

Policymakers, advocates eye Foundation Aid tweaks

By [Zachary Matson](#) October 18, 2016



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The Board of Regents meets in the Seminar Room on the 5th floor of the NYS Education Building in Albany on May 16.

The complicated formula used to determine how much each school district needs in state aid could see changes this legislative session, if policymakers get their way.

With Recession-era cuts finally eliminated last year, lawmakers are expected to turn their attention more squarely on the logistics of how poverty, English-language learners and a community's ability to generate local school revenues are calculated in the state's Foundation Aid Formula – which determines 68 percent of total state spending on education.

Last week, the state's Association of School Business Officials released a list of recommendations for updating the formula, which was adopted in 2007 in response to a court ruling that the spending plan in place at the time didn't facilitate a "sound basic education."

The recommendations included updating poverty data – much of which now comes from the 2000 census – boosting funding for districts with the highest concentrations of poverty and providing an extra category of funding for students with limited English proficiency.

On Monday, the Board of Regents took up its annual discussion over a state aid recommendation and also highlighted the importance of accurately accounting for the level of poverty in communities around the state. They also appeared to support "hold harmless" provisions that would keep funding stable, even as districts lose enrollment.

"Fundamentally, this is an affirmation of a concept we adopted 10 years ago," said Regent Jim Tallon, who heads the Board of Regents committee on state aid. "Fundamentally, there is not a policy breakdown here."

A panel of experts, including Tallon, national school finance researcher Michael Griffith, Syracuse Professor John Yinger and Deb Cunningham, director of research with the business officials association, held an hours-long discussion Tuesday about the future of the Foundation formula.

There has been an ongoing fight over how much money should be spent through the formula. Education advocates, as well as the Board of Regents and state Education Department Officials, have argued that the Legislature needs to phase-in the Foundation Aid commitment made at the time of its creation – by which the state is still around \$3.8 billion in arrears. The governor and attorney general have argued, including in court filings, that current lawmakers cannot be bound by political promises of the past.

Tallon warned at Monday's Regents meeting and at Tuesday's panel discussion that he expected this year will bring a "tight budget," based on early revenue projections, and some education funding experts have suggested spending increases in non-election years often slow, so politicians can tout yet bigger increases the following year.

And political realities anchor, if sometimes only implicitly, conversations around Foundation Aid.

Carl Hayden, a former Regents chancellor, interrupted the panel discussion Tuesday to offer his take on the political realities that drive education spending. Traditionally, the overall pot of education spending has been divided into regional shares – New York City, Long Island and upstate – rather than allowing the Foundation Aid formula to direct spending.

“The cynical part of me wants to ask about today’s conversation – whether or not it is irrelevant,” Hayden said.

Tallon, while conceding that politics plays a part in the ultimate funding distributions, defended the formula and efforts to improve it as important for guiding a broader discussion over how the state funds education.

“We live in the reality of trying to make an estimate that is consistent with good education policy, good fiscal policy and stays at the forward edge of advocating for good education funding, while recognizing the give-and-take of state politics and what it takes to get a budget passed,” Tallon said Tuesday.

The Foundation Aid formula sets the “foundation” amount it should take to educate students to a certain level of success and then calculates district aid distribution by adjusting for student needs and regional costs. It recognizes the overwhelming literature that shows it takes more money to educate a poor student than it does to educate his or her wealthier counterpart.

“The uniform finding of those [studies] is that the cost per pupil goes up when you have more pupils that come from a poor family,” Yinger said. “A lot of people look at higher per-pupil costs in those districts and think they are less efficient ... This is not about waste at all; it’s about dealing with the extra challenges of students.”

Yinger said determining how much more it costs to educate poor students is difficult and should be constantly examined by state officials and outside researchers. He recommended the state Education Department create an internal office that would specialize in collecting and analyzing data about poverty in each district and the cost of educating those students to a certain standard.

The panelists largely agreed that the formula could better measure the actual poverty of school districts, improve funding for English language learners and special education student and account for regional differences in living costs.

Cunningham also pointed out that the districts that were used to set the statewide “foundation” cost of education may skew what it actually costs to educate students in other districts.

“There were very few at-risk students in those school districts, so we are measuring what it costs to succeed in districts that don’t have the very students we want to succeed with,” Cunningham said, suggesting districts with more at-risk students should be included in the calculation.

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