REPORT TO THE BLACK, PUERTO RICAN AND HISPANIC LEGISLATIVE CAUCUS

MARCH 2004

Executive Summary

Purpose of Analysis

This report represents the Educational Priorities Panel's third look at school districts educating the majority of African-American and Latino students in the state. Our intent this time is to look at the broad picture. The NYS Education Department reports student test data for these students, but the Department's funding analysis does not. The Educational Priorities Panel wanted to evaluate how districts with a majority of African-American and Latino students fared in funding and expenditures. This bottom-line analysis looked at seven measurements:

- Increases in per-pupil state aid and per-pupil total expenditures from the 1995-96 school year to the 2000-01 school year, a time of robust increase in state school aid during a time of a good New York State economy.
- A comparison of instructional expenditures for general education students and for special education students in the 2000-01 school year.
- Increases in Building Aid to school districts during this same period.
- Local tax effort for public schools during this same period.
- A comparison of 2002-03 estimated state aid to 2003-04 estimated state aid, when overall school district funding was reduced because of the weak national and state economy.
- A comparison of student achievement on test scores in the 1997-98 school year and the 2001-02 school year on the state's fourth and eighth grade English Language Arts and Math tests.
- Student access to schools where a majority of students are testing at or above grade level at the fourth and eighth grades.

It is important to note that this report's analysis is limited to school districts based on their funding and expenditure levels and their average performance on standardized tests. To adjust for differences in school district size, a per-pupil funding calculation is used. The reader should not assume that this calculation provides an approximate idea of resources available to each student at the school level. School districts vary as to how much they spend for special education services, transportation, and other variables. Also, there is no assurance that all districts have a fair system of allocating funds to schools within their boundaries. This report's measurements reflect how districts serving a majority of African-American and Latino students are faring, but not how African-American and Latino students are faring within these districts, which would take a significantly more detailed analysis

Findings

- There are almost as many African-American and Latino students being educated in downstate suburban school districts as there are in the big city school districts of Yonkers, Syracuse, Rochester and Buffalo. New York City still educates over 60 percent of the state's African-American and Latino students.

From the 1995-96 school year to the 2000-2001 school year:

- When the state economy was stronger, almost all majority African-American/Latino districts received sizeable increases in state school aid. In the downstate area, this brought most of them closer to the average expenditure levels of middle-income districts - except for New York City. It spent $3,000 less per student than African-American/Latino suburban districts.
- In the 2001-01 school year, the highest-need African-American/Latino suburban districts had the highest ratio of special education instructional expenditures to general education instructional expenditures. The large city school districts tended to have a higher proportion of students classified as special education, except for New York City.
- Downstate suburban schools districts where a majority of students were African American and Latino made a higher tax effort than suburban school districts where a majority of students were white. Over this 5-year period, however, suburban tax effort declined while the tax effort of most large cities increased.
- Most large city school districts experienced large increases in Building Aid, especially New York City. Increases for the downstate suburbs were not as large, except for modest-income, majority white school districts.

The adopted NYS 2004 school year education budget:

- This budget had a mixed impact on majority African-American/Latino school districts as well as majority white school districts.

Student achievement:

- On 4th grade tests, suburban districts with a majority of African-American/Latino students made the largest test gains over a four-year period.
- Access to schools where a majority of students are testing at or above grade level drops dramatically at the middle school level in all majority African-American/Latino districts.

Policy Priorities of the Black, Puerto Rican and Hispanic Legislative Caucus:

- The legislative priorities of the Caucus accurately reflect their constituents' major concerns about education - except in one area, an insufficient number of good schools.

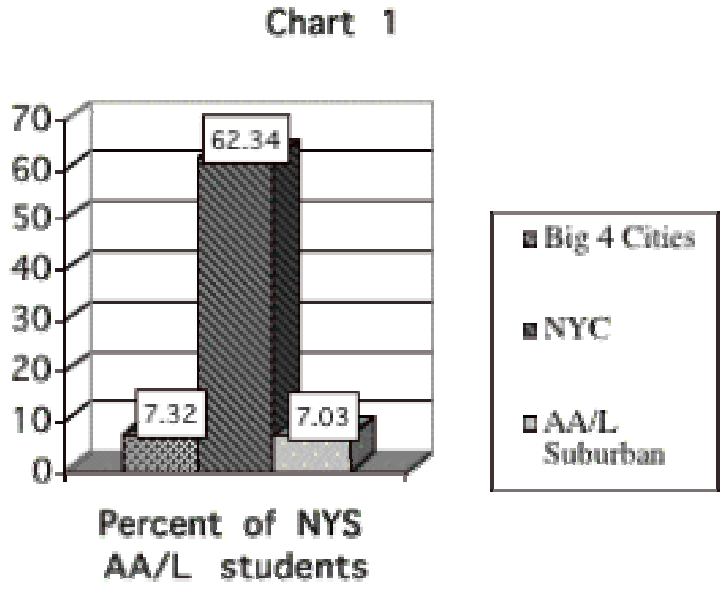
FINDING #1

There are almost as many African-American and Latino students being educated in downstate suburban school districts as there are in the big city school districts of Yonkers, Syracuse, Rochester and Buffalo.

New York City still educates over 60 percent of the state's African-American and Latino students.

African-American and Latino students constitute 37 percent of all public and private school students in New York State. [1] These students are concentrated in 28 of the state's 720 school districts. A report by the Civil Rights Project of Harvard University ranks New York lowest among all states in the percentage of African-American or Latino students enrolled in majority-white schools. [2]

New York City schools educate 62.34 percent of the state's African-American and Latino students attend. The large cities of Buffalo, Rochester, Syracuse, and Yonkers educate 7.32 percent of students of this race and ethnicity. An additional 7.03 percent are now educated in 23 suburban school districts in Westchester, Nassau, and Suffolk counties where African-American and Latino students constitute a majority of students. These 28 majority-minority districts are the subject of this report's analysis.



We report measurements on pupil funding, expenditures, and test scores for the big five cities individually and as a group. For the school districts in the downstate suburbs of Westchester, Nassau, and Suffolk counties we created two groups of majority-minority school districts:

AA/L, high-needs districts: These are suburban school districts where 70 percent or more of students are receiving free and reduced lunch in the 1995-96 school year. Their

students' socio-economic characteristics are very similar to those of the big five cities. 74 percent of the students are eligible for free and reduced lunch. 32,396 students are educated by these 5 school districts. 15,002 are African American and 13,763 are Latino. 3,631 are white or other, a category which includes Asians and Native Americans

Brentwood	Hempstead
Roosevelt	Westbury
Wyandanch	

AA/L, modest-income districts: The second group of suburban school districts with a majority of African-American and Latino students have 46 percent of students who are eligible for free and reduced lunch. 81,291 students are educated by these 18 school districts. 34,342 are African American and 23,216 are Latino. 23,733 students are white or other. A CWR of "1" represents the average school district wealth for the state. These districts have a mean CWR of 1.41, much higher than the group of 5 school districts, whose mean CWR was 0.66.

Amityville	Central Islip	Copiague
Elmont	Elmsford	Freeport
Glen Cove	Greenburgh	Malverne
Mount Vernon	New Rochelle	Ossining
Peekskill	Port Chester	Tarrytown
Uniondale	Valley Stream 30	White Plaines

For the purposes of comparison, we created three other sets of all the suburban school districts in Westchester, Nassau, and Suffolk where white (W) students are the majority:

W,modest income districts: In the downstate area, with its high property values and salaries, school districts with a CWR of 1.5 or below have less wealth than most other school districts in the area. These 53 school districts had a mean CWR of 1.11 and educated 244,284 students in 2001. [3] On average, 84 percent of their students were white and 11 percent are eligible for free or reduced lunch.

W, middle income districts: These 57 districts had a CWR between 1.51 and 3.0 in 2001 (three times the state's average district wealth). The mean average CWR for this group of suburban districts was 2.06. They educated 163,619 students in 2001. On average, 84 percent were white and 7 percent were eligible for free or reduced lunch

W, high income districts: This group of 23 affluent districts had a CWR above 3.01. The mean average for this group in 2001 was a CWR of 3.75. They educated 48,954 students in 2001. On average, 84 percent were white and 5 percent were eligible for free or reduced lunch.

In Suffolk county, there are five small school districts, located in exclusive summer home areas, that educate a total of 688 students and whose district wealth ranges from 7 to 24 times the average school district wealth for the state. A majority of Bridgehampton's students are African American, but we have excluded this district from our analyses along with the majority-white student districts of Amagansett, Fire Island, Quoque, and Fishers Island. Districts created for special education services have also been eliminated from this study.

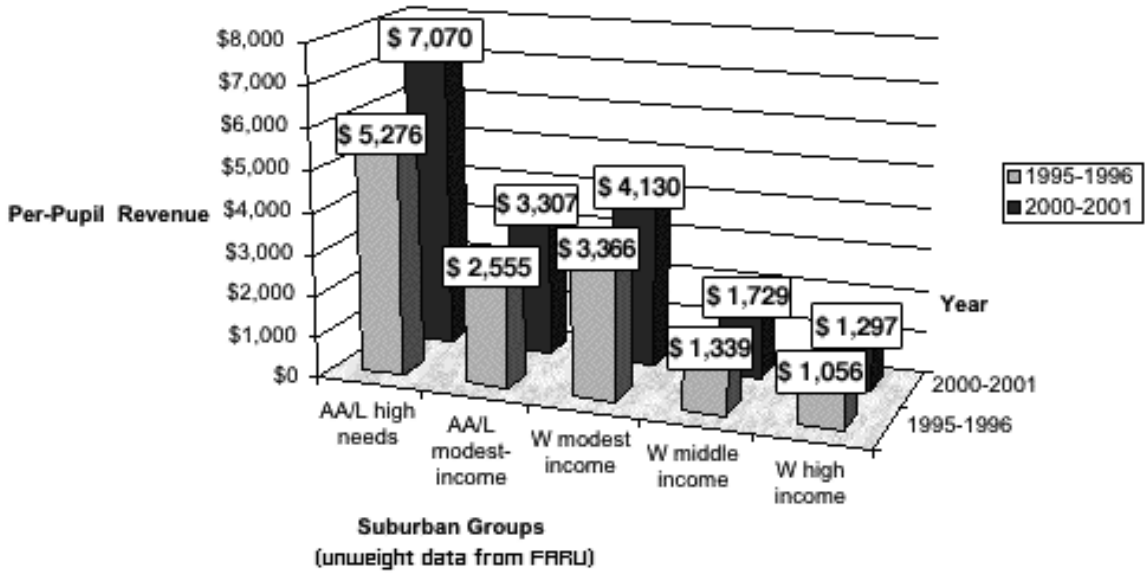
FINDING #2

Almost all majority African-American/Latino districts received sizeable increases in school aid during a 5-year period of a good economy. In the downstate area, this brought most of them closer to the average expenditure levels of middle-income districts - except for New York City. It spent $3,000 less per student than African-American/Latino suburban districts.

State Aid
From the 1995-96 school year to the 2000-01 school year, the New York State Legislature negotiated for sizeable investments in public education and had the revenues to do so. Were these funds distributed fairly based on school district wealth and student needs?

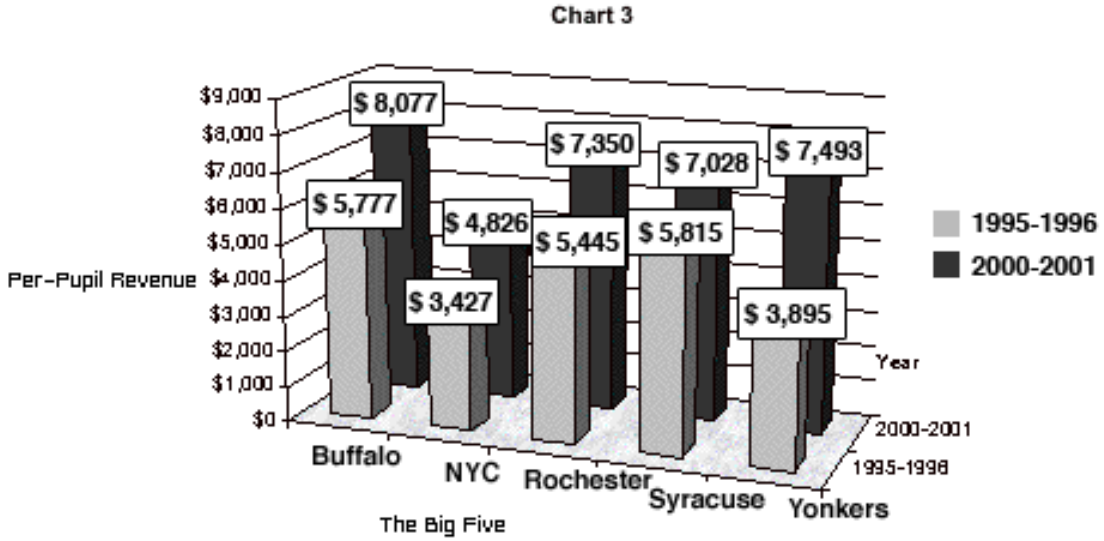
In comparing total state aid amounts for the two groups of suburban districts with a majority of African American/Latino students (high needs and modest income), and the three groups of suburban districts with a majority of white students (modest income, middle income, and high income), state aid increases during this period averaged in the range of a low of 23 percent for moderate-income and high-income majority-white districts to 34 percent for the high-needs majority African-American/Latino districts. In dollar amounts, the range was from a dollar increase of $241 for the high-income districts (which depend mostly on their local wealth) to a $1,794 increase for high-needs district.

Chart 2



State Aid increases to the big five school districts were even larger. Syracuse received the lowest rate of increase from the 1995-96 to the 2001-01 school years, 21 percent, which totaled $1,213. New York City's increase of 41% percent seems high, but in dollars it came to $1,399. This is more than Syracuse, but less than the three other large

school districts. The truly dramatic increase went to Yonkers, which gained $3,599 in this five-year period, a 92 percent hike. But this reflected a special state payment of $81 million to settle a federal race discrimination lawsuit.

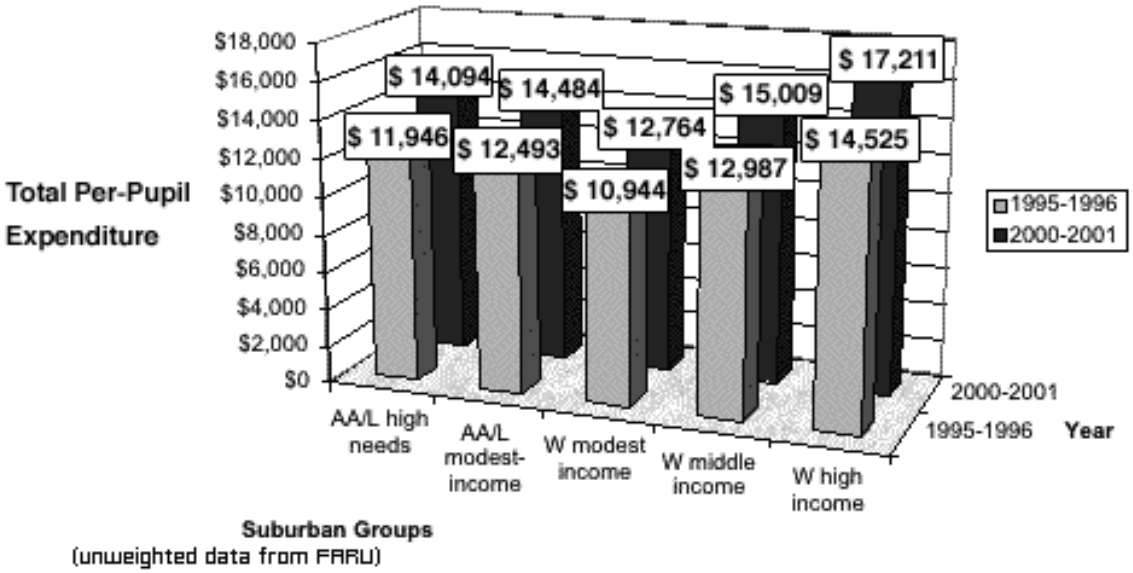


School District Expenditures
The increases in total district expenditures were also compared for the big five school districts and the five suburban groups of districts. This is an important measurement, because some districts perceive increases in state school aid as an opportunity to reduce local school property taxes, or, in the case of the large five cities, an opportunity to reduce municipal support for schools. When this supplanting takes place, students do not benefit.

In all the suburban groups of school districts with a majority of African American and Latino students, increases in average state aid appear to have been accompanied by an increase in total expenditures during this five-year period. The extent of local investment is difficult to discern, because federal funding increases were not included in this analysis. As the charts below will show, total expenditures in the African-American/Latino high-needs districts increased during this period to an average of $14,094 per pupil, $915 below the figure for middle-income districts with a majority of white students. Modest-income African-American/Latino districts increased, on average, their expenditures to $14,484 per student, which fell short by $525 the per-pupil expenditure levels of middle-income suburban districts.

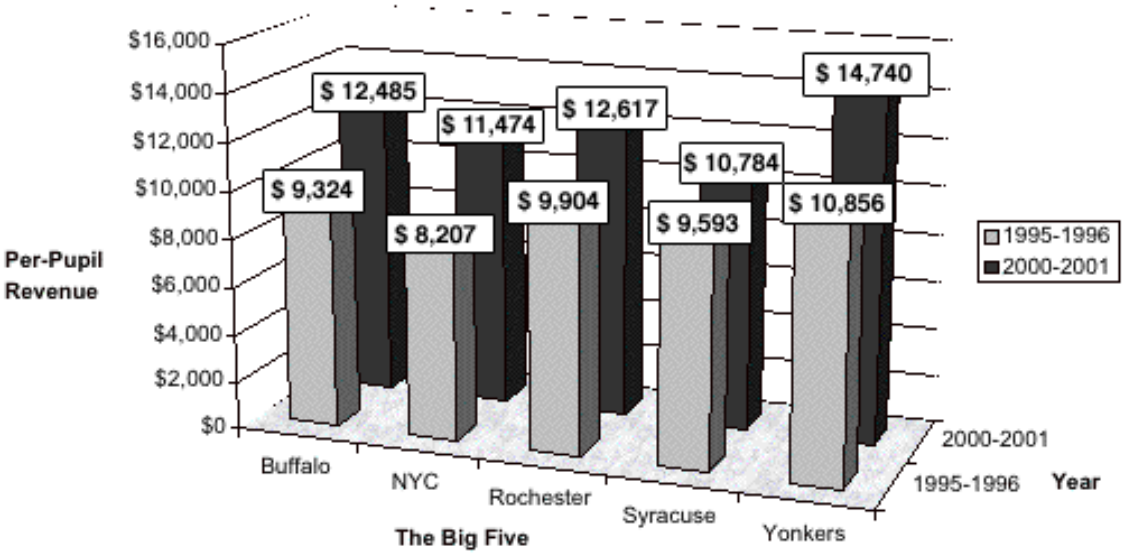
While this represents a narrowing of a funding gap between high-minority and low-minority school districts in the downstate suburban area, it should be noted that high-minority school districts have significantly higher student needs. Even the modest-income districts with a majority of African-American/Latino students have more than five times the number of students receiving free and reduced lunch than the middle-income districts with a majority of white students.

Chart 4



Over this five year period, per-pupil expenditures levels increased even more sharply in the big five cities, especially in Buffalo (34 percent), Yonkers (36 percent), and New York City (40 percent). Syracuse, in contrast, experienced only a modest increase (12 percent) and by the 2000-01 school year was the lowest spending big city district, displacing New York City.

Chart 5



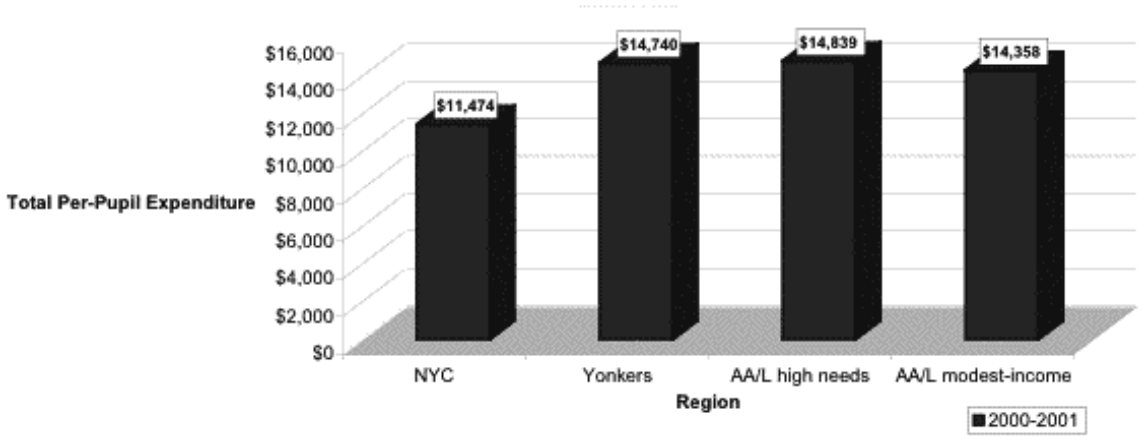
New York City - a special case

The surprise in this analysis is that the New York City school district, despite this large increase in per-pupil expenditures, still remains far below average in its per-pupil expenditure levels compared to Yonkers and all groups of downstate suburban school

districts, whether majority African-American/Latino or majority white. The per-pupil spending gap between New York City and modest-income, majority white student districts is $1,290. This group of districts is comparable in wealth to New York City, both having a Combined Wealth Ratio close to 1.0, which is the average for the state but below average for the downstate suburban area. However, student needs in the city are far higher than in this suburban group of districts. New York City has eight times the number of students eligible for free and reduced lunch than modest income, majority white districts.

When New York City is compared to districts with comparable student demographics, Yonkers and the group of suburban districts with high-needs students, the spending gap is considerably larger. New York City spent $11,474 per pupil in 2000-01 school year, $3,266 below Yonkers and $3,363 below suburban districts educating high-needs, African-American/Latino students.

Chart 6



Some portion of New York City's under spending may represent insufficient support from the city budget, which has many other responsibilities, such as a municipal hospital system. But it also represents the limitations imposed by the legislative strategy of regional shares, which sets a limit on increases to New York City regardless of the school aid formulas.

FINDING #3

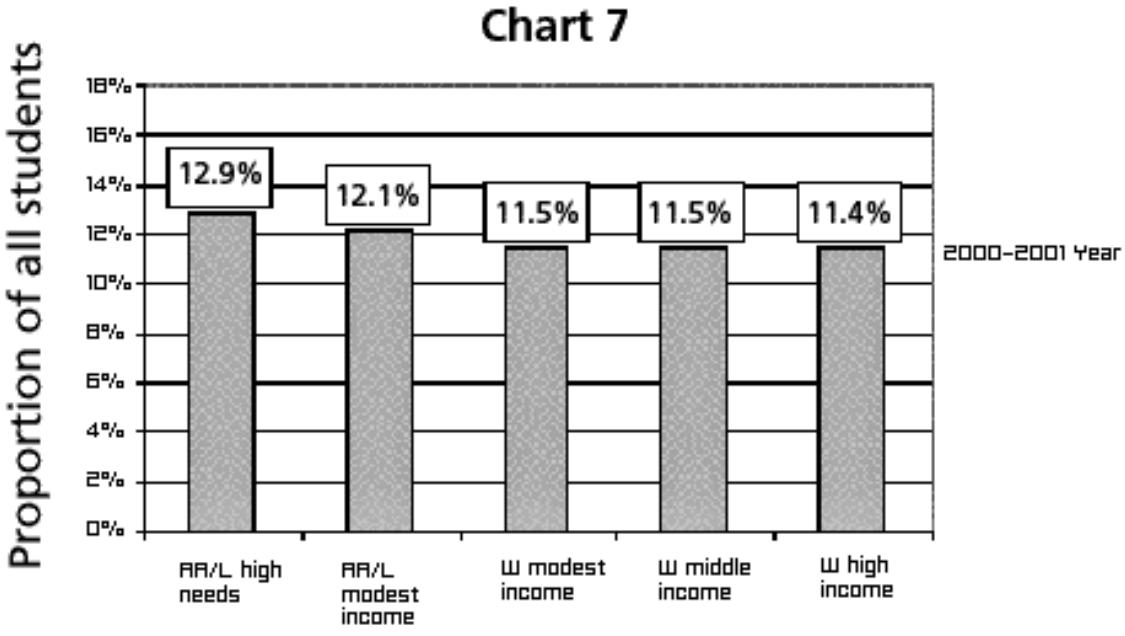
Suburban

New York City's proportion of special education students and its instructional expenditures for this group of students (compared to general education students) is similar to most districts in the suburban area. Other large city school districts, except New York City, had a higher proportion of students classified as special education.

The high-needs group of suburban majority African-American/Latino student districts had a high ratio of special education instructional expenditures compared to their general education expenditures.

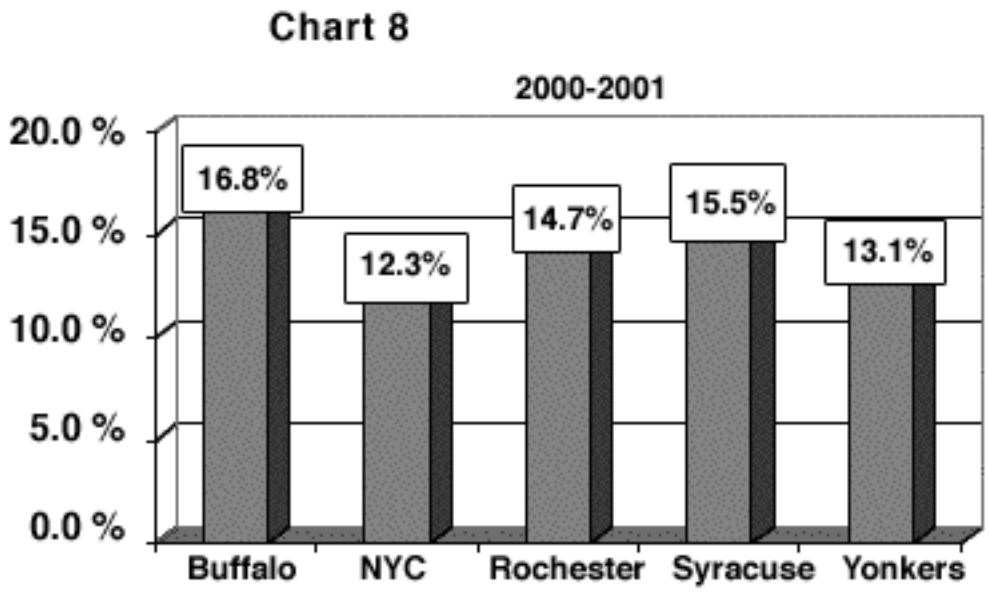
Based on data from the 2000-01 school year only, the five groups of suburban districts were compared to the five large city school districts in two areas: the proportion of students classified as special education and the ratio of instructional expenditures for special education students to instructional expenditures for general education students. [4]

Among the suburban groups of districts, there was not much difference in the average proportion of students in special education. High-needs majority African-American/Latino districts had an average of 12.9 percent of their students in special education, while modest-income majority African-American/Latino districts had 12.1. Both modest-income majority white student districts and middle-income districts had an average of 11.5 of their students in special education, slightly higher than the average for the high-income group of suburban districts, 11.4 percent.



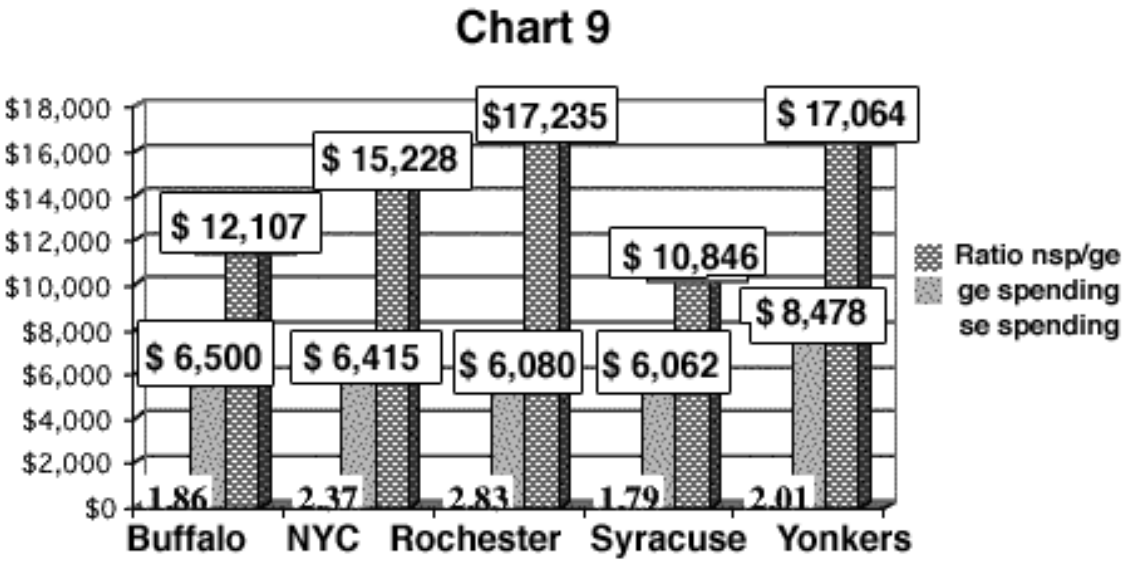
Big Cities

Among the five large cities, New York City had the lowest proportion of students classified as special education.

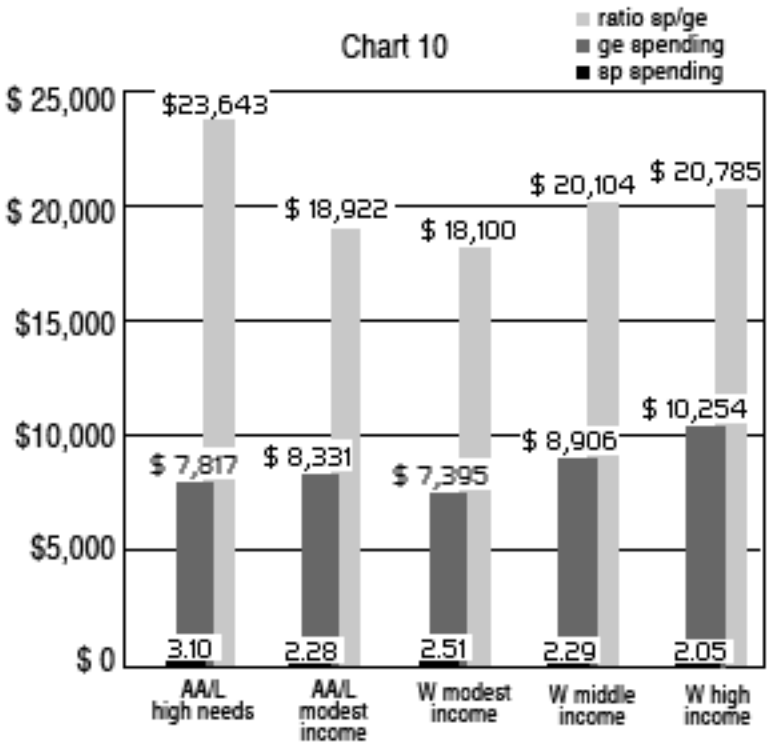


Spending

Spending for special education instruction varied considerably among the cities, as did expenditures for general education instruction. In the chart below, we compare the dollars spent in each city as well as the ratio of special education to general education expenditures.



Among the five groups of suburban districts, in the school year 2000-2001, there was also some variation in spending for general and special education instruction, but not as much - except for the higher expenditures for special education in the high-needs African-American school districts. This resulted in an average special education to general education spending ratio that was also very high.



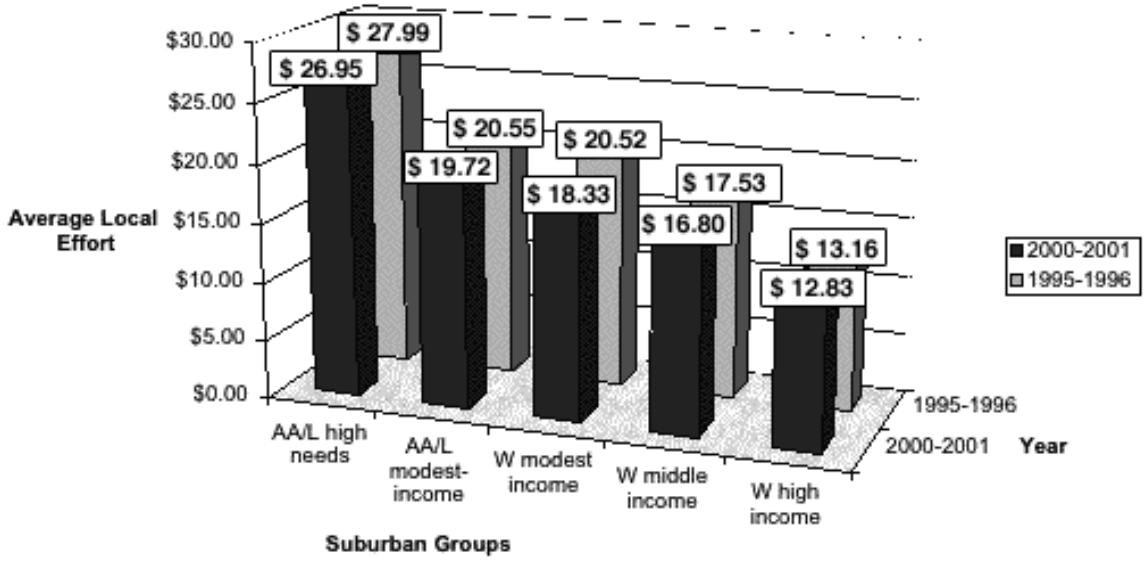
FINDING #4

Majority African-American/Latino districts in the suburbs make a higher tax effort for education than majority white districts. Over a 5-year period, however, suburban tax effort declined while the tax effort of most cities increased.

A good measure of school district efforts to raise local resources for its public schools is to examine the amount of local revenue that is raised per thousand dollars of property value. This type of analysis tends to nearly always show that lower-wealth districts have to make a greater effort than property-rich districts to raise the same amount of money or less. Wealthy districts can have lower tax rates, but they raise more revenue because the properties within their taxing jurisdiction have more value. When property values fall in a school district, as they have in most of the upstate cities, local tax effort tends to increase just to raise the same amount of revenue or even less revenue.

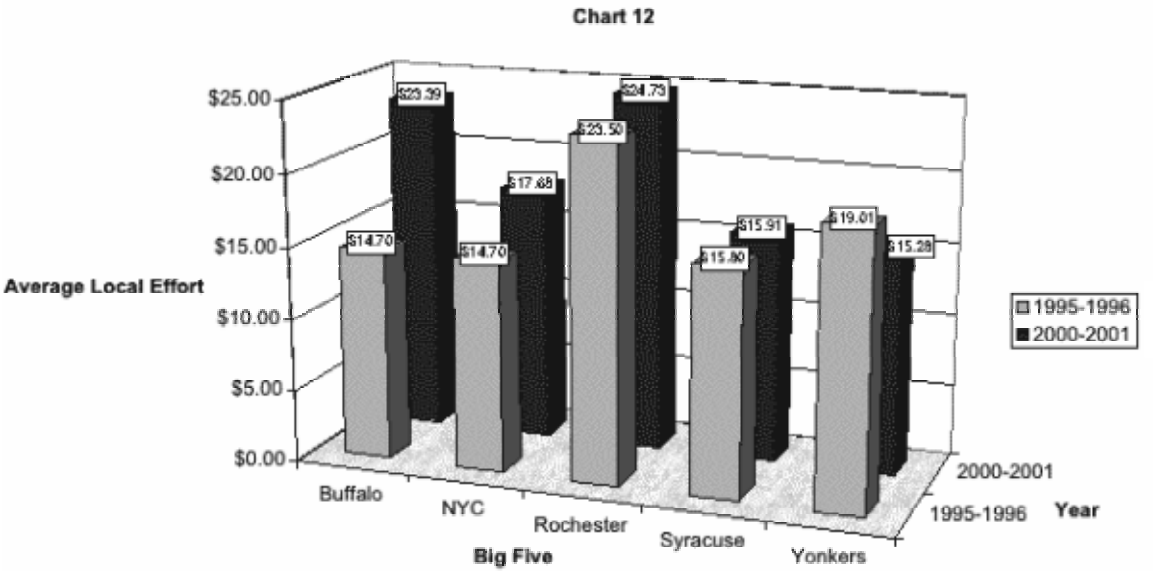
The group of school districts that made the greatest local fiscal effort during this five-year period is the African-American/Latino high-needs districts. In 1995-96 they raised, on average, $27.99 per thousand dollars of property value. This decreased to $26.95 by 2001-01, still considerably higher than any of the other groups of school districts in the three counties. By 2000-01, the African-American/Latino modest-income districts ($19.72) exceeded the tax effort rates of majority white, modest income school districts ($18.33). The lowest tax effort of suburban districts was made by the highest-income group of districts, which ranged from a high of $13.16 to $12.83, though their revenue was obviously much higher.

Chart 11

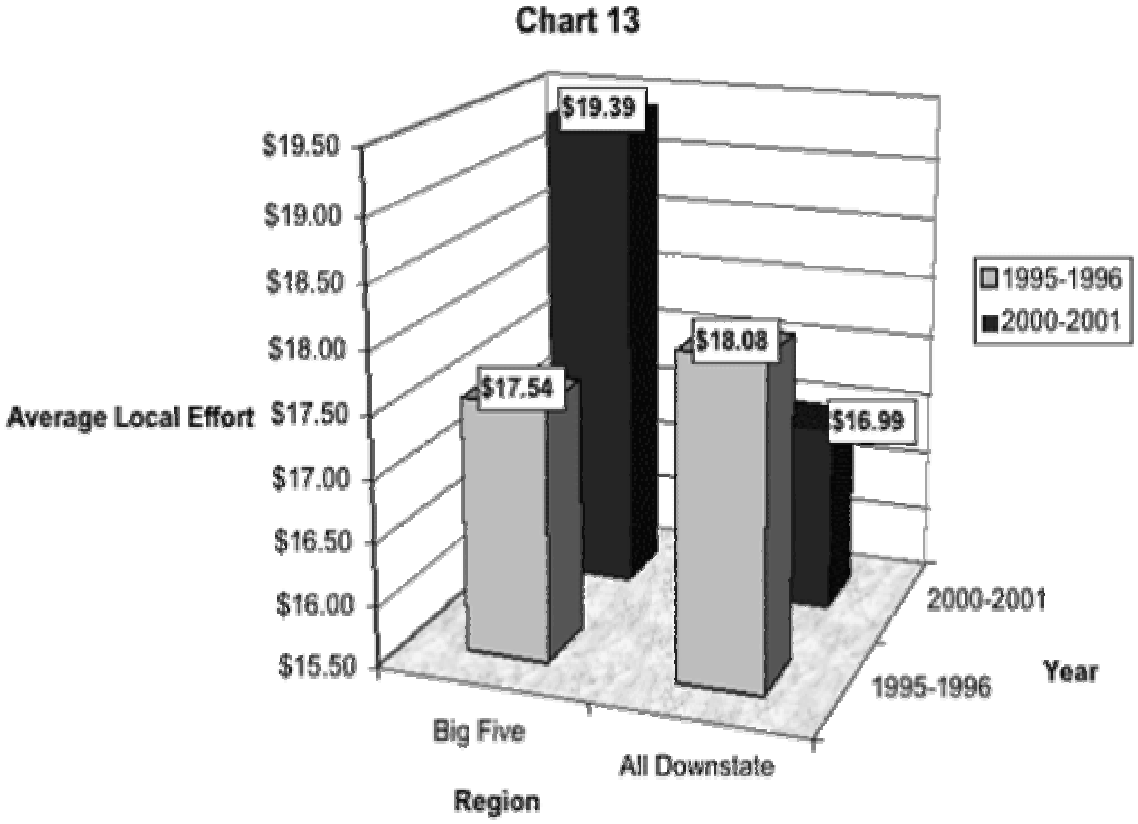


The cities tax effort during this five-year period is more mixed. Rochester's already high tax effort increased slightly to just under $24.73, Syracuse remained low and relatively stable ($15.80 to $15.91), while Yonkers significantly decreased its tax effort (from $19.01 to $15.28). Buffalo and New York City increased their rates of tax effort to $23.39 and $17.68, respectively. While Buffalo's property values fell during this period, New York City's increased. [5]

Chart 12



The Educational Priorities Panel did not expect to find such a clear trend of a general decrease in tax effort by downstate suburban districts and a general increase in tax effort among most, but not all, big cities. It has long been assumed that urban cities make less of a tax effort for schools than suburban districts. In the 1995-96 school year, the tax effort rate of the big five cities was lower than the downstate suburbs, but by 2000-01 it was higher.



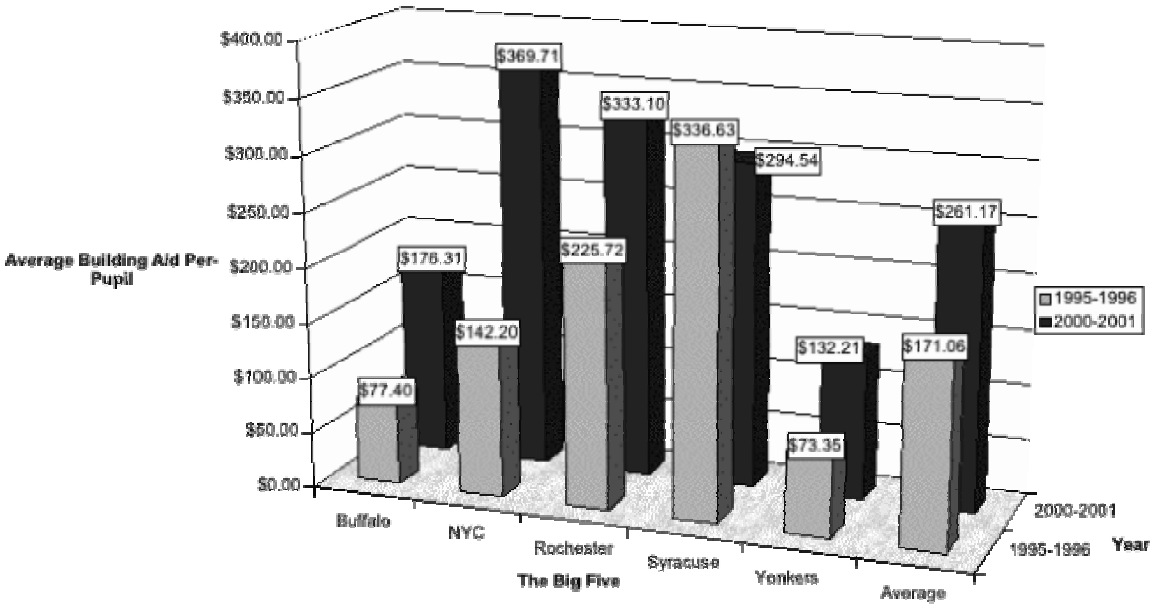
FINDING #5

Most city school districts experienced large increases in Building Aid, especially New York. Increases for the downstate suburbs were not as large, except for the modest-income, majority white school districts.

Building Aid is not a prospective payment to school districts, but is a reimbursement of expenditures that districts have already made for capital repairs (such as a new roof) or new construction (a building addition or a new school). It adjusts for school district wealth and, for projects started after 1998, it adjusts for differences in construction wages among regions. In 2001, EPP released a report, Building Aid Shortchanges the Big Cities, which was an analysis of per-pupil Building Aid payments to school districts averaged over seven years, from 1992 to 1999. Our finding was that every one of the large cities was receiving less per-pupil in Building Aid than the group of school districts of similar wealth in the rest of the state.

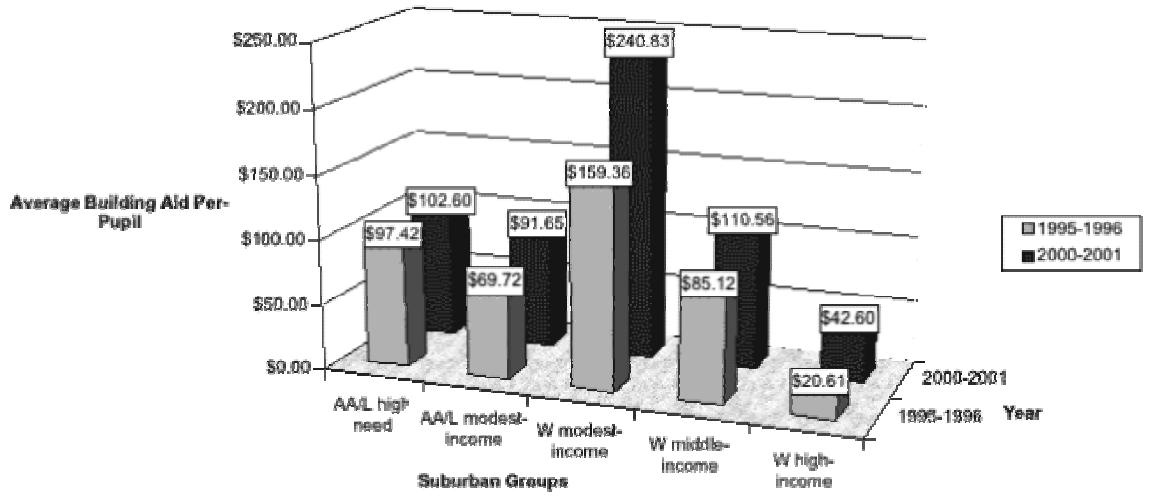
This finding may no longer be valid, because it appears that in the latter half of the last decade, most of the large cities pulled ahead in the amount of Building Aid they received. In this analysis, per-pupil Building Aid payments were compared for two school years, 1995-96 and 2000-1. Averages for all payments during the entire five-year period were not computed. New York City shot up from per-pupil Building Aid of $142.20 to $369.71. Buffalo and Rochester also saw significant gains. Yonkers' dollar increase was smaller, $58.86, but it represented an 80 percent jump. Syracuse's Building Aid payments declined by 2000-01, but remained high at $294.54 per pupil.

Chart 14

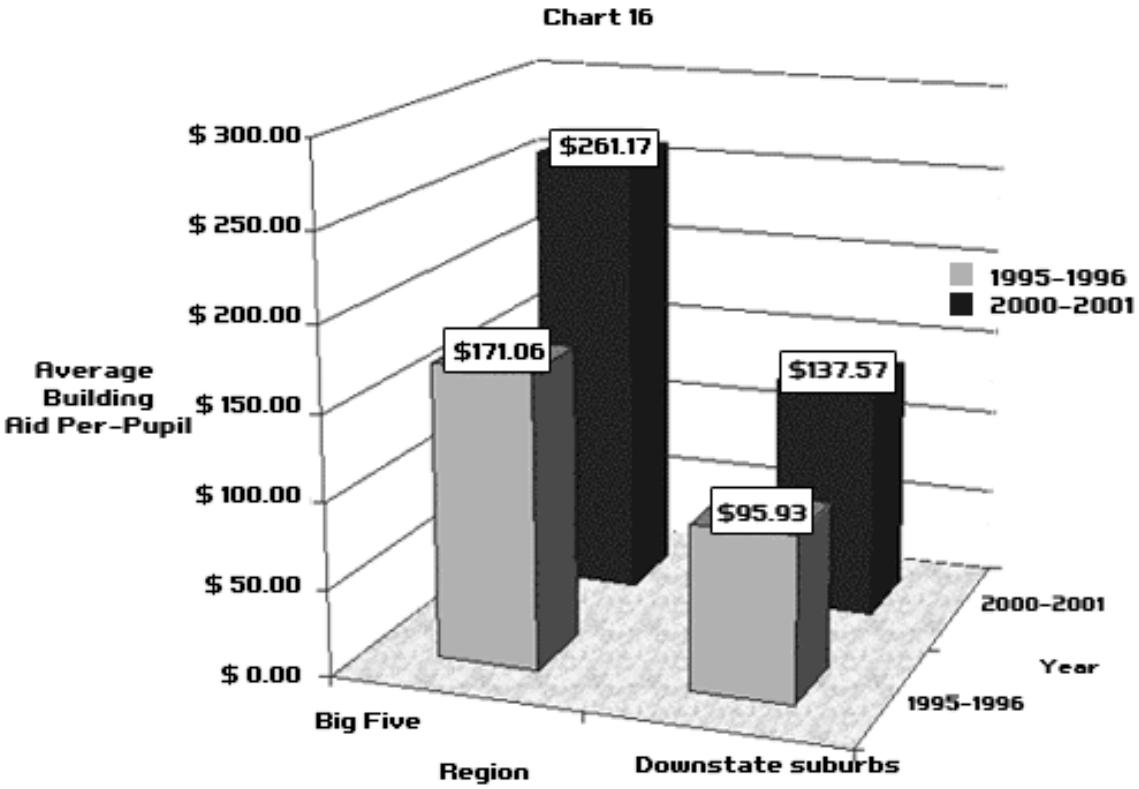


All suburban groups gained in Building Aid by 2000-01, but the modest-income districts serving a majority of white students surged ahead of all other types of suburban districts in Westchester, Nassau, and Suffolk. These districts have the most students, and we can assume, the highest number of school buildings, of any other group of suburban school districts, so sample size may be a factor. But it could also be true that these districts, since they have a far smaller proportion of high-needs students than the majority African-American and Latino districts, may have more resources to invest in rehabilitating or expanding their school facilities. Either explanation is speculative. Our analysis, which is restricted to state school aid allocations, cannot determine the reasons why Building Aid payments have increased so much for this group of school districts.

Chart 15



The last graph compares per-pupil Building Aid amounts for all the large cities and for all schools districts in Westchester, Nassau, and Suffolk counties. In future years, the Building Aid amounts going to suburban schools districts will appear to be much smaller. In the fall of 2001, during a special session of the NYS Legislature after the 9/11 tragedy and weakening of the economy, Building Aid reimbursement was changed so that it would be based on 'assumed amortization,' that is, it was assumed that school districts had borrowed capital funds where principal and interest were payable over a 15 to 30 year basis. This was true of most large cities. But many suburban districts took out short-term bonds for their capital projects, thereby receiving a bigger annual reimbursement for their payments of interest and principal. This change in the state school aid forced these districts to refinance and to stretch out their debt. On an annual basis, some of these suburban districts began getting less Building Aid starting in the 2001-02 school year, which is outside of the time period of our charts.



FINDING #6

The adopted NYS 2004 education budget had a mixed impact on African-American/Latino as well as majority white districts in the suburbs. New York City and Buffalo had dollar decreases, but not as large as modest-income and middle-income white suburban districts. Syracuse, Rochester, Yonkers, high-income suburban districts, and the two groups suburban minority districts had modest gains. Most districts, however, had lower levels of Operating Aid.

One of the objectives of the 'two-way' budget adopted by the NYS Legislature without the participation of the Governor was to shield school districts from large budget cuts

during a year when tax revenues fell due to the economic recession. In reviewing the computer-generated aid totals for all districts (computer run SA030-4), EPP found that this objective was met. On a school year basis, funding for school aid categories (not including grants) fell from $14.0 billion to $.13.8 billion (a decrease of $207 million). Excluding changes in Building Aid (some of which reflect refinancing and some of which reflect that only building projects with a signed contract as of February 2003 with a construction firm would be aidable), the drop in state school district funding was reduced only $92 million, a remarkable feat.

The Education Priorities Panel wanted to take a closer look at the separate aid categories for a variety of reasons. Much of the news coverage drew on comparisons with the Governor's planned education cuts. We wanted a clearer picture of state funding for districts based on last year's amounts. Also, the negotiations between the two houses over the education budget reflected a 'trade.' More districts became eligible for Tax Limitation Aid, which provided additional funding for high-taxing districts whose property wealth was 150 percent of the average for the state. In return for this tax relief measure, lower-wealth districts with high numbers of high-needs students were shielded from the full extent of Operating Aid reductions. How did this 'trade' impact the five groups of suburban districts and the cities? EPP also wanted to compare New York City's funding reductions to school districts in the downstate suburbs.

As the chart below documents, almost all groups of districts, except the high-needs African-American/Latino districts, experienced a reduction in Operating Aid (though none experienced the maximum of 6.3 percent). Given that the cities and the modest-income AA/L districts have concentrations of high-needs students, the extent of these reductions are larger than EPP would have anticipated. It is also of note that the group of high-income suburban districts had a similar percentage decrease in Operating Aid of 2.55 percent. The objective of a wealth and need adjusted decrease in Operating Aid is not clearly evident in our group of districts.

On the other hand, both groups of suburban minority districts and Buffalo, Rochester, and Syracuse received a significant increase in Extraordinary Needs Aid. The group of high-need districts included the Roosevelt school district that received a special appropriation of $6 million, some of which was reflected in aid categories. New York City's increase in ENA is inexplicably modest.

DOWNSTATE SUBURBS
In Millions

AA/L High Needs

	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TAX LIMIT	TOTAL w/out building aid
2002-2003	124.5	23.1	17.7	4.5	43.3	2.6	233.7
2003-2004	120.1	28.0	18.4	3.9	45.1	3.4	242.2
% change	-3.5%	21.3%	3.8%	-12.4%	4.2%	30.6%	3.6%
$ amt change	-$4,395,337	$4,920,126	$683,196	-$558,633	$1,798,267	$788,401	$8,475,570

AA/L Modest Income

	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TAX LIMIT	TOTAL w/out building aid
2002-2003	148.2	13.2	23.8	13.7	57.1	1.4	280.8
2003-2004	141.3	13.7	25.4	8.8	58.7	1.8	279.5
% change	-4.7%	3.8%	6.7%	-35.7%	2.9%	35.1%	-0.4%
$ amt change	-$6,951,237	$506,107	$1,603,025	-$4,875,902	$1,661,898	$483,461	-$1,258,751

W Modest Income

	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TAX LIMIT	TOTAL w/out building aid
2002-2003	642.8	14.0	86.8	98.7	179.1	13.2	1,045.4
2003-2004	611.8	14.5	93.8	94.8	190.4	15.2	1,023.9
% change	-4.8%	3.7%	8.1%	-3.9%	6.3%	15.4%	-2.1%
$ amt change	-$30,983,329	$513,804	$7,025,013	-$3,895,393	$11,289,681	$2,021,174	-$21,485,898

W Middle Income

	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TAX LIMIT	TOTAL w/out building aid
2002-2003	135.5	2.3	17.6	28.2	58.5	0.7	268.3
2003-2004	130.2	2.4	19.4	25.8	61.3	0.0	262.6
% change	-3.9%	7.0%	10.5%	-8.5%	4.8%	-100.0%	-2.1%
$ amt change	-$5,285,244	$157,934	$1,839,486	-$2,405,870	$2,824,280	-$666,625	-$5,677,622

W High Income

	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TAX LIMIT	TOTAL w/out building aid
2002-2003	23.6	0.2	3.0	4.5	13.8	0.2	52.6
2003-2004	23.0	0.2	3.5	4.3	14.5	0.4	52.6
% change	-2.5%	0.0%	16.1%	-3.0%	4.6%	96.3%	0.1%
$ amt change	-$602,606	$0	$490,188	-$132,662	$633,851	$173,092	$78,370

The most interesting finding is the one-year drop in special education funding (Excess Cost, both public and private) for New York City and Buffalo at a time when most other cities and groups of districts in our sample are getting increases in the range of 5 to 12 percent. Does this one-year drop in reimbursement for special education claims from New York City represent difficulties in accessing special education services or more success in interventions to prevent referrals? Anecdotal reports of our member agencies suggest that access difficulties may account for much of the decrease in spending. Outside of special education, the only other area of significant school aid increases for districts was school bus transportation, which is also reimbursable. Because increases in Transportation Aid are included in the year-to-year comparisons of total state aid to each district, the cuts to instructional funding are somewhat understated in the totals.

LARGE CITY DISTRICTS

New York City						
	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TOTAL w/out building aid
2002-2003	2559.9	404.8	282.6	403.3	879.3	4789.2
2003-2004	2488.8	406.1	307.1	404.8	851.1	4712.6
% change	-2.8%	0.3%	8.7%	0.4%	-3.2%	-1.6%
$ amt change	-$71,166,571	$1,244,445	$24,468,160	$1,420,386	-$28,284,181	-$76,564,793

Buffalo						
	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TOTAL w/out building aid
2002-2003	187.9	21.3	27.2	9.6	62.7	331.7
2003-2004	183.7	23.2	27.4	8.0	60.6	330.3
% change	-2.2%	8.8%	0.7%	-16.3%	-3.3%	-0.4%
$ amt change	-$4,227,585	$1,881,079	$198,636	-$1,569,030	-$2,075,372	-$1,413,383

Rochester						
	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TOTAL w/out building aid
2002-2003	124.8	22.7	30.3	13.1	63.5	273.5
2003-2004	122.0	26.1	33.2	9.8	70.3	281.1
% change	-2.2%	15.2%	9.4%	-25.6%	10.7%	2.8%
$ amt change	-$2,808,417	$3,459,036	$2,856,493	-$3,355,191	$6,816,490	$7,671,628

Syracuse						
	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TOTAL w/out building aid
2002-2003	83.7	8.1	8.5	6.8	27.9	143.9
2003-2004	81.7	9.4	8.4	6.3	31.3	281.1
% change	-2.2%	15.2%	9.4%	-25.6%	10.7%	2.8%
$ amt change	-$2,808,417	$3,459,036	$2,856,493	-$3,355,191	$6,816,490	$7,671,628

Yonkers						
	COA	EXTR NEEDS	TRANSP	BLDG+ REORG	EXCESS COST	TOTAL w/out building aid
2002-2003	37.3	8.1	11.5	2.8	21.7	97.1
2003-2004	35.7	8.1	11.5	2.9	23.1	98.0
% change	-4.2%	0.0%	-0.5%	3.2%	6.4%	0.9%
$ amt change	-$1,568,942	$0	-$52,956	$90,512	$1,391,189	$859,808

FINDING #7

A four-year analysis of average state test scores at the 4th and 8th grade show that while suburban majority African-American/Latino districts still lag behind other suburban districts, these districts have made the largest gains. The pattern among city districts is more mixed. Little progress is event in the 8th grade.

4th Grade English Language Arts and Math

Among suburban districts, test outcomes tend to follow demographic profiles of students. The districts serving the highest proportion of children eligible for free and reduced lunch have the highest proportion of children testing at Level 1, which is below proficiency, and the lowest proportion of children testing at Levels 3 and 4, which represent grade and above-grade competency on these Regent-mandated standardized tests. As the charts and tables below show, however, both types of African American/Latino districts made the greatest gains in raising test outcomes, either by reducing the numbers of students testing at Level 1 or increasing those testing at Levels 3 and 4.

SUBURBAN SCHOOL DISTRICTS		**4 ELA**		
		1999	**2002**	**Change**
% L1	**AA/L high needs**	14%	7%	**-7%**
% L1	AA/L modest income	9%	4%	-5%
% L1	W modest income	3%	2%	-1%
% L1	W middle income	1%	1%	0%
% L1	W high income	2%	1%	-1%
% Ls 3+4	**AA/L high needs**	32%	59%	**27%**
% Ls 3+4	AA/L modest income	47%	69%	22%
% Ls 3+4	W modest income	63%	78%	15%
% Ls 3+4	W middle income	72%	86%	14%
% Ls 3+4	W high income	76%	89%	13%

SUBURBAN SCHOOL DISTRICTS		4 Math		
		1999	**2002**	**Change**
% L1	AA/L high needs	12%	6%	**-6%**
% L1	**AA/L modest income**	8%	2%	**-6%**
% L1	W modest income	2%	2%	0%
% L1	W middle income	1%	1%	0%
% L1	W high income	1%	1%	0%
% Ls 3+4	AA/L high needs	55%	72%	**17%**
% Ls 3+4	**AA/L modest income**	65%	79%	**14%**
% Ls 3+4	W modest income	84%	84%	0%
% Ls 3+4	W middle income	90%	90%	0%
% Ls 3+4	W high income	89%	93%	4%

On the English Language Arts test, three of the city school districts, Yonkers, Rochester, and New York City, made significant gains in the proportion of students testing at Levels 3 and 4, as well as gains in reducing the numbers of students testing at Level 1. The gains on the Math test were more modest for these three cities. Buffalo and Syracuse did not make similar progress, and, surprisingly, for these two cities test achievement fell on the Math test over the four-year period.

THE LARGE CITY SCHOOL DISTRICTS		Grade 4 ELA		
		1999	**2002**	**Change**
% L1	Syracuse	19	20	1
% L1	Yonkers	17	10	-7
% L1	Rochester	19	11	-8
% L1	Buffalo	18	19	1
% L1	New York City	21	15	-6
% Ls 3+4	Syracuse	31	36	5
% Ls 3+4	Yonkers	34	60	26
% Ls 3+4	Rochester	24	46	22
% Ls 3+4	Buffalo	29	34	5
% Ls 3+4	New York City	34	47	13

THE LARGE CITY SCHOOL DISTRICTS		Grade 4 Math		
		1999	2002	Change
% L1	Syracuse	18	17	-1
% L1	Yonkers	14	10	-4
% L1	Rochester	19	13	-6
% L1	Buffalo	13	14	1
% L1	New York City	19	13	-6
% Ls 3+4	Syracuse	49	45	-4
% Ls 3+4	Yonkers	55	59	4
% Ls 3+4	Rochester	40	45	5
% Ls 3+4	Buffalo	54	45	-9
% Ls 3+4	New York City	50	52	2

8th Grade English Language Arts and Math

Among suburban districts, the gap between test outcomes of African-American/Latino majority districts and white majority districts remain large, even though they have narrowed. After four years, a higher proportion of students in the high-needs group of districts test at Level 1 in both Math and English Language Arts than at Levels 3 and 4. Modest-income AA/L districts have pulled ahead, both in the reduction of students testing at Level 1 and an increase in those testing at Levels 3 and 4.

SUBURBAN SCHOOL DISTRICTS		8 ELA		
		1999	2002	Change
% L1	AA/L high needs	20%	16%	-4%
% L1	AA/L modest income	9%	7%	-2%
% L1	W modest income	4%	2%	-2%
% L1	W middle income	2%	1%	-1%
% L1	W high income	2%	1%	-1%
% Ls 3+4	AA/L high needs	24%	30%	-6%
% Ls 3+4	AA/L modest income	34%	38%	4%
% Ls 3+4	W modest income	60%	60%	0%
% Ls 3+4	W middle income	70%	69%	-1%
% Ls 3+4	W high income	76%	74%	-2%

SUBURBAN SCHOOL DISTRICTS		8 Math		
		1999	2002	Change
% L1	AA/L high needs	60%	31%	-29%
% L1	AA/L modest income	34%	21%	-13%
% L1	W modest income	15%	6%	-9%
% L1	W middle income	9%	3%	-6%
% L1	W high income	7%	3%	-4%
% Ls 3+4	AA/L high needs	12%	40%	28%
% Ls 3+4	AA/L modest income	24%	42%	18%
% Ls 3+4	W modest income	50%	66%	16%
% Ls 3+4	W middle income	64%	78%	14%
% Ls 3+4	W high income	68%	82%	14%

On the English Language Arts test, almost all the cities were able to reduce the proportion of their students testing at Level 1 (except Buffalo), but all of them also experienced a drop in the proportion of students testing at grade level or above during this four-year period. On the Math test, significantly fewer students in Yonkers and New York tested at the lowest level, but more modest gains were made on the numbers of students testing at grade level. On both types of tests, New York City had the highest proportion of students testing at grade level, 30%, but this is a far smaller proportion than most of the suburban districts.

THE LARGE CITY SCHOOL DISTRICTS		Grade 8 ELA		
		1999	2002	Change
% L1	Syracuse	16	17	1
% L1	Yonkers	20	17	-3
% L1	Rochester	17	13	-4
% L1	Buffalo	11	16	5
% L1	New York City	17	13	-4
% Ls 3+4	Syracuse	30	19	-11
% Ls 3+4	Yonkers	30	22	-8
% Ls 3+4	Rochester	24	18	-6
% Ls 3+4	Buffalo	31	20	-11
% Ls 3+4	New York City	36	30	-6

Table 29. The Big Five		Grade 8 Math		
		1999	2002	Change
% L1	Syracuse	49	40	-9
% L1	Yonkers	58	40	-18
% L1	Rochester	57	53	-4
% L1	Buffalo	39	32	-7
% L1	New York City	48	33	-15
% Ls 3+4	Syracuse	19	20	1
% Ls 3+4	Yonkers	13	20	7
% Ls 3+4	Rochester	10	12	2
% Ls 3+4	Buffalo	22	25	3
% Ls 3+4	New York City	23	30	7

FINDING #8

For African-American and Latino students, access to schools where a majority of students are testing at or above grade level drops dramatically at the middle school level. In African-American and Latino school districts in the downstate suburban area, most elementary schools have a majority of students testing at or above grade level. With the exception of Yonkers,many large-city elementary schools do not have a majority of students testing at or above grade level.

AA/L, high-needs districts

These are suburban school districts where more than two thirds of the students are receiving free and reduced lunch. Based on 2003 state test data for 4th and 8th grade English Language Arts and Math, this is a summary of the number of schools where a majority of students are testing at grade level. Since test scores for ELA or math are

sometimes missing for one school in a few districts, in this table and all subsequent ones, only schools where both test outcomes are available are tabulated.

School districts	Elementary schools	At grade level	Middle Schools	At grade level
Brentwood	9	9	4	0
Hempstead	5	5	1	0
Roosevelt	5	4	1	0
Westbury	2	2	1	1
Wyandanch	1	1	1	0
Total Schools	22	95.5%	8	12.5%

AA/L, modest-income districts

This second group of suburban school districts with a majority of African-American and Latino students have close to half of their students eligible for free and reduced lunch.

School districts	Elementary schools	At grade level	Middle Schools	At grade level
Central Islip	5	5	1	0
Amityville	1	1	1	0
Copiague	3	3	1	0
Elmont	6	1	0	-
Elmsford	1	1	1	0
Freeport	4	4	1	0

School districts	Elementary schools	At grade level	Middle Schools	At grade level
Glen Cove	2	2	1	0
Greenburgh	1	1	1	0
Malverne	2	2	1	1
Mount Vernon	11	11	2	0
New Rochelle	6	6	2	1
Ossining	1	1	1	1
Peekskill	1	1	2	0
Port Chester	4	4	2	0
Tarrytown*	1	1	1	0
Uniondale	5	5	2	1
Valley Stream 30	3	3	0	-
White Plaines	5	5	2	0
Total Schools	62	91.2%	22	18.2%

*double check

For the purposes of comparison, we counted the number of elementary and middle schools in the remaining districts in Westchester, Nassau, and Suffolk where white (W) students are the majority. In all of these districts, a small proportion of students are eligible for free or reduced lunch.

W, modest income districts

Elementary schools	At grade level	Middle Schools	At grade level
176	96.0%	62	87.1%

W, middle income districts

Elementary schools	At grade level	Middle Schools	At grade level
150	98.6%	61	93.4%

W, high income districts

Elementary schools	At grade level	Middle Schools	At grade level
48	100%	22	95.4%

EPP made a similar count of schools in the large city school districts.

School districts	Elementary schools	At grade level	Middle Schools	At grade level
Buffalo	42	6	42	2
Rochester	36	12	9	0
Syracuse	30	4	9	1
Yonkers	29	20	5	0
New York	669	329	270	46
Total Schools	806	46.0%	335	14.6%

FINDING #9

The Caucus' legislative priorities accurately reflect their constituents' major concerns about education - except in one area, anbinsufficient number of good schools.

In the fall of 2002, EPP distributed a 94-question survey to the district offices of members of the Caucus to learn the types and frequency of school-related complaints received by their staff. There were 26 completed surveys, most of them from New York City. All of the respondents reported that the overwhelming number of education-related complaints came from individual parents.

The survey responses revealed that many of the highest-volume complaints were problems that the 1997 LADDER and 1998 RESCUE legislative initiatives sought to solve through more funding for Building Aid, class size reduction in the early grades, pre-K programs, textbooks, supplies, and computers.

Complaints related to under-performing schools, which rank second and fifth among the most frequent types of calls from parents, was a problem that is not addressed directly by any legislative initiative at the state level. At the federal level, after three decades of Congressional efforts to expand educational services to low-income students through Title 1, there was a shift of strategy in 2002 with the reauthorization of the Elementary and Secondary Education Act (called No Child Left Behind). The new objective is to improve student outcomes by focusing on instructional quality and access to good schools. Critics of this change in strategy assert that school improvement is not being funded sufficiently by the President and Congress. The reverse characterization could be made about NYS legislative initiatives - there are well-defined strategies to secure more resources for high-needs districts, but no strategies to increase the number of good schools in these districts.

If the risk taken by Congress is that school improvement efforts without adequate resources are more likely to fail than succeed, the risk taken at the New York State legislative level is that more resources will not necessarily result in a higher number of good schools. In other words, both sets of strategies - more resources and better instruction - have to be in place.

Discussion

The distribution of state school aid to districts is a political process that is heavily influenced by regional negotiations. For three decades, state legislators have focused on 'shares' of total increases in aid that are roughly equivalent to the number of students in the upstate region, the suburbs around New York City, and New York City. Year after year, 51percent of increased school aid goes to upstate districts, 11 percent to downstate-suburban, and 38 percent to New York City, which is one school district.

As EPP's 1999 report, Checkerboard Schooling, observed, this 'regional shares' policy makes a mockery of the numerous and complex formulas in state aid, which is supposed to distribute funds to school districts objectively - based on each districts local resources and student needs. School districts with a good tax base should get less state funding, and those where local income and property values are low should get more state funding. Similarly, because additional educational services are needed for children whose home language is not English or who live in poverty, districts serving large

numbers of immigrant or low-income children should be provided with extra resources to help these children meet learning standards.

Even these formulas need reform. Up until 1993, when a formula for Extraordinary Needs Aid was created, the education funding system did a poor job of measuring student needs. Six years later, when EPP released its first Checkerboard Schooling report, we found that it still didn't drive significantly more funding to high-needs districts, because the legislature had imposed limits on year-to-year increases that particularly affected these districts.

Checkerboard II, EPP's 2001 report found that the Extraordinary Needs Aid and Operating aid formulas provided more funding to high-needs districts and thus were equitable. But there was an irrational pattern to two tax relief formulas that are no longer in existence (Tax Aid Effort and Equalization Aid). Another 201 EPP report,Getting It Right , discussed the absence in almost all of the formulas, except Building Aid, of regional differences in costs. Education is driven by personnel expenditures, and in the downstate area of the state these costs are higher because average wage levels are higher. Yet one of the more frequent and powerful formulas in state school aid, Combined Wealth Ratio (known as CWR), which measures school district income and property wealth relative to a state average, is not adjusted for regional cost differences.

There has been a reluctance to reform the formulas to better reflect regional costs and students needs, because to do so would alter the 'regional shares' concept of how school aid should be distributed. Even modest improvements in formulas don't seem to make much of a difference. 'Regional shares' function almost like a deadly magnetic field that snaps all changes back into a traditional grid - every improvement in the formulas results in a 'adjustment' in another formula or calculation so that every region still gets the same share of total state school aid. This particularly hurts New York City.

[1] The State of Learning Statistical Profiles of Public School Districts, NYS Education Department, June 2002, Table 1, p.1.

[2] 'Schools More Separate: Consequences of a Decade of Resegregation,' Gary Orfield with Nora Gordon, July 2001

[3] The pupil counts for all majority white school districts comes from the NYS Education Department's School District Annual Financial Report (based on their ST-3 filings).

[4] The State of Learning Statistical Profiles of Public School Districts, NYS Education Department, July 2003, Table 2, pp. 41-60.

[5] Analysis of Local Effort in NYS School Districts, NYS Education Department, October 2002 page 17 and page 30 (NYSED Regents Discussion item, State Aid Work Group).