Report of the

INNOVATE LONG ISLAND

Subcommittee on K-12 Costs and Outcomes

August 2006

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Introduction/Acknowledgements

This report of the ***Innovate*** **Long Island** Subcommittee on K-12 Costs and Outcomes reflects many years of collaborative effort between the Long Island Association (LIA) and Long Island's educational community. This report provides the most up-to-date, verified information available on the costs, financing, and outcomes of public education on Long Island.

In addition to updating previously reported information on regional cost differences, expenditures, enrollment, local share, and test results, this ***Innovate*** **Long Island** report provides information on topics such as STAR subsidies, school district wealth, teacher salaries, and the achievement gap between "rich" and "poor" school districts. The data used to both update and develop this information are described on the reference page and Appendix F.

The foundation for this report was set in 1996 when the Long Island Education Coalition (LIEC – see Appendix G for member organizations) and the LIA prepared the first report on the costs and outcomes of education on Long Island. The report provided a basis for the informed discussion of educational issues within the region. As a result of that effort, the relationship between the educational and business communities has blossomed into a mutually supportive partnership.

The collaboration set the stage for the establishment of Long Island Works Coalition, a regional school–business partnership, and the Long Island School Superintendents–College Presidents Partnership. Long Island now leads the State in these types of collaborative efforts.

The LIA and the LIEC have advocated for the reform of educational funding formulas for several years. Underlying their advocacy is the belief that all New York State children are entitled to a sound, basic education and that an effective system of funding such an education must be established.

This need to reform the current system of allocating adequate state aid to New York State school districts has also been acknowledged by all parties involved in the process. Now the courts have joined the chorus of voices calling for reform as a result of the decision in the Campaign for Fiscal Equity (CFE) lawsuit. The court has determined that children being educated in New York City are entitled to the same sound, basic education that other children in the State are receiving. A high school education that enables every child to meet the requirements of the State has become the standard.

As part of statewide reform, the needs of all regions must be considered. In order to facilitate this effort, the ***Innovate*** **Long Island** K-12 Costs and Outcomes Subcommittee has identified regional priorities for school finance reform. Our priorities are based upon a thorough review of the data in this report and our knowledge of the state budget process.

We believe that the priorities we have identified, if utilized as a basis for reform, will benefit all New York State students and meet the requirements of the court pursuant to the CFE decision.

The subcommittee drew on many resources to develop this report. The report is built on a foundation of prior work including:

- The Eastern Suffolk BOCES report by Shane Higuera, “Residential Real Property Tax Burden for Supporting Public Schools: A Long Island Perspective,” July 27, 2006.

- The Eastern Suffolk BOCES report by Shane Higuera, “Long Island School District Wealth: An Updated Study,” June 2006.

- The report of the Suffolk County School Superintendents Association (SCSSA), “Task Force on Regional Strategies to Promote School Efficiency and Cost Effectiveness,” January 2006.

- The report of the Long Island Association and the Long Island Education Coalition, “Long Island Education: Facts on Costs and Outcomes and Regional Priorities for State Aid Reform,” February 2005.

- The report of the Suffolk County School Superintendents Association and the Nassau County Council of School Superintendents, “The Funding of Education in New York State: Addressing the Needs of All Children,” December 2003.

All of the data presented in this report were prepared for the committee by Shane Higuera, Candace White-Ciraco, and Andrea Grooms of Eastern Suffolk BOCES. Their work enabled the subcommittee to process a tremendous amount of information and develop a coherent, cohesive, and comprehensive set of regional priorities for state aid reform. This work could not have been accomplished without their efforts and the support of Eastern Suffolk BOCES.

Respectfully submitted,

K-12 Cost and Outcomes Subcommittee

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20 Key Facts About Long Island Education

Public education may be the most significant economic, social, and cultural force on Long Island. It is an $8 billion enterprise that shapes the future of nearly half a million students annually. Among the 125 public school districts that deliver programs and services to these students, there are vast differences in terms of economic capacity and student demographics.

Given the size and complexity of the system, it is difficult to generalize. However, a review of achievement, financial, and demographic data has enabled the subcommittee to identify 20 key facts about education on Long Island. The facts are as follows:

Achievement

- Long Island's elementary, middle level, and secondary students consistently outperformed other students statewide on the English Language Arts, Science, Math, and Social Studies assessments, as well as the Regents exams in 2003-04 *(see Tables 1 and 2)*.

  However, the data clearly support the existence of a significant achievement gap between Long Island's least wealthy and most wealthy school districts. Long Island's least wealthy districts' performance on required Regents exams are 16 to 21 percentage points below the performance of the wealthiest school districts on Long Island *(see Table 3 and Appendix F)*.

Outcomes/Enrollment

- During the 2003-04 school year, Long Island served the third highest percentage of Limited English Proficient (LEP) students compared to all other counties statewide, excluding New York City *(see Table 4)*.

  The data indicate that the least wealthy school districts on Long Island served a higher percentage of LEP students (12.0%) than Long Island as a whole (5.0%) and, as a group, served a higher percentage of LEP students than any county in the State *(see Table 8)*.

- Long Island's percentage of high school students graduating with a Regents diploma in 2004 (71.8%) ranked above the statewide median (67.0%), excluding New York City *(see Table 5).*

- The percentage of high school graduates (46.9%) in Long Island's least wealthy school districts earning a Regents diploma in 2004 was well below the state median (67.0%, *see Table 5*); this is nearly half of the percentage (83.4%) of students earning a Regents diploma in Long Island's wealthiest school districts *(see Table 8)*.

- Long Island ranked third highest of the 56 counties in the State in the percentage of graduates entering post-secondary education in 2004, excluding New York City *(see Table 6)*.

- According to data included in the New York State Education Department's Statistical Profiles of Public School Districts reports, the drop out rate for Long Island has remained at or below 2% since 1995-96 *(see Table 7)*.

- The drop out rate (6.7%) in the least wealthy school districts on Long Island was approximately 6 percentage points greater than that of the wealthiest districts on Long Island (0.6%), and approximately 4 percentage points greater than New York State (2.5%), excluding New York City *(see Table 8)*.

Costs

- A State aid dollar on Long Island buys far less than in other regions of the State. The purchasing power of $1,000 in the lowest cost region (North Country) is the equivalent of $883 in the cost region at the median (Central New York), and only $668 on Long Island *(see Table 9)*.

- Long Island's regionally adjusted per pupil expense ($10,017) was approximately 6.6% below Putnam ($10,727), the county at the median *(see Table 12)*.

- Over the past ten years, Long Island has experienced an average 2 percentage point increase annually in per pupil expenditures. The annual average percentage point increase for counties at the median was approximately 3.2 percentage points *(see Table 13)*.

- Long Island experienced an average annual enrollment growth of 1.8% over the past 10 years. Enrollment in the rest of the State was essentially unchanged (0.24%) during that same period of time *(see Table 14)*.

Salaries

- The mean (average) salary for an elementary school teacher on Long Island is $67,370, which is within 0.3% of the statewide average of $67,180; the statewide average includes New York City pay rates (*see Table 10*).

- The mean (average) salary for a middle school teacher on Long Island is $68,570, which is within 2.3% of the statewide average of $67,020; the statewide average includes New York City pay rates (*see Table 10*).

- The mean (average) salary for a secondary school teacher on Long Island is $69,500, which is within 0.9% of the statewide average of $68,850; the statewide average includes New York City pay rates (*see Table 10*).

- Average wages for teachers on Long Island are comparable to wages in a wide variety of non-education occupations *(see Table 11)*.

Local Effort/State Share

- Long Islanders use an average of about 20% more of their gross household incomes to pay their residential school property taxes than New Yorkers in general *(see Appendix D)*.

  As Long Island's regionally adjusted per pupil expenditures are approximately 6.6% less than those for New York State, this greater than average effort is required due to Long Island's share of state aid *(see Table 12 and Appendix D).*

  The number of school districts on Long Island that received less than 10% of the total revenue from state aid in 2003-04 was 39; this was equal to 53% of the 74 districts statewide with less than 10% of total revenue from state aid (NYSED FARU, 2004).

  Another 55 Long Island school districts received between 10% and 30% of their total revenue from state aid; this was equal to 39% of the 140 districts statewide with between 10% and 30% of their total revenue from state aid (NYSED FARU, 2004).

- When New York City is included, the share of state aid directed to Long Island (12.7%) is less than the percentage (16.7%) of the State's children being educated on Long Island (NYSED FARU, 2004).

  When New York City is excluded, the share of state aid directed to Long Island (20.0%) is less than the percentage (26.3%) of the State's children being educated on Long Island (NYSED FARU, 2004).

- STAR subsidies to certain residential property owners on Long Island amounted to nearly $641 million. If these STAR subsidies had been paid directly to school districts in the form of state aid, the amount of funds that school districts needed to raise from local property taxes and other revenues would have decreased by nearly $641 million or more than 11%. STAR subsidies provide no school tax relief for commercial property owners *(see Table 16)*.

- Long Island accounted for nearly 30% of the annual taxable sales, and accounted for 36% of state income tax paid by residents of the State outside of New York City in 2002 *(see Tables 17 and 18)*.

  However, the state share of school district revenues on Long Island (24.4%) continues to be among the six smallest in the State *(see Table 15)*.

Wealth

- Long Island has several very wealthy school districts based upon an analysis of combined wealth ratios (CWR). However, several of the "wealthy" districts are small while there are many "poor" large districts *(see Appendix C)*.

  Accordingly, there is a wide gap between perception and reality when it comes to the wealth of Long Island schools.

  The percentage of students in districts of below average wealth (CWR<1.00) by BOCES region on Long Island is as follows:

Region	Number of Students (2004-05)	Percentage of Students
Suffolk County	141,547	53.1
Eastern Suffolk BOCES	116,378	66.8
Western Suffolk BOCES	25,169	27.3
Nassau County (Nassau BOCES)	21,061	9.9
Long Island	162,608	34.0

Long Island's Priorities for Statewide School Finance Reform

The "20 Key Facts About Long Island Education" paint a picture of an educational system that is meeting the needs of its students and operating at a cost that is "in line" with the statewide average but is disproportionately dependent upon local property taxes. Even though the median per pupil cost of education, after adjustment for regional cost differences, is below the state median, the property tax burden (measured as a percentage of gross household income) of Long Islanders is 20% greater than New Yorkers in general *(see Appendix D)*.

The "Facts" also indicate that there are discrepancies in student performance between wealthy and poor districts. The averages, which indicate that Long Island students outperform students from every other region of the state, tend to mask these very real differences that need to be addressed.

Clearly, greater state support for our schools is necessary to address the tax burden and performance gap issues. Along with this need for more funding, the existing system of allocating funds between school districts is widely recognized as dysfunctional and requires reform. The formulas that were created to assure that funds would track wealth and needs have not been allowed to "run" for many years. Artificial caps were added to the formulas and even the "old" regional shares were frozen at a level that no longer reflects student enrollment patterns. Most recently, the formulas were abandoned and annual percentage increases have been negotiated.

All of this leads us to conclude that the system of financing education in the State must be reformed; and in order to serve the needs of all children in New York State including the children of Long Island, certain regional priorities must be addressed within the context of reform. These priorities reflect the needs of Long Islanders and they must be considered as part of a statewide plan to address the CFE decision.

The State can accomplish this through the establishment of aid appropriations and formulas that are responsive to the following regional priorities:

- **Provide property tax relief to Long Islanders.** The State must direct significantly more state aid to Long Island schools. Long Islanders are suffering from taxpayer fatigue. On average, more than 3.7% of their gross household income goes to pay their residential school property taxes on Long Island, as opposed to just over 3.1% for all households in New York State (excluding NYC). In comparative terms, Long Islanders use an average of just under 20% more of their gross household incomes to pay their residential school property taxes than New Yorkers in general *(see Appendix D)*.

- **Significantly increase state aid to education in New York State.** The most current data available (2003) indicates that the national average state share of education funding is 48.7%. The New York share is reported at 45.6% with STAR payments included. The Long Island educational community has maintained that while STAR provides tax relief to certain residential propriety owners, it is not state aid to school districts (Hill and Johnson, 2005).

  In order to increase the State share to the national average, without including STAR ($2.7 billion), aid to schools should be increased by an amount equal to STAR plus an additional $1.2 billion (NYSED FARU, 2003).

- **Recognize differences in school district needs as determined by demographic, achievement, and wealth data.** Analysis of district wealth and achievement data indicates that significant performance gaps exist on Long Island. Those gaps should be a significant factor in the allocation of state support *(see Tables 3 and 8)*.

- **Recognize regional cost differences in the operating aid formula, as well as all other non expense-driven formulas.** This should be done in a meaningful manner utilizing the professional cost index developed by the State Education Department. Also, it will be important for the State to continually maintain and update this index. A dollar upstate (North Country Labor Force Region) is worth only $0.66 on Long Island *(see Appendix B)*.

- **Guarantee every school district in New York State a minimum "state share" of revenue.** The number of school districts on Long Island that received less than 10% of the total revenue from state aid in 2003-04 was 39; this was equal to 53% of the 74 districts statewide with less than 10% of total revenue from state aid (NYSED FARU, 2004).

  Another 55 Long Island school districts received between 10% and 30% of their total revenue from state aid; this was equal to 39% of the 140 districts statewide with between 10% and 30% of their total revenue from state aid (NYSED FARU, 2004).

  The average "local share" of revenues for Long Island in 2003-04 was 64.7%; the remaining revenue sources were State Aid (24.4%), STAR (8.4%), and Federal Aid (2.5%) (NYSED FARU, 2004).

- **Introduce multi-year state aid appropriations to provide an enhanced ability to plan and provide greater stability to the school district budget process.**

- **Consolidate and simplify the formulas to eliminate small categorical aids and make the allocation system understandable.**

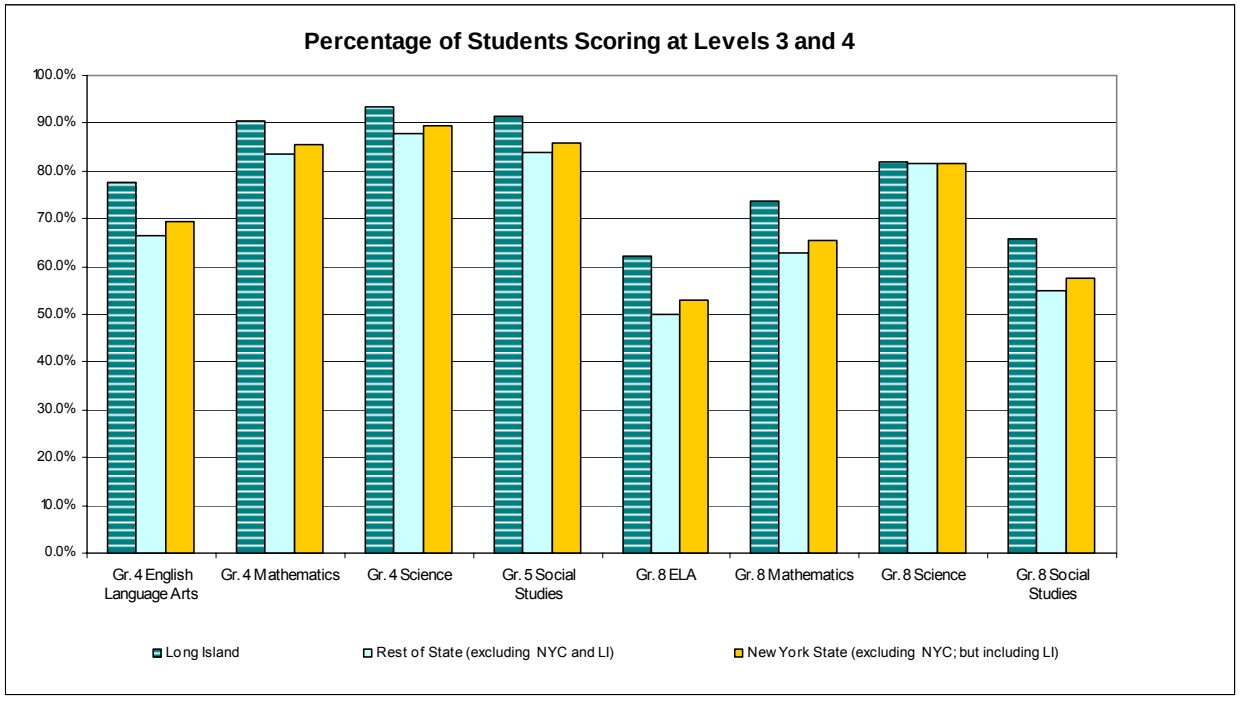
The subcommittee believes that the finance system needs to be reformed and that these regional priorities should serve as the basis of reform. However, in the absence of true reform, and if these priorities are not recognized, the share of state aid (12.7%) directed to Long Island (including NYC) should not be less than the percentage (16.7%) of the State's children being educated on Long Island. This alone would allocate an additional $700 million to Long Island and provide some degree of tax relief (NYSED FARU, 2004).

TABLE 1

Percentage of Elementary and Middle Level Students Scoring at Levels 3 and 4

Assessments	Long Island % of all students tested	Rest of State (excluding NYC and LI) % of all students tested	New York State (excluding NYC; but including LI) % of all students tested
Grade 4 English Language Arts	77.6	66.3	69.3
Grade 4 Mathematics	90.6	83.7	85.6
Grade 4 Science	93.4	87.9	89.4
Grade 5 Social Studies	91.3	83.8	85.8
Grade 8 English Language Arts	62.1	50.0	53.1
Grade 8 Mathematics	73.8	62.8	65.6
Grade 8 Science	82.0	81.6	81.7
Grade 8 Social Studies	65.8	54.8	57.7

Description: The percentage of all 4th, 5th and 8th grade students who scored at levels 3 and 4, respectively (levels that are at or above the state standards) on the New York State Assessments, 2003-04.
Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*



2003-04 Key Fact:

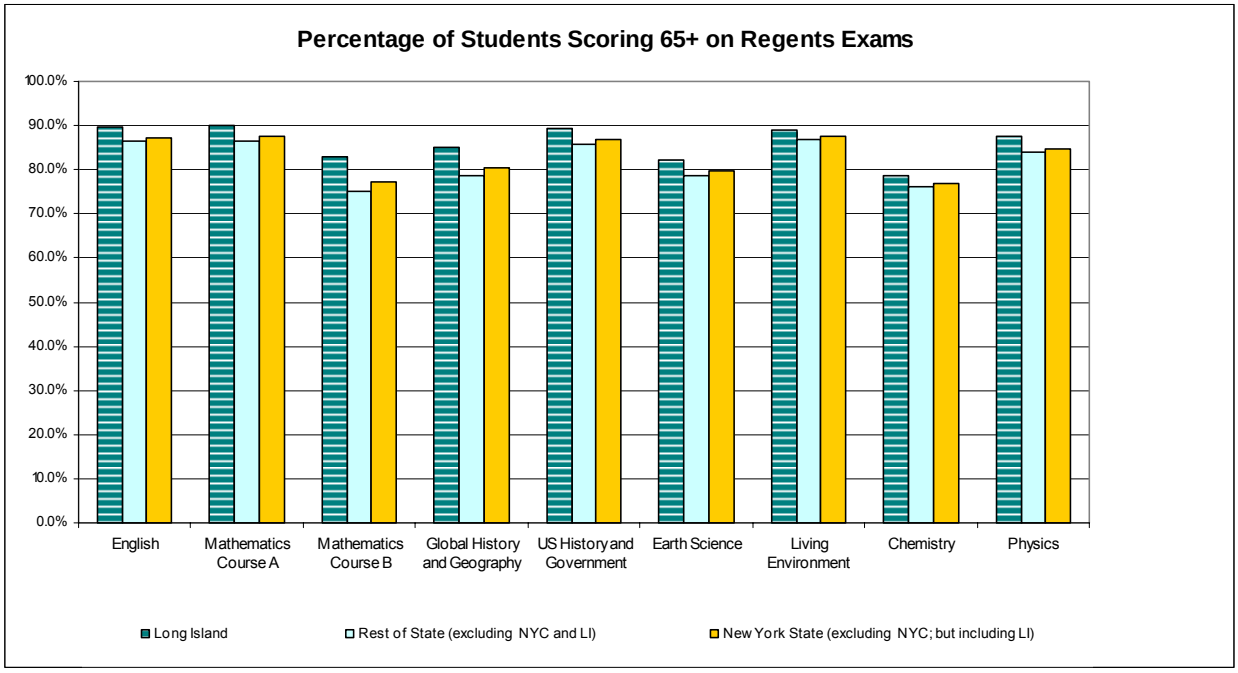
1. Long Island's elementary and middle level grade students exceeded statewide levels of performance on all assessments administered during the 2003-04 academic year.

TABLE 2

Percentage of Secondary Students Scoring 65+ on Regents Exams

Assessments	Long Island % of all students tested	Rest of State (excluding NYC and LI) % of all students tested	New York State (excluding NYC; but including LI) % of all students tested
English	89.8	86.4	87.3
Mathematics Course A	89.9	86.6	87.5
Mathematics Course B	83.0	75.0	77.3
Global History and Geography	85.0	78.8	80.4
U.S. History and Government	89.4	85.8	86.8
Earth Science	82.3	78.8	79.8
Living Environment	89.0	87.0	87.5
Chemistry	78.5	76.0	76.7
Physics	87.4	84.0	84.8

Description: The percentage of all secondary students who scored 65+ on the New York State Regents, 2003-04.
Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*



2003-04 Key Fact:

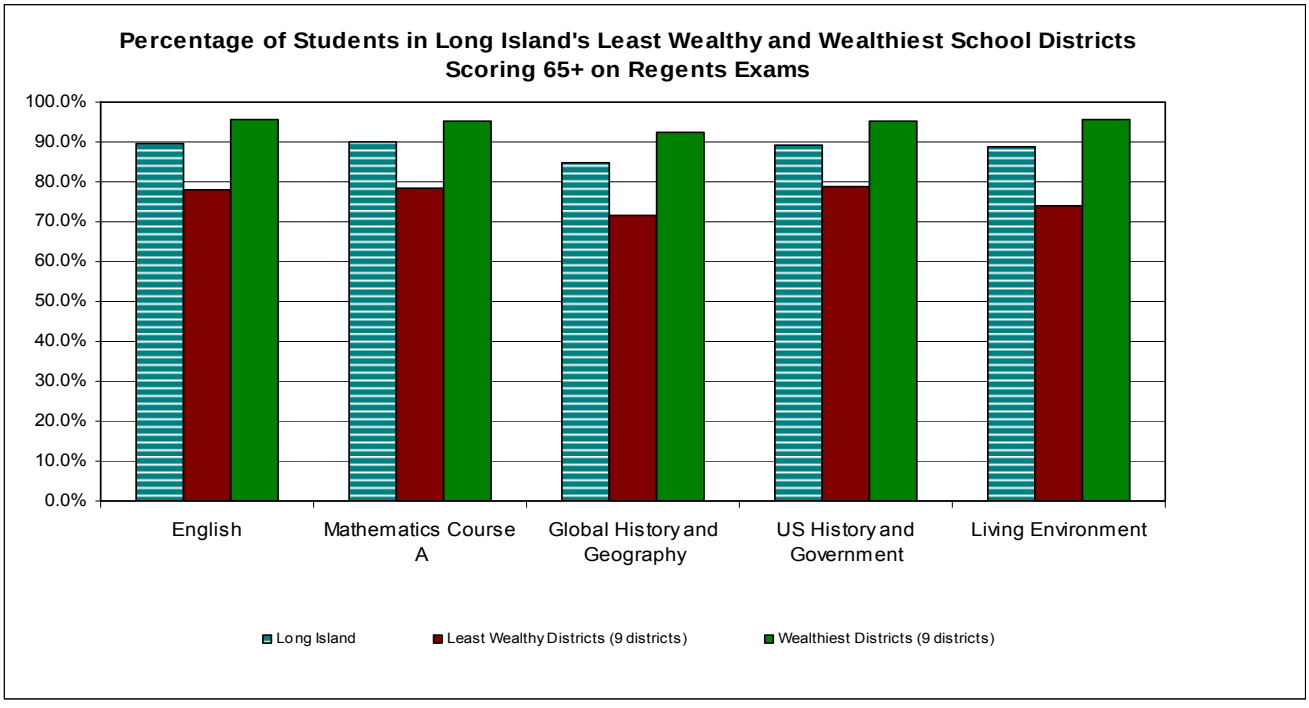
1. Long Island's secondary students consistently outperformed other students statewide on all required Regents exams in 2003-04.

TABLE 3

Percentage of Students in Long Island's Least Wealthy and Wealthiest School Districts Scoring 65+ on Regents Exams

Assessments	Long Island % of all students tested	Least Wealthy Districts (9 districts) Total Enrollment = 70,003 % of all students tested	Wealthiest Districts (9 districts) Total Enrollment = 23,426 % of all students tested
English	89.8	78.0	95.7
Mathematics Course A	89.9	78.5	95.1
Global History and Geography	85.0	71.6	92.3
US History and Government	89.4	78.8	95.1
Living Environment	89.0	74.0	95.8

Description: The second column represents the percentage of Long Island secondary students who scored 65+ on the New York State Regents, 2003-2004. The third column represents academic outcomes for school districts on Long Island that serve 1,500+ students and also have the lowest CWRs on Long Island. The fourth column depicts academic outcomes for school districts on Long Island that serve 1,500+ students and also have the highest combined wealth ratios (CWRs) on Long Island.
See Appendix F- Data Selection and Presentation for a list of the nine least wealthy and the nine wealthiest K-12 school districts on Long Island used for this analysis.
Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*



2003-04 Key Fact:

1. Long Island's least wealthy school districts' performance on required Regents exams are 16 to 21 percentage points below performance of the wealthiest school districts on Long Island.

TABLE 4

Percentage of Limited English Proficiency as a Percentage of Enrollment

Rank	County	Enrollment	%
1	**Hamilton, Schuyler**	Hamilton 623 Schuyler 2,281	0.0
56	**Westchester**	148,556	8.0
Median 28	**Cortland**	7,576	0.5
54	**Long Island**	474,933	5.0
	Rest of State (excluding NYC and LI)	1,333,005	2.5
	New York State (excluding NYC; but including LI)	1,807,938	3.1

Description: This table reports the number of public school students with Limited English Proficiency divided by the total public school enrollment of the region, 2003-04. Students with Limited English Proficiency typically require more intensive support services in order to assure success in school. Ranks closer to 1 indicate smaller percentages of students with additional support needs arising from Limited English Proficiency.

Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Method of Ranking: The percentage of LEP students on Long Island was compared to the percentage of LEP students in the other 55 counties of New York State (excluding New York City) by ranking from the lowest percentage of Limited English Proficiency students (1) to the highest percentage (56).

2003-04 Key Facts:

1. During the 2003-04 school year, Long Island served the third highest percentage of LEP students compared to all other counties statewide (excluding New York City).

2. Outside of New York City, only Westchester and Rockland served a greater percentage of LEP students than Long Island school districts in the 2003-04 school year.

TABLE 5

Percentage of High School Graduates Earning a Regents Diploma

Rank	County	Number of Completers	%
1	**Hamilton**	46	87.0
56	**Schuyler**	146	47.0
Median 28	**Fulton, Ulster, Warren and Wayne**	Fulton 523 Ulster 1,718 Warren 714 Wayne 1,162	67.0
10	**Long Island**	28,886	71.8
	Rest of State (excluding NYC and LI)	81,177	66.3
	New York State (excluding NYC; but including LI)	110,063	67.7

Description: This table reports the percentage of 2003-04 high school graduates who satisfied the requirements established by New York State for award of a Regents endorsed local diploma. The requirements for awarding the Regents diploma consist of the completion of appropriate credits, coursework, and Regents examinations. The number of completers represents the number of high school graduates who received diplomas.

Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Method of Ranking: Long Island was compared to the other 55 counties of New York State (excluding New York City) by ranking percentage of graduates earning a Regents Diploma from highest (1) to the lowest (56).

2003-04 Key Facts:

1. Long Island ranked above the statewide median in the percentage of high school students graduating with a Regents diploma.

2. According to the data represented in the Statistical Profiles of Public School Districts (Chapter 655), 15 years ago (during the 1988-89 school year) only 41% of Long Island students graduated with a Regents diploma. In 2003-04, the percentage of Long Island high school graduates who earned a Regents diploma was 71.8%.

TABLE 6

Percentage of High School Graduates Entering Post-Secondary Education

Rank	County	Number of Completers	%
1	**Rockland**	2,776	93.2
56	**Schuyler**	146	71.2
Median 28	**Clinton**	858	82.8
3	**Long Island**	28,886	90.4
	Rest of State (excluding NYC and LI)	81,177	84.2
	New York State (excluding NYC; but including LI)	110,063	85.9

Description: This table compares the percentage of 2003-04 high school graduates entering post-secondary education (4-year, 2-year and other post-secondary education) as reported in the summer of 2004 by high school principals on Long Island and in counties statewide. The number of completers represents the number of high school graduates who received diplomas.

Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Method of Ranking: Long Island was compared to the other 55 counties of New York State (excluding New York City) by ranking percentage of graduates continuing post-secondary education from highest (1) to the lowest (56).

2003-04 Key Facts:

1. Long Island ranked 3rd highest in the percentage of graduates entering post-secondary education in 2004.

2. According to the Statistical Profiles of Public School Districts (Chapter 655), only 9.6% of Long Island graduates did not plan to continue their education after high school graduation in 2004.

TABLE 7

Drop Out Rate

Rank	County	Enrollment	%
1	**Hamilton**	623	0.6
56	**Montgomery**	7,952	5.6
Median 28	**Jefferson**	18,111	2.6
8	**Long Island**	474,933	2.0
	Rest of State (excluding NYC and LI)	1,333,005	2.7
	New York State (excluding NYC; but including LI)	1,807,938	2.5

Description: The drop out rate indicates the percentage of students enrolled in high school (grades 9-12) who left school in 2003-04 prior to graduation without entry into another school or alternative program. Areas with the lowest percentage of students who do not complete high school are ranked closer to 1.

***Source**: New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Method of Rankings: Long Island is compared to the other 55 counties of New York State (excluding New York City) by ranking the percentage of drop outs from lowest (1) to the highest percentage (56).

2003-04 Key Facts:

1. Long Island was below the statewide median in the percentage of high school students reported as dropping out of school in the 2003-04 school year.

2. Forty-eight counties statewide reported a higher drop out rate than Long Island.

3. According to the Statistical Profiles of Public School Districts (Chapter 655) reports, the drop out rate for Long Island has remained at or below 2% since 1995-96.

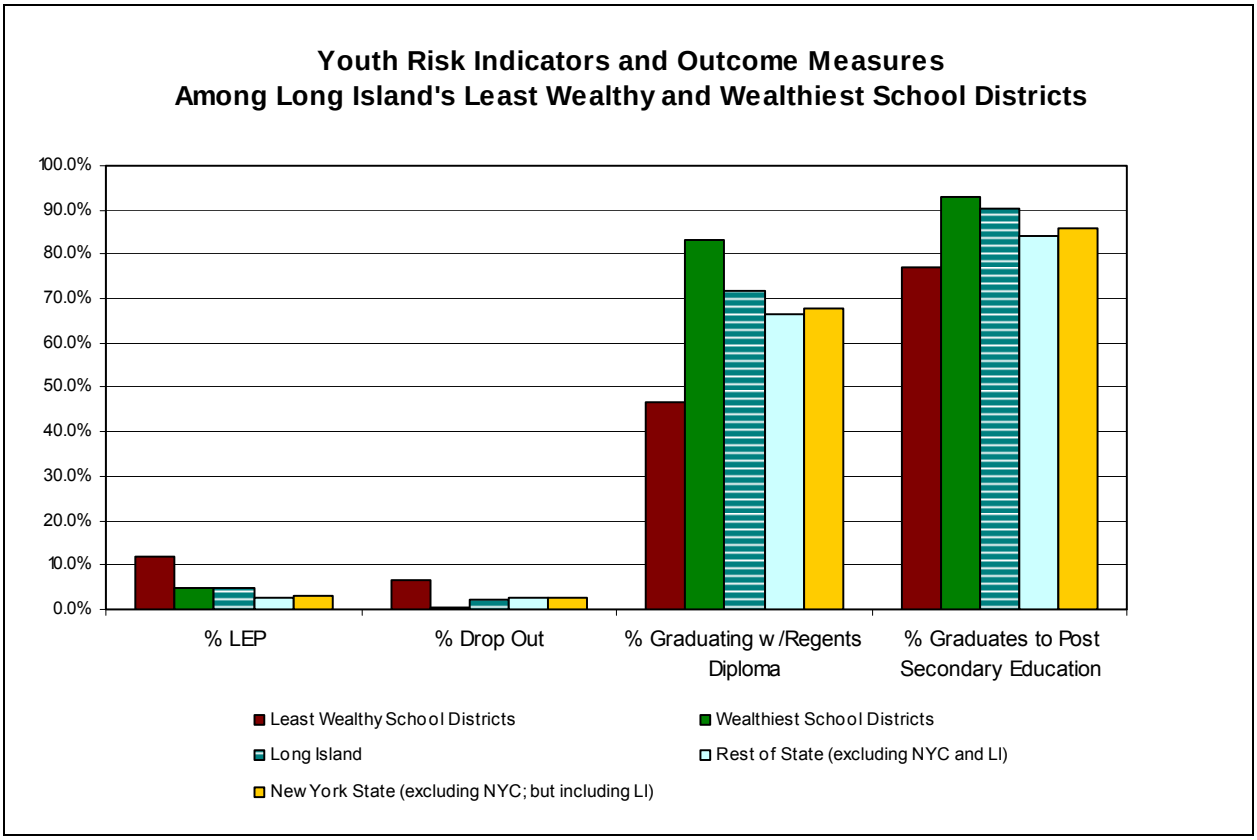
TABLE 8

Youth Risk Indicators and Outcome Measures Among Long Island's Least Wealthy and Wealthiest School Districts

County	% Limited English Proficient (LEP)	% Drop Out	% Students Graduating w/Regents Diploma	% Graduates to Post-Secondary Education
Least Wealthy School Districts (9 districts) Total Enrollment = 70,003	12.0	6.7	46.9	77.2
Wealthiest School Districts (9 districts) Total Enrollment = 23,426	4.8	0.6	83.4	92.9
Long Island	5.0	2.0	71.8	90.4
Rest of State (excluding NYC and LI)	2.5	2.7	66.3	84.2
New York State (excluding NYC; but including LI)	3.1	2.5	67.7	85.9

Description: Least Wealthy Districts are those Long Island K-12 school districts with the lowest combined wealth ratios (CWRs) and student enrollment at 1,500+. Wealthiest Districts are those Long Island school districts with the highest CWRs and student enrollment at 1,500+. See Appendix F – Data Selection and Presentation for a list of the nine least wealthy and the nine wealthiest K-12 school districts on Long Island used for this analysis.

***Source**: New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*



Youth Risk Indicators and Outcome Measures Among Long Island's Least Wealthy and Wealthiest School Districts

2003-04 Key Facts:

1. The nine least wealthy districts on Long Island educate nearly 47,000 more students than the nine wealthiest districts on Long Island.

2. Least wealthy school districts on Long Island served a higher percentage of LEP students (12.0%) than Long Island as a whole (5.0%) and, as a group, served the highest percentage of LEP students in the State.

3. The drop out rate in the least wealthy school districts on Long Island (6.7%) was approximately 6 percentage points greater than that of the wealthiest districts (0.6%), and approximately 4 percentage points greater than New York State (2.5%).

4. The percentage of high school graduates in Long Island's least wealthy school districts earning a Regents diploma in 2004 (46.9%) was well below the statewide median (67.0%, *see Table 5*) and nearly half of the percentage of students earning a Regents diploma in Long Island's wealthiest school districts (83.4%).

5. Long Island's percentage of graduates entering post-secondary education ranked third in the State in 2004; however, for this same year the percentage of students educated in Long Island's least wealthy districts and planning to enter post-secondary education (77.2%) was below the statewide median (82.8%, *see Table 6*) and about 16 percentage points below Long Island's wealthiest school districts.

TABLE 9

Regional Cost Differences

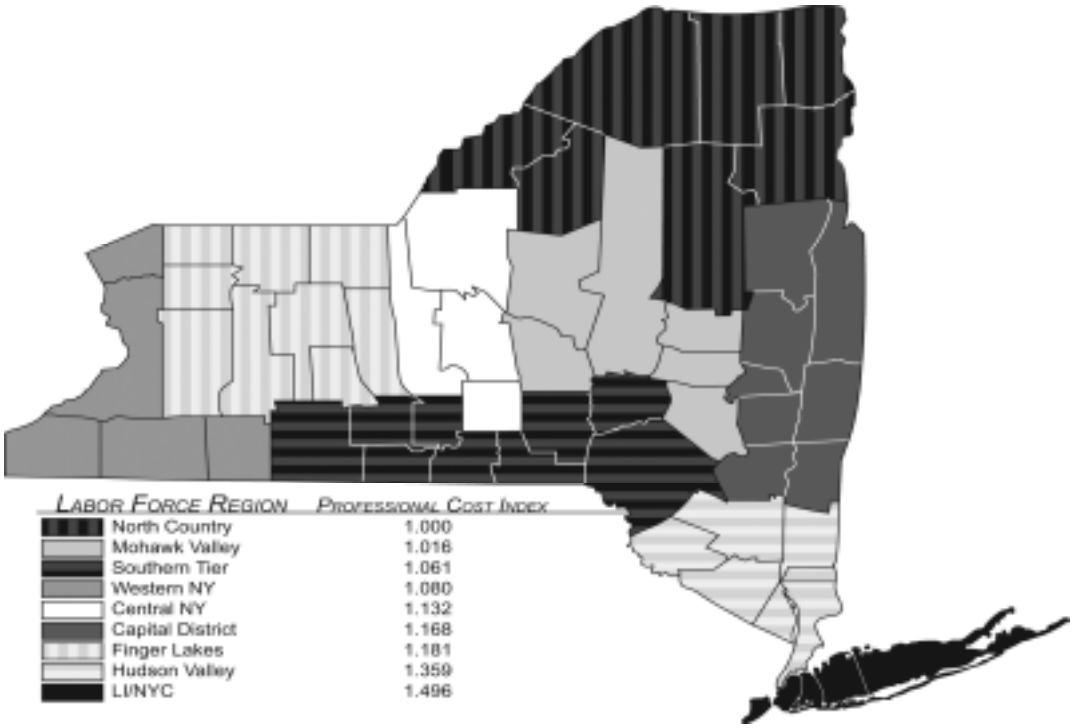
(Based on the Professional Cost Index for New York State Labor Force Regions)

Rank	Labor Force Region	Index Value	Purchasing Power of $1,000
1	**North Country**	1.000	$1,000
9	**Long Island/NYC**	1.496	$668
Median	**Central New York**	1.132	$883

Description: This table presents cost differences by region as determined by the professional cost index (2004). The professional cost index reflects the professional service costs throughout the nine labor force regions of the State. The Professional Cost Index is based on median hourly wages for non-education professional titles statewide obtained from the 2001 Occupational Employment Survey for New York State. The index begins at 1.00, being the labor force region with the lowest cost.

Source: *New York State Education Department Board of Regents (2003a). Regents Proposal on State Aid to School Districts 2005-06.*

Method of Ranking: The nine Labor Force Regions were ranked by purchasing power using a professional cost index derived from the New York State Education Department Regents State Aid Proposal, 2005-06. Those Labor Force Regions with the lowest professional cost index are ranked closest to 1.



2003-04 Key Facts:

1. The purchasing power of $1,000 in North Country, the lowest cost region in the State, is 49.7% greater than the purchasing power of $1,000 in Long Island/NYC.

2. The purchasing power of $1,000 in Central New York, the cost region at the median is 32.2% greater than the purchasing power of $1,000 in Long Island/NYC.

3. State aid dollars have less purchasing power on Long Island than any other region in the State.

TABLE 10

Comparative School Teacher Wage Data

Elementary School Teachers Wage Data

Region	Entry *	Mean	Experienced**
Long Island	$43,340	$67,370	$79,380
New York State (including NYC)	$39,170	$67,180	$81,190

Description: Wage data for elementary, middle and secondary school teachers, and all other occupations are based on the Occupational Employment Statistics (OES) survey, which collects information from approximately 57,000 businesses. The New York State Department of Labor collected data in 2001, 2002, 2003 and 2004, and then updated to the fourth quarter of 2005 by making cost-of-living adjustments. These wage estimates reflect New York State's minimum wage of $6.75. Retrieved August 3, 2006 from http://www.labor.state.ny.us/workforceindustrydata/apps.asp?reg=lon&app=wages.

* Entry wage: The mean (average) of the bottom third of wages in an occupation.

**Experienced wage: The mean (average) of the top two-thirds of wages in an occupation.

2004-05 Key Fact:

1. The mean (average) salary for an elementary school teacher on Long Island is $67,370, which is within 0.3% of the statewide average [†] ($67,180).

Middle School Teachers Wage Data

Region	Entry *	Mean	Experienced**
Long Island	$46,380	$68,570	$79,660
New York State (including NYC)	$40,650	$67,020	$80,200

2004-05 Key Fact:

1. The mean (average) salary for a middle school teacher on Long Island is $68,570, which is within 2.3% of the statewide average [†] ($67,020).

Secondary School Teachers Wage Data

Region	Entry *	Mean	Experienced**
Long Island	$44,870	$69,500	$81,810
New York State (including NYC)	$41,930	$68,850	$82,310

2004-05 Key Fact:

1. The mean (average) salary for a secondary school teacher on Long Island is $69,500, which is within 0.9% of the statewide average [†] ($68,850).

[†] The New York State mean (average) includes New York City pay rates.

TABLE 11

Long Island Elementary, Middle, and Secondary School Teachers' Wage Data Compared to Other Long Island Occupations

Title	Mean (Average)
Mechanical Engineers	$76,480
Computer Systems Analysts	$73,830
Life Scientists, All Other	$73,300
Network and Computer Systems Analysts	$73,030
Art Directors	$72,790
Manufacturing, Technical and Scientific Products	$72,750
Fashion Designers	$71,910
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	$71,510
Physical Therapists	$71,080
Film and Video Editors	$70,710
Cost Estimators	$70,450
Financial Analysts	$70,440
Editors	$70,210
Ship Engineers	$70,180
Speech-Language Pathologists	$70,100
Market Research Analysts	$69,640
Secondary School Teachers, Except Special Education	**$69,500**
Architects, Except Landscape and Naval	$69,440
Instructional Coordinators	$69,330
Environmental Engineers	$69,130
Engineers, All Other	$69,090
Industrial Engineers	$69,040
Middle School Teachers, Except Special Education	**$68,570**
Sales Engineers	$68,500
Landscape Architects	$68,480
Reinforcing Iron and Rebar Workers	$68,410
Gas Plant Operators	$68,390
Budget Analysts	$68,050
Arbitrators	$68,000
Urban and Regional Planners	$67,570
Elementary School Teachers, Except Special Education	**$67,370**
Sheet Metal Workers	$67,350
First-Line Supervisors/Managers of Mechanics, Installers, and Repairers	$67,250
Registered Nurses	$67,070
Social and Community Service Managers	$66,860

TABLE 11

Long Island Elementary, Middle, and Secondary School Teachers' Wage Data Compared to Other Long Island Occupations

Title	Mean (Average)
Dental Hygienists	$66,770
Network Analysts	$66,760
Captains, Mates, and Pilots of Water Vessels	$66,330
Technical Writers	$66,220
Accountants & Auditors	$66,020
Business Operations Specialists	$65,520
Postmasters and Mail Superintendents	$65,470
Chemists	$65,460
Medical Scientists, Except Epidemiologists	$65,360
Computer Programmers	$64,900
Operations Research Analysts	$64,320
Court Reporters	$63,070

Source: *The source of all salary data is the New York State Department of Labor. Wage data by occupation are based on the Occupational Employment Statistics (OES) survey, which collects information from approximately 57,000 businesses. The New York State Department of Labor collected data in 2001, 2002, 2003 and 2004, and then updated to the fourth quarter of 2005 by making cost-of-living adjustments. Retrieved August 3, 2006 from* http://www.labor.state.ny.us/workforceindustrydata/apps.asp?reg=lon&app=wages.

2004-05 Key Fact:

1. Mean (average) wages for teachers on Long Island are comparable to wages in a wide variety of non-education occupations.

TABLE 12

Adjusted Per Pupil Expenditures

Rank Adjusted	County	Per Pupil Expenditures Adjusted
1 *(19-unadj.)*	**Dutchess**	**$8,653** *($11,759-unadj.)*
56 *(56-unadj.)*	**Hamilton**	**$21,861** *($21,861-unadj.)*
Median 28 *(52-unadj.)*	**Putnam**	**$10,727** *($14,578-unadj.)*
14 *(53-unadj.)*	**Long Island**	**$10,017** *($14,986-unadj.)*

Description: This table reports the adjusted per pupil expenditures for Long Island compared to the other 55 counties (excluding New York City). The unadjusted rank and unadjusted per pupil expenditures for the counties listed above are indicated within parentheses below the adjusted figures.
***Source**: New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Method of Ranking: Counties were ranked from lowest (1) to highest (56) on total per pupil expenditures. Adjusted rankings were based on the professional cost index derived from 'The Regents Proposal on State Aid to School Districts for School Year 2005-06'.

2003-04 Key Facts:

1. Regionally adjusted per pupil expense by county in New York State ranged from a low of $8,653 in Dutchess to a high of $21,861 in Hamilton.

2. Long Island's adjusted per pupil expenditure ($10,017) ranked 14th lowest among the 56 counties of the State.

3. Long Island's regionally adjusted per pupil expense was approximately 6.6% below the regionally adjusted pupil expenditure of the county at the statewide median.

TABLE 13

Percent Change in Per Pupil Expenditures (1994-95 to 2003-04)

Rank	County	Per Pupil Expenditures 1994-95	Per Pupil Expenditures 2003-04	% Change
1	**Wyoming**	$7,672	$11,845	54.4
56	**Fulton**	$10,648	$10,474	-1.6
Median 28	**Sullivan**	$10,875	$14,349	31.9
49	**Long Island**	$12,461	$14,986	20.3

Description: The percent changes in per pupil expenditures on Long Island and the other 55 counties of New York State over the ten-year period from 1994-1995 to 2003-2004 are reported in this table.

***Source**: New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

and

McCall, Carl (1996). Financial Data for School Year Ended June 30, 1995. Albany, NY: Bureau of Municipal Research and Statistics- New York State Office of the State Comptroller.

Method of Ranking: Long Island and the other 55 counties of New York State (excluding New York City) were ranked from those with the highest ten-year percent increase in per pupil expenditures (1) to those with the lowest ten-year percentage increase (56).

2003-04 Key Facts:

1. Long Island was 7th lowest of 56 counties in overall percentage increase in per pupil expenditures for this ten-year period.

2. Long Island averaged a 2 percentage point increase per year in per pupil expenditures over the past ten years. The annual average percentage point increase for counties at the median was approximately 3.2 percentage points.

3. Wyoming, the county showing the highest percentage increase in per pupil expenditures during this ten-year period, averaged an increase of approximately 5.4 percentage points annually.

TABLE 14

Percent Change in Student Enrollment (1994-95 to 2003-04)

Rank	County	Enrollment 1994-95	Enrollment 2003-04	% Change
1	**Westchester**	119,417	148,556	24.4
56	**Delaware**	8,385	6,986	-16.7
Median 28	**Oswego**	25,889	24,538	-5.2
3	**Long Island**	401,262	474,933	18.4
	Rest of State (excluding NYC and LI)	1,301,669	1,333,005	2.4
	New York State (excluding NYC; but including LI)	1,702,931	1,807,938	6.2

Description: This table reports the percent increase (or decrease) in student enrollment for the years between 1994-95 and 2003-04.

Source: *New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*
and
McCall, Carl (1996). Financial Data for School Year Ended June 30, 1995. Albany, NY: Bureau of Municipal Research and Statistics- New York State Office of the State Comptroller. (1994-95 enrollment).

Method of Ranking: Long Island and the other 55 counties of New York State (excluding New York City) were ranked from those with the highest enrollment increases over the decade (1) to those with the lowest enrollment increases (56).

2003-04 Key Facts:

1. Long Island has experienced some of the highest enrollment growth rates of any county percentage in the State over the last decade. Long Island ranked 3rd highest of 56 counties in enrollment percent increase over the ten year period (1994-95 to 2003-04).

2. While Long Island was experiencing double-digit percentage increases in student enrollment over the last decade, 71.4% of the other counties (40 counties) experienced no growth or a decline in student enrollment.

3. With a student enrollment of 474,933, Long Island educated 26.3% of the State's total 2003-04 student enrollment (excluding New York City enrollments).

TABLE 15

State Aid as a Percentage of School District Revenues

Rank	County	Enrollment	%
1	**Lewis**	4,597	66.2
56	**Hamilton**	623	11.4
Median 28	**Wayne**	17,784	53.0
51	**Long Island**	474,933	24.4
	Rest of State (excluding NYC and LI)	1,333,005	41.5
	New York State (excluding NYC; but including LI)	1,807,938	36.4

Description: This table contrasts the percentage of school districts' total revenues coming from state aid in 55 NYS counties and Long Island. The state aid calculated in this table excludes STAR revenue, revenues from the State for school tax relief payments.

Source: *New York State Education Department Fiscal Analysis and Research Unit (FARU). Fiscal Reporting System Masterfile, 2004 [Data file]. Available from FARU website* *http://oms32.nysed.gov/faru/Profiles/17th/webMasterfile0304.xls*.

Method of Ranking: Long Island and the other 55 counties of New York State (excluding New York City) were ranked from those whose school districts receive the greatest percentage of state aid revenue (1) to those receiving the smallest percentage of state aid revenues (56).

2003-04 Key Facts:

1. The State share of school district revenues on Long Island (24.4%) continues to be among the six smallest in the State.

TABLE 16

2003-04 School District Revenues and STAR Subsidies

	State Aid Receipts	STAR Subsidy Receipts	Total Receipts from State	Federal Aid Receipts	Property Tax Levy & Other Revenue	Total Revenue
Nassau County	594,038,537	315,008,644	909,047,181	83,648,069	2,627,727,508	3,620,422,758
Suffolk County	1,273,496,395	325,752,911	1,599,249,306	106,496,549	2,317,964,870	4,023,710,725
Long Island	1,867,534,932	640,761,555	2,508,296,487	190,144,618	4,945,692,378	7,644,133,483
Rest of State (excluding NYC and LI)	7,464,867,309	1,501,436,050	8,966,303,359	967,245,040	8,034,484,565	17,968,032,964
New York State (excluding NYC; but including LI)	9,332,402,241	2,142,197,605	11,474,599,846	1,157,389,658	12,980,176,943	25,612,166,447

Description: State Aid Receipts + STAR Subsidy Receipts = Total State Receipts. Total Revenue = Total Receipts from State + Federal Aid Receipts + Property Tax Levy & Other Revenue. Excludes New York City.

Source: *New York State Education Department Fiscal Analysis and Research Unit (FARU). Fiscal Reporting System Masterfile, 2004 [Data file]. Available from FARU website, http://oms32.nysed.gov/faru/Profiles/17th/webMasterfile0304.xls.*

2003-04 Key Facts:

1. STAR subsidies to certain residential property owners on Long Island amounted to nearly $641 million. If these STAR subsidies had been paid directly to school districts in the form of state aid, the amount of funds that school districts needed to raise from local property taxes and other revenues would have decreased by nearly $641 million or more than 11%. STAR subsidies provide no school tax relief for commercial property owners.

2. The State share of funding on Long Island is 32.8% if STAR is included; it is 24.4% if STAR is not included, versus 41.5% and 36.4% respectively for the Rest of the State and New York State.

3. Long Island's share of total state aid is 12.7% when New York City is included and 20.0% when New York City is excluded.

4. When New York City is included, the share of state aid directed to Long Island (12.7%) is less than the percentage of the State's students being educated on Long Island (16.7%).

   When New York City is excluded, the share of state aid directed to Long Island (20.0%) is less than the percentage of the State's students being educated on Long Island (26.3%).

TABLE 17

Annual Taxable Sales and Purchases

Rank	County	Annual Taxable Sales (reported in thousands)
1	**Hamilton**	$69,212
56	**Long Island**	$39,263,076
Median 28	**Wayne**	$737,730
	Long Island	$39,263,076
	Nassau	$19,271,475
	Suffolk	$19,991,601
	Rest of State (excluding NYC and LI)	$93,751,911
	New York State (excluding NYC; but including LI)	$133,014,987

Description: The total annual sales and purchase statistics for the year between March 2001 and February 2002 on Long Island and the other New York State counties (excluding New York City) are summarized in this table. New York State imposes a 4% sales and compensating use tax (state sales tax).

Source: *New York State Department of Taxation and Finance (2005a). Annual Statistical Report Taxable Sales and Purchases, County and Industry Data, 3/2001-2/2002. Albany, NY: New York State Department of Taxation and Finance. Retrieved February 2006 from* http://www.tax.state.ny.us/pdf/stats/stat_excise/taxable_sales_and_purchases_march2001_february2002.pdf.

Method of Ranking: Long Island and the other 55 counties of New York State (excluding New York City) were ranked from those with the lowest annual taxable sales and purchases (1) to those with the highest (56).

2002 Key Facts:

1. Long Island ranked the highest in the State in annual taxable sales and purchases.

2. Long Island generated 53 times the annual taxable sales and purchases as the median county in the State.

3. Long Island accounted for nearly 30% of the annual taxable sales in the State (excluding New York City).

4. Given the 4% State sales tax rate in 2002, Long Island's annual sales and purchases generated approximately $1.57 billion in State revenues.

TABLE 18

Total State Income Tax Paid by Full Year Residents

Rank	County	Tax Paid (reported in thousands)
1	**Hamilton**	$2,584
56	**Long Island**	$3,958,573
Median 28	**Jefferson**	$40,999
	Long Island	$3,958,573
	Nassau	$2,251,831
	Suffolk	$1,706,742
	Rest of State (excluding NYC and LI)	$6,952,179
	New York State (excluding NYC; but including LI)	$10,910,752

Description: The total State income tax paid by full year residents (tax year 2002) by county (excluding New York City) are summarized in this table.

Source: *New York State Department of Taxation and Finance (2005b). New York State Adjusted Gross Income and Tax Liability: Analysis of State Personal Income Tax returns by Place of Residence, County Tables 2002. Albany, NY: New York State Department of Taxation and Finance. Retrieved February 2006 from http://www.tax.state.ny.us/pdf/stats/stat_pit/cor/analysis_of_2002_ny_state_personal_income_tax_returns_by_place_of_residence.pdf.*

Method of Ranking: Long Island and the other 55 counties of New York State (excluding New York City) were ranked on the total State income tax paid by full year residents from the lowest (1) to the highest (56).

2002 Key Facts:

1. Nassau, Suffolk, and Westchester continue to be the three counties with the highest state income tax liability of all counties in the State (excluding New York City).

2. Long Island accounted for 36% of State income tax paid by residents of the State outside of New York City in 2002.

3. Nassau County's State income tax liability was nearly 55 times the median for all counties and Suffolk County's State income tax liability was about 42 times the median for all counties.

4. Long Island residents paid approximately $4 billion in State income taxes in 2002.

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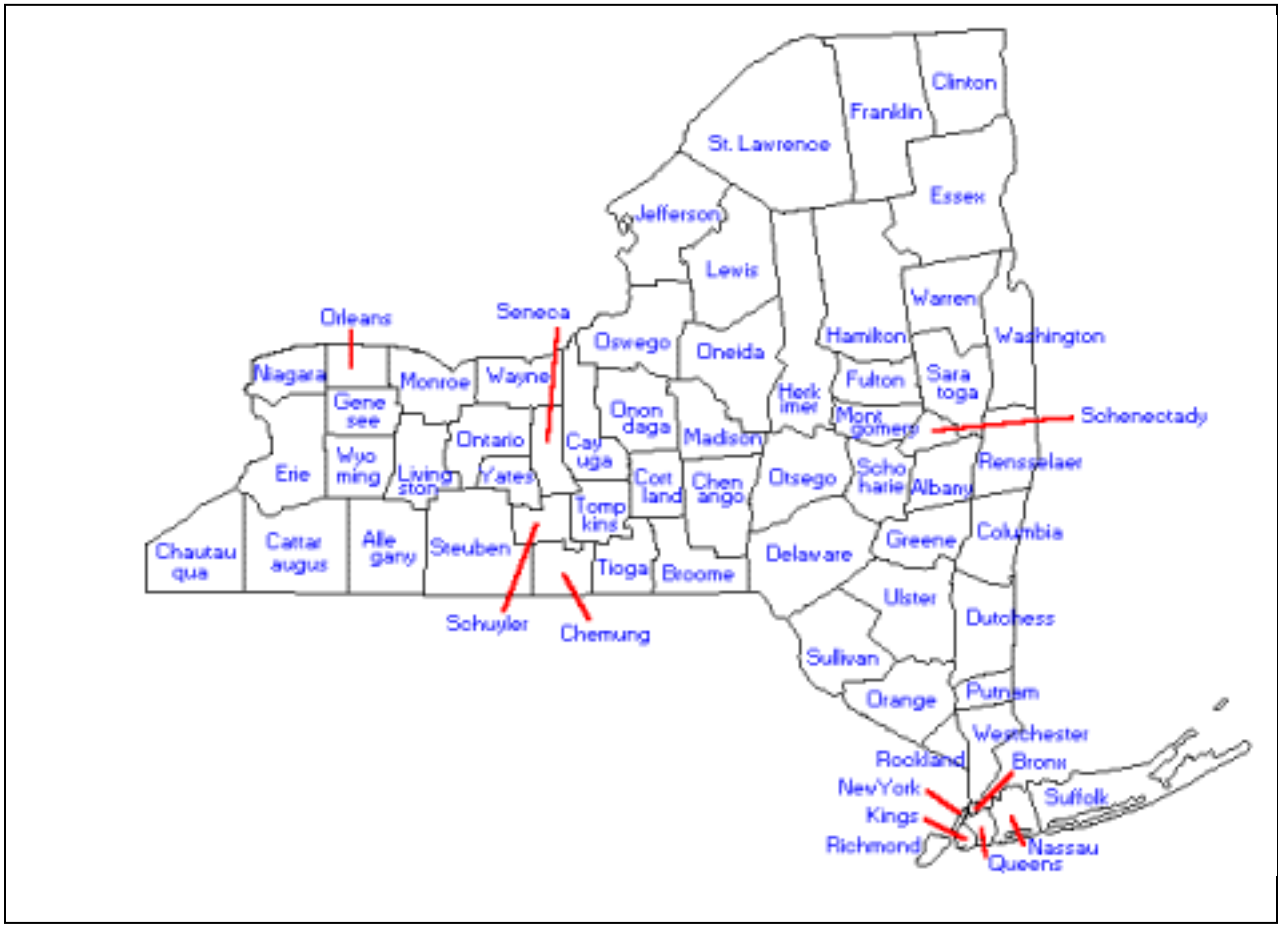
APPENDICES

Appendix A

New York State County Enrollment Figures (2004)



***Source**: New York State Education Department Board of Regents (2005d). Statistical Profiles of Public School Districts (Chapter 655). Albany, NY: The University of the State of New York-The State Education Department.*

Albany	42,068	Herkimer	11,137	St. Lawrence	16,880
Allegany	8,124	Jefferson	18,111	Saratoga	35,232
Broome	32,024	Lewis	4,597	Schenectady	23,231
Cattaraugus	16,042	Livingston	9,656	Schoharie	5,441
Cayuga	11,619	Madison	11,883	Schuyler	2,281
Chautauqua	23,251	Monroe	121,649	Seneca	5,178
Chemung	13,032	Montgomery	7,952	Steuben	18,742
Chenango	9,629	Nassau	211,771	Suffolk	263,162
Clinton	13,164	New York City	1,028,546	Sullivan	11,391
Columbia	9,464	Niagara	34,891	Tioga	8,764
Cortland	7,576	Oneida	37,339	Tompkins	12,569
Delaware	6,986	Onondaga	78,532	Ulster	28,378
Dutchess	47,527	Ontario	17,995	Warren	11,107
Erie	141,512	Orange	66,617	Washington	10,495
Essex	4,840	Orleans	7,930	Wayne	17,784
Franklin	8,640	Oswego	24,538	Westchester	148,556
Fulton	9,670	Otsego	9,251	Wyoming	5,486
Genesee	10,325	Putnam	16,948	Yates	2,994
Greene	7,647	Rensselaer	23,167	**Long Island**	**474,933**
Hamilton	623	Rockland	42,540		

Appendix B

Professional Cost Index

Professional Cost Index for New York State by Labor Force Region 2003 REGIONAL COST DIFFERENCES – How much will $1,000 buy?		
Labor Force Region	**Index Value**	**Purchasing Power of $1,000 by Region (2004)**
North Country	1.000	$1,000
Mohawk Valley	1.016	$984
Southern Tier	1.061	$942
Western New York	1.080	$925
Central New York	1.132	$883
Finger Lakes	1.181	$847
Capital District	1.168	$856
Hudson Valley	1.359	$735
Long Island/ New York City	1.496	$668
Source: NYSED Regents State Aid Proposal, 2005-06		

Regional Cost Adjustment Based on Professional Salaries

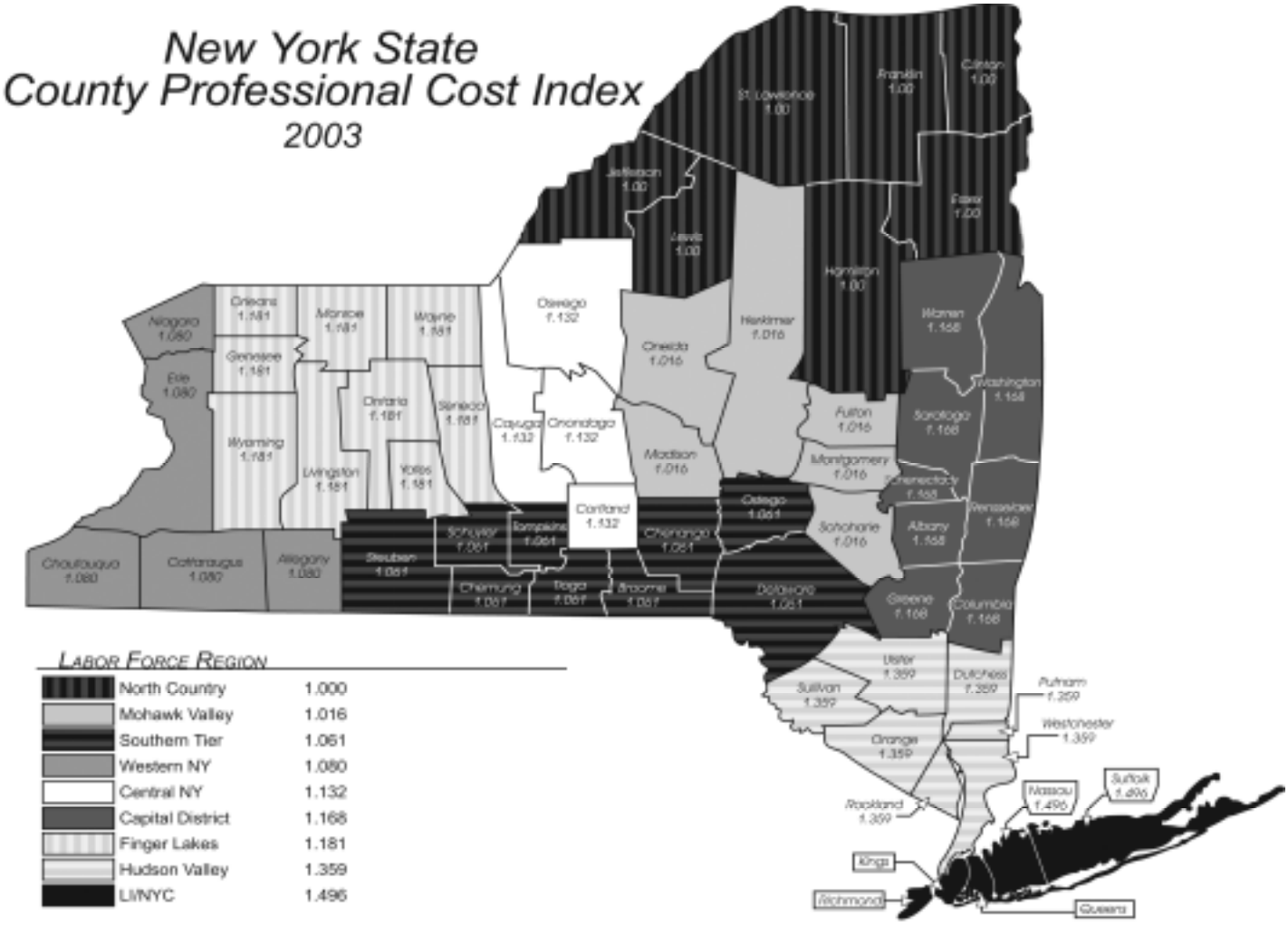
2002-03 Regents Proposal

A regional cost index [professional cost index] was generated using an approach first developed by education researchers in the state of Oregon. Their method recognized that school districts are often the dominant purchasers of college educated labor in a community. As such, they exercise unusual market influence over the price they pay for such services – a phenomenon that may distort the usual "free-market" model. For this reason, teacher salaries were specifically *excluded* from the construction of the index, and selected professional salaries used as a proxy for regional cost.

The [1999] index [initially] included 77 titles for which employment at the entry level typically requires a bachelor's degree, and excludes teachers and categories that tend to be restricted to federal and state government. The wage data are provided by the Bureau of Labor Statistics and are drawn from the 1998 Occupational Employment Statistics (OES) Survey. [The 2003 index includes 63 titles for which employment at the entry level typically requires a bachelor's degree, and excludes teachers and categories that tend to be restricted to federal and state government. The wage data are provided by the Bureau of Labor Statistics and are drawn from the 2001 OES Survey]. The OES survey is an *establishment* survey and according to U.S. Department of Labor analysts, "wages and earnings tend to be more accurately reported in establishment surveys as they are based upon administrative records rather than recall by respondents." Additionally, the survey is administered on a three-year cycle where each year one third of the establishments are surveyed and wage data are aggregated using a technique known as wage updating. Thus, the approximations of wages become increasingly accurate and are most precise in the third year. The RCI calculations are based on the most accurate data-year in the cycle, and thus inspire confidence that the results are a good representation of the variation in professional service costs around the state. The triennial nature of the data means that the RCI need only be updated in those years in which the most accurate data in the cycle are available (NYSED Board of Regents, 2003b; 2003c).

Appendix B

Professional Cost Index



Appendix C
Combined Wealth Ratio by Long Island School District

	SUPERVISORY DISTRICT/ SCHOOL DISTRICT	2005-06 CWR	2004-05 Enrollment		
Eastern Suffolk BOCES					
1	Brentwood	0.470	17,811		
2	William Floyd	0.550	10,446		
3	Central Islip	0.625	6,501		
4	Middle Country	0.788	11,025		
5	Rocky Point	0.788	3,672		
6	Eastport-South Manor CSD	0.839	3,693		
7	Patchogue-Medford	0.843	9,241		
8	Longwood	0.857	10,060		
9	East Islip	0.874	5,352		
10	Center Moriches	0.904	1,410		
11	Comsewogue	0.933	3,994		
12	South Country	0.939	4,751		
13	West Islip	0.970	5,946		
14	Islip	0.980	3,671		
15	Miller Place	0.982	3,140		
16	Sachem	0.985	15,665	**116,378**	**66.77%**
17	Bay Shore	1.004	5,921		
18	Connetquot	1.089	7,198		
19	Sayville	1.111	3,572		
20	East Moriches	1.114	791		
21	Bayport-Blue Point	1.121	2,552		
22	Mount Sinai	1.159	2,469		
23	Shoreham-Wading River	1.248	2,713		
24	Riverhead	1.369	4,935		
25	Three Village	1.458	8,063		
26	Hauppauge	1.746	4,198		
27	Hampton Bays	1.931	1,785		
28	Greenport	2.197	687		
29	East Quogue	2.256	471		
30	Mattituck-Cutchogue	2.420	1,597		
31	Southold	2.523	1,024		
32	Springs	2.950	581		
33	Port Jefferson	2.992	1,215		
34	Westhampton Beach	4.130	1,736		
35	Tuckahoe Common	4.456	328		
36	Sag Harbor	4.495	978		
37	Oysterponds	4.959	112		
38	Remsenburg	5.030	184		
39	Montauk	5.608	374		
40	Shelter Island	7.537	264		
41	East Hampton	7.749	1,995		
42	Southampton	7.929	1,699		
43	Fishers Island	14.664	55		
44	Quogue	16.480	116		
45	Bridgehampton	19.293	157		
46	Amagansett	20.413	93		
47	Fire Island	29.576	47		
48	Wainscott*	0.000	0		
49	Little Flower*	0.000	0		
50	Sagaponack*	0.000	0		
51	New Suffolk*	0.000	0		
Total Eastern Suffolk BOCES			**174,288**		

	SUPERVISORY DISTRICT/ SCHOOL DISTRICT	2005-06 CWR	2004-05 Enrollment		
Western Suffolk BOCES					
1	Wyandanch	0.390	2,297		
2	Lindenhurst	0.793	7,565		
3	Copiague	0.830	5,081		
4	North Babylon	0.839	5,279		
5	West Babylon	0.920	4,947	**25,169**	**27.27%**
6	Deer Park	1.020	4,396		
7	Amityville	1.174	2,857		
8	Commack	1.277	7,633		
9	Elwood	1.310	2,628		
10	Babylon	1.354	2,017		
11	Kings Park	1.364	4,163		
12	South Huntington	1.385	6,212		
13	Smithtown	1.443	10,595		
14	Harborfields	1.443	3,692		
15	Half Hollow Hills	1.818	10,023		
16	Northport	2.021	6,532		
17	Huntington	2.113	4,254		
18	Cold Spring Harbor	3.276	2,138		
Total Western Suffolk BOCES			**92,309**		

Total Suffolk County **266,597**

UNADJUSTED DATA
Source:
2005-06 General Formula Aid
Output Report (GEN)
Published on SED State Aid Website

*Information for Wainscott, Little Flower, Sagaponack, and New Suffolk were not reported by NYSED.

Appendix C
Combined Wealth Ratio by Long Island School District

Nassau BOCES

	SUPERVISORY DISTRICT/ SCHOOL DISTRICT	2005-06 CWR	2004-05 Enrollment		
1	Hempstead	0.620	6,784		
2	Roosevelt	0.649	3,254		
3	Freeport	0.810	6,982		
4	Elmont	0.964	4,041	**21,061**	**9.93%**
5	Island Trees	1.020	2,855		
6	Levittown	1.034	8,060		
7	Uniondale	1.070	6,470		
8	Westbury	1.084	3,915		
9	North Bellmore	1.106	2,477		
10	Plainedge	1.134	3,620		
11	Valley Stream 24	1.142	1,094		
12	Sewanhaka	1.166	8,853		
13	Baldwin	1.167	5,539		
14	Wantagh	1.169	3,669		
15	Franklin Square	1.172	1,938		
16	North Merrick	1.184	1,312		
17	Valley Stream 30	1.189	1,492		
18	Valley Stream CHSD	1.191	4,644		
19	Seaford	1.205	2,770		
20	East Meadow	1.207	8,081		
21	Valley Stream 13	1.216	2,151		
22	Bellmore-Merrick	1.285	5,936		
23	Floral Park	1.293	1,457		
24	Farmingdale	1.301	6,505		
25	East Rockaway	1.369	1,286		
26	Malverne	1.419	1,704		
27	Merrick	1.442	1,947		
28	Lynbrook	1.460	3,184		
29	Bellmore	1.477	1,235		
30	New Hyde Park	1.496	1,705		
31	Oceanside	1.498	6,395		
32	Massapequa	1.557	8,404		
33	Bethpage	1.559	3,090		
34	Plainview	1.610	5,027		
35	West Hempstead	1.611	2,405		
36	Hicksville	1.831	5,349		
37	Carle Place	1.898	1,475		
38	Long Beach	1.934	4,254		
39	Rockville Centre	1.939	3,631		
40	Herricks	1.941	4,088		
41	Glen Cove	2.064	3,047		
42	Hewlett-Woodmere	2.153	3,161		
43	Syosset	2.296	6,744		
44	Mineola	2.368	2,719		
45	Garden City	2.510	4,222		
46	Roslyn	2.683	3,345		
47	East Williston	2.685	1,838		
48	Island Park	2.824	781		
49	Port Washington	2.859	4,850		
50	North Shore	2.947	2,801		
51	Lawrence	3.093	3,520		
52	Jericho	3.111	3,224		
53	Great Neck	3.632	6,084		
54	Locust Valley	3.699	2,308		
55	Manhasset	4.109	2,835		
56	Oyster Bay	4.167	1,604		

Total Nassau BOCES **212,161**

Total Nassau County **212,161**

Total Long Island **478,758**

Long Island Students Being Educated in School Districts with CWR's < 1.000

Suffolk County	**141,547**	**53.09%**
Eastern Suffolk BOCES	116,378	66.77%
Western Suffolk BOCES	25,169	27.27%
Nassau County	**21,061**	**9.93%**
Nassau BOCES	21,061	9.93%
Long Island	**162,608**	**33.96%**

UNADJUSTED DATA
Source:
2005-06 General Formula Aid
Output Report (GEN)
Published on SED State Aid Website

Eastern Suffolk BOCES

Educational Services That Transform Lives

Appendix D

Residential Real Property Tax Burden for Supporting Public Schools

Executive Summary

Residential Real Property Tax Burden for Supporting Public Schools:

A Long Island Perspective

by Shane Higuera
Associate Superintendent for Management Services
Eastern Suffolk BOCES

January 18, 2006

Re-Issued

July 27, 2006

Executive Summary

The author of the original study discovered a flaw in the data analysis. The error was corrected and this report presents the study as it should have been written.

From the Long Island school district budget-vote results for the last two years, it seems clear that property tax fatigue is gaining an increasingly prominent position on the list of obstacles to providing an opportunity for all Long Island students to receive a sound basic education. In preparation for various committee work, the most recent being the Suffolk County School Superintendent's Association's (SCSSA) Task Force on Regional Strategies to Promote School Efficiency and Cost Effectiveness, the author performed a study using 2004-05 state aid data from the New York State Education Department (NYSED) to compare the relative school property tax burden for Long Island residents and residents of the rest of New York State.

What's the problem?

Long Islanders are recognized in the media and elsewhere as suffering from taxpayer fatigue. This characterization is supported by the recent and dramatic increase in the number of school budget failures in both the first and second rounds of voting, resulting in 21 (or 16.8%) of Long Island's 125 school districts compared to 19 (or 3.3%) of the approximately 575 school districts in the rest of the State operating with a contingency budget for the 2005-06 fiscal year. Thus, Long Island, with approximately 18% of the school districts in the State, has 53% of the school districts within the State operating with a contingency budget.

Long Island's school property taxes, as most Long Island taxpayers will agree, can take a significant bite out of our gross incomes. The results of the study that follows indicate that, on average, more than 3.7% of our gross household income goes to pay our residential school property taxes on Long Island, as opposed to just under 2.3% for all households in New York State. If we exclude New York City from the figures – and we should for the sake of fairness[1] – on average, residential school property taxes use up just over 3.1% of New York State residents' gross household income.

In comparative terms, Long Islanders use an average of just under 19.8% more of their gross household incomes to pay their residential school property taxes than New Yorkers in general. For example, a Long Island household earning $75,000 in gross income paid an average of $2,788 in residential school property taxes in 2001, whereas a New York State household earning that same $75,000 paid an average of $2,328.

Why is our residential school property tax burden so high on Long Island compared to the State in general?

The immediate, though incorrect, hypothesis that comes to mind for many is that Long Island school districts must be spending relatively and significantly more than the average for school districts in New York State. This turns out to be false, with the reality being that for the 2002-03 fiscal year, school districts on Long Island spent an average of $8,145 per pupil for approved operating expenses, or just 1.9% higher than the State average of $7,993. These figures have been adjusted by the State-generated Professional Cost Index to equalize the relative purchasing power of a dollar spent on salaries and benefits throughout the State. Salaries and benefits account for approximately 85% - 90% of a school district's approved operating expenses.

Because Long Island school districts on average spend a similar amount on the operation of their schools as do school districts throughout the State in general, the problem, it seems, is not an expense-based problem as so many assume, but rather is a revenue-based problem.

School districts fund their operations with three revenue streams – school property taxes, state and federal aid, and 'other' income such as miscellaneous fees, foster tuitions, and interest dividends. The revenue stream called 'other' is typically quite small as a percentage of the total, and can be set aside from this discussion as immaterial. Other than school property taxes, which are the identified problem, the other main revenue stream

[1] New York City uses its general fund – which receives property, income, and sales taxes, rather than just property taxes – to finance the local portion of its schools' expenses. Therefore, its property tax is not the main source of its local effort, as it is elsewhere.

is state and federal aid. Therefore, if state and federal aid is relatively lower than it should be, then school property taxes will be relatively higher than they should be. Such is the case on Long Island.

The State aid distribution system has long been recognized by practitioners and lawmakers as dysfunctional and has recently shed the last remaining pretense of being based on rational calculations. The seeds of dysfunction were sown with the 'freezing' of 'regional shares', which are specific and, so far, essentially fixed percentages of the total State aid pie allocated to specific regions within the State – Long Island's share is just under 13%. These shares were originally established by the State decades ago based on the then current demographics (student enrollment and school district wealth) within the various regions. To make matters more difficult, the shares did not account for regional cost differences and, therefore, devalue the dollars coming to Long Island.

Unfortunately, the regional demographics changed over time, and the regional shares did not. On Long Island, student enrollment has been increasing steadily for the past two decades to where the region now educates approximately 17% of the students in New York State. Enrollment trends for the rest of the State have generally been flat or decreasing during that same period. Additionally, Long Island has experienced an increase in the market value of real property far greater than any other region within the State. Real property value accounts for 50% of a region's measure of wealth, based on the mistaken presumption that the real property owner's current financial wealth is aligned with the real property's current value. As a result, Long Island appears far wealthier and able to pay taxes than it actually is.

Though the concept of regional shares may have made sense when it was originally established, decades later its fixed nature has resulted in a significant and damaging imbalance among the regions.

What should be done immediately to correct this imbalance in the residential real property school tax burden for Long Islanders?

It is important to note, that a super majority of Long Islanders (65%) recently rated their schools as either good or excellent. Just over 80% of Long Island residents regard the problem of high property taxes as either an extremely serious or serious problem, with 41% citing property taxes as the most important problem facing Long Island. 76% of Long Island residents prefer a cut in services rather than an increase in property taxes, yet 51% favored an increase in school spending while only 7% chose schools as the lowest funding priority.[2]

Long Islanders have been, and continue to be, highly supportive of their schools. They do not want to see the educational services provided by their schools reduced in quantity or quality. However, it is clear that Long Islanders are approaching their breaking point with regard to property taxes.

Long Island cannot afford to wait for the school finance reform ordered by the court for New York City schools, and promised by the Executive and the Legislature for the rest of the State; if other states' experiences with such efforts may serve as an indication, it will be many years before meaningful reform is achieved. In the meantime, our Long Island contingent of State legislators must be supported in an effort to re-negotiate the regional shares and provide Long Island with its fair share of funding. They must be supported in their fight to prevent political expediency from choking the Long Island economy, which is such an important part of the engine that drives the financial health of New York State.

[2] Long Island Index, "At the Breaking Point? Taxation and Governance on Long Island" November 2005

Appendix E

K-12 Costs and Outcomes Additional Subcommittee Member Commentary

From: Cmr1234@aol.com [mailto:Cmr1234@aol.com]
Sent: Wednesday, August 02, 2006 4:21 PM
To: Bixhorn, Gary
Subject: K-12 Cost and Outcomes Report

August 2, 2006

Gary D. Bixhorn, COO
Eastern Suffolk BOCES
201 Sunrise Highway
Patchogue, NY 11772
gbixhorn@esboces.org

RE: K-12 Cost and Outcomes Additional Subcommittee Member Commentary

The elephant in the room is illiteracy. It was in 1930 that U.S. education leaders switched reading methods from phonics to whole-word memorizing strategies, affecting all students: The illiteracy rejection rates of our armed services climbed from 2% in 1930 to 27%-40% in 1970. Aside from sagging averages, the number of SAT-Verbal scores above 750 (our best and brightest) dropped more than 50% between 1970 and 2000, On L.I., most special-education placements are for reading failure, and we are also battling youth gangs. Police in both Counties are aware of the connection between illiteracy and violent behaviors but have been unsuccessful in enlisting the help of L.I. educators. I have tested over 300 students on L.I. who have a type of dyslexia related to early reading training, described in the National Reading Panel (2000) report and identified by researchers at Yale Medical Center, but not yet recognized by our education system. Most of these were youth involved in the Justice system. I am pioneering a new type of test (consistent with Yale research) which quantifies this disability, and indicates prevention-remediation strategies. (www.TLC.LI/Under-Achievement)

For further information, feel free to contact:

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631-650-2952, FAX -2899
crichardson@ieee.org , www.TLC.LI

Appendix F

Data Selection and Presentation

New York City Excluded in Data Analysis
The academic performance of students in New York City, as well as the method by which the city finances its education, are so different from the other counties in the State, that New York City has traditionally been treated as a separate system that has its own share.

Rankings
The following tables feature rankings of the 55 counties and Long Island:

- Tables 4-7
- Tables 12-15
- Tables 17-18

Depending on the data under analysis, the ranking scale of 1 to 56 may differ from table to table. In some cases 1 represents the highest, while 56 represents the lowest. In other instances, 1 is the lowest and 56 is the highest. The tables listed above include descriptions explaining which scale was selected to depict the data within the table.

Key Facts
The key facts listed under each table emphasize verified data that support Long Island's priorities for statewide school finance reform.

Long Island's Least Wealthy and Wealthiest School Districts (2003-04)
The Least Wealthy School Districts represent Long Island K-12 school districts with the lowest combined wealth ratios (CWRs) and student enrollment at 1,500+. Wealthiest School Districts are those Long Island school districts with the highest CWRs and student enrollment at 1,500+. Out of the 125 school districts on Long Island, 89 school districts met the criteria selected for this analysis. The data for the top 10% (approximately) and the bottom 10% (approximately) of these 89 school districts were analyzed in Tables 3 and 8.

The Least Wealthy K-12 Long Island school districts meeting the selection criteria are (lowest to highest CWR):

School District	CWR
Wyandanch	0.339
Brentwood	0.436
William Floyd	0.471
Roosevelt	0.518
Hempstead	0.554
Central Islip	0.589
North Babylon	0.655
Middle Country	0.711
Freeport	0.714

The Wealthiest K-12 Long Island school districts meeting the selection criteria are (highest to lowest CWR):

School District	CWR
East Hampton	6.807
Southampton	6.311
Oyster Bay	4.820
Manhasset	4.603
Locust Valley	4.433
Great Neck	3.815
Westhampton Beach	3.603
Cold Spring Harbor	3.597
Jericho	3.366

Appendix G

LIEC BACKGROUND AND MEMBER ORGANIZATIONS

In January 1996, a report entitled Long Island Education: Data and Facts on Costs and Outcomes was issued jointly by the Long Island Association (LIA), the region's largest business and civic organization, and the Long Island Education Coalition (LIEC), an organization of groups representing parents, teachers, school board members, and school administrators. By jointly reviewing, compiling, and publishing a common statement of facts about education in the region, the report significantly improved the tone of the discussion about the public educational system. The report did not end debate about education on Long Island, but rather grounded it in reality. Its impact was to shift the tenor of the discussion from one of accusation and rebuttal, to one that focused on issues, problems, and resolutions.

The LIEC includes the following organizations:

Council of Administrators and Supervisors

Eastern Suffolk BOCES

Long Island Association of School Personnel Administrators

Long Island School Public Relations Association

Nassau Association of School Business Officials

Nassau County BOCES

Nassau County Council of School Superintendents

Nassau County Elementary School Principals Association

Nassau County Secondary School Administrators Association

Nassau Region PTA

Nassau-Suffolk School Boards Association

New York State United Teachers (Nassau/Suffolk)

Reform Educational Financing Inequities Today (R.E.F.I.T)

School Administrators Association of New York State (Nassau-Suffolk)

SCOPE Educational Services

Suffolk Association of School Business Officials

Suffolk County High School Principals Association

Suffolk County School Superintendents Association

Suffolk Region PTA

Western Suffolk BOCES

Appendix H

Previous "Cost and Outcomes" Reports

Long Island Education:
Facts on Costs and Outcomes and Regional Priorities for State Aid Reform – February 2005
Long Island Education Coalition / Long Island Association

Long Island Education: Facts on Costs and Outcomes, An Update – March 2003
Long Island Association / The Long Island Education Coalition

***Reform of Educational Funding in New York State: Providing a Sound, Basic Education for All Children*-**
December 2003
NCCSA and SCSSA.

Long Island Education: Facts on Costs and Outcomes, An Update – October 2000
Long Island Association / The Long Island Education Coalition

Proposal to Apply Regional Cost Index to State Comprehensive Operating Aid Formula
Long Island Education: Facts on Costs and Outcomes, An Update – February 1998
The Long Island Education Coalition

Long Island Education: Data and Facts on Costs and Outcomes – January 1996
Prepared by a Joint Committee of The Long Island Association and The Long Island Education Coalition