

OSWEGO COUNTY DRAFT IMPACT STATEMENT & RECOMMENDATIONS

Dear Sirs:

The school districts of Oswego County, NY appreciate the opportunity to provide input on the revision of the Foundation Aid formula. Given the critical role this formula plays in the equitable distribution of educational funding, it is essential to ensure that poor, rural schools with fluctuating enrollment receive adequate consideration. The comments that follow represent a combined statement from the nine school districts of Oswego County offering insights on significant factors impacting our schools. We implore the Rockefeller Institute to give serious consideration to these factors in their decision-making for improvement of the formula.

OSWEGO COUNTY PROFILE: To begin, below are some illustrative statistical points about our county.

Out of 62 counties that make up New York State, Oswego County ranks:

- 2nd highest for child poverty (28.6%)
- 54th for having the poorest health factors and access to services

Comparing averages in New York State (NYS) and Oswego County (OC):

- Families with Income at the Poverty Level: NYS 14.3%; OC 18.6%
- Children Suffering from Food Insecurity: NYS 18.8%; OC 20.0%
- Eligibility for Federal Nutrition Programs: NYS 77.0%; OC 87.0%
- Four Year Graduation Rates among Economically Disadvantaged: NYS 82%; OC 74%
- Child Abuse & Maltreatment ages 0-17: NYS 12.4/1000; OC 44.8/1000
- Ratios for Access to Services of:
 - Physicians: NYS 1240:1; OC 2500:1
 - Mental Health Providers: NYS 280:1; OC 560:1
 - Dentists: NYS 1200:1; OC 2150:1

Oswego County has experienced a student enrollment decline of 31% over the last 23 years, as compared to a total population decline of only 3.5%. Although the number of school aged children has declined over that time, the needs of those who remain have increased significantly. Some factors that help illustrate this include:

- Economically disadvantaged children in Oswego County increased from 37.2% to 58.9%.
- Of all students in Oswego County who qualify for Federal Nutrition Programs, 90% of them have annual family incomes in households of 4 people at or below \$39,000.

OSWEGO COUNTY LACK OF SUPPORTING SERVICES: As previously illustrated, the ratio of providers for basic medical and mental health services in Oswego County is double the state average. The lack of services such as these means in many cases that basic needs of students are not met, which impacts their readiness to learn. This together with higher child poverty, food insecurity and abuse factors result in more needy student populations requiring greater use of

school resources.

OSWEGO COUNTY INCREASED STUDENT NEED: In addition to the needs indicated above, student populations such as foster placements, homeless youth, and McKinney Vento are examples of needy populations requiring additional resources. In Oswego County, profiles of students like these are more prevalent, which illustrates how enrollment decreases alone do not translate into reduced costs for districts. On the contrary, costs for serving these needier segments of student populations outweigh any savings that may result from enrollment fluctuations. The rate of child poverty and the growth in counts of economically disadvantaged children in Oswego County render fiscal burdens which aren't matched by many other districts. Oswego County's current average "Pupil Need Index" factor is 1.65, which indicates significantly greater need than the average district in NYS. As such, the revised formula must account for factors reflecting these greater student needs.

BASE ALLOCATION PER STUDENT PLUS ADJUSTMENTS: It would be fair to establish a base "per student" figure, but also adjust those allocations for other local and regional factors relative to wealth and ability to pay. Examples impacting Oswego County are given below, and in the items that follow:

- a. Income & Property Wealth: Oswego County's average Adjusted Gross Income is only 45.8% of the state average and Assessed Value per Foundation Pupil Units are 41.7% of the state average.
- b. Business and Industry Tax Base: Oswego County is lighter on business and industry than other regions, resulting in most of the tax burden falling on the backs of private taxpayers.

FREE AND REDUCED LUNCH COUNTS ARE NOT REFLECTIVE OF NEED: It is important to realize that these counts are no longer a reliable measure of poverty for Oswego County (and also likely for many rural counties). The expansion of the Community Eligibility Program (CEP) has resulted in many families no longer completing the application/income verification forms due to the blanket eligibility offered by CEP. In Oswego County, all school districts have all school buildings 100% eligible and participating in CEP. For all districts, the FRLP counts generated by the required application forms have reduced, rendering these counts misaligned from true need. This fact must be recognized and reflected in the revised formula.

AGED DATA DOES NOT REFLECT CURRENT NEED: As illustrated by the opening statistics, data that is 10, 15, or 20+ years old is obsolete when it comes to accurately representing today's needs. The revised formula must not "freeze" data by naming specific years for data used. Language must reference current data. Tying formulas to the most current multi-year average (i.e.: the most current prior 3-year average) would allow them to be self-updating.

LOWER THE MINIMUM INCOME WEALTH INDEX: The current minimum threshold in the formula for the Income Wealth Index is .65. In Oswego County, the average Combined Wealth Ratio is .48, which means the current formula appears to be artificially inflating the wealth factors of Oswego County making it appear less needy. The new formula must accurately reflect Oswego County at its rightfully lower wealth factors to ensure equitable levels of funding.

ALLOW FOR COSTS THAT OUTPACE INFLATION: All costs are not created equal and do not progress within the bounds of pre-set inflationary limits. Likewise, some cost increases are beyond the ability of districts to control. Employee benefits (i.e.: health insurance) and other costs that outpace inflation erode district abilities to maintain other activities, even when the cost of those don't increase at the same pace, are flat, or reducing. Given that Oswego County income levels are more firmly rooted in poverty than other areas of the state, costs that outpace inflation have a more pronounced impact on local taxpayers. The new formula should allow consideration for costs that outpace inflation.

PROVIDE FOR EQUITY IN EDUCATIONAL OFFERINGS: Given the rural and impoverished profile of Oswego County, it isn't possible in many cases for districts to offer student programming that is equitable to what their peers get in other areas of NYS. Oswego County districts lack resources to provide levels of electives and opportunities that are available in other counties. The new formula must consider the diverse needs of students being served (i.e.: poverty level, mental health needs, etc.), the economic diversity of districts serving those students, and endeavor to provide equitable opportunities for all students across NYS. An equitable slate of instructional programming (i.e.: enrichment, multiple foreign language options, access to higher level math and science, etc.) should be defined and funding assistance provided for every district to meet these standardized opportunity thresholds.

ALLOW FOR EMERGENCIES AND SIGNIFICANT UNFORESEENS: This is not a factor specific to Oswego County, but with increases in weather related disasters (i.e.: flooding), influxes of students (i.e.: integration of migrants or increased special education populations), consideration should be given in the formula to assist districts with such unforeseen cost factors. A current-year aid aspect to the formula would help districts who face significant events impacting the budget. Please consider two categories of Foundation Aid: Subsequent Year Foundation Aid (SYFA) and Current Year Foundation Aid (CYFA). Using a similar approach to BOCES Facilities Aid, CYFA would allow districts access to funding to help address unforeseen needs/emergencies in the current year.

PHASE IN ANY DELETERIOUS IMPACTS: Since the existing formula included save-harmless provisions, it didn't allocate aid to districts in need, while affording other districts higher allocations which have become part of their fiscal diet. In Oswego County, should save harmless be eliminated, four districts would be in peril of losing funding in a combined total of \$6.6m. Three of these districts are among the smallest and most rural in our county. This represents a 17.0% increase to their combined tax levies or \$6.6m of reduced programming across those districts. A funding reduction of this magnitude will be devastating for these districts, either by catapulting residents into greater poverty from the increased tax burden, or through destructive reductions to education. Should implementation of the new formula result in taking funds away from districts, a phase-in of reductions must occur no more rapidly than 5 years.

OTHER CURRENT CHALLENGES OF NOTE:

- a. Recruitment & Retention of Staff – Similarly to many across NYS, Oswego County districts face significant challenges in recruiting and retaining staff. Loss of funding would further exacerbate the disparity of our county being able to hire and maintain the staffing needed to provide educational opportunities equitable to what's offered elsewhere.

- b. Inflation – Costs of goods and services are increasing, which means that funding needs to keep pace. District tax levies are in essence capped at 2% or CPI, whichever is less. The new formula must adequately address inflationary costs.
- c. EV Buses – As districts are expected to meet these new mandates, already overtaxed communities will be required to fund bus purchases that cost 3 times the amount as diesel buses, not to mention the infrastructure changes to accommodate charging. This is an example of added costs not tied to student enrollment, funding for which will compete with budgets that already struggle to provide equitable student programming.

In summary, here are the recommendations from the body of the document. The school districts of Oswego County contend that the new formula for Foundation Aid must:

- Account for factors reflecting greater student needs.
- Establish a base “per student” figure, but also adjust those allocations for other local and regional factors relative to wealth and ability to pay.
- Recognize and reflect the FRLP counts now misaligned from true need due to the Community Eligibility Program.
- Not “freeze” data by naming specific years for data used. Language must reference current data, tying formulas to a current multi-year average.
- Accurately reflect Oswego County at its rightfully lower wealth factors to ensure equitable levels of funding.
- Allow consideration for costs that outpace inflation.
- Provide equitable opportunities for all students across NYS. An equitable slate of instructional programming should be defined, and funding assistance provided for every district to meet these opportunity thresholds.
- Consider a current year segmentation of the formula that would allow districts access to funding if needed to address unforeseen needs/emergencies in the current year.
- Phase-in any resulting aid reductions no more rapidly than 5 years.

In closing, we would like to thank you for considering these recommendations. By implementing these or similar changes, we can ensure that the Foundation Aid formulas more equitably distribute resources and support the diverse needs of all school districts across New York State.