Foundation Aid Re-distribution

The Executive budget proposal includes a new school-based spending plan requirement that would prescribe the level of funding provided to some schools within certain districts.

Initially, some of the 76 districts that were required to report school-based budget plans to the state in 2018 would be directed to spend a portion of the district’s proposed Foundation Aid increase in similar-type schools within the district (ex. elementary, middle, high) that have been designated by the state as both “significantly low funded” and “significantly high need.”

Impacted school districts would be required to obtain approval of their spending plans for the affected schools from the State Education Department by the beginning of each new school year. As part of the plan, for every designated school within the district, a minimum of 10% of the district’s annual Foundation Aid increase would be restricted for use to increase funding above and beyond anticipated increases in costs in the affected schools. The proposal would eventually apply to all districts statewide, beginning with the year after they would be required to submit school-based spending-plans to the state. The state’s Division of Budget would be required to produce a list of impacted schools and their districts by May 1 of each year.

This is the second year the Executive has advanced a proposal that seeks to shift local decision making away from districts to the state. The Executive has consistently maintained that this shift is needed because while the state is sending funding to the poorest districts, the districts are not sending that funding to the poorest schools within that district. However, there is little if any evidence to support this contention.

There is a plethora of legitimate reasons why spending levels may be slightly different in schools within a district, including special education programs and teacher seniority, among others. However, rather than trying to identify those issues, and determining if they have an impact on educational quality, this proposal declares moderate difference in building level allocations inequitable.

This discussion serves to distract from the larger issue, that many of the districts around the state remain dramatically underfunded by the state’s own calculation. Mandating redistribution of funds in a district without adequate funds will not serve to improve student outcomes.

NYSSBA is strongly opposed to the Executive’s proposal and urges you to retain local control and voter approved decision making, while also pushing the state to meet their obligation to properly-fund school districts. For additional information, please contact NYSSBA Governmental Relations at 518-783-0200.