Areas for improvement in the Foundation Aid Formula

The Foundation Aid Formula takes into consideration factors such as wealth, income, poverty, special education students, students classified as English Language Learners, and if a district is more rural.

Below are recommended areas of the formula that should be reviewed. Some may still be appropriate, but others are outdated.

- Special Education students are weighted adding an additional 1.41 FTE per special education student (on top of the already included count of the student through average daily membership). Are the needs of a special education student equivalent to 2.41 compared to 1 for a student not classified?

- Should English Language Learner students be part of the TAFPU calculation versus the Pupil Need Index/Extraordinary Needs Count? Should they be treated similar to special education students but at a different weighting and what weighting is appropriate?

- Is the statewide Base Foundation Aid amount truly still equivalent to the costs to educate an average student? Has the inflationary factor since 2016-2017 kept pace with the true cost? 2016-2017 was the last year this data was updated through statistical analysis.

- Does the Regional Cost Index need to be updated? This was done in 2006 and compares the median salaries in professions similar to education but not education across the state. This drives more aid downstate as the cost of living is significantly higher.

- Should the floor for the Income Wealth Index (IWI) be lowered to less than 65% (.65)? If a district's adjusted growth income per pupil unit is less than 65% of the state average, they are held to using 65% in the formula. Currently based on the present formula all districts in the Broome-Tioga BOCES region use the Expected Minimum Contribution calculation based on the Foundation Aid State Sharing Ratio.

- The census used is the 2000 census data; however, both the 2010 and 2020 census are known to have flaws. Is there a better source to determine poverty?

- Is the poverty count best represented by a combination of the poverty from the census and free and reduced lunch counts? How will changes in funding for school lunch programs impact the data collected for free and reduced lunch counts?

- What other student populations require additional services but are not classified as special education? Are these services driving significant costs more so than in 2007-2008? One example may be mental health costs. However, to capture this in the formula, a clearly defined data set must be collected. It is unlikely that this can be captured through actual expenditures. Should there be reporting of students that receive these services and how

would that be done? How could that be added to the TAFPU calculation like special education? What weighting would be appropriate?

Factors Impacting Foundation Aid

Below are the factors that are included in the Foundation Aid Formula. They are divided into two sections: 1) the factors included in the Total Aidable Foundation Pupil Units (TAFPU) otherwise described as the student count, and 2) the factors included in the Foundation Aid per Pupil which is the amount being aided per TAFPU. All factors are described as calculating aid for the 2024-2025 school year.

Total Aidable Foundation Pupil Units (TAFPU) Factors:

Factors for the Sum of Average Daily Membership	Explanation
Average Daily Membership (21-22 & 22-23)	The data collected on Form A of the ST-3 reports students enrolled to attend K-12; Average Daily Membership is a more favorable factor used versus Average Daily Attendance which would be lower.
Special Education Students Enrolled at BOCES (21-22 & 22-23)	This data is collected on Form A of the ST-3; note—students attending full time alternative education programs through BOCES are not included in the TAFPU calculation as they are aided through BOCES aid.
Resident Pupils Attending Charter Schools (21-22 & 22-23)	This is not a factor that is significant in the Broome-Tioga BOCES Region but would be in other areas of the state. This data is collected on Form A of the ST-3.
Equivalent Attendance (21-22 & 22-23)	Based on the number of operated hours for in district and BOCES programs, this data is collected on Form A of the ST-3.
Dual Enrolled Average Daily Attendance (21-22 & 22-23)	Dual enrolled students are those students attending non-public schools who are also special education students receiving at least 20% service, or students in career education or gifted education programs in the public school.
Public School Enrollment	
Public School Enrollment (22-23 & 23-24)	The sum of all of the above factors is multiplied by the change in public school enrollment for the most current school year as compared to year prior. If enrollment is increasing the above sum is adjusted upwards to account for the change in the more recent year as this year is not accounted for yet in the above factors. And vice versa for a decline in public school enrollment. Public School Enrollment is sum of 1) BEDS day enrollment via the Student Information Repository System (SIRS). This is in district K-12 including ungraded students & non-resident homeless students, and then

	from Form A 2) Full-Time BOCES special education students, 3) Equivalent Attendance, 4) Homebound/Hospitalized students, & 5) Charter School Students. Public School Enrollment does not include students in full time BOCES alternative education programs.
Other Factors in TAFPU	
Summer School	This is based on the aggregate hours of students attending state approved summer school programs excluding the 4408 students with disabilities program and BOCES summer school programs.
Weighted Special Education	Special Education Students are captured above already via Average Daily Membership/Students Enrolled at BOCES; however, they are captured again weighted at 1.41. This is driven by Form A reporting and includes the calculated FTE in districts, BOCES, resident charter school and dually enrolled special education students. *Thus, a special education student that is 1 FTE essentially end up counting for 2.41 between the two parts of the formula*.
FTE of Declassified Students Previously Classified as Students with Disabilities	These FTE are weighted at .5 instead of 1.41.

TAFPU = (Sum of Average Daily Membership x Change in Public School Enrollment) + Summer School + Weighted Special Education + Weighted Declassified Students

TAFPU is calculated for each year. For the Foundation Aid formula, the TAFPU based on 21-22 and 22-23 are then averaged. ***The Selected TAFPU for 24-25 Aid is based on the higher of the average OR the TAFPU based on 22-23 data***. Thus, if the TAFPU is increasing, the higher number is used. If the TAFPU is decreasing year to year, only the average of the 2 years is used, and it is not automatically dropped to the lower of the 2. This phases in any decreases in TAFPU and partially smooths any decreases in the factors that may be due to unforeseen events in one year.

Foundation Aid Per Pupil Factors:

Factors of the Adjusted Foundation Aid Per Pupil	Explanation
Base Foundation Amount	This is the base amount that it costs to educate an average general education student. This base amount was updated for 2010-11, 2013-14, and 2016-17 based on statistical information; otherwise, it is adjusted annually by inflation. Up until 24-25 aid, the inflationary factor was based on the previous calendar year CPI and ranged from a low of .4% decrease in 10-11 to a high of an 8% increase in 23-24. For 24-25 aid, this was changed to a 10-year average of CPI which is a 2.8% increase.
Regional Cost Index (RCI)	Based on 2006 analysis, the base foundation aid amount is increased by a factor for different regions of the state. This has not changed since the inception of foundation aid in NYS. The Broome-Tioga BOCES region has an RCI of 1.045 (increasing the base amount by 4.5%). The RCI across the state ranges from 1 to 1.425.
Pupil Needs Index (PNI)	The base foundation aid amount is also increased by the PNI. The factors going into the PNI are listed below. For the Broome-Tioga BOCES Region, the PNI for 24-25 ranges from approximately 1.262 to 1.947. Thus, the base amount is increased by 26.2% to 94.7%--in some districts almost doubling the amount per pupil. The PNI cannot be less than 1 or greater than 2.
Expected Minimum Local Contribution #1 Factors	**Explanation**
Actual Valuation	This is the lessor of a 2-year average (calendar year 2020 & 2021) or 2021; the data is provided by the OSC. This is used to determine the actual valuation per TWFPU.
Total Wealth Foundation Pupil Units (TWFPU)	This is calculated using the same sum of Average Daily Membership for TAFPU but also includes resident students attending other districts but excludes non-resident students attending this district
Local Tax Factor	The factor is the same across the state and for 24-25 is .0149
Adjusted Growth Income	2021 AGI provided by the OSC is used to determine the AGI per TWFPU

Income Wealth Index	The district's 2021 AGI per TWFPU is compared to the state average; however, if this is less than 65% of the state average, the minimum impact to the formula is only 65%--it cannot be lower. *If a district's AGI per TWFPU is less than 65% of the state average, the district would benefit from this being changed in the formula as it would decrease the minimum local contribution*.
Expected Minimum Local Contribution #2 Factors	**Explanation**
Actual Valuation	This is the lessor of a 2-year average (calendar year 2020 & 2021) or 2021; the data is provided by the OSC.
Adjusted Growth Income	This is the lessor of a 2-year average (calendar year 2020 & 2021) or 2021; the data is provided by the OSC.
Total Weighted Pupil Unit (TWPU)	TWPU is a measure of the weighted average daily attendance of resident students.
Foundation Aid State Sharing Ratio (FASSR)	Using the actual valuation and adjusted growth income, both per TWPU as compared to the state average, the FASSR is calculated. This is very similar to the combined wealth ratio but a series of calculations are done to determine the highest of the 4 calculations. High Need districts FASSR is increased by 5%. The maximum FASSR is 91%. This was increased for 24-25 aid from 90%. The higher the FASSR the lower the expected minimum contribution.
Pupil Needs Index (Extraordinary Needs Count) Factor	**Explanation**
23-24 Public School Enrollment	Public School Enrollment is sum of 1)BEDS day enrollment via the Student Information Repository System (SIRS). This includes in district K-12 including ungraded students & non-resident homeless students, and then from Form A 2) Full-Time BOCES special education students, 3) Equivalent Attendance, 4) Homebound/Hospitalized students, & 5) Charter School Students. Public School Enrollment does not include students in full time BOCES alternative education programs.
23-24 English Language Learner Count	The English Language Learner (ELL) FTE is based on Form A of the ST-3 filing.
Sparsity Factor	For more rural districts, there is a formula to determine a sparsity factor involving the

	number of students per square mile of the district. A district must have less than 25 students per square mile for this to be a factor. *As enrollment declines, this factor goes up driving more aid*.
Free & Reduced Lunch Counts	A three-year average (20-21, 21-22, 22-23) of BEDS day K-6 free and reduced lunch counts as compared to BEDS day K-6 enrollment.
Census Poverty Count	Using the 2000 Census those counted as "below poverty" ages 5-17 as compared to the total count of ages 5-17

Adjusted Foundation Amount = Base Foundation Amount x Regional Cost Index x PNI

Selected Foundation Aid per Pupil = Adjusted Foundation Amount - the lessor of the two Expected Minimum Calculations

Foundation Aid = Selected Foundation Aid Per Pupil x Selected Total Aidable Foundation Pupil Units (TAFPU)