



August 29, 2024

Robert Megna  
President  
Rockefeller Institute of Government  
411 State Street  
Albany, NY 12203

Re: Washington-Saratoga–Warren-Hamilton-Essex (WSWHE) Chief School Officers (CSO) Advocacy Committee Comments on Foundation Aid Reform

Dear Mr. Megna,

Districts around the state, including those in the WSWHE BOCES region, are appreciative of the State’s achievement to fully fund the Foundation Aid formula for the 2023-24 school year, while maintaining the long-standing practice of “hold harmless”. After years of advocacy, achieving that goal felt like a significant accomplishment to many, and made our district leaders hopeful that we had entered an era where districts could rely on the predictability of the Foundation Aid formula to build their budgets with confidence.

The proposal advanced in the Executive Budget to reduce hold harmless payments and artificially suppress the inflationary calculations in the Foundation Aid formula for the 2024-25 school year came as a shock - one that neither district leaders nor taxpayers were prepared for.

Our region, comprised of 31 districts, with 20 districts on hold harmless and 11 districts whose data continues to generate new aid. Therefore, we were equally opposed to the changes proposed and welcome the opportunity to have a meaningful conversation about the full scope of the Foundation Aid formula, as well as the needs of our students and the makeup of our communities. As you continue your deliberations and develop your report, we ask that you consider the following recommendations:

***Evaluate the current cost to educate a successful student.***

In theory, considering the cost to educate a successful student as a basis for aid makes sense. However, in practice, this only works if that cost is current and reflective of the present-day expenses. In the years since that baseline was established, the inflationary increases alone that have been applied have simply not been adequate to keep pace with actual costs. This is a result of dramatically increased costs, especially for major, personnel related cost-drivers such as health insurance in combination with the massive changes in what is required for student success today.

Changes in technology, both educational technology and technological infrastructure, as well as changes in instructional requirements and, frankly, changing expectations around what is expected of a high school graduate, have dramatically increased district costs. Not only is a full re-evaluation needed to reset the baseline, but a mechanism should be adopted that ensures a regular and automatic review and update.

***Stabilize the calculation and distribution of Foundation Aid.***

As noted above, school district costs continue to rise, largely as a result of cost-drivers that the district cannot control. While we acknowledged that the state as a whole and in fact many of the districts in our region have lost significant enrollment in the last decade, it is not accurate to suggest that a declining enrollment leads to a significant reduction in expenses. In fact, in smaller districts that may have only one school at each level, or one building total, enrollment changes do not equate to a reduction in those maintenance expenses. The CPI calculation is critically important, as schools face the same inflationary increases every year.

Similarly, a reduction in enrollment does not necessarily allow for a reduction in staff. Certification-rules-required programs and other factors dictate certain staffing patterns and requirements. For example, what could be framed as a significant enrollment drop, of ten to fifteen percent, in a small district may be as limited as 1-2 students per grade, per year. But our districts must maintain properly certified teachers at each grade level and in each required certification area.

To ensure equitable access is strengthened, we ask that you recommend that the Foundation Aid formula not only maintain the hold harmless policy, but also enshrine a due minimum increase and preserve a standard, realistic, and accurate consumer price index (CPI) adjustment each year.

***Update measures of student need and poverty.***

Understanding the needs of the students our districts serve is a critical component of ensuring equity. However, many of the current measures have become dated and are not reflective of the current student population.

Current law requires a number of data points to measure student need, including census poverty data, which is a data set that no longer connects. It also requires the use of Free and Reduced-Price Lunch (FRPL) data, which has been eroded in accuracy by the expansion of the Community Eligibility Program (which relies on direct certification rather than FRPL forms).

At the same time, the current law Foundation Aid formula is notable for the measures of student need and poverty it does not include. While the Foundation Aid formula includes a weighting to drive increased aid for those students who are English-language learners and students with disabilities, that weight does not consider the ever-increasing complexity of students' needs. Moreover, there is no weighting or funding attached to the mental health needs students are increasingly presenting with.

To more accurately reflect student need and measures of poverty, we ask that you recommend that the Foundation Aid formula include updated measures, including replacing FRPL data with a weighted direct-certification measure, as is used in the CEP program and replacing the census poverty data with Small Area Income Poverty Estimates (SAIPE).

In addition, we ask that you recommend escalating the student weights for students with severe disabilities and complex English-language-learner needs, while adding a weight for students needing mental health services.

***Update and validate measures of a districts ability to pay.***

The current formula uses a number of indicators to assess “district wealth” which then determines the calculation of the anticipated local share by looking at the income wealth of primary residents in combination with the property value or wealth. However, since the adoption of the Foundation Aid formula and the subsequent tax cap, this combined-wealth ratio has become an increasingly invalid measure of district’s ability to generate local revenue and fund their local share. Under the tax cap, the presence of increased property value or income is no longer the best indicator of ability to pay, as increases are limited to the cap calculation, not growth in resources.

Understanding the political popularity of the property tax cap, we ask that you recommend alternative measures to calculate local ability to pay in a way that fully considers the implications of the property tax cap.

Our districts are deeply committed to serving the needs of our students and giving them access to as many diverse and robust programs as possible. By collaborating across our region, we can provide access to many innovative and advanced programs that would otherwise be unattainable for our smaller, higher-poverty districts to provide on their own. We do not do this work alone. We actively partner with local industries and provide high-skilled career and technical education programs that align with regional and statewide workforce development needs. We collaborate with one another and

partner throughout BOCES to maximize access and opportunities. These partnerships also allow us to provide regional access to dual enrollment programs, including PTECH and other early college opportunities. But without a stable and adequate, flexible, operational base funding stream, all these other efforts will be in jeopardy.

We thank you for considering our thoughts and recommendations. Please do not hesitate to reach out with any questions or if you would like additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Cook". The signature is fluid and cursive, with the first name "Andrew" written in a larger, more prominent script than the last name "Cook".

Andrew Cook  
Chair, WSWHE BOCES Chief School Officers Advocacy Committee  
Superintendent, Hartford Central School District

CC: Senator Jake Ashby  
Senator Jim Tedisco  
Senator Dan Stec  
Senator Mark Walczk  
Assemblymember Mathew Simpson  
Assemblymember Marybeth Walsh  
Assemblymember Carrie Woerner  
Assemblymember Scott Bendett