Boards of Cooperative Educational Services
BOCES
of NEW YORK STATE

TESTIMONY OF THE BOCES EDUCATIONAL CONSORTIUM
Joint Budget Hearings on Lower Education
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on behalf of the BOCES Educational Consortium
February 11, 2020

Good morning Chairpersons Krueger, Weinstein, Mayer and Benedetto and other Members of the Senate and Assembly. We are here on behalf of the BOCES Educational Consortium-the entity representing the 37 Boards of Cooperative Educational Services (BOCES) of New York State. Thank you for allowing us the opportunity to provide some important observations about the current state of New York's education system as well as how the proposed 2020-21 Executive Budget Proposal will impact the State's 37 BOCES, and the over 700 school districts the BOCES of New York State serve.

Background:

As a point of background, the Boards of Cooperative Educational Services (BOCES) were created by the Legislature in 1948 "for the purpose of carrying out a program of shared educational services in the schools for the supervisory district and for providing instruction in such special subjects as the commissioner may approve." The BOCES Educational Consortium is the organization comprising all 37 BOCES from around the State.

BOCES' role, based on its mission, is described in three primary ways:

1) An ***educator;***
2) A ***facilitator*** of collaborations and efficiency; and
3) An ***engine for economic growth*** for the State.

- **BOCES as an *Educator:***

  There are 37 BOCES located throughout the State. With the exception of the Big Five, all districts but 4 are components of BOCES. It is important to note, however, the BOCES collaborate with many of the Big 5 districts to serve students. Over 100,000 students participate in BOCES' programs on a daily basis throughout the State. The mission of BOCES is to prepare a diverse student population for roles in the global economy and to provide services and initiate collaborations designed to close gaps in student achievement.

- **BOCES as a *Facilitator* of Collaborations to Achieve Efficiencies:**

  BOCES are the premier example of inter-municipal collaboration in New York State that works. Since its creation over 70 years ago, local school districts have been able to use BOCES to provide a wide range of educational programs and services through an organizational structure that is a model of inter-district cooperation. In addition, BOCES is able to leverage the strength of multiple school districts and provide a wide variety of services that individually, school districts could not efficiently provide.

- **BOCES as an *Engine for Economic Growth*:**

  A major focus of BOCES is to provide high-quality effective job training for our students through our Career and Technical Education (CTE) programs that help them to obtain the skills they require to go onto to college and/or to obtain stable and long-term employment. BOCES CTE programs help students to achieve academically while providing them with the skills necessary to compete in a global economy. BOCES also provide numerous programs for adult learners to help them obtain critical literacy and job readiness skills. In short, BOCES plays a critical role in helping to create a skilled workforce that contributes significantly to New York's economy.

  In addition, BOCES also collaborates with hundreds of businesses throughout the State each year in its efforts to provide goods and services to school districts in a cost effective manner.

With this mission in mind, we would like to highlight several important aspects of the Governor's proposed 2020-21 budget, and in addition, several important initiatives that should be considered for inclusion.

I. Increase Aid to Education:

The Governor's proposed 2020-21 budget appropriates $28.5 billion in school aid, an additional $826 million. This amount represents an increase of $504 million in foundation aid. However, included in this amount, is a $50 million increase for community schools, and $10 million in consolidated categorical expense aid. This amount is significantly less than what is required by districts.

Recommendation:

- School districts require an increase in direct school aid for the 20-21 school year.

II. Eliminate the Provision Which Consolidates 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. Moving forward, the proposal essentially eliminates the aid categories. These ten aid categories reimburse, per formula, expenses that districts incur for the delivery of essential programs and services. The elimination of the aid categories creates a lack of predictability for schools, and hurts schools financially who see necessary increases in expenses in these categories. Of particular concern is the consolidation of BOCES aid. This action would undermine the very reasons for the creation of BOCES: to allow districts to work cooperatively to provide students and schools with essential programs and services while creating efficiencies and equity of access.

Recommendation:

- This proposal should be rejected by the Legislature.

III. Increase the Aidable Salary for Career and Technical Education (CTE) Programs:

BOCES are a major provider of high quality, cost effective career and technical education (CTE) programs. In 2018-19 school year, more than 37,000 students participated in CTE programs and obtained essential college and career skills.

Despite the success of these programs, the existing CTE BOCES Aid formula, established in 1992, provides aid for $30,000 of a BOCES CTE instructor's salary. The current average salary state wide is $67,000. Because of this, the state's contribution to Career and Technical Education programs continues to decrease, shifting the costs to the local taxpayers and reducing students' access to these highly successful programs.

Recommendations:

- The aidable salary for CTE instructors should be increased to the average statewide salary.

- The increased aidable salary should include those BOCES teachers who teach in P-Tech programs and STEM high schools.

IV. Support the funding for Recovery High School programs Operated by BOCES:

The final enacted 2019-20 budget included $1 million for BOCES to operate Recovery High Schools. BOCES support these high schools that are designed to help students who have been in treatment for substance abuse to return to high school while receiving the supports they require to remain substance free. This funding allowed for the establishment of three Recovery High Schools operated by BOCES. However, the Governor's proposed 2020-21 budget does not continue this vital funding, despite the need that still exists for these specialty high schools throughout the State.

Recommendation:

- Include $1 million for the expansion of Recovery High School Programs.

V. Allow Districts with 51-100 members to remain permanently in their Health Insurance Consortiums:

School districts and BOCES participate in health insurance consortiums as an effective way to reduce the significant costs associated with providing health insurance for their employees. In 2015, New York State changed the definition of "small group" for purposes of health insurance coverage, leaving over 100 school districts at risk of being required to leave their health insurance consortiums. Because this change subjected districts to very significant cost increases, since 2015 there have been several laws enacted that allow these districts to remain in their health insurance consortiums. However, these protections are scheduled to expire in December of 2021. To avoid this from happening, a permanent solution must be enacted.

Recommendation:

- School districts with 51-100 members need to remain in their health insurance consortiums permanently.

VI. Authorize BOCES to address long-term employee costs through the establishment of other post-employment benefit ("OPEB") trusts or reserves:

Despite the large and increasing costs that BOCES continue to incur each year on behalf of their component districts in employee post-retirement benefits (OPEB), we do not have the legal ability to set aside funds for this purpose. This very significant long-term financial liability threatens the fiscal stability of BOCES and their component districts. To date, it is estimated that the 37 BOCES have responsibility for approximately $3.5 billion in legacy costs for all current employees and retirees.

Recommendation:

- Support the State Comptroller's proposal that authorizes the establishment of other post-employment benefits trusts.

VII. Prevent Students' Use of E-cigarettes and Vaping:

E-cigarettes and vaping has become a public health crisis among students. In an attempt to prevent and/or reduce the use of these devices among all youth and adults, the Governor's proposed 2020-21 budget includes several proposals designed to address this significant and growing problem.

Recommendation:

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

In closing, we believe that now is the time for the Governor and the Legislature to expand the role of BOCES and allow this network to provide greater assistance to the schools and students of New York State.

Thank you for the opportunity to these present recommendations. On behalf of the BOCES Educational Consortium, we look forward to working with you on these most important issues.