

# Special Acts

Special Act School Districts are public school districts created by a “special act” of the New York State Legislature to provide students placed in certain residential facilities access to a public education. The Coalition of Special Act Public School Districts represents 7 of the 10 special acts throughout New York.

## TESTIMONY

Submitted to

Fiscal Committees of the New York State Legislature

Joint Hearing on  
FY 2015-16 Executive Budget Proposal

Tuesday, February 3, 2015

On behalf of the Coalition of Special Act School Districts (CSASD), my name is Mark Silverstein, Superintendent of Hawthorne Cedar Knolls Union Free School District, and President of the Coalition. I appreciate the opportunity to testify regarding the 2015-16 Executive budget as it pertains to the support of special education.

### ***Review 2014-15***

To begin, I would like to extend our appreciation for your ongoing support of our schools. I especially would like to thank Assembly member Nolan, Assembly member Mayer and Senator Flanagan. Last year, because of your outspoken support during the budget process, the tuition rate methodology was provided a 3.8% increase on both direct and non-direct expenses administratively. After multiple years of 0% increases, the 3% growth provided on direct care in 2013-14, and the 3.8% on total costs last year, represents a step towards annualized growth.

In addition, with the passage of the Smart Schools Bond Act our schools will be eligible to receive support for technology and broadband access. We appreciate your work last year to ensure that our schools would benefit from the state's investment.

### ***Continued Challenges***

Special Act Public School Districts continue to face significant challenges. While the Division of the Budget and New York State Education Department were able to implement modest reforms to the tuition rate methodology it still fails to accommodate the fluctuations in enrollment that is inherent in our system. We look forward to continuing to work with DOB and NYSED to identify additional reforms to help modernize the tuition rate methodology.

### ***2015-16 Recommendations***

Fundamental to reform, however, is the need for predictable growth to the tuition rate methodology to allow increased expenses to be reimbursed. Due to our funding methodology, we do not receive the state aide that is afforded all other public schools. Students who attend special act public school district do so because their district of residence is unable to provide the therapeutic environment and academic supports needed for the student to achieve. As the state invests in public education, it is important to extend that support for the benefit of students served by our schools. Increasing state aid to public school districts does not mean special acts receive additional support. **The Coalition of Special Act Public School Districts recommends that the Legislature include a 4.8% increase in support of our schools in each one-house budget bills.** This increase matches the investment the Executive budget presents for traditional public schools. **In addition, we recommend the inclusion of language in the budget to ensure annualized growth to the tuition rate methodology, so you are confident that when you support an increase to school aid, our students to receive matching support for their academic success.**

### ***Revolving Loan Fund***

Multiple years of 0% growth compounded by an unresponsive tuition rate methodology has made our schools reliant on revenue anticipation notes, or RANS. For some, RANS represent unreimbursed approved expenditures – these are expenses that are allowed under the Cost manual, but because of frozen tuition rates, were not reimbursed. RANS are also used to manage cash flow as the tuition rates reimburse for costs which occurred 2 years ago and may not reflect current expenses. The RAN enables the school to pay current expenses with anticipation that the rate two year from now will cover those expenses.

Over time, it has become more and more difficult for our schools to secure RANS. In my area, Westchester County, there has been one bank that has been willing to extend a RAN. We are being told that that bank will not continue to hold my RAN in the upcoming year. At this date, it is unclear how my school will accommodate this situation.

We would like to thank Assembly woman Nolan for recognizing this challenge and introducing legislation that would establish a revolving loan account that would enable special acts to obtain RANS through this mechanism when not available in the private market. We know that similar legislation has been introduced in the Senate and that Senator Carlucci for his support as well. **The Coalition of Special Act Public School Districts recommends the use of one-time settlement funds in the amount of \$15 million to support the creation of a revolving loan fund.** This would go a long way in providing stability to many of our special act school districts.

### ***Conclusion***

Once again, the Coalition of Special Act School Districts (CSASD) appreciates the opportunity to share our thoughts and recommendations. We look forward to working together in improving the educational services and outcomes for our students and advancing meaningful change in our tuition rate methodology.

We are grateful for the personal attention that many members of the Legislature have given our schools individually over the past several years. We invite any and all members to visit our schools and to learn more about our efforts to enable the children we serve overcome profoundly challenging personal circumstances. We are public schools and our students deserve the same opportunities to become career and college ready.

Thank you.

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### **BACKGROUND**

*“Special Act Public School Districts”* are public schools districts created in the late 1960’s by special action of the legislature for the purpose of providing education and related services to

students who reside in child care institutions. There are currently ten (10) Special Act School Districts, seven (7) of which are members of the Coalition of Special Act Public School Districts.

Residential facilities affiliated with the Special Act School Districts primarily serve students placed under Article 81 of NYS Education Law, by family court, local social services districts, the Office of Children and Family Services and Office of Mental Health, or in the case of Mt. Pleasant Blythedale UFSD, students are residence of the adjacent children's hospital. However, while affiliated geographically, the Special Act School District is not operated by the residential facility, but is consider wholly a separate entity. Local public school districts, based on the recommendations of their CSE, also place students with disabilities in Special Act School Districts for day or residential services.

Our schools work to improve the academic achievement and social competence of our students through a multidimensional approach whereby all students have access to:

- comprehensive and dynamic curriculum that prepares them for college, career and productive citizenship,
- highly qualified certified teachers with access to mentoring and professional development,
- trained direct service support staff & licensed practitioners,
- positive behavioral interventions focused of character development,
- after-school activities that support learning and development, and
- a safe environment.

The students we serve often lack a support structure at home to assist in fostering their development. Many of the students placed in our programs are there as a last hope. They have had frequent encounters with the criminal justice, foster care and mental health systems and confront serious personal and family challenges. The Coalition of Special Act Public School Districts is grateful for the responsibility to provide these children a supportive therapeutic environment in which they can be successful.

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### **Listing of Coalition of Special Act Members**

Berkshire UFSD

George Junior Republic UFSD

Greenburgh-North Castle UFSD

Hawthorne-Cedar Knolls UFSD

Little Flower UFSD

Mt. Pleasant-Blythedale UFSD

Randolph Academy UFSD