



September 6, 2024

Dear Rockefeller Institute:

Please accept this letter as testimony from the Newfield Central School District regarding the present study of New York's State's Foundation Aid formula for school districts. The Newfield CSD appreciates the opportunity to provide input on how this formula and funding impacts our local school district.

Providing adequate funding for public school systems is not just based on the value a constituency places on public education - it is based on law. The New York Constitution instructs the Legislature to provide for a system of free K-12 public schools wherein all children of the state may be educated. In 1993, the state's educational financing system was further defined under the Campaign for Fiscal Equity (CFE) when the Foundation Aid Formula was created to distribute aid based on student needs and close the spending gap between districts. The formula was to consider a school district or city's ability to raise money through local property taxes. Fast forward to 2024 and the state finds itself using a formula based on census data from 2000, and without regard for changes to the educational funding landscape that have occurred over the past 30 years (i.e. the tax cap).

Since 2000, New York State has suffered significant population loss, as reflected in the dropping enrollment numbers for most districts across the state. At the same time, there has been ballooning in special education costs for students with disabilities, a factor only compounded by the fact the state's special education rates have increased significantly as well (According to recent data from the Empire Center, NYS's classification rate has gone from 13.4% to over 19% in the past 20 years and, as of 2019, accounted for 24% of total funding costs in education. Simultaneously, NYS requires over 200 mandates that go beyond the requirements of IDEA, which only serves to drive the costs even higher. The present foundation aid formula fails to take into account these escalating costs.

First and foremost, there must be an increase in the adjusted foundation aid amount (FA) to reflect more realistic costs of educating a single child, as the mission of school districts has increased simply beyond inflation. For instance, the Newfield Central School District now provides wrap-around health care to our families through school physicals, mental health counseling, and dental services. In addition, we provide students with College and Career Readiness skills, Digital Literacy in Computer Science, Social-Emotional Learning standards, Next Generation Science Standards, College planning (including completing the FAFSA form), and bullying/cyberbullying education and prevention programming.

Some other important considerations are:

Any change to the formula needs to include increased weighting in the Students With Disabilities (SWD) formula factor. The costs of providing special educational services have increased faster than the costs for general education students, and with staffing shortages in special education, this trend is likely to continue, as districts increase wages to attract teachers and bring in contractors to fill gaps.

Foundation aid has not kept pace with the costs of sending students to Charters. District foundation aid per pupil is declining yet the charter school tuition is increasing. In 2009-2010, Newfield's foundation aid represented 97% of charter school tuition. In 2024-2025, it is down to 90% of the charter school tuition. Other mechanisms don't fully fill the gap so the burden falls increasingly on the limited tax base. Two percent of Newfield students attend Charters so the discrepancy in funding compared with costs is notable.

In the current foundation formula, the Pupil Needs Index is based on the receipt of paper forms for free and reduced-price lunch eligibility. However, as a district with community eligibility, we feed everyone - so families aren't filling those forms out. The new formula should use direct certification or some other more reliable measure to represent pupil needs. Also, the use of Census data from 2000 is outdated and should be set to 2020 Census data or something even more timely.


The Regional Cost index in the current formula is too broad. Labor and materials costs are very localized. The foundation aid formula uses the district-specific actual property valuation as part of determining the local contribution. However, it uses an overly broad regional measure to determine the costs of providing an education. One district can have double the housing costs (thus reducing their state aid), requiring higher teacher pay, yet be given the same regional cost index (also reducing their state aid relative to the cost of living/labor/materials).

All of these additional requirements cost the district tens of thousands of dollars and are hard to make up at the local levy, given the Newfield Central School district's present tax levy only brings in an additional \$71,811 in revenue per 1% increase. With a combined wealth ratio score of .489, a poverty rate of 65% district-wide, and a median home value of \$220,000 the community is not in a financial position to make up for a loss in aid through local tax dollars. Considering the state has implemented a tax cap that puts further restaurants on a district's ability to raise revenue locally, the formula must rationally determine the level of support for Save Harmless districts like the Newfield CSD that is based upon wealth and demographics of students to ensure equitable access to education regardless of one's zip code.

Although the Newfield CSD does not have a clear solution to how school aid should be distributed across the state, we do believe that the future foundation aid formula should be distributed to districts based on student needs and local capacity and be calculated using updated poverty estimates and regional cost measures for a more accurate assessment of district need. Finally, we urge the Institute to consider the need school districts have for consistency when it comes to preparing annual budgets, and any formula that can provide a level of predictability would greatly be appreciated.

In closing, we thank the Rockefeller Institute for its time and consideration of the concerns of the Newfield Central School District as it moves towards finalizing its report on the Foundation Aid formula for the Governor. We look forward to viewing its findings in early December.

Sincerely,



Eric Hartz

Superintendent

Newfield Central School District