



Note: This is the PDF version of our interactive, research report, which is designed to be viewed online. The data visualizations in this document are averages of school years 2010-2011, 2015-2016, and 2020-2021, unless otherwise noted.

Executive Summary

ERASE Racism’s new interactive, research report, “Empire State Inequities: A Decade of School Funding Disparity and Its Effects,” is a longitudinal review of the impact of inequitable traditional public school funding in New York State. Specifically, the report finds that inequity in funding is compounded by racial segregation and disproportionate tax burdens. More importantly, this report finds that traditional public school funding and student performance are closely aligned. The findings provide an opportunity to dispel long-standing myths about the performance of students of color. We close the report by proposing actions that school districts and states can take to begin the process of addressing the impact of institutional, systemic, and structural racism as it pertains to school funding disparities.

Using data averages from 2011, 2016, and 2021 (the latest fiscal data available), we find that in New York State’s racially segregated school districts, specifically those composed of 90-100% students of color (referred to as Intensely Segregated Student Of Color districts- or IS-SOC), residents with the lowest taxable property and gross income bear the brunt of the highest tax rates. Crucially, the fact that these IS-SOC districts have the highest tax rates demonstrates the extraordinary effort these districts exert to fund their school districts. Furthermore, when differences in regional cost of living and student need are considered, we find that supplemental state and federal funding have done little to close the revenue gap for IS-SOC districts. In fact, this supplemental funding has most benefited districts that are 91-100% white.

Key Findings

- Differences in expenditures across the state are highly correlated with student performance. When differences in regional cost of living and student need are taken into consideration, there is a direct correlation between per-pupil expenditures and the percentage of students who are proficient in 3rd-grade English (p. 9).
- School districts with the highest percentages of students of color (IS-SOC districts) have historically had the lowest per-pupil expenditures. Furthermore, throughout the past ten years, their average expenditures have been declining at a faster rate than other school districts (p. 14).
- Even though New York State is racially diverse, 1 out of 3 students of color attends a school district that is intensely segregated and lacks essential resources (p. 6-7). These districts also have a disproportionate share of high-need students who require supplementary resources (p. 10).
- New York's IS-SOC districts have the lowest taxable property values (p. 10-11) and the lowest local revenue (p. 12-13); yet, they have the highest tax rates and tax burden (p. 10-12).
- IS-SOC districts are unable to rely on supplemental sources of funding, such as their personal income, since, on average, these districts have the lowest income per pupil (p. 14-5).
- Supplemental state funding has done little to alleviate the cost burden experienced by IS-SOC districts. When differences in regional cost of living and student need are considered, supplemental state and federal funding have disproportionately benefited districts that are 91-100% white while doing little to close the revenue gap for districts with the highest proportions of students of color and need (p. 16).

The Myths That These Findings Dispel

School segregation has persisted in New York in part because of racially fueled myths that this report's findings dispel. Those hereby-disproven myths include the following:

- **The underfunding of school districts predominantly comprised of students of color is due to residents not paying enough in taxes.** This report updates previous research (Fiscal Policy Institute, 2008) showing this to be untrue, and demonstrating that New York's communities of color have long had the greatest school tax burden.
- **White children have higher academic performance in school because their parents value education more than parents of color.** This is disproven. IS-SOC districts have the highest tax rates, which shows the importance that residents of color place on providing their children with quality education.
- **The under-performance of students in IS-SOC is due to the students' capacity.** This widely propagated myth is also disproven. This study shows that school expenditures is a deciding factor in student performance. Additionally, districts that are 91-100% white (indicated as 0-9% students of color in the report) are not the highest-performing districts in the state, making race a poor determinant of success.

Why These Findings Are Important

First, the report refutes racially fueled myths that have guided public attitudes and governmental policies and shows the importance of school funding on student performance. It is time to move past these explicit and implicit biases to provide each school district and student with the appropriate equitable support.

Second, this research shows that given the right resources, all students can succeed. That is great news for all students and school districts in New York. School district and state leaders must now begin to focus on providing the funding necessary to ensure the support of all students.

Third, the existence of IS-SOC districts must be considered within the context of the exclusionary zoning that defines the boundaries of many of those school districts. The setting of those boundaries not only confines students of color to racially segregated schools; it also places students with the most needs in the same few school districts. It is time to put an end to exclusionary housing and school zoning that reinforce racial and socio-economic segregation. Fourth, these findings should now inform public policy on school funding in New York – at state, local, and federal levels. It's time to make school funding equitable.

The Implications of Governor Hochul's January 2023 Announcement on Education Funding

In January 2023, New York Governor Kathy Hochul announced a comprehensive agenda to provide a high-quality education to all students. It includes the commitment to fully fund Foundation Aid, which is designed to provide state funding to high-need students, living in poverty or with special needs. We applaud the Governor for recognizing the decisive role that educational and fiscal equity plays in creating a vibrant and thriving state. Yet, even this proposal has five crucial shortcomings that need to be addressed, which we outline in our policy recommendations (p.16-17).

We urge the Governor, the Legislature, education advocates, and all New Yorkers to engage with this report's significant findings and join us in ensuring that educational equity remains at the forefront of our collective actions.

Abbreviated Methodology

This report makes several necessary adjustments to school funding data to make a more accurate comparison of funding across school districts in New York State. We adjust for differences in the cost of living between different parts of New York State, inflation from 2011 and 2021, and different resource requirements for students.

In areas where the cost of living is high, more money is needed to attain the same educational resources; therefore, to accurately compare funding across districts one must adjust for differences in the cost of living. This analysis uses the Regional Cost Index (RCI) that was developed by the New York State Department of Education. Where “cost of living adjustments” are noted, the monetary amounts have been divided by the RCI values.

Some students, especially the most disadvantaged, require more money to succeed in school. It would therefore be inappropriate to use a funding formula that does not take this into consideration. We adjust for student need by using a funding formula that apportions greater resources for high-need students.

For more on these adjustments see the Detailed Methodology section (p. 20-21).

An Important Note

It is important to note that NYSED’s “Fiscal Profiles” dataset provides its school funding data for New York City at-large and not for its individual districts, so the city is treated as one school district in the portion of the analysis that reports on revenue, expenditures, income, and property values.

Our Categories and Our Definition of Segregation

To compare school funding across all school districts in New York, we have organized school districts into six categories based on the percent of students of color (and conversely the percent of white students). The categories range from districts that have 0-9% students of color (those that are conversely 91-100% white), to districts that are 90%-100 students of color (and 0-10% white).

We call districts that are 90%-100% students of color "Intensely Segregated Student of Color or IS-SOC" school districts. We define school segregation by two qualities--racial isolation AND a dissimilarity between the racial demographic of the school district and the region in which it is located.

Almost all school districts that are 90-100% students of color are also racially segregated (30 out of 36), meaning that they are located in regions that are more diverse than the district. Therefore, we use the term "intensely segregated" to describe them. Segregation suggests forms of racial discrimination that separate students of different racial groups.

Contrarily, we do not use the term "segregated" to describe school districts that are 90-100% white. Instead, we use the term "racially isolated" to describe these districts. This is because many racially isolated white school districts are located in counties that are also 90-100% white, suggesting that the districts are more isolated by circumstance than discriminatory practices that keep white students apart from students of color.

School District Fragmentation

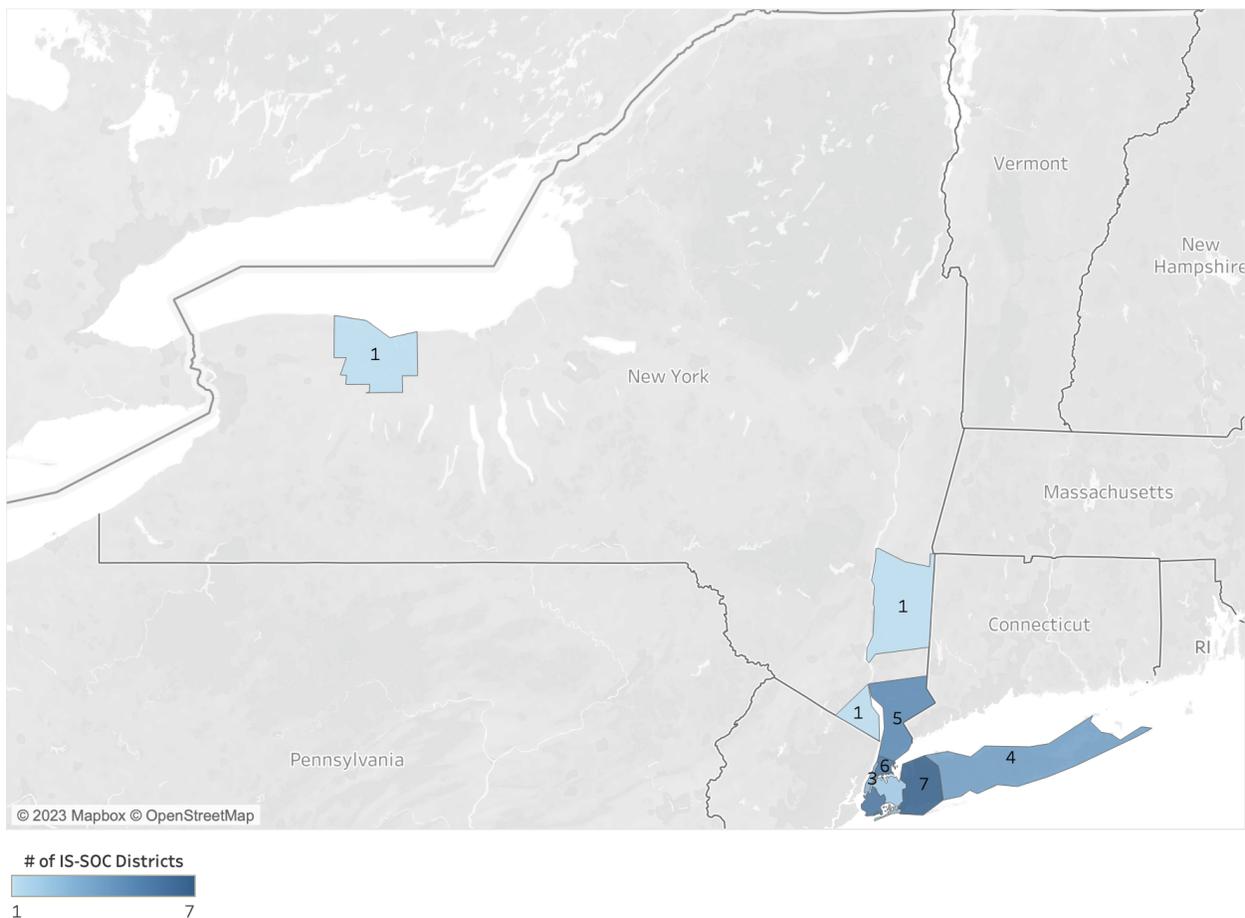
One way that school segregation is enforced is through school district fragmentation, which is the proliferation of independent school districts in a metropolitan area. When we compare the counties with the most racially segregated districts to the other counties in the state, we see that they have a much higher average number of school districts--26 compared to 9. This finding supports research that has shown that school district fragmentation leads to increased levels of school segregation (Bischoff, 2008).

As the interactive maps below reveal, four counties have twenty or more school districts each--Suffolk (69), Nassau (56), Westchester (46), and Erie (28).

The counties with IS-SOC districts* in 2021 were Nassau (7), Kings (Brooklyn) (6), The Bronx (6), Westchester (5), Suffolk (4), New York (Manhattan) (3), Queens (2), Rockland (1), Monroe (1), and Dutchess (1).

**See below the maps for a list of the IS-SOC school districts.*

Intensely Segregated Students of Color Districts (2021)

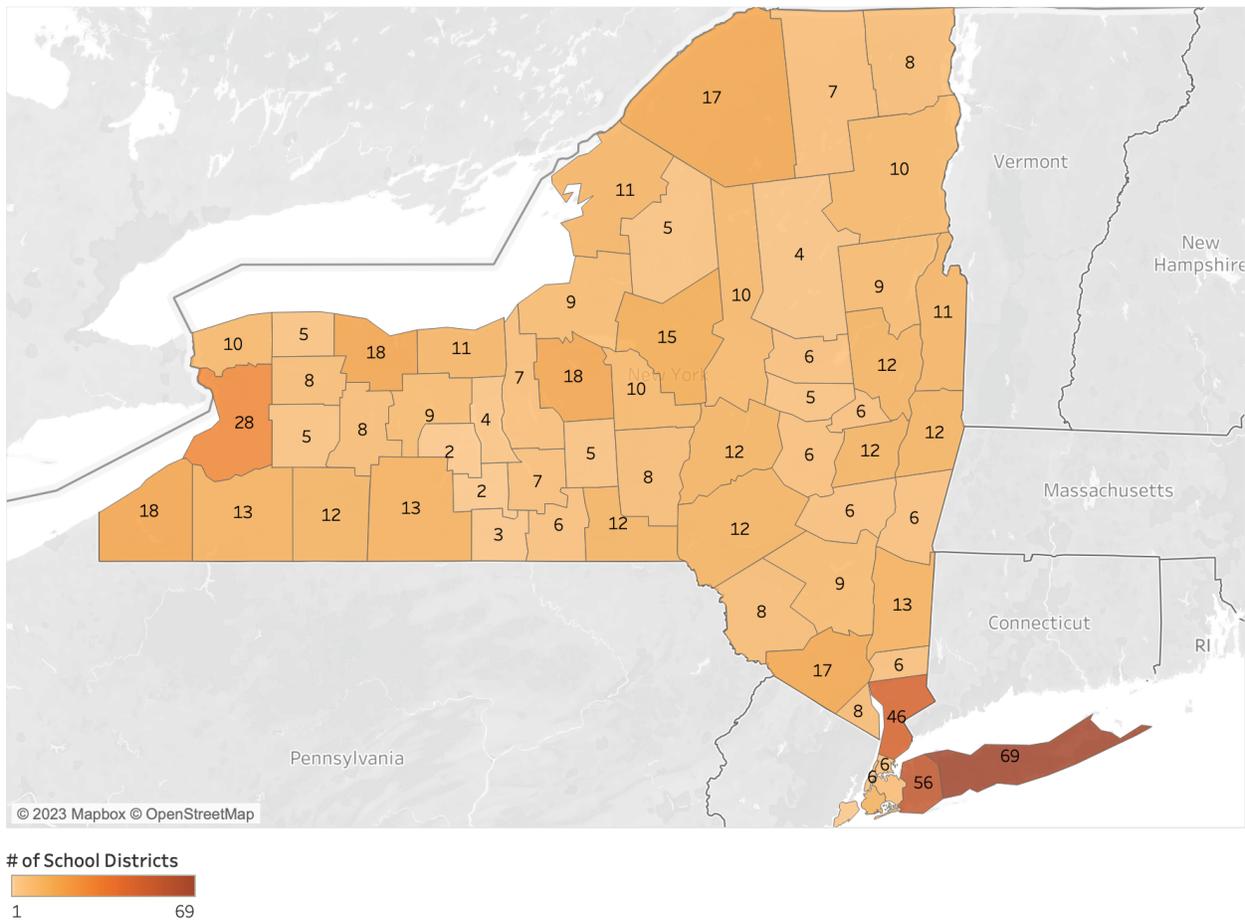


Intensely segregated students of color school districts:

Bronx County (NYC Geographic District #7, NYC Geographic District #8, NYC Geographic District #9, NYC Geographic District #10, NYC Geographic District #11, NYC Geographic District #12)

Dutchess County (Poughkeepsie City School District)
 Kings County/Brooklyn (NYC Geographic District #16, NYC Geographic District #17, NYC Geographic District #18, NYC Geographic District #19, NYC Geographic District #23, NYC Geographic District #32)
 Monroe County (Rochester City School District)
 Nassau County (Elmont Union Free School District, Freeport Union Free School District, Hempstead Union Free School District, Roosevelt Union Free School District, Uniondale Union Free School District, Valley Stream 30 Union Free School District, Westbury Union Free School District)
 New York County/Manhattan (NYC Geographic District #4, NYC Geographic District #5, NYC Geographic District #6)
 Queens County (NYC Geographic District #27, NYC Geographic District #29)
 Rockland County (East Ramapo Central School District)
 Suffolk County (Amityville Union Free School District, Brentwood Union Free School District, Central Islip Union Free School District, Wyandanch Union Free School District)
 Westchester County (Elmsford Union Free School District, Greenburgh Eleven Union Free School District, Mount Pleasant-Cottage Union Free School District, Mount Vernon School District, Peekskill City School District)

Number of School Districts (2021)



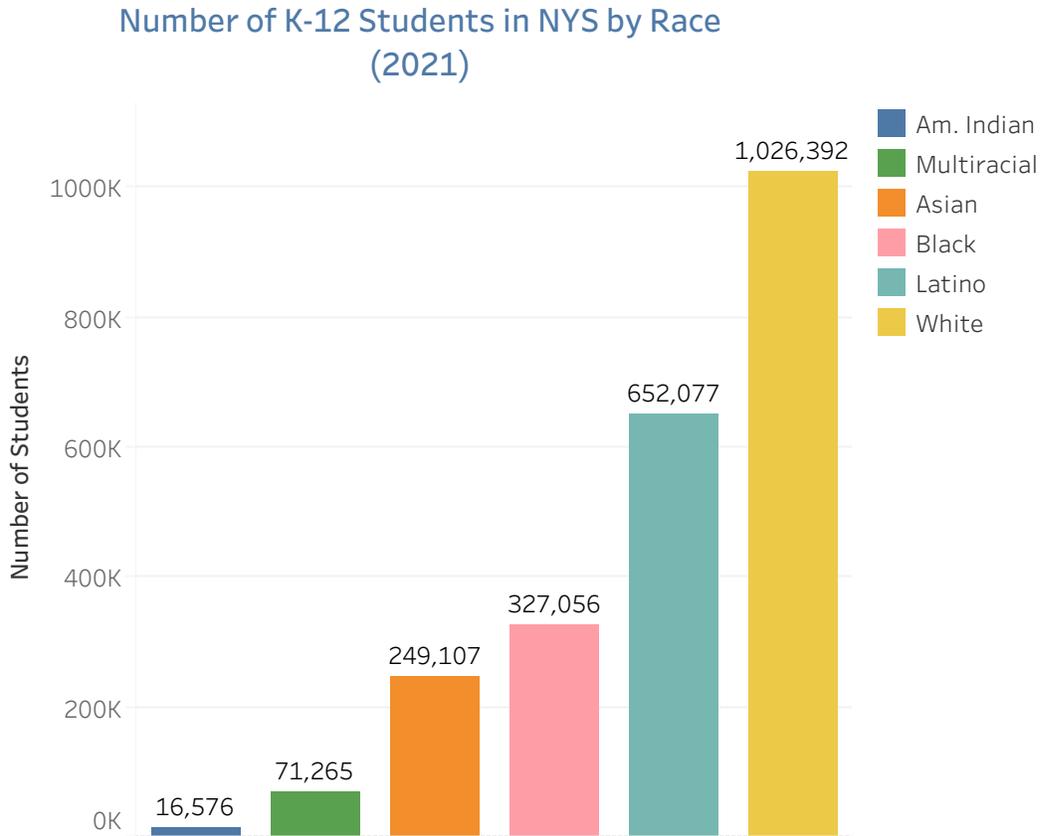
Even though New York State is racially diverse, 1 out of 3 students of color attend a school district that is intensely segregated and lacks essential resources*.

Intensely segregated student of color (IS-SOC) districts are **those that are 90-100% students of color**. As this report will show, these districts are not only the least resourced, but they also

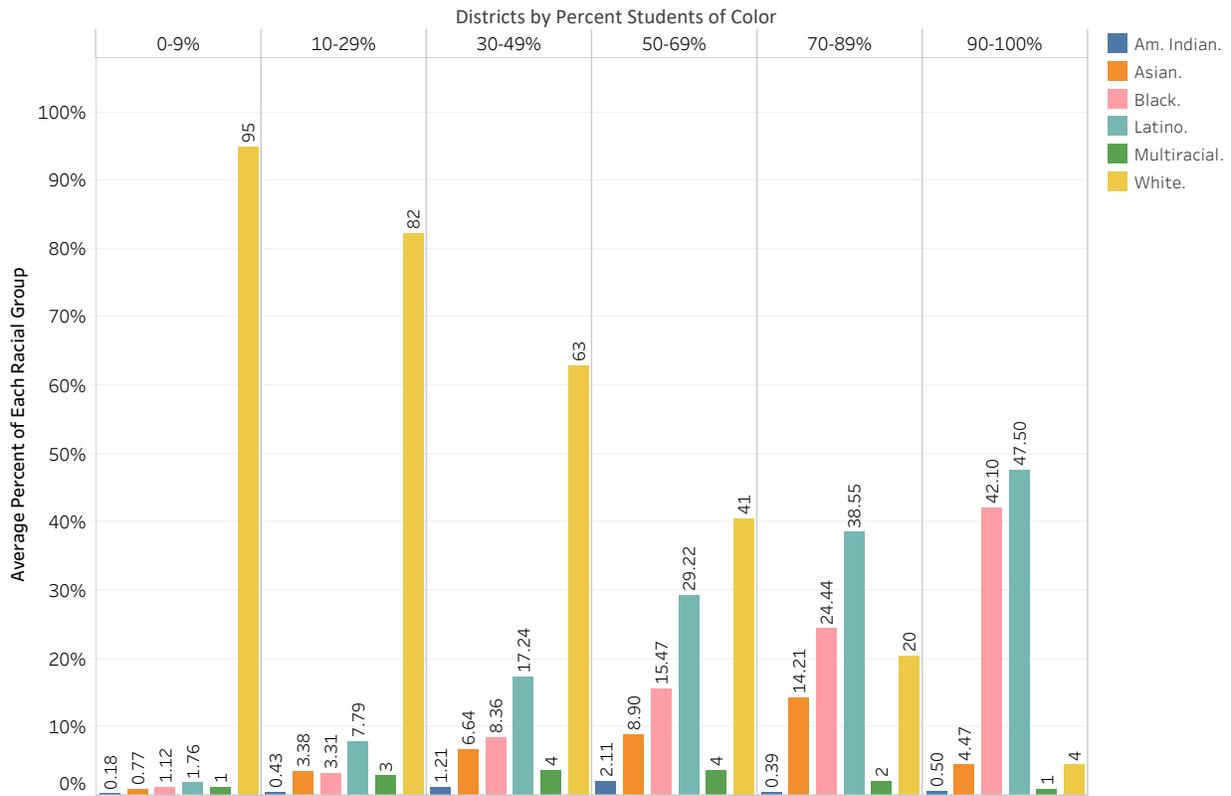
have the highest property tax rates, suggesting that these communities are putting in an extreme amount of effort to raise funding for their school district.

In 2021, out of New York's 1,316,081 students of color, 423,538, or 33% attended an intensely segregated school district.

*ERASE Racism's 2022 report "Unequal Resources for Students in New York State Based On Race" showed that compared to the statewide average districts that are 90-100% students of color had less "essential resources", which included access to guidance counselors and AP courses.



Average Racial Composition of School Districts (2021)
by percent of students of color



Differences in expenditures across school districts are highly correlated with student outcomes. We see this correlation most devastatingly in IS-SOC districts, which have both the lowest expenditures and lowest proficiency score.

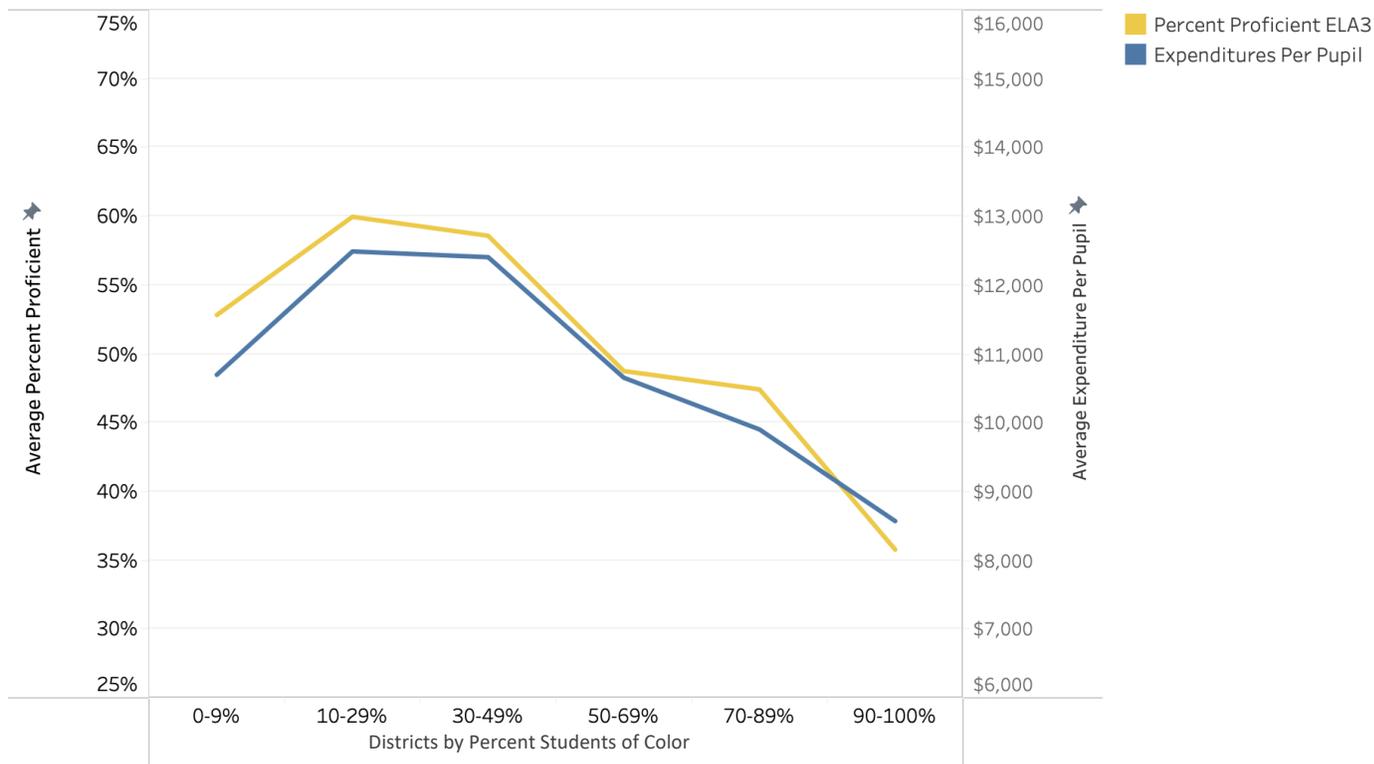
A 2008 Fiscal Policy Institute report found that New York districts “with higher per-pupil expenditures (particularly when the expenditures and enrollment data is adjusted for regional costs and in student needs) clearly outperform districts with lower expenditures.” Our updated report demonstrates the same findings.

When we compare student expenditures in New York and adjust for differences in regional cost of living and student needs, we see that throughout the state, **the percentage of students who are proficient in 3rd Grade English**—an important exam in K-12 education—is the highest where expenditures are highest and the lowest where expenditures are lowest.

The school districts with the highest percentages of students of color have both the lowest per-pupil expenditures and the lowest 3rd grade ELA proficiency scores. **This critical finding underscores the importance of school spending to student achievement.**

Expenditures Per Pupil Compared to Percent Proficiency on 3rd Grade ELA Exam

Expenditures have been adjusted for cost of living, student need and inflation



Students with greater needs have been concentrated in IS-SOC districts that are underfunded.

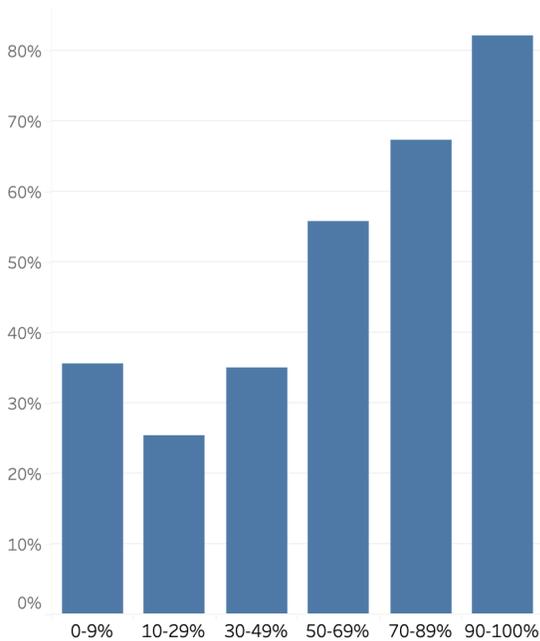
The goal of education equity is not that every school receives the same amount of money per pupil, but that **every school is equipped with enough money to meet every student’s needs.**

Over the past decade and up to the present day, **IS-SOC districts have had the highest proportions of students who require more resources**, such as economically disadvantaged students and English Language Learners (ELL). As such, these districts must receive substantially more funding than other school districts to offer their students a quality education. Yet, this is not what is happening.

This report will show that these districts are getting shortchanged. Although they put in the most effort to fund their schools, they continue to be the least resourced. Furthermore, state and federal funding have done little to correct a long history of racial discrimination and inequity.

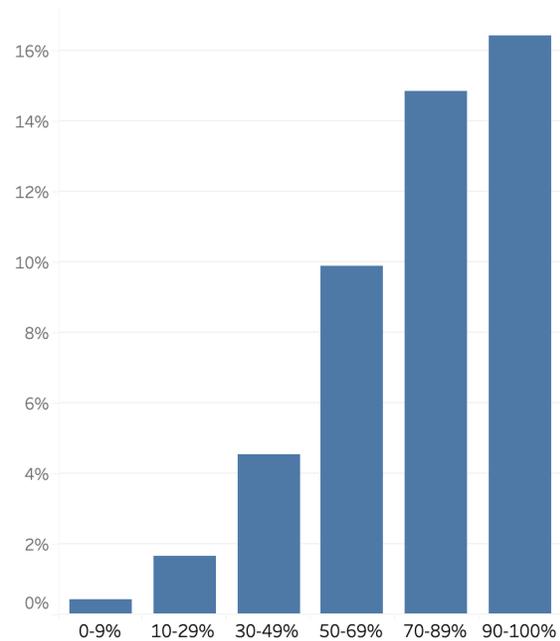
Share of High-Need Students in School Districts Grouped by Percent Students of Color

Economically Disadvantaged Students



Districts by Percent Students of Color

English Language Learners



Districts by Percent Students of Color

IS-SOC districts continue to be negatively affected by the state's long history of structural racism in housing.

For most of the 20th century, the U.S government (at every level) and the private housing sector worked together to create a racialized housing market by enforcing racial segregation by laws and deeds and systematically devaluing places where communities of color lived while valuing white neighborhoods.*

Today we continue to see the effects of this history on property values. Not only are New York's school districts still divided by race but **districts that are 90-100% students of color (IS-SOC) have the lowest property values**. Furthermore, residents in **these school districts have seen their property values decline** over the past decade.

*Baxandall, R. and Ewen, E., 2000. *Picture windows: How the suburbs happened*. New York: Basic Books. and Taylor, K.Y., 2019. *Race for profit: How banks and the real estate industry undermined black homeownership*. UNC Press Books.

Average Value of Taxable Property Per Student

By Percent Students of Color in Each School District

Values are Adjusted for Inflation



IS-SOC districts have the highest tax rates and exert the most effort to fund their schools.

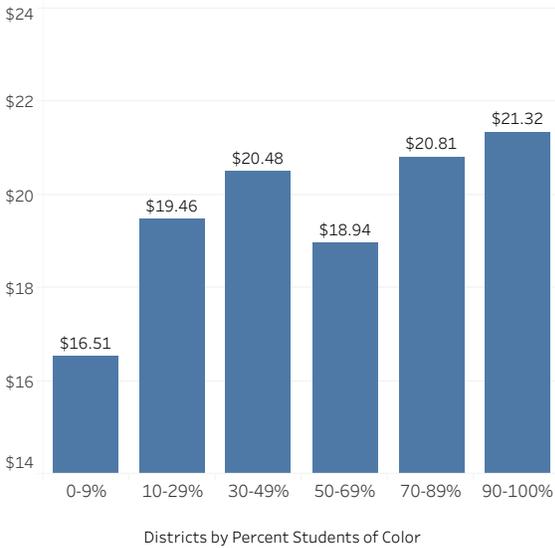
Low property values create a significant amount of fiscal strain on IS-SOC school districts and their ability to raise enough money at the local level to properly fund their school districts.

Using “Real Property Tax Rates Levy Data” from New York State’s Department of Taxation and Finance*, we find that for 2021 and 2016, **IS-SOC districts, on average, taxed themselves \$21.23 per \$1000 of full property value, which is higher than all other school districts.** Contrarily, districts that are 91-100% white had the lowest tax rates, indicating that they had to put in much less effort to raise the same amount of money.

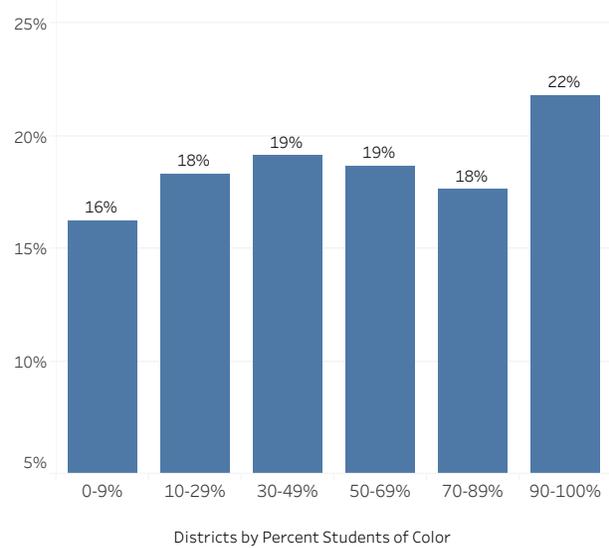
The “local revenue tax effort”—a measure calculated by the state to compare the property value in a district to its total revenue—further confirms that residents in **IS-SOC districts exert the most effort to fund their schools compared to all other school districts.**

*Note: Data for 2011 was not included since there was an error with the reporting on that year.

Average School District Tax Rate
(per \$1000 value)



Local Revenue Tax Effort
By Percent Students of Color in Each School District



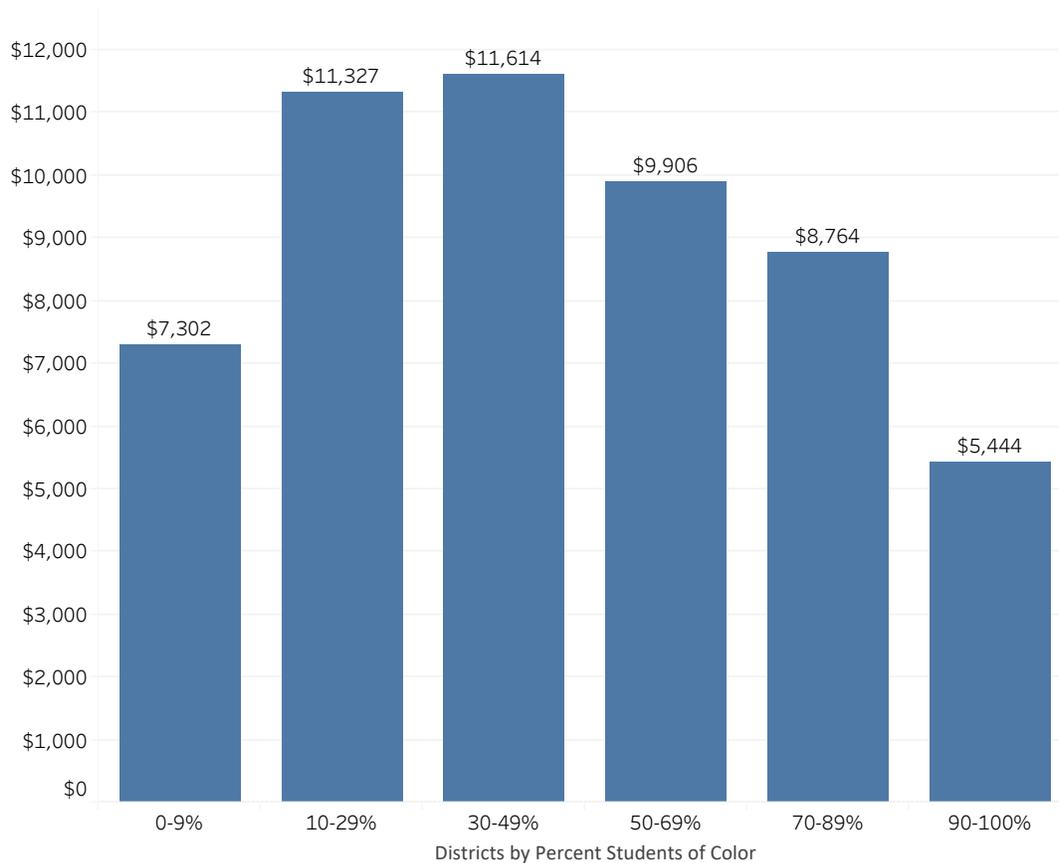
IS-SOC districts have not been able to raise as much funding at the local level as all other school districts.

Throughout the past decade, IS-SOC districts have had to exert the most effort to raise school funding at the local level; yet, on average, **IS-SOC districts have the lowest local revenue per pupil compared to all other school districts.**

Local Revenue Per Pupil

By Percent Students of Color in Each School District

Values are Adjusted for Student Need, Regional Cost of Living, and Inflation



IS-SOC districts have the lowest per pupil expenditures.

Revenue and expenditures* are two sides of the same coin. If local revenue is low, it is likely that the per pupil expenditures will also be low. Thus, we see that **IS-SOC districts have both the lowest local revenue per pupil and the lowest expenditures per pupil.**

This report does not investigate the specifics of the expenditures; however, we know that IS-SOC have the largest proportions of high-need students, which means their per pupil expenditures should be higher than all other school districts. Unfortunately, this far from the current reality.

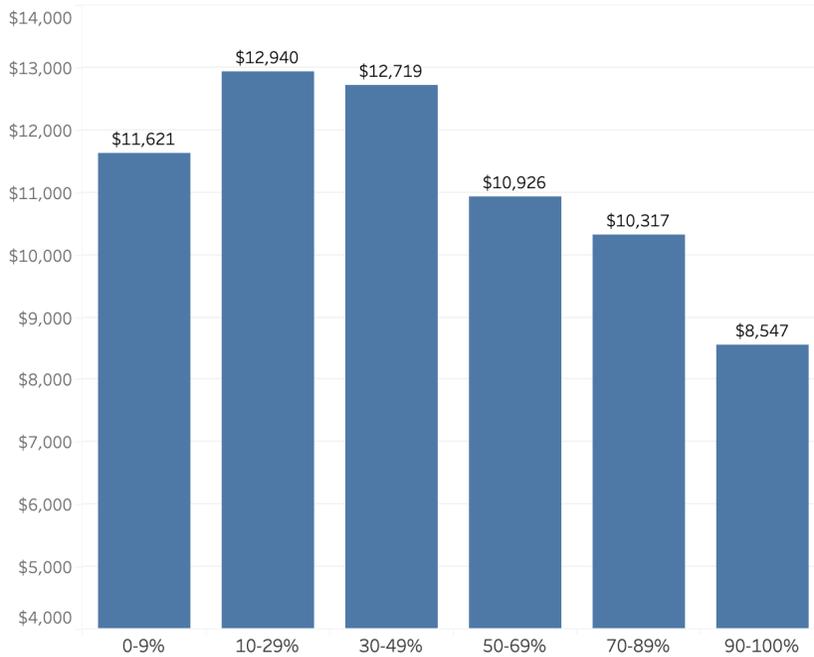
Not only do IS-SOC districts have the lowest expenditures per pupil, but throughout the past ten years, we see that the **average expenditures per pupil in IS-SOC districts have been declining at a faster rate than all other school districts.**

*We use the state's "adjusted expenditures" variable which is total expenditures minus tuition to other school districts and transfer to capital funds.

Expenditures Per Pupil

By Percent Students of Color in Each School District

Values are Adjusted for Student Need, Regional Cost of Living, and Inflation



School districts by percent students of color

Percent Students of Color in Each District	Difference in Expenditures from 2011 to 2021
0-9%	3.86%
10-29%	0.13%
30-49%	6.88%
50-69%	-8.86%
70-89%	-4.26%
90-100%	-14.97%

The legacy of structural racism also continues to impact income disparities, limiting the ability of IS-SOC districts to supplement school funding deficiencies.

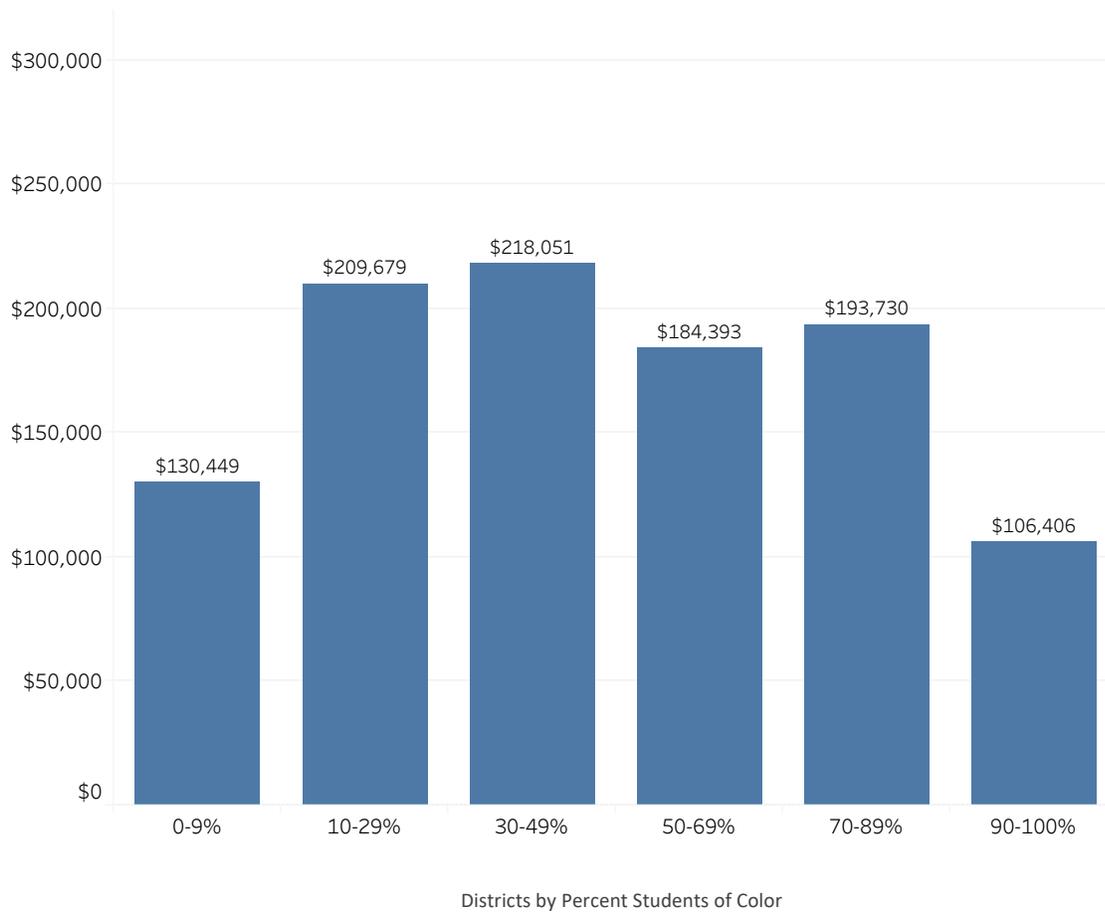
In the past decade, **IS-SOC districts** have had **the lowest income per pupil** compared to all other school districts.

These findings reflect a double-pronged disadvantage suffered by districts with the most students of color. Compared to other districts, IS-SOC are less able to supplement their children's education directly out of their income with costly resources, such as tutors, that districts with higher-income earners can afford. Moreover, as shown in Slide 8, they have the lowest property values, impacting their ability to raise school funding through local property taxes, despite their high tax rates.

Average Gross Income per Total Wealth Pupil Unit

By Percent Students of Color in Each School District

Values are Adjusted for Regional Cost of Living and Inflation



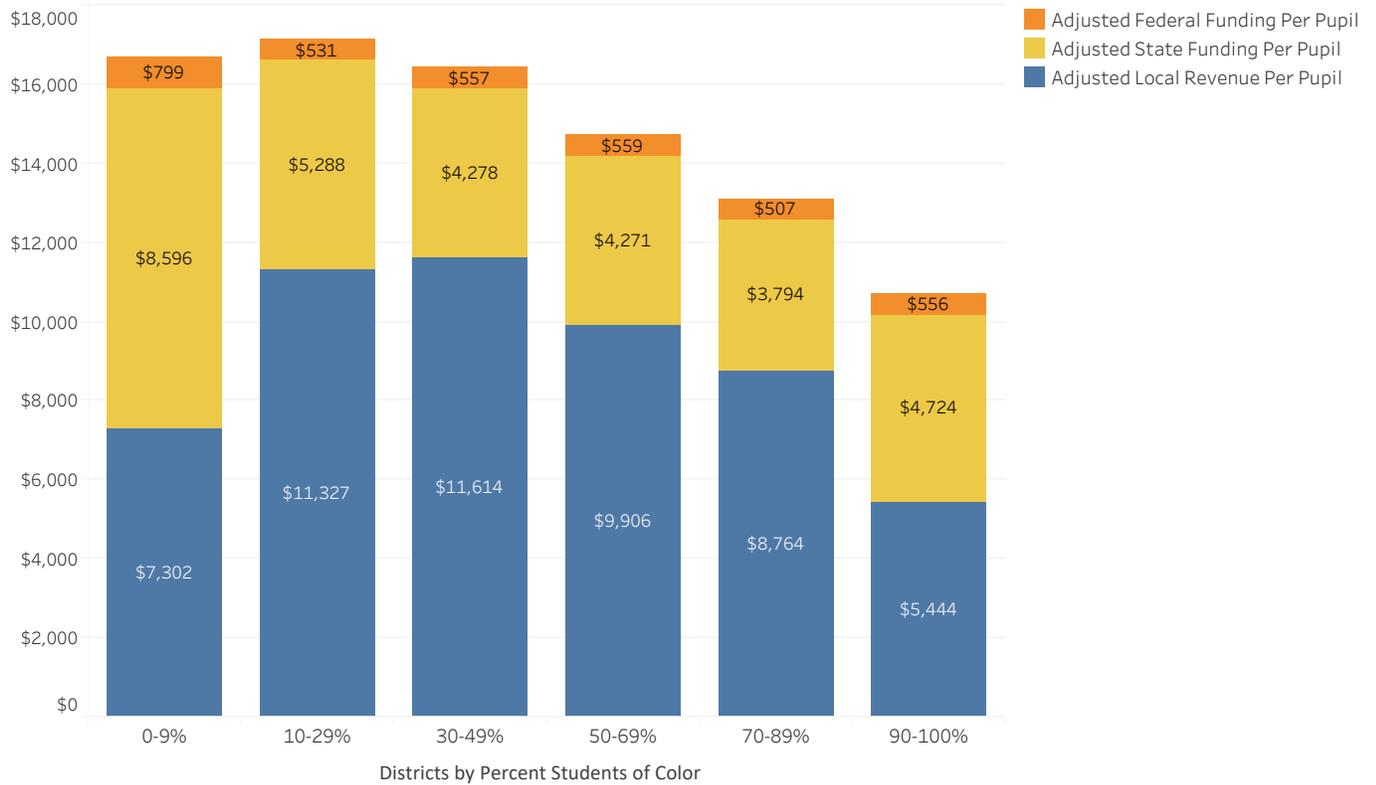
Even when accounting for supplemental state and federal funding, IS-SOC districts still receive the least funding statewide.

On average, the more students of color a school district has the less total revenue per pupil they receive. Furthermore, this finding shows that supplemental state and federal funding are not closing the revenue gaps between districts with high local revenue and districts with low local revenue.

Local, State, and Federal Revenue Per Pupil

By Percent Students of Color in Each School District

Values are Adjusted for Student-Need, Cost of Living, and Inflation



Policy Recommendations (1)

This report – “Empire State Inequity: A decade of school funding disparity and its effects” – demonstrates the devastating ways inequitable school funding and school segregation have denied far too many students of color the resources they need to succeed academically. In particular, the report highlights the direct link between years of inequitable funding and its effects on student performance. Moving to an equitable funding structure is an important factor to ensure that all children in New York receive the educational resources they need and deserve to be successful. While this report focuses on funding, we are aware that it is only one piece of the complex puzzle to achieve educational equity. Accordingly, we have developed policy recommendations that, if enacted, could be initial steps to make education equity a reality statewide.

Update the Foundation Aid formula, and create a permanent, independent monitoring commission with a systemic process to ensure the formula is also attuned to current student needs and cost of living adjustments.

ERASE Racism applauds Governor Hochul for committing to fully fund Foundation Aid, which is designed to provide state funding to high-need students living in poverty or with special needs. This is an important proposal, which must still be enacted. However, the proposal in its current state has four crucial shortcomings that need to be rectified.

First, the current funding formula is outdated (created in 2007), does not reflect changes in the student population, and will not provide the support necessary to meet student needs, especially after the loss of federal pandemic funding. In the past decade, there has been a rise in students in temporary housing, an increase in migrant children, and, of course, the COVID-19 pandemic, which continues to disproportionately affect communities and school districts of color.

Second, the weights used to determine how much more funding high-need students should receive are far too low. The current formula allocates 65% more money to students in poverty than students not in poverty and up to 50% more for English Language Learners (ELL). However, recent studies show that low-income students need 100% to 200% more funding and ELL students need 100% to 150% more funding to achieve academic success (ED Trust, 2022).

Third, without a commission in charge of monitoring and updating the formula, and a schedule for how often this will occur; Foundation Aid will quickly become ineffective and outdated. The New York State Education Department (NYSED) and Columbia University's Center for Educational Equity have requested the creation of a commission to study and suggest a new formula, as well as continuously monitor and update the existing formula (Rebell and Wolff, 2022).

Fourth, future funding only partially addresses the immediate needs of students but does not redress past decades of inequitable funding deficiencies. The state must decide how it will pay the debt it owes to districts of color for denying them the resources they have needed to succeed.

Measure and evaluate the use of Foundation Aid Formula funding and how its expenditures are being spent to improve school districts on a systemic and institutional level, and ensure access to a high-quality education and service provision to the neediest students and districts.

ERASE Racism's reports, including this one, have identified the negative impact of inequitable funding on students' educational experiences. The commitment to fully fund the Foundation Aid Formula provides an infusion of necessary funding for our neediest districts and students.

It affords state and school districts an opportunity to begin addressing institutional, systemic, and structural racism that have resulted from inequitable resource allocation. Some of the ways these monies can be spent in a holistic, district-wide manner leading to systemic change, include increasing teacher diversity pipelines, access to AP or IB courses, innovative new school design, quality culturally responsive and relevant curriculum, and addressing disproportionality in discipline and special education service provision. As it pertains to direct services and individual student needs, expenditures can include, but are not limited to, instructional supports, long-term high-dosage tutoring, extracurricular activities, extensive therapeutic services, and supports to students with disabilities and mental health services.

It should be noted that ERASE Racism's call for a reporting and evaluation of the use of these funds, should not be confused with unreasonable calls for accountability that stymie flexibility and innovation in education. For example, in assessing the efficacy of Foundation Aid and its impact, we must give the funding and subsequent expenditures time to work. The past three (3) years of increases in funding will not erase decades of under-investment and benign neglect. Additionally, we must evaluate the appropriateness of the expenditures and make the necessary pivots to ensure that our children receive the support they need for success.

Policy Recommendations (2)

Increase equitable sharing of educational resources across school districts

Modern technological tools and virtual spaces offer new opportunities for more inter-district collaboration and the sharing of resources across districts. Although, New York State currently utilizes the Union Free school districts as a way for more inter-district sharing of educational resources. These Districts usually had close physical boundaries and were meant to focus solely on secondary education. However, the utilization of technology and virtual spaces can allow students from high-need districts to access advanced courses and educational support systems from districts that may not be geographically contiguous. For example, a student could enroll remotely in an AP or IB course in a different district or have access to a college fair or other resources of particular interest. Barriers to the full-scale realization of such programs certainly exist (e.g., staff members may need to follow different policies in different districts, union contract concerns, and differences in school culture may apply), but a pilot opportunity could illuminate the potential as well as any arising issues to be addressed. The New York State Education Department and the regional BOCES could be instigators of such a pilot opportunity and perhaps provide incentives to encourage districts to participate.

Education must be made a Constitutional right giving the federal government the authority to develop a national standard of education by clearly defining a quality and adequate education, and codifying equity in public education funding as a guaranteed right. Accordingly, congressional action, absent a Supreme Court decision, must be taken to address the *San Antonio Independent School District v. Rodriguez* (1973) decision.

We would be remiss in this report if we did not acknowledge the seminal case of *San Antonio Independent School District v. Rodriguez* (1973), and its impact on public school education and funding as we know it today. Typically, *Rodriguez* is cited as the case that has helped to perpetuate inequitable school funding. However, it is also in *Rodriguez* that the Supreme Court established that **education is not a fundamental right**, and as a result, the disparities in funding among school districts are not violative of the Equal Protection Clause of the Fourteenth Amendment. Additionally, *Rodriguez* and its progeny—*Horne v. Flores*, 557 U.S. 433 (2009)—stand for the proposition that education and school funding is best decided by the states.

First, in the absence of an established constitutional right to education, there is not a clear definition at the federal level of what constitutes a quality and adequate education. Instead, the

definition of “an adequate education” is left to the whims of individual states, which frequently change standards to reflect political influence or impact statewide testing and graduation results. Establishing education as a constitutional right would give families and students the ability to hold states to a national standard of education and seek federal action in the failure to meet said standard.

Second, despite recent actions by states to make funding more equitable, low-income districts of color continue to suffer from being the most overburdened by taxation and having the highest-need students and the least resources, as compared to wealthy white districts. The recognition of education as a fundamental right places the responsibility on the federal government to ensure that states equitably fund school districts, or fill the funding gap necessary to achieve equity. Further, the positive impact of equitable federal pandemic aid, which was distributed according to need, is an example of the role the federal government could have in filling equitable funding gaps.

Third, a byproduct of *Rodriguez*, and a reverberating theme throughout education since then, has been the quest to identify the factors that impact student performance. In *Rodriguez*, Justice Powell questioned the correlation between expenditures and student outcomes. Subsequent research, including in this report, has shown a correlation indicating that spending does impact student performance. In fact, a 2018 working paper from the National Bureau of Economic Research found that decades of educational studies at the national and state level “overwhelmingly support a causal relationship between increased school spending and student outcomes” (Jackson). However, a continuing myth from the era of *Rodriguez* has been that student performance is only tied to race, poverty, family and culture (Coleman and Moynihan reports). What we have learned is that while poverty and family affect student learning, so do funding, schools, teachers, and the availability of other resources.

Fourth, and finally, overturning *Rodriguez*, would be helpful in determining how accountability is defined and who is held accountable for student educational success. Far too often, the burden of accountability is shifted to school districts, teachers, and families without full funding support and access to high quality education, and testing outcomes. Creating a constitutional right to education makes ALL of us (including ALL governmental levels) responsible for something that is an integral part of a well-functioning society. It is a recognition that an individual, city, state, or our nation at large are not served when there are varying levels of educational standards for our populous. Accountability can then be used on every level to ensure students’ academic performance and the achievement of a standard educational level.

Given these findings, it is time for equitable public school funding to finally be codified in federal law by making education a constitutional right.

Policy Recommendations (3)

Expand Affordable and Inclusive Housing

Many of the racially isolated school districts of students of color in New York are a product of exclusionary zoning and racial segregation in housing. Education equity, therefore, requires housing equity. The two cannot be separated.

Governor Hochul also recently announced a strategy to address the state’s housing crisis and ensure housing growth in all communities. That initiative can also reduce racial isolation in school districts.

As affordable housing options grow, efforts should be made to ensure that existing patterns of racial segregation are not maintained. Too often, communities envision more affordable options to address the needs of their children and senior citizens without wishing to change the racial composition of the community.

Reducing racial isolation in school districts will not happen without reducing racial isolation in housing. A commitment to inclusivity is required for both.

Agenda for Future Research

While they are outside the scope of this research project, ERASE Racism intends on pursuing research on the following topics in future education reports:

1. Disproportionality in school discipline policies and practices and its effects on students of color
2. The impact of charter schools on intensely segregated students of color school districts
3. The effects of the COVID-19 pandemic on learning loss, especially its impact on students with disabilities

Data and Methodology

Data Sources

This report brings together datasets from four different sources. We used New York State’s Education Department’s (NYSED) “Enrollment Database” to obtain the demographic data, such as the racial composition of school districts, the percentage of economically disadvantaged students, and the percentage of English language learners. The data on school funding—property value, gross income per total wealth pupil, per pupil revenue, local revenue tax effort, and per pupil expenditures—are from NYSED’s “Fiscal Profiles”. We used the NYSED’s “3-8 Assessment Database” for data on student performance. The data on school tax rates per \$1000 of full property value are from New York State’s Department of Taxation and Finance’s “Real Property Tax Rates Levy Data.” Data from all three sources were downloaded for the following three school years: 2010-2011, 2015-2016, 2020-2021.

Methodology

This report partially borrows its methodology from The Fiscal Policy Institute’s 2008 report “School Finance on Long Island An Analysis of State and Local Funding Patterns,” written by Dr. Renwick. In the report, Renwick argues that two adjustments are necessary to compare spending across Long Island districts to other districts in New York State:

First, since the cost of living is much higher in Long Island than many regions of the rest of the state, this analysis adjusts expenditure data to reflect that higher cost. This analysis uses the Regional Cost Index (RCI) that was enacted into law through the Foundation Aid Formula in the 2007-08 School funding reforms. This index provides a single cost adjustment factor for all districts in Nassau and Suffolk Counties. Based on an analysis of regional differences in salaries of non-teaching professionals in each NYS Department of Labor region, the State Education Department estimates that the costs of educating students in Long Island are 42.5% higher than the costs in the least expensive region of the state. The RCI provides additional aid to Long Island Districts through the Foundation formula. The RCI adjustment is not necessary when making comparisons among districts on Long Island.

Second, adjustments need to be made to reflect the differences in student needs. On average it does not cost the same amount to educate a student from a high-income family as a student from a low-income family. The State Education Department often uses a pupil weighting to facilitate meaningful comparison of per-pupil expenditure data and this analysis uses the same weighting -- assuming that the cost of educating students eligible for free and reduced price lunch is double the cost of educating other students.

This report uses the NYSED's Regional Cost Index (RCI) to adjust for the cost of living (New York State Division of the Budget, p.51.). Index values range from 1.000 for North Country/Mohawk Valley counties to 1.425 for New York City and Long Island. For each school district, we divide the per pupil revenues and per pupil expenditures by the corresponding region's RCI to get the cost of living adjusted values.

To calculate per pupil revenue and expenditures we used the fiscal profile student count called "Duplicated Combined Adjusted Average Membership (DCAADM)." In The Fiscal Policy Institute's 2008 report, Renwick explains why this count "provides the best estimate of [standard] per-pupil spending":

[This student count] uses average enrollment rather than enrollment on a single day and counts students for whom a district pays tuition to another district in both the district making the tuition payment and the district receiving the tuition payment. Since expenditures on behalf of these pupils are counted twice (as tuition payments by the districts sending the students and as instructional expenditures by the receiving district) this "duplicated" count.

To measure student need we took the total number of economically disadvantaged students in each district and added it to the total DCAADM for that district. In doing so, we counted each economically disadvantaged student twice. This adjustment accounts for the fact that it costs at least twice as much to educate a student who is classified as high-need (ED Trust, 2022). The "economically disadvantaged" category was not available for the 2010-2011 school year. For that year we used the number of students eligible for free and reduced priced lunch to make the student-need adjustment.

In addition to the cost of living and student-need adjustments, all school funding values and property values from the 2010-2011 and 2015-2016 school years were adjusted for inflation. We used CPI data provided by the CPI Inflation Calculator. Values for the 2010-2011 school year were multiplied by 1.2 and values for 2015-2016 were multiplied by 1.13.

Explanation of Districts Included in the Analysis

The portion of the report that analyzes the location of racially isolated school districts includes 727 school districts in the 2010-2011 school year, 721 in the 2015-2016 school year, and 718 in the 2020-2021 school year.

The comparison of racially isolated districts to county demographics is based on the 2020-2021 school year and includes 717 school districts (one district is not included since it is a NYC district that accepts students throughout the city.)

The fiscal analysis includes 676 districts for 2010-2011, 674 districts for 2015-2016, and 672 districts for 2020-2021. It is important to note that NYSED's "Fiscal Profiles" dataset provides its school funding data for New York City at-large and not for its individual districts, so the city is treated as one school district in this portion of the analysis.

Data Access

Researchers interested in accessing the raw data can email Olivia Ildefonso, Ph.D. at olivia@eraseracismny.org.

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About ERASE Racism

ERASE Racism is a regional civil rights organization that leads public policy advocacy campaigns and related initiatives to promote racial equity in areas such as housing, public school education, and community development. We engage in a variety of research, education, and consulting activities to address institutional and structural racism. Long Island, New York was the site of ERASE Racism's initial work and continues to be its geographic home and key focus area. At present, ERASE Racism's work is expanding to encompass statewide activities and related national work.

ERASE Racism achieves its objectives through utilizing research, educating the public, policy advocacy, legal actions, and civic engagement of Long Island leaders, community organizations, and community residents of various ages and backgrounds.

We also form partnerships with other Long Island, regional, and national institutions and create or join coalitions to help make the goal of racial equity a priority throughout the country.

For more on our work, visit <https://www.eraseracismny.org/>