



## **Testimony of the Washington Saratoga Warren Hamilton Essex (WSWHE) BOCES and its 31 Component School Districts**

Joint Budget Hearings on Lower Education

Submitted by Andrew Cook, Superintendent of the Hartford Central School District

February 11, 2020

Good morning Chairpersons Krueger, Mayer, Weinstein and Benedetto, and other members of the Senate and Assembly. I am Andrew Cook, Superintendent of the Hartford Central School District, and I am here on behalf of our thirty-one (31) school district Superintendents in the WSWHE Supervisory District and our District Superintendent, Mr. James Dexter. I am here today to provide some insights about how the Governor's proposed 2020-21 Executive budget would, if enacted, impact the 31 component districts that comprise the WSWHE BOCES, the staff who work at our schools, as well the 38,000 students who attend our schools.

We would again, like to extend to you and all Members of the Legislature - (Senate and Assembly) our very sincere thanks for all you have done, and continue to do, to support our districts and our students. Our districts, like many from around the State, are serving students who are increasingly facing challenges that make learning difficult. The number of students living in poverty, those who are homeless and/or who have special needs continues to increase each year in nearly all of our districts. As a result, it is essential, for the sake of our students, that we receive adequate state aid. We thank you for your on-going advocacy that has helped increase the amount of funding for schools, including ours.

On behalf of our districts, I will again ask for your support to ensure that the amount of school aid that is provided in the final enacted 2020-21 budget is increased and several of the changes proposed by the Governor are rejected. As will be described later, the Governor's proposed 2020-21 budget not only provides an inadequate amount of school aid, it would also put into place funding changes that would hurt our districts and most importantly our students.

### **Background:**

As a point of background, the WSWHE BOCES serves 31 school districts in a five-county region. There are three city school districts, three union-free school districts, one common school district and 24 central school districts. The total enrollment in the 31 component districts in Pre-K through grade 12 is approximately 38,000 students.

This is a critical time for all of the 31 school districts that comprise the WSWHE BOCES as they again attempt to ensure that our students are provided all the programs and opportunities they require to meet the needs of a 21st century economy. At the same time, the 31 districts face constraints that are related, in part, to our districts' inability to generate local revenue because of the tax cap, the significant and growing needs of our students, and increasing costs from escalating health and pension costs, among other factors. Increasingly our districts have been targeting additional resources towards staff and programs that address those challenges that many students face and which make learning difficult, including but not limited to mental health/behavioral health services.

We cannot underscore enough the significant needs of our students and the resources that districts require in order to address these needs. The Governor's proposed 2020-21 budget not only provides an inadequate amount of school aid, it recommends among other changes, consolidating 10 major expense aids into the Foundation Aid formula, while also recommending changes to building and transportation aid. In addition, several factors upon which the funding formulas are based do not adequately take into account the true needs of the students we serve, which creates an unfair distribution of state aid. To illustrate:

- Sixty-one percent (61%) of our districts have 1000 or less students, with the majority of these districts having less than 700 students.
- Our districts are located in communities that are very constrained by the amount of revenue that can be generated locally due to the tax cap.
- Although most of the districts are considered of "average" wealth because they have a Combined Wealth Ratio (CWR) of 1.0, many have a high percentage of students with special needs: they are poor, in foster care, and/or are homeless.
- Many of our districts have more than 50% of their students that qualify for the Free and Reduced Lunch Program (FRLP), with some significantly higher.
- We also have several districts that appear wealthier because they have a high CWR, due to the presence of expensive lakefront property located within their district boundaries despite the number of residences that are of low income. Because the formula gives equal weight to both income and property wealth, these districts appear wealthier than they are and as a result, they receive less aid.
- Over the past several years, our districts received only a relatively small amount of Foundation Aid. These factors, combined with the inability of districts to generate revenue locally based on the tax cap, has continued to impose significant financial constraints on our districts. The Governor's proposed 2020-21 budget does not provide sufficient funding for districts to adequately address the challenges our students and our districts face.

It is for these and other reasons, we urge the Legislature to implement the following recommendations:

#### **Aid to Education:**

The Governor's proposed 2020-21 budget **only** includes \$504 million for Foundation Aid, which is inadequate funding to support our schools and more importantly our students. Of this amount, \$50 million is for additional funding for community schools, which reduces the amount to \$454 million. Again, it must be underscored that this is **NOT** adequate funding to support our schools and students. This is true statewide but is particularly problematic for our districts because as indicated, many of our districts are classified as "average need" despite the growing and significant needs our students face.

Based on these factors, we recommend the following:

#### **A. Fund and Adjust the Foundation Aid Formula:**

The Foundation Aid formula was put in place over a decade ago as part of an effort to provide for a transparent, equitable, and reliable funding stream for school districts. While it is essential that the Foundation Aid formula continue, it is important to note that several key factors have changed—specifically the enactment of local tax cap. With the implementation of the tax cap, it is critical that the Foundation Aid formula be adequately funded and modified in the following manner:

**Recommendations:**

- Review and Update the Foundation Aid Amount that currently is \$6,714 per pupil to more accurately reflect the cost of educating a student.
- Maintain the “SAVE Harmless” provision. While many districts have lost enrollment, the decrease is generally not sufficient to reduce staffing.
- Provide a minimum increase of 2% in Foundation Aid to all school districts.

**B. Eliminate the Provision Which Combines and Limits Growth of Expense Aids:**

The Governor’s proposed 2020-21 budget would, if enacted, consolidate ten (10) major expense-based aids (BOCES, High Tax, Special Services, Hardware and Technology, Charter School Transitional, Software, Library, Textbook, Supplemental Public Excess Cost and Academic Enhancement), beginning in SY 2020-21 school year and would include them as part of Foundation Aid in the future. These are expenses that districts incur for the delivery of essential programs and services and for which they should be fully reimbursed. We believe that this change will hurt districts by limiting the amount of aid they receive in the future and would impose unpredictability and uncertainty on districts moving forward. Of particular concern is the consolidation of BOCES aid into Foundation Aid. This action will undermine the very reason BOCES were created-to allow districts to work cooperatively through BOCES to provide students with essential programs while creating district efficiencies. These programs include providing highly effective career and technical education (CTE) as well as many special education programs for students.

**Recommendation:**

- This proposal should be rejected by the Legislature.

**C. Limitations on Building Aid:**

The Governor’s proposed 2020-21 budget, would if enacted, change the building aid reimbursement for projects approved after July 1, 2020 by limiting reimbursement for incidental costs and reducing reimbursement ratios for many districts. This proposal will limit districts’ ability to undertake critical capital projects.

**Recommendation:**

- This proposal should be rejected by the Legislature.

**D. Limitations on Transportation Aid:**

The Governor’s proposed 2020-21 budget, would if enacted, reduce reimbursement rates and limit approved transportation costs. This change would result in less aid for some districts. Transporting students is a necessary function of school districts. As a result of these proposed changes, the financial reimbursement that is provided to districts for providing required transportation services will likely be reduced.

**Recommendation:**

- This proposal should be rejected by the Legislature.

**E. Increase the \$30,000 Threshold on BOCES Aid for Career and Technical Education (CTE) Programs:**

Career and Technical Education (CTE) programs provide students with essential skills that prepare them for college and careers. However, the existing state aid formula for CTE programs operated by BOCES only provides aid for the first \$30,000 of a BOCES instructor's salary, although the average salary of a CTE teacher is now \$65,000. The current salary cap was established in 1992 and must be increased to ensure that students have access to the CTE pathway by providing 100% aidability for the salaries of CTE teachers.

**Recommendation:**

- Increase the aidable salary for CTE instructors to 100%.

**F. Allow Districts to Access the BOCES Health Safety and Risk Management Service to Offset the Costs, and to Increase the Number of School Resource Officers:**

To further enhance the safety and security of our schools, certain safety and security measures should be authorized as part of the BOCES Health and Safety CO-SER.

**Recommendation:**

- Allow districts to access the BOCES Health Safety and Risk Management Service to offset the costs, and to increase the number of school resource officers.

**G. Support a Permanent Solution to the Small Group Health Insurance Issue:**

Since 2015, school districts and BOCES that participate in health care consortiums as an effective way to reduce their health care costs, have faced the possibility that they would be forced out of these consortiums and face very significant increases in their health care costs as a result of a change in law. The definition of what constitutes a "small group" was changed in 2015 from 1-50 to 1-100 members. As a result, without another statutory change, districts with between 51-100 members would have been forced into the small group market, significantly increasing their health care costs. Because of this concern, several laws have been enacted that have temporarily allowed these districts and BOCES to remain in their consortiums. However, this temporary protection is scheduled to end in 2021.

**Recommendation:**

- To ensure that these districts can remain in their consortiums, a permanent solution should be included in the final 2020-21 budget.

**H. Building Aid for Small Capital Projects:**

Current law allows school districts to be reimbursed for base year capital outlay expenses *for one project each year* that has a total cost of \$100,000 or less without being subject to the lengthy assumed amortization schedule that otherwise exists. This helps districts to undertake smaller, but important capital projects, receive aid much quicker, while saving the State money on interest

payments. The threshold amount of \$100,000 was established in 2002 and not increased since that time.

**Recommendation:**

- Raise the threshold amount to \$250,000 that will assist districts in making critical improvements.

**I. Support Proposals that will Prevent Students from Engaging in Use of E-cigarettes and Vaping:**

The use of e-cigarettes and vaping has not only become a public health crisis among students, it has also become a major distraction during the school day. In an attempt to prevent and/or reduce the use of these devices among all youth and adults, including students, the Governor's proposed 2020-21 budget includes several proposals designed to address this significant and growing problem.

**Recommendation:**

- Support the provisions included in the Governor's budget proposal.

In closing, we urge the Legislature to implement these recommendations as part of the 2020-21 budget process to ensure that all districts have the resources to provide our students with the programs, opportunities and skills they require to graduate and enter college or the workforce.

On behalf of the WSWHE BOCES and all the 31 school districts, we thank you for your time and consideration of these most important recommendations.