



Distribution and Impact Graphs

*2011-12 State Budget to Executive Budget 2012-13 School District Impacts
Potential School District Impact of Performance Grant Funds Re-tasked to
Reduction of GEA*

*Distribution Relationships 2012-13 Executive Budget GEA Reduction
Three Year Trend Data of GEA (Defunding of Education Aid) & Executive Proposal*

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Key Elements in School Aid Changes 2010-11 and 2011-12 (\$ in Billions)

Program	2010-11	2011-12	Change
Foundation Aid	\$14.894	\$14.894	\$0
Building Aid	\$2.489	\$2.660	\$0.171
Other Aids	\$4.479	\$4.622	\$0.143
Gap Elimination Adjustment	(\$2.138)	(\$2.786)	(\$0.648)
Restoration of GEA	\$0	\$0.229	\$0.229
Federal Offset to 2010-11 GEA	\$0.726	\$0	(\$0.726)
Federal Education Jobs Fund	\$0.608	\$0	(\$0.608)
Reduction to Cover State Medicaid Shortfall	(\$0.132)	\$0	\$0.132
Total Aids	\$20.925	\$19.619	(\$1.307)

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Gap Elimination Adjustment	(\$2.138)	(\$2.786)	(\$0.648)
Restoration of GEA		\$0.229	\$0.229
Reduction to Cover State Medicaid Shortfall	(\$0.132)	\$0	\$0.132
Total Aids	\$12.624	\$12.337	(\$0.287)
Net Difference	(\$2.270)	(\$2.557)	(\$0.287)
Total Difference for 2010-11 and 2011-12			(\$4.826)

Billions

Proposed GEA for 2012-13
\$2.267 Billion
\$2.557 Billion 2011-12
\$2.270 Billion 2010-11
\$7.094 Billion Total

SOURCE: Compiled by the Council from NYS Division of the Budget, 2012-12 Executive Budget -- Agency Presentations, p. 78. and NYSCOSS documents

Education Aid Budget 11-12	\$19,560,000,000	
Total	\$805,000,000	4.1%

NYC	\$224,000,000	1.1%	4.1%	2.8%
Non NYC	\$331,000,000	1.7%		
Performance Grants	\$250,000,000	1.3%		

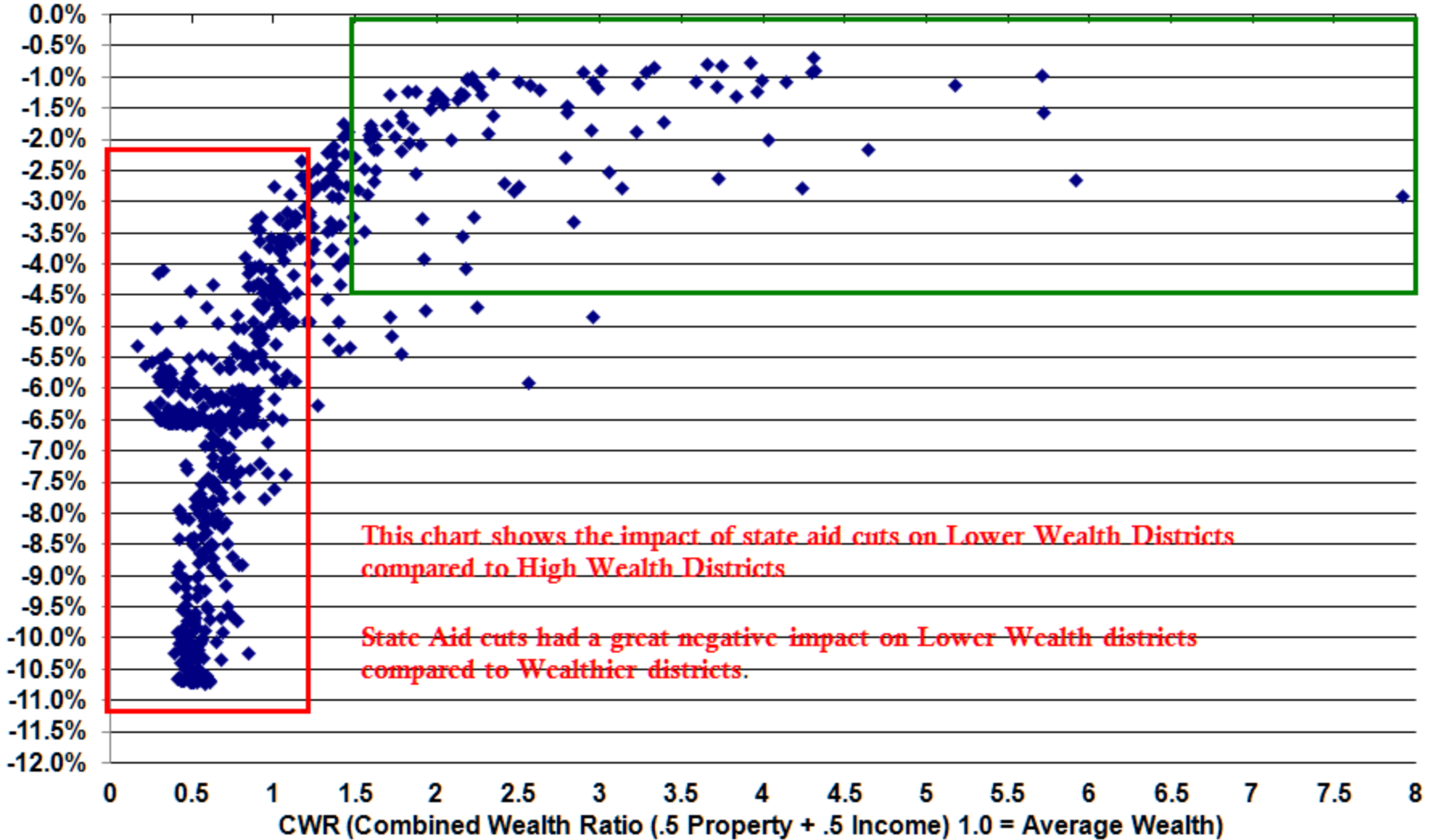
Total	\$805,000,000	
Expense Driven	\$265,000,000	32.9%
After Expense Aids	\$540,000,000	67.1%
Performance Grants	\$250,000,000	31.1%
GEA Reduction	\$290,000,000	36.0%



Millions

Impact of State Aid Cuts 2011-12 CWR to Gap Elimination Adjustment As % of Budget

Cuts As % of Budget

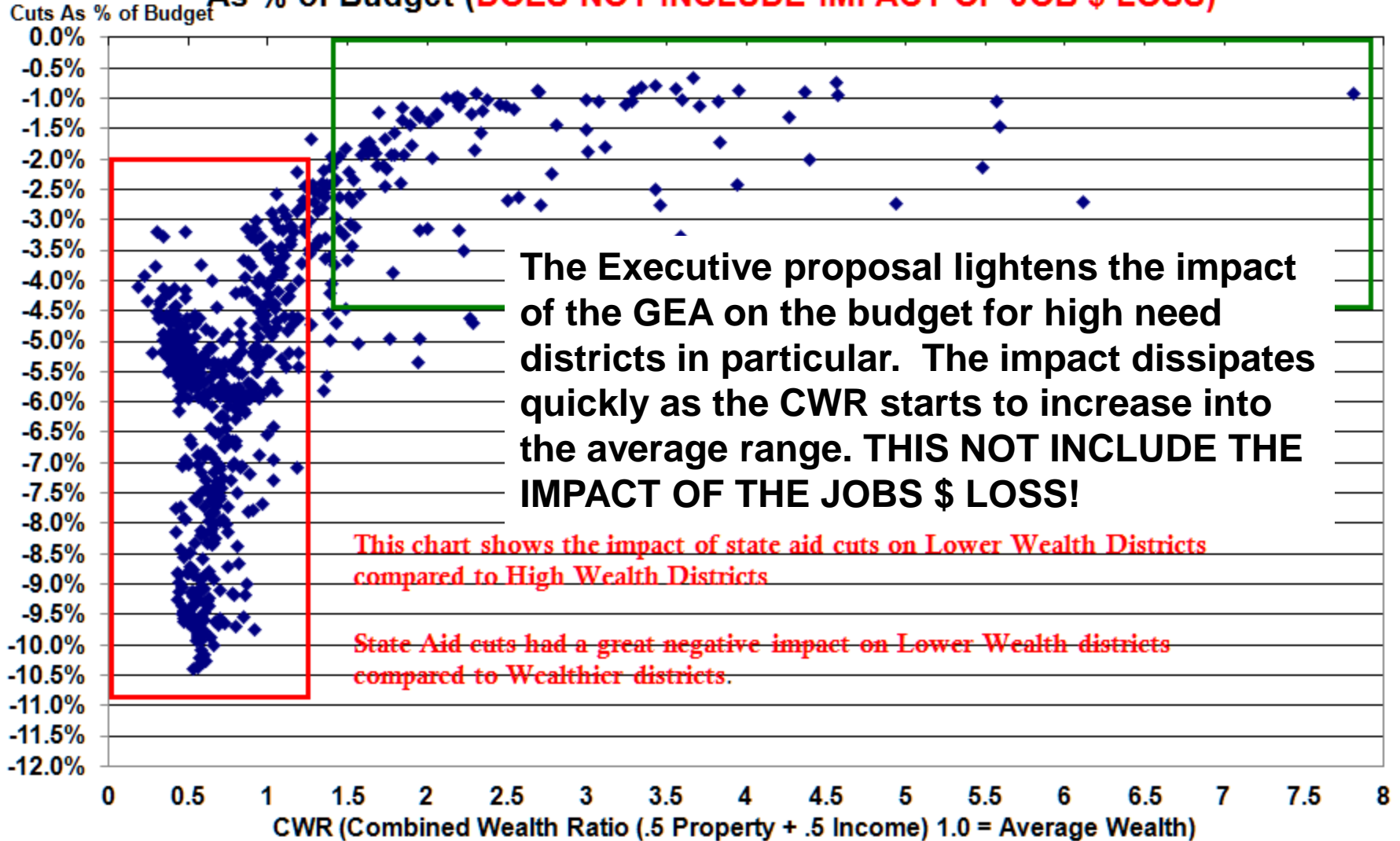




Impact of Proposed State Aid Cuts 2012-13

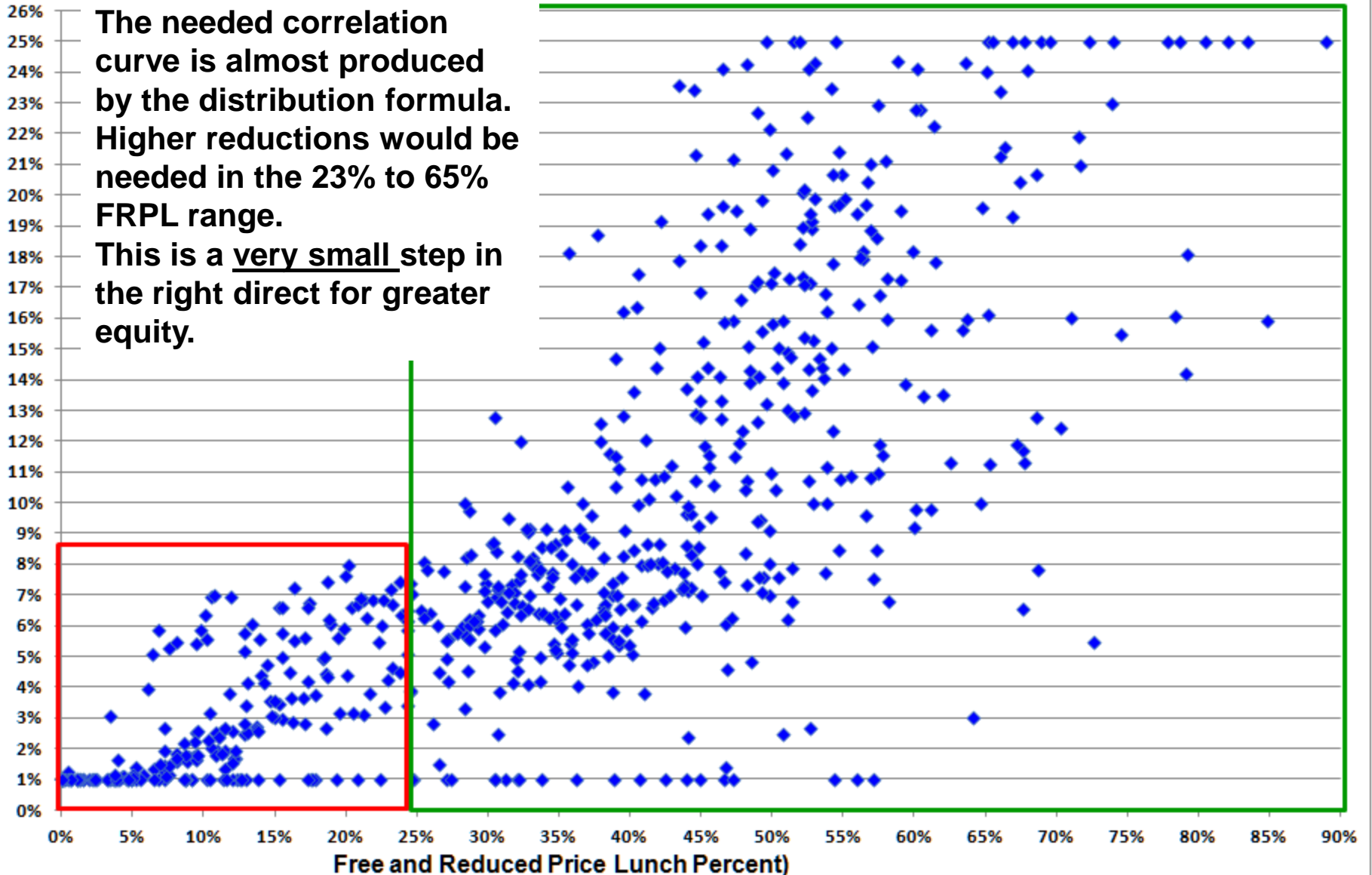
CWR to State Aid Cuts (Gap Elimination Adjustment)

As % of Budget (**DOES NOT INCLUDE IMPACT OF JOB \$ LOSS**)



Executive Proposal- Relationship Between the Percent Reduction of State Aid Cuts to Free & Reduced Price Lunch % 2012-13

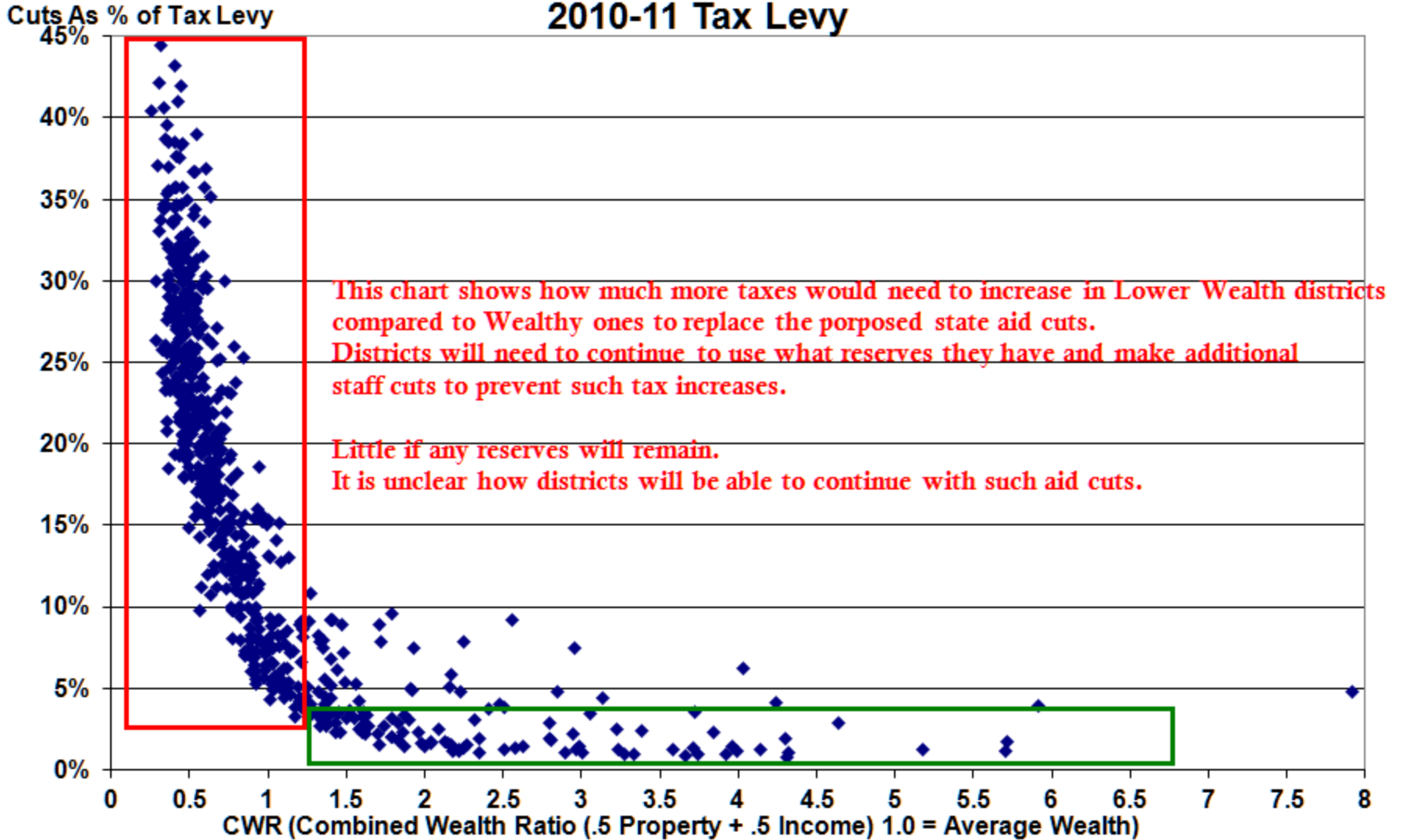
$r=.77$
 $r^2=.6$





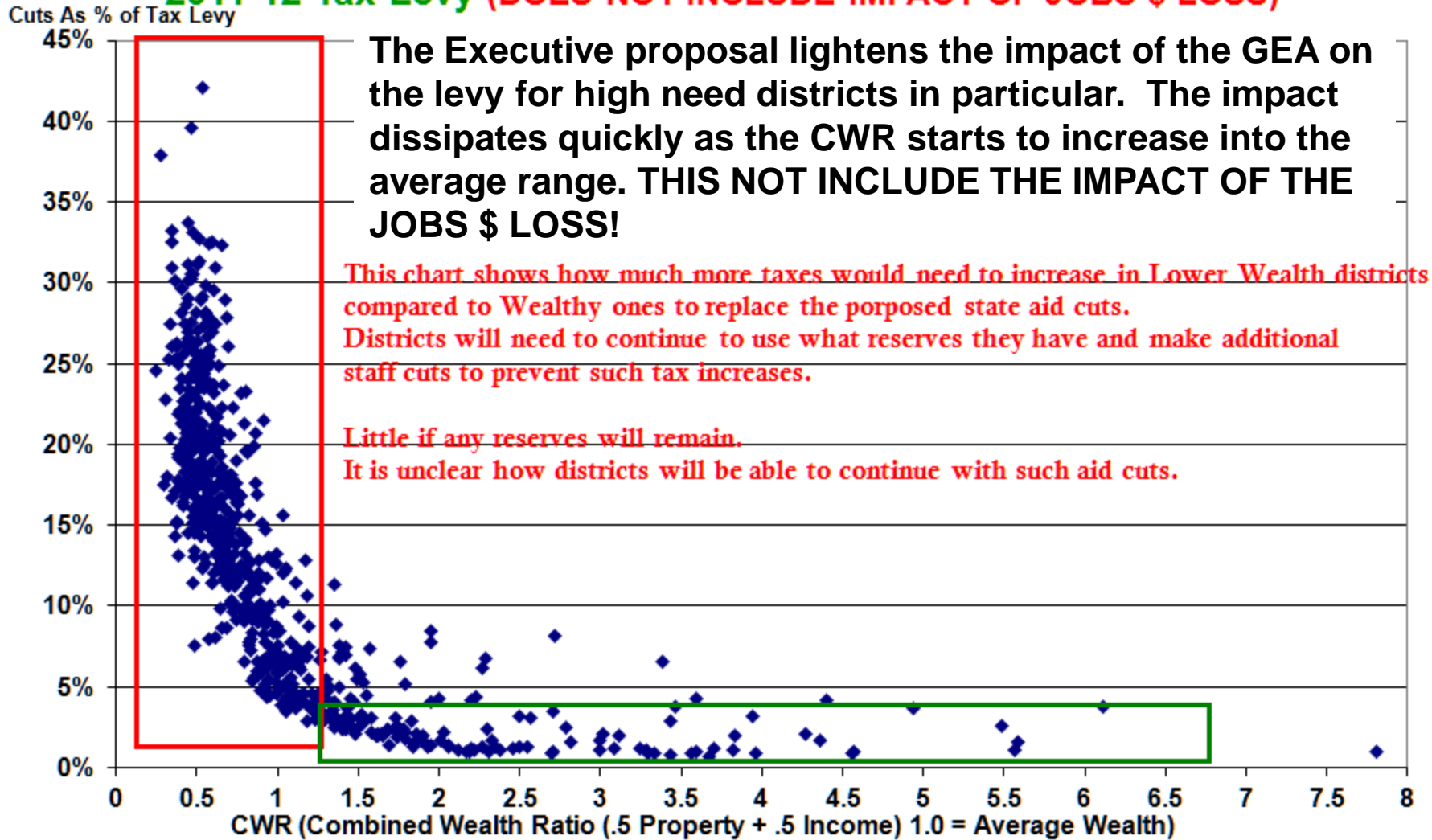
Impact of State Aid Cuts 2011-12

CWR to State Aid Cuts (Gap Elimination Adjustment) As % of 2010-11 Tax Levy





Impact of Proposed State Aid Cuts 2012-13 CWR to State Aid Cuts (Gap Elimination Adjustment) As % of 2011-12 Tax Levy (DOES NOT INCLUDE IMPACT OF JOBS \$ LOSS)



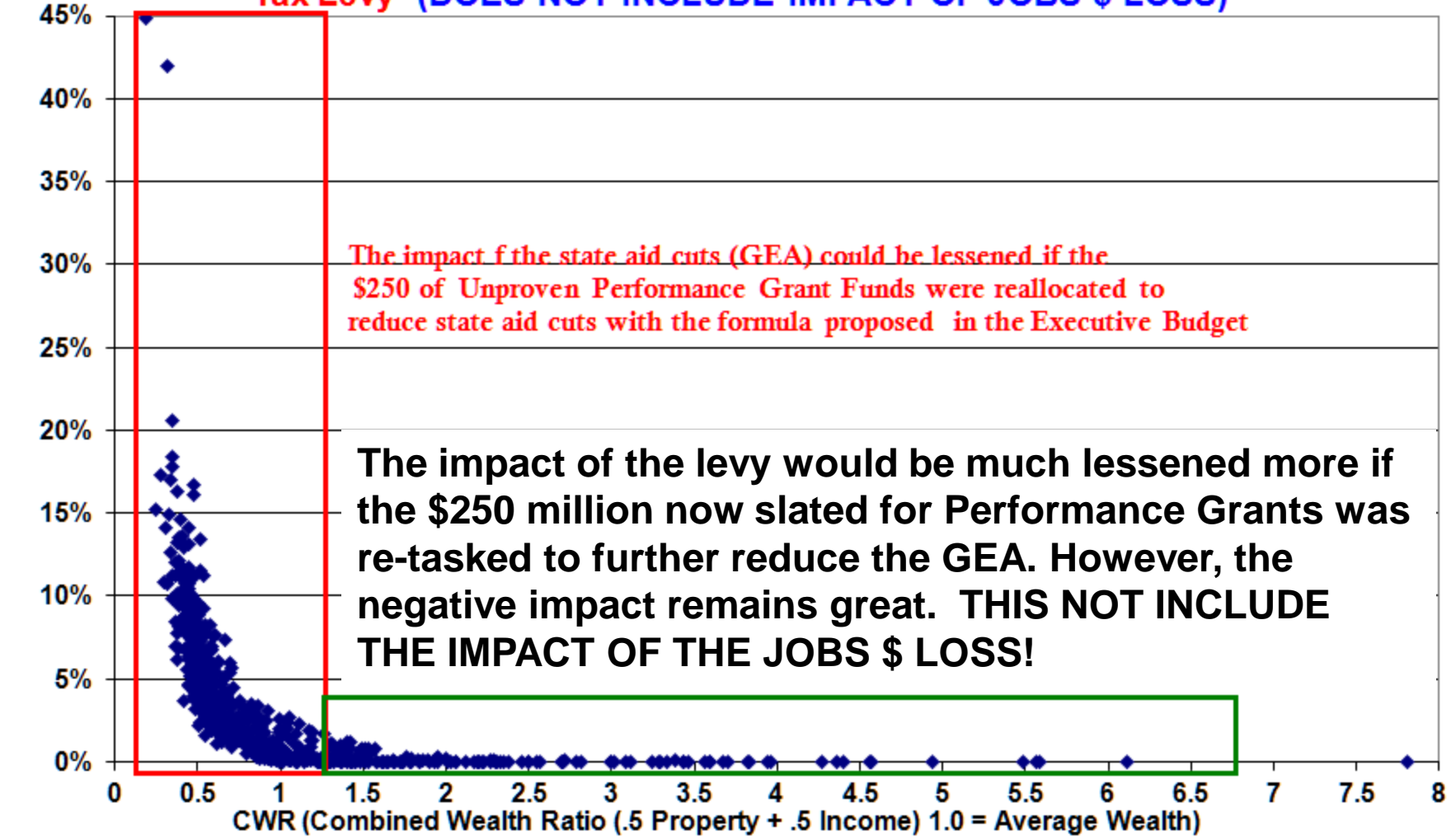


Impact of Proposed State Aid Cuts 2012-13 With \$250 Million Additional Funds for Reduction

CWR to State Aid Cuts (Gap Elimination Adjustment) As % of 2011-12

Cuts As % of Tax Levy

Tax Levy (DOES NOT INCLUDE IMPACT OF JOBS \$ LOSS)



Executive Proposal- Relationship Between the Percent Reduction of State Aid Cuts to CWR 2012-13

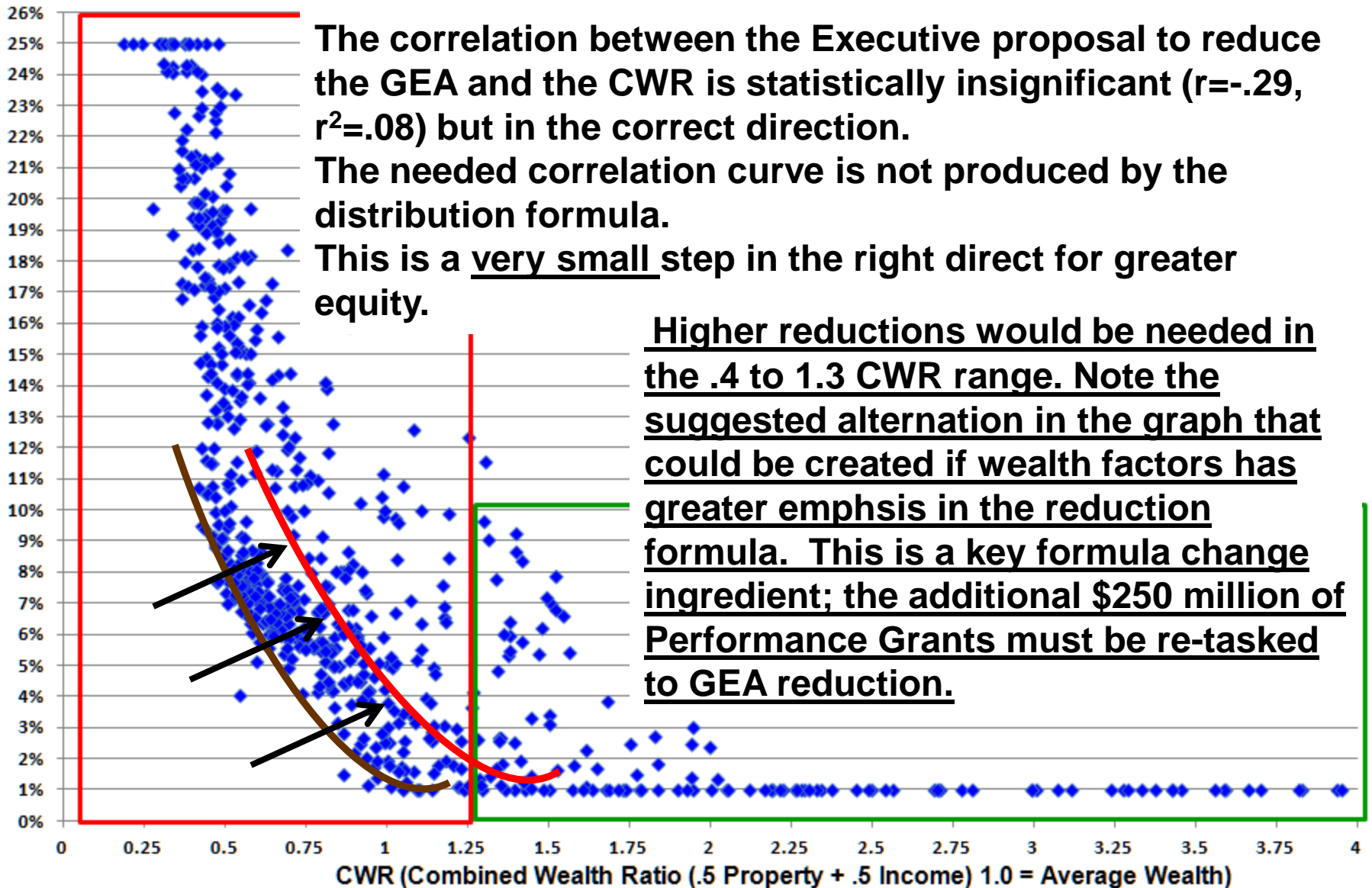
$r = -.29$
 $r^2 = .08$

The correlation between the Executive proposal to reduce the GEA and the CWR is statistically insignificant ($r = -.29$, $r^2 = .08$) but in the correct direction.

The needed correlation curve is not produced by the distribution formula.

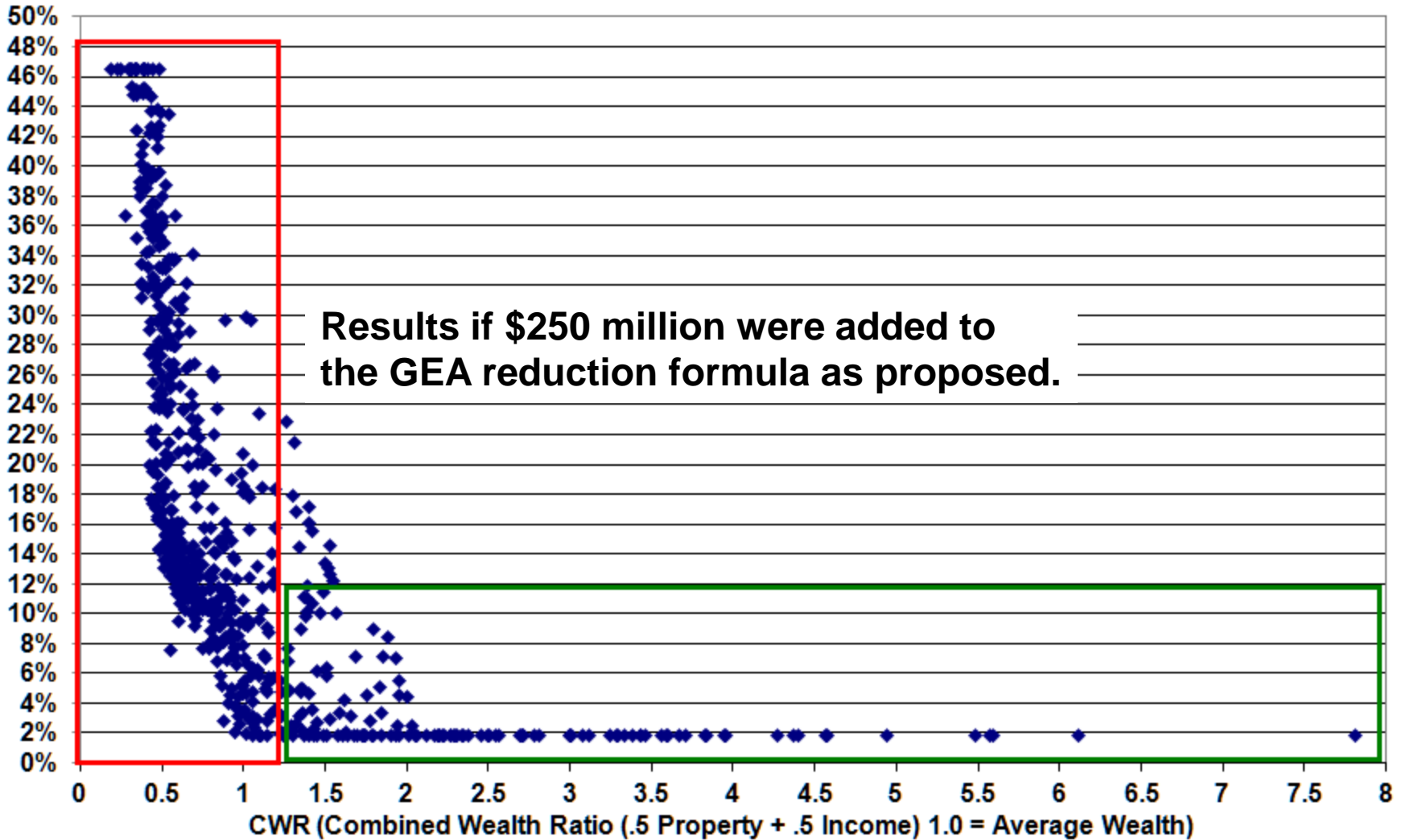
This is a very small step in the right direct for greater equity.

Higher reductions would be needed in the .4 to 1.3 CWR range. Note the suggested alternation in the graph that could be created if wealth factors has greater emphasis in the reduction formula. This is a key formula change ingredient; the additional \$250 million of Performance Grants must be re-tasked to GEA reduction.



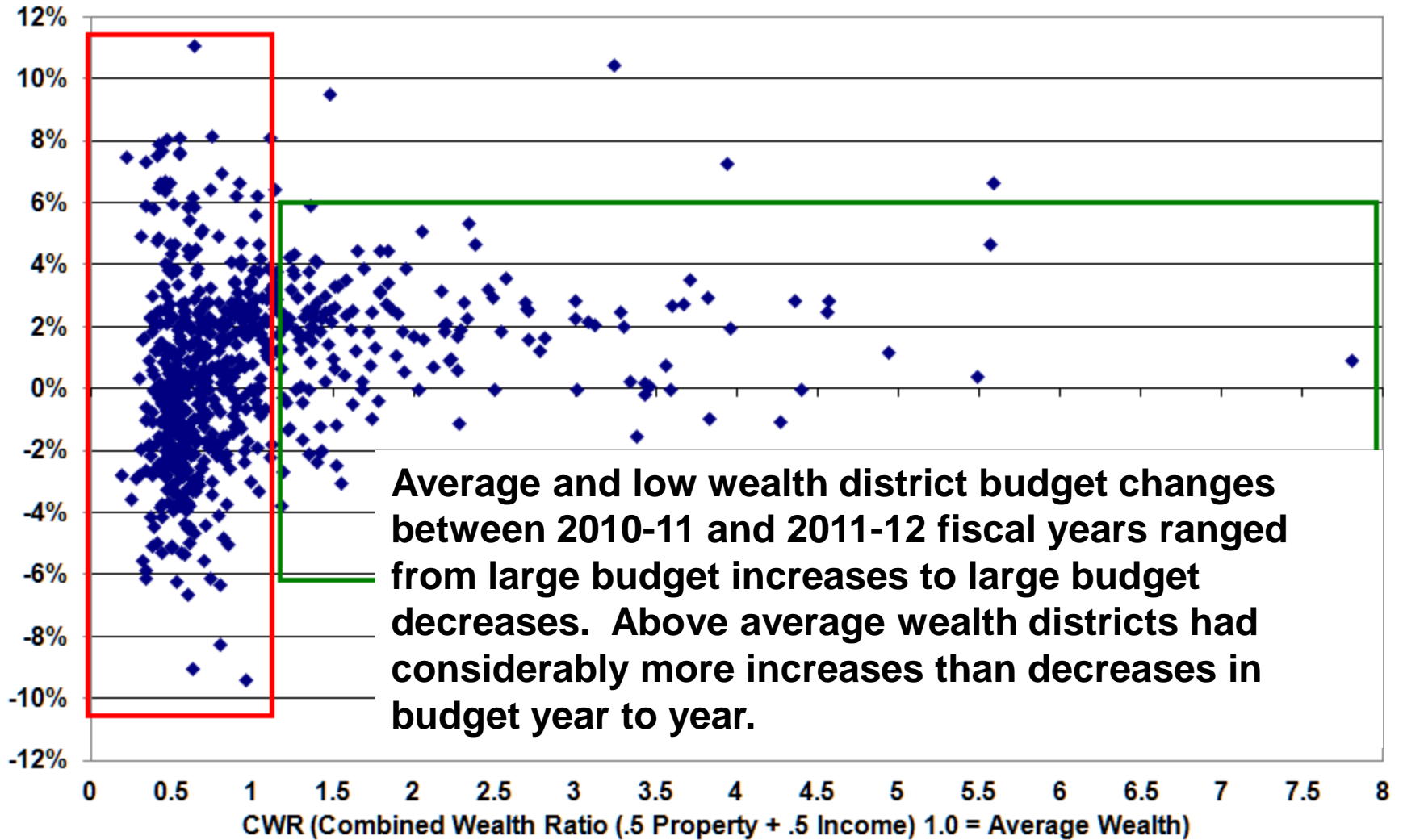
CWR to % Change From 2010-11 to 2011 -12

% of GEA Reduction Change



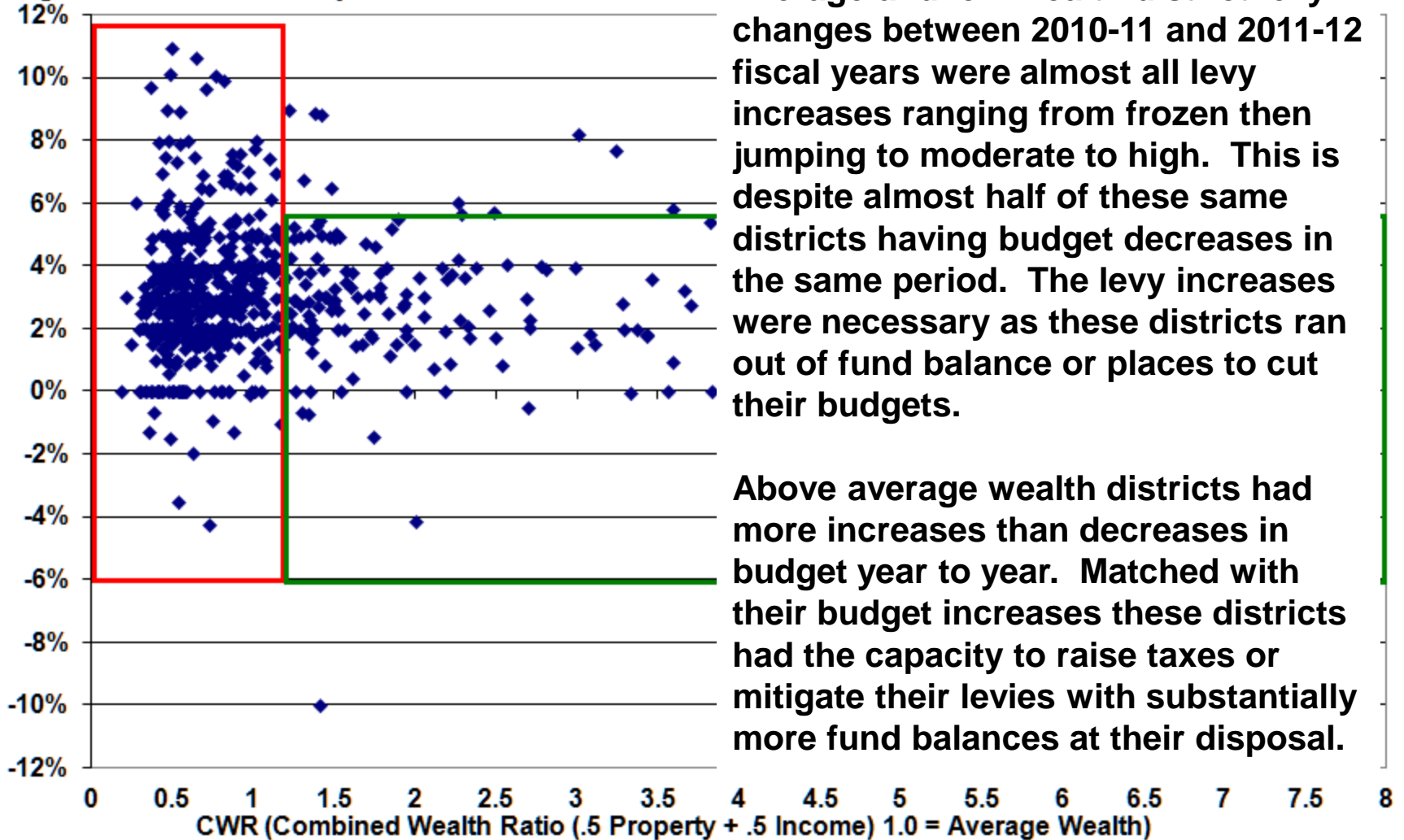
CWR to Budget % Change From 2010-11 to 2011 -12

% of Budget Change



CWR to Levy % Change From 2010-11 to 2011 -12 (PTRC)

Change % of 2010-11 Tax Levy

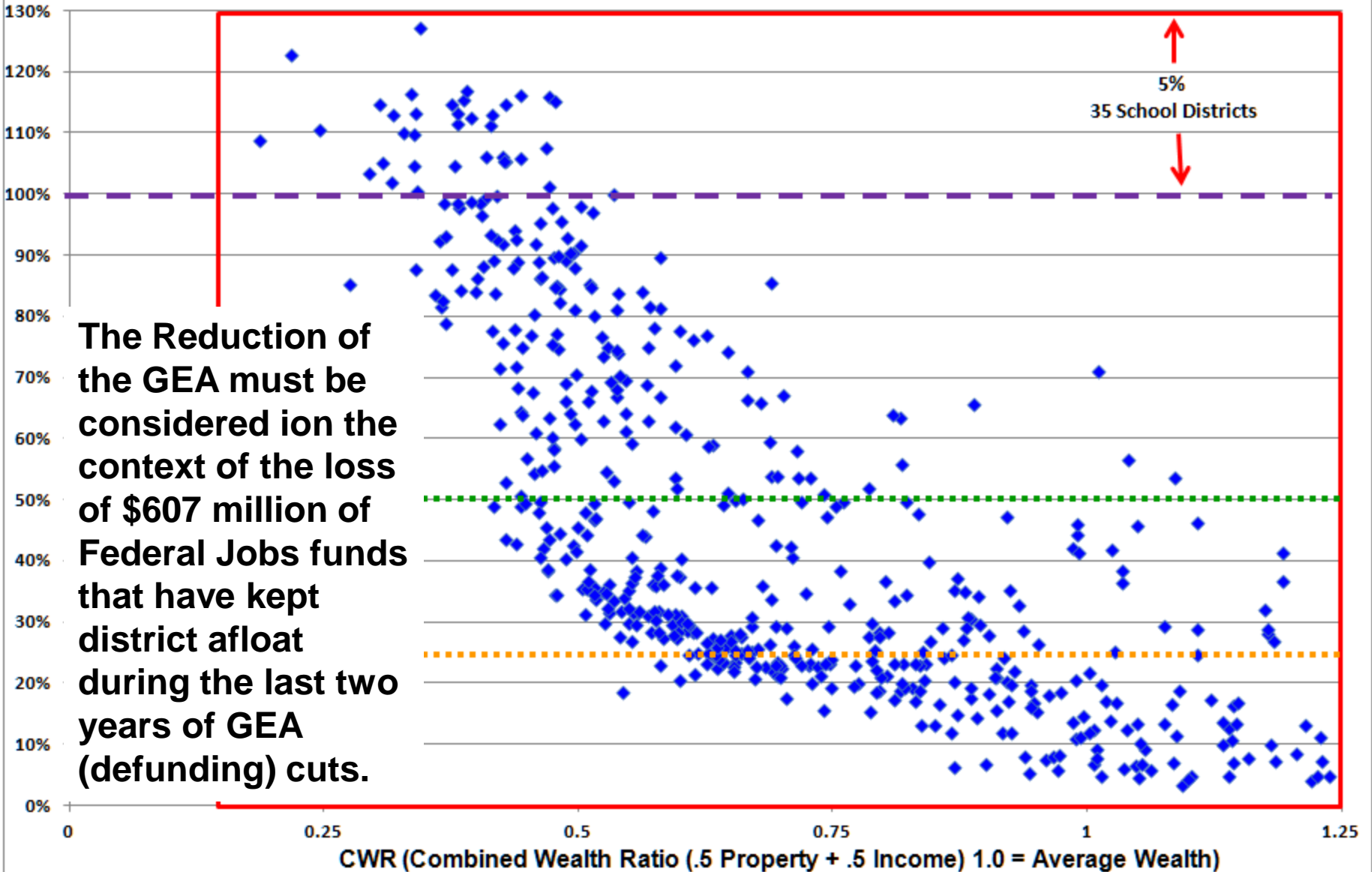


Average and low wealth district levy changes between 2010-11 and 2011-12 fiscal years were almost all levy increases ranging from frozen then jumping to moderate to high. This is despite almost half of these same districts having budget decreases in the same period. The levy increases were necessary as these districts ran out of fund balance or places to cut their budgets.

Above average wealth districts had more increases than decreases in budget year to year. Matched with their budget increases these districts had the capacity to raise taxes or mitigate their levies with substantially more fund balances at their disposal.

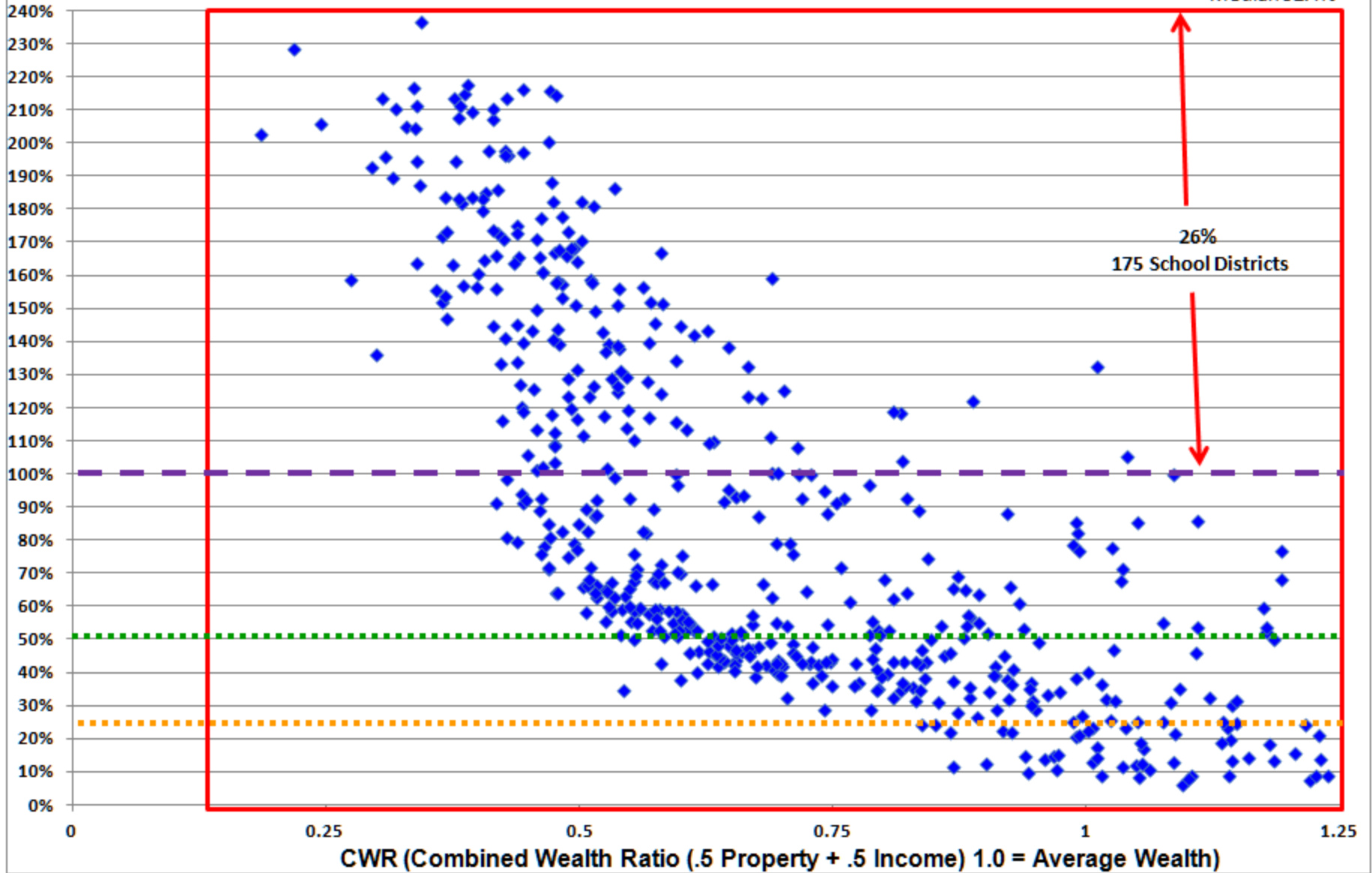
Executive Proposal Relationship Between the Percent Replacement of Federal JOBS \$ to CWR 2012-13 for High Need & Avg. Wealth Districts

Mean 37.7%
Median 28.1%



Executive Proposal PLUS \$250 million - Relationship Between the Percent Replacement of Federal JOBS \$ to CWR 2012-13

Mean 70.2%
Median 52.4%



“Here is what we expect you to do for our school district’s children” -

- Establish **GENUINE EQUITY IN THE DISTRIBUTION OF STATE AID** – a system **BASED SOLELY ON NEED** (poverty, fiscal capacity, etc.).
- **ELIMINATE UNFAIR GEA AID CUTS**...which benefit high-wealth districts at the expense of low and average-wealth districts. (The first \$290 million was a good first step, but more needs to be done (wealth capacity). **Use EVERY PENNY of the \$250 million for GEA Reduction rather than Unproven Performance Grants.**
- Establish **REAL MANDATE REFORM** to help our schools offset the **HUGE COST FACTORS** we face...especially the pension & healthcare expenses that are killing us.

Schools are judged by performance standards – we expect the same from our legislators...we genuinely appreciate your good intentions and efforts – **BUT WE NEED RESULTS NOW**– *“It only counts... if we get results”*