

MARCH 2008

▶ 48 school district superintendents representing 115,000 students and their parents in Albany, Schenectady, Schoharie, Saratoga, Rensselaer, Columbia and Greene Counties

New York's promise

World-class public schools are a smart investment – and the right priority



Last year our governor and state legislators made a historic promise to invest \$5.5 billion in New York's public schools over four years. It was a much-heralded commitment, rooted in the understanding that all New Yorkers have much to gain by investing wisely in education.

Our challenge and our responsibility is to close the achievement gap, increase graduation rates and deliver on the promise of a world-class public school system – one that will fuel economic growth and keep the American Dream alive for future generations. The wisdom of this vision holds true in both good and bad economic times. *New York's promise lies in a well-educated, world-class workforce.*

New York gets a big return on education dollars

In January *Education Week*, the nation's education newspaper of record, gave New York the highest overall grade of *any* state in the nation for its education standards, policies, funding and student performance. New York's students lead the country in performance on Advanced Placement exams and we dominate the prestigious Intel Science Talent Search. We are outpacing most states when it comes to closing the achievement gap. Test scores are up in grades 3-8, fewer students are scoring at the bottom level and graduation rates are on the rise.

We are also seeing more innovation and choice within our public schools: magnet academies, International Baccalaureate programs and regional career and technical programs that are as varied as the students we serve. This year Questar III and the Capital Region BOCES opened Tech Valley High School, a school that will serve as a model for the entire region when it comes to innovation, creativity and collaboration with business and industry.

While there is still much work ahead, the reality is New York has excellent public schools. We ask our state leaders to maintain the state's wise investment in student achievement with predictable, equitable and adequate education funding.

World-class schools AND property tax relief: We can do both!

We are extremely grateful that the governor and Legislature are committed to making education funding a priority in light of New York's looming budget deficit. But we are disappointed that the Foundation Aid proposed in the Executive Budget falls far short of the \$1.6 billion that was pledged. This is no time to back off from promises barely one year old. Education is the right priority, and it is New York's best investment in an emerging global economy.

As education leaders we also recognize and support the need for property tax relief in New York State. *But there are better solutions than tax caps.* We should not threaten all the hard-won educational progress of recent years by enacting a solution that does nothing to reduce the *expenses* that are driving up the cost of education in New York. Instead, efforts would be better spent working together to rein in the cost of health care, retirement, energy, special education requirements and the myriad unfunded or under-funded mandates on our schools.

We should not have to choose between world-class schools and property tax relief. That is one thing New Yorkers can not afford and will not stand for. We can – and must – do both.

Education Week, the nation's education newspaper of record, gave New York the highest overall grade of ANY state in the country for its education standards, policies, funding and student performance.

World-class public schools are the right priority

► Keep the promises on Foundation Aid for 2008-09

New York State took a giant step forward last year with an education plan that provides for greater equity, adequacy, predictability and accountability.

Year two of this four year plan needs to go forward with the promised increases in Foundation Aid for education. We ask our state legislators to honor the pledge that every district would receive at least a 3 percent annual increase in Foundation Aid.

Keeping this promise will help our schools continue to make academic gains *and* relieve the pressure on the local property tax.

► Don't cut state support for BOCES programs and services

The governor's proposed state budget includes a change in the BOCES Aid formula that would cost our 48 school districts \$4.3 million for costs already incurred. (*See chart attached*)

Statewide, the combined loss in BOCES Aid would total 10 percent or \$66.9 million if the current-law aid formulas are changed.

It is inconsistent that the governor would propose a reduction in BOCES Aid when he is simultaneously championing greater governmental cooperation and efficiencies.

Our state leaders would be well advised to provide more, not less, financial incentive for schools and even local government to use BOCES as a vehicle to achieve greater economy and governmental efficiencies.

New York's Rural School Association recently urged the state to strengthen the role of BOCES, calling it "the most effective and efficient structure to address

regional needs." We strongly support a restoration of the BOCES Aid formula to current levels.

► Reject the plan to remove state police officers serving as SROs in our schools

The governor plans to redeploy 200 state police officers from current assignments to work in high crime areas of the state. As a result, 118 schools in New York State would lose their school resource officers (SROs).

Ten of our 48 school districts would be negatively impacted if this comes to pass: Averill Park, Berne-Knox-Westerlo, Brunswick, Burnt Hills-Ballston Lake, Cairo-Durham, Coxsackie-Athens, Duanesburg, Ichabod-Crane, Shenendehowa and Taconic Hills.

SROs are vital to school safety and help prevent crime in our schools. It would be both costly and problematic for districts that cross municipal and county boundaries to contract with local police departments if they lose their state police officer.

We ask our state leaders to reject the plan to remove state troopers from our schools. With millions of new Homeland Security dollars flowing into New York, it seems the state should have better options than taking away from school safety programs.

► Don't add new unfunded mandates – such as preschool special education services

Ironically, the governor talks about the need to halt unfunded mandates – and then tucked three into the Executive Budget. Enough is enough.

We ask our state leaders to halt plans to shift the cost of evaluating children needing preschool special

education onto the schools. This would result in a \$46 million savings to the state – and another unfunded mandate for schools.

We also oppose efforts to mandate 12 weeks of *paid* family leave for school employees. This would be an enormous new cost – initiated by the state, but shouldered by local taxpayers.

Lastly, if the governor's Healthy Schools Act moves forward, we ask that the state be prepared to ensure it is fully funded.

► Provide relief from existing mandates

Mandate relief needs to part of any serious discussion of property tax relief in New York State.

Our public schools have been inundated with mandates that create enormous burdens of time and cost. Too many of our schools are forced to divert precious time and resources away from teaching and learning to fulfill unfunded or under-funded mandates.

► Streamline planning and reporting

Related to mandate relief is the need to streamline the planning and reporting requirements placed on our schools.

The State Education Department calculates that districts are required to submit roughly 150 plans and reports each year – an average of three per district, per week. Spread across all districts, that equates to about 100,000 plans annually for SED staffers to wade through.

It is time to downsize all this red tape and burdensome paperwork. We should start by reconciling reporting requirements under the new Contracts for Excellence with *existing* accountability measures.

► Keeping the promise on Foundation Aid will help our schools continue to make academic gains AND relieve the pressure on the local property tax.

► **Revise the contingent school budget cap**

The Legislature has already recognized that certain items should be exempt from the contingency cap. We ask that this list be expanded to include costs associated with energy, health care and pension fund contributions – areas where schools have little or no control.

► **Raise the outdated \$30,000 salary limit on BOCES Aid**

Under current law, BOCES Aid is only allowed on salaries up to \$30,000 – a threshold that has not been raised in 17 years.

We ask the Governor and Legislature to raise the salary limit eligible for BOCES Aid to \$57,000 – a fair and reasonable level suggested by the New York State Board of Regents.

The current salary threshold, based on 1991 costs, has lost significant ground when compared with real-world salary costs for professional education staff.

► **Increase the allowable fund balance to 5 percent for “rainy day” costs**

Increasing the allowable fund balance to 5 percent would provide greater financial stability for districts faced with emergency expenses. We also ask that small districts – with small budgets – be allowed to carry a fund balance of at least \$500,000.

Fund balances can too quickly be depleted by events beyond a district’s control – such as when there is a sudden increase in students with high-cost special needs or when fuel costs rise as rapidly as they have in recent years. Public schools are the only public entities with a state-imposed limit on their rainy day savings.

► **Enact a fairer system of funding charter schools**

New York’s charter school experiment should not come at the expense of its public schools.

Efforts to provide Transitional Aid to districts hurt by charters have been inadequate. Where charter enrollments *already* exceed 5 percent, we urge permanent state aid toward the portion of charter enrollment above the 5 percent threshold.

We also endorse a moratorium on any planned expansion of charter schools in oversaturated districts like Albany.

► **Make public school leaders *full partners* in the planning and implementation of school improvement initiatives – including Contracts for Excellence**

It is time to put an end to the myth that school leaders are resistant to accountability. The fact is no other enterprise in the state or the nation is as accountable to the public as our public schools.

We are asking for greater input and dialogue to avoid the many unintended consequences of otherwise well-intentioned legislation.

Whether it is Contracts for Excellence or other accountability measures, our schools need greater clarity from the state, realistic timelines and flexibility in using new funding resources to their best advantage at the local level. This will help influence, inform and enrich *effective* implementation of education initiatives – and that is a win for everyone.

► **Pass another on-time state budget**

For the past three years, legislators have delivered on-time state budgets. This allows districts to develop their own budgets with greater confidence when predicting revenues.

We appreciate this resolve and encourage legislators to turn in *another* on-time budget.

► **Take a fair and responsible approach to property tax relief – *not* tax caps**

As school leaders, we recognize the need for property tax relief in New York State and will support efforts to work in partnership with our state leaders to enact a better and fairer solution than tax caps.

While New Yorkers support property tax relief, they do not want it to come at the expense of their children’s education.

It is time to get serious about property tax relief by focusing on the costs that make school expenses rise much faster than the Consumer Price Index: health care, energy, pensions and New York’s tangle of special education regulations that far exceed federal guidelines. It is also time to re-evaluate all the unfunded and under-funded mandates that schools have had to pass along to local taxpayers.

If we have to cap anything, it is *costs* that should be capped – not our schools’ ability to pay for these costs by slowly but surely dismantling educational programs and progress.

Specifically, we ask our state leaders to consider a number of important areas (*outlined on the next page*) where cost control could – and should – begin.

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It is time to get serious about property tax relief by focusing on the costs that are driving up taxes: health care, pensions, energy and New York’s tangle of special education regulations that far exceed federal guidelines.

Searching for property tax relief

While all New Yorkers would welcome relief from property taxes, it should not come at the expense of New York's public schools. In this regard, tax caps are the wrong answer. Rather than limit tax *revenues*, tax relief needs to target the *expenses* that drive school tax increases.

There is deep concern in the P-12 educational community that without addressing expenses, such as pension costs and health insurance (which accounted for almost half of all school tax increases two years ago), a tax cap will have a disastrous impact on New York's schools.

In states where a tax cap has

been in place for a number of years, the legacy has been cuts: cuts to music and art programs; cuts to elective and/or advanced courses; cuts in extracurricular activities; and cuts in teachers, counselors and other school staff.

We cannot allow this to become New York's legacy, too. The quest for property tax relief should not pit our schools against our taxpayers.

Schools *have* been working to control costs

The issue is not schools' overspending. Our school districts *have* responded to the need to contain costs – from energy efficiency, to health insurance

consortiums and sharing services and staff through BOCES. There simply are too many costs where schools have little or no control – many of which are increasing well above the rate of inflation.

The reality is these costs will not magically decrease if a tax cap is enacted. Knowing that, what choice would our school districts have but to reduce or eliminate academic programs and services that directly benefit students?

With so much at stake, we would be wise to explore alternatives that won't jeopardize the high-quality education that New York taxpayers and parents demand and deserve.

Cost controls & mandate relief

A better alternative than property tax caps

- ***Move to state-funded health insurance.*** If the state pooled all school, municipal and county employees into a single state-run health insurance program, it would produce substantial savings without diminishing care. State funded health insurance would take *enormous* pressure off the local property tax – with the added benefit of streamlining future contract negotiations at the local level.
- ***Pay pension costs at the state level.*** The state runs the retirement systems and makes the decisions on when to enhance benefits. Pension costs, which have fluctuated widely in recent years, are outside district control. This is an area where state funding makes better sense – and where real property tax relief can be achieved.
- ***Require full funding for all new mandates – and relief from existing ones.*** We should pay particular attention to New York's tangle of special education requirements. New York currently ranks second in the nation in the proportion of instructional salaries dedicated to special education mandates but the disparity is not yielding better results. If New York were in line with national averages, \$1.3 billion per year could be saved in this one area alone.
- ***Support and expand BOCES' role in facilitating greater efficiencies and regional cooperation*** among schools and municipalities. BOCES should also be charged as regional brokers to expand ties between schools and agencies serving children and families.
- ***Review the state's Triborough Amendment*** to the Taylor Law, which significantly compromises locally-elected school boards' leverage in union negotiations.
- ***Repeal the state's Wicks Law,*** which requires school districts and municipalities to award multiple contracts for virtually every construction project – thereby inflating construction costs by as much as 30 percent.
- ***Streamline the teacher discipline process.*** The average district has to spend upwards of \$100,000 and more than two years to remove a tenured teacher in New York State.
- ***Last but not least, keep the state promise on school aid.*** If the state follows through on Foundation Aid formulas enacted last year and rejects the proposed cut in BOCES Aid, this will go a long way toward relieving pressures on the local tax base – *without compromising educational achievement.*

► The issue is not schools' overspending. Our school districts HAVE responded to the need to contain costs. There simply are far too many costs where schools have little or no control – many of which are increasing well above the rate of inflation.

	Gov's State Sharing Aid Ratio	Present Law Selected Aid Ratio	Difference	2008-09 BOCES Aid Gov's	2008-09 BOCES Aid Present Law	Difference	% Change
Berlin	0.591	0.658	-0.067	330,969	365,618	-34,649	-9.48%
Brunswick	0.560	0.724	-0.164	407,300	516,846	-109,546	-21.20%
East Greenbush	0.481	0.674	-0.193	919,469	1,247,290	-327,821	-26.28%
Lansingburgh	0.827	0.820	0.007	934,862	927,493	7,369	0.79%
Wynantskill	0.528	0.693	-0.165	67,449	84,760	-17,311	-20.42%
Rensselaer	0.722	0.766	-0.044	438,598	463,691	-25,093	-5.41%
Averill Park	0.612	0.739	-0.127	756,260	895,385	-139,125	-15.54%
Hoosic Valley	0.728	0.757	-0.029	582,284	604,225	-21,941	-3.63%
Schodack	0.582	0.726	-0.144	399,543	490,610	-91,067	-18.56%
Troy	0.724	0.774	-0.050	2,392,758	2,549,623	-156,865	-6.15%
Rensselaer Co.				7,229,492	8,145,541	-916,049	-11.25%
Cairo Durham	0.674	0.674	0.000	489,915	489,915	0	0.00%
Catskill	0.584	0.649	-0.065	819,340	906,375	-87,035	-9.60%
Coxsackie	0.531	0.645	-0.114	344,862	411,301	-66,439	-16.15%
Greenville	0.579	0.647	-0.068	591,582	657,356	-65,774	-10.01%
Greene Co.				2,245,699	2,464,947	-219,248	-8.89%
Taconic Hills	0.360	0.371	-0.011	323,865	333,247	-9,382	-2.82%
Germantown	0.441	0.464	-0.023	206,614	216,791	-10,177	-4.69%
Chatham	0.360	0.494	-0.134	253,730	342,551	-88,821	-25.93%
Hudson	0.551	0.628	-0.077	514,294	579,250	-64,956	-11.21%
Kinderhook	0.481	0.630	-0.149	534,950	684,887	-149,937	-21.89%
New Lebanon	0.373	0.497	-0.124	113,609	148,826	-35,217	-23.66%
Columbia Co.				1,947,062	2,305,552	-358,490	-15.55%
Total for Questar				11,422,253	12,916,040	-1,493,787	-11.57%
Berne Knox	0.552	0.690	-0.138	454,994	564,218	-109,224	-19.36%
Bethlehem	0.409	0.616	-0.207	510,207	734,078	-223,871	-30.50%
Ravena	0.542	0.618	-0.076	637,028	721,727	-84,699	-11.74%
Cohoes	0.758	0.806	-0.048	633,524	671,158	-37,634	-5.61%
South Colonie	0.433	0.563	-0.130	570,134	720,745	-150,611	-20.90%
North Colonie	0.360	0.504	-0.144	273,038	360,678	-87,640	-24.30%
Menands	0.360	0.592	-0.232	37,872	60,615	-22,743	-37.52%
Maplewood	0.470	0.735	-0.265	29,376	45,220	-15,844	-35.04%
Green Island	0.694	0.784	-0.090	154,924	174,214	-19,290	-11.07%
Guilderland	0.409	0.592	-0.183	849,266	1,196,782	-347,516	-29.04%
Voorheesville	0.373	0.621	-0.248	255,234	414,373	-159,139	-38.40%
Watervliet	0.818	0.810	0.008	500,231	495,620	4,611	0.93%
Albany Co.				4,905,828	6,159,428	-1,253,600	-20.35%
Duanesburg	0.631	0.727	-0.096	434,484	498,058	-63,574	-12.76%
Scotia Glenville	0.577	0.709	-0.132	996,256	1,212,922	-216,666	-17.86%
Niskayuna	0.411	0.657	-0.246	697,821	1,047,404	-349,583	-33.38%
Schalmont	0.433	0.648	-0.215	598,014	882,507	-284,493	-32.24%
Mohonasen	0.644	0.744	-0.100	819,637	937,564	-117,927	-12.58%
Schenectady	0.900	0.839	0.061	3,656,382	3,421,106	235,276	6.88%
Schenectady Co.				7,202,594	7,999,561	-796,967	-9.96%
Middleburgh	0.658	0.684	-0.026	329,136	341,540	-12,404	-3.63%
Cobleskill	0.726	0.762	-0.036	778,059	814,778	-36,719	-4.51%
Schoharie	0.656	0.716	-0.060	392,640	426,887	-34,247	-8.02%
Sharon Springs	0.874	0.816	0.058	321,684	300,840	20,844	6.93%
Schoharie Co.				1,821,519	1,884,045	-62,526	-3.32%
Burnt Hills	0.535	0.685	-0.150	769,702	969,952	-200,250	-20.65%
Shenendehowa	0.428	0.606	-0.178	1,351,208	1,857,126	-505,918	-27.24%
Saratoga Co.				2,120,910	2,827,078	-706,168	-24.98%
Total for Cap Region				16,050,851	18,870,112	-2,819,261	-14.94%
Region Total				27,473,104	31,786,152	-4,313,048	-13.57%
Statewide				593,991,047	660,910,447	-66,919,400	-10.13%

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ALBANY CITY Eva Joseph <i>Superintendent</i>	DUANESBURG Christine Crowley <i>Superintendent</i>	NISKAYUNA Kevin Baughman <i>Superintendent</i>	SCOTIA-GLENVILLE Susan Swartz <i>Superintendent</i>
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CAIRO-DURHAM Sally Sharkey <i>Superintendent</i>	GREENVILLE Cheryl Dudley <i>Superintendent</i>	NEW LEBANON Karen McGraw <i>Superintendent</i>	WYNANTSKILL Christine Hamill <i>Superintendent</i>