

STATEWIDE SCHOOL FINANCE CONSORTIUM

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Withholding State Aid Information From Our Public Schools Is Not A Policy “Best Practice”

By Dr. Rick Timbs

It is an accepted principle that a cornerstone of any focused, well-developed and on-time fiscal budget depends upon viable revenue and expense projections early in the budget process. Public school districts are no exception, and they depend for a large part of this information on someone else. Last year, that someone withheld revenue projections on purpose.

Most school districts in New York State rely on state funds to balance their budgets. The amount and distribution of state funds to public school districts has been erratic and unpredictable since 2008-09. This means that school districts cannot make significant budget decisions about where they will place their state resources unless state government releases those amounts for each school district. These are referred to as “State Aid Runs.” Historically, the State has produced two “State Aid Runs.” The first is generated by the Governor when he releases his Executive Budget Proposal in January of each year. The second is released by state government shortly after the passage of the State Budget due by April 1 of each year. Then, school districts have to adopt their budgets, submit property tax levy calculations to the state, and publicize their adopted budgets to voters for the annual May budget vote.

Historically, the Governor’s Executive Budget has contained valuable clues as to a minimum aid amount and distribution of State Aid funds that would go to each school district. This “Run” serves as a basis for public school district budget development prior to the approval of the State Budget and the dissemination of the final “State Aid Runs” when the State Budget ultimately is passed into law. While this is not the final amount each school district will receive, it sets the floor on the amount and distribution of these school district revenues. Armed with the Executive Budget “State Aid Run” information, districts can begin to make informed and thoughtful decisions as they develop their own budgets.

Last January, however, the Governor refused to release those Executive Budget “State Aid Runs” to school districts. Thus, public school districts had no clue as to the amount of State Aid they might receive to determine programs for students, staff levels, local property tax implications and balance their budgets. Unfortunately, school districts were left to make these critical decisions within the few short weeks between the passage of the State Budget in April and the legally required publication of each school district’s budget ahead of the public vote in May.

No enterprise — private or public — would deem this a best practice, but school districts around the state were forced into this situation for a purely political reason – make State Aid a negotiation ploy in the Governor’s larger education agenda. If the Governor and voters want school districts to be as thoughtful as possible about budget decisions, school districts must have all of the revenue information they can obtain as soon as possible. That includes State Aid, because more often than not it is the largest revenue source many school districts have.

School district budgets are serious business for children, taxpayers, employees and communities. The Governor knows he has a responsibility to help and not hinder the development of school district budgets. The denial of prospective State Aid revenue predictions is counterproductive to the thoughtful analysis and discussion needed at every level of government and public school districts. He must extend a helpful hand and not turn his back again to those charged with such an important responsibility. The appropriate thing to do is for the Governor to return to the long-established best practice and share his Executive Budget Proposal’s “State Aid Runs” with New York school districts immediately after the conclusion of his State of the State/Executive Budget Proposal on January 13.

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SSFC Executive Director Dr. Rick Timbs is available to speak with reporters and editors. Contact him at rtimbs@statewideonline.org or call Monika Salvage at (315) 372-9831 to arrange an interview. Read his [bio](#) on the SSFC website.

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The Statewide School Finance Consortium (SSFC) is an organization of more than 400 public school districts whose mission is to bring equity to the distribution of New York State educational aid. SSFC membership is largely comprised of school districts from average and low-wealth communities that receive a disproportionate share of state funding in comparison to high-wealth regions of New York. The reform of the state aid process will help ensure that all of New York’s children receive the same educational opportunities regardless of the wealth or location of their community.