

New York State's Opportunity Gap is Wider Than Ever



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PUBLIC POLICY AND EDUCATION FUND OF NEW YORK





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Record Setting Inequality New York's Opportunity Gap is Wider Than Ever

New York State has long been a national leader in educational inequality and the inequality gap is growing. We consistently spend much more per pupil in wealthy communities than in poor ones.

Governor Cuomo did not create this inequality. In fact, he pledged to do something about it when he ran for governor in 2010.

Despite his promises, **record setting inequality** in our schools is one of the legacies of Governor Cuomo's first term. The gap between wealthy and poor school districts grew to \$8,733 per pupil, the largest in New York State history.



—*Andrew Cuomo,* candidate for Governor, October 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.

The way we fund education through the property tax system, by definition is going to be unfair. And it is. The state is supposed to equalize or come close to equalizing with its funding. That's the CFE lawsuit that the state is yet to fully fund."



The graph above shows the inequality in New York State's public schools and how students in poor communities have been consistently shortchanged. This inequality has been a long-term problem and has grown to record setting levels under Governor Cuomo.

In fact, in the first two years that Governor Cuomo was in office the gap shot up from \$8,024 per pupil to \$8,733 per pupil. The gap of \$8,733 per pupil is the largest educational inequality gap in New York State history. The extra \$8,733 being spent for every student in wealthy communities does nothing to benefit students in poor communities.



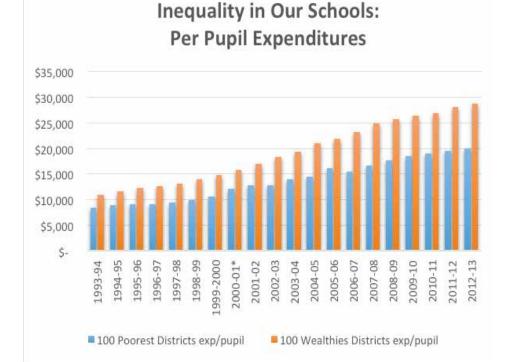
While the inequality gap has always been large, it has dramatically increased in recent years.

In fact, in the first two years that Governor Cuomo was in office the gap shot up from \$8,024 per pupil to \$8,733 per pupil. The gap of \$8,733 per pupil is the largest educational inequality gap in New York State history. Tragically, the money that was promised in 2007 to keep closing this gap was only delivered for two years and then Governor Cuomo led the legislature to stop funding CFE and the gap widened again.

When Governor Cuomo repeatedly says that New York State is one of the top spending states in the country, he is ignoring the fact that his policies have led to record setting inequality.

The extra \$8,733 being spent for every student in wealthy communities does nothing to benefit students in poor communities—so the statewide average is irrelevant to educational opportunities and outcomes for students in poor communities.

Governor Cuomo's failure to close the inequality gap is also a missed opportunity to close educational outcomes.



Campaign for Fiscal Equity

1993: Campaign for Fiscal Equity (CFE) was filed by New York City parents because New York State was underfunding its public schools.

2006: Final decision was granted by the state's highest court, the Court of Appeals, ruled that NYS was violating its constitutional obligation to provide a "sound basic education" to all resident children.

2007: The state and the legislature settled CFE on a statewide basis by committing to provide \$5.5 billion in new classroom operating aid known as Foundation Aid, over 4 years. The state made its first payment to NYS students in the 2007-08 Enacted Budget.

2008: Year 2 of the CFE phase-in. Programs such as converting half-day pre-K to full-day, Saturday academies, programs for English Language Learners and many more were implemented.

2009-2013: Frozen funding and school aid cuts, inadequate state budgets cause loss of almost 40,000 educators and other staff, reductions in art, music, summer school, etc.



Inequality in Funding = Inequality in Outcomes

The inequality gap correlates directly with a dramatic gap in educational outcomes. While there are many factors that contribute to unequal outcomes—particularly the contrasting impacts of poverty and wealth on every aspect of children's lives—educational resources are the essential ingredients schools provide to close the gap in educational outcomes. These resources include pre-kindergarten, smaller class sizes, a rigorous curriculum including art, music and physical education as well as core academic subjects and advanced courses, mentoring and supports to strengthen teachers, programs for English language learners, and social, emotional and health supports to meet the diverse needs of students.

The gap in graduation rates for rich and poor school districts has consistently been between 25% and 27% and no progress at closing this gap has been made under Governor Cuomo's leadership.

Year	Poorest School Districts	Wealthiest School Districts	Difference
2005-06	63%	88%	26%
2006-07	62%	89%	27%
2007-08	64%	88%	25%
2008-09	64%	89%	25%
2009-10	63%	90%	27%
2010-11	66%	91%	25%
2011-12	66%	93%	27%
2012-13	65%	92%	27%
2013-14	66%	92%	26%

Graduation Rates

Schools in poor communities spend less per pupil—and often many thousands of dollars less per pupil—than schools in nearby affluent communities, meaning poor schools can't compete for the best teaching and principal talent in a local labor market and can't implement the high-end technology and rigorous academic and enrichment programs needed to enhance student performance.

---The Equity and Excellence Commission, A report to the U.S. Secretary of Education, For Each and Every Child- A Strategy for Education Equity and Excellence, Washington, D.C., February 20, 2013

The gap is even wider when we look at the rate of Advanced Regents Diplomas.

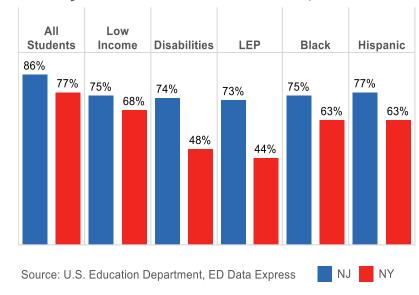
Year 2008-09 2009-10 2010-11 2011-12 2012-13 2013-14	Poorest School Districts 19% 18% 27% 18% 18% 18%	Wealthiest School Districts 48% 51% 49% 48% 54% 50%	Difference 29% 33% 22% 30% 36% 32%
2013-14	18%	50%	32%

Advanced Regents Diploma

Ending Inequality in Funding is Essential to End Inequality in Outcomes

While New York's inequality in funding has led to huge inequality in outcomes, New Jersey has been an educational leader in both funding equity and outcomes. The truth is that students in poor communities actually need more resources than those in wealthy communities in order to end educational inequality.

Unlike New York, New Jersey actually spends significantly more per pupil in poor communities than in rich ones. The outcomes are impressive. New Jersey is significantly outperforming New York in graduation rates for all groups of students—including low income students, students with disabilities, English language learners, black students and Hispanic students. While there are many factors that contribute to unequal outcomes, educational resources are the essential ingredients schools provide to close the gap in educational outcomes. These resources include pre-kindergarten, smaller class sizes, a rigorous curriculum including art, music, and physical education, as well as core academic subjects and advanced courses, mentoring and supports to strengthen teachers, programs for English language learners, and social, emotional and health supports to meet the diverse needs of students.



Adjusted Cohort Graduation Rate, 2011-12



Governor Cuomo's 'Tax Freeze' Further Increased Inequality

State financed property tax breaks increase inequality by sending significantly more per pupil to wealthy

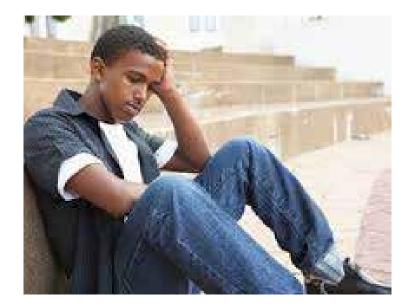
school districts than to poor ones. The Board of Regents has found that wealthy school districts receive the largest School Property Tax Relief (STAR) per pupil and that poor districts receive the smallest.

In 2014 Governor Cuomo's state finance property tax "freeze" further widened inequality.

Under the Governor's "tax freeze" residents of the 100 wealthiest school districts re-

Residents of the 100 wealthiest school districts received \$456 per pupil, while residents in the poorest received only \$58 per pupil. This signature Cuomo policy, where the state pays the property tax increase for school districts, actually expanded inequality by \$398 per pupil.

ceived \$456 per pupil, while residents in the poorest received only \$58 per pupil. This signature Cuomo policy, where the state pays the property tax increase for school districts, actually expanded inequality by \$398 per pupil. These funds could have been used by Governor Cuomo to narrow the inequality gap. Instead, he expanded it even furthe

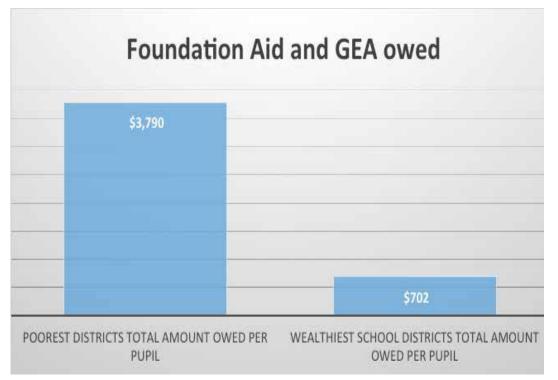


Foundation Aid or Gap Elimination Adjustment: Which one Provides Greater Equity?

For high need school districts, Foundation Aid is much more effective at closing the inequality gap than the Gap Elimination Adjustment (GEA). Seventy eight percent of Foundation Aid goes to high need school districts, while only 36 percent of GEA does. All categories of high need schools: The Big 5, high need small cities and suburbs and high need rural do better under Foundation Aid than GEA. The GEA is most beneficial to average need districts, but also benefits wealthy districts much more than the Foundation Aid does. Prioritizing GEA over foundation aid, as some have recommended, would actually increase the inequality gap.

A blended approach will ensure that all districts benefit, while prioritizing high need districts and protecting

average need schools. Both the Board of Regents and the **Education Conference** Board have recommended such a blended approach. The Regents have recommended roughly an equal split between Foundation Aid and GEA, however, in order to meet the needs of students in high need districts and make substantial progress on closing the inequality gap a greater proportion of funding should go to Foundation Aid than GEA.



Ending Inequality in Our Schools

For New York State to end inequality in our schools the state must make a four-year commitment to fully funding the Campaign for Fiscal Equity. Our schools are owed \$5.9 billion in Foundation Aid and Gap Elimination Adjustment funding.

If the state provides the funding that is due to school districts in Foundation Aid and GEA, as it committed in the resolution of the CFE case, it would close the inequality gap by \$3,088 per student. The graph below shows how this would impact the inequality gap in New York State.



[•] Does not include the impact of federal and local funds

Recommended Actions to End Educational Inequality

Fulfill the commitment to Universal Full Day Pre-K

Quality pre-K programs are among the most effective methods of closing the opportunity gap, by ensuring that the children most in need, those who live in poverty or are English language learners, do not start their K-12 school life behind their more affluent peers. In fact, children who attend pre-K are less likely to need remediation, more likely to graduate and go to college, and more likely to have higher income as adults. Pre-K has been one of the great equalizers in New Jersey where all high need districts offer full-day pre-K for all three and four year olds. In 2014 New York State made a substantial commitment to full-day pre-K in New York City and a small commitment in the rest of the state. In fact, outside New York City only 4% of four year olds were covered by the Governor's new full-day pre-K funding. The state should make a substantial commitment to expanding pre-K statewide. We support the Regents recommendation for \$251 million for pre-K expansion. We also support their proposal to use a portion of bank settlement funds to convert the full-day pre-K program from being a reimbursable program into being a program where the state provides upfront funding. The current structure of reimbursable funding has denied many four year olds, especially in high needs districts, access to the program. Converting to a reimbursable program would only be a one-time expense.

Make a Serious Commitment to Community Schools

Community Schools are an effective model for school reform particularly in high needs communities. They align academic, social and health services; provide youth development; and engage all stakeholders in a community. One of the primary causes of low achievement in schools is poverty. Community Schools cannot address all of the poverty-related opportunity gaps faced by New York's children. But, they offer a sensible approach to filling some of those gaps. These schools serve more than just the direct academic needs of a community's children. They also serve as "opportunity hubs" for entire neighborhoods—bringing together a range of agencies, services and providers to address the specific needs and interests of students, families and local residents. The most effective Community Schools are community institutions remaining open into the night and on weekends, so that students, parents and neighbors can access basic health care; English or citizenship classes; tutoring and other academic supports; internships, community service opportunities and much more. The types of supports offered at Community Schools vary depending on the needs of the neighborhood and the capacity of the school district and the local government to coordinate services. The most effective Community Schools rely on a sense of community ownership by parents, students, educators and service providers over the purpose and activities of the school, leading to their genuine engagement in running the school. Community Schools contribute to increased student academic performance, lower drop-out rates, higher attendance rates, fewer behavior problems and greater parent engagement.

Governor Cuomo has supported a modest initiative for community schools. So far grants have supported 62 community schools across the state. To put this in perspective there are 4,510 public schools across the state and there are 248 charter schools. Now there is talk about dramatically expanding the number of charter schools, instead we should focus on expanding community schools, so that every student in high needs communities can have access to the services and opportunities they need to succeed.

Community schools are a school improvement strategy the Governor has supported but to date only on a very limited basis. According to the guidelines for the Governor's community school program the investment needed to create community schools is \$165,000 per year per school. These resources are given to school districts "that target school buildings as 'community hubs to deliver co-located or school-linked academic, health, mental health, nutrition, counseling, legal and/or other services to students and their families in a manner that will lead to improved educational and other outcomes."

The state should start by making it possible for the 623 schools that are identified by the State Education Department as either priority or focus schools to become community schools. These are schools that are not meeting state standards. Allowing all of them the opportunity to convert to community schools would be a smart school improvement strategy. The cost for doing so, at the level of funding contained in Governor Cuomo's program, would be \$100 million annually. However, New York City is implementing a more robust program in the neediest schools that combines community schools with strong academic interventions. The average cost for this program is \$400,000 per

schools. This more robust intervention may provide the model needed to lift up the schools identified as focus and priority schools. The combination of significantly expanding the commitment to community schools and fully funding CFE would allow for a more comprehensive intervention in many of these schools. This option should not be limited to these schools, in future years any school that the state considers high needs should be able to opt in to becoming a community school.

The state should provide every school that serves a substantial number of high needs students with the opportunity to become a community school. In order for these schools to succeed there needs to be genuine community engagement in the redesign of the schools, strong social and health supports and a strong academic program.

Focus on High Quality Curriculum for all Students, Not Testing

New York State has had an enormous public debate on the Common Core Standards and role of high stakes testing in education and this debate is expected to extend this year as the teacher evaluation system is once again reexamined. Much less focus has been placed on the quality of the curriculum in our schools. New York's wealthiest districts are able to offer tremendous curricula with course offerings that include *Tournament Debate, Advanced Placement Art History, Advanced Placement Chinese, Computer Integrated Manufacturing, Wall Street: How to Become a Millionaire, and Personal Law* (complete with mock trials). These same districts often offer dozens of options in arts, music and performing arts. Meanwhile students in poor communities are fortunate to have a few options for AP courses, are lucky to have more than one foreign language offered, and have seen cutbacks in their limited offerings of art, music and high school electives. Not only do students in New York's poor schools start out with less (including less enrichment before they reach school age), they are offered much less opportunity in their schools.

If New York is serious about ending educational inequality, our state government must ensure that all schools can offer students a rich and demanding curriculum. The quality of the curriculum should receive at least as much focus in the public debate as does the role of testing. The Governor has the opportunity to ensure that it does.

Meet the Needs of English Language Learners

New York has a large and growing population of English language learners. These immigrant student populations are no longer concentrated only in New York City. In fact these students are in cities large and small throughout the state as well as in suburban and rural communities. In addition, some New York communities have had a substantial influx of unaccompanied immigrant minors. These students are in the state without families and our schools are responsible for their education.

There are over 200,000 English language learners in New York State schools currently. More than 160 different languages are spoken by these students. According to the New York State Board of Regents "In order for these students to succeed in meeting rigorous academic standards, the state needs to provide schools with the appropriate tools, such as home language assessments, professional development and instructional materials so that teachers can provide instruction that will enable students to meet our academic standards." The Regents have recommended \$86 million in increased aid to support English language learners and an additional \$10 million to help school districts meet the needs of unaccompanied immigrant minors.

Close the Inequality Gap by Fully Funding Schools

The Board of Regents has recommended a \$2 billion school aid increase and the Education Conference Board has recommended \$1.9 billion. AQE is calling for \$2.2 billion in new funding, which would enable a real commitment to full-day pre-K statewide, the expansion of community schools, improvements in curriculum in high need schools and supports for English language learners.

The 2015-16 budget should commit the state to a four-year plan to fully funding the Foundation Aid and the GEA. Doing so would reduce the inequality gap by \$3,088. Funding should include a blend of the Foundation Aid and the GEA, however, Foundation Aid should be prioritized. While 78% of Foundation Aid goes to high need districts only 36% of GEA does. We recommend a blend of 75% Foundation Aid and 25% GEA.

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The Alliance for Quality Education was founded in 2000 as a coalition mobilizing communities across the state to keep New York true to its promise of ensuring a high quality public education to all students regardless of zip code, income or race. Combining its legislative and policy expertise with grassroots organizing, AQE advances proven-towork strategies that lead to student success and echo a powerful public demand for a high quality education.

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PPEF was founded in 1986 to address critical social, economic, racial and environmental issues facing low and moderate income New York State residents. Our areas of work have included health care, education, after-school programs, voter participation, economic development and consumer issues. PPEF uses many tools in its work, including grassroots organizing, research and policy development, public education on a wide range of policy issues, and community outreach.



The Opportunity to Learn (OTL) Campaign unites a growing coalition of advocates and organizers from across the country working to ensure that all students have access to a high quality public education. The Campaign includes local, state and national organizations, grassroots community leaders, policymakers, youth organizers, business leaders and philanthropic partners.



OA believes the American dream begins with every child having an opportunity to learn from Pre-K to college - regardless of their zip code. Its mission is to ensure this through an expanding base of voters, policymakers and advocates who work to enact and adopt evidence-based solutions.

Footnotes

1998. Available at www.ncsl.org/issues-research/...report-early-childhood-initiati.aspx Hull, Jim, "Starting out Right: Pre-K and Kindergarten." Center for Public Education, November 2011. Available at www.centerforpubliceducation.org. Karoly, L.A. and Bigelow, J.H., have published several studies on the costs and benefits of public preschool programs, which document the long-term gains for children who have access to high-quality programs. See, for example "Early Childhood Interventions, Proven Results, Future Promise" and "The Costs and Benefits of Univer-

⁵Community Schools – Results That Turn Around Failing Schools: Test Scores, Attendance, Graduation and College-Going Rates.