



TESTIMONY OF THE BOCES EDUCATIONAL CONSORTIUM

Joint Budget Hearings on Lower Education

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on behalf of the BOCES Educational Consortium

February 6, 2019

Good morning Chairpersons Krueger, Weinstein, Mayer and Benedetto and other Members of the Senate and Assembly. We are here on behalf of the BOCES Educational Consortium-the entity representing all 37 BOCES. Thank you for allowing us the opportunity to provide some important observations about the current state of New York's education system as well as how the Governor's proposed 2019-20 Executive Budget Proposal will impact the State's 37 BOCES, the over 700 school districts that are supported by BOCES, and most importantly, the students who benefit from the many programs and services they receive through BOCES.

Background:

As a point of background, the Boards of Cooperative Educational Services (BOCES) were created by the Legislature in 1948 "for the purpose of carrying out a program of shared educational services in the schools for the supervisory district and for providing instruction in such special subjects as the commissioner may approve." The BOCES Educational Consortium is the organization comprising all 37 BOCES from around the State.

BOCES' role, based on its mission can be described in three primary ways:

- 1) An *educator*;
- 2) A *facilitator* of collaborations and efficiency; and
- 3) An *engine for economic growth* for the State.

➤ **BOCES as an Educator:**

There are 37 BOCES located throughout the State. With the exception of the Big Five, all districts but 4 are components of BOCES. BOCES educate hundreds of thousands of students from around the State. On any given school day, over 100,000 students are participating in BOCES' programs throughout the State. The mission of BOCES is to prepare a diverse student population for roles in the global economy and to initiate collaborations designed to close gaps in student achievement.

➤ **BOCES as a *Facilitator of Collaborations to Achieve Efficiencies:***

BOCES are the premier example of inter-municipal collaboration in New York State that works. Since its creation over 70 years ago, local school districts have been able to use BOCES to provide a wide range of educational programs and services through an organizational structure that is a model of inter-district cooperation. In addition, BOCES is able to leverage the strength of multiple school districts and provide a wide variety of services that individually, school districts could not provide because the costs would be prohibitive.

➤ **BOCES as an *Engine for Economic Growth:***

A major focus of BOCES is to provide high-quality effective job training for our students through our Career and Technical Education (CTE) programs that help them to obtain the skills they require to go onto to college and/or to obtain stable and long-term employment. BOCES CTE programs help students to achieve academically while providing them with the skills necessary to compete in a global economy. BOCES CTE programs also provide a pipeline of skilled workers throughout the State. BOCES works in collaboration with many businesses, large and small, in the development of CTE programs that provide students with those skills which are in demand by businesses. BOCES also provide numerous programs for adult learners to help them obtain critical literacy and job readiness skill. In short, BOCES plays a critical role in helping to create a skilled workforce that contributes significantly to New York's economy.

In addition, BOCES also partners with hundreds of businesses throughout the State each year in its efforts to provide goods and services to school districts in a cost effective manner.

With this mission in mind, we would like to highlight several important aspects of the Governor's proposed 2018-19 budget but also underscore several important initiatives that are not included in the budget that should be considered for inclusion.

I. Increase Aid to Education:

The Governor's proposed 2019-20 budget provides \$27 billion in school aid, an increase of \$748 million. Of this amount, \$338 million is an increase over last year's enacted budget for Foundation Aid. This amount is significantly less than what is required by districts.

Recommendation:

- School Aid should be increased by a minimum of \$1.5 billion over last year's number. This is the amount of funding required statewide to ensure districts have the resources they require to meet the needs of their students and cover increased costs.

II. Eliminate the Provision Which Consolidates Expense Aids:

The Governor's proposed 2019-20 budget would, if enacted, consolidate the major expense-based aids beginning in the 2020-21 school year. The language would limit the growth of these aids based on inflation and district enrollment. These are expenses that districts incur for the delivery of essential programs and services and for which they should be fully reimbursed. We believe that this change will hurt districts by limiting the amount of aid they receive and require, and would restricts districts access to needed services and programs.

Recommendation:

- This proposal should be rejected by the Legislature.

III. Increase the Aidable Salary for Career and Technical Education (CTE) Programs:

BOCES are a major provider of high-quality, cost effective career and technical education (CTE) programs. In 2018-19 school year, more than 37,000 students participated in CTE programs and obtained essential college and career skills.

Despite the success of these programs, the existing CTE BOCES Aid formula which was established in 1990, only provides aid for \$30,000 of a BOCES CTE instructor's salary even though the average salary is now \$67,000. Because of this, the state's contribution to Career and Technical Education programs continues to decrease, shifting the costs to the local tax payers.

Recommendations:

- The aidable salary for CTE instructors should be increased to the average statewide salary or \$67,000.
- The increased aidable salary should include those BOCES teacher's who teach in P-Tech programs and STEM high schools.

IV. Provide Capital Funding for BOCES' Infrastructure:

As indicated, on any school day over 100,000 students are participating in BOCES programs in one of 600 buildings owned and/or operated by BOCES. Important capital upgrades and improvements are needed for many of these buildings. However, because BOCES capital is under the tax cap and because they do not have access to other funding for these necessary projects, critical projects are being delayed or stopped from moving forward.

As you are aware, both Houses of the Legislature have since 2015 advanced several proposals designed to address this problem. To illustrate, the Legislature pushed for, and was successful at adding language in the 2015 budget that would have, if implemented,

required the Department of Taxation and Finance to promulgate regulations to address this problem. To date, these regulations have not been promulgated. Then in both 2017 and 2018, the Legislature developed and passed legislation to address this problem. Despite changes that were included in the 2018 bill that addressed the concerns raised by the 2017 veto message which would have required voter approval for these projects, the Governor again vetoed this legislation leaving important BOCES projects in jeopardy. To address this on-going concern and to ensure the safety of our students and staff, we are proposing that a new funding stream be included in the final enacted budget that would provide funding specifically for BOCES capital projects. This funding will address critical maintenance, building upgrades, and investments for safety and security infrastructure.

Recommendation:

- Include new capital funding that is available specifically to address critical maintenance, building upgrades as well as to provide necessary safety and security infrastructure for BOCES buildings.

V. Support the funding for Recovery High School programs Operated by BOCES:

The Governor's proposed 2019-20 budget includes \$1 million for BOCES to operate Recovery High Schools. BOCES support these high schools that are designed to help students who have been in treatment for substance abuse to return to high school while receiving the supports they require to remain substance free. This funding is necessary to ensure BOCES has the resources they require to successfully operate these specialty high schools.

Recommendation:

- Include the \$1 million for the Recovery High School Programs.

VI. Support Regional STEM Magnet Schools:

The Governor's proposed 2019-20 budget includes authorization for BOCES to establish and operate regional Science, Technology, Engineering and Mathematics (STEM) magnet schools. We support this initiative because we strongly believe it could provide many additional students from around the State, including those from the Big 5 school districts the opportunity to participate in this unique STEM focused learning environment.

Recommendation:

- Include this authorization in the final enacted budget. We would recommend however, that to be successful, adequate funding must be provided to ensure their success.

VII. Authorize BOCES to address long-term employee costs through the establishment of other post-employment benefit (“OPEB”) trusts or reserves:

Despite the large and increasing costs that BOCES continue to incur each year on behalf of their component districts in employee post-retirement benefits (OPEB), we do not have the legal ability to set aside funds for this purpose. As a result, this very significant long-term financial liability is a ticking time bomb that threatens the fiscal stability of BOCES and their component districts. To date, it is estimated that the 37 BOCES have responsibility for approximately \$3.5 billion in legacy costs for all current employees and retirees.

Recommendation:

- Support the State Comptroller’s proposal that authorizes the establishment of other post-employment benefits trusts.

In closing, we believe that now is the time for the Governor and the Legislature to expand the role of BOCES and allow this network to provide greater assistance to the schools and students of New York State.

Thank you for the opportunity to these present recommendations. On behalf of the BOCES Educational Consortium, we look forward to working with you on these most important issues.

