



BUDGET WATCH '03

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Some key facts to consider:

- School spending in New York is among the highest in the nation—at \$11,204 per student, 37 percent higher than the national average, according to the National Center for Education Statistics.
- Our ratio of 13.9 pupils for each teacher is among the lowest in the nation.
- Still, teachers represented fewer than half of New York's public-school employees in 2001; the ratio of support staff here is higher than in most states.
- Student performance in New York, as measured by standardized tests and graduation rates, lags that in many other states.

EDUCATION SPENDING IS UP. BUT WHAT ABOUT PERFORMANCE—AND EQUITY?

Whether times are good or bad, one of the perennial myths in Albany is that we're starving education.

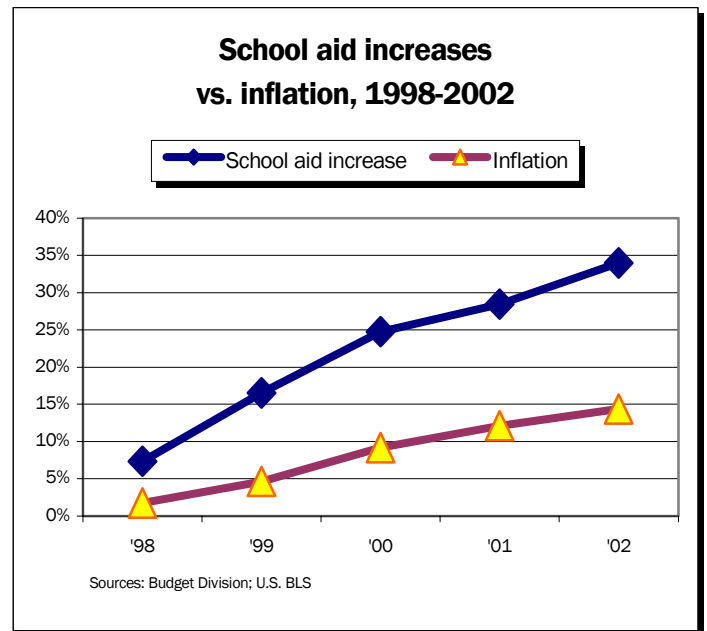
We can expect to hear that refrain starting in January, as Governor Pataki and the Legislature decide how to eliminate a multi-billion-dollar budget gap.

The truth, of course, is that New York taxpayers support one of the most expensive public school systems in the world. And in just the last five years, we've added \$3.7 billion to state aid for schools. That's a 34 percent increase, more than twice the inflation rate.

But it's not so clear that those additional billions are rewarding or driving improvements in student performance.

Instead, state aid distribution is essentially a reprise of the old song "them that's got shall get."

Relatively well-off districts received an average 6.5 percent state aid increase this year, while the least wealthy received 2.8 percent on average, according to the Office of



the State Comptroller.

And many of those new dollars are wasted. In the last eight years, state building aid has more than doubled, according to the Budget Division. Yet the Wicks Law (which mandates multiple contractors even on small projects) and

limitless liability for contractors drive taxpayers' school construction costs hundreds of millions of dollars a year higher than they need to be.

We need to give all of our kids a quality education. But simply spending more isn't going to do the job.

MONEY DOESN'T ALWAYS EQUAL BETTER PERFORMANCE

Everyone wants New York's students to learn more and better. Each youngster deserves the chance to meet his or her potential—and our ability to attract high-paying jobs depends on it.

Here's the good news: The qualities that seem most important in turning schools around

don't depend on lots of new money.

Each year, The Business Council presents Pathfinder Awards to two dozen or so schools whose students have made the most dramatic improvement on state standardized tests. Many spend less per student than the statewide av-

erage. Most have relatively high concentrations of poverty.

How do Pathfinder schools improve? They have energetic, focused principals. They use data to identify where and how they can improve. Most fundamentally, they emphasize learning—above all else.