wide curriculum in the education of our earliest learners in a full-day program.



However, we are reimbursed at the lowest rate (\$2,700) per student rather than the higher rate of \$5,800. A shift to the higher rate would increase state funding from \$4,269,388 to \$9,169,800 based on BEDS October 2010 enrollment of 1581 – actual enrollment on February 7, 2011 was 1723. This still falls well short of our costs but would give us some relief for this pioneering District-wide program that has shown impressive results over the years.

*Help the District continue this program that has been a model for similar programs around the nation.*

## Repeal the Triborough Amendment

Whenever school budgets get tight, a predictable “usual suspects” list is quickly assembled to be reviewed for reductions and efficiencies. The Central Office, no matter how meager the staffing, is viewed as bloated. In a city that is miles wide, free transportation for schoolchildren becomes a luxury. During an era of sedentary entertainment and increasing childhood obesity, sports teams are viewed as an expensive frill for an elite few. While headlines annually track the advance of MRSA virus, swine flu or bedbugs, the number of custodians who clean our schools and nurses who care for sick children is debated.

But in fact, each of these items account for a small percentage of our budgets. The single largest cost that Yonkers or any school district has is the salary and benefits it pays to its instructional staff. Teachers, and other staff that support instruction, account for about 75% of our total budget. Any other industry facing difficult times would be expected to slow or stop the growth of its largest single expense. The leader of any corporation or business would be expected to freeze or cut salaries if revenues dropped. And yet, not only Yonkers Public Schools, but every public school system in this state, has been forced to give automatic pay increases to every single member of this group, every year for nearly 30 years. This is the central, devastating effect of the Triborough Amendment.

### Yonkers Public Schools A 25% Increase in Salary - Without a Raise

Lane	MA+30
Step 1	64,855
Step 2	66,588
Step 3	70,928
Step 4	74,403
Step 5	77,864
Step 6	81,340
	<b>25.42%</b>

A little history may be useful. The Triborough Doctrine holds that public employers may not unilaterally change the basic terms and conditions of employment while negotiating a successor agreement. The Doctrine came about as the result of a 1972 PERB decision involving the Triborough Bridge and Tunnel Authority, interpreting the Taylor Law.

In 1977, the Court of Appeals held that the Triborough Doctrine should not apply to step increments. The unanimous decision by this state's highest court was chillingly prophetic. It said, in part:





***“In thriving periods the increment of the past may not squeeze the public purse, nor may it on the other hand be even fair to employees, but in times of escalating costs and diminishing tax bases, many public employers simply may not be able in good faith to continue to pay automatic increments to their employees.”***

In 1982, the legislature undid the Court's decision and amended the Taylor Law to force employers to continue all terms of an expired collective bargaining agreement, including step increments, until a new agreement was reached. This amendment became known as the Triborough Amendment.

The Triborough Amendment does not just remove financial control from district leadership. It acts as a huge disincentive for any union to seriously negotiate creatively or quickly. There simply is no pressure to act and no pressure to change. A union that does nothing puts nothing at risk. And superintendents are left with diminishing flexibility to manage due to 30 years of contractual accretions.





Last year, in Yonkers, we tried to put forth a plan that, in addition to cuts in central office and transportation expenses, and additional aid from local and state sources, asked our unions for a wage freeze. This one-year freeze would have delayed contractual increases, but it would have avoided hundreds of layoffs.

**THE SOLUTION: THE YONKERS PLAN**  
 \$500.4 Million for 2010-2011 School Year  
**THROUGH SHARED SACRIFICE**  
**OUR STUDENTS WIN**  
 What will it take?

 <b>\$8.9 Million</b> <i>School District Reductions</i>	 <b>\$16.5 Million</b> <i>Union Givebacks</i>	 <b>\$2.4 Million</b> <i>Restored City Funding</i>	 <b>\$15.6 Million</b> <i>Additional State Aid</i>
--	--	---	---

But it was not to be. One piece of the plan never came to pass.

**THE SOLUTION: THE YONKERS PLAN**  
 \$500.7 Million for 2010-2011 School Year  
**THROUGH SHARED SACRIFICE**  
**OUR STUDENTS WIN**  
 What will it take?

 <b>\$8.9 Million</b> <i>School District Reductions</i>	 <b>\$16.5 Million</b> <i>Union Givebacks</i>	 <b>\$1.0 Million</b> <i>Restored City Funding</i>	 <b>\$15.6 Million</b> <i>Additional State Aid</i>
--	--	---	---

Armed with the certainty of success by just sitting and waiting, the unions ignored the students who would have fewer teachers and support staff and preserved the short-term personal gains provided by a regular step increase. The frustration of this situation has not been lost on our stakeholders or the local press:

*"The stark reality, however, is that the school system is \$64 million short and flat broke. Four hundred positions have been terminated, half of them last-hired teachers. Art and music programs have been gutted. Those jobs would've been restored if the teachers union had agreed to accept a pay freeze, a savings of \$16.5 million. The leadership said no, leaving a question: How can anybody be a real boss if he or she has to ask their employees permission for making a sacrifice?"*

*Phil Reisman, Gannett Press February 10, 2011*

The time has come to allow our district leaders to truly lead. If no new revenues are forthcoming, districts must have the ability to avoid the automatic pay increases represented by the "step and lane" structure. How can we allow an increase in public expense without an increase in public funds? It is not good management, it is not good economics and it is not good government.

*Once and for all, eliminate this folly and repeal the Triborough Amendment.*

### **Help with the Loss of ARRA, Not Another GEA**

The Governor has properly attacked the inequities of the existing system of funding our schools, taking particular note of some of the arcane formulas buried in so-called "permanent law" which I have referred to today. However, the Executive Budget follows the very same permanent law it attacks when it follows existing formulas to determine a Gap Elimination Amount (GEA) that results in a net loss in aid to Yonkers Public Schools of \$17.6 million (\$17,556,742). The GEA is blind to our growing enrollment, improvement of our schools, innovation in education and demonstrated administrative efficiencies.

Coming at a time when the District is losing \$25.4 million (\$24,400,287) in ARRA funding, the GEA is as brutal as it is illogical. Instead of cutting our basic aid, the state should be looking for ways to help the District absorb the loss of ARRA funds. For example, the Executive Budget contemplates two separate funds available to school districts - \$250 million for demonstrated administrative efficiency and \$250 million for demonstrated

student performance. These funds should be available now as part of the current budget process, to reward districts like Yonkers that have improved efficiency and performance over the past three years. The permanent law concept of “supplement, not supplant” fails to reward districts that have planned ahead and been on the leading edge of change, innovation and performance. In fact, “supplement, not supplant” acts as a disincentive to take any action until a reward is offered.

*Give Yonkers credit for the efficiencies and performance improvements we have already realized.*

### **Unfunded Mandates**

If a family assumed obligations without considering and providing for the financial impact of those obligations, it would be irresponsible. If, as a District, Yonkers assumed costly responsibilities without making a provision to fund those responsibilities, it would be a violation of public trust. Then how do we describe action of this legislature in allowing the enormous and ever-growing unfunded mandates that burden Yonkers Public Schools, and other districts across the state, to continue?

The stark reality is that, as the chart below shows, nearly three-quarters of our budget gap would be eliminated if state and federal mandates were properly funded.

<b>Unfunded Mandate</b>	<b>Cost</b>
<b>1. Special Education:</b>	17,887,082
<b>2. Charter School Payments from District State Aid:</b>	3,354,813
<b>3. Supplemental Education Services (SES) Programming:</b>	275,000
	<u><b>\$21,516,895</b></u>
<b>4. Data Warehousing – Student Information Systems:</b>	-
District Data Manager/CIO Requirements	117,500
Statewide Data Collection	315,000
BEDS Reporting/DW Integration	75,000
Student Management Systems	325,000
HS Regents Testing/Scoring	175,000

Private School Software/Hardware Loan/Textbooks	450,000
Attendance	60,000
<b>5. No Child Left Behind Requirements:</b>	745,000
Grades 3-8 Testing, Scoring, Analyzing and Mailings	1,700,000
<b>6. Construction Mandates Under Wicks Law:</b>	775,000
<b>7. Private/Parochial Schools Health Services:</b>	1,761,600
Nurse Care to private/ parochial schools	298,100
	<u><b>\$6,797,200</b></u>
<b>8. Audit Functions:</b>	
Claims Auditor	68,400
Comptroller's Office Audit (6 FTE x 20%)	28,772
External Auditing	125,000
GASB 45 – increased independent auditing costs	
· Internal Auditor	181,440
· External Auditing Contract for Excellence	10,000
	<u><b>\$413,612</b></u>
<b>9. Administration of 403(b) Plan Accounts:</b>	
403(b) Mandates January 1, 2009	55,796
	<u><b>\$55,796</b></u>
<b>10. Facilities:</b>	
Administration of State Environmental Quality	
Annual AHERA Inspection	51,000
Annual Visual Inspection	50,000
Asbestos Inspection & Management Plan	65,000
Building Condition Survey (every 5 years)	363,604
Building Level School Safety Plan	20,000
District Wide School Safety Plan	30,000
Electronically Operated Partitions re-fitting	150,000
Environmentally Sensitive Products (“Green Cleaning”)	300,000
Fire Extinguisher Testing and Monitoring	25,000
Hazardous Waste Removal	40,000
Integrated Pest Management	60,000
Radon Awareness & Testing	1,000
Fire Safety Inspections	20,000
Tank Testing and Repair	166,103



Fire Alarm Testing and Repair	180,000
Boiler Inspections	12,000
Integrated Pest Management	60,000
Comprehensive Maintenance Plan	30,000
Triennial AHERA Inspection	51,000
Right to Know Law & Hazard Communication	12,000
	<u><b>\$1,686,707</b></u>
<b>11. Health:</b>	
Health Services Other Districts	1,761,631
	<u><b>\$1,761,631</b></u>
<b>12. Instruction:</b>	
Student Calculators	44,856
	<u><b>\$44,856</b></u>
<b>13. Personnel:</b>	
Leave for Prostate & Breast Cancer Screening	595,000
	<u><b>\$595,000</b></u>
<b>14. BOCES Tuition Discrepancies</b>	11,500,000
<b>15. Student Transportation</b>	16,500,000
<b>16. Health Care Screening</b>	1,041,250
<b>17. Family Medical Leave Act</b>	433,400
<b>18. NYS Accountability System</b>	19,800
<b>GRAND TOTAL:</b>	<u><u><b>\$62,366,147</b></u></u>

We support the mandate relief proposals suggested by the Conference of Big 5 School Districts and will not reiterate them here. But we would go one step further – pass legislation in this session requiring that no new mandates be enacted unless full state funding is also provided. Take the pledge today to stop closing your eyes to the hundreds of millions of dollars in costs you are responsible for in district budgets statewide.

*End unfunded mandates.*

## Conclusion

In summary:

Today's work is not simply to balance a budget.

Today, our children are in your hands.

Public funding of education in the state of New York is failing. It is not failing because of spendthrift school districts; in fact, Yonkers and most other districts have done admirable work in reining in costs that they control. But no single district, nor all districts in unison, can act as a state legislature.

- Districts cannot fix flawed formulas embedded in so-called "permanent law".
- Districts cannot repeal laws that were questionable a generation ago and now bind us to provisions in collective bargaining agreements that have not made sense for 30 years.
- Districts cannot force the state to keep funding promises made only a few years ago.
- Districts cannot ensure that the state follow basic fairness and aid us for actual numbers of students enrolled.
- Districts cannot guarantee that state instructional performance output metrics will remain consistent and meaningful from year-to-year.
- Districts cannot fund existing and new state mandates that have no budget allocation provided for them.

I urge you to take up the Governor's call for change and take action today. Not a "five year plan," a "one year freeze" or a competition for funding that makes the budget process into something more like a sporting event than a deliberate exercise in planning for the future. It's time to tear down the existing system and build a funding system that serves the one group that does not have a highly paid lobbyist here in Albany - our children.

The alternative is a future that we can already see coming around the corner in urban districts like Yonkers: a public education system left to starve, where those with sufficient means will flee. And those who cannot afford to flee this crippled system will be consigned to a permanent underclass of citizens, unprepared for higher education or a job market that demands an increasingly sophisticated skill set.

Today's work is not an exercise in budgeting. Every class we graduate alters the future of our state and our country. We cannot waste one year, we cannot forsake one student. But school districts cannot make the underlying statewide structural changes that will allow us to move our schools to the future. That job is yours.

Today, our children are in your hands.



#8

## New York Library Association

*The Voice of the Library Community*

6021 State Farm Road, Guilderland, NY 12084  
518-432-6952 / 518-427-1697 FAX  
[director@nyla.org](mailto:director@nyla.org) / [www.nyla.org](http://www.nyla.org)

### Joint Legislative Budget Hearing on 2011-12 Executive Budget

Good afternoon and thank you for letting me speak to you today about the sixth proposed cut in library funding in less than three years.

The proposed cut of 10% or \$8.45 million in funding will drop Library Aid to below 1994 levels and correct me if am I wrong, but I don't know of any other part of the education budget that is operating at below 1994 levels.

If this proposed cut is approved, Library Aid will have been reduced by \$26 million or 26% since 2008. This is despite continued annual increases in library usage that has far outstripped the growth in New York's population. New York's population has increased only 1.3% over the past five years, yet during that same time period library usage has increased 11%, which means an ever growing segment of the population is using libraries.

There were 9 million library card holders in New York State in 2008, and last year there were 10.6 million library card holders, which is identical to the number of active registered voters according to the NYS Board of Elections. And these library card holders vote, over the last three years on average 97% of library budgets have been approved by your constituents.

Over 120 million people visited libraries and 160 million books and other items were borrowed in 2009. Through the inter-library loan program run by our state's library systems, over 9.2 million items were delivered from one library to another, saving those libraries and taxpayers over \$185 million in 2009. Is there another public service that saved New Yorkers that much money last year?

To put these numbers in perspective, according to the NFL, a combined total of 1.2 million people attended Giants and Jets football games in 2010, and yet New York State Government last year set aside \$5 million to promote the Super Bowl at the Meadowlands which only seats 83,000, while library funding last year was cut \$2.4 million.

And before that travesty, in 2008 \$941 million in public financing was provided to build the new Yankees Stadium, and yet libraries receive \$14 million in public financing for their \$2.5 billion plus in construction needs according to the NYS Library. Yankees attendance in 2010 was 3.7 million people, or barely 10 days worth of library visits.

So we have rising usage of libraries that has outpaced population growth, we have overwhelming voter support for library funding, and yet year after year the Legislature approves continued cuts to libraries, what is wrong with this picture?

On top of those statistics, we have more factoids that continue to underline that libraries are essential to the unemployed in our state and country. NYLA recently surveyed our libraries, which confirmed

the obvious, 98% of respondents replied that they helped someone in their community look for a job and 85% replied they helped a patron access public assistance. There were 792,759 New Yorkers unemployed at the end of last year and according to the U.S. Census Bureau, 38% of Americans do not have internet access at home. Which means about 300,000 of those unemployed rely on their local library to access the internet to search and apply for jobs, or fill out public assistance forms, or access NYS's Dept. of Temporary Assistance MyBenefits website to find out whether they qualify for HEAP, Medicaid or Food Stamps. Another 58% of libraries polled responded that they offer pre-employment assistance like resume writing, interview techniques and basic computer/internet skills. So libraries are playing a leading role in helping the unemployed and disadvantaged in our communities get back on their feet, and yet we continue to get cut.

And not just one time or across the board cuts, but disproportionate and repeated cuts. The Governor proposed a 7.3% cut in School Aid and a 2% cut in Municipal Aid (AIM), and yet libraries were whacked 10%. And we are not talking about cultural amenities here, we are not talking about the arts, we are talking about community organizations, educational institutions that are helping people everyday get through this tough economy.

For example, I have some comments to read from libraries who responded to our survey this month:

"I had to fill in an online application for a non-English speaking patron who was told by the employer to apply online. He gave me the website, and I filled out all the questions and submitted the application. He later came back to help a relative apply for a job at the same location"

"An out of work bonded concrete driver came into the library looking for work. We showed him how to use the internet to look up information at the NYS Dept. of Labor. We also showed him how to write a resume best suited to his employment experience. A couple of weeks later, the fellow came in and told us that he was picked up at another cement company and was thankful that he came into the library."

"The amount of patrons coming in to fill out job applications online and post resumes online has increased substantially. Unfortunately, given their ages, these are mostly people who don't know the first thing about computers, so there is a huge learning curve involved. One woman was applying to the local Dollar Store that was just opening up in town and the store wouldn't talk to anyone in person or accept paper resumes. So, we had to show her how to go through their job application online."

"Patron came into the library to write her resume as she did not have computer access at home. Patron was unfamiliar with computers and software and required help getting template set up so that she could complete resume. While in the library, staff showed the patron websites that would help in her job search. She was able to apply for 3 different positions online that day. Two weeks later the patron stopped in and said she been hired by the Oswego Hospital, which was one of the positions she had applied for while at the library."

"Currently, we have a library patron using the public access computers to take an online course in medical billing. She receives disability payments due to several serious health conditions but feels that with this training, she would be able to get a job that she could do even with her disabilities. In her words, "then I wouldn't have to be on disability for the rest of my life."

"Patron came in to get help putting his resume together. We helped in formatting and polishing up his resume. A few days later he came in to say he got the job in food service at the University of Rochester that he applied to and thanked us profusely."

Libraries are also playing a key role in providing early literacy education, tutoring and after-school programs, pre-GED classes and Adult Literacy programs, and yet libraries are ineligible to apply for EPE or Employment Preparation Education funds. Libraries are a major provider of assistance to the unemployed, are open 7 days a week, nights and weekends, and yet the NYS Dept. of Labor provides no funding to support these services, instead it funds One Stop Shops that are only open Monday thru Friday until 4:30 or 5:00 p.m. BOCES operate robust high speed internet service to their school districts, yet libraries are not allowed to contract with them for internet service. The state needs to reevaluate how it spends its money, who can receive funding and how existing services can be used more effectively.

Finally, there has been much talk about right sizing government, sharing resources, inter-municipal cooperation, doing more with less, and right under everyone noses libraries and library systems have been doing all of these things for decades. Library Aid, in part, supports our state's library systems which enable libraries to operate on shoe-string budgets, share resources, borrow books and other items from one another, conduct cooperative purchasing and provide services on a regional or inter-municipals basis, and yet the very funding that makes this all happen continues to be cut. It makes absolutely no sense.

And finally, we also support the continuation of the high earners income tax surcharge that would generate on average \$4.6 billion in state revenue, especially if the funds are used to restore cuts to public, school and college libraries and library systems. And we also oppose the proposed tax cap as it is currently written, without mandate relief and due to its ambiguity on how bond votes for capital projects would be handled.





# TESTIMONY

## 2011-12 Executive Budget for Education

Senate Finance Committee and  
Assembly Ways and Means Committee

February 15, 2011

**Chairman Farrell, Chairman De Francisco, and other members of the Legislative Fiscal Committees:**

9

I am Robert Lowry, Deputy Director of the New York State Council of School Superintendents.

Thank you for this time today to testify on the impact of Governor Cuomo's proposed 2011-12 state budget on New York's public schools.

The Governor has proposed a \$1.5 billion, 7.3 percent year-to-year reduction in School Aid, plus more than \$250 million in shifts of special education-related costs from the state to school districts.

We asked superintendents around the state how the budget would affect their schools. Here are some of their responses:

A Mohawk Valley superintendent said,

We are looking at the very good likelihood of eliminating all athletics, clubs and organizations, all field trips, all music ensembles, and most if not all elective courses. Our secondary students would be able to take only courses required for a Regents diploma, and would spend the rest of their days sitting in study halls. We expect to reduce our kindergarten sections to 1/2 day. This situation frightens me far more than anything I have experienced in my 33-year career in education.

From a Long Island district:

...with the cut in aid coupled with the big increases in retirement, health insurance, and salary adjustments from previous contracts, we are looking at having to cut between \$5 and \$6 million just to reach a tax rate increase of approximately 5 or 6 percent ... this means somewhere around 40 teachers, 16 support personnel, and 5 or more administrators, as well as eliminating summer school, FLES (Foreign Language in Elementary School), MST labs, our enrichment program ... going from full time to part-time librarians at the elementary level, ... as well as going from a 9 period to an 8 period day at our middle schools ...

The superintendent of Phelps-Clifton Springs in Ontario County wrote,

"At this week's meeting, I informed our board that we need to close a \$2,900,000 budget gap for next year. I asked them to begin considering closing our middle school (one of four district buildings), reducing kindergarten from full day to half, eliminating our athletic and extracurricular programs, and eliminating 8-10 teaching assistant positions. I then informed them if we did all of that, we would be slightly more than halfway to closing our gap. We will need to come up with more onerous cuts."

NEW YORK STATE COUNCIL OF SCHOOL SUPERINTENDENTS

Seven Elk Street, Third Floor • Albany, New York 12207-1002 • 518.449.1063 FAX 518.426.2229 • www.nyscoss.org

According to news accounts, Sagem in Suffolk County is contemplating sending layoff notices to about 30 percent of its staff and Syracuse is considering eliminating 540 jobs, 14 percent of its workforce. Many districts are considering closing school buildings.

Governor Cuomo has suggested that schools can readily absorb his proposed reductions, by using reserves and cutting administration.

Let me ask you:

If it were really that easy, do you think that superintendents and school boards would be contemplating laying-off teachers and other staff; cutting art, music, sports, advanced classes and other student opportunities; scaring employees, rupturing working relationships, upsetting parents, and drawing anger on themselves?

### **FACTS ON SCHOOL DISTRICT FINANCES AND BUDGETING**

Here are some facts:

The proposed School Aid cut is the largest ever recommended by a Governor, measured in dollar terms.

If districts could wipe out *every cent* of spending for central administration – for all superintendents, assistant superintendents, business officials, their support staff and office expenses – *it still would not fill the hole the Governor's cuts would create.*

Every year, school districts *do* draw on reserves to balance their budgets, to offset swings in state aid and minimize disruptive program reductions or tax increases.

Without the sums districts used as “appropriated fund balance” in their budgets this year, they would have needed to raise local taxes by 6 percent more than they did. The poorest 20 percent of districts (measured by property wealth per pupil) would have needed to raise taxes by 14 percent more to match what they used in appropriated fund balance in their budgets this year.

Whatever districts planned on for reserves last the spring, for many they have already been reduced, by the late adoption of the “FMAP reduction,” to help the state offset a shortfall in federal support for Medicaid.

This is not the first hard year, for schools or for the state. Nor will it be the last.

In 2009-10, despite the smallest state aid increase in six years – made possible only through federal stimulus funds – school districts requested the smallest local tax increases in seven years.

Without the stimulus money that year, thousands more school employees would have lost jobs and average spending would have been much lower.

This year, 2010-11, while budgeting for the 5.1 percent School Aid cut proposed by Governor Paterson, districts proposed spending increases averaging 1.4 percent. Our estimate is that this increase is what rising pension costs alone would have driven. The implication is that districts froze all other expenses on balance.



Pension and health insurance costs will continue to pose severe challenges for school budgeting.

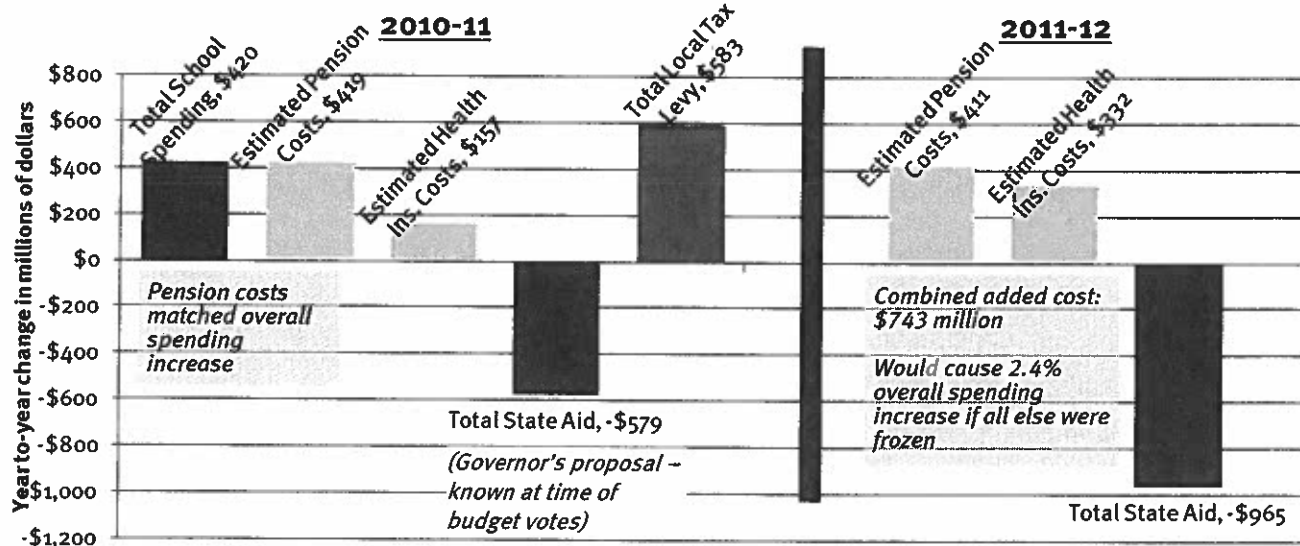
Here are some estimates:

- For 2011-12, mandated employer contribution rates for the Teachers Retirement System are rising from 8.62 percent of payroll, to 11.11 percent.
- The Governor's Budget Division estimates that the average employer contribution rate for the Employees Retirement System will rise from 12.1 to 16.1 percent. (Approximately 80 percent of school employees are in TRS; 20 percent are in ERS)
- The Budget Division forecasts that health insurance costs for the state's workforce and retirees will rise by 9.3 percent.

Applying these cost factors to schools, we estimate that pension and health care costs *just by themselves* would drive up total school spending by an average of 2.4 percent, even if every other cost could be frozen.

So for districts outside the Big 5 Cities, they are facing surging costs for just those two items that could drive up total expenditures by \$743 million, while they face a proposed cut of \$965 million in state aid.

**ESTIMATED/PROJECTED CHANGES IN SCHOOL DISTRICT REVENUES AND EXPENDITURES**  
**Big 5 Cities not included**



SOURCE: Council analysis of NYSED School Aid and Property Tax Report Card data, Office of the State Comptroller local government data; and benefit cost factors reported by the NYS Division of the Budget and NYS Teachers Retirement System

## SCHOOL AID SPECIFICS

### Gap Elimination Adjustment

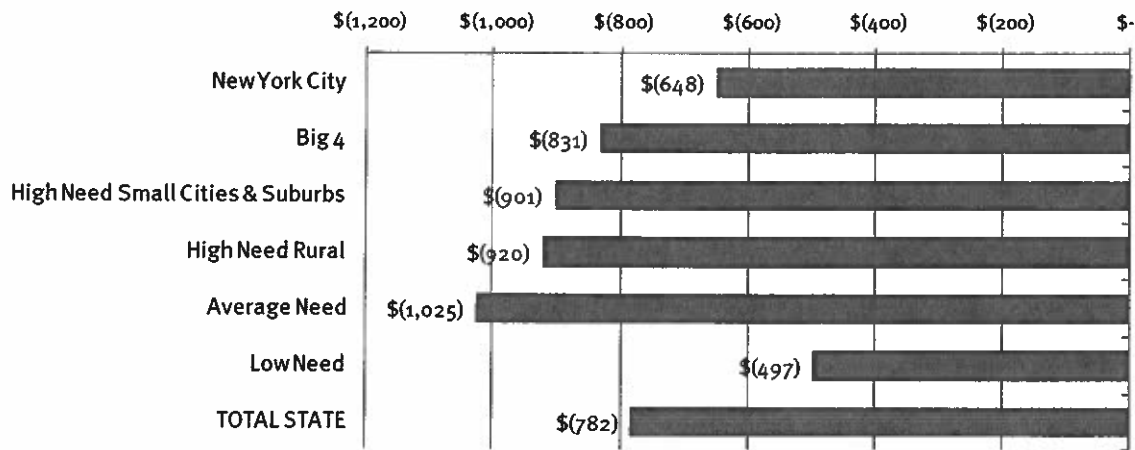
The Governor's budget would freeze Foundation Aid, as well as High Tax Aid, and Universal Prekindergarten Aid. It would allow most other formulas to run according to current law. It would then reduce total aid each district would otherwise receive through a new Gap Elimination Adjustment, this time totaling \$2.8 billion.

As with the GEA in place for this year, the new iteration would be calculated taking into account student needs, local ability to fund education, local tax effort, and “administrative efficiency.”

The proposed GEA does have progressive elements, designed to lessen its impact on needier districts. Still, it would impose severe hardship on many high and average need districts, as defined by the State Education Department. As the chart below reveals, the proposed GEA would inflict the greatest cuts per pupil on schools serving high need rural and average need communities.

The GEA applies strict criteria to determine eligibility for offsets to its general reduction formula. Consequently, insignificant differences in district characteristics can make a huge difference in aid. For example, districts qualify for a reduction in their GEA if their tax levy on residential property exceeded 4.5 percent of the adjusted gross income reported by residents on their state income tax returns. So a district with a 4.4 percent rate loses out.

**PROPOSED GAP ELIMINATION ADJUSTMENT PER PUPIL**



SOURCE: Council analysis of NYSED SchoolAid data

**Foundation Aid**

The Foundation Aid formula you enacted in 2007 is an under- appreciated achievement in public policy. It generally targeted the greatest aid increases to the neediest districts, while also promising all districts predictable increases in state funding. It also increased the state’s accountability for school funding decisions, by prescribing in law a detailed phase-in schedule and by using factors which could be understood and debated.

During the Foundation Aid formula’s two years of operation, the poorest districts were able to propose budgets to the voters with the lowest average tax increases and the largest spending increases – closing gaps in resources for their students without over-burdening their taxpayers.

Foundation Aid has now been frozen for two years, and the proposed budget would freeze it again next year and the year after. This category accounts for 50 percent of all revenues for the state’s poorest districts. So, if this budget is enacted, they face having half their revenues frozen for four years. This is a hardship, even without taking into account the actual aid cuts they have been experiencing.

The Foundation Aid formula was enacted as a resolution to the Campaign for Fiscal Equity's 13-year successful challenge to the constitutionality of the state's school financing system. The budget would delay full phase-in of the formula until 2016-17, six years past the original target.

The truth, however, is that the budget would give up on the promise of 2007. Although Foundation Aid increases are proposed to resume in 2013-14 and 2014-15, the new, permanent Gap Elimination Adjustment would more than offset those increases.

#### **Expense-Based Aids**

The Governor proposes changes to three major expense-based aid formulas, to affect aid starting in the 2012-13 school year.

The Governor would eliminate aid for many management services shared by districts through Boards of Cooperative Educational Services, BOCES. This makes no sense given the administration's emphasis on promoting consolidation, sharing, and administrative efficiency. At the same time the Governor proposes a new \$250 million grant program to encourage long-term cost saving initiatives, he would end aid for one proven vehicle that schools have used to save money on overhead functions.

The budget would also cut BOCES Aid by applying a more steeply wealth-adjusted state reimbursement rate. Even if both these changes had more immediate impact on wealthy districts, they may be most damaging for districts serving poor communities. If aid changes lead wealthy districts to withdraw from BOCES, the capacity of BOCES to maintain those services for poorer districts is diminished.

The budget also proposes changes in Transportation Aid. Starting in 2013-14, districts would face aid penalties if they do not either participate in shared transportation initiatives with other districts or use efficient practices identified by the State Education Department.

We support the already started effort to promote shared transportation arrangements, but those will not be feasible for all districts. Also, these changes will impose new workload demands upon SED, at the same time it is facing a 10 percent, 141 position reduction in its operating budget.

The Governor proposes a series of changes to Building Aid, including capping annual funding and creating a competitive process administered by SED, whereby projects will be ranked based on the need for the project, the age of the building, and the district's local fiscal capacity. It would also make changes that would generally reduce state reimbursement rates for projects which do get approved.

There are several practical problems with these proposals. Again, they impose new workload demands upon SED, which already deals with backlogs in school construction reviews. It would put both local voters and SED in the position of giving hypothetical approval to projects – SED on the presumption that voters will approve a project; voters on the presumption that a project will rank high enough to win funding.

**OTHER BUDGET REDUCTIONS**

As noted, the budget would shift over \$250 million in special education costs from the state to school districts – from a larger tax base to smaller one. School districts would be expected to take over costs from the state that would require nearly a 1 percent average tax increase to absorb, at the same time that a cap on their tax raising capacity is being considered.

**BUDGET WOULD SHIFT \$253 MILLION IN COSTS TO SCHOOLS**

Program	Cost Shift (in millions)
Summer School Age Special Education	\$86
Private (4201) Schools	\$98
Room & Board Costs for Children in Residential Special Education Programs	\$69
<b>Total</b>	<b>\$253</b>

SOURCE: Assembly Ways & Means Committee Yellow Book, p. 30-3

**PROPERTY TAX CAP**

I do want to make four quick points about plans for a cap on school property taxes.

First, the bill proposed by Governor Cuomo and passed by the Senate provides,

*“If, however, the tax levy proposition is then not approved by the qualified voters, then the trustees or board of education shall adopt a budget that requires a tax levy no greater than that for the prior school year.”*

In other words, if voter approval is not forthcoming, school districts would not be allowed to raise their tax levy at all. This is a cap of zero percent for schools, not 2 percent or inflation, as local governments would be allowed.

The 2 percent or inflation figure, whichever is less, would operate as a trigger for determining what vote would be required to approve a school tax levy increase – more than 50 percent if below the trigger, more than 60 percent if the increase is above the trigger.

This brings me to my second point. I get paid to advocate for public schools but, but I am also a public school parent who is likely to support my school board’s budget decisions. It angers me that you would say my vote should count less than that of someone on the other side. Municipalities would require only a simple majority to pass their proposed tax levy increase.

Third, as I have touched on already, two driving forces behind property taxes are factors wholly or substantially beyond the control of school leaders and their voters: state aid and pension costs.

This year, for example, districts proposed lower average spending increases than in 2009-10, but higher average tax increases. Why? Because they were budgeting for a 5.1 percent School Aid cut this year, rather than the stimulus-supported 1.9 percent increase in 2009-10.

**CHANGES IN SCHOOL SPENDING, TAX LEVY AND STATE AID  
2009-10 vs. 2010-11**

	Proposed Change in Spending	Proposed Change in Tax Levy	Change in State Aid*
2009-10	2.3%	2.1%	1.9%
2010-11	1.4%	3.2%	-5.1%

\* 2010-11 state aid is as proposed by the Governor, since the state budget was not adopted at time of school budget votes

SOURCE: Council analysis of NYSED Property Tax Report Card and School Aid data (Big 5 Cities excluded)

This brings me to my final point. The current school budget voting process asks voters the right question. Districts more directly control spending levels.

Voting on spending asks voters to weigh whether a proposed budget strikes the right balance between what students need and what taxpayers can afford. The tax cap frames the question as, "How much will this cost me?"

**WHAT YOU CAN DO TO HELP**

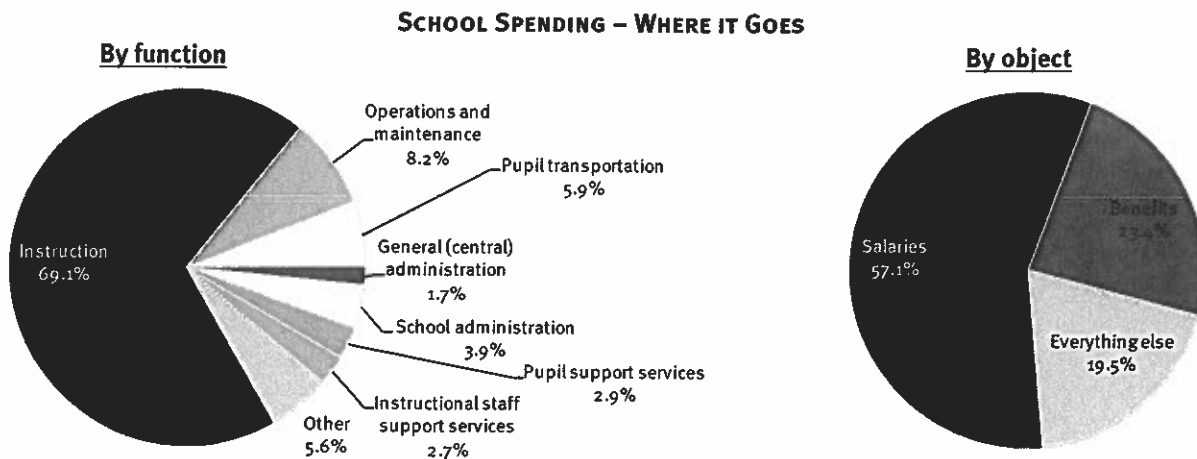
Our Executive Director serves on the Governor's Mandate Relief Redesign Team and we expect to support its recommendations.

The Board of Regents is also contemplating a package of mandate relief initiatives. Our reaction can nearly be summed up in two just words: "yes," and "more." We support the effort and would request further actions.

We also support the Governor's proposal to allow districts to use funds in Employee Benefits Accrued Liability Reserve accounts to offset cuts. We applaud Comptroller DiNapoli's effort – commencing today – to expedite the determination of funds not needed to compensate former employees for unused leave time. Some districts placed funds in these accounts to prepare for retiree health care costs and other post employment benefits. This was not authorized by law, but it was prudent, and schools and local governments should be given a lawful way to save for that cost which taxpayers will ultimately bear, as the Comptroller has recommended.

We also support making more aggressive use of BOCES, to enable districts to share overhead costs, regional reviews of other consolidation and sharing opportunities, streamlining procurement and paperwork requirements, and efforts to promote health insurance plans covering bigger pools of districts.

But the reality is that between 70 and 80 percent of school spending goes to personnel. So the implication is that approaching 70 to 80 percent of the cuts districts will need to make will come from personnel. Right now, essentially the only way districts can unilaterally reduce personnel costs is by eliminating personnel, increasingly through layoffs as easier options are exhausted.



**SOURCE:** Council analysis of U.S. Census Bureau data for New York State school districts for the 2007-08 school year (Note: excluding New York City, the statewide share of spending devoted to central administration was 2.4%)

Some districts and their employees have reached agreements to reduce compensation costs and we expect more will.

When we ask our members for actions the state could take to help them cut or control costs, relief from Triborough always tops the list, along with reducing special education mandates. Some also request legislated imposition of a statewide salary freeze. We doubt it is as legally simple to enact as many proponents assume, but we would support a freeze that authorizes exemptions for districts whose employees have already made significant sacrifices. We also support a new Tier VI in the retirement system.

The bottom-line, however, is that without reductions in the School Aid cuts proposed by the Governor, there will be widespread reductions in staffing and in services to students.

### **CONCLUSION**

No good can come from minimizing the financial challenges facing the state or the schools this year. This is a time for strong leadership. Superintendents have been leading their communities in confronting painful choices about their schools for the past several years. The choices are becoming harder as the demands on schools become greater.

For school district leaders, the future is our business.

No matter how grim today may seem, we cannot stop thinking about tomorrow. Nor can you. We must still strive to give young people the best learning opportunities we can, to prepare them for the demands they will face in life beyond school.

Please do your best in helping us meet today's challenges, so that tomorrow will be better.



**Testimony of the  
New York State School Boards Association  
to the  
Joint Legislative Fiscal Committees  
on the  
2011-2012 Executive Budget**

**February 15, 2011  
Hearing Room B  
Legislative Office Building  
Albany, New York**

Chairman Farrell, Chairman DeFrancisco, members of the committee, thank you for this opportunity to share the perspective of the nearly 700 member school districts of the New York State School Boards Association and the over 5000 locally elected school officials who govern them. The coming year is much more than one more lean year that we must weather while waiting for a return to normal. "Normal" is not coming back. School enrollment across the state is declining, our economy and local tax base is stagnant, our population is not growing in proportion to our neighbors, we are deeply in debt and our residents are overtaxed. Coping with the resulting fiscal stress will take firm political resolve and the willingness to make the fundamental changes that our taxpayers, our children and our future demand.

We recognize that the Executive Budget proposal is the first step in the budget process. We fully grasp the severity and gravity of the fiscal crisis gripping our state. We don't envy you the responsibility of striking the right balance between our state's many competing priorities in the face of recovering revenues to fund them. But know this; our state's future most assuredly hangs in that balance. In the information age, our state's future rests on education. Governor Cuomo's plan to simply pass on the loss of federal stimulus funds to local taxpayers through a state education aid cut is irresponsible, particularly because it would be the third year in row for this myopic approach. Year after year we ignore not only our local communities, but the Court of Appeals. With less aid, a plan to cap local taxes, lower federal aid and no mandate relief, he has proposed a

grim future for New York State. Fortunately, schools have done yeoman's work in adjusting to the fiscal crisis thus far, leaving you the time to rethink your response. Know this, however, the public is impatient and demands true reform. You cannot simply attempt to minimize aid cuts while providing no real change. We must pull out of the state's "death spiral" before the momentum of decline is unrecoverable.

We applaud the governor's commitment to fully funding reimbursable school expenses like BOCES, transportation and building aid. But I urge you to moderate the governor's \$1.5 billion dollar proposed reduction in total aid. I also urge you to preserve the Foundation Aid formula, but not be so quick to accept the governor's proposal to stretch out its full implementation so long as to functionally jeopardize adequate funding for yet another generation of children. If school districts are to keep their promise of improved academic achievement of our students and wise fiscal stewardship of public funds, you must keep your promise of predictable and adequate funding. And finally, we take strong exception to the unwise premise that school districts should completely exhaust their financial reserves in the face of an uncertain future when even the state is not offering to use any of its own reserves to offset the state's deficit. Complete depletion of reserves places school districts at risk in an emergency, it increases the cost of borrowing and it lowers our bond ratings (driving up costs for local taxpayers.) More importantly, it misuses funds that are largely locally generated. Asking school districts to replace state aid with local emergency funds is confiscatory and certainly defeats at the outset any call for relief from unfunded mandates. The loss of \$1.5 billion magnifies the impact of all state mandates on local taxpayers.

All of this takes place within the historical context of last year's aid cut and the prior year's aid freeze, as well as the dramatic loss of federal aid; not to mention the destabilizing impact of last fall's mid-year aid cuts. In the final analysis, this deliberation must ultimately determine the allocation of limited state resources. NYSSBA certainly recognizes the importance of many state functions, but few carry with them either a constitutional imperative or hold the very future of the state within their charge.

There are natural disasters whose impact is exacerbated by their lack of warning, like a lightning strike. But there are other calamities that provide more than adequate warning, like a hurricane building several hundred miles away-or the elimination of federal stimulus funding following two years without a state aid increase. New York State had sufficient warning of the loss of stimulus funding and yet its' response is to simply pass on the loss to local taxpayers, heaping financial injury onto the insult of two prior years to foisting inflationary costs solely onto local communities.

In the last three years, the federal government provided increased funds and school districts both restrained job loss and local tax increases. To do this, they were forced to forego contributing to their emergency fund balances. This year, **in year three**-the governor again proposes cutting aid; the federal government will provide some remaining



funding and school districts would be forced to completely deplete emergency fund balances while attempting to restrain both job losses and local tax increases. They will not succeed.

Next year, **in year four**-the state will hopefully begin to accept its share of responsibility for funding public education (which has now dropped to the lowest percentage in history) and provide additional resources; but the federal funding that has averted disaster in the past years will be a distant memory and school districts will be faced not only with attempting to recover from multiple years of diminished state funding, but forced to adjust to this loss of billions of dollars in lost federal aid. They will be devastated. Programs and services will be curtailed; thousands of jobs will be lost. Taxes will escalate and education will ultimately suffer. As a result, the economic future of our state will decline. The public, already fatigued by high taxes will no doubt continue the backlash against its elected officials-both local school and state. With both proposals to cap local revenue and provide less state aid, the consequences, for good or ill, will be attributed to state legislators. When the only option available to school districts is to eliminate thousands of jobs of those who prepare our state for the information age, that approach is irresponsible.

### **When Will You Make Mandate Relief Real for Schools?**

We have long argued that a whole host of cost-saving measures could mitigate the need for state and local tax revenue to support our operations. We have provided innumerable studies, recommendations and lists of suggestions for making schools more efficient and cost effective. We have testified before a myriad of legislative and governor's commissions to convey one simple message. There are two sides to the ledger: expenses and revenues. If you can lower your expenses then you can lower the revenues you need. But this does not magically happen at the wave of a wand. A penny saved is a penny unappropriated. There must come a time (and we would argue that the nation's highest combined taxes and dramatically reduced state revenues dictates that now is that time) when the political forces that ushered in an era of greater public employee salaries and benefits than is available to the state residents who must pay them must yield to the economic reality that presently confronts us. Adherence to the old laws that hamstringing public employers in bargaining more reasoned salary and benefits for public employees confounds any attempt at stemming rising taxes, or creating an attractive economic environment. Public education is a labor intensive enterprise, with personnel costs comprising over 70% of all costs. Any legitimate effort to address school spending with diminished resources will take political resolve from both state and local officials. Any other path unerringly leads to a dismantled educational delivery system or economically injurious local tax rates. Simply put, untie our hands or lose the future. To prepare for a prosperous future, you must free the schools.

Oddly, Governor Cuomo is advancing no cost saving measures for your consideration. There is much that could have been considered. A Wicks Law exemption. Removal of

legal barriers to health insurance cooperatives. True pension reform. Help with energy conservation. Procurement flexibility allowing us to piggyback on state and municipal contracts. Buffer us from suddenly enacted newly mandated costs. After two state commissions, legislative hearings and years of NYSSBA providing you suggestions and the research to support it, surely there must be some ideas that members of the legislature can embrace. Dollars saved here can be redeployed to the classroom and to spare our taxpayers.

Extraordinary times call for extraordinary leadership. And such times also provide rich opportunities for systemic improvement. We cannot think of a better time to finally allow school districts to operate free of outdated and burdensome state strictures. Our school boards and property taxpayers need relief from externally imposed mandates that unnecessarily drive up the cost of providing an education. We urge you in this year of fiscal crisis to own up to the cost drivers that our state laws and regulations serve to unnecessarily and wastefully burden our schools and our taxpayers. It is time for you to ensure that our education dollars are going to education as efficiently and as effectively as possible.

Schools continue to face dramatic increases in health care premiums. Fuel costs are totally unpredictable. School districts in fact face a multitude of expenses that are rising beyond the simple rate of inflation. If we expect our schools to hold the line on local costs (to restrain property tax increases), they must be given the means to rein in cost increases that are currently beyond their control. This is more critical than ever under the current fiscal circumstances. The dollars we are given must go further than ever before. If you can't reduce the mandates and clear the statutory and regulatory obstacles to efficient management under these fiscal circumstances, there is truly little hope for the vitality of our state's future.

For years we have been asked to name the mandates that inhibit cost effective operation and we have done so, repeatedly. Then you asked how much could be saved by eliminating those mandates. Last year we gave you a method of calculating those costs. Fully 16.3% of school budgets are spent on mandates. Statewide, this equates to more than \$9 billion. Mandate relief would provide real fiscal relief.

### **What's Needed?**

Three years ago the federal government provided money to bear the brunt of the initial crush of the fiscal crisis. Three years ago local school districts began cutting, asking for contractual concessions from employees, using reserves and paying for retirement incentives to weather the storm. In that time, all the state has done is cut aid; no reform, no mandate relief. Only the expectation that local taxpayers foot the bill for all of the cost increases in health care, pensions, fuel and contractually required salary increases.

Isn't it time the state got in the game? So that there is no mistaking what is needed, allow us to simply list the areas that are glaringly in need of your attention and political will.

- a. **Pension reform**
- b. **Employee and retiree healthcare premium contributions**
- c. **Reform the Triborough Amendment to eliminate automatic raises**
- d. **Procurement reform**
- e. **Special education**

### **Cost Shifts to Local Taxpayers**

In this year's executive budget, the governor has not only proposed cutting \$1.4 billion in state school aid in a stunningly inequitable fashion, but he has proposed more cost shifts to local property taxpayers. Shifting the cost of BOCES services, special education summer school, charter schools and (ironically) the state schools for the deaf and blind is unconscionable, given the fact that the state has asked communities to pay for the full rate of all cost increases for three years now.

### **Other Issues of Importance**

**Allowing Districts Access to Certain Reserve Funds** – We strongly support the governor's proposal to allow districts to withdraw funds certified by the State Comptroller to be in excess of the amounts required to fund employee benefits accrued liabilities in order to maintain educational programming in the 2011-12 school year. Given the severity of this fiscal crisis, making use of these funds to offset program cuts and higher local taxes is of paramount importance.

**Retirement Incentive**-No retirement incentive was included in the Executive Budget. The legislature should add to any finalized state budget. It is an essential tool in local school districts' ability to avoid layoffs of promising new staff. However, while early retirement of teaching staff assists school districts in controlling costs and managing their budgets, that process must be completed in a timely fashion. Schools are presently preparing their budgets for community consideration. They must provide 45 days notice to their communities of the amount to be requested. Potential retirees must inform their school of that decision in a time period that allows schools to avoid unnecessarily elevating budget figures, needlessly raising taxes or laying off staff and cutting programs. Any early retirement incentive legislation must include a window of notification that coincides with the school budget calendar for it to be of use to schools and taxpayers.

**Combined Instructional Materials Aid**-In an era of diminished resources, schools must be given the flexibility to utilize remaining funds in the manner that most efficiently addresses their most pressing needs. Combining existing aid categories like textbooks,

computer hardware and software allow school districts to allocate funds to those most immediate needs. This re-designation costs the state nothing and affords tremendous flexibility for schools. It is the type of efficiency that difficult fiscal times demand.

**Competitive Grants**-Governor Cuomo's proposal to use \$500 million to reward greater efficiency and academic progress is laudable. However, he fails to fund it in the Executive Budget. Moreover, rewarding existing progress without providing the resources for others to follow suit is a hollow promise and would take needed resources from struggling schools. Those schools hardest hit by the governor's approach to state aid cuts and most incapable of raising sufficient local revenue would find this "rich get richer" approach to be a cruel joke.

**Use of Combined Wealth Ration-Gap elimination Adjustment**-Continuing to freeze foundation aid after years of failing to adjust the Combined Wealth Ration exacerbates the tremendous wealth disparity between the schools districts in our state. Since the ratio was last adjusted, our poorest districts have gotten poorer and the loss of state aid has had a disproportionate impact on their communities. The Gap Elimination Adjustment as proposed is not equitable. It randomly takes significant additional aid away from districts with characteristics identical to their neighbors in order to provide it to others, in seemingly random (and some would say politically motivated) fashion. While the governor has characterized the state aid cuts as merely 2.9 percent of total school spending, the truth is that it amounts to a 7.3 percent cut in state aid, which is applied in a manner that makes cuts to many individual school districts much more severe than even that.

**Education for Jobs Act Funding and Race to the Top Money**- New York City and some other school districts have already spent the money provided by the federal government under the Education Jobs Act. Approximately \$350 million of the original \$607 is available this year to offset state aid cuts. Race to the Top funding is often mischaracterized as available to offset operational revenue for schools. It is not. Only half of the nearly \$700 million in RTTT funding is allocated for use by local school districts. Most of that is directed to New York City and other large urban school districts. The remainder is tied to specific programs that cost many times the amount of aid provided.

**State Revenues**-Governor Cuomo failed to mention the ability of state revenues to offset proposed cuts. NYSSBA notes that simple continuation of several existing revenue sources currently set to expire provides over \$2 billion in additional revenue. Given the impact of a third consecutive year of the state's failure to provide any additional funding for public education, NYSSBA urges consideration of the continued use of these existing revenues.

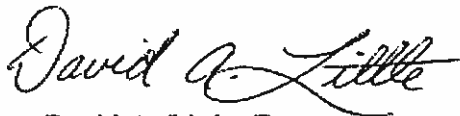
**State Spending Cap for Education**-The governor's proposal to impose a permanent cap on state spending for public education would forever relegate impoverished districts to their current status and would violate both the state constitution and the Court of Appeals decision in the Campaign for Fiscal Equity case. Just as importantly, when taken

together with his tax cap proposal that if enacted this year would limit the ability of all school districts to raise any additional revenue whatever, the governor's plans form a battle plan for the evisceration of public education. NYSSBA strongly urges their rejection by the legislature.

Finally, we would ask that you examine what our schools have accomplished in the midst of such adversity. Last year school districts collectively imposed the lowest tax rate in eight years. They did it with the lowest amount of state aid in seven years. They are daily finding new ways to become more efficient and more effective. They are attempting to adjust to a new era of a stagnant tax base and fluctuating resources. They must succeed and they can succeed with your continued support. While it is true that the future of our children is up to us, it is also true that our state's future is up to them. If only in our own self interest, we must equip them to compete, to attract opportunity and to build anew.

Thank you for the opportunity to comment at this crucial juncture in the future of public education and indeed, our state.

Respectfully submitted,

A handwritten signature in cursive script that reads "David A. Little". The signature is written in black ink and is positioned to the left of the typed name.

David A. Little, Esq.  
Director of Governmental Relations

12 + report



**Campaign for Fiscal Equity, Inc.**

Alliance for Quality Education      Campaign for Fiscal Equity

Testimony to the Joint Senate Finance Committees and Assembly Ways and Means

Nikki Jones, AQE Communications Director

Zakiyah Ansari Parent, Activist

Good day. My name is Nikki Jones. I am the Communications Director of the Alliance for Quality Education. I am here with Zakiyah Ansari, parent and activist. Zakiyah and I are presenting testimony on behalf of the Alliance for Quality Education (AQE) and the Campaign for Fiscal Equity (CFE). We would like to thank Chairmen DeFrancisco and Farrell for the opportunity to speak. The Alliance for Quality Education is a statewide organization that represents parents, students, teachers, and interested community members. The Campaign for Fiscal Equity led the legal fight that brought equity and adequacy to all schools across the state through the education reforms of 2007 and works to ensure that New York's public school students receive their constitutional right to a sound basic education as determined by the court and the legislature and governor in the state's historic agreement. **We are here with one clear message from the parents, students, community members and teachers we represent: Our schoolchildren are the future of our state and they should be our highest priority. Our ask is simple. . Before we cut a penny from our student's classrooms I will insist that we renew the Personal Income Tax surcharge on the wealthiest 3% of New Yorkers and close corporate loopholes. Our students need college and careers, NOT more cuts.**

Just four years ago in 2007, the State settled the Campaign for Fiscal Equity for all our schoolchildren. For the first time, students in high needs districts were prioritized. With the CFE reforms and funding, students in high need schools began to make progress. The equity and achievement gap slowly began to close. The graph (Figure 1) below shows that the resources and reforms enacted in 2007 helped those students who were traditionally behind to catch up.

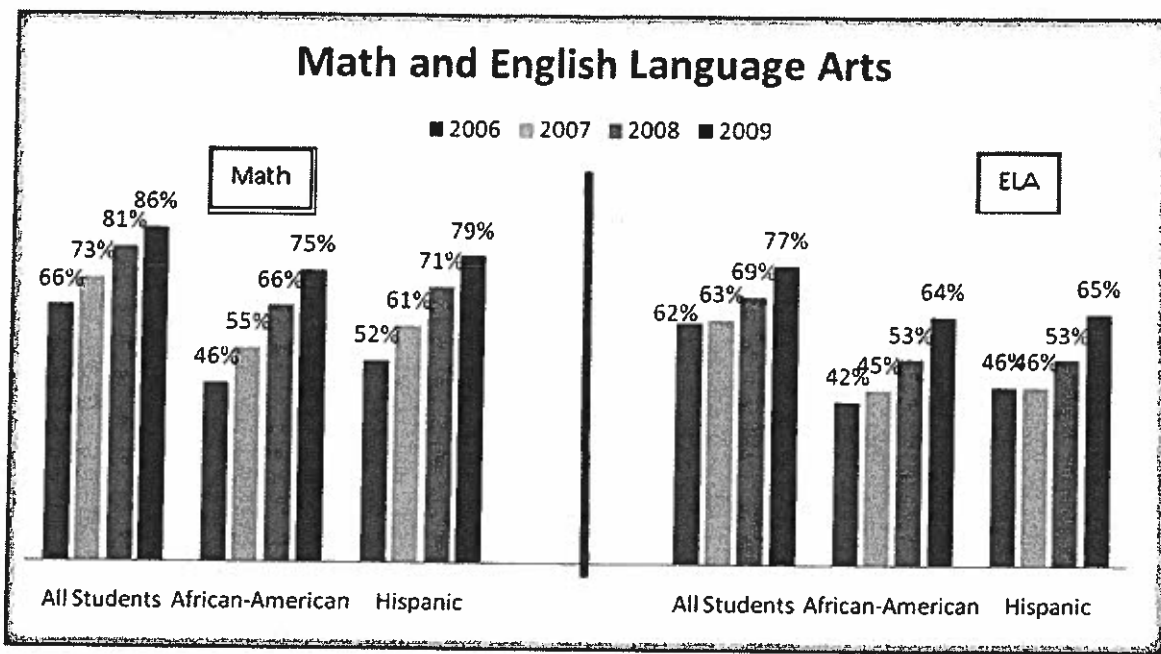


Figure 1 Source NYSED Math and ELA results 2009

Last year, \$1.4 billion was cut from school aid in the attempt to close the budget deficit. Nevertheless, the \$1.4 billion cut to school aid had enormous consequences. For example, Arts and Music programs were cut in the Albany city school district, after school programs were cut at Brentwood High School on Long Island, sports were cut in Central Islip on Long Island, and New York City increased class sizes and overcrowding. Worse still, over 10,000 educator positions lost. Ultimately, students were deprived of personnel, programs and services that are necessary for academic achievement.

Perhaps the most important consequence of these cuts is the inequity they perpetuate. AQE and CFE have repeatedly documented the inequality in resources between the lowest performing schools of the state and the most affluent schools. Most recently, AQE released a report less than a month ago titled *Unequal Opportunity = Unequal Results*. You have a copy attached to this testimony.

Here are some of the highlights:

Almost half a million students are in the 532 schools that are on the state's *Schools in Need of Improvement (SINI)* list. These schools spend \$37,000 less per classroom than do their more affluent counterparts. These schools have also higher needs students, with 68% of the students in poverty and where 69% are African American and Hispanic. By contrast, low need schools have only 6% of students in poverty and less than 10% are African American or Hispanic.

CFE was a promise to our schoolchildren that no matter where they go to school, their right to a sound basic education will be ensured. The foundation aid formula that was created in response to the court order was based on need. This year's executive budget proposes the highest dollar cut to schools in New York history at \$1.5 billion. This comes on top of last year's of \$1.4 billion. The proposed cuts gut CFE, break the promise and move the state away from the path of equity, adequacy and excellence. Last year, the cut wiped out the first

year of the CFE investment. The proposed budget cuts would take back the second and last installment of the delayed CFE phased-in increase received back in 2008-09.

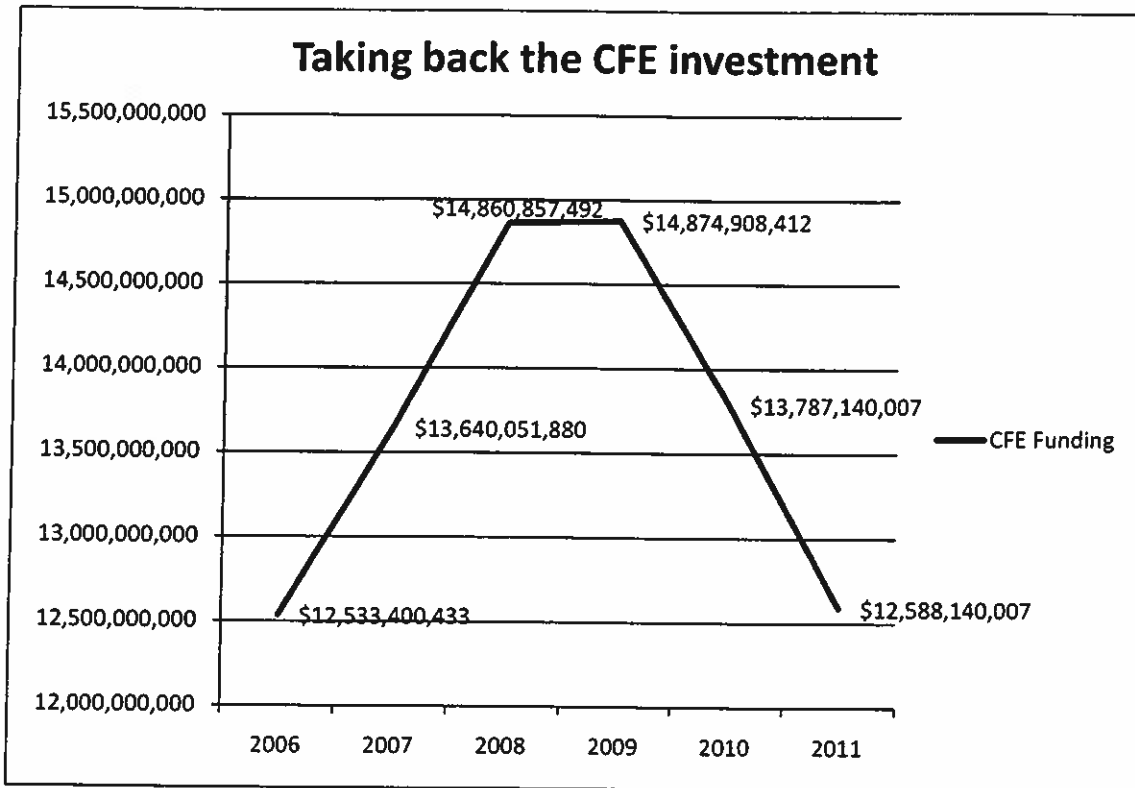


Figure 2 Source of Data: NYSED Calculations by AQE

The Governor's Budget presentation states that there is unsustainable spending growth in education funding which is based on "out of control formulas." The presentation states that there is a 13.1% increase. It also states that this growth is based on the "special interest protection programs." We need to take a careful look at what he means by "out of control formulas" and the "special interest protection programs." The foundation aid formula, which is in permanent law, is the formula based on need that was created as a result of the statewide settlement of CFE that drives approximately 70% of school aid to the neediest schools and students. If permanent law were allowed to proceed, 2010-11 school aid would have been \$20.67 billion. The "Permanent law" growth slated for 2011-12 includes \$1.2 billion to restart the phase in of the CFE commitment after two years that included a freeze and the \$1.4 billion cut. It also includes restoration of this \$1.4 billion cut to the 2008-09 freeze level, since Governor's Paterson's cut was set in law to expire after one year.

This cut totals to about \$2.6 billion or 12.6% of the \$20.67 billion of school aid. Thus, far from the out of control formulas and special interests, these "increases" amount to the CFE promise and a restoration the 2008-09 freeze level. Consequently, the proposed new cut is made up of breaking the CFE promise for this year and compounding the deep cut below the CFE freeze from last year. It is unclear how this is a "sham" of built-in increases. The Budget Briefing Book does not clarify this; instead, it makes some confusing claims. On



the one hand the budget claims to maintain foundation aid funding while, on the other hand, the Gap Elimination Adjustment (GEA) which controls the bottom line, cuts foundation aid by over \$1.2 billion.

The Budget Briefing Book explains the method for making the cut. The GEA is applied to all formula aids except for Universal Pre-K and Building Aid. Looking at the school aid runs, we find that total foundation aid for 2010-11 was \$14.9 billion out of \$20.67 billion in total school aid. However, if we exclude Building Aid (\$2.49 billion) and UPK (\$393 million) then remaining total school aid was \$18.721 billion. Foundation aid was therefore 79% of the funding to which the GEA is applied. For 2011-12, you use the same approach in applying the GEA. Therefore, in the proposed budget, 79% or \$1.185 billion of the \$1.5 billion year to year cut is actually a cut to foundation aid, the school aid that prioritizes the neediest districts and is specifically targeted to serve the neediest students who are disproportionately poor, English Language Learners and/or have special needs. This cut comes at a time when school standards are being raised and the pressure to achieve falls the hardest on these students and their schools. As the Governor has eloquently put it, "... the inequity in education is the civil rights issues of our time. There are two education systems in this state. Not public private. One for the rich and one for the poor and they are both public."

The proposed cuts translate to big losses in each school district. A first look at the executive school aid runs indicates that NYC will lose more than half a billion dollars, the Big 4 will lose more than \$50 million, and that high needs districts will lose more than \$138 million. We are raising standards while we take resources away. This hardly seems like the way to restore New York's pride and bring our economy back to the top where it belongs. Our ask is simple, protect our schoolchildren, don't balance the budget on their backpacks. New Yorkers want their children's education protected as the Siena poll released yesterday illustrates<sup>1</sup>.

Furthermore, we ask that you provide \$3 million to build on the success of the first year field test of QualitystarsNY (QSNY). QSNY creates a star rating system similar to those for hotels and restaurants that indicates the relative quality of services offered, from one to five stars. Programs in all settings—child care centers, private homes, nursery schools, Head Start and Pre-K—are eligible to participate. The state has wisely invested ARRA funding and leveraged private funding to field test the program at 200 locations in 13 communities across the state.

This year's funding request protects and leverages the investment already made in the field tests and helps the state take the next steps in implementing QSNY. New York State is long overdue in targeting its early childhood investments to ensure the optimal outcomes for children. Thirty other states already have such a system underway. QSNY New York State's quality rating and improvement system, aimed at supporting the most effective and efficient use of public dollars to improve outcomes for children. It also provides families with the information they need to make the best possible choices for their children.

A modest investment of \$3 million in FY2011-2012 will allow QSNY to more than double participation—reaching close to 500 programs and providers and building on the success in the 13 community field test sites.

---

<sup>1</sup> <http://www.capitaltonight.com/2011/02/siena-cuomo-hits-all-time-high-even-as-nyers-digest-painful-budget/>

Federal benchmarks for states' QRIS are forthcoming. An investment from New York State will ensure that the state will be eligible for federal funding and will leverage private philanthropy to support QSNY.

Meanwhile, the Executive Budget does not include an extension of the Personal Income Tax (PIT). The message we are giving our schoolchildren is that protecting millionaires is more important than protecting their education. If the PIT sunsets on December 31, 2011, the wealthiest 3% of New Yorkers will receive a \$1 billion tax cut, and the state will lose over \$5 billion in annual revenue. Without the revenue the PIT has generated, the state will face a bigger deficit. The Siena poll<sup>2</sup> found that New Yorkers support extending the PIT by 2 to 1 margin. New Yorkers know that it is good for our state to extend the PIT and expect you to listen to them.

In addition, we also propose a set of cost saving options that can generate approximately \$6 billion. Our menu of recommendations includes administrative consolidation and bulk purchasing in school districts and local governments, aggressive energy conservation, self-insurance of prescription drugs for public employees, systematic review of state tax credits and elimination of wasteful subsidies which would generate \$1.5 billion. It is unfathomable that NYS gives a \$185 million tax break to sellers of precious metal bullion and coins, while considering cutting \$1.5 billion from our schools. Moreover, closing empty or near empty prisons and making smart use of work-release programs for non-violent offenders could generate over \$250 million. Lastly, closing corporate tax loopholes would generate over \$1 billion.

The aforementioned recommendations will bring much needed revenue to the state and ensure that the State prioritizes schoolchildren who represent our future. Before we take a penny out of classrooms, we must ensure that millionaires pay their fair share and that other sources of revenue are found.

---

<sup>2</sup> <http://www.capitaltonight.com/2011/02/siena-cuomo-hits-all-time-high-even-as-nyers-digest-painful-budget/>

12 (report)

# Unequal Opportunity

=

# Unequal Results

"It's a very bad development. It's creating two societies. And it's based very much, I think, on educational differences. The unemployment rate we've been talking about. If you're a college graduate, unemployment is 5 percent. If you're a high school graduate, it's 10 percent or more. It's a very big difference. It leads to an unequal society, and a society which doesn't have the cohesion that we'd like to see."

-- Ben Bernanke, December, 6, 2010

**PUBLIC POLICY AND**  
**EDUCATION FUND** OF NEW YORK



# Unequal Opportunity = Unequal Results

2009/09/23

This report was prepared by Marina Marcou-O'Malley, Public Policy and Education Fund Policy Analyst. PPEF would like to thank Sumaya Saati, consultant, for the data preparation and analysis.

### Summary of Findings

- There are 461,074 students in the 532 schools that are on the state's *Schools in Need of Improvement (SINI)* list. There are 397,946 students in schools that the state classifies as *Low Need*—these are the highest income school districts in the state.
- The highest income districts spend \$1,712 more per pupil than the *Schools in Need of Improvement*. It would require \$788 million in additional funding for the *SINI* schools to spend as much per pupil as the high income districts. There is a \$788 million funding gap between *SINI* schools and high income schools despite the fact that there is much greater student need in the *SINI* schools.
- Higher income schools spend \$37,664 more a year in the average classroom than *SINI* schools do statewide.
- Less than 57% of students in *SINI* schools graduate on time, as opposed to more than 92% in *Low Needs* schools.
- In *SINI* schools, 68% of students are in poverty, whereas, only 6% of students in *Low Needs Districts* are in poverty.
- In *SINI* schools, 69% of students are African American and Hispanic compared to 9.73% in *Low Needs* schools.
- When it comes to college readiness, students in *SINI* schools are even further behind with 21% of graduates receiving an Advanced Regents Diploma compared with 61% in low need (higher income) schools.
- New York's statewide Campaign for Fiscal Equity investment was working to close the achievement and funding gap before the state froze and then cut this funding.
- The typical person in the work force with a Bachelor's Degree makes \$53,976. The typical person with only a High School Diploma makes \$32,552. The median income difference between a Bachelors Degree and a High School diploma is \$21,424 a year.

**There are two education systems in this state. Not public-private. One for the rich and one for the poor and they are both public systems.**

**--Andrew Cuomo, October 18, 2010**

### Conclusions & Policy Implications

- There is tremendous inequity in New York's education system.
- Additional large education cuts will have the most devastating impact on African American students, Hispanic students and poor students of all races. As New York's highest court has ruled—the students in needy schools start out the furthest behind.
- New York State's *Low Need* (or higher income) schools generally provide a high quality education and include some of the best schools in the country. New York schools have 25% of the Intel Scholarship finalists in the nation's most prestigious science competition.
- Despite the failure to adequately address educational inequities, New York State schools are "a perennial top-ranking state," ranking 8<sup>th</sup> out of 50 states in K-12 achievement and 2<sup>nd</sup> in overall policy and performance.
- Large cuts will undermine our best schools and set back those students in schools that are struggling.
- The consequences of education cuts are self-evident: more teachers leaving the classroom, fewer guidance counselors, reduction in AP courses, elimination of music, art or sports, less one-on-one attention, which all have an educational cost for students.
- Public opinion polls consistently show that New Yorkers continue to place a high value on educational opportunities for all students. The Siena Poll released on December 13 2010, found that 74% of New Yorkers oppose cuts to education funding, A Quinnipiac Poll released December 9, 2010 found that 78% oppose cuts to public schools.

### What's the Plan to Get All New York Students Ready for College or Careers?

Governor Andrew Cuomo is right: New York State has a dramatic contrast in the quality of education available in different school districts. Nowhere are these lines of contrast clearer than in the *Schools In Need of Improvement (SINI)*. While the majority of our students are in schools with high rates of student success, too many students in *SINI* schools are not succeeding. Across the state 92% of students in the highest income districts graduate on time (these districts are classified by the State Education Department as *Low Need Districts*) and 81% in average need schools, while only 57% graduate on time in *SINI* schools. Every year, the New York State Education Department publishes a list of *SINI* schools as an accountability measure to make the public aware. But putting out a list is not enough, where is the plan to improve these schools? Governor Cuomo has warned that he plans to make large cuts to education. This is on top of \$1.4 billion cuts last year—the largest cuts in the history of the New York State. Will large cuts two years in a row improve our schools or undermine schools that are succeeding and increase educational inequity?

## Where do New York State's Schools Rank?

The Governor asserts that New York State is the first in education spending, but 34<sup>th</sup> in achievement. These numbers are in contrast to a new comprehensive comparison of all 50 states published by *Education Week*, the nation's leading education periodical. The *Quality Counts 2011*<sup>1</sup> report ranks New York 8<sup>th</sup> among the 50 states in K-12 achievement and 2<sup>nd</sup> in overall policy and performance. New York ranks third in spending per pupil once poverty, student need, and regional costs are taken into consideration. According to the report's publishers, New York "is actually a perennial top-ranking state."<sup>2</sup> The study looks at the National Assessment of Educational Progress Mathematics and English Language Arts tests, which are the only national assessments and are considered to be the most rigorous. The investment we make in education gives New York students a better chance of success than students in other states. New York placed 12<sup>th</sup> on the *Quality Counts Chance-for-Success Index* that examines the link between educational opportunity and likelihood of success later in life.<sup>3</sup>

New York is "a perennial top-ranking state"

New York, out of 50 states, ranks:

- 8<sup>th</sup> in K- 12 grade achievement
- 2<sup>nd</sup> overall policy & performance
- 12<sup>th</sup> on the students' Chance-for-Success Index

Source: Education Week's Quality Counts 2011

Painting a picture of New York's education system as failing is not accurate. More than 88% of the public schools<sup>4</sup> in the state meet state proficiency standards. New York houses some of the greatest schools in the nation. We have consistently had the highest number of Intel Scholar Finalists. The Intel Science Talent Search (Intel STS) is the nation's most prestigious science research competition for high school seniors. In 2010 New York schools produced 25% of the finalists.<sup>5</sup> Will cuts in education reduce the number of successful schools and highly successful students?

<sup>1</sup> [www.edweek.org/go/qc11](http://www.edweek.org/go/qc11)

<sup>2</sup> <http://www.wnyc.org/articles/wnyc-news/2011/jan/11/education-data-shows-new-yorks-number-2-or-34-according-cuomo/>

<sup>3</sup> <http://www.edweek.org/ew/qc/2007/17csi.h26.html>

The index combines information from 13 indicators that span childhood through adulthood to capture three broad life stages: the early-childhood years, participation and performance in formal education, and educational attainment and workforce outcomes during adulthood. The Index includes indicators such as family income, parent education and employment, enrollment in prekindergarten and kindergarten, 4th grade reading and math proficiency, high school graduation, educational attainment, annual income and steady employment.

<sup>4</sup> <http://www.p12.nysed.gov/irs/pressRelease/20101104/home.html>

<sup>5</sup> <http://apps.societyforscience.org/sts/69sts/finalists.asp>

## Educational Inequity: New York’s Achilles Heal

From 1993 to 2006 the Campaign for Fiscal Equity lawsuit was in the courts. CFE exposed the great education civil rights divide based on poverty and race that exists in New York State. The New York State Court of Appeals, the state’s highest court, found that New York State had failed to meet its obligation to provide a “sound basic education” or a “meaningful high school education” to students in schools with high rates of poverty. With tremendous public support from throughout the state and after 13 years of appeals and delays during which an entire generation in some communities was left in under-resourced schools, New York State finally began meeting its obligations in 2007. Until then, New York ranked first among the 50 states with the widest gap between spending per student in the wealthiest and poorest schools.<sup>6</sup>

In 2007, New York State made a commitment to finally close the gap in educational opportunity by investing in reform in our neediest schools. For two years the state met its obligations and made progress in closing the gap in educational opportunity. The statewide CFE investments made in 2007 and 2008 were closing the funding gap and the achievement gap.

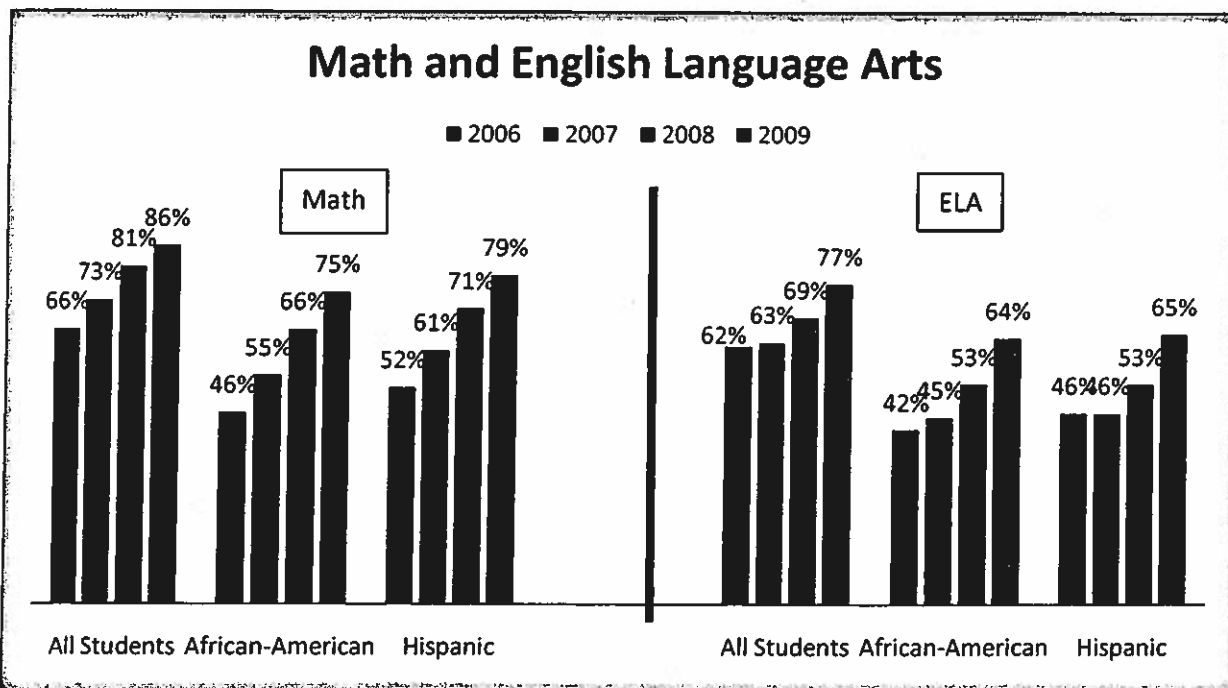


Figure 1 Source NYSED Math and ELA results 2009

This funding enabled “schools to provide more help for struggling students, to improve literacy instruction throughout the grades, to expand instructional time, to launch prekindergarten programs or to extend hours for kindergarten or pre-K, to maintain or reduce class sizes, and to begin or expand programs that make school more engaging for more students.”<sup>7</sup>

<sup>6</sup> The Education Trust, *Funding Gaps*, 2006

<sup>7</sup> Robert Lowry, Deputy Director of the New York State Council of School Superintendents, Testimony, Senate Finance and Assembly Ways and Means Committees January 28, 2009



### A Few Examples of How CFE Money Improved the Quality of Education<sup>8</sup>

**Elmira City School District** used some of its CFE money to reduce class sizes in its eight elementary schools in order to implement the following research-based best practices:

- Direct, implicit instruction across all core curriculum areas;
- Support for implementation of 90-minute literacy blocks in all kindergarten classes;
- Teacher time for implementing research-based, prescriptive intervention for struggling students;
- Additional teacher time for differentiating instruction to meet the needs of all students;
- Additional time for implementing needs-based flexible grouping.

#### **Yonkers City School District**

- Used a portion of its CFE money to create seven new pre-kindergarten classrooms.

#### **Middletown City School District**

- In order to address the dramatic numbers of new students, including many English language learners, entering the school district without any academic records from a prior school, the created a program to evaluate and properly place students. Assessments in literacy, math, and English proficiency, conducted by a full-time school psychologist, were used to provide proper academic placement and differentiated instruction.
- After school Academic Intervention Services were provided to students not meeting state standards.
- Additional teachers for specializing in English language learners were placed in the middle and high school.
- Additional reading and math intervention teachers were hired to provide targeted instruction for struggling elementary school students.

But the fiscal crisis got in the way and in 2010 New York State cut \$1.4 billion from our schools—the largest cut in state history. The results are larger class sizes, less teachers, and cuts in tutoring, literacy classes, guidance counselors, school libraries, after school programs, arts, music and sports. The toll was the greatest in poor schools because students were already the furthest behind.

---

<sup>8</sup> Alliance for Quality Education, *Contracts for Excellence Year Two: Will Accountability be Enforced?* 2008.

## Poverty

In the 532 *SINI* schools 68% of students come from poor households (as measured by Free or Reduced Price Lunch or FRPL), by contrast only 6% of students in *Low Need* schools are poor. In addition, the vast majority of *SINI* schools are schools in high or extreme poverty.<sup>9</sup> The UCLA Civil Rights Project classifies schools that have 50% or more of their students in poverty as high poverty schools; schools with 90% or more are considered to be extreme poverty. Twenty-seven percent of *SINI* schools are in extreme poverty and 80% are high poverty. None of the *Low Need* Schools are high poverty. (Figure 2, below).

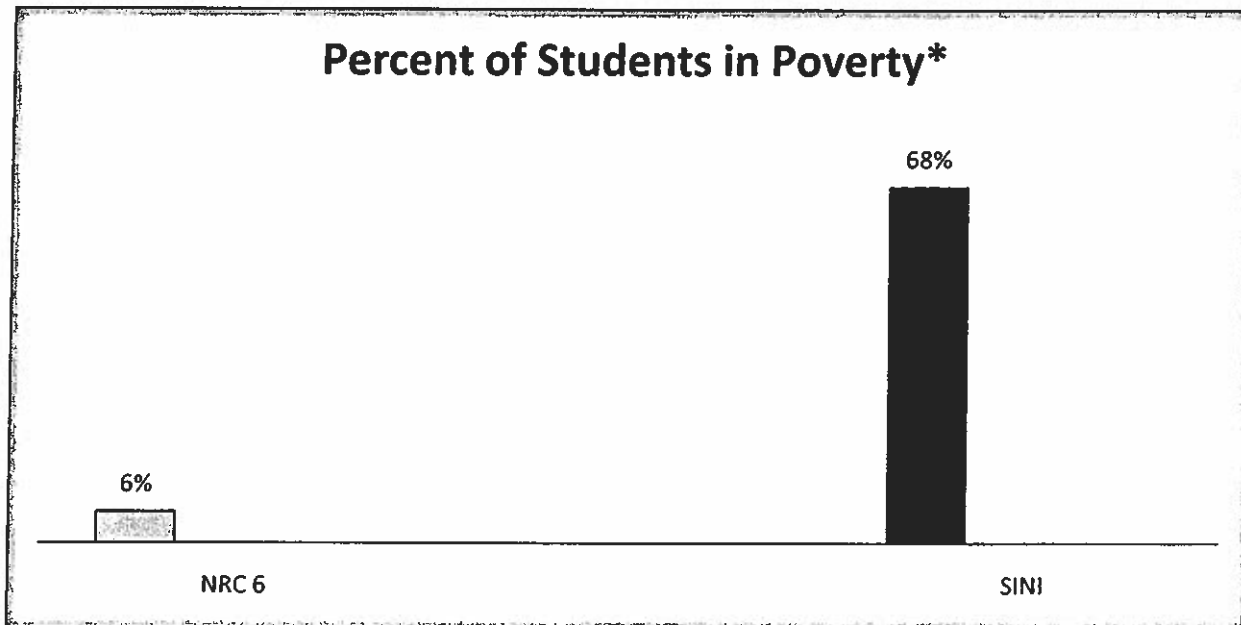


Figure 2 Source of Data: NYSED

\*Students in Poverty as measured by Free and Reduced-Price Lunch Percentage

<sup>9</sup> The definition of high poverty and extreme poverty is based on the work of the UCLA (formerly Harvard) Civil Rights Project. See Orfield, G. and C. Lee. 2005. "Why segregation matters: Poverty and educational inequality." Cambridge: Civil Rights Project, Harvard University.

Unequal Opportunity = Unequal Results

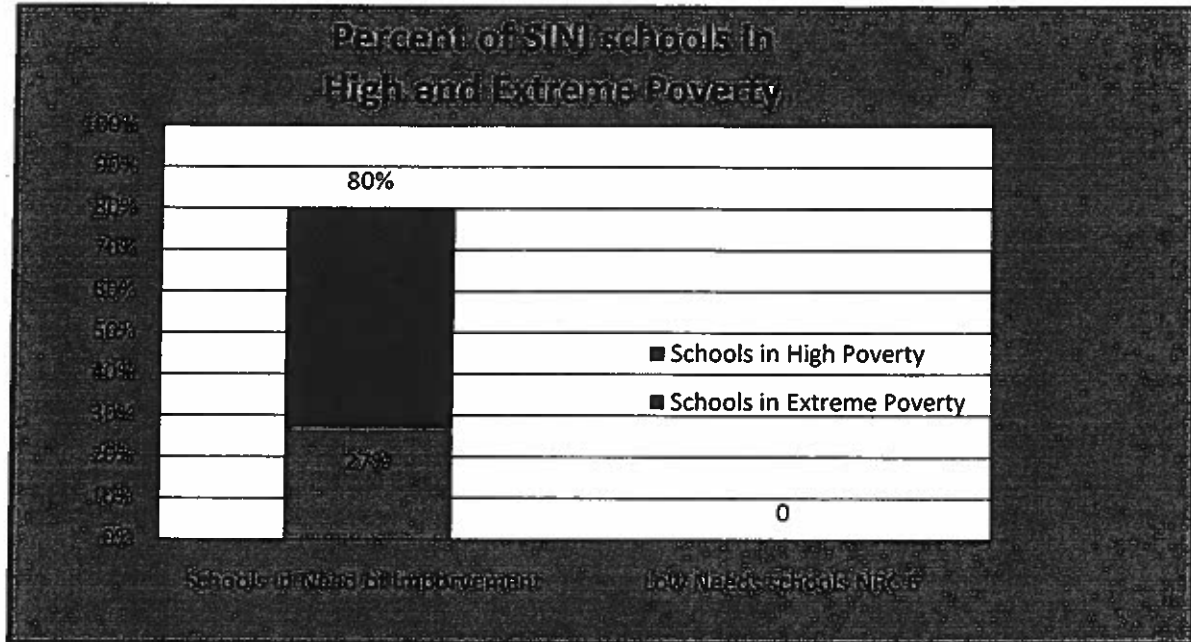


Figure 3 Source of Data: NYSED

**Race**

The failure of the state to meet its educational obligations has profound implications in terms of the impacts on New York’s communities of color. In *SINI* schools 69% of students are African American or Hispanic, while less than 10% of students in *Low Need* schools are African American or Hispanic. Another round of large budget cuts will disproportionately impact African American and Hispanic students because large numbers of these students are in the neediest schools that suffer the most as a result of education cuts.

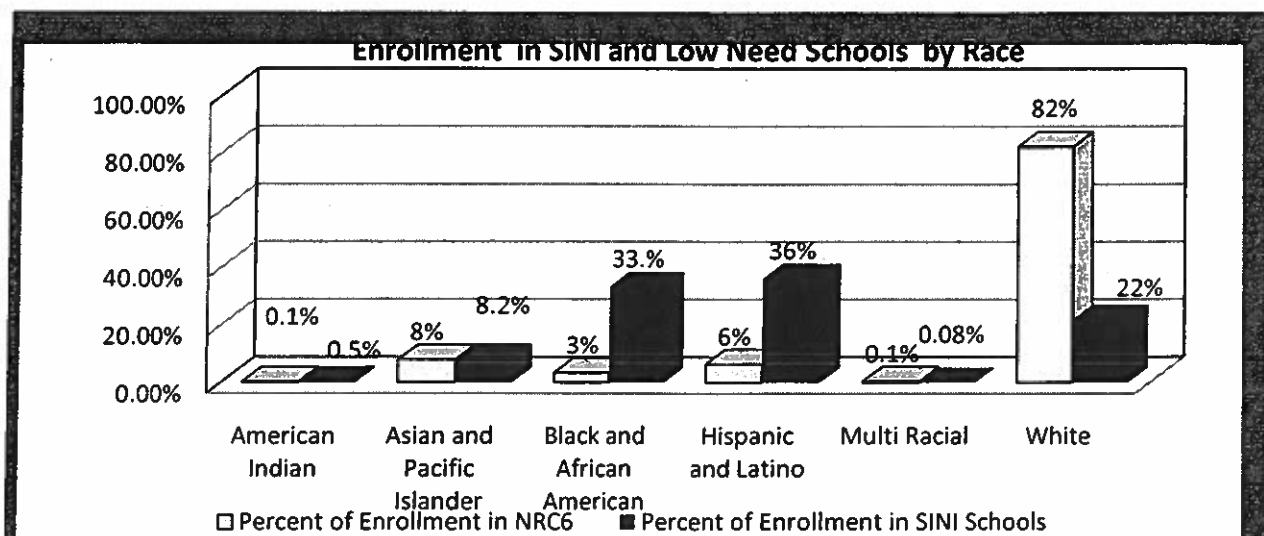


Figure 4 Source of Data: NYSED

## Unequal Funding

Though some of the best school districts in the state, and country, spend as much as \$29,724 per pupil,<sup>10</sup> the average spending per pupil in *Low Need Districts* is \$21,496 which is \$1,712 more than the average *SINI* school. With an average elementary school class size of 22 students statewide, \$1,712 amounts to \$37,664 per classroom, a huge disparity. The educational impact of this funding gap is even greater because the student needs in *SINI* schools are tremendous compared to the *Low Need* schools.

**Spending in Low Need and SINI Schools**

	Total Spending	Pupils	Spending Per Pupil	How much less per pupil than in Low Need Districts?
Low Need Districts	\$8,531,821,484	397,319	\$21,496	
<b>SINI Statewide</b>	<b>\$9,107,149,824</b>	<b>460,319</b>	<b>\$19,784</b>	<b>\$1,712</b>

If the additional \$1,712 per student spent in *Low Need* schools, were spent on the 460,319<sup>11</sup> students in *SINI* schools it would increase the expenditures in *SINI* schools by \$788 million. In other words there is a \$788 million funding gap between the wealthiest and the neediest schools in the state. The real gap in educational opportunities is even larger if we factor in the additional educational costs associated with higher need students. Nobody would argue that the \$788 million are not producing results in the *Low Need* schools.

### What if SINI schools spent as much per pupil as the high income school districts?

Total students In SINI Schools	Difference in Funding Per Pupil	Total Funding Gap
460.319	X \$1.712	= \$788 million

“The state is supposed to equalize or come close to equalizing with its funding. That’s the CFE lawsuit that the state is yet to fully fund.”

--Andrew Cuomo, October 18, 2010

<sup>10</sup> NYSED masterfileforweb0809 retrieved from [http://www.oms.nysed.gov/faru/Profiles/profiles\\_cover.html](http://www.oms.nysed.gov/faru/Profiles/profiles_cover.html)

<sup>11</sup> Statewide there are 461,074 students in *SINI* schools -- however, as explained in the methodology not all of these schools had expenditure information available. There are 460,319 in schools with full expenditure information.

## Unequal Opportunity = Unequal Results

The *SINI* schools, and other high need schools have not only faced cuts, as have all public schools in the state, New York State has failed to meet its obligations under the CFE settlement which was designed to raise the quality of education in high needs schools. In 2007 New York State enacted a four-year commitment to increase foundation aid, the basic classroom operating aid, by \$5.5 billion by 2011. By this year New York State was to complete its phase-in of the foundation formula, however, after two years of implementation there was one year of a freeze in funding followed by a \$1.4 billion cut.

## Student Outcomes

The gap in graduation rates between students in *Low Needs* Districts and *SINI* schools is stark. The gap is also demonstrative of the difference adequate resources make. More than 92% of students in *Low Needs Districts* graduate on time, whereas less than 57% of students in *SINI* schools graduate on time.

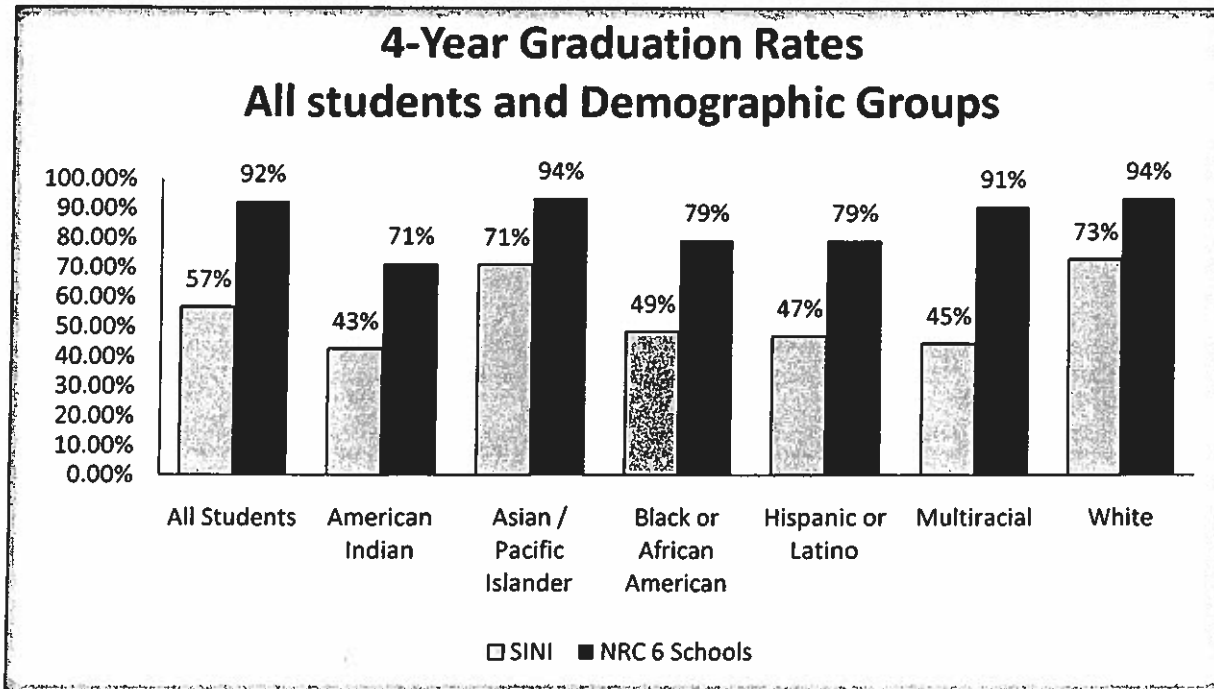


Figure 5 Source of Data: NYSED

When it comes to college readiness, *Low Needs* schools offer higher quality courses which provide students greater opportunity in pursuing higher education. Two thirds of the students who graduate from *Low Need* schools earn an advanced Regents diploma, whereas only one fifth of the students who graduate from *SINI* schools do so (Figure 6).

Unequal Opportunity = Unequal Results

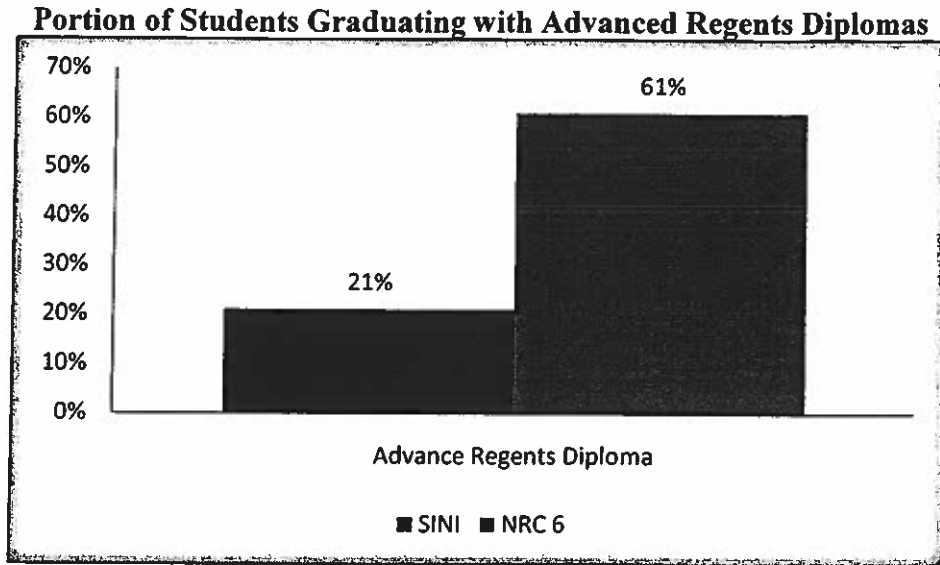


Figure 6 Source of Data: NYSED

In New York State:

- White Male students are five times as likely as their Black Male counterparts to take Advance Placement Science courses, and six times as likely to take Advance Placement Math.

Source: The 2010 Schott 50 State Report on Black Males in Public Education, Schott Foundation for Public Education, August 2010

When it comes to state tests, the achievement gap between *Low Needs* schools and *SINI* schools is wide. In *Low Needs* schools, more than 75% of students are proficient in English Language Arts and Mathematics, as opposed to barely 30% of students in *SINI* schools.

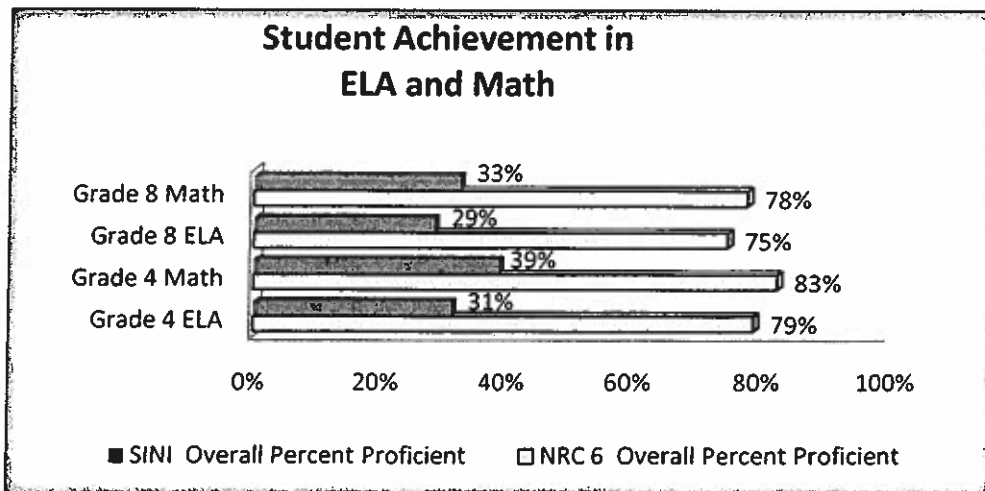


Figure 7 Source of Data NYSED

## Long Term Consequences of Cuts in Educational Opportunity

The impacts of educational opportunities are not only measured in terms of test scores and graduation rates. New York's inequitable investments in public education and the inequitable outcomes that result produce permanent inequities in our state and have long term economic consequences for all of us.

The typical person in the work force with a Bachelor's Degree makes \$53,976. The typical person with only a High School Diploma makes \$32,552. The median income difference between a Bachelors Degree and a High School diploma is \$21,424 a year.

### Wages Earned Based on Educational Achievement<sup>12</sup>

	All Workers	Whites	African American	Hispanics
Less than High School Diploma	\$23,088	\$23,192	\$22,152	\$21,528
High School Graduation	\$32,552	\$33,748	\$27,716	\$28,236
Some College / Associates Degree	\$38,220	\$39,416	\$31,928	\$34,320
Bachelors Degree	\$53,976	\$55,380	\$45,448	\$44,720

Table shows median wage earnings for fourth quarter 2010.

## Cost Savings

AQE supports achieving cost savings that will allow more resources to be available to the classroom. In the past the cost savings we have supported included the sharing or consolidation of sharing administrative and "back office" functions for school districts. Governor Cuomo is proposing the creation of a \$250 million incentive fund for school districts that achieve cost savings. AQE supports the objective of the governor's proposal: administrative consolidation in order to achieve cost savings. We will review the specific proposal when it is released. This funding is designed to achieve administrative efficiency not to improve instruction and should not be considered school aid.

AQE will release additional cost savings after seeing the governor's proposal. We have issued cost savings proposals in the past some of which have been enacted and we will do so in the future.

<sup>12</sup> Usual Weekly Earnings Of Wage And Salary Workers, Fourth Quarter 2010, Bureau of Labor Statistics, U.S. Department of Labor, January 20, 2011.

## School Improvement & Competitive Grants

The Governor will be proposing \$250 million for school improvement. Invested properly \$250 million can make an important contribution to improving educational opportunity, encouraging effective innovation, reducing inequity and closing the funding and achievement gaps. The governor's objective is to award these grants in a way that prioritizes student performance. The only details available so far are that the grants would be awarded on a competitive basis. Some factors that should be considered in formulating the details of such a proposal:

- There is no evidence that competitive grants improve student performance, this is an experimental concept without a base of support in educational research.
- Successfully competing for grants requires school districts to invest in highly-skilled grant writers, an administrative expense many poor districts cannot afford. For this reason, it is anticipated that needier schools and districts could be disadvantaged in such a competition.
- School improvement funding should prioritize investment in the highest need schools and districts, rather than forcing districts to compete, which creates a system where some students are winners and others are losers in their access to educational opportunity, school improvement funding should prioritize investment in the highest need schools and districts.
- The CFE investments implemented in 2007 and 2008 showed progress in student achievement. These investments should be evaluated and new investments should be targeted to replicate the most successful practices.
- The State Education Department should provide leadership to school districts regarding best practices for school improvement and should guide local school districts in developing and implementing effective plans for use of these funds to meet the specific needs of their students.
- In order to maximize improvement in educational outcomes these funds should be targeted to research supported educational reforms that have been demonstrated to improve student achievement.
- This inception of this new funding stream should not result in an equivalent reduction in school aid.

### Research-Based Proven Educational Reforms

Research shows what is necessary for all schools and students to succeed. Adequate resources and investment in best practices yield excellent results. The Alliance for Quality Education proposes investment in the following proven-to-work areas:

1. **Quality Teaching:** Research has shown that effective teaching is developed over time, with the appropriate supports such as mentoring programs, induction programs, an opportunity for effective teachers to staff every school building and lead other teachers, are all components of how to have quality teaching in every school regardless of location.
2. **Extended and Expanded Learning Time:** An increasingly large amount of research shows that students benefit at many levels when they spend more time in school engaging



## Unequal Opportunity = Unequal Results

in learning activities that provide additional help or enrichment opportunities. Extended and Expanded Learning time is:

- Time for students to “go deep” in core academic subjects, including time for project-based learning and hands-on activities;
  - Time for students who need it to get specific, intensive remediation on subjects where they’re struggling;
  - Enrichment programs in dance, music, art, and drama;
  - Outside partnerships, where students can work with local agencies, universities or service-providers on a range of projects including college and career prep classes, mentoring or tutoring, and more;
  - Time for teachers to work and plan together to strengthen instruction.
3. **Challenging Curriculum:** Access to a challenging curriculum and the resources necessary to be ready for college or a career: Students who have access to a school culture that focuses on college and career—even in the early years, supports to teachers so they continue to develop and provide students with the highest quality instruction, a continuum of growth based on the alignment of curriculum and instruction at all levels, to supports that provide ongoing motivation, and meaningful parent engagement, do better than others who do not have access.
  4. **Community Schools:** Research has consistently shown that community schools contribute to increased student academic performance, lower drop-out rates, higher attendance rates, fewer behavior problems and greater parent engagement than in schools not organized as community schools.
  5. **Parent and Family Engagement:** Putting and keeping parents at the decision making table, not only enables the creation of education policy that is more receptive of students’ needs, but also is proven to sustain school improvement.
  6. **Access to High Quality Early Childhood Education Programs:** Students who attend high quality early childhood programs have consistently performed better at school, graduated on time, went to college and graduated, have higher paying jobs, lead healthier lives, and are more likely to be happier in their lives. Research study after research study has illustrated and proven the benefits of high quality early childhood education. It is time that we provide it for all students.

## APPENDIX

### Methodology

#### Description of Data

The data used for this project is primarily derived from New York State Education Department's 2009 School Report Card database. The most recent year is the 2008-09 New York State School Report Card Database from the NYSED Information and Reporting Services website available at: <http://www.p12.nysed.gov/irs/reportcard/>. The data includes the school and district name, unique codes, county, and Need Resource Category. The SRC database contained the following for the 2009 school year: number and percentage of students in free and reduced priced lunch programs, number and percent of students with Limited English Proficiency, number and percentage of students who are American Indian, Black, Hispanic, Asian, White and Multiracial. Available information also included student enrollment in each grade and the need resource category -- "1" - NYC, "2" - Big 4, "3" - High Needs Urban/Suburban, "4" - High Needs Rural, "5" - Average Needs Districts, and "6" - Low-Needs districts. AQE's focus of the report was a subset of 532 schools on the state's Accountability list -- for this, we used the 2010-11 Accountability Information released from SED <http://www.p12.nysed.gov/irs/accountability/designations/home.html>. The list of these schools includes information such as what accountability level the school is at, and what subjects triggered the accountability status. In the original data set, information for four schools on the accountability list did not provide information on enrollment and demographics (Peace and Diversity Academy of NYC, College Prep Business, College Prep Music, and College Prep Math and Science of Long Island -- the College Prep schools did not have information on outcomes.

#### Performance Outcomes

The indicators of performance selected were statewide test results for: 4th and 8th grade ELA and Math exams taken in 2010 -- this reflects the most updated information and New York's alignment with new standards -- the data was from <http://www.p12.nysed.gov/irs/pressRelease/20100728/>

For each grade level we included the number of students tested, and the percentage of students performing at each grade level (1-4) to show proficiency rates. (A few schools did not have any information for performance indicators, either because they did not have students tested in 4 or 8th grades, or did not graduate students -- including Woodside School in Peekskill, Haverstraw Middle School in Haverstraw-Stony Point, and the College Prep schools mentioned above.)

For schools that are high schools or graduate students, we provided information available from NYSED's 2009 School Report Card Access database. We have included information from the 2005 cohort and the 2009 graduating class to get the best view of on-time graduation rates for different student demographic groups in these schools.

The 2009 Graduating Class information includes, for all students, the number of high school graduates, the number and percentage of students attaining a Regents Diploma, Advanced Regents Diploma, IEP Diploma. The 2009 Graduating Class is an end of the year audit of which students graduate. The 2005 Cohort information reflects the student count at the beginning of the high school career. Information available from SRC includes the number of students in the cohort, the number and percent of graduates with diplomas, IEP Diplomas, GED transfers,

## Unequal Opportunity = Unequal Results

students still enrolled, and students who drop out. This information is available aggregated for all students and for demographic groups -- American Indian, Asian, Black, Latino, Multiracial, White, Economically Disadvantaged, and Limited English Proficient.

Because SED does not disclose personally identifying information for students in groups where there are less than 5, we have excluded these student counts as well. This gave us a more accurate estimate of student performance, although a smaller sample size.

We lined the information with the school and all related outcome data in rows to facilitate sorting and arranging data.

### **Low Need School Districts**

New York State has 133 school districts that fall under the NRC 6 category. A significant number of these school districts are feeder districts or do not graduate high school students -- additionally, two school districts' high schools do not separate diplomas (Bryham Hills and Bronxville) so they were removed from the count as well. We compared information from the 2005 cohort and the 2009 graduating class to estimate the on-time graduation rates for different student demographic groups. We did this by calculating the graduating class of 2009 and multiplying that by the 2005 Cohort outcomes by race for the NRC 6 and the 532 schools separately to compare overall outcomes. SED protects students confidentiality and does not release personally identifying information for sub-groups smaller than 5. Therefore, we removed these students from the overall count to better calculate the types of diplomas and on-time diploma attainment rates.

### **Expenditure Calculations**

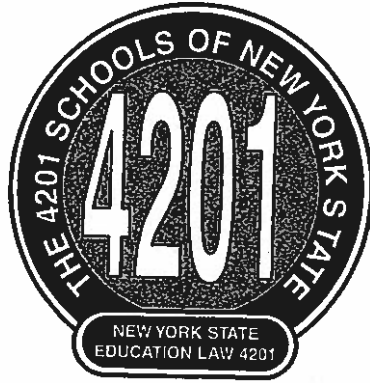
The Expenditure data was derived from the NYSED Fiscal Analysis and Research Unit (FARU) department, using the most up-to-date expenditure information (2008-09) available online at: [http://www.oms.nysed.gov/faru/Profiles/profiles\\_cover.html](http://www.oms.nysed.gov/faru/Profiles/profiles_cover.html)

The expenditure figure is the 2008-09 total expenditure per pupil in the *school district in which the particular school is located*. Figures for spending per pupil were not available at the school level. This expenditure data set is from SED, and is not adjusted for poverty or any student need level.

Each school district that had one of the 532 schools on the Accountability list was counted only once to determine the average expenditures. There are 86 school districts that have schools on the accountability list -- however, a number of these school districts did not have information about the expenditures (Little Flower, George Junior Republic, Mount Pleasant-Cottage, Greenburg Eleven, and Abbott School District), therefore the total expenditures and pupil counts in these districts were excluded from the average expenditure calculations. We calculated the average spending per pupil in the NRC 6 districts by calculating the total spending by total number of pupils. Then we calculated the average spending in districts with the 532 schools by calculating the total expenditures and dividing by the total pupil count in the schools (where each district was counted one time.) Where expenditures were not available, we did not include the student count -- this led to a student count of 460,319 rather than the actual count of 461,074. We

## Unequal Opportunity = Unequal Results

calculated the total average, New York City's average, and then removed NYC to get the Rest of State total.



**\* TESTIMONY \***

**THE 4201 SCHOOLS ASSOCIATION**

**Presented to**

**Fiscal Committees of the New York State Legislature**

**Hearing On**

**The FY 2011-2012 Executive Budget**

**Tuesday, February 15, 2011**

**Albany, New York**

<b>Cleary School for the Deaf (Nesconset)</b>	<b>Mill Neck Manor School for the Deaf (Mill Neck)</b>	<b>St. Francis de Sales School for the Deaf (Brooklyn)</b>
<b>Henry Viscardi School (Albertson)</b>	<b>New York Institute for Special Education (Bronx)</b>	<b>St. Joseph's School for the Deaf (Bronx)</b>
<b>Lavelle School for the Blind (Bronx)</b>	<b>New York School for the Deaf (White Plains)</b>	<b>St. Mary's School for the Deaf (Buffalo)</b>
<b>Lexington School for the Deaf (Queens)</b>	<b>Rochester School for the Deaf (Rochester)</b>	

Chairman Farrell, Chairman DeFrancisco, Chairwoman Nolan and Chairman Flanagan and distinguished members of the Legislature -- the 4201 Schools Association appreciates this opportunity to share with you our perspectives on the future of special education in New York State, our role as part of that future and the issues facing 4201 Schools in the coming year.

Our purpose in testifying today is quite simple -- to urge the Assembly and the Senate to reject the Governor's proposals affecting the 4201 Schools, and to instead allow us to do what we have always done -- to properly educate the children whose needs are entrusted to our care. In this testimony, we will:

- Detail the work and history of our schools.
- Outline our strong objections with the Executive Budget proposals affecting the 4201 schools.
- Recommend solutions.

### NEW YORK'S "4201 SCHOOLS"

For more than 190 years, the people of New York have relied on the expertise of the 4201 Schools to provide educational services to children who are deaf, blind and physically disabled. There are eleven "4201" schools located throughout the state, both upstate and downstate.

The partnership between the State of New York and charitable organizations in providing for the education for the deaf and the blind began in 1817 with the chartering of the New York Institution of the Deaf and Dumb (now the New York School for Deaf at "White Plains). In 1831, Dr. Samuel Akerly, who had been instrumental in developing the concept of educating the deaf, turned to the instruction of the blind. Once again, the members of the Legislature endorsed the humanitarian efforts of private individuals by the provisions of Chapter 214, Laws of 1831, the New York Institution for the Blind was incorporated.

Since that time, other schools were established where and when the needs of children became critical, and the "4201 Schools" have continued to serve children who are deaf, blind or severely physically disabled. In 1895, a specific reference to the State's duty to educate children who are deaf or blind was added to the State Constitution:

"Neither the credit nor the money of the State shall be given or loaned to or in aid of any association, corporation or private undertaking. This section shall not, however, prevent the legislature from making such provision for the education and support of the blind, the deaf and dumb, and juvenile delinquents, as to it may seem proper". (*NYS Constitution, Art VII, §8(2)*)

This language confirmed acts of the Legislature dating back to 1822, when by Chapter 234 of the that year the deaf and dumb were furnished with board, lodging and tuition for which the State paid the institution in which they were maintained and educated. Even earlier, in

1819, half of the New York City Lottery had been set aside for the education of the deaf. Subsequent acts of the Legislature provided direct subsidies to private schools appointed specific numbers of pupils and authorized the purchase of land and the construction of buildings.

This dedicated partnership has continued to the present and is evident in current law and regulations.

### **2011-2012 Executive Budget**

The 4201 Schools are very aware of the troubled times our State now endures; we are committed to doing our part to again do more with less, and to work in partnership with state leaders on the future of our schools.

But Governor Cuomo's Executive Budget proposes significant changes to the funding – and even the very structure – of our schools. We must respectfully submit today that these proposals would have a devastating impact, that these ideas are bad for children who are deaf, blind or severely physically disabled attending our schools and their families.

More to the point, the Governor's budget abandons the nearly 200-year old tradition of direct state support for the education of children with "low incidence" disabilities (blindness, deafness and/or severe physical disability). The Executive Budget proposes a number of changes that are of great concern to us, including:

- Altering the appointment process for children to attend these schools,
- Significantly changing the system by which our schools are funded, replacing it with a rate setting methodology used by other special education schools that delays payments for months (or even years!) – and has led some to close and others to accrue tremendous debt.<sup>1</sup>
- Shift the cost of educating school age students at our schools to school districts: this rate system would be paid for entirely by the home school district, shift the cost of our pre-school students and deaf infants to counties under the preschool rate methodology."
- Changing the evaluation process so that parents would no longer be able to take their child directly to a 4201 (state-supported) school for an evaluation. Under this proposal, parents would be required to go through the local school district, which would assume total responsibility for evaluating the child's level of educational needs. In fact the proposal would eliminate the use of multidisciplinary teams for evaluation at the schools, so even if the home district wanted the assistance of highly skilled professionals to properly evaluate students for appropriate placements, this budget could eliminate that option.

---

<sup>1</sup> The collective debt burden of Special Act school districts - which currently operate under the special education rate methodology - exceeds \$35,000,000.

### Current State Support

Current state support to the 4201 schools now totals \$109,441,233, after reductions under the 2009-2010 Deficit Reduction Plan (mid-year cut of \$7,700,000), and a subsequent loss under FMAP (\$997,767), as follows:

- In the 2009-10 Deficit Reduction Plan, 4201 schools were assessed a 12.5% reduction (\$7.7 million) mid-year cut to their funding. Public school districts were not assessed a mid-year reduction.
- The \$7.7 million reduction was carried over in the 2010-11 enacted budget but the schools were provided an additional \$1.94 million to pay for increased ERS costs. Since the \$1.94 million went directly to cover NYSERS costs, the 10 month operating budget for 4201 schools continued to feel the impact of the \$7.7 million reduction. Public school districts were reduced by \$1.4 billion dollars. However, public school districts had access to Federal Education Jobs Bill funds, for which 4201 schools were not eligible.
- After the enactment of the 2010-11 budget, the 4201 schools were also subject to the FMAP reduction of 1.1% or \$997,967. Public school districts were also impacted by the 1.1% FMAP reduction.

A historical summary of state support to the 4201 Schools is also enclosed for your review.

### Impacts of Executive Budget Proposal

The Governor's budget imperils the viability of a system that provides very specialized services and accommodations to children with significant disabilities and challenges every day. A few brief examples of this very special system – of which the State should be justly proud - include:

- The only opportunity other than home instruction for children whose oxygen levels are so precarious that they need constant monitoring;
- The expectation that a physically disabled child can and should earn a diploma, and provide staff with training to create universally designed lessons rather than designating a student as “alternate assessment” because of physical involvement;
- Highly trained physical and occupational therapists who create interfacing switch systems, often operated by head touch or knees, to control software programs and technology that allow physically disabled students to write, move a wheelchair, read, etc.
- Speech and occupational therapists who worked to create access for a student who can only move her eyebrow -- which allows her prepare and deliver morning announcements.



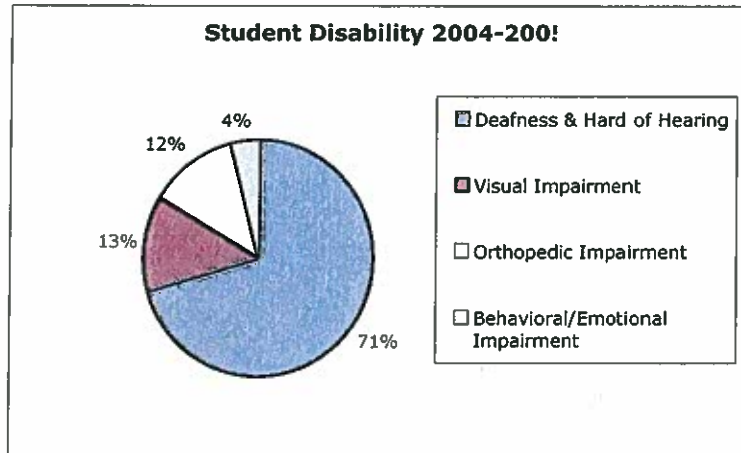
- Programs that allow students to earn a regular or advanced Regents Diploma thus allowing them to attend 2 and 4 year colleges
- Certified teachers of the visually impaired who can provide a literacy rich environment through the use of Braille and large print materials
- Staff knowledgeable in teaching “activities of daily living” - creating opportunities for students to be independent in their personal hygiene, banking, shopping and other skills that will make them competent young adults.
- Staffs include psychologists, social workers and counselors who understand disabilities and how to work with not just the children but also their families to increase the students’ chances of success.
- Higher graduation rates than the statewide average for students with disabilities (e.g. the NYISE had an 85% graduation rate as compared to the statewide average of 45% for students with disabilities in 2010).
- A language-rich environment for deaf children, which enables them to communicate with their peers, teachers and others one-on-one, without an interpreter. Language and direct communication are key to success for these students.
- Resources flexible enough to capably fulfill the requirements of children’s IEP’s, and direct access to teachers of the deaf – who are specially trained and credentialed.

The types of activities referenced above also give context for the costs associated with providing a proper education for these students. Average costs range between \$40,000-\$90,000 per student/year. Technology and higher staff to student ratios - based in large part on the needs of the students – also add to such other costs as:

- Blind students need to be able to read independently. Textbooks in Braille and large print are expensive. Science and math textbooks in Braille can cost between \$2,000-\$10,000.
- Students with visual impairments/blindness need access to technology, as it is necessary to have software and hardware that can make computer screens accessible. Screen magnification and screen reading software can cost up to \$1000. Portable note taking devices that have both speech and Braille can cost up to \$5,000.
- Instruction in activities of daily living requires a higher staff to student ratio than regular classroom instruction. This instruction enables children to develop skills they need for life - even simple activities such as making a sandwich, or balancing a bank account or traveling via public transportation.

The Executive Budget proposal would fundamentally alter a system which has had documented success for many years. The 4201 Schools provide quality education services to children with low incidence disabilities. Our schools are working constantly to support the academic progress and success of the students we serve. A few facts and observations on our recent work follow:

- Between 1998-99 and 2004-05, the number of children with multiple disabilities has increased from 28.4% to 36.8%. Please note: A “low incident disability” (e.g., deafness, blindness and severe physical disability) remains the primary disability confronting each of our students, and requiring the unique programs offered by our schools.



- Enrollment has remained stable over this seven-year period, declining just 2.6%.
- Over 70% of the students enrolled in 4201 Schools are students of color.
- 65% of students live in poverty, as measured by eligibility for Federal Lunch subsidies.
- Almost 50% of High School graduates went on to 2- and 4-year colleges.
- Over 95% of parent survey respondents indicated that they were satisfied overall with the special education services provided to his/her child by the 4201 Schools
- 97% of parent survey respondents indicated that they are given opportunities to participate in decisions regarding their child's education.

### **SPECIAL EDUCATION SCHOOL RATE METHODOLOGY: STILL BROKEN**

Proposals to move the 4201 Schools toward a rate methodology reimbursement system have been advanced occasionally over many years. This move has been rejected by policymakers, as initiatives to reform the current rate process have languished at the State Education Department for more than a decade. The problems with the rate-setting methodology are widely acknowledged; please consider the following:

1. State Education Commissioner Steiner, Regents Chancellor Merryl Tisch and Regent Roger Tilles wrote to the Legislature and Governor Paterson in December 2009, concerned over the mid-year cut to the 4201 schools under the FMAP contingency process (\$7.7 million). They said:

*“These schools provide statutorily mandated services under the Individuals with Disabilities Education Act (IDEA) that cannot be unilaterally revised or eliminated and must conform with each student’s Individualized Education Program (IEP). These schools must be able to meet all IEP recommendations.”*

*“There have been numerous discussions over the last few years about the rate-setting methodology, including recommendations from the Temporary Task Force on Preschool Special Education. We believe that this is a time to complete the reevaluation of the rate-setting methodology with a goal of establishing a fair, equitable and predictable methodology that would ensure that all of the affected preschool and school age programs, including approved private school programs, 4201 schools and special act districts, would be able to provide appropriate services in a cost effective manner. We look forward to working together in this important issue.”<sup>2</sup>*

2. In May 2008, the State Board of Regents was presented an “Update on Implementing Changes to the Special Education Rate Setting System.”<sup>3</sup> That document reported to the Board of Regents that:

*“Approximately 10 to 20 percent of those (tuition) rates are appealed in any given year, generally due to programmatic changes, additional IEP requirements or higher lease or capital costs. Appeals consume a significant amount of time and effort for the Department and the schools.*

*For some time, the Department, the Division of the Budget (DOB) and other stake holders had been discussing problems and possible alternatives to the current special education tuition process that would **overhaul the rate setting methodology to make it more flexible and timely and allow providers to better plan long term fiscal strategies (emphasis added)**”*

That document further indicated that new regulations would be adopted in 2009. No such regulations have been adopted. If the existing rate setting is not corrected and has not been corrected as it was intended in the 2008 memorandum, it is imprudent to mandate that this vulnerable population be hurled into a category of financial reimbursement knowing it is likely to devastate their education.

3. The Senate and Assembly have passed legislation **several times** to mandate changes – and provide short-term financial relief – to the schools currently operating under rate setting; these bills have been vetoed in each year of passage.<sup>4</sup>
4. The 4201 Schools Association has itself developed – and submitted to NYSED staff several times – a proposal to alter the process by which funding allocations to each school are considered; Our Proposed Framework for 4201 Budget Certificate Process was designed to function as a child-centered way of responding to the unique and highly specialized needs of education for the students in our schools and at the same time recognizing the responsibility of the SED to ensure that funds are appropriately requested and disseminated to the schools.

<sup>2</sup> Letter to Honorable David A. Paterson, Honorable Suzi Oppenheimer, Honorable Catherine Nolan, from NYSED Commissioner David Steiner, Chancellor Merryl Tisch, Regent Roger Tills; December 18, 2009 (copy enclosed).

<sup>3</sup> Update on Implementing Changes to the Special Education Rate Setting System to the Honorable the Members of the Board of Regents; Theresa E. Savo and Rebecca H. Cort. May 6, 2008. <http://www.regents.nysed.gov/meetings/2008Meetings/May2008/0508brd3.htm>.

<sup>4</sup> S.5672 (Saland)/A.8337 (Nolan) - provides a more flexible and reliable funding mechanism for Special Act and 853 schools by creating a three-year tuition rate setting methodology. Vetoed August 28, 2007/Memo 156.

Unfortunately, none of these efforts has advanced significantly.

### OUT-OF-STATE PLACEMENTS

One area of significant potential savings to the State – and which the **4201 Schools have repeatedly offered interest and assistance**<sup>5</sup> – is the ongoing effort to bring disabled children currently being served in out-of-state special education schools back to New York. We believe that our schools have significant existing or achievable capacity to serve children whose education costs New York State in excess of \$250,000 per child annually. In a November 2010 letter to NYSED, the Association wrote:

*“... please know that there have been previous efforts by our schools to investigate how we might assist in meeting the needs of students returning from out-of-state placements or of those at risk of such placements.”*

*“It has been the position of the 4201 Schools that tremendous expertise is existent in our programs and that we could also serve to great effect as resource centers to districts and SED.”*

A group of 4201 School superintendents met with NYSED officials as recently as **January 31, 2011** in this regard.

### Recommendations

Although private organizations, the 4201 Schools serve the State’s need to provide an appropriate education to students with severe disabilities; the Legislature has fulfilled its duty to such children in part by funding these schools directly for many years.

A number of Governors and the Legislature have repeatedly determined that direct state funding is the appropriate mechanism for providing funding to accomplish the schools’ mission and the meet the State’s obligation to students with low incidence disabilities. The Association continues to strongly support this specific annual appropriation for our schools, as the most capable means to fund our schools and support the children we serve.

The dramatic upheaval of support for the 4201 schools to a system that is already recognized to be broken is both imprudent and capricious, as it is not in the best interests of the blind, deaf and severely disabled students living and being educated in New York. We want instead, therefore, to have a thoughtful process to change the funding mechanism.

### The Process to Effect Targeted Funding

We envision a process similar to “Temporary Task Force on Preschool Special Education’s Rate Setting Workgroup” which was convened pursuant to Chapter 57 of the Laws of 2007. This panel developed recommendations for improving the State’s preschool special

<sup>5</sup> 4201 Schools Association Letter to NYSED Senior Deputy Commissioner John B. King, Jr. November 29, 2010.

education programs. Their primary recommendation was the establishment of a new rate-setting methodology, using processes already being applied by other service systems in NYS government, to promote greater predictability and improved timeliness.

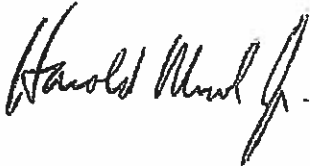
Current Year Savings

That being said, our schools recognize the significant fiscal constraints and want to work to reduce costs. We accept that in order to develop a new payment system that is fair and equitable - as well as predictable - that our schools may be subject to the same reductions as the public schools.

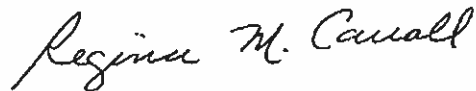
The 4201 Schools have been the state's agent and partner in this work for many years, and we look forward to the opportunity of a new process for supporting this work. We implore you not to allow the nearly 200 year old funding mechanism to be summarily and dramatically altered within two months, to be replaced only with a methodology we all know is severely flawed and that will seriously jeopardize our students' education. We appreciate this opportunity to share our thoughts and recommendations with your committees. We look forward to working together in improving the educational services and outcomes for our students, and in advancing meaningful change and program enrichment in the special education arena.

We invite any and all members to visit our schools and to learn more about our efforts to enable children with low incidence disabilities in New York to be successful students and citizens.

Respectfully submitted,



Harold Mowl, Jr., Ph.D.  
Chairman, 4201 Schools Association  
Superintendent, Rochester School for the  
Deaf



Regina Carroll, Ph.D.  
Legislative Chair, 4201 Schools Association  
Superintendent, Lexington School for the  
Deaf

For further information, please contact Hinman Straub Advisors, LLC at 518-436-0751  
B. J. Costello \* James Carr \* Heather Evans \* Mara Ginsberg

### Background Information

For more than 190 years, the people of New York have relied on the expertise of the 4201 Schools to provide educational services to children who are deaf, blind and physically disabled. There are eleven "4201" schools located throughout the state, both upstate and downstate.

Each school is governed by its own Board of Directors, receives financial support for operating expenses from the State, and depends on private donations for program enhancements and innovations. The 4201 Schools have established a long tradition of excellence in education and in providing innovative educational services to our students and their families. The 4201 Schools and their locations are as follows:

- Cleary School for the Deaf - Nesconset
- Henry Viscardi School- Albertson
- Lavelle School for the Blind - Bronx
- Lexington School for the Deaf - Queens
- Mill Neck Manor School for the Deaf - Mill Neck
- New York Institute for Special Education – Bronx
- New York School for the Deaf - White Plains
- Rochester School for the Deaf - Rochester
- St. Francis de Sales School for the Deaf - Brooklyn
- St. Joseph's School for the Deaf - Bronx
- St. Mary's School for the Deaf - Buffalo

Under Section 4201 of the Education Law, the State has designated and authorized certain private schools to serve the special education needs of deaf or blind or physically disabled students. Students come to 4201 Schools upon application by their parents or school districts, and with the approval of the State Education Commissioner. The State funds the 4201 Schools through an annual appropriation in the State budget; there is a deduction of state aid from each student's home school district in an amount equal to the districts "basic contribution" to the student's education. Several 4201 Schools maintain residential programs, which are also funded through lump sum budget appropriations.

Only students who are profoundly deaf, legally blind, severely physically disabled, or severely emotionally disabled are referred to the 4201 Schools by local school districts, parents, physicians, clinics and other interested parties. An intake evaluation by the 4201 School is completed, and placement is made upon the recommendation of and approval by the student's home school district and the Commissioner of Education. Approval is based on the availability of an appropriate education program. There are no charges or fees to parents for educational costs, transportation, room or board.

Our students benefit from the academic programs, vocational programs, life skills programs and other specially designed programs at the 4201 Schools. They also take part in the interscholastic sports and other extra-curricular and co-curricular activities at their school. Those students requiring a 24-hour structured environment as noted in their Individualized Education Plan (IEP) or whose homes are too far to commute back and forth to school each day, live on campus for five days a week at some of the 4201 Schools. There are comprehensive learning and recreational programs for students residing in school dormitories.

14



**\*TESTIMONY\***

**New York State School Administrators  
Consortium (NYSSAC)**

**Presented to**

**Assembly Ways & Means Committee  
&  
Senate Finance Committee**

**Joint Hearing on  
Education Proposals of the SFY 2011-2012  
Executive Budget**

**February 15, 2010  
Albany, New York**



8 Airport Park Boulevard  
Latham, New York 12110  
(518) 782-0600



16 Court Street, 4th floor  
Brooklyn, New York 11241  
(718) 852-3000

Good afternoon, Chairman Farrell, Chairman DeFrancisco, Assemblymember Nolan and Senator Flanagan. Thank you for this opportunity to offer testimony concerning the education proposals contained in the Executive Budget for fiscal year 2011-2012.

My name is Peter McNally and I am the Executive Vice President of the Council of School Supervisors and Administrators (CSA) and the President of the New York State Federation of School Administrators (NYSFSA). I represent school administrators working in New York City, Yonkers and Buffalo. With me today is Kevin Casey, Executive Director of the School Administrators Association of New York State (SAANYS). On behalf of our 23,000 members across the state, we thank you for your continued advocacy and support for public education. We also applaud you for recognizing the critical importance of school leadership in our public schools.

The New York State School Administrators Consortium (NYSSAC) is a joint legislative effort between our two associations, NYSFSA and SAANYS. Our collective goal is to advocate for and support New York State's public school leaders - so that they have the tools and means to improve student achievement. Our membership includes Principals, Assistant Principals, and a broad array of other Administrators. Together, we offer your committees the perspectives of urban, suburban and rural school leaders from across New York.

#### **NYSSAC Supports:**

**Foundation Aid Formula** – While New York State has established an equitable system of standards, assessments and accountability for all school districts and students, NYSSAC believes that state aid supporting education programs and services continues to be allocated inequitably. We recognize the fiscal challenges facing New York State, but we believe that maintaining “flat funding” for an additional year, and extending the full phase-in over a more protracted schedule, merely maintains the fiscal status quo that disadvantages school districts -- including more than 40 percent of our state's students in the “Big Five” city school districts.

At the very least, if the Legislature intends a revision of the phase-in schedule, we recommend that rather than freeze such allocations for all districts, the Legislature and Governor align the Foundation Aid formula with more current school district demographic data to more equitably allocate the funds that are available.



**Universal Pre-Kindergarten** – NYSSAC appreciates the ongoing financial support provided for UPK programs. Such programs are an equalizer, instilling in students the orientation, skills, and early learning experiences that serve as the foundation for future success. In fact, quality preschool programs --especially full-day programs with highly qualified administrators and teachers-- may also result in future cost savings by reducing the incidence of students “at risk” and subsequent referrals to Committees on Special Education.

**Early Childhood Education** – NYSSAC is committed to working with the Legislature and the Governor to ensure that local and state governments enact strong and smart policies regarding early childhood education. Ultimately, we hope that the state will include early childhood education and day care in the P-16 educational framework in a manner that is truly “universal.”

NYSSAC supports legislation sponsored last year by M.A. Nolan and Senator Montgomery (A10797/S7553 of 2010) to require the Commissioner of the New York State Department of Education, in consultation with the Commissioners of the New York State Department of Health, Office of Children and Family Services and the Office of Temporary and Disability Assistance, to examine, evaluate, and make recommendations concerning the education and development of children from birth through five years of age. The report required under this bill would include recommendations for strengthening the access to and the quality of educational, developmental and family support programs and services at all settings. In particular, it would target programs and services that are provided to children from birth through five years of age.

Early childhood education in New York State is currently provided in a variety of settings, including:

- day care centers
- private homes
- nursery schools
- public schools

The guidelines and regulations governing these activities vary by setting and are overseen by either of two agencies: the Office of Children and Family Services or the New York State Education Department, leading to disparities in quality and outcomes. New York must correct this fragmentation of services. This bill is the first step needed to create a single early childhood education system – with a focus on providing services to ensure a child’s school readiness regardless of the setting.

Other States – notably Maryland and Massachusetts – have already recognized the importance of early childhood education and reorganized their regulatory and governance structures to focus on early learning by bringing together early care and education programs under a single state agency.

NYSSAC urges the Legislature to include this bill's provisions as part of the enacted state budget, in order that New York might take the first step toward ensuring that all children in New York State are provided with a strong foundation crucial to their academic success.

In addition, NYSSAC believes that quality full-day early childhood education requires the commitment of adequate funding. NYSSAC estimates that the annual cost of quality full-day programs per child in New York City far exceeds the amount of funding allocated. The city-funded day care centers in which our members work cannot cover their operating expenses at the lower funding level. For this reason, it is recommended that the state better stipulate funding allocations to alleviate these types of issues.

**Contracts for Excellence** – NYSSAC believes that Contract for Excellence funding should come with the understanding that the amount locally allocated to provide such services may be reduced commensurate with any percentage reduction in the GAP Elimination Adjustment.

School districts have acted expeditiously and responsibly in designing and implementing gap closing services for targeted schools with students most in need. As part of the state's response to the Campaign for Fiscal Equity court decision, a commitment was made to fund Contracts for Excellence. These "contracts" provide additional support for the district's highest need, lowest performing students. This funding is not to be supplanted. We understand that monitors from the State Education Department were generally impressed with the extent of full implementation, and even more so, with the strong conviction of local administrators and instructional personnel that the services meet student needs and will help improve performance. In fact, seven school districts were no longer required to implement their contracts in 2010-2011 because academic needs have been addressed and their schools are now in good standing. The requirement to continue such contracts in the remaining school districts is clearly appropriate.

**Paperwork Reduction** – NYSSAC believes that the number of reports, plans, and applications required of school districts on an annual basis is extraordinarily burdensome. Certain reports are of course necessary to ensure the provision of quality educational services. But virtually all agencies and stakeholders agree that many reports serve no purpose at all and are a waste of time and resources. NYSSAC supports the actions currently undertaken by Governor Cuomo and Mr. Lawrence Schwartz to eliminate and streamline such requirements, and we stand ready to work with the Legislature and the State Education Department to identify more efficient procedures for the submission of necessary data and information. Such an initiative is especially timely in light of the additional mandates and reporting required of participating LEAs in connection with the Race to the Top program.

**Regional Transportation** – NYSSAC believes that school districts should be authorized and provided incentives to contract with other entities, such as school districts, counties and municipalities to provide more efficient student transportation, and to partner together for school bus maintenance.

### **NYSSAC Opposes**

NYSSAC opposes provisions of the Executive Budget that would result in personnel reductions and the dismantling of programs and services that have contributed to building student engagement in school and have supported student success. The state's investment in education is paying off in closing the achievement gap; in student performance on state assessments; and in improved graduation rates. This momentum must be sustained and the state's enormous investment in public education protected.

**Reduced State Aid to Public Schools through the Gap Elimination Adjustment**  
NYSSAC understands the need to phase-in the Foundation Aid Formula over a greater span of years, but decreasing school district state aid by \$1.5 billion will seriously jeopardize educational quality, especially in large city school districts and small rural school districts. We challenge Governor Cuomo's contention regarding the amount of reserves available to school districts, as well as the appropriateness of using such funds as a one-shot budget fix. Many school districts, even those receiving federal stimulus funds, were forced to lay off staff and/or discontinue certain services for the current school year, and in 2009-10. A few examples of how the Executive Budget would impact school districts are illustrated below:

- New York City Mayor Michael Bloomberg testified recently on the proposed cuts and stated that the NYC Department of Education stands to lose \$1.4 billion in state funding if the Governor's budget is enacted. The mayor says he will have to cut 6,000 teachers by September. Our school leaders in New York City are already dealing with school budget cuts that have forced them to cut after-school programs, support staff and professional development.
- In the Syracuse City School District, it was necessary to lay-off 40 staff in 2008-09, 100 staff in 2009-10 and 250 staff for the current school year. The proposed budget for 2010-2011 would result in 540 additional staff reductions.
- The fiscal situation is also bleak in the 158 small, rural school districts which have limited options for addressing state aid reductions. Many of these districts have very limited reserves and tax bases (for example, in the Dundee School District a 1 percent tax levy increase produces \$45,000) and have already streamlined personnel. To increase the possibility for additional staff reductions, some districts discontinuing non-mandated courses and may offer some mandated courses every other year. .

These cuts would have serious ramifications in schools statewide. If these proposals are enacted, schools will have to:

- Reduce course offerings and increase class sizes;
- Reduce elective courses, which may impact student acceptance to highly selective colleges;
- Reduce counseling personnel and services;
- Reduce library and arts programs;
- Reduce transportation services so that some students will no longer receive free transportation and other students may have longer rides to and from school;
- Reduce extra-curricula activities and sport programs/competitions

In fact, under the Executive Budget, the only things that will increase are local tax levies and tax bills.

#### **NYSSAC Recommendations:**

**Reduction of State and School District Costs for Special Education** – NYS has established many requirements in special education that exceed federal

mandates. In many cases, NYSSAC believes such requirements may be discontinued or streamlined without any adverse impact upon students or programs.

**Use of State "Rainy Day" Funds** – NYSSAC understands the concern some may have about use of the state's "rainy day" funds. Although the State's financial challenges will likely span several more years, we recommend that the Governor consider at least the targeted (for education) use of such funds to maintain effective programs that would otherwise take years to re-establish.

**Scheduling Flexibility** – More than a year ago, the Senate Education Committee held hearings on flexible school schedules. Although not all school districts may desire such an approach, NYSSAC recommends that the state establish a pilot program based upon a school district plan and application that the State Education Department approves. In the current era of reform and innovation, it is time to try a new approach to the traditional school week.

**Utilization of BOCES to Achieve Taxpayer Savings** – NYSSAC believes that the BOCES system has a long history of providing quality educational, administrative and managerial services in a cost-effective manner. Based on this record of success, SAANYS has long advocated the expanded use of the BOCES model to provide shared services to school districts (including large cities), municipalities, libraries, charter schools and institutions of higher education. The extent and types of services would likely be different from BOCES to BOCES, as it is for school districts.

Last week, New York City Mayor Michael Bloomberg testified before you on the impact of the Governor's budget on New York City. The Mayor repeatedly requested that the Legislature enact changes to the pension system - which he terms "mandate relief" aimed at helping the City deal with decreased funding. One of the provisions of the current system that Mayor Bloomberg suggests be eliminated or altered is the "last-in, first-out" process. When asked what the fiscal impact of eliminating this provision might be, the Mayor replied that there is "none." What he did not say was that his provision of current law was enacted for a reason -- namely to ensure that decisions regarding layoffs are made in an equitable and transparent manner, free from any external or political influence.

We teach our students history, not only so that they have an understanding of what has happened in the past, but so that mistakes of the past are not repeated.

We urge the Legislature to ensure that history does not repeat itself – and continue to ensure that workers are afforded the protections provided under the last-in, first-out provisions.

### Closing

The public's tremendous rate (94 percent) of approval of school district budget votes in 2010 is strong evidence that the public sees education as a priority in our State. Just as noteworthy is the very conservative approach used by school districts in developing budgets that minimize tax burdens as much as possible. But education is a "people business", both in terms of our work force and our product: well-educated students. The degree to which education is cut or supported affects us all.

We look forward to working with you to help craft a budget that is fiscally responsible and fair to children. We appreciate all that you and your colleagues do for public education, and we are grateful for this opportunity to share our observations and recommendations.

Respectfully submitted,

Peter McNally  
Executive Vice President, Council of School Supervisors and Administrators  
(CSA) &  
President, NYS Federation of School Administrators (NYSFSA).

Kevin Casey  
Executive Director  
School Administrators Association of New York State (SAANYS)

Good afternoon. First, we'd like to thank you for this opportunity to speak to you today. My name is J'aimé Foust, and I'm the School Library Systems Director for the Capital Region BOCES located here in Albany. I'm here with Mary Ratzner, former School Librarian and English Teacher, now working as an educational consultant.

What brings us here today is our concern about how the current financial problems in New York State are impacting schools, and school libraries in particular. We are at the proverbial "fork in the road." In accepting the prestigious Race to the Top grant, New York State moves in the direction of creating a paradigm shift in education, towards being an exemplar state for others to follow. New York has since adopted the Common Core State Standards in English Language Arts and Math, both of which are richly infused with curriculum models designed to help our students become 21<sup>st</sup> century citizens in a rapidly changing world. Unfortunately, at the same time we are asking our schools to create programs of depth and rigor, these same schools are facing budget reductions in education so that the very programs that are critical to the execution of these new standards are being greatly reduced, or are being eliminated altogether.

School Library Systems, as part of regional BOCES and Big 5 Schools, have been innovators and leaders in the move towards student-centered curriculum for several years. We act as regional consolidators of programs and services that are made more affordable to many schools. Legislators, such as you, have held off many of the large cuts to School Library Systems and for that, we thank you. But now there is a proposed 20% reduction in funding over the next two years, an extremely disproportional amount relative to other cutbacks in spending.

What does this funding mean for the students of New York State schools? It means that we can offer school librarians and teachers knowledge in how to lead students toward the

investment, ownership and responsibility in their own learning, with the kinds of research skills that are imperative for today's students to master. Students are bombarded by an "information overload" which, when they don't learn how to filter for content accuracy and validity, they are overwhelmed. As an example, a Google search that a typical teenager might use to investigate information about this committee produced 12,100,000 hits. Where does a student even begin to do competent research if Google is the only resource they think is available?

Getting students to inquire, think critically and gain valuable knowledge requires not only qualified teachers in the classroom, but it requires knowledgeable certified Library Media Specialists trained in a multitude of resources, both print and online. School Librarians collaborate with teachers in curriculum development. School Librarians teach selection of resources based on accuracy, validity and appropriateness. School Librarians instruct students in the ethical and responsible use of print and web technology. School Librarians help students navigate the information highway in order to gain knowledge, to analyze and organize information. School Librarians offer a wide-ranging menu of print and Web 2.0 products students can use in presenting their knowledge products to their teachers and their peers. As well, School Librarians encourage students to read both for information and pleasure. And School Librarians direct students toward lifelong learning and personal growth.

In my over 22 years in education I have seen many professional development theories come and go. They were "same monkeys, different trees" - administrator-driven, teacher-centered programs in direct opposition to what we have learned works best for students; that is, inquiry-based curriculum, a process of exploring that leads to questioning, discovery and a love of learning. Through the kinds of professional development led by School Library Systems we have an opportunity to provide that student-driven, student-centered approach.



Research shows that in order for a true “shift” to occur in teaching methodologies, it requires ten to thirty hours of professional development, through embedding teaching “coaches” into the schools and classrooms. School Library Systems are already there - in schools, transforming teaching and learning.

The proposed 20% reduction will seriously impact our ability to provide districts with this professional development, as well as other programs, for librarians and teachers. Schools are being forced to cut spending in areas such as library personnel, materials and technology, putting students at an even greater disadvantage than before the Race to the Top initiative - which is designed specifically to put our students ahead in the world. In what grade do our students learn the definition of “irony” as part of their vocabulary lesson?

School Librarians are at highest risk of being cut during this financial crisis at the time when we need them the most. This is in large part because many are non-mandated Elementary Librarians. In the past two weeks, I have received several disheartening phone calls and e-mails about more cuts in positions of School Librarians and library staff for next school year. Yet extensive research has shown that one of the most important factors for consistently raising state and national assessment scores is a qualified, certified Library Media Specialist in a school library with adequate staffing and above-average print and online resources. We ask that you continue to fully fund School Library Systems, and to develop a budget that doesn't force our schools into making the kinds of decisions that hurt our students. We are here today, looking to you for the leadership we need to help ensure that our children's futures are indeed as promising as what we have taught them they can be.

(Mary Ratzert)

I am here today as a witness from the real world. I speak to you of success, not potential but actual. I am a witness to finding the better way, to INNOVATION, to retooling everyday professional practice in schools, and the incalculable value of research based know how, and genuine expertise. With School Library Systems across New York, I have engaged with 1000's of educators to create together inquiry based information literacy curricula, innovative teaching strategies, effective formative assessments, benchmarks, and the design principals for knowledge vs. information products. Together we have moved beyond the report, the one right answer, the blank to be filled in, the worksheet, the packet, the scoop and spit, bureaucratic tasking as a response to teacher directed projects, the meaninglessness, the short term recall of facts. Together we are already living the new day for learners in New York. We are already implementing the vision of the Common Core Standards.

Legislative dollars made this happen. Legislative dollars for School Library Systems, in Chapter 917, Aid to Localities, now face the newest and largest cut ever, 20% in these desperate fiscal times. This disproportionate cut is sufficient to close the very library systems that initiated, nurtured and sustained amazing outcomes for kids through innovation, creation, communication, collaboration, and knowledge. We are living the 21<sup>st</sup> Century model and fostering change.

Meet some of the learners we have engaged. Explore some of the products we have helped to design. Understand the new knowledge deeply and meaningfully mastered. Note the thinking, questioning, and communicating learner. See that that learner is internalizing the skills to learn how to learn. Connect this to the needs of New York's emerging work force, and college and career readiness.

Kindergarteners in Glen Worden Elementary in Scotia investigate birds, observe them, record data, build nests with guidance from the Scotia Children's Museum, drew conclusions about eggs, organize information, and generate quality drawings of a bird they chose. They understand the science of a living thing adapted for its habitat, food supply, and survival. They completed an information-to-knowledge journey.

Speaking of eggs, second graders in Okte Elementary conducted an inquiry called Chick to Egg. Observation of incubating and hatching chicks generated a class produced DVD which featured only original data analysis, illustrations, charts, and narration using scientific meta-language, because chickens are after all oviparous and have predictable gestational patterns.

Grade three in Harrison Avenue Elementary in South Glens Falls move beyond the facts of rainforest animals to question, wonder, investigate and create. In student created web based clips called Crazy Talk, howler monkeys and tree toads argue with evidence in the voice of the child about why the rainforest needed to be saved.

Teachers and librarians are coached and encouraged in designing learning experiences that result in synthesis, student choice, student voice, shared knowledge products, and questions. Plays, living museums, journals, authentic letters, Iroquois tribal councils, focus groups, and re-enactments foster deep, real world understanding. Seventh graders conduct year long, original scientific inquiries and stand up to critical questioning from peers and teachers. Eighth graders explore genetic diseases in Green Island, where the Capital Region BOCES School Library System is merging inquiry learning and technology in embedded staff development. Special educators at Green Island have testified that their students have never been so engaged, that kids who never do their work are actively working. WSWHE BOCES School Library System's grant

funded embed in South Glens Falls resulted in unparalleled success for the special education students.

Eleventh graders in Schenectady City Schools pursued an open inquiry called Proposal for Change. With only 42% of the students completing a traditional research paper, this inquiry project engaged even the kids who normally did not come to school or do their work. The Proposal for Change connected with real world issues and problems in the community. Students generated their own questions, investigated willingly pursued authentic intellectual work, revised, synthesized and communicated. 96% completed their project. Indeed with joy, self-respect, and enthusiasm. Value added results for at risk kids included passing English, not dropping out, returning to school to coach the next year's English students, and seeing the results of their work.

Please reflect on the value, quality outcomes, innovation and expertise of School Library Systems as you consider New York's future.

16



**NYAPT**

NEW YORK ASSOCIATION FOR PUPIL TRANSPORTATION

285 Hudson Avenue • Albany, NY 12210 • PH: 518-463-4937 • FX: 518-463-8743 • WWW.NYAPT.ORG

*Our future is riding with us!*

**STATEMENT OF THE NEW YORK ASSOCIATION FOR PUPIL TRANSPORTATION  
NEW YORK STATE SENATE AND NEW YORK STATE ASSEMBLY PUBLIC HEARINGS  
ON THE 2011-2012 EXECUTIVE BUDGET PROPOSAL**

**FEBRUARY 15, 2011**

**ABOUT NYAPT**

The New York Association for Pupil Transportation is a professional membership association dedicated to the support, development and representation of the professionals who are responsible for the safe and efficient transportation of our school children.

Our members --- who include school-based employees and private contractor employees --- are singularly focused on safety for our children and have proven themselves to be effective managers and deliverers of transportation services in and for their school districts. Our members and our children know that SCHOOL BUSES:

- transport **2.3 million children** to school every day of every school year. This represents **828,000,000 rides** to and from school each year.
- ensure that our children get to school to learn and back home again **safely and reliably**.
- provide our communities with a **cost efficient, economical and environmentally friendly** system to transport our children.
- are the **safest means for transporting children to school**.

**SUMMARY OF COMMENTS AND RECOMMENDATIONS**

The Transportation Aid appropriation in the 2011-2012 Executive Budget proposal reflects expenses incurred by school districts in 2009-2010. This is consistent with the fact that Transportation Aid is an "expense based aid" and not among the aids generated by a per pupil formula.

The Governor's budget proposal includes several measures intended to drive cost efficiency and overall cost reductions in future years' budgets. These proposals include placing new limitations on the ability of school districts to replace school buses, to purchase school bus equipment and to lease school buses in lieu of purchasing them. The proposals also include the potential for reduced transportation aid for failure to meet certain cost efficiency measures.

We believe that several of these proposals are questionable in terms of their effectiveness and feasibility. They need to be either eliminated or modified if included in the adopted budget.

NYAPT is pleased to be able to offer recommendations and alternative approaches to cost efficiencies.

In summary, NYAPT recommends the following on several of the key budget provisions:

- o *School Bus Replacement Provisions: that the legislature change the language to allow for "10 years OR 120,000 miles" rather than the more restrictive and unrealistic "10 years AND 120,000 miles"*
- o *Cost Efficiencies and Aid Penalties: elimination of this proposal as unworkable and institution of numerous mandate relief measures that would result in greater cost savings*
- o *Leasing Provisions: elimination of this provision or modification to allow for leasing where the lease costs are "not greater than" rather than "lower than" the purchase cost of the vehicle*
- o *School Bus Driver Training Program: full appropriation of this vital training resource*

.....

**STATEMENT TO THE MEMBERS OF THE NEW YORK STATE SENATE AND ASSEMBLY:**

Every day, 2.3 million children ride some 50,000 yellow school buses to and from school. New Yorkers can be proud of our record of safety and excellence that protects our children and ensures that they arrive at school ready to learn.

That record of safety and excellence is not achieved by accident or with a lot of luck. Rather, that safety record is the result of hard work and dedication to the children manifested each and every day and for each and every ride by those men and women involved in the school transportation profession.

We speak for those women and men who commit themselves *For the Children* in their daily work as transportation supervisors, trainers, dispatchers, bus drivers, technicians, attendants, and office staff.

We respond to the continued call for efficiency and cost savings in the transporting of our children by recognizing that our members have made significant progress in this area as a matter of necessity and not with the threat of penalties looming over their efforts.

We are here to call for deliberate and cautious assessment of any measures that affect the safety of our children and their access to a safe ride to school. For many of our children, the yellow school bus is the only way for them to get to their schools and access their education.

We are here to share ideas for mandate relief and enhanced management of resources that will indeed save money for our taxpayers and the state.

Where to begin? The cost of school transportation in New York State is an estimated \$3.5 billion with \$1.65 billion of these costs being supported by School Transportation Aid as included in the state budget. The costs included in this total involve the costs of purchasing, fueling and maintaining school buses; procuring safety equipment and routing programs; hiring, training, testing and retaining school bus drivers, attendants, mechanics, dispatchers and all who keep our children safe; complying with myriad federal and state laws, regulations, standards for safety and recommended best practices.

We urge the Legislature to recognize the realities of transporting 2.3 million children from their homes each day and to recognize the inherent costs in much of the specialized transportation services that we provide here in our state. We urge the Legislature to recognize the myriad mandates and

requirements that have served to make our children safe all these years. We urge you to work with us to find ways to lessen unnecessary mandates and requirements while sustaining those that we can agree contribute to the overall safety of our most precious children.

.....

**COMMENTS ON SCHOOL TRANSPORTATION ELEMENTS  
IN THE 2011-2012 EXECUTIVE BUDGET PROPOSAL**

The following is a discussion of the various Transportation-specific elements contained in the Executive Budget Proposal. We have also attached excerpts from the budget for ease of reference.

**COST EFFICIENCIES AND PENALTIES PROPOSAL**  
**(SECTION 33 OF A4008/S2808)**

This section of the budget conditions receipt of transportation aid by requiring a school district to demonstrate *“to the satisfaction of the Commissioner that it (i) has implemented a majority of the cost-efficiency transportation management best practices prescribed in the regulations of the commissioner that are applicable to the district, or (ii) has entered into a cost-effective shared transportation arrangement with another local government entity.”*

We are concerned about this element of the Executive Budget Proposal for several reasons. School transportation services in our state have taken numerous steps in recent years to reduce costs for transportation wherever possible and have resisted reductions only where they would unnecessarily affect student safety.

*We are concerned about this proposal for several reasons.*

First and foremost, this proposal ignores the reality that school districts and transportation managers have instituted efficiencies and performance improvement measures in the past several years and continue to find new ways to be efficient. Creativity and innovation are watchwords in school transportation. We could not operate each day without being able to find ways to respond to needs and unforeseen circumstances. In that vein, we have worked hard to manage costs and believe we have made progress in reducing costs, through cost sharing and route adjustments and collaborative arrangements with municipalities. Many of our members made difficult decisions as responsible managers in their districts. As a result, we can point out that the year-to-year Transportation Aid increase of \$71 million is \$28 million lower than the increase projected in last year’s Executive Budget. This represents a significant and positive trend in controlling annual expenses. The Executive’s proposal does not recognize that fact and could potentially put innovative districts at a disadvantage.

In a survey of our members, we learned that many districts are already utilizing the efficiency measures included in the Executive Budget proposal including more than 80% of those responding already use computerized routing software. While there is always room for more progress and growth, it is clear that districts already have cost saving measures well under way.

Additionally, we are concerned about these points:

- The budget proposal does not spell out the criteria by which the State Education Department will determine the extent to which a school district has complied with these provisions.
- The budget proposal does not clarify some of the measures. For instance, we are unclear on the term “reasonable utilization ratio for school buses” when that term can mean different things to different schools in different parts of the state. We are unclear about utilization of the state’s website for advertising when that capacity has not been previously demonstrated by the state. We are concerned about the meaning of the term “no bus purchases higher than the state contract rate in the base year”. Does that mean that bus prices will be frozen to the price at which they are fixed this year or that aid for those buses will be based on this year’s pricing levels? Without that kind of definition, these provisions remain inconsistent and subjective...and therefore not fair for application for purposes of state aid penalties.
- The proposal does not specify whether a school district must take new cost-reduction measures each year in order to continue to receive its transportation aid, or if compliance will be cumulative and recognize steps previously taken and sustained.
- The proposal does not provide resources for sufficient staff capacity at SED to monitor school transportation costs and administration. Without sufficient staff, SED will not be able to monitor activities in a manner that allows for fairness and consistency in determining whether to levy penalties against school districts. Penalties cannot and should not be levied without a fair and consistent management system.
- The current SED Pupil Transportation office has one full time person assigned to it with the support others in the Department for specific needs and purposes. It will be impossible and impractical for this provision to be implemented fairly, if at all.

### **Recommendations**

***We recommend this provision not be included in the budget that is ultimately adopted by the Legislature. It does not result in any cost savings in this difficult budget year and presents a scenario that is both unmanageable and not effectively targeted. Any such effort must be targeted to ensuring mandate relief that will bring about the desired cost efficiencies.***

***If such a provision is included in the adopted budget (which we would oppose), we urge that it be reconstructed for accuracy, consistency and fairness in application.***

***Accordingly, we also recommend that the State Legislature consider the more specific and concrete recommendations for transportation-related mandate relief measures as a means to reducing transportation costs in future years. We have given much thought and consideration to the mandates we have identified in Attachment A and urge their review by the Legislature.***

**Why do we continue to recommend consideration of these mandate relief measures? Here is a truth: despite what the Executive Budget Proposal would suggest in this particular provision, school transportation is not too costly because school districts don’t advertise early enough or ‘spec’ their buses inefficiently. Let’s be clear, school transportation is, by and large, closely managed by local school district managers and transportation supervisors.**



The real costs for school transportation have been seen in the increased costs for petroleum-based products that include not only diesel fuel but tires and lubricants and other products. The price for Ultra-Low Sulfur Diesel fuel has risen dramatically. The cost of school buses equipped with federal EPA-required emissions control and reduction devices and technology has increased as well.

The real costs for school transportation also lie in the extraordinary and necessary costs of (1) transporting students with special needs and disabilities as far away as 50 miles one way each day; (2) transporting non-public students as far as 15 miles one-way each day; (3) transporting students who are homeless as many as 50 miles one-way each day. NYAPT does not seek to deny or restrict transportation to students with special needs; we understand that they need safe transportation like all other children. However, we are deeply concerned that state officials remain critical of "how expensive school transportation is" without an adequate assessment of the reason for those costs. Hence, we continue our call for mandate relief.

**LEASING OF SCHOOL BUSES**  
**(SECTION 8 AND SECTION 12; SECTION 71 OF A4008/S2808)**

The Executive Budget Proposal places conditions on leasing school buses that would suggest a desire to minimize that practice. However, the facts are that, in some cases, leasing school buses can be as economical or even more economical due to financing, operating costs and other factors.

When considering whether to lease a school bus, the first consideration for school districts is whether the lease will ultimately save money for the district and its taxpayers. This language implies clearly the presumption of the State government that local officials are making decisions for something other than the right reasons.

**Recommendations**

***We urge the Legislature to eliminate this provision from the adopted state budget. It serves no constructive purpose and may, in fact, prove to be less cost effective.***

***One alternate approach would be to require a school district to be able to demonstrate to the Education Commissioner that the total costs of leasing the vehicle would be "no greater than" the costs of purchasing the vehicle. The current language requires that the lease arrangement be "lower than" the purchase. A change to "no greater than" would be more manageable and appropriate. We believe that this is standard business practice in all districts but would find the language more manageable than the current language proposed.***

**REPLACEMENT SCHEDULE LIMITATIONS**  
**(SECTION 34 OF A4008/S2808)**

Replacement schedules for school buses are affected by numerous factors including duty cycles, weather factors, road conditions, and other factors. This proposal does not recognize any of these factors or the reality that in some districts excessive mileage can be accumulated in fewer than 10 years. Under this provision, one or more scenarios could play out, including:

- ✓ One large geographic district advises that it drove a school bus 120,000 miles in fewer than six years. In this scenario, that district would have to continue running such school buses for 4

more years in order to meet the 10-year threshold, thereby accumulating as many as 200,000 miles. This is simply not good fleet management practice.

- ✓ In more densely populated areas with shorter routes and duty cycles, it would take 14-15 years to attain the 120,000 mile level. Moreover, after 8-9 years of service, school bus bodies begin to show signs of deterioration. So by the 14-15 year range, school districts would begin to incur costs related to repairs and maintenance. From a cost effectiveness standpoint, it could be argued that those repair costs might better be invested in newer, more efficient, more environmentally friendly school buses.

Additionally, vehicles with over 120,000 miles and in need of extensive body repairs yield very low trade-in value. That should be a serious consideration in proper and effective fleet management.

We also point out that smaller Type A (cut away van) buses are often used for heavier duty cycles and have a 5-7 year expected useful life. Keeping these school buses on the road for longer than ten years could present safety issues for operators and our children, as well as maintenance cost concerns.

One more consideration to offer is that school bus technology has advanced in terms of reduction of emissions and pollutants. By restricting replacement of school buses in this way, the state could be placing disincentives for replacing "dirtier" school buses with cleaner, newer technologies that will protect our children and our communities. It would be more effective for the state to provide incentives for school districts and operators to invest in newer, cleaner school buses rather than put restrictions on the replacement of older, less efficient school buses.

### **Recommendations**

***We urge this provision to be eliminated in favor of requiring local school boards to determine efficient and appropriate local replacement policies and ensuring that the Education Department properly monitor compliance with such policies.***

***If the Legislature determines that the provision should be included in the adopted budget, we urge that the restrictions specify "10 years OR 120,000 miles" rather than "10 years AND 120,000 miles".***

***Moreover, the ten-year time period should specifically commence with the "In service date" and not the model year to coincide with purchasing practices and realities.***

***Further, the 10 year replacement time frame should be modified to a shorter period (e.g., five years) for school buses in the less than 10,000 pounds category.***

### **PURCHASE OF EQUIPMENT** **(SECTION 48 OF A4008/S2808)**

NYAPT believes that school transportation professionals and school business officials take exceptional efforts to reduce and control costs in their operations. Accordingly, we do not find this provision necessary but understand the desire by the state to increase cost effectiveness and efficiency.

This measure would require school districts to demonstrate that the acquisition of school bus equipment increases cost effectiveness and can reduce costs. Such assessments are not unreasonable.

We are concerned that such assessments could act as a damper on school districts deploying emerging technologies that might contribute to school bus and student safety.

**Recommendation**

***NYAPT does not oppose this provision. We are hopeful that it will allow for the use of emerging technologies that will assist in fleet management, student behavior management efforts and identification of illegal passing incidents.***

**SCHOOL BUS DRIVER TRAINING PROGRAM**  
***(SECTION 82 OF A4008/S2808)***

NYAPT is pleased that the Executive Budget Proposal continues the \$400,000 annual appropriation for the School Bus Driver Training program authorized under Section 3650 of the Education Law.

Effective and timely training is vital to ensuring the safety of our children. School bus drivers and others in school transportation need to be properly trained and prepared to do their jobs on behalf of our children. This includes basic preparation to serve as school bus drivers as well as timely delivery of training and education related to students with special needs, bullying, school bus security, student behavior management, and other crucial matters and topics.

**Recommendation**

***We applaud the inclusion of \$400,000 in the Executive Budget and urge the Legislature to include the full appropriation in the adopted 2011-2012 budget. We urge the Legislature and the Governor to ensure the full implementation of Section 3650 of the Education Law to ensure the continued viability of this important program.***

**SCHOOL DISTRICT MANAGEMENT EFFICIENCY AWARD PROGRAM**  
***(PART B; SECTION 1 OF A4008/S2808)***

We note that efficiencies in the delivery of school transportation services are included in the management areas for which awards can be made to school districts. We believe that this underscores the value and role of school transportation in the overall school enterprise and will urge our members to engage with their school leaders to identify transportation-related projects and initiatives that could garner recognition --- and additional funding --- for their districts.

That said, NYAPT is concerned over the dramatic reductions in formula-based school aid that support the work of our home districts on behalf of our children. We encourage the Legislature to re-consider this set-aside of \$500 million (two efficiency programs at \$250 million each) for inclusion in the school aid formula at a time when all school districts are struggling. The state can and should work with districts to facilitate efficiencies throughout the year and to recognize and replicate successful models. Perhaps now is an inappropriate time to divert such funds to other purposes.

**Recommendation**

***While we believe that it would help school districts more directly to re-incorporate these funds into the general school aid formula, we would support inclusion of transportation efficiencies in the criteria for selecting successful awardees.***

**MANDATE RELIEF COST SAVINGS**

Our members recently participated in a Survey Monkey sampling of their estimates on the costs they would save if a series of mandates were already in place in this year's budget. We list those mandates below with the average estimated savings per school district and the estimated statewide savings annotated. We note that, if these mandate relief measures were in place today, those surveyed would be saving on average **\$290,792** this year, per school district. If multiplied out by the 700 school districts in our state, those could hypothetically yield \$203,554,400 in savings.

<u>MANDATE RELIEF IDEA</u>	<u>AVERAGE/ESTIMATED TOTAL</u>
Eliminating requirement for 2nd set of fingerprints for drivers to serve as attendants	\$923 \$646,100
Reducing non-public transportation radius from 15 miles to 10 miles	\$103,659 \$72,561,300
Eliminating idling reporting paperwork requirement	\$508 \$355,600
Eliminating private school trans prior to the first day of public school sessions	\$230 \$161,000
Flexibility in schedule for delivering driver refresher courses	\$1,969 \$1,378,300
Eliminating paperwork requirement to submit all original bid documents	\$549 \$384,300
Moving to the Federal DOT biennial driver physical from the current annual physical	\$4,697 \$3,287,900
Eliminating seat belts on large school buses	\$16,437 \$11,505,900
Reducing to 25 miles from 50 miles the radius for transporting special needs children	\$52,129 \$36,490,300
Consulting w/transportation office re special needs transportation during IEP process	\$10,871 \$7,609,700
Allow reflective SCHOOL BUS sign in lieu of backlit equipment	\$9,245 \$6,471,500
Allow reassessment of homeless student school location for transportation purposes	\$28,074 \$19,651,800
Coordination of bell times among schools and special programs	\$39,380 \$27,566,000
Provide aid for Pre-K transportation that is currently a district expense	\$7,064 \$4,944,800
Standardizing school calendars at least within BOCES areas	\$15,057 \$10,539,900

Our intent here is to demonstrate the areas of transportation that are costing taxpayers significant dollars at the state and local levels. State policy makers need this kind of information to make informed and reasoned decisions. These are the areas that are increasing costs. Posting bids to the state's website and advertising bus contracts earlier in the year will not lead to the kinds of cost savings enumerated here.

Let us will be frank here. Our intent is not necessarily to reduce services to children in non-public schools or students with disabilities or homeless students. Rather, our intent is to show the cost factors that derive from such transportation to help lawmakers understand them more precisely.

### **Recommendation**

***NYAPT recommends that the State Legislature, the Executive and the State Education Department explore these or variations on these mandate relief ideas. We encourage the dialogue that will ensue and are eager to join with all at the table.***

### **SUMMARY**

In summary, NYAPT is proud of the work our members have accomplished in the arena of cost savings and efficiencies. They have taken time to review every aspect of their operations and to consider all state and federal mandates and regulations. They have taken courses and learned more about the best practices in management of fleets and driving teams. They have worked with their school leadership to accomplish the goal of reducing costs and being more efficient and performance-driven.

The Executive Budget Proposal does not recognize the management achievements of the school districts in the state, especially with regard to transportation. We call on all state law makers to more adequately understand the so-called "moving parts" that comprise the transportation programs in our state's school districts.

We urge the Legislature to consider our recommendations. They are intended to understand the directions sought in the Executive Budget proposal but to modify those directions in the context of the realities of school transportation. We are designed and maintained to transport OUR CHILDREN. We cannot simply cut corners or eliminate quality and safety factors. Our state's parents....indeed our children themselves....deserve our most aggressive efforts to keep them safe.

We hope our comments are useful, that they are taken in the constructive tone in which they are offered, and that they help preclude any decisions that would adversely affect the safety of our children in New York State.

Thank you



Peter F. Mannella  
Executive Director

EXCERPTS FROM A4008/S2808

COST EFFICIENCIES AND PENALTIES PROPOSAL  
(SECTION 33 OF A4008/S2808)

9 § 33. Subparagraph 1 of paragraph b of subdivision 7 of section 3602  
10 of the education law, as amended by section 17 of part B of chapter 57  
11 of the laws of 2007, is amended and a new subparagraph 3 is added to  
12 read as follows:

13 (1) For the purposes of this apportionment, approved transportation  
14 operating expense shall be the actual expenditure incurred by a school  
15 district and approved by the commissioner, less any deductions required  
16 by subparagraph three of this paragraph: (i) for those items of trans-  
17 portation operating expense allowable under subdivision one of section  
18 thirty-six hundred twenty-three-a of this article for regular aidable  
19 transportation of pupils as such terms are defined in sections thirty-  
20 six hundred twenty-one and thirty-six hundred twenty-two-a of this arti-  
21 cle, and (ii) for those items of transportation operating expense allow-  
22 able under subdivision one of section thirty-six hundred twenty-three-a  
23 of this article for the transportation required or authorized pursuant  
24 to article eighty-nine of this chapter, and (iii) for providing monitors  
25 on school buses for students with disabilities, and (iv) for transporta-  
26 tion operating expenses allowable under section thirty-six hundred twen-  
27 ty-three-a of this article for the transportation of homeless children  
28 authorized by paragraph c of subdivision four of section thirty-two  
29 hundred nine of this chapter, provided that the total approved cost of  
30 such transportation shall not exceed the amount of the total cost of the  
31 most cost-effective mode of transportation.

32 (3) (i) Commencing with aid payable in the two thousand thirteen--two  
33 thousand fourteen school year, to receive aid on its total actual trans-  
34 portation operating expense approved by the commissioner for the base  
35 year, a school district shall demonstrate to the satisfaction of the  
36 commissioner that it: (i) has implemented a majority of the cost-effec-  
37 tive transportation management best practices prescribed in the regu-  
38 lations of the commissioner that are applicable to the district, or (ii)  
39 has entered into a cost-effective shared transportation arrangement with  
40 another local government entity.

41 (ii) For purposes of this subparagraph, cost-effective transportation  
42 management best practices shall include, but need not be limited to:

43 (A) maintenance of a reasonable utilization ratio for buses;  
44 (B) use of multiple year contracts for private vendor contracts;  
45 (C) no bus purchases made at higher than state contract price in the  
46 base year;

47 (D) early advertisement for new contracts;  
48 (E) use of bus routing software where possible; and/or  
49 (F) use of a statewide website to advertise for bids.

50 (iii) A school district that fails to meet the requirements of clause  
51 (i) of this subparagraph shall have its total actual transportation  
52 operating expense as otherwise approved by the commissioner reduced as  
53 follows:

54 (A) for aid payable in the two thousand thirteen--two thousand four-  
55 teen school year, by two and one half percent;

1 (B) for aid payable in the two thousand fourteen--two thousand fifteen  
2 school year, by five percent;

3 (C) for aid payable in the two thousand fifteen--two thousand sixteen  
4 school year, by seven and one-half percent;

5 (D) for aid payable in the two thousand sixteen--two thousand seven-  
6 teen school year, by ten percent.

LEASING OF SCHOOL BUSES  
(SECTION 8 AND SECTION 12; SECTION 71 OF A4008/S2808)

30 § 8. Subdivision 21-a of section 1604 of the education law, as added  
31 by chapter 472 of the laws of 1998, is amended to read as follows:

32 21-a. To lease a motor vehicle or vehicles to be used for the trans-  
33 portation of the children of the district from a school district, board  
34 of cooperative educational services or county vocational education and  
35 extension board or from any other source, under the conditions specified  
36 in this subdivision. No such agreement for the lease of a motor vehicle  
37 or vehicles shall be for a term of more than one school year, provided  
38 that when the board of trustees can demonstrate to the satisfaction of  
39 the commissioner that the cost of a lease, if extended over the expected  
40 lifespan of a school bus, would be lower than the cost of purchasing a  
41 school bus, and the lease is authorized by a vote of the qualified  
42 voters of the district, such lease may have a term of up to five years.  
43 Where the trustee or board of trustees enter into a lease of a motor  
44 vehicle or vehicles pursuant to this subdivision for a term of one  
45 school year or less, such trustee or board shall not be authorized to  
46 enter into another lease for the same or an equivalent replacement vehi-  
47 cle or vehicles, as determined by the commissioner, without obtaining  
48 approval of the qualified voters of the school district.

52 § 12. Paragraph i of subdivision 25 of section 1709 of the education  
53 law, as added by chapter 472 of the laws of 1998, is amended to read as  
54 follows:

55 i. In addition to the authority granted in paragraph e of this subdivi-  
56 sion, the board of education shall be authorized to lease a motor  
1 vehicle or vehicles to be used for the transportation of the children of  
2 the district from sources other than a school district, board of cooper-  
3 ative educational services or county vocational education and extension  
4 board under the conditions specified in this paragraph. No such agree-  
5 ment for the lease of a motor vehicle or vehicles shall be for a term of  
6 more than one school year, provided that when the board of education can  
7 demonstrate to the satisfaction of the commissioner that the cost of a  
8 lease, if extended over the expected lifespan of a school bus, would be  
9 lower than the cost of purchasing a school bus, and the lease is author-  
10 ized by a vote of the qualified voters of the district, such lease may  
11 have a term of up to five years. Where the board of education enters a  
12 lease of a motor vehicle or vehicles pursuant to this paragraph for a  
13 term of one school year or less, such board shall not be authorized to  
14 enter into another lease of the same or an equivalent replacement vehi-  
15 cle or vehicles, as determined by the commissioner, without obtaining  
16 approval of the voters.

**REPLACEMENT SCHEDULE LIMITATIONS**  
**(SECTION 34 OF A4008/S2808)**

7 § 34. Paragraph c of subdivision 7 of section 3602 of the education  
8 law, as amended by section 1 of part A-4 of chapter 58 of the laws of  
9 2006, is amended to read as follows:

10 c. (1) For the purposes of computing this apportionment for the two  
11 thousand five--two thousand six school year and thereafter, approved  
12 transportation capital, debt service, and lease expense shall be the  
13 amount computed based upon an assumed amortization determined pursuant  
14 to paragraph e of this subdivision for an expenditure incurred by a  
15 school district and approved by the commissioner for those items of  
16 transportation capital, debt service and lease expense allowable under  
17 subdivision two of section thirty-six hundred twenty-three-a of this  
18 article for: (i) the regular aidable transportation of pupils, as such  
19 terms are defined in sections thirty-six hundred twenty-one and thirty-  
20 six hundred twenty-two-a of this article, (ii) the transportation of  
21 children with disabilities pursuant to article eighty-nine of this chap-  
22 ter, and (iii) the transportation of homeless children pursuant to para-  
23 graph c of subdivision four of section thirty-two hundred nine of this  
24 chapter, provided that the total approved cost of such transportation  
25 shall not exceed the amount of the total cost of the most cost-effective  
26 mode of transportation.

27 (2) Approvable expenses for the purchase of school buses shall be  
28 limited to the actual purchase price, or the expense as if the bus were

29 purchased under state contract, whichever is less. If the commissioner  
30 determines that no comparable bus was available under state contract at  
31 the time of purchase, the approvable expenses shall be the actual  
32 purchase price or the state wide median price of such bus in the most  
33 recent base year in which such median price was established with an  
34 allowable year to year CPI increase as defined in subdivision fourteen  
35 of section three hundred five of this chapter; whichever is less. Such  
36 median shall be computed by the commissioner for the purposes of this  
37 subdivision.

38 (3) For a school bus with a seating capacity of ten or more passen-  
39 gers, including the driver, which is purchased on or after the effective  
40 date of this subparagraph as a replacement for an existing school bus,  
41 the expense of such purchase shall not be an allowable cost unless the  
42 school bus being replaced is at least ten years old and has a mileage in  
43 excess of one hundred twenty thousand miles, or a waiver is granted by  
44 the commissioner pursuant to this paragraph. For a school bus with a  
45 seating capacity of less than ten passengers, including the driver,  
46 which is purchased on or after the effective date of this subparagraph  
47 as a replacement for an existing school bus, the expense of such  
48 purchase shall not be an allowable cost unless the school bus being  
49 replaced is at least ten years old and has a mileage in excess of one  
50 hundred twenty thousand miles, or a waiver is granted by the commission-  
51 er pursuant to this subparagraph. The commissioner may grant such waiver  
52 where the school district demonstrates to the satisfaction of the  
53 commissioner that the continued operation of the vehicle would be unsafe  
54 as a result of damage to the vehicle from an accident or otherwise, or  
55 of mechanical failure, that cannot be remedied by repairs without exces-  
56 sive cost to the school districts.

**PURCHASE OF EQUIPMENT**  
**(SECTION 48 OF A4008/S2808)**

30 § 48. Paragraph c of subdivision 2 of section 3623-a of the education  
31 law, as amended by chapter 453 of the laws of 2005, is amended and a new  
32 paragraph f is added to read as follows:

33 c. [The] Subject to the limitation in paragraph f of this subdivision,  
34 the purchase of equipment deemed a proper school district expense,  
35 including: (i) the purchase of two-way radios to be used on old and new  
36 school buses, (ii) the purchase of stop-arms, to be used on old and new  
37 school buses, (iii) the purchase and installation of seat safety belts  
38 on school buses in accordance with the provisions of section thirty-six  
39 hundred thirty-five-a of this article, (iv) the purchase of school bus  
40 back up beepers, (v) the purchase of school bus front crossing arms,  
41 (vi) the purchase of school bus safety sensor devices, (vii) the  
42 purchase and installation of exterior reflective marking on school  
43 buses, (viii) the purchase of automatic engine fire extinguishing  
44 systems for school buses used to transport students who use wheelchairs  
45 or other assistive mobility devices, and (ix) the purchase of other  
46 equipment as prescribed in the regulations of the commissioner; and  
47 f. Notwithstanding the provisions of paragraph c of this subdivision,  
48 allowable expenses for the purchase of equipment for new school buses  
49 purchased on or after the effective date of this paragraph shall be  
50 limited to expenses for those items of equipment determined by the  
51 department to be cost-effective.

**SCHOOL BUS DRIVER TRAINING PROGRAM**  
**(SECTION 82 OF A4008/S2808)**

28 § 82. School bus driver training. In addition to apportionments other-  
29 wise provided by section 3602 of the education law, for aid payable in  
30 the 2010-11 and 2011-2012 school years, the commissioner of education  
31 shall allocate school bus driver training grants to school districts and  
32 boards of cooperative education services pursuant to sections 3650-a,  
33 3650-b and 3650-c of the education law, or for contracts directly with



34 not-for-profit educational organizations for the purposes of this  
35 section. Such payments shall not exceed four hundred thousand dollars  
36 (\$400,000) per school year.

SCHOOL DISTRICT MANAGEMENT EFFICIENCY AWARD PROGRAM  
(PART B; SECTION 1 OF A4008/S2808)

PART B

2 Section 1. Section 3641 of the education law is amended by adding a  
3 new subdivision 5 to read as follows:

4 5. School district management efficiency awards program. a. Within  
5 the amount appropriated for such purpose, subject to a plan developed  
6 jointly with the secretary of state and approved by the director of the  
7 budget, the commissioner shall award competitive grants pursuant to this  
8 subdivision for achieving school district management efficiencies.

9 (1) Such plan shall include but not be limited to: the process by  
10 which a request for proposals is developed; the scoring rubric by which  
11 such proposals will be evaluated; the form and manner by which applica-  
12 tions will be submitted; the manner by which calculation of the amount  
13 of the award was determined, including establishing benchmarks based on  
14 actual cost savings that must be met before any awards are paid; and the  
15 timeline for the issuance and review of applications to ensure that  
16 grants will be first awarded during the two thousand eleven--two thou-  
17 sand twelve school year.

18 (2) The commissioner shall be authorized, consistent with the plan  
19 required by this paragraph, to promulgate rules and regulations neces-  
20 sary for the implementation of this subdivision.

21 b. A response to a request for proposals issued pursuant to this  
22 subdivision may be submitted by a school district or jointly by two or  
23 more school districts who have demonstrated to the satisfaction of the  
24 commissioner that:

25 (1) one or more long term efficiencies in school district management,  
26 operations, procurement practices or other cost savings measures that  
27 have not and will not result in an increase in cost to the state or  
28 locality have been implemented;

29 (2) such efficiencies have resulted or will result in a significant  
30 reduction in total operating expenses compared to the prior year, in the  
31 administrative component, or the equivalent, of the school district  
32 budget, IN TRANSPORTATION OPERATING EXPENSES, IN TRANSPORTATION CAPITAL  
33 EXPENSES, and/or in other non-personal service costs included in the  
34 program component of the school district budget, or the equivalent,  
35 compared to the prior year; and

36 (3) such efficiencies are expected to result in substantial and  
37 sustainable cost savings in future years; and

38 (4) if two or more school districts are applying jointly, and have  
39 entered a shared services agreement as authorized by law, that signif-  
40 icant savings would result from such shared services; provided that in  
41 no event shall districts that have entered into an aidable cooperative  
42 educational services agreement for any such services with a board of  
43 cooperative educational services pursuant to section nineteen hundred  
44 fifty of this chapter be eligible for an award pursuant to this subdivi-  
45 sion. Provided however, a district which has received an award pursuant  
46 to the local government efficiency grant program authorized by subdivi-  
47 sion ten of section fifty-four of the state finance law, shall not be  
48 eligible to receive an award pursuant to this subdivision for the same  
49 purpose>>>>CONTINUED



**NYAPT**

**NEW YORK ASSOCIATION  
FOR PUPIL TRANSPORTATION**

FOR ADDITIONAL INFORMATION ABOUT THIS STATEMENT OR

ABOUT SCHOOL TRANSPORTATION,

PLEASE CONTACT:

**PETER MANNELLA, EXECUTIVE DIRECTOR  
NYAPT**

**266 HUDSON AVENUE**

**ALBANY, N.Y. 12210**

**518-463-4937**

**PETER@NYAPT.ORG**

**OR VISIT OUR WEBSITE AT**

**WWW.NYAPT.ORG**



17

New York School Bus Contractors Association

Testimony for the Joint Legislative Hearing on the  
2011-12 Executive Budget as Introduced by  
Governor Cuomo

*Ensuring New York State Schools have Access to  
Safe, Reliable and Cost-Effective Student  
Transportation Services*

February 15, 2011

Robert Pape, Board of Director, NYSBCA

**Good afternoon.** My name is Robert Pape and I am here today representing the New York School Bus Contractors Association. I am a member of the association's Board of Directors and I am also a principal in Dell Transportation Corp -- a company that provides school transportation services to school districts on Long Island. I am also a former school district administrator and former member of the State's Procurement Council.

Thank you for allowing the New York School Bus Contractors Association the opportunity to provide testimony regarding the Governor's 2011-12 Executive Budget proposals pertaining to pupil transportation.

Before I start, I would like to provide a brief overview of the private school transportation industry and the bus companies we represent.

The New York School Bus Contractors Association is an organization comprising over two hundred school transportation companies or school bus contractors, with the primary mission of promoting safe, reliable and cost-effective student transportation services in New York State.

Formed in 1950, the association has a proud and accomplished tradition of serving as the voice of the school bus contractor industry. As far as we can determine, private school bus companies have been around since the late 1830's and have played a significant role in the positive evolution of student transportation in the United States.

The private school transportation company not only represents an extremely efficient and cost-effective alternative to government or district-provided student transportation services, we actually represent a majority of the school bus transportation market in New York.

Of the nearly 2.3 million children transported by yellow buses every day in New York, private school bus companies are responsible for safely transporting nearly 1.3 million of them -- representing nearly 60 percent of the children transported daily in our state.

The private school bus industry plays a vital role in our state's economy employing over 35,000 people in good paying, mostly union jobs. Further, private pupil transportation companies help save school districts, the state and taxpayers millions of dollars every year in school transportation costs.

I would now like to address the Governor's budget proposal pertaining to pupil transportation services.

This year, the Governor proposes to require school districts to implement cost-effective transportation management programs by the 2012-13 school year or risk losing transportation aid by school year 2013-14. The proposal requires school districts, under the State Education Department's direction, to implement cost-effective transportation management best practices, which have yet to be determined by the State Ed. Department, or to enter into a cost-effective shared transportation arrangement with another local government entity.

While we support his effort to improve the cost-effectiveness of school district-run operations, there are some inherent flaws in the current system as well as with the Governor's proposal. For this reason, we believe the Governor's proposal should not become law in its current form.

His proposal must be amended or scrapped in its entirety.

The Governor has proposed that transportation aid be predicated on the successful implementation of a cost-effective "shared services" transportation arrangement with a local government entity or implement a best practices solution prescribed by the State Education Department.

Herein lies the problem...nowhere in the budget proposal does it say the school district must actually save money by entering into a "shared service" agreement – it merely states that it must be cost-effective. We are concerned that there is no consideration or recognition of the fact that schools currently using private contractors are already utilizing "best practices" solution.

We believe the Governor's budget should be amended to require any school district, prior to entering into a shared-service agreement with another government entity, to publicly demonstrate to the taxpayers of all governmental jurisdictions affected, that the shared service arrangement will actually reduce costs. These savings must then be reflected in their budgets as submitted to the taxpayers for approval

Further, if school districts are going to explore government solutions, they must also be required to explore private contractor solutions. Because, after all, it appears the Governor's goal is to ensure the safest, most reliable and least expensive pupil transportation solution.

Under the Governor's proposal, there is no guarantee that the new shared service arrangements will actually save the district money. We believe our suggestions will strengthen the proposal and could actually save the State of New York upwards of \$30 million a year.

How are we so sure of our position? We are a proven solution. The New York School Bus Contractors currently help reduce pupil transportation costs in New York State by millions of dollars every year. We already implement cost-effective transportation management best practices for a majority of the school transportation service needs in New York. In some cases, we reduce the average school district's transportation costs by as much as 20%.

These facts are further substantiated by a report issued by the Council of Great City Schools, which is a group comprising 66 of the nation's largest urban public schools. This group released a multiyear study that highlighted best practices in pupil transportation operations – school bus contractors scored exceptionally well by providing unparalleled bus services for far less money than school districts.

We are here today, asking you to involve us in the budget process pertaining to education transportation funding and the Governor's budget proposal.

We are ready and willing to work with the legislature and the Governor to demonstrate how we can save the state even more money.

We are not saying that a school bus contractor is always the solution; in some cases it doesn't make sense for a school district to utilize a contractor. In most cases though, school districts just can't compete with our efficiency models and that's why school districts contract with us. They retain full control of their busing services and they are able to save money, keep property taxes lower and put the money in the classrooms.

Statistics show, that we are the safest, most reliable and least expensive pupil transportation solution out there. We have to be – we are transporting life's most precious cargo and competing against each other for the privilege of doing it.

I'd like to share a quick story that illustrates how much money we save local and state taxpayers. In 2005, the Manhasset School District on Long Island converted from a district-owned operation to a private contractor-run operation. Because of this conversion, the school district and Manhasset taxpayers are saving over one million dollars a year in school transportation costs -- \$1 million a year with one school district, every year for the past 5 years.

I also want to share an example of a school district that ended their relationship with a private contractor so they could run their school transportation services in-house. This decision increased the district's transportation costs between 40 and 60 percent forcing taxpayers to pay upwards of \$60,000 more per bus route. This district spends approximately \$100,000 per route per year, compared to \$40,000 per route per year provided by the school bus contractor. An over expenditure to the taxpayers and state of \$60,000 per route

We are not suggesting that every district owned operation in the state is as inefficient as the examples I've stated. We are merely suggesting that the state legislature, governor, comptroller, and SED need to bring us into the discussion, so we can provide you with the knowledge and tools necessary to evaluate our school transportation operations.

One of these tools is an industry standard "cost analysis tool" that we use to pinpoint a school district's true cost for pupil transportation services. This proven model determines a school district's actual pupil transportation costs allowing us to demonstrate to school districts how much money we can save them.

As part of this year's budget, the state should require every school district to utilize this industry standard cost analysis tool and make it available for taxpayers to download from the school's website far in advance of any determination regarding any government shared service agreements. We would also recommend the Comptroller utilize this model when conducting school district audits. We have provided this tool to the comptroller's office in 2009 & 2010.

The reason we are asking for a true-cost analysis to be included in the current budget proposal is that many school districts and taxpayers are not aware of the true cost of their transportation services. Given the complexity of school finances, it is often times difficult for school districts and taxpayers to know which capital and personnel costs are actually attributed to providing transportation services.

It is a fact that most district owned operations cannot regionalize their transportation services with other districts as cost effectively as the private sector can. School districts are in the business of educating children, which they do a great job of and we are in the business of safely transporting children in the most cost-effective manner possible.

We will gladly give up our profits in exchange for the waste inherent in many of our school districts.

We ask that the legislature involve the industry in the budget making process, we ask that the legislature not pass the proposal in its current form, and we ask that you hold public hearings on pupil transportation funding so that we can help educate you on the ways that we can save the state and taxpayers money.

One last point, we believe one of the unintended consequences of this proposal would be to penalize school districts that use private school bus contractors. If we are the most cost-effective solution, how can they demonstrate that they have implemented the most cost effective solution? Is SED going identify the use of private contractors as a "best practice"? That is yet to be determined.

The budget doesn't even assign any projected cost savings to this proposal, except for the penalties that will be assessed on school districts that don't implement some form of an SED sanctioned cost-effective shared service or another yet to be determined solution.

Although we appreciate the Governor's proposal to increase school transportation aid by \$71.4 million for a total of \$1.65 billion, we believe we can help the State of New York reduce the cost of school transportation by at least \$30 million a year – this is in addition to the millions of dollars we already save taxpayers annually.

As I finish my remarks today, it is important to note that the public-private partnership between New York State schools and school bus contractors is one of the most successful examples of government and the private sector working together. Contractors transport nearly 60 percent

of NY's school children. School Districts should focus on their mission – educating children – leaving contractors to focus on transporting students safely and cost efficiently.

On behalf of the entire association, thank you for your time today. We hope you have a better understanding our positions on these particular budget proposals and ask that we be included in any discussions or negotiations involving these provisions.

Thank you again and I will now address any questions you might have.



Testimony to New York State Joint Legislative Committee on the Budget  
February 15, 2011

On behalf of the Western New York Independent Living Project Family of Agencies (WNYIL), including the Independent Living Center and Mental Health Peer Connection in Buffalo, NY, Independent Living of Niagara County in Niagara Falls, NY, and Independent Living of the Genesee Region in Batavia NY, we appreciate the opportunity to testify in front of you today.

The Independent Living Centers are a critical part of the service system for persons with disabilities, serving in increasing numbers those persons who are not able to be served by other agencies in our communities. We work to keep persons with disabilities as an equal part of our communities, often at a great savings to the taxpayer. Last year, as the attached review shows, WNYIL saved the state over 25.9 Million in Medicaid Dollars by working to reduce reliance on institutional settings.

While we appreciate the Legislature's faith in our services by not reducing our budgets in these trying financial times, we are here to remind the Legislature again that persons with disabilities are relying on our services in ever increasing numbers. The over 100 Million Dollars *statewide* that independent living saves yearly can only be maintained by investing in the network. As consumers increase, and costs rise, a regular Cost of Living Allowance would allow our network to maintain and increase those savings.

As independent living serves persons throughout the lifespan, we also come from a unique place to be able to recommend things that would benefit students with disabilities and their families as part of the state education budget. We serve an increasing number of families working with their districts to support the right to a Free and Appropriate Public Education for students with disabilities. As we look at cost maximization in this current financial crisis, we increasingly hear things relating to "Mandate Relief," in the belief that providing more flexibility to school districts will allow them to do more with existing budgets. While we applaud the legislatures thinking in this area, we remain concerned that the proposals currently being floated in discussion will actually cost more in the long run, and won't encourage students with disabilities to maximize their abilities in education. We urge the legislature to look at these issues carefully.

Lastly, we wish to encourage the legislature to support simple changes that would allow students with disabilities and their families' equal access to education services within their communities. By supporting the inclusion of the Standards of Title II of the Americans with Disabilities Act of 1990 into State Law, we will remind districts that not only do they serve students with disabilities within their districts, but also their parents and family members, something forgotten about in increasing numbers when reasonable accommodations such as bus stop changes are requested.

Lastly, we ask for the Legislature to support the passage of a Disability History Curriculum within New York Schools. Such a program would not only broaden the understanding of students with disabilities already within our communities, but would be an important first step to reducing bullying against students, specifically those with hidden disabilities, such as dyslexia or autism.

Again, thank you for the opportunity to testify today. If we can provide you with any further information, please do not hesitate to contact us. We look forward to collaborating to enhance the education and empowerment of persons with disabilities in New York.

Todd G Vaarwerk (tvaarwerk@wnyil.org)  
WNYIL  
3108 Main Street  
Buffalo, New York 14214  
(716) 836-0822 x 101

Melissa Golpl (mgolpl@wnyil.org)  
ILNC  
746 Portage Road  
Niagara Falls, NY 14305  
(716) 284-4131 x207

## WNYIL, Inc. Family of Agencies Generates Savings to State of 25.9 Million Dollars

Independent Living Centers, and the services they provide, are becoming a critical part of the State network of services for persons with disabilities. From the basic services provided (Advocacy, Peer Counseling, IL Skills Training, and Information and Referral), to specialized services created by centers, ILC's like the agencies of Western New York Independent Living, Inc. (WNYIL) are becoming a more important tool to facilitate independence for persons with disabilities in the community.

In addition, Independent Living Centers like WNYIL Family of Agencies, which include Independent Living Center (ILC), Mental Health Peer Connection (MHPC), Independent Living of Niagara County (ILNC), and Independent Living of the Genesee Region (ILGR) continue to concentrate on innovation, by the creation and support of programs that serve needs indicated *by the community*, such as the increased use of our Transportation services and our collaboration with other community partners increase access to Mental Health Services for our minority communities.

As is indicated by our annual report, the family of agencies in the WNYIL for the last budget year served more than **4,500** individuals with disabilities, family or community members in all of the programs and services we have available.

More incredibly, Independent Living Centers provide these increased levels of services in one of the most cost effective manners available. The data estimates that without the services that WNYIL **alone** provides, the **state would have incurred an additional 20.3 million dollars** in costs for higher support levels, such as a Intermediate Care Facility, Group Home Placement, or Psychiatric Center for persons with disabilities in Erie and Niagara Counties. These savings factor in current community support costs, as indicated in the enclosed table.

The additional savings shown this year come from cost centers that show independent living, and its service to the community. An additional **4.0 million dollars** in savings is generated from the employment programs of *Mental Health Peer Connection*, based on the over 200 people who were placed in entry-level employment and taken off of public benefit rolls through our Job Club and Enhancement Programs. The Consumer Directed Personal Assistance Program, *Taking Control*, generates an additional **1.3 million dollars** in Medicaid savings, due to our cost effective billing rates for consumer-controlled, community-based personal assistance program, currently billing more than 280,000 hours per year.

### Schedule of State Savings by Independent Living

	WNYIL	ILNC	Total
Total Cost for Deinstitutionalization	\$26.1 Million	6.8 Million	32.9 Million
Less Program Budget	-8.3 Million	0.7 Million	9.0 Million
Savings before Community Supports	17.8 Million	6.1 Million	23.9 Million
Less Supports (SSI, Heap, Housing subsidy, and other costs)	3.1 Million	0.5 Million	3.6 Million
<b>Savings from Deinstitutionalization</b>	14.7 Million	5.6 Million	<b>20.3 Million</b>
Add <i>MHPC Employment Program Savings</i> (Job Club, Enhancement Program)	4.0 Million	N/A	4.0 Million
Add <i>Taking Control</i> (Consumer Directed Personal Assistance Program) Medicaid savings	1.3 Million	0.3 Million	1.6 Million
<b>Net Savings by Independent Living</b>	<b>\$20.0 Million</b>	<b>5.9 Million</b>	<b>25.9 Million</b>



**CID NY**

841 Broadway #301  
New York, NY 10003

212/674-2300 Tel  
212/674-5619 TTY

212/254-5953 Fax  
www.CIDNY.org

**CIDNY-Queens**  
137-02A Northern Blvd.  
Flushing, NY 11354

646/442-1520 Tel  
718/886-0427 TTY

718/886-0428 Fax  
www.CIDNY.org

**Center for Independence of the Disabled, NY**

February 15, 2011

**TESTIMONY OF**

**LOURDES I. ROSA-CARRASQUILLO, ESQ.,  
DIRECTOR OF ADVOCACY**

**BEFORE THE JOINT LEGISLATIVE COMMITTEE ON EDUCATION**

**REGARDING THE STATE FY 12 BUDGET**

Good afternoon, my name is Lourdes Rosa-Carrasquillo. I am the Director of Advocacy for the Center for Independence of the Disabled, NY (CIDNY). I would like to thank the Joint Legislative Committee for affording me the opportunity to present our testimony about the impact of the Executive Budget proposal to reduce general support for public schools by \$1.5 billion and the impact of proposed Mandate Relief on the youth that we serve.

CIDNY was the first independent living center in New York State, established in 1978. Our goal is to ensure full integration, independence and equal opportunity for all people with disabilities by removing barriers to the social, economic, cultural and civic life of the community. In 2010, CIDNY reached nearly 19,000 New Yorkers.

In 2010, only 15 percent of New York City students with disabilities met or exceeded the new ELA proficiency standard. Only 25 percent of them met or exceeded the new mathematics proficiency standard. The employment gap between people with and without disabilities who are working is 41 percent and our median earnings lag more than \$25,000 behind. Thirty-two percent of people with disabilities are living in poverty. The gap between people with disabilities and without who are living in poverty is 18 percentage points.

Budget reductions of this magnitude will hamper our efforts to redress historic and current inequalities for youth with disabilities. When coupled with "mandate relief" we are concerned that resources and protections for vulnerable students will be swept away simultaneously.

Nearly one-half of the Mandate Relief proposals specifically target children and youth with disabilities.

The most egregious proposal is to curtail the due process protections for students and families by limiting the statute of limitations to one year instead of two years – making redress for gaps in student access to services more difficult and in some cases impossible. Shortening the statute of limitations can lead parents to request due

process hearings prior to using other less formal opportunities to resolve problems. Another problem that may occur is that parents will not have sufficient time to learn of their rights to a due process hearing, ultimately hindering the chances of a student with a disability to have the educational services they are entitled to.

Another matter of great concern is the proposal to eliminate the requirement that school psychologists and parent members participate in the CSE and that a physician may be requested to participate. We believe that individuals with the requisite expertise must be present for a full consideration of children's needs to occur and for children and their parents to understand the issues under discussion.

This and other cuts targeting youth with disabilities will endanger the education and therefore future success of as many as 20 percent of New York's school children. New York is already at a point where services for children with disabilities are barely sufficient to meet their needs. Children with disabilities services are the first to be cut when funding is restricted since they are often perceived by the districts as too expensive even though these services are legal mandates.

We encourage Education Committee members to consider the impact of these reductions together in light of proposed reductions in the Executive Health Budget where early intervention services—that prepare babies and toddlers with disabilities for success in school are also on the chopping block.

New York can do better. We all agree that education is critical to a robust economy and the success of the State. We should not create more barriers to success for children with disabilities who can, with appropriate support, join their non-disabled peers in building a vibrant and productive generation to move New York into future.



**BARD**  
HIGH SCHOOL • EARLY COLLEGE



#22

**Testimony of Martha J. Olson**  
*Bard College Dean of Education Initiatives*  
*Bard High School Early College Dean of Administration*

**New York State Assembly Ways & Means Committee**  
**Hearing on Pre-K – 12 Education Funding**  
**February 15, 2011**

Introduction

BARD HIGH SCHOOL EARLY COLLEGE (BHSEC) is a collaboration between Bard College and the New York City Department of Education. There are currently two BHSEC campuses, one on Manhattan's Lower East Side and the second in Long Island City, Queens, both of which educate students from all five of the New York City's boroughs. BHSEC Manhattan opened its doors in 2001 in Greenpoint, Brooklyn before moving in 2002 to its current location on the Lower East Side of Manhattan. BHSEC Manhattan graduated its first class in 2003. BHSEC Queens opened in 2008 and graduated its first class in 2010. Together they serve 1140 students who reflect the full diversity of New York City.

Both the BHSEC campuses are New York City public schools. We receive New York State School Aid based on the same formulas applicable to other New York City public schools. Bard College oversees the academic program, unique to other public schools, in that two years of college are embedded in a four-year high school. Students admitted to BHSEC can earn two degrees, a New York State Regents high school diploma and an Associate in Arts degree (A.A.) from Bard College. Students enter in 9<sup>th</sup> grade and spend their first two years of high school learning the skills necessary to succeed in college. Following 10<sup>th</sup> grade, these intellectually motivated sixteen year-olds begin their college careers by earning credits toward a tuition-free A.A. degree from Bard College. BHSEC's students graduate with sixty college credits that they can transfer to four-year colleges.

BHSEC seeks to demonstrate that an academically rigorous liberal arts program can intellectually engage a diverse group of high school students and better prepare them for success than traditional high schools; we enable students from underserved middle schools to reach their full intellectual potential and complete a college education.

BHSEC's students reflect the social, ethnic, and racial diversity of New York City. Twenty percent were born outside the United States, and many more are first generation Americans. For a third of our students, English is a second language, and more than forty percent of BHSEC students are the first in their families to attend college. Thirty-six countries are represented by the families of students who entered BHSEC's ninth grade classes in the fall of 2010. Thirty-five percent of our students qualify for a reduced or free lunch; BHSEC Queens is a Title 1 school.

The BHSEC program represents huge financial savings to students by eliminating two years of college tuition payments—and to New York State: BHSEC students do not need to take

*A New York City Public School*

*Manhattan*  
525 East Houston Street • New York, NY 10002  
Main office: 212.995.8470 • Admissions: 212.982.5024 • Fax: 212.777.4702  
E-mail: [bhsec@bard.edu](mailto:bhsec@bard.edu) • Web: [www.bard.edu/bhsec](http://www.bard.edu/bhsec)

*Queens*  
30-20 Thomson Avenue • Long Island City, NY 11101  
Main office: 718.361.3133 • Admissions: 718.361.3133 x. 6913 • Fax: 718.361.6742  
E-mail: [bhsec@bard.edu](mailto:bhsec@bard.edu) • Web: [www.bard.edu/bhsec](http://www.bard.edu/bhsec)

remedial classes upon arrival at college, and the State saves two years of its subsidies for state college degree programs. The BHSEC program works:

- Over 97% of the BHSEC Classes of 2003–2010 were enrolled in four-year colleges immediately after graduation, as compared with the national average of 55%.
- More than 50% of BHSEC Manhattan’s students from the classes of 2003-2008 graduated college within three years.
- Approximately 25% of BHSEC graduates attend schools in the SUNY/CUNY system.
- The freshman to sophomore retention rate for BHSEC students in four-year degree programs is over 95%, compared to 74% nation-wide.

### Impact of Proposed NYS Budget Cuts

Given the State’s fiscal situation, all state funded programs will need to tighten their belts. However, the proposed cuts to NYS School aid would be devastating. A 6.37% cut in school aid to New York City’s schools would undo the great strides that have been made over the last years in improving New York’s public schools, which are rising to the challenge of raising standards and increasing opportunities for the most underserved students. Such cuts would harm an entire generation of school children at the very time when our state’s survival depends on our ability to create a broadly inclusive and innovative economy, which requires good schools that teach children to think and problem solve.

Much has been written and said about the impact of the proposed education cuts—that they would have a greater impact on poorer districts which rely more heavily on state aid, and that they would undo the landmark Campaign for Fiscal Equity court orders to provide a sound basic education to all children across New York State. This year, the proposed cuts to foundation aid will directly impact teaching and learning in core subject areas.

Last year, New York City public schools faced a 4% decrease in funding. Schools like ours struggled to make do, cutting back on supplies, on field trips, on anything we could find around the edges so that our core academic program would be protected. In the end, however, Bard High School Early College had to give up three full time teachers, which meant the loss of our earth science courses, and a full time music teacher, as well as much larger classes in our humanities classes.

This year, a 6.37% cut would mean the loss of approximately \$230,000 at BHSEC Manhattan and \$210,000 at BHSEC Queens—or 3 teachers at each of these two schools. If the loss of the federal ARRA funds is counted in addition to that, BHSEC Manhattan could lose up to 7

---

#### *A New York City Public School*

---

Manhattan	Queens
525 East Houston Street · New York, NY 10002	30-20 Thomson Avenue · Long Island City, NY 11101
Main office: 212.995.8470 · Admissions: 212.982.5024 · Fax: 212.777.4702	Main office: 718.361.3133 · Admissions: 718.361.3133 x. 6913 · Fax: 718.361.6742
E-mail: <a href="mailto:bhsec@bard.edu">bhsec@bard.edu</a> · Web: <a href="http://www.bard.edu/bhsec">www.bard.edu/bhsec</a>	E-mail: <a href="mailto:bhsec@bard.edu">bhsec@bard.edu</a> · Web: <a href="http://www.bard.edu/bhsec">www.bard.edu/bhsec</a>



teachers for next year. The loss of 3 teachers apiece would be deadly; 7 would mean the loss of the early college program as developed.

When small schools, such as the BHSEC schools, are forced to reduce teaching faculty, they have no choice but to begin to look at core programs. After last year's cuts, what other choices can we make? For us, as with other smaller schools, will we be required to choose between offering arts classes—which provide for important creative development and serve to engage students' passions—or a school nurse? Between eliminating choices of history and language classes or a lab science? Between maintaining class sizes that allow for the development of rigorous writing skills, proven critical to student success in college, and giving students the hands-on work in the science labs needed to create the future scientists an innovative economy needs?

None of these choices are satisfactory, nor should they be tolerated. Schools such as the Bard High School Early College schools have been developed around giving students the preparation they need to succeed in college. In our case, we go even further by actually giving students real college classes. This success is built around schools sized so that students are known, so that no one falls through the cracks, with smaller classes that force student involvement and engagement because there is nowhere to hide, with courses that invite deep inquiry instead of surface memorization of facts that are quickly forgotten, with teachers that guide the critical reading of text and the development of problem solving skills that can be applied to new situations and questions. Students from such schools succeed in college and become full participants in our economy with significantly greater earning power and significantly lower unemployment. (College graduates earn almost \$21,500 more annually than do high school graduates, and 66% more over a lifetime; in 2009, the unemployment rate for those with a Master's degree or higher was 3.1% compared with over 11% for those without a high school diploma [NYS Labor Dept].)

Significantly, successful schools, such as the two BHSECs, also work to close the achievement gap that has for too long perpetuated income inequalities in this country based on race and class. For the BHSEC Classes of 2008, 2009 and 2010, students in the lowest 20% of our entering 9<sup>th</sup> grade classes based on their 8<sup>th</sup> grade English Language Arts tests, achieved almost the same GPA by their final year at our school as students coming in with much higher scores from more middle class schools. We send almost every one of our students off to four year colleges each year, many with full scholarships but all with an average of \$25,000 in financial aid to complete their four year college degrees. A good portion of our graduates are first time college goers, or never imagined they would go to a four year college. Now they attend the Ivies, or the top New York State colleges. Their lives will be forever changed. This good work doesn't happen by accident, but through careful and committed work by entire school communities. Such learning communities—where teachers know their students as individuals and can challenge each of them

---

*A New York City Public School*

Manhattan

525 East Houston Street · New York, NY 10002

Main office: 212.995.8470 · Admissions: 212.982.5024 · Fax: 212.777.4702

E-mail: [bhsec@bard.edu](mailto:bhsec@bard.edu) · Web: [www.bard.edu/bhsec](http://www.bard.edu/bhsec)

Queens

30-20 Thomson Avenue · Long Island City, NY 11101

Main office: 718.361.3133 · Admissions: 718.361.3133 x. 6913 · Fax: 718.361.6742

E-mail: [bhsec@bard.edu](mailto:bhsec@bard.edu) · Web: [www.bard.edu/bhsec](http://www.bard.edu/bhsec)

to engage fully with intellectually demanding work—are deeply damaged by across the board cuts to foundational funding.

Public schools such as the BHSEC schools are starting to make great strides in closing achievement gaps and opening opportunities to students that never would have had such opportunities in the past. We can't afford to cut our school funding back to the days where the quality of one's education was solely dependent on where one lived or what their parents could afford. Other solutions must be found to closing NY's budget gap that do not further widen the achievement gap.

*A Final Note About Early Colleges*

My testimony today has gone to the impact of proposed budget cuts on our school generally. But I would be remiss if I did not thank the Assembly for its support of a unique group of schools, the early colleges, and for Bard High School Early College in particular. These early colleges, whether incorporating a full two year college degree program in the four years of high school, or a significant number of college credits over four or five years of high school, have the potential for significantly improving not only the rate of students graduating from NYS high schools, but also the rate of students completing their college degrees—thereby significantly decreasing the public funding spent on students who fail to complete college or students needing remedial course work in order to undertake college courses, and by eliminating at least one if not two years of college tuition costs. These early college programs cost more money up front, during the high school years, in order to cover the costs of the college courses and to ensure that young scholars get the kind of support they need to do this challenging work, regardless of where they went to middle school. In the long run, the early colleges will more than make up for that initial investment. (College credits earned at BHSEC represent a savings of anywhere from \$14,000 to more than \$100,000 for the student, depending upon the college.)

We are deeply appreciative and grateful for the support that the Assembly has given us in the past for our early college program. The New York State Education Department is working on a proposal for sustainable support for the early colleges, including BHSEC, by making them eligible for TAP funding, based on meeting certain academic and accreditation requirements and the number of low income students served. I urge you to give this proposal your fullest support when it is introduced. In the meantime, I thank you again for your support of the Bard High School Early College schools and for your efforts to fully fund New York's public schools.

---

*A New York City Public School*

Manhattan	Queens
525 East Houston Street · New York, NY 10002	30-20 Thomson Avenue · Long Island City, NY 11101
Main office: 212.995.8470 · Admissions: 212.982.5024 · Fax: 212.777.4702	Main office: 718.361.3133 · Admissions: 718.361.3133 x. 6913 · Fax: 718.361.6742
E-mail: <a href="mailto:bhsec@bard.edu">bhsec@bard.edu</a> · Web: <a href="http://www.bard.edu/bhsec">www.bard.edu/bhsec</a>	E-mail: <a href="mailto:bhsec@bard.edu">bhsec@bard.edu</a> · Web: <a href="http://www.bard.edu/bhsec">www.bard.edu/bhsec</a>



**BARD**  
HIGH SCHOOL • EARLY COLLEGE



## OUR PROGRAM

BHSEC is a unique, public early college in which two years of college are embedded in a four-year high school. Students admitted to BHSEC can earn two degrees, a Regents high school diploma from New York State and an Associates degree (A.A.) from Bard College. Students enter in 9<sup>th</sup> grade and spend their first two years of high school learning the skills necessary to succeed in college. Following 10<sup>th</sup> grade, these intellectually motivated sixteen year-olds begin their college careers by earning credits toward a tuition-free A.A. degree from Bard College. BHSEC's students graduate with sixty college credits that they can transfer to four-year colleges.

**“As a young, African American male, social statistics do not bode well for me. . . . From my first day at BHSEC, I was forced to achieve and pushed to do more than I thought I could achieve.”**

–Declan McPherson, Class of '05, from East Flatbush to the New York Institute of Technology ('07)  
to a Masters program at Brooklyn College ('10)

## OUR STUDENTS

BHSEC's students reflect the social, ethnic, and racial diversity of New York City. Twenty percent were born outside the United States, and many more are first generation Americans. For a third of our students, English is a second language, and more than forty percent of BHSEC students are the first in their families to attend college. Thirty-six countries are represented by the families of students who entered BHSEC's ninth grade classes in the fall of 2010.

**“One of the things Bard has shown is that kids from wildly different backgrounds—including large numbers of immigrant children—can thrive in an educational environment that is much more intellectually demanding than your typical high school.”**

–Bob Herbert, “A Very Bright Idea,” May 2010, *New York Times*

- Over 97% of the BHSEC Classes of 2003–2010 were enrolled in four-year colleges immediately after graduation, as compared with the national average of 55%.
- More than 50% of BHSEC Manhattan's students from the classes of 2003–2008 graduated college within three years.
- 99% of students from BHSEC Manhattan and BHSEC Queens's Class of 2010 were accepted to four-year colleges, including Brown, Johns Hopkins, Macalester, Oberlin, Princeton, Skidmore, the University of Chicago, University of Pennsylvania, Vassar, Yale, and a broad range of SUNY and CUNY schools.
- Approximately 25% of BHSEC graduates attend schools in the SUNY/CUNY system.
- The freshman to sophomore retention rate for BHSEC students in four-year degree programs is over 95%, compared to 74% nation-wide.

*A New York City Public School*

---

BHSEC Manhattan • 525 East Houston Street • New York, NY 10002 • 212.995.8479 • [www.bard.edu/bhsec](http://www.bard.edu/bhsec)  
BHSEC Queens • 30-20 Thomson Avenue • Long Island City, NY 11101 • 718.361-3133 • [www.bard.edu/bhsec](http://www.bard.edu/bhsec)



**BARD**  
HIGH SCHOOL • EARLY COLLEGE



**“We should also explore innovative approaches being pursued here in New York City; innovations like Bard High School Early College . . . that are challenging students to complete high school and earn a free associate’s degree or college credit in just four years.”**

–President Obama, speaking to the centennial convention of the NAACP, July 2009

## OUR FACULTY

Seventy percent of BHSEC’s teachers are PhDs and bring their passion for their field and for education to their classrooms, providing students with challenging curriculums that require them to work to their fullest intellectual potential. Students and teachers alike benefit from a 20:1 student faculty ratio and small, seminar-style classes.

## QUALITY, COST-EFFICIENT EDUCATION

BHSEC’s innovative program enables students to graduate with a high school diploma and an Associates degree from Bard College—at no cost to them—by leveraging a 70% public investment in their education. The school’s fundraising efforts support 30% of the total cost of educating a student at BHSEC—a fraction of the overall investment in their education. College credits earned at BHSEC represent a savings of anywhere from \$14,000 to more than \$100,000 for the student, depending upon the college. When credits do not transfer, students are likely to receive advanced standing.

## ONE MISSION, TWO CAMPUSES

**BARD HIGH SCHOOL EARLY COLLEGE (BHSEC)** is a collaboration between Bard College and the New York City Department of Education. BHSEC seeks to demonstrate that an academically rigorous liberal arts program can intellectually engage a diverse group of high school students and better prepare them for success than traditional high school; we enable students from underserved middle schools to reach their full intellectual potential and complete a college education.

BHSEC is housed on two campuses, one on Manhattan’s Lower East Side and second in Long Island City, Queens, both of which educate students from all five of New York City’s boroughs. **BHSEC Manhattan** opened its doors in 2001 in Greenpoint, Brooklyn before moving 2002 to its current location on the Lower East Side of Manhattan. BHSEC Manhattan graduated its first class in 2003. Students from BHSEC’s first graduating classes have entered the professional world in a range of professions: as educators, lawyers, police officers, and chemical engineers, among many other professions. A second campus, **BHSEC Queens**, which opened in 2008 moved to its current location in Long Island City in 2009, graduated its first class in the spring of 2010. A third BHSEC campus, in Newark, New Jersey is slated to open in the fall of 2011.

*A New York City Public School*

---

BHSEC Manhattan • 525 East Houston Street • New York, NY 10002 • 212.995.8479 • [www.bard.edu/bhsec](http://www.bard.edu/bhsec)  
BHSEC Queens • 30-20 Thomson Avenue • Long Island City, NY 11101 • 718.361-3133 • [www.bard.edu/bhsec](http://www.bard.edu/bhsec)