

TO: Robert Megna, Rockefeller Institute

Re: Statement on Foundation Aid Formula study

From: NYSED Regent Frances Wills

Addressing New York State's Foundation Aid Formula to support public education presents a profound challenge to ensure the wellbeing of our students, our residents and the integrity of our civic core. After struggling for a number of years to achieve full funding in 2023, the State Education Department presented a fiscal plan in 2024 to update the formula using current inflation, poverty, and enrollment data to replace outdated information based on the 2000 census. NYSED also recommended applying \$1,000,000 to engage assistance of experienced consultants to review and revise the formula based on current conditions including the need for funding newcomers, rising costs of special education and the impact of the pandemic on learning and mental health and a new context for designing graduation measures to meet current college, career and workforce conditions. Faced with an Executive proposal to retract the promises of the formula, in particular the hold harmless provision, there was strong opposition by the Legislature and the formula was applied without Draconian revision and with a plan to employ the services of the Rockefeller Institute to study the issue and make a recommendation by December 31, 2024 in time for the next Budget cycle.

In fact, the Foundation Aid formula has failed to fulfill its promise of equitable funding and resources for all students in New York State. By basing the cost and enrollment factors on figures from the 2000 census and omitting the more recent impact of recent economic fluctuations the formula no longer reflects the issues facing the families we serve in our public education institutions. Free and Reduced Lunch figures no longer reflect that needs of students in temporary housing, arriving from other nations and needing cultural and language skills. Essentially, the formula discounts the profound changes that have taken place in our population, the needs presented by these changes, the impact of the pandemic on families in varying regions of the state, and increasing requirements for school safety and mental health support.

For example, enrollment decline in rural areas that have experienced economic distress has resulted in a loss of property tax income and a decrease in opportunities for students to enroll in advanced courses and electives that provide an education that readies them for success in college and career. Moreover, transportation costs have increased with the prices of fuel and there are fewer educators available to meet the needs in the classroom, particularly for students with special needs and English Language Learners who enter at varying ages and levels of prior education. In this situation, without the hold harmless provision, the rural schools are in jeopardy of further reducing the efficacy of their community center of civic life, their school. The example of the rural school is just one aspect of the Foundation Formula structure that requires a deeper analysis.

In fact, each region of the state presents anomalies in resources and structure that require a fresh analysis of the meaning of equitable funding. One example is the East Ramapo School district which now serves 1/3 of its student population in the public school; 2/3 of the students attend private schools. Transportation in that district requires 20% of the budget, and the community has passed its first budget in many years. The 1% increase is well below the figure

needed to meet the basic educational requirements of the public school students. The commitment of a community to its public schools is an essential premise of the underlying principles of the Foundation Aid Formula. East Ramapo was once a district that provided excellent educational opportunities, resources, and results and now finds itself unable to properly address the needs of the public school students even with the Foundation aid with a population that requires significant resources for English as a Second Language and Special Education, but without the support of the majority of District residents who send their children to private schools. Thus, E. Ramapo is a cautionary tale reminding us that a blueprint for fiscal equity from a prior era, needs to be reviewed and revised as the premise and fiscal ecology of that period are no longer in place. I believe that the Foundation Aid formula must find a way to ensure access, opportunity, and resources to the public school students who have been systematically deprived of their educational sustenance in the East Ramapo School District.

There are many other examples of the profound challenges that face our schools, their teachers and leaders today. Areas such as expense-based aids need to be reviewed as well as facilities planning to meet environmental and climate events. The Foundation aid formula must acknowledge as well that with the tax cap, every mandate and regulation places demands on the district that reduce options and require rethinking of priorities. Aspects of budget regulations that include allowable fund balances must also be addressed so that Districts can manage their fiscal restraints and the impending and often unknown costs of special education and other events, such as newcomers sent from other states who must be treated with dignity and compassion.

The New York State public school system was derived from an expansive view of the public good. That perspective must be preserved if we are to continue to lead our nation in embracing the belief that education drives the civic and economic well being of our people.