

BACK TO INEQUALITY:

How Students in Poor School Districts Are Paying the Price for the State Budget

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"It's a very bad development. It's creating two societies. And it's based very much, I think, on educational differences. The unemployment rate we've been talking about. If you're a college graduate, unemployment is 5 percent. If you're a high school graduate, it's 10 percent or more. It's a very big difference. It leads to an unequal society, and a society which doesn't have the cohesion that we'd like to see."

-- **Ben Bernanke, December, 6, 2010**

I think the inequity in education is probably the civil rights issue of our time. There are two education systems in this state. Not public private. One for the rich and one for the poor and they are both public systems."

-**Andrew Cuomo, October 18, 2010**

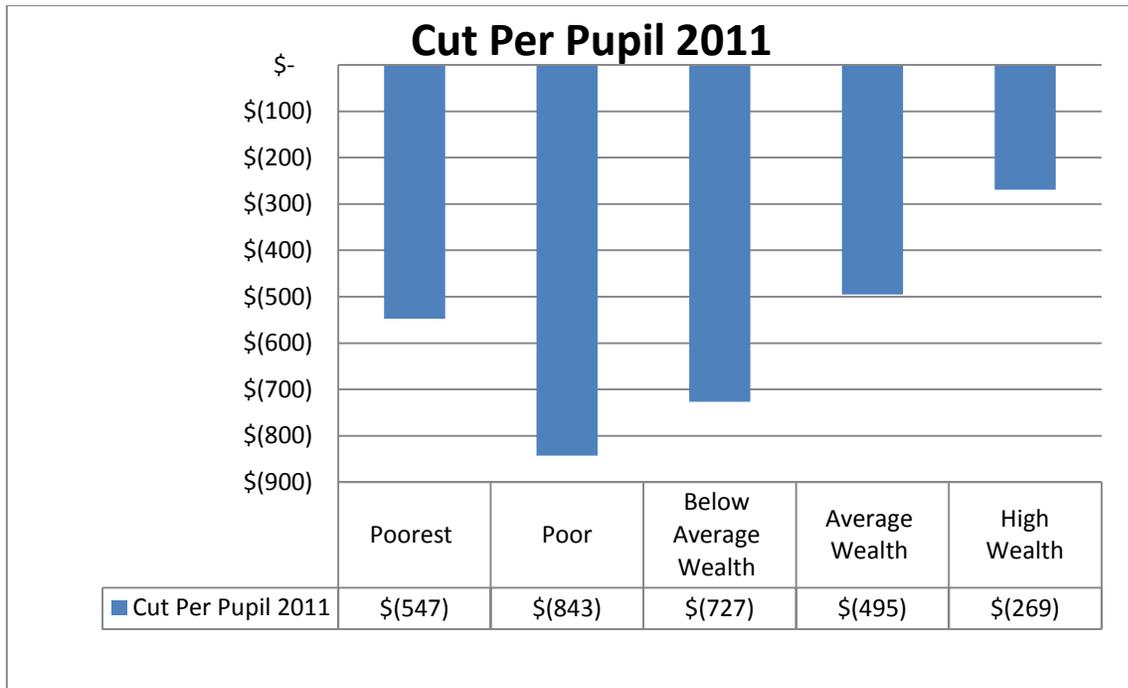
Mr. Cuomo also committed to redistributing state school aid from wealthy, politically powerful suburban school districts and sending more dollars to high-need rural and urban schools, saying the governor had a duty to be "the great equalizer."

-**The New York Times, October 25, 2010**

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The 2011 state budget cut \$1.3 billion from school classrooms across New York. In enacting these cuts, students in poor districts lost the most. In fact, the cuts in poor districts were three times as large as those in wealthy districts. The school cuts that have been implemented in schools across the state this fall hurt students in all districts, but have by far the greatest negative impact on students in needy school districts where cuts are two to three times larger than those in High Wealth Districts. While cuts in the High Wealth Districts were only \$269 per pupil, those in the Poorest Districts were twice as large at \$547 per pupil. Cuts in Poor Districts were more than three times as large at \$843 per pupil and those in Below Average Wealth Districts were almost three times as large at \$727 per pupil. To put these cuts in perspective, a cut of \$843 per pupil amounts to a cut of \$21,075 for a classroom of 25 students.

Graph 1.



Poughkeepsie: Reduced kindergarten program from full day to half day, eliminated alternative program for disruptive students, cut recess time because of layoffs to teachers' aides.

-- *Poughkeepsie Journal*, 9/21/11

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Table 1. Cut by Quintile 2010-11 and two-year combined

Quintile	Combined Wealth Ratio Range	Percent of Students in Poverty*	Total Enacted Cut 2011	Enrollment	Cut Per Pupil 2011
Poorest School Districts	0.165-0.458	57%	\$ (161,811,486)	295,622	\$ (547)
Poor School Districts	0.458-0.591	40%	\$ (216,500,209)	256,782	\$ (843)
Below Average Wealth School Districts	0.592-0.84	30%	\$ (257,764,236)	354,732	\$ (727)
Average Wealth School Districts	0.841-1.343	20%	\$ (251,215,229)	507,315	\$ (495)
High Wealth School Districts	1.348-43.325	15%	\$ (77,306,906)	287,387	\$ (269)

New York City	1.038	69%	\$ (514,782,537)	1,031,958	\$ (499)
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Data Source: New York State Education Department. New York City was examined separately because student enrollment is so large that it would distort the averages for any quintile. *Based upon Free and Reduced Price Lunch

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There are 684 school districts in New York State. As part of the state aid formula, enshrined in law, the State Education Department measures the wealth of every school district through the Combined Wealth Ratio which is the state's official measure of school district wealth. By law the State Education Department is required to measure both the income and property wealth of school districts in order to determine the Combined Wealth Ratio (CWR). Combined Wealth Ratios for school districts range from .165 in Salmon River in Franklin County to 43.325 in Fire Island in Suffolk County. The State Education Department has determined that a school district that has a Combined Wealth Ratio of 1 is an average wealth district.¹ This report ranks all of the school districts in the state from poorest to wealthiest and examines which school districts received the smallest and largest cuts per pupil. The 684 school districts are divided into five equal groupings, or quintiles, with 137 school districts in each quintile.² The five quintiles are as follows:

Quintile	Combined Wealth Ratio
Poorest School Districts (Quintile 1)	0.165-0.458
Poor School Districts (Quintile 2)	0.458-0.591
Below Average Wealth School Districts (Quintile 3)	0.592-0.84
Average Wealth School Districts (Quintile 4)	0.841-1.343
High Wealth School Districts (Quintile 5)	1.348-43.325

The following are districts that are representative of each quintile:

- Poorest Districts** Niagara Falls (Niagara County), Syracuse (Onondaga County), Ilion (Herkimer County)
- Poor Districts** Potsdam (St. Lawrence County), Otego-Unadilla (Otsego County), Port Jervis (Orange County)
- Below Average Wealth Districts** Ellenville (Ulster County), Albany (Albany County), Copiague (Suffolk County)
- Average Wealth Districts** Amherst (Eric County), Thousand Islands (Jefferson County), Wappingers (Dutchess County)
- High Wealth Districts** Syosset (Nassau County), Rhinebeck (Dutchess County), Briarcliff Manor (Westchester County)

¹ For an explanation of the Combined Wealth Ratio, look at the Methodology Section of this report or at page 23-24 of the 2011-12 State Aid to Schools: A Primer <http://www.oms.nysed.gov/faru/PDFDocuments/Primer11-12D.pdf>

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More Cuts on Top of Cuts

2011 was not the first year that schools experienced devastating cuts. Governor Paterson imposed a \$1.4 billion dollar cut in 2010. The table below illustrates the size of the per pupil cut for 2010, 2011 and the two years combined. The two year cuts, like the 2011 cuts, disproportionately hurt the neediest school districts. Cuts in the Poor Districts over the two year period totaled \$1609 per pupil, which is \$40,225 for a classroom of 25 and almost three times as large as the cuts in High Wealth Districts. In 2011, over 11,000 educators and other school personnel were lost and over the last three years, New York State schools lost 30,000 educators and other school staff.³ These realities will impact only one thing: our students and their ability to be college and career ready.

In fact, a recent report⁴ published by the NYS Council of School Superintendents shows that 63% of school districts increased their class size because of the budget cuts. In addition, 36% reduced summer school, 22% reduced art classes, 24% reduced music classes, and 17% reduced the number of honors or advanced placement courses they offered.

Table 2. Cut Per Pupil for 2010, 2011, and Combined 2010 & 2011

Quintile	Cut Per Pupil 2010	Cut Per Pupil 2011	Combined Per Pupil Cut 2010- & 2011
Poorest	\$ (578)	\$ (547)	\$ (1,125)
Poor	\$ (767)	\$ (843)	\$ (1,609)
Below Average Wealth	\$ (702)	\$ (727)	\$ (1,428)
Average Wealth	\$ (499)	\$ (495)	\$ (994)
High Wealth	\$ (306)	\$ (269)	\$ (575)

Data Source: New York State Education Department

Brunswick/ Brittonkill School District: *Honors English and social studies classes have been cut and replaced with an honors seminar held every other day during a lunch period which has resulted in students moving to other areas schools like Troy for better opportunities; Advanced Placement Physics was cut.*

-Testimony by Students

³ NYSUT September 2011 Legislative Fact sheet: Consequences of New York State Education Cuts.

⁴ New York Council of School Superintendents (2011). [At the Edge: A Survey of New York State School Superintendents on Fiscal Matters.](#)

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In New York City, 74% of schools increased class sizes, 56% of the schools in reduced Academic Intervention Services, 21% of schools reduced services to English Language Learners and 20% of schools lost their art and music classes. For instance in at the Mosaic Prep Academy in East Harlem classes that used to be 18 to 20 students have risen to 31 and 34 with 28 in kindergarten.

-- United Federation of Teachers, *One Million Students in Schools Hit by Budget Cuts*, November 1, 2011

Reversing our priorities

In 2007 when New York State's government settled the Campaign for Fiscal Equity lawsuit, they prioritized the poorest school districts by giving the largest increases to the neediest districts. The poorest districts received increases that were four-and-a-half times those in the wealthiest districts. Poor districts received increases that were two-and-half times larger than the wealthiest districts. This reflected a commitment that state government would be the great equalizer in ensuring educational opportunity for all students. But in 2011, Governor Cuomo and the Legislature reversed state policy by giving larger cuts to needy districts. This represents a dramatic reversal in state policies from prioritizing the neediest students to making them sacrifice the most.

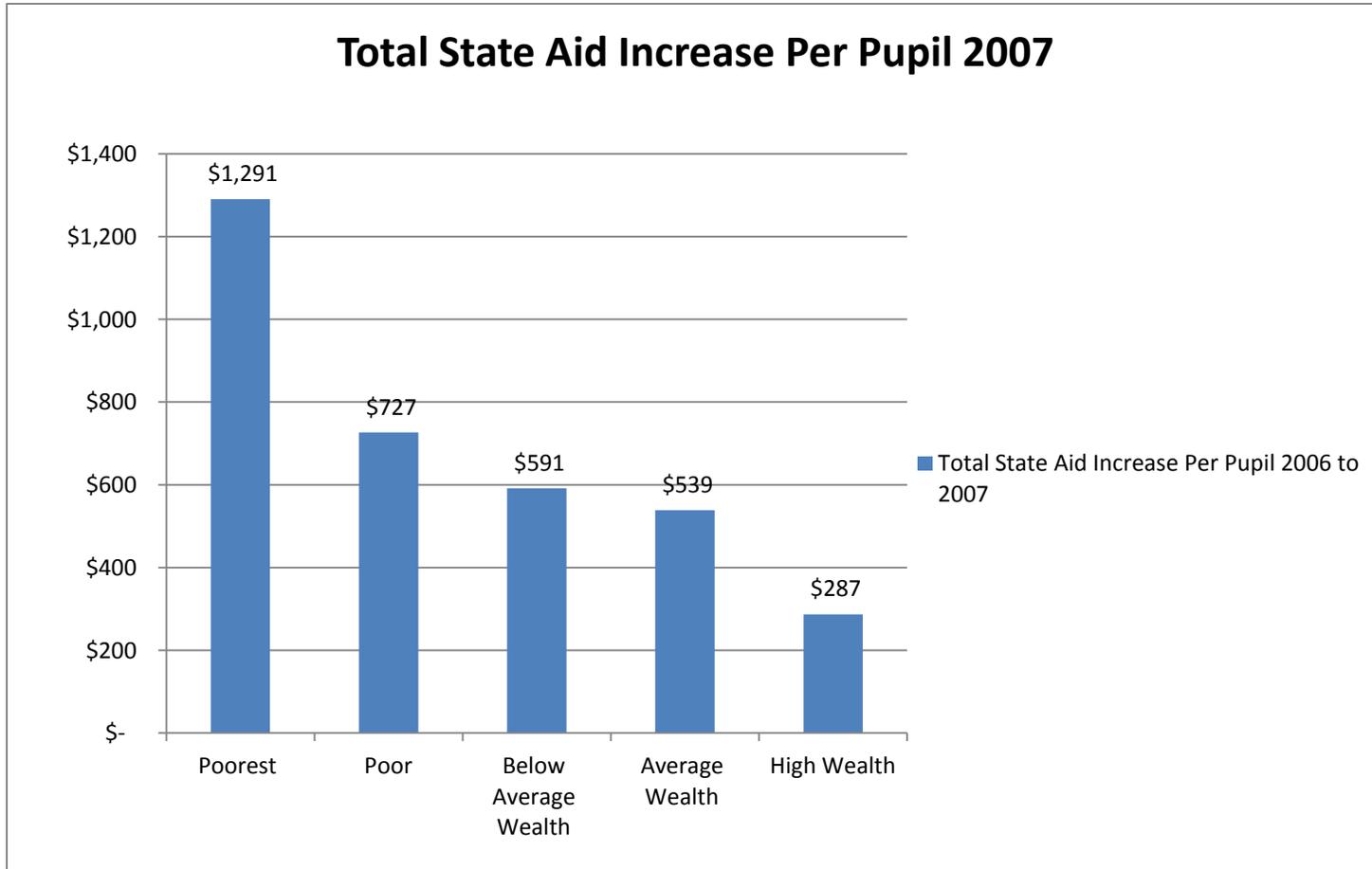
Central Islip--Cut 85 teaching positions which resulted in class sizes as large as 44 in some middle school class rooms and 34 in some elementary schools. Newsday September 22, 2011

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Utica : Watson Elementary School, kindergarten class sizes are 28 students to 1 teacher.

– *Utica Observer-Dispatch* 10/11/11

Graph 2.



Data Source: NYSED

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Table 3. Increase in School Aid for 2007 and 2008.

Quintile	Total State Aid Increase 2006 to 2007	Enrollment 2006	Total State Aid Increase Per Pupil 2006 to 2007	Total State Aid Increase 2007 to 2008	Enrollment 2007	Total State Aid Increase Per Pupil 2007 to 2008
Poorest	\$ 379,832,788	294,317	\$ 1,291	\$ 261,454,134	290,180	\$ 901
Poor	\$ 180,464,922	248,391	\$ 727	\$ 157,567,579	242,264	\$ 650
Below Average Wealth	\$ 228,855,073	386,956	\$ 591	\$ 215,997,293	380,234	\$ 568
Average Wealth	\$ 275,447,250	511,265	\$ 539	\$ 214,901,283	505,883	\$ 425
High Wealth	\$ 95,240,019	331,724	\$ 287	\$ 65,765,744	330,542	\$ 199
NYC	\$ 801,016,798	1,008,132	\$ 795	\$ 633,298,607	998,503	\$ 634

Data Source: NYSED

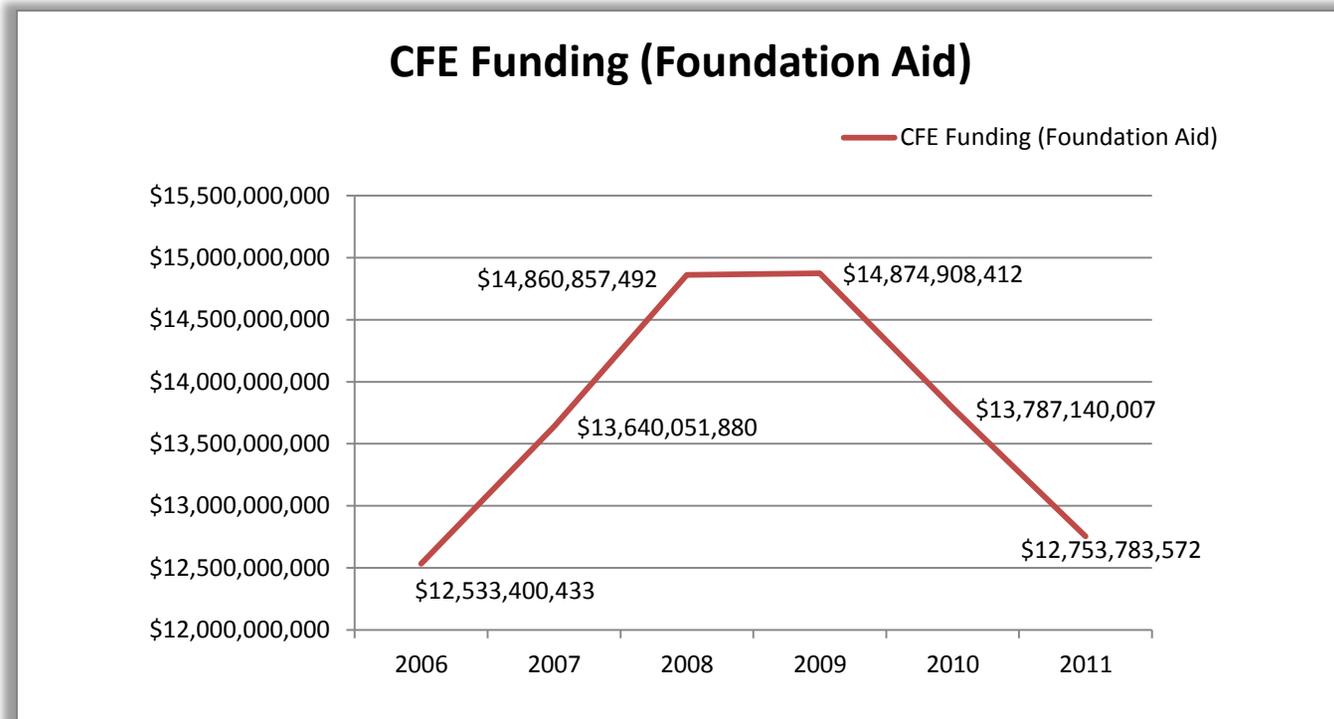
Potsdam: School Newspaper has been cut, Drama cut, Music, Art and Greenhouse programs reduced drastically –
Massena/Potsdam Courier/Observer. 9/24/11

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2010 and 2011 State Budgets Totally Turned the Clock Back on CFE

In 2007 New York State enacted an historic commitment to fulfill its obligations under the Campaign for Fiscal Equity in order to provide all students with access to the “sound basic education” or “meaningful high school education” which is their constitutional right. As the graph below shows, the State completely reversed its commitment to the Campaign for Fiscal Equity statewide. As the graph shows, in 2007 there was a \$1.1 billion investment in Foundation Aid, the state’s equitable operating aid which prioritizes high needs school districts. The following year there was a \$1.2 billion investment in education. The following year education funding was frozen. The education tsunami began resulting in a \$2.7 billion cut over the course of the past two years.⁵

Graph 3. Taking Back CFE



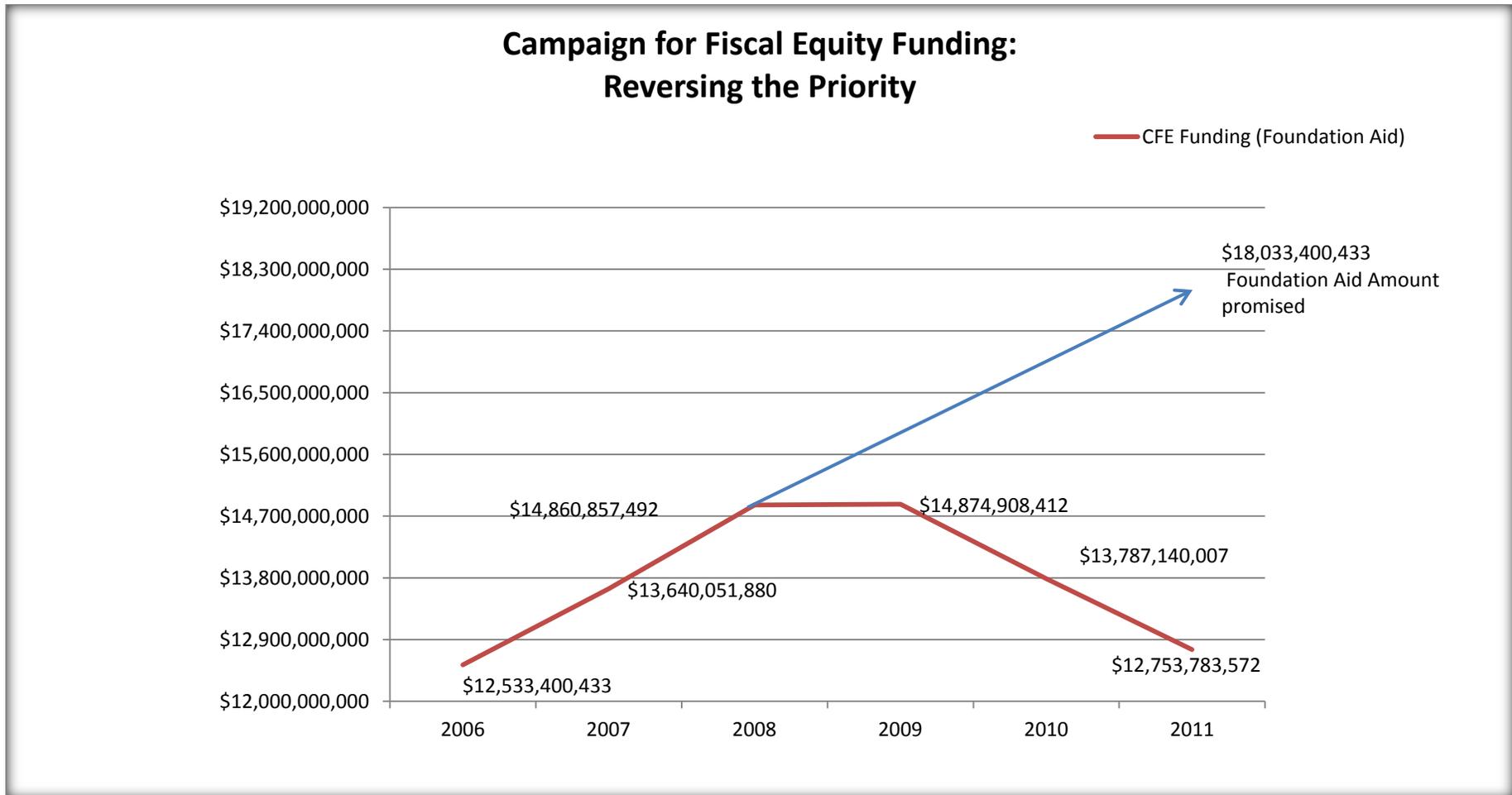
⁵ The source of data for the chart above is the Enacted School Aid Runs published by the NYS Education Department and the NYS Division of Budget. The amount of Foundation Aid in 2010 and 2011 is based on the amount of the total enacted cut to state aid multiplied by .79 which represents the percentage of total aid that foundation aid constitutes. For a detailed description of the methodology, please refer to a report published by AQE in March 2011 titled *Widening the Funding Gap: Race, Poverty, and Governor Cuomo’s Education Cuts*.

<http://www.aqeny.org/ny/wp-content/uploads/2011/03/Widening-the-Equity-Funding-Gap.pdf>

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The graph above shows the impact of the recent budget cuts on foundation aid, the state's equitable operating aid. Instead, of fulfilling the promise made to schoolchildren across the state, the state reverse its priorities and completely negated CFE. Had the state continued with its investment in CFE, in 2011 we would have had \$18,033,400,433 in foundation aid. Clearly, our priorities have reversed...

Graph 4



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Methodology

All data used were obtained by the New York State Education Department at www.nysed.gov. SED publishes the number of students receiving Free and Reduced Price Lunch (FRPL) for each school district. FRPL is one of the indicators used to illustrate level of poverty in each school district. In addition, the State also uses the Combined Wealth Ratio (CWR) as one measure of a school district's fiscal capacity which is based on income and property wealth. The higher the property values and personal income of the residents, the higher the school district's ability to raise local revenue, thus the highest is its ability to fund its schools. The school aid runs were provided electronically by the NYSED Fiscal Analysis and Research Unit (FARU). Using the enacted school aid runs for school year 2011-12, we calculated the per pupil cut for each school district for which there was available data. We used the NYS Department of Labor regions as found at <http://www.labor.ny.gov/stats/lsggeog.shtm>. We sorted all school districts in each of the counties they belong, and then in each of the Labor Market Regions.

To calculate the cut per pupil for each school district we used the total school district cut, divided by the most recent total enrollment for the particular year. For instance, for the 2011 enacted cut, we used 2010 enrollment numbers; whereas, for 2010 enacted cut, we used 2009 enrollment. To calculate the combined 2010 and 2011 cut, we summed the enacted cut for each year for each school district. Then, we averaged the enrollment for the two combined years by adding the total enrollment for each school year and then dividing by two. To calculate the Free and Reduced price lunch for each Labor Market Region, we summed the number of FRPL for each school district (as published by NYSED) in that region and then divided by the total enrollment in that region (summed the enrollment of each school district in the region).

Lastly, we used the CWR for each school district, as published by NYSED, to sort school districts from the poorest to the wealthiest or by the smallest to the largest CWR (CWR 1 = average wealth, <http://www.oms.nysed.gov/faru/PDFDocuments/Primer11-12C.pdf>) We then divided the total number of school districts by five to determine how many school districts are in each quintile. For each quintile we calculated the total enacted cut, total enrollment, enacted cut per pupil for school year 2010, 2011, and combined two-year, as well as the FRRP for each quintile (for a description of the way we made all the calculations, see above).

To calculate the increase per pupil, we used school aid runs provided by the State Education Department. We used total school aid excluding building, building reorganization, and Excel Aids for 2006-07, 2007-08, and 2008-09 to find the difference in increase. We then divided the increase for each school district by the enrollment reported to calculate the increase per pupil.