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***Budget Testimony Before  
The New York State Legislative  
Fiscal and Education Committees***

***Presented January 27, 2016 by:***

***Dr. Kriner Cash  
Superintendent  
Buffalo City School District***

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On behalf of the Buffalo Schools Community, our parents, school staff, and most importantly our students, I thank you for the legacy of support received from this legislative body, the Governor, and the Commissioner of Education.

High expectations are everything in public education. In Buffalo, we are staying true to this calling: High expectations for students—and the best instruction by our teachers—every day, in every school, in every classroom, in every subject, and for every year of a child’s education.

That is why the Receivership legislation you passed last year is so important to the future of our students. In that legislation you established high expectations for our District. I am happy to report to you that Receivership is working in Buffalo and is essential to the New Educational Bargain I have made with parents and students.

Buffalo is privileged to be the home of a celebrated champion for public education: Retired Deputy Speaker of the Assembly Arthur O. Eve. Together we have honored the Arthur O. Eve legacy by investing millions in reconstructing our schools to be the envy of urban districts across America, we have integrated social services at levels not seen at any time in our history, and we have partnered with Say Yes to Education, guaranteeing a college scholarship for every graduate in Buffalo and removing poverty as barrier to a better future. We could not have accomplished this without the Assembly, the Senate, our Governor, and Commissioner united in building a great public school district in Buffalo.

While my tenure in the District has been short, we have seen gains in our August graduation rate which climbed to 61% from 56% the previous year. We attribute this growth to the District’s efforts to create programs that offer students – particularly those most at risk of dropping out – alternatives for finishing high school. We are proud of this growth, but know that we need to do more to continue to improve these statistics.

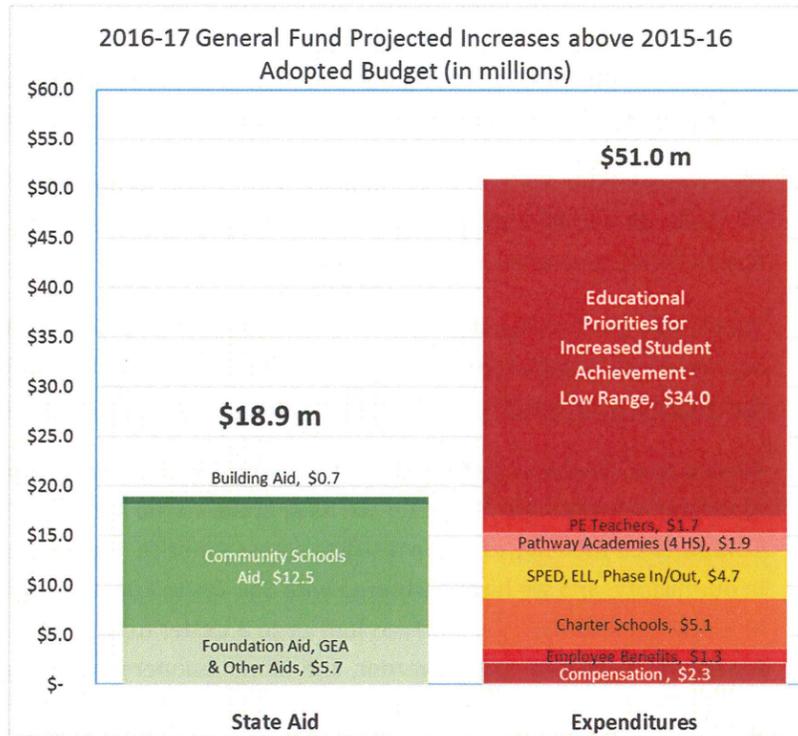
After arriving in Buffalo, reviewing the data and spending time in the community, it became clear to me that it is a great City with passionate advocators for the children and their education. To turn that passion and dedication into significant educational gains, it is imperative that we all work together and devote energy and resources to programs proven to provide the students with the skills they need to succeed. This collaboration includes the community, parents, educators, administrators, local leaders and you, as our state leaders.

In working with my team and studying our statistics, the areas in greatest need of improvement became clear. It is these areas that led us to committing to the following educational priorities:

1. Rigorous Early Elementary Education
2. Strong Community Schools
3. New Innovative High Schools
4. Extended Learning Excellence for All Our Students
5. Services for Our Neediest Children and Families
6. New Relationship with Our Teachers

We want to ensure the best instruction for all our children – every day, in every school, in every classroom, in every subject, in every year of school.

Unfortunately, implementing new successful and sustainable programs will require additional resources in staff, time and money. At the same time, the District must fund its fixed budgetary costs that include fringe benefits for employees and retirees and charter school tuition while it continues to support the recently added programs that helped improve graduation rates, the expanded physical education program and additional supports for our children with special needs and limited English proficiency. Before funding the new priorities previously identified, such as a rigorous early elementary education program, the District's costs are projected to increase \$17.0 million. While the Governor's budget provided an increase of state aid totaling \$18.9 million above the 2015-16 budget; only \$9.2 million is in Foundation Aid/GEA Reduction, the aid category that serves to fund basic operations since it is not expense based or limited to spend on



specific programs. Based on the Governor's budget, there is \$12.5 million in Community Schools Aid, but it remains unclear if there are limitations as to what these funds can be used for. All other aid categories decreased a total of \$2.8 million. The estimated costs of the six educational priorities to increase student achievement is \$34 million, bringing the 2016-17 projected deficit to \$40.5 million, before use of fund balance. The District has used between \$8-10 million in fund balance to close the deficit in the last two years. Some of the increased costs for these initiatives includes additional teachers to reduce class sizes in grades K-3 and provide enhanced math and reading support to our youngest students who often come to us several levels behind their peers in suburban districts. These costs also include additional compensation to extend learning during the school year and into the summer as well as additional costs for attendance improvement strategies. These estimated costs represent only year one of a multi-year plan to grow these programs.

Legislatively, the District is seeking your assistance to help us achieve our goals:

**Specifically:**

1. Increase Foundation Aid to allow the District to fund its educational priorities for increased student achievement, which are estimated to cost \$34 million.

**Rationale:**

The six priorities will require additional staff dedicated to teaching our youngest students math and reading skills and providing our neediest students with additional time on task and critical supports to get them and keep them in school.

2. Increase the per pupil funding for the Universal Pre-K (UPK) grant.

**Rationale:**

The categorical UPK grant and per pupil funding has been flat for numerous years, despite increases in salaries and benefits and the programmatic needs of the students to increase their reading levels. The District has

absorbed \$5 million of the costs of the program in the Title I grant that it could redirect to the other educational priorities if the UPK grant was self-supporting.

- 3. Provide a permanent increase in the Health Services Grant of at least \$2 million, from \$5.3 million to \$7.3 million.**

***Rationale:***

With the exception of the one-time bullet allocation in 2015-16, there have been no increases since 2006-07 despite increased costs of services, service needs, and requests from charter schools to provide nursing services.

- 4. Increase the funding for Receivership schools - specifically add funding for schools that are classified as "Struggling"**

***Rationale:***

While we are appreciative of the increased funding given to our district for schools that have been identified as "Persistently Struggling", we have 20 schools that are identified as "Struggling", these schools receive no additional funding to support new programming, and increased professional development. Furthermore, we would like to work with our strategic partners to place the best teachers in front of our students. Additional funding for each struggling school would assist in the attainment of demonstrable improvement targets.

- 5. Allow conversion and District-sponsored charter school enrollments to be included in charter school transitional aid calculations.**

***Rationale:***

As depicted in the charter school payments, transitional aid and enrollment chart, there is an almost \$100 million gap between transitional aid and charter school payments. The District first sponsored or converted two charter schools years before transitional aid was created to help offset the costs of tuition; yet over time, the tuition costs have continued to grow. Allowing these students to count in transitional aid would provide additional funding of \$9.1 million in 2016-17 and \$18.9 million over a three year period.

- 6. Allow Phase 1 requests for funding the New NY Broadband Program to allow projects in Urban areas.**

***Rationale:***

The district is currently assessing the feasibility of extending existing internet resources into the community so that all Buffalo residents can have equal and adequate access to the Internet. Recent census data shows that over 35% of city residents have no access to broadband Internet from home. The goal is to utilize portions of the Smart Schools Bond funding as well as apply for funding from the New NY Broadband Program to offset capital expenditures. Phase 1 requests for funding through the New NY Broadband Program only allow for projects in rural areas of the state where no broadband exists or the services are inadequate. A critical component for the success of our project is access to this available funding and we urge policy makers to consider urban areas, like Buffalo, as under-served not because internet access isn't available but because it is not affordable for many city residents.

**7. Eliminate the unfunded, mandated reporting and monitoring requirements for the Contract for Excellence (C4E).**

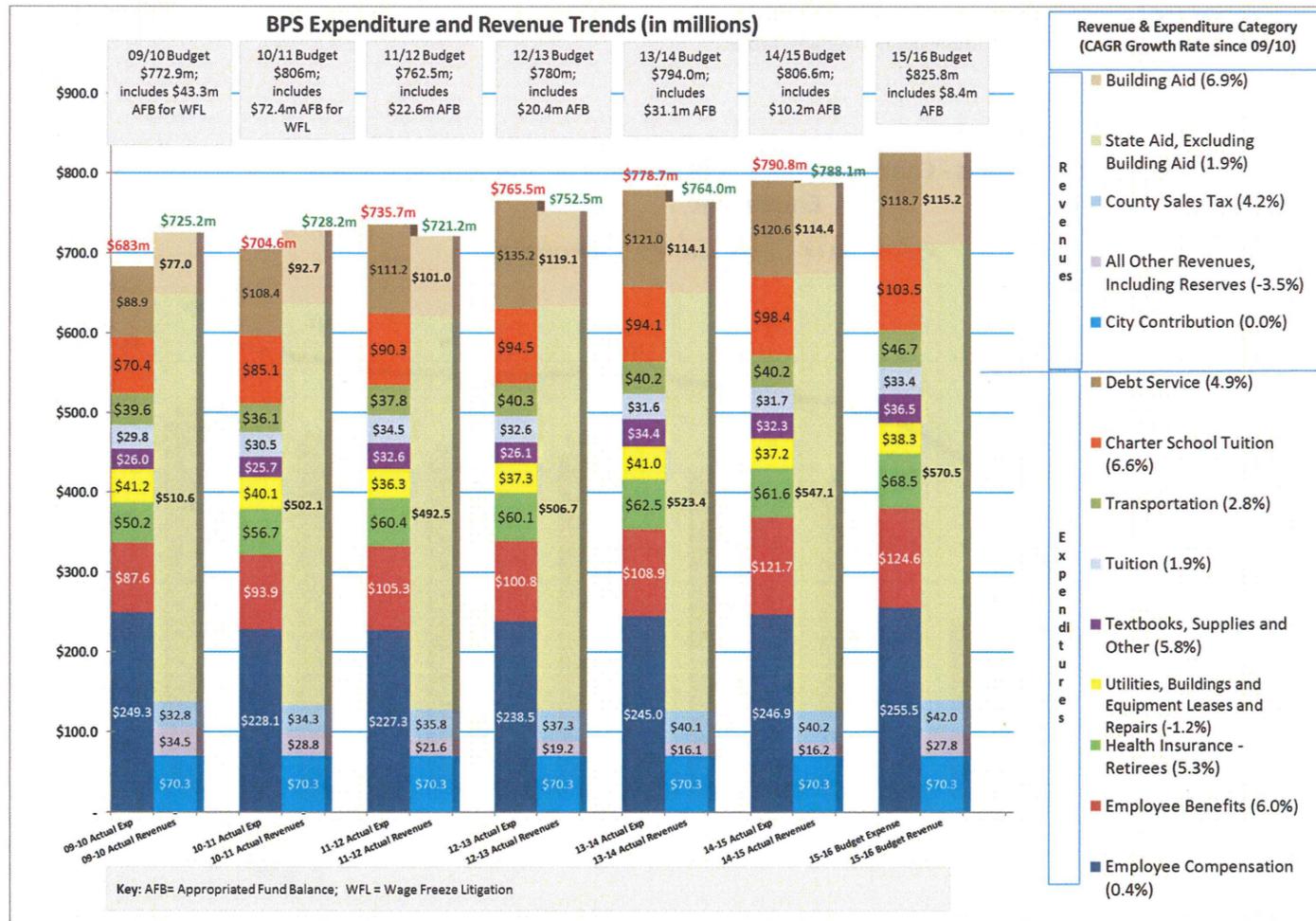
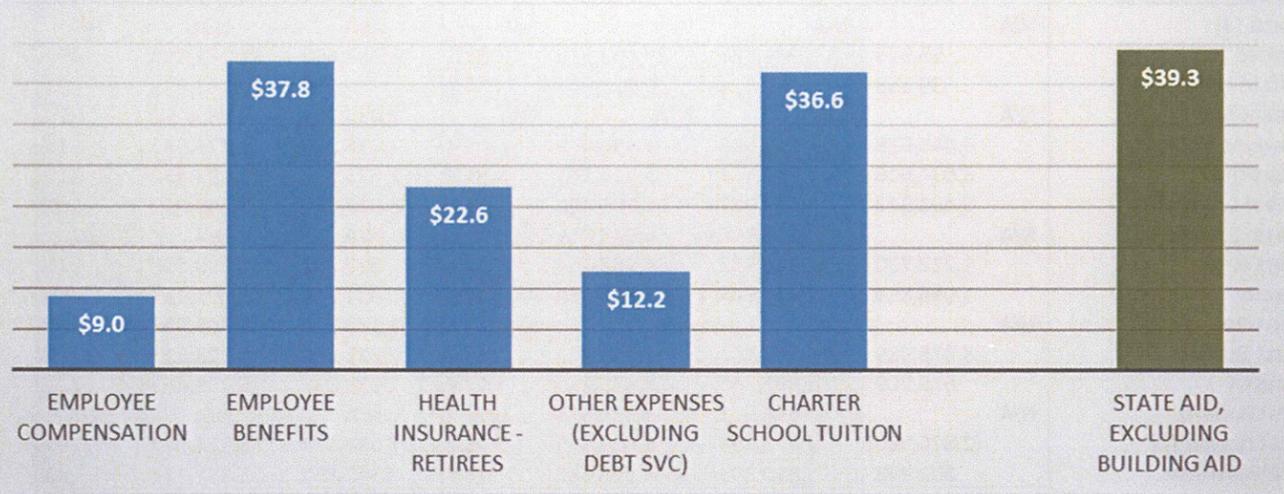
***Rationale:***

For several years, the District has been utilizing the C4E set aside to fund allowable instructional initiatives. Given the nature of these expenditures and their direct service to students, it is very unlikely that if the C4E requirements were eliminated that the District would stop funding them. If they did, it would only be to redirect them to the priorities identified above. However, since the District is required to monitor and maintain separate accounts, obtain an external audit and have a public hearing including paying for public notices the staff time and other costs are estimated to be approximately \$30,000 and consume about 44 staff days. While this does not sound like a lot on the grand scheme of things, I can assure you there are several other priorities we could be devoting our time and money too.

On behalf of Buffalo's children and their education, I thank you for your time and efforts today and in the future.

***Supplemental Information is contained on the following pages***

## Expenditure and Revenue Growth - Major Categories 2008-09 to 2015-16



### Charter School Net Asset Balances - Trend Since 2008-09

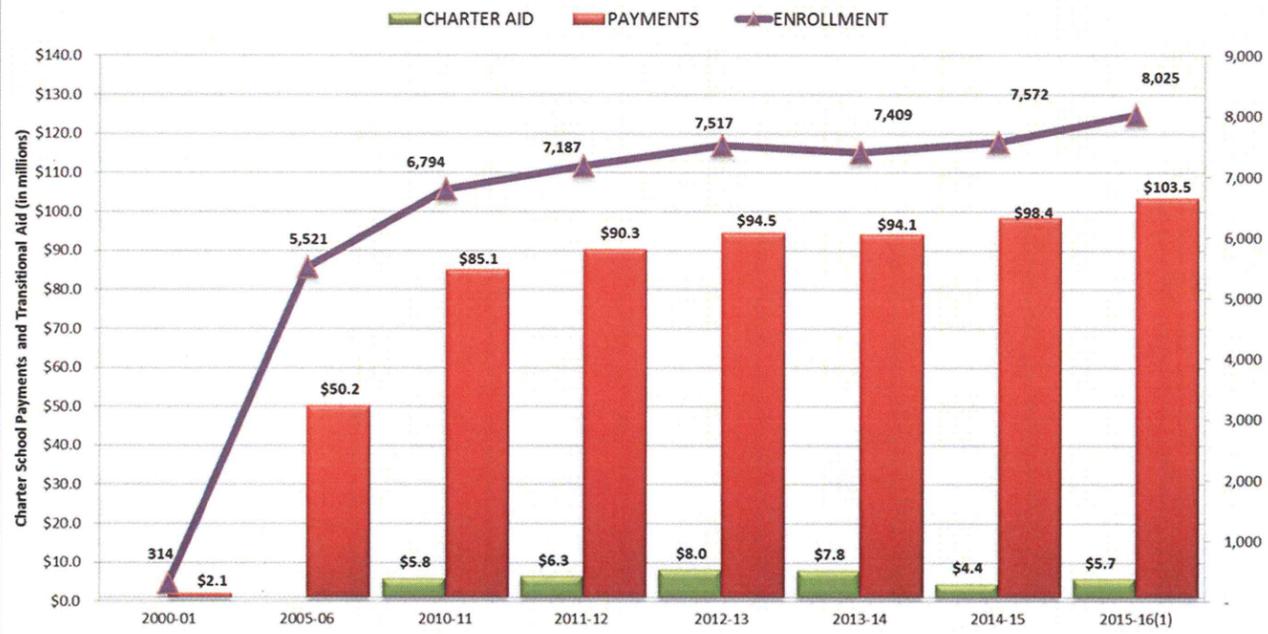
Charter School	Change since 2008-09	Year 2014 - 2015			Year 2008 - 2009		
		Unrestricted Net Assets	Total Expenses	Percent	Unrestricted Net Assets	Total Expenses	Percent
Academy of Science	799,586	1,300,080	5,082,216	26%	500,494	4,391,809	11%
Aloma (3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Applied Technology	53,923	8,911,585	27,593,813	32%	8,857,662	18,171,958	49%
Buffalo United (1)	39,158	39,523	9,923,941	0%	365	7,190,335	0%
Community	N/A	N/A	N/A	N/A	2,434,112	2,980,796	82%
Elmwood Village	3,445,638	4,521,698	4,496,479	101%	1,076,060	1,776,945	61%
Enterprise	3,034,616	4,658,473	5,512,141	85%	1,623,857	5,193,432	31%
Global Concepts	5,462,377	8,489,997	11,905,498	71%	3,027,620	5,248,842	58%
Health Science	N/A	(598,996)	6,929,719	-9%	N/A	N/A	N/A
King Center	1,722,720	2,344,992	4,488,164	52%	622,272	1,090,538	57%
Oracle	1,096,839	2,047,984	5,088,026	40%	951,145	3,797,111	25%
Pinnacle	N/A	N/A	N/A	N/A	1,185,227	5,306,697	22%
South Buffalo	8,375,989	16,048,487	11,052,202	145%	7,672,498	5,928,515	129%
Tapestry	619,209	1,807,245	10,830,160	17%	1,188,036	5,028,462	24%
West Buffalo	N/A	694,011	3,834,673	18%	N/A	N/A	N/A
Westminster (2)	(2,876,580)	4,217,594	8,666,539	49%	7,094,174	5,524,377	128%
WNY Maritime	502,938	850,833	4,798,680	18%	347,895	3,957,171	9%
<b>Total</b>	<b>22,276,413</b>	<b>55,333,506</b>	<b>120,202,251</b>	<b>46%</b>	<b>36,581,417</b>	<b>75,586,988</b>	<b>48%</b>

(1) All profits are annually sent to National Heritage

(2) In 2012 Westminster began breaking Accrued Retirement Obligations out of Unrestricted Net Assets, and added Accrued Retirement to their Total Expenses

(3) 14/15 Audited Financial Statements not yet available

### Buffalo Public Schools - Charter School Payments, Charter Transitional Aid and Enrollment



(1) Budget



# *“The New Educational Bargain”*

**RIGOROUS EARLY ELEMENTARY EDUCATION**

**STRONG COMMUNITY SCHOOLS**

**NEW INNOVATIVE HIGH SCHOOLS**

**EXTENDED LEARNING EXCELLENCE FOR ALL OUR STUDENTS**

**SERVICES FOR OUR NEEDIEST CHILDREN AND FAMILIES**

**NEW RELATIONSHIP WITH OUR TEACHERS**

**Ensure the BEST Instruction for ALL our Children -  
Every day, in Every classroom, in Every subject, for Every year of School**

**“A New Educational Bargain for Students and Parents.”**

The **New Educational Bargain** is simple: the District will guarantee pathways to opportunity that will lead to achievement and success in exchange for hard work, commitment, and collaboration of our students and parents.

The essential elements of the **New Educational Bargain**:

1. Institute **rigorous early elementary education** which shall include, but not be limited to, reduced reading and math class sizes and the selection of highly qualified reading and math instructors for this effort.
2. Establish **strong community schools** in each quadrant of the City of Buffalo to serve students and families within their neighborhoods. Each community school will provide an enriched education experience, including extended day and full wrap around services.
3. Redesign and launch **new innovative high schools** to bridge the equality gap between traditional and criterion schools, and provide for expanded opportunities for career development aligned to emerging industries in Western New York.
4. Commit to a plan for **extended learning excellence for all our students** which includes re-vamped after school, summer school, Saturday school, alternative education, technology-based learning, the arts and athletics.
5. Provide **services for our neediest children and families**, which shall include a revamping of educational opportunities for students on the East Side of Buffalo.
6. Create a **new relationship with our teachers** which recognizes them as professionals, pays them fairly and competitively, provides the support and professional development to enable them to do their best work, and reforms the working understanding between the District and the Buffalo Teachers Federation to **ensure the BEST instruction for ALL our children, Every day, in Every school, in Every classroom, in Every subject, for Every year of school.**