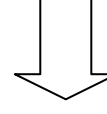
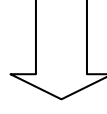
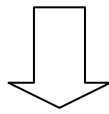




New York State Funding:

Equity Vs. Reality



8% from the Federal government which collect income taxes

40% - State government which collects income and other taxes

51% - Local school district, which collects school property taxes (in Buffalo, Rochester, Yonkers, Syracuse, the city provides funding for the school district through property & other local taxes)

What happened to equity?

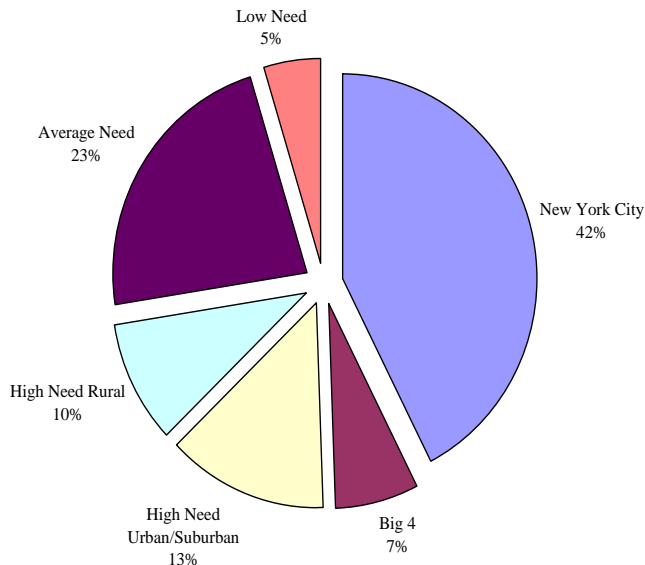
With the CFE settlement, schools were supposed to receive \$5.5 billion statewide over the course of four years (2007-2011). This funding was supposed to be distributed equitably.

In reality, the formula was only used for two years. Only \$2.2 billion was given to schools through the FA in 2007-2008.

In 2010-2011, the state cut \$2.7 billion from schools through a formula called the Gap Elimination Adjustment.

In 2012-2014, the state restored \$1.7 billion of the \$2.7 billion that was cut from schools. The state owes schools \$1 billion to bring school funding back to the 2008 levels. However, this amount does not account for the rising costs that schools districts have faced over the last couple of years nor does it take into account the money that is owed through the CFE settlement.

Distribution of Four Year Increase in Foundation Aid

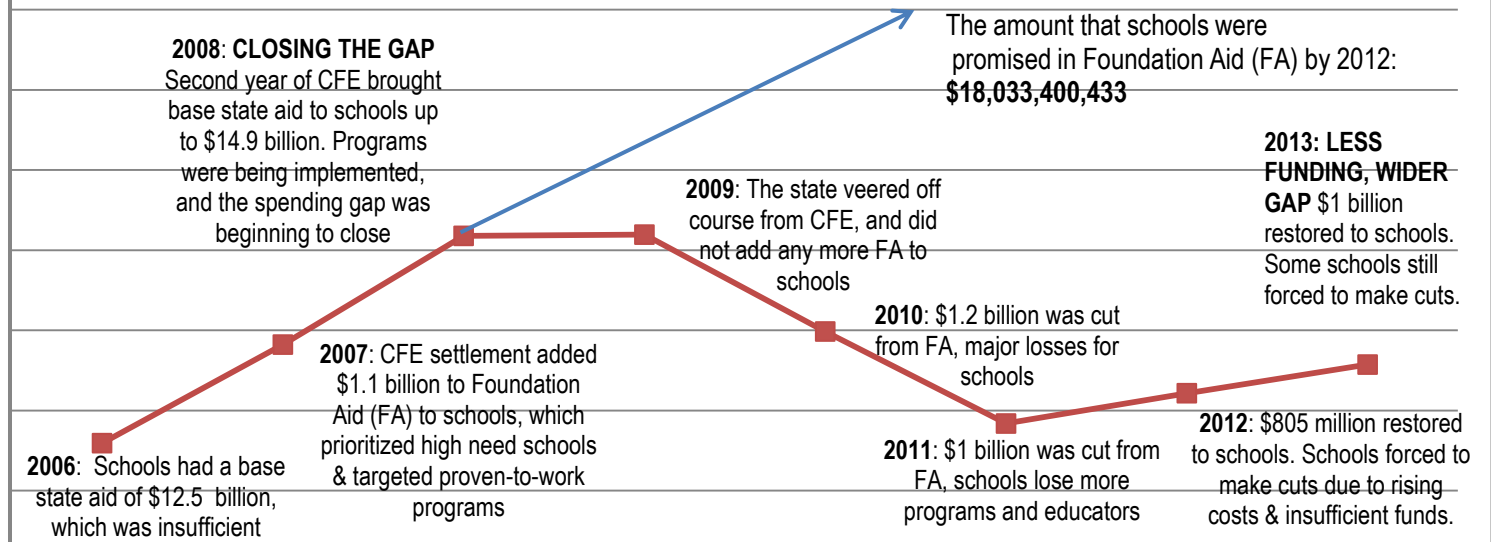


This is what equity looks like:

The Foundation Aid Formula: puts adequate resources into classrooms. 72% of the aid goes to students with the highest need.

The pie chart to the right shows the distribution of Foundation Aid to school districts based on need.

Campaign for Fiscal Equity Funding: Reversing the Priority



Debunking the Myths:

Myth: Money doesn't matter

Reality: Money matters. It buys programs that benefit all the students, such as music, art, Advanced Placement, Pre-K, after school, college prep courses and many more. The rich curriculum offered in wealthy districts illustrates that money buys the programs that keep students in school as the high graduation rates of these school districts show.

Myth: We spend too much on education.

Reality: No, we don't. The amount of state aid going to schools now is in fact less than in 2008 when the state kept its promise to fund schools adequately & equitably after the CFE settlement. Today, schools continue to make cuts to programs & staff due to insufficient funds & heavier burdens on local districts to raise their own money.

Myth: The Foundation Aid formula doesn't work.

Reality: The Foundation Aid formula works. The biggest issue with it is that it has not been used adequately in the last two years. In the 2007 and 2008 that the state fully funded the Foundation Aid formula, schools were improving programs & classes as well as adding staff. Also, the spending gap between school districts was beginning to close. However, the Foundation Aid formula has not been fully funded since 2008. Recently, the legislature put \$110 million in Foundation Aid and updated the formula so that it is an accurate representation of district poverty.

Myth: The Gap Elimination Adjustment (GEA) is still cutting funding from schools.

Reality: The GEA does not cut funding anymore. The GEA formula was created in 2010 to take money out of schools. Through the GEA, the state cut \$1.5 billion in 2010-11 and \$1.2 billion in 2011-12. These cuts resulted in 35,000 teachers being taken out of the classroom, Advanced Placement and college-level electives disappearing from offerings, art, music and pre-K being reduced or eliminated. School districts across the state were forced to find funding through local property taxes. The \$2.7 billion in funding that was taken out by the GEA has yet to be filled. The 2012 and 2013 state budgets included some state aid increases going to all school districts. This funding did not make up much of the funding that was cut in the prior years. Also, the funding was not distributed through the Foundation Aid formula or through a transparent formula.

Myth: The state has restored aid to schools so that school districts don't have to make any more cuts.

Reality: Schools still making cuts. Even though the state has restored \$1.7 billion of the \$2.7 billion that was cut, rising costs, increased requirements and more burden on local districts has made it almost impossible for schools not to make more cuts. Also, the state still owes schools \$1 billion as well as the CFE money that it promised. Total amount owed: \$4.3 billion (\$1b GEA + \$3.3b FA)

Myth: NYS funds schools equitably.

Reality: Not currently. When the state distributed funding using Foundation Aid, there was equity. In fact, during 2007-08 and 2008-09, the funding provided to schools began to close the spending gap by providing more state funding to school districts with higher need & limited ability to raise money through local property taxes. **It is time that we get back to equity.**