

Who Will Graduate? The Syracuse City School District and Education Standards

If impending new graduation requirements had been in effect in Syracuse in 2001, only 53 percent of general education students would have graduated in four years.¹ As startling as these numbers may sound, this problem is not confined to Syracuse. Indeed, the poor performance in Syracuse and other New York cities has long been a cause of concern, and the State of New York has actively tried to boost student performance around the State. Per pupil spending² and teacher salaries in New York are among the highest in the nation; operating aid in the state is, to some degree, distributed towards less wealthy districts; and New York has taken the lead in developing a series of student achievement tests.³ However, these efforts have clearly not been enough to prevent many students in Syracuse from failing to meet new state education standards.

The New York experience makes it clear that spending is not the only issue in raising educational performance. Indeed, despite its relatively poor performance, Syracuse spends \$107 more per pupil than does the median district in the county.⁴ In response to the severe consequences for poor performance, local officials in Syracuse must face the challenge of raising student achievement while constrained by funding limits, union rules, and student poverty.

Although local funding provides a relatively small portion of total spending, only 24.4 percent in 1999-2000,⁵ it is the source over which local officials have the most control. However, as explained in more detail below, basically all sources of funding, from local to federal, are outside of the city *school district's* control. In Syracuse, local decisions about taxation, which affect the funding level of the school district, are made by a number of different actors. The mayor and Common Council jointly set tax rates for the City of Syracuse and determine how the money will be allocated between city services and the school district. The mayor creates a budget and then, after discussion and possible revisions, the Common Council votes for or against the budget. The mayor and representatives on Common Council are all elected positions. The Syracuse City School Board, also made up of elected representatives, appoints a superintendent, and the Board must approve decisions about the school district. While the mayor and Common Council determine funding levels, the superintendent's office has, in the past, drafted a school district budget outlining how the money will be spent, which then goes to the school board for review.⁶ A small amount of additional local funding for the school district comes from the county, and county decisions are made by the Onondaga County Legislature.⁷

This case was prepared by Emily Pas under the supervision of Professor Mary Lovely for use in *Maxwell 123: Critical Issues for the United States* at the Maxwell School of Citizenship and Public Affairs, Syracuse University. It is intended for use in class discussion. The author thanks Professors John Yinger and William Duncombe for helpful data and comments. ©Maxwell School of Citizenship and Public Affairs, 2002.

The suburbs have a different governance structure. In the areas surrounding Syracuse, the borders of the towns and school districts are not the same. Therefore, residents of the same town may belong to different school districts and residents of the same school district may live in different towns. In addition, the towns determine tax rates for local services, while the school boards in suburban school districts develop budgets that are then voted on in direct referendums. Suburban school districts, unlike the Syracuse City School District, have the ability to set their budgets and the corresponding tax rates, pending voter support. In 2002 elections, all suburban school district budgets passed.⁸

SCHOOL DECISION MAKING IN SYRACUSE

Although many people and institutions affect school district decisions in Syracuse, the mayor and superintendent have particularly important roles, since they have the power to initiate change. The mayor especially has influence over how much local funding will be given to the Syracuse City School District.

THE MAYOR

As one of his first acts in office, Syracuse's current mayor, Matt Driscoll reversed a pattern of relatively low funding for the school district. Driscoll grew up in the Syracuse area and went to a local suburban high school. After high school he worked in Onondaga County's print shop and worked for his brother's contracting business. He later became a landlord and met his wife, Patti, when she was looking for an apartment. After working with his brother in the contracting business, Matt and his brother decided to open Rosie O'Grady's Pub, a tavern that remains one of the cities most popular pubs.

Shortly after Matt Driscoll decided to run for mayor, he said, "I entered politics because I thought I could give the average citizen a voice."⁹ Driscoll first ran for election in 1987 when he was 29. He complained to his brother about how aggravating city government bureaucracy could be when he was trying to fix up houses, and his brother challenged him to do something about it.¹⁰ Driscoll became the Democratic candidate for the 2nd district seat on the Syracuse city Common Council, went into debt to outspend his Republican opponent, and won the election. He served on the Common Council again in 1995¹¹ and in 1997 he won the Democratic party's endorsement for council president and went on to win the election.

When Driscoll was appointed mayor in 2001 after the former mayor, Roy Bernardi, received a position in the Bush administration, he became the first mayor in Syracuse history to hold the job without election. Under the city's charter, the Common Council president automatically takes the mayor's place if the mayor leaves the city. In the fall, he solidly beat Republican, Green, and Libertarian party candidates to keep the seat of mayor. Driscoll was the only candidate without at least a bachelor's degree, and his Republican opponent lost, receiving only 27.6 percent of the vote. No second-place finisher had received such a low a percentage of the vote since 1905.¹²

All Syracuse mayors must work on city policy with the Common Council and the Onondaga County Legislature. Currently, the Common Council and County Legislature have very different political make-ups. Of the nine Common Council members, seven are Democrats and two are Republicans, while in the County Legislature there are 13 Republicans and only six Democrats, four of which are representing districts in the city of Syracuse. (There are also four districts located partly within and partly outside the city. The other two Democrats are representing two of these districts.) The GOP also controls other offices in county government, such as the county executive, district attorney, comptroller, and sheriff. The distribution of seats essentially means that Democrats control city government and Republicans control county government.

SCHOOL DISTRICT SUPERINTENDENT

Where Driscoll has inside knowledge of Syracuse and Syracuse politics, Superintendent Stephen Jones has gained experience from another urban school district. Jones spent 28 years in the Baltimore school district, beginning his career there as a social studies teacher and eventually moving up to become an associate superintendent. Most recently he was executive director of a Washington, D.C.-based nonprofit organization that runs values-education programs for schools in 22 states. When he accepted the school board appointment in 1999, he said, "...I've always believed that when my day comes, my day of reckoning with my maker, I will be looked on favorably because of the things I've done for children, and I'm just looking forward to making a meaningful contribution here."¹³

Jones grew up in a working-class African-American neighborhood in Baltimore when Baltimore was starting to integrate its schools. He was among a small group of students from his neighborhood selected to attend a white school. For seventh-grade he was bused to Roland Park, a school in a neighborhood of wealthier families. According to Jones, "We had to compete. We didn't have the clothes or the influence that many of those kids and their families had. But I think for me, I leveled the playing field by trying to be a studious student."¹⁴

The Syracuse community has placed high hopes in Jones, and he already has a record of success. Jones served for several years as the Baltimore northeast area superintendent, overseeing approximately the same number of students as in the Syracuse district. He helped that region achieve the highest performance rating in the system. His colleagues think he can bring the same sort of success to Syracuse. Steve Watts, a former colleague in Baltimore, said, "Here is a person with intelligence, educational background, understands planning, know how to bring people through a change process and on top of everything else he has this bushel basket of charisma that helps make all this stuff happen."¹⁵

Even with all the high expectations, Jones initially had a difficult relationship with the teachers union. In Baltimore, the teachers union is much less powerful than in New York State.¹⁶ Early in his time at Syracuse, Jones hired a for-profit firm to run district programs for dropouts and students with behavioral problems. Jones had hired

the for-profit firm partly because its teachers were able to work more flexible hours than the unionized school district teachers. The teachers union is still trying to get rid of that company. In a December 2000 news conference announcing that one of the middle schools had been put on a list of low performing schools, no teachers were present. That same December, during teacher contract negotiations, the teachers union picketed his home. Since then both the superintendent and the president of the Teachers Association have taken steps towards a better relationship. They are committed to working with a mediator, and in early 2002, at a similar news conference discussing a magnet school, Teachers Association President Kate McKenna was one of the first to arrive.¹⁷ What choices Superintendent Jones can make will be limited by not only funding constraints, but also by what is feasible with the teachers union.

SCHOOL ACCOUNTABILITY

The Syracuse school district and its students face extensive pressure from new standards-based accountability programs passed by New York State.

STATE EDUCATION STANDARDS

In 1997 the New York Board of Regents, which determines education policy for New York State, passed the biggest overhaul of graduation requirements in two decades. The previous system had two types of diplomas, Regents and competency diplomas. To receive a Regents diploma, a student had to pass eight Regents exams, while students could receive competency diplomas by passing much less challenging competency tests. The number of credit required to graduate were very similar for the two diplomas. However, Regents diplomas required 3 years of a foreign language, while competency diplomas instead required 3 credits of electives. Under the new system, all students in the class of 2005 and beyond will have to take three years each of mathematics and science (one more year than previously) and a year of foreign language. The competency diploma will be abolished and replaced by a two-tiered system consisting of the Regents diploma and the advanced Regents diploma. In order to obtain a Regents diploma, students will have to pass Regents exams in English, mathematics, global studies, American history, and science. An advanced diploma will also require students to pass exams in a foreign language, advanced math, and advanced science.¹⁸ Changes have also been made in the English and mathematics Regents exams, expanding the types of skills being tested.¹⁹

In addition to requirements that affect individual students' ability to graduate, the state has also identified the state's lowest performing schools, called Schools Under Registration Review (SURR), and mandated consequences for continued lack of improvement. Currently, Syracuse has three SURR schools, one of which is a magnet school, out of only 100 statewide. (Seventy-seven SURR schools are in New York City.)²⁰ SURR are identified as the lowest performing schools in the state, those farthest from meeting minimum test score and drop out standards, or those schools with a "poor learning environment".²¹ When a school is identified and placed under registration review, the parents of students at the school must be informed and the public must be

informed at a school board meeting. Schools are given three years after identification to meet performance targets, be redesigned, or be closed by the local school district. Members of the local education community, curriculum experts, and other education experts design an improvement plan. This plan could include suggested changes in district-level support for school improvement efforts. The New York Education Department provides additional support by conducting professional development workshops for the teachers and administrators, particularly in the areas of reading, mathematics, and English language arts. Besides the outside experts for the SURR, there is no link between state standards and state aid.

In addition to state policy measures, the federal Education Act of 2002 represents major changes in national education policy. However, these federal changes will affect students substantially less than the New York State graduation requirements. The law includes consequences for low performing *schools* only, not low performing students in any school. See Appendix 1 for further information.

Whenever rewards or punishments are tied to standards, there exists an accountability system. New York State is not the only region to use a standards-based accountability system. In general, education policy has shifted from a focus on educational governance, process, and inputs (such as curriculums, teacher qualifications or class size), to a focus on outcomes such as test scores. Recently, the state of South Carolina and the Dallas Independent School District have both used incentives that reward schools for their contribution to the year-to-year gains in student performance; several other states have also implemented outcome-based reform programs.

When designing an accountability system, several questions must be addressed including: who to target – schools, teachers, or students; what rewards or penalties should be used; and how achievement should be measured. Underlying all accountability systems is a fundamental choice between designing a plan to increase efficiency given the existing level and distribution of resources, or designing particular outcome goals and then asking what resources are needed to achieve those goals.²² While New York State has implemented strict consequences for failing to meet achievement goals, its school finance system does not base funding on what it would cost to meet those goals.

Accountability systems must also grapple with holding the school, teacher, or student accountable for what is within their control, while not penalizing them for factors outside their control. These systems must recognize that different actors within the schools affect outcomes, but characteristics of the community, such as poverty levels and the education level of parents, will also affect student achievement.

Because so many factors affect student achievement, it is difficult to disentangle responsibilities and to design fair and effective accountability systems. Recent research and common sense suggest that effective programs should be aimed at schools, teachers, and students, and take into account the characteristics of the community. In Syracuse, however, it will be primarily the students who face the consequences of poor performance.

CHARACTERISTICS OF THE SYRACUSE CITY SCHOOL DISTRICT

By many measures, students in the Syracuse school district will have a difficult time meeting the new state standards. The city faces very different circumstances than do many of its surrounding suburbs. Fayetteville-Manlius, Marcellus, and Jamesville-DeWitt are the three wealthiest suburban school districts surrounding Syracuse, as measured by the percent of students eligible for free lunch, while East Syracuse-Minoa and La Fayette are two of the least well off suburbs. (La Fayette includes the Onondaga Indian Reservation.)

STUDENT PERFORMANCE

Table 1 provides Regents pass rates for the 1998 cohort in Syracuse and surrounding areas. In 2005 and beyond students will have to pass all four Regents exams listed below and a science exam in order to graduate high school. As can be seen from the table, students in even the least well off suburbs were passing at much higher rates than those in city schools. Syracuse's pass rates were more similar to Rochester and Buffalo, the other large upstate cities, than to its surrounding districts.²³

| TABLE 1 | | | | |
|--|---------|-------------|----------------|-----------------------|
| Percent of students passing Regents exams in 1998 cohort, by subject | | | | |
| School district | English | Mathematics | Global History | U.S. History and Gov. |
| Syracuse | 46 | 46 | 52 | 40 |
| Fayetteville-Manlius | 94 | 91 | 90 | 86 |
| Marcellus | 81 | 90 | 90 | 81 |
| Jamesville-DeWitt | 81 | 85 | 80 | 77 |
| East Syracuse-Minoa | 84 | 81 | 80 | 73 |
| La Fayette | 83 | 68 | 84 | 65 |
| Rochester | 41 | 43 | 42 | 34 |
| Buffalo | 60 | 30 | 57 | 47 |
| New York State | 69 | 68 | 71 | 56 |
| NOTE: 1998 cohort refers to students first in grade 9 in 1998-99 school year, with pass rates after 3 years. Only highest score of student is counted, regardless of how many times the student may have taken the exam. Must score 65 or above to pass. | | | | |
| SOURCE: District Wide Summary School Report Card, New York State Education Department (www.nysed.gov). | | | | |

On other measures of academic achievement, even the least well-off suburb has a substantially higher percentage of students earning a Regents diploma²⁴ and going on to a 4-year college than does Syracuse. While only 25 percent of Syracuse students earn a Regents diploma and only 34 percent go on to a 4-year college, 56 percent of East Syracuse-Minoa students earn a Regents diploma and 46 percent go on to a 4-year college. In Fayetteville-Manlius, meanwhile, 78 percent of students earn a Regents diploma and 84 percent go on to a 4-year college.²⁵

STUDENT CHARACTERISTICS

In addition to student performance measures, the Syracuse community differs in other ways from the surrounding suburbs. Table 2 below shows how much poorer the students in the cities are compared to the suburbs, and the larger percentage of English language learners in the cities. The percentage of students eligible for free lunch is one measure of poverty levels in a community; it is indicative of both how likely an individual student is to be poor and how poor the community as a whole is. Overall, a small share of students face poverty in even the least well-off suburb, while the *majority* of students live in poverty in the cities.

| School District (2000-2001) | % students eligible for free lunch | % English language learners |
|-----------------------------|------------------------------------|-----------------------------|
| Syracuse | 57.4 | 5.7 |
| Fayetteville-Manlius | 2.8 | 1.6 |
| Marcellus | 4.0 | 0.0 |
| Jamesville-DeWitt | 8.3 | 1.9 |
| East Syracuse-Minoa | 19.0 | 1.1 |
| LaFayette | 21.7 | 0.2 |
| Rochester | 67.2 | 6.5 |
| Buffalo | 63.7 | 6.1 |

SOURCE: District Wide Public School Summary Report Card, New York State Education Department (www.nysed.gov).

In addition to lower average incomes, the City population has other characteristics that separate it from the suburbs. In Syracuse, 48.5 percent of families with children have no husband present, while in Onondaga County as a whole, 26.1 percent of families with children have no husband present.²⁶ Syracuse also has a much higher concentration of students from historically disadvantaged groups than do the suburban school districts. As seen in Table 3, the same is true in other big city districts in upstate New York. This concentration of historically disadvantaged groups in city school districts raises important issues of societal equity and the federal and state role in education. Which societal goals are forwarded or retarded by a system of public schools in which disadvantaged groups are concentrated in school districts with such high rates of disadvantage and, therefore, in schools facing extra stresses in meeting the needs of those students?

| School District (2000-2001, percent of students) | American Indian, Alaskan, Pacific Islander, Asian | Black (not Hispanic) | Hispanic | White (not Hispanic) |
|--|---|----------------------|----------|----------------------|
| Syracuse | 2.7 | 45.6 | 6.3 | 45.5 |
| Fayetteville-Manlius | 4.1 | 1.3 | 0.7 | 93.9 |
| Marcellus | 1.0 | 0.5 | 0.5 | 98.1 |
| Jamesville-DeWitt | 5.6 | 8.5 | 1.4 | 84.5 |
| East Syracuse-Minoa | 2.4 | 1.8 | 0.7 | 95.1 |
| LaFayette | 27.8 | 0.8 | 0.3 | 71.1 |
| Rochester | 2.2 | 62.8 | 18.9 | 16.1 |
| Buffalo | 2.6 | 57.5 | 11.4 | 28.5 |

SOURCE: District-wide Public School Summary Comprehensive Information Report, New York State Education Department (www.nysed.gov).

Average student performance in a school district depends not only on what the schools do, but also on the characteristics of the students and of their home environments. Many studies have shown, for example, that, all else equal, school districts with higher poverty rates have lower levels of student performance. Given the connection between poverty rates and student performance, the high level of disadvantage in Syracuse compared to its suburbs has direct relevance for the schools. Concentrated disadvantage can affect student performance in many ways. Students from poor families do not receive as much reinforcement of lessons at home, for example by the presence of books and computers. As a result, schools with high poverty concentrations must add programs to achieve the same performance as other schools. Moreover, students from poor families are more likely to come to school hungry or suffering from health problems, so the school they attend may have extra expenses associated with hunger and illness. These arguments suggest that students in disadvantaged school districts are more expensive to educate. Even if Syracuse spends as much as a wealthy suburb, in other words, it will not achieve the same level of student performance.

Table 4 shows that in fact Syracuse was spending as much as many of the suburbs. Expenditure per pupil in 1999-2000 in Syracuse was actually higher than 10 of the districts and was less than only 7 of the districts.²⁷ However, Syracuse was spending less per pupil than either of the other upstate cities, Rochester and Buffalo. In addition, some measures related to spending, such as class size, do not differ very much between Syracuse and the suburban districts. So even with similar class sizes, the outcomes differ dramatically.

In another measure possibly related to spending, the percent of teachers teaching out of certification, Syracuse and the other urban districts do differ from the suburban districts. Equal levels of spending may not attract the same quality of teachers as the suburbs, or teachers with the same qualifications, since teachers are facing more challenging environments in the city. The implication for spending is that the cost of hiring a teacher of a given quality is higher in the city than the suburbs and, therefore, equal levels of expenditure will not lead to the same quality of education.

| TABLE 4 | | | | |
|--|---------------------------------------|--------------------------------|-------------------------|---|
| School district | 1999-2000 Expenditure per pupil | Average class size (1999-2000) | | 2000-2001 Percent of teachers out of certification* |
| | | English grade 10 | Mathematics grade 10 | |
| Syracuse | 10,045 | 23 | 20 | 7.0 |
| Fayetteville-Manlius | 10,154 | 22 | 23 | 2.0 |
| Marcellus | 8,488 | 22 | 23 | 0.1 |
| Jamesville-DeWitt | 10,773 | 19 | 19 | 3.1 |
| East Syracuse-Minoa | 10,932 | 23 | 23 | 4.6 |
| La Fayette | 12,063 | 20 | 17 | 14.8 |
| Rochester | 11,742 | 25 | 26 | 15.6 |
| Buffalo | 11,742 | 25 | 24 | NA |
| New York State | 11,040 | NA | NA | NA |
| SOURCE: Master File for 1999-2000 from the Fiscal Profile Reporting System (expenditure per pupil) and District-wide Public School Summary Comprehensive Information Report, New York Education Department (www.nysed.gov). | | | | |
| * Teaching out of certification on a more than incidental basis. | | | | |

Scholars agree, and state and federal governments acknowledge in aid formulas, that it costs more to educate disadvantaged students. However, odd as it may sound, there is disagreement among scholars on the impact of increased school spending on student performance. (This apparent contradiction is resolved if the greater cost of educating disadvantaged students is tied to expenses that are not related to student achievement, or if increased spending contributed to inefficiencies that offset any gains.) Can increased spending boost student performance in disadvantaged districts? What is the best way for a disadvantaged district to use an increase in its school funding? Can a disadvantaged district raise student performance through changes in curriculum or school management that do not require large increases in spending? Specifically, what programs or school characteristics will improve student performance, and what do those programs or reforms cost?

SCHOOL FINANCES IN SYRACUSE

A full understanding of the constraints facing the Syracuse city schools requires an awareness of where the city district's funding comes from and how it is spent.

REVENUES

Syracuse city revenues come from the federal government, the state government, the county, and local sources. In 2001-2002, 52 percent of the total Syracuse city budget was spent on the school district, and 48 percent was spent on the city.²⁸ As can be seen from Table 5 below, local funds, both city and county, contribute a relatively small share of revenues for the Syracuse school district, and state and federal funds contribute a relatively large share. The trend is similar for other urban districts. In addition, the relatively low property wealth per pupil in urban areas means that a local property tax increase of one percent would yield smaller increases in funding per pupil in the those urban districts than in wealthier districts.

| School district (1999-2000) | % local revenue | % state revenue | % federal revenue | Property wealth per pupil | Expenditure per pupil |
|-----------------------------|-----------------|-----------------|-------------------|---------------------------|-----------------------|
| Syracuse | 24.4 | 66.3 | 9.3 | 128,426 | 10,045 |
| Fayetteville-Manlius | 70.4 | 28.1 | 1.5 | 275,106 | 10,154 |
| Marcellus | 46.3 | 51.9 | 1.8 | 180,145 | 8,488 |
| Jamesville-DeWitt | 71.0 | 26.6 | 2.4 | 337,124 | 10,773 |
| East Syracuse-Minoa | 61.3 | 36.6 | 2.1 | 259,763 | 10,932 |
| La Fayette | 35.9 | 60.5 | 3.6 | 145,478 | 12,063 |
| Rochester | 29.6 | 61.6 | 8.8 | 133,027 | 11,742 |
| Buffalo | 18.3 | 73.3 | 8.3 | 121,472 | 11,742 |
| New York State | 51.4 | 44.0 | 4.6 | 243,800 | 11,040 |

SOURCE: Master File for 1999-2000 from the Fiscal Profile Reporting System, New York State Education Department (www.nysed.gov)

Although state aid makes up the majority of revenues for the Syracuse school district, the school district has little control over state aid and the aid formulas are not

very straightforward. In general, state aid takes into account the number of students, the number of students with disabilities, and the wealth and income of students in the school district. In 2000-01, approximately 56 percent of State aid to school districts (for New York State as a whole) was unrestricted general aid. An additional 15 percent supports the education of students with disabilities. Categorical aid makes up the remaining 29 percent, including transportation, capital projects, efforts to meet higher learning standards, and conversion to full-day kindergarten.²⁹ In 2000-01, 89 percent of state aid to Syracuse came from the “basic aid formula,” as defined in the city budget.^{30 31} Additional aid came from the School Tax Relief (STAR) program, aid for textbooks, computers, and additional requests.³² While there is a connection between poverty levels and state aid formulas, the state has made only small steps towards linking funding levels to what it would cost school districts to meet recent state education standards.³³

Like state aid, federal aid is outside the control of the Syracuse City School District. Although the Education Act of 2002 *authorized* spending increases based on poverty rates and for other programs, the subsequent appropriations bill determines how much money will actually be spent.³⁴ There are typically funding differences between what has been authorized and what is allocated in the appropriations bill and President Bush’s proposed budget would give local Syracuse area schools \$22 million less next year than was authorized, according to U.S. Senator Charles Schumer.³⁵ However, the final amount of federal funds for Syracuse and surrounding districts will depend on the appropriations bill passed by Congress and in recent years, even under President Bill Clinton, Congress has often provided more money than the president requested for education.³⁶ (The appropriations bill has not been passed at the time of writing.)

Given the school district’s lack of control over state and federal funds, and the lack of a substantial link between state standards and what it costs to meet those standards, the Syracuse school district must rely on changes in local revenue if it wants to increase spending in response to the new graduation requirements. Local revenues consist of funding from the county sales tax, property taxes (levied by the city and county), and other revenues.³⁷ However, in 2001-2002, the sales tax contributed only 1.7 percent of total revenue for the school district, so property taxes are the primary source of local revenue.³⁸

The previous mayor, Roy Bernardi, pledged to not increase taxes during his campaign in 1993, and he kept his word.³⁹ One implication of this is that between 1994 and 1999, the Syracuse school property tax rate went down by nearly 24 percent. During that same time, the school tax rate increased by an average of 21 percent in other Onondaga County districts. Other large cities (Buffalo, Rochester, and Yonkers) increased their school tax rates an average of 29 percent from 1994 to 1999. In Syracuse however, the decrease in the school tax rate led to inflation adjusted spending per pupil in Syracuse dropping by \$387 from 1994 to 1999, a decrease of 4 percent.⁴⁰

Bernardi believed any increase in taxes would speed the exodus of homeowners from the city, and he used this argument as a justification to not raise taxes.⁴¹ Between 1980 and 2000, the population of Onondaga County remained relatively stable, while the

population of Syracuse fell (10.1 percent population loss from 1990-2000). While Syracuse has been decreasing its school tax rate and losing population, Rochester greatly increased its school tax rate from 1990 to 2000 and experienced a smaller percentage population loss. This contrasting experience suggests that factors other than taxes may drive household location decisions.⁴²

Although school property tax rates have declined over the past decade, the overall property tax levels in Syracuse are not much lower than many of the surrounding towns and villages. (A village is part of a town.) The 1999 total property tax rates in Onondaga County ranged from 19.80 per \$1,000 assessed value in the Town of Fabius to 45.51 in the village of Liverpool.⁴³ As can be seen in table 6, county and city property taxes are a larger percentage of the total taxes in Syracuse than in some of the surrounding towns and villages, while the district share is relatively less.

| City or Town Village | County | Town | City or Village | School District Range | Total Overall Range | Eq. Rate* | Total Overall Full Value Range |
|-------------------------|--------|-------|--------------------|-----------------------------|------------------------|--------------|--------------------------------------|
| Syracuse | 15.18 | | 6.03 | 12.68 | 33.89 | 0.9751 | 33.04 |
| De Witt | 7.79 | 4.21 | | 19.43 – 22.36 | 31.43 – 34.36 | 1.0103 | 31.75 – 34.71 |
| East Syracuse | 10.08 | 0.95 | 103.00 | 19.43 – 21.11 | 133.46 – 135.14 | 0.1126 | 31.75 – 34.71 |
| La Fayette | 101.73 | 67.15 | | 244.27 – 370.13 | 413.15 – 539.01 | 0.0610 | 25.20 – 32.88 |
| Manlius | 6.97 | 4.04 | | 19.33 – 22.46 | 30.34 – 33.47 | 1.0000 | 30.34 – 33.47 |
| Fayetteville | 10.14 | 3.00 | 5.87 | 22.46 | 41.47 | 1.0000 | 41.47 |
| Manlius | 10.14 | 3.00 | 5.60 | 22.46 | 41.20 | 1.0000 | 41.20 |
| Minoa | 10.14 | 3.00 | 6.40 | 21.20 | 40.74 | 1.0000 | 40.74 |
| Marcellus | 6.14 | 3.91 | | 15.99 – 22.13 | 26.04 – 32.18 | 0.9891 | 25.76 – 31.83 |
| Marcellus | 12.29 | 2.51 | 3.30 | 17.32 | 33.42 | 1.0000 | 33.08 |
| Rochester | 8.49 | | 8.71 | 18.78 | 35.98 | 0.9925 | 35.71 |
| Buffalo | 6.90 | | 13.53 | 11.50 | 31.93 | 1.0183 | 32.51 |

*An equalization rate is the sum of the locally determined assessed values for all taxable parcels for a given assessment group divided by New York State's Office of Real Property Services' estimate of total full value for that same group.

NOTE: The ranges exist because there are ranges of taxes for the different school districts in those towns or villages.

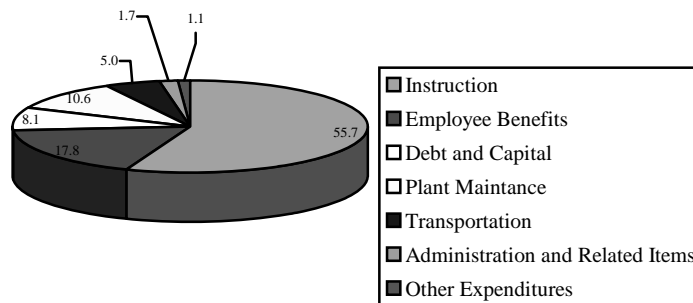
SOURCE: 1999 Overlapping Real Property Tax Rates, New York State Office of Real Property Services
(www.orps.state.ny.us/index.cfm)

Given that Syracuse already has tax rates comparable to many of the suburbs and has the lowest property wealth per pupil in the area, if Syracuse wanted to raise substantially more money for the school district, it would have to increase taxes to rates higher than many (or all) of the suburbs. Again this raises issues of fairness, would it be fair for the poorest community to have higher tax rates than its wealthier neighbors to obtain equal or lower educational outcomes?

EXPENDITURES

As shown in the figure below, and not surprisingly, the majority of school district expenditures go towards instruction and employee benefits.

Figure 1
2001/2002 School District Expenditures



SOURCE: City of Syracuse Annual Budget, Fiscal Year
 Ending June 30, 2002.

The 2002-2003 proposed budget includes over \$7 million in increased expenses. (At the time of this writing, the final budget had not been set because the city was waiting to hear about state funding.) The largest share of this increase is due to rising employee health care costs (\$2.3 million), charter school and related transportation costs (\$1.9 million), the district’s retirement incentive (\$1.3 million), mandated special education increases (\$620,000) and negotiated contractual increases (\$590,000). The total budget proposed budget is \$208,800,725, which represented a 3.6 percent increase over the previous year’s budget.⁴⁴ Salaries and benefits comprise the largest share of school district costs so even a small increase in this category leads to a large change in total costs. For example, a one percent pay raise for all employees would lead to an increase in costs of approximately \$1.5-1.8 million.⁴⁵

Educating students in charter schools costs the school district more than educating the same students in “regular” schools. Syracuse currently has one charter school and another one is scheduled to open in the fall of 2002. Central New York Charter School for Math & Science is Syracuse’s first charter school, opening in the fall of 2000 with 486 students.⁴⁶ Southside Charter School plans to open in the fall of 2002 with 240 students in grades K-5. The school will emphasize a back-to-basics curriculum, school uniforms, a healthy school lunch program, and a strong focus on African-American history.⁴⁷ For each student enrolled in a charter school, the school district must pay an amount equal to the operating expenses per pupil. The 2002-2003 operating expense per pupil is \$6765.⁴⁸ If Southside has 240 students, then the district must pay \$1.6 million for those students. Students at charter schools are counted in the student population for purposes of receiving state aid, but there is no additional state aid provided specifically because the students are in charter schools.⁴⁹

In addition to the big money items, a number of changes have been made that are less apparent from the budget. The school district is re-writing the curriculum, which

requires new books and teacher training; the length of the school day has been lengthened in middle schools; and the number of courses offered has increased, including summer school classes and the addition of several AP classes at the high school level.⁵⁰ All of these changes require increased expenditures.

MATT DRISCOLL'S DECISIONS

In Syracuse, an annual pilgrimage of parents and teachers visit Common Council chambers requesting tax increases to support the city school district. After Matt Driscoll was elected, they got their wish. Driscoll's mayoral campaign emphasized education. In an interview during his campaign, he said, "I think our education system is the priority" when asked about the exodus to the suburbs.⁵¹ In line with his philosophy to "think of the education system as an investment, not an expense," he followed through with a proposed \$405.4 million budget (last year's 2001-2002 budget was \$393.6 million) and a 7.9 percent increase in taxes.⁵² Taxes per \$1,000 of assessed value would increase from \$20.30 to \$21.90. The Director of Administration in the Mayor's office, Ken Mokrzycki, elaborated on the motivation behind the tax increase. According to Mr. Mokrzycki, the Mayor's office believes the school district has pressing needs, and "by all indications we had not been keeping up our local effort as well as other cities had done."⁵³

The Common Council voted 7-2 to pass the budget, with all 7 Democrats voting for it and both Republicans voting against it. The Republicans were not opposed to the tax increase but felt there should be more consolidation of services with the county. Even though Driscoll proposed the first real tax increase in years, there were very few complaints, mainly from worried seniors on fixed incomes.⁵⁴ "Everyone knows the tax increase is inevitable," said Council President Bea Gonzalez.⁵⁵ The tax increase will cost the owner of an average \$70,000 home approximately \$112 next year.

The approved city budget has a gap between revenues and expenditures that the city hopes will be filled by state aid. The gap is \$7.5 million for the school district and \$8 million for city services. The budget contained no layoffs, unlike the budgets passed in Rochester and Buffalo. Buffalo, with its stronger reliance on state aid, has laid off 217 teachers.⁵⁶ The state budget is particularly difficult to balance this year, plagued by a stagnant economy and increased expenditures resulting from the September 11 terrorist attacks. At the time of writing, most of the gap for the school district has been filled with state aid but the state has provided very few funds for city services.

In the upcoming years, new groups of students will have to pass numerous Regents exams in order to graduate high school. Unless test scores suddenly increase, the city and school district will have to come up with new financial and strategic remedies to ensure graduation for the majority of students. Mayor Driscoll will have to decide whether to increase taxes again or redistribute money between the city and school district, since local funding continues to be the primary way the city can increase education expenditures. And Superintendent Jones must decide what steps are necessary, and what plans the district can afford, to improve students' ability to think, read, compute, and meet graduation requirements.

Appendix 1

National Education Standards

President Bush signed into law the Education Act of 2002, the “No Child Left Behind Act,” on January 8, 2002. This law was a bipartisan effort, and it is the first major change in the Elementary and Secondary Education Act since it was passed under President Lyndon B. Johnson in 1965. The new act increases federal involvement in public education and its proponents claim that it will help close the persistent gaps in student achievement. Although this act represents major changes at the federal level, these changes affect Syracuse students substantially less than the New York State graduation requirements.

The 2002 Education Act increases testing, increases public access to test scores and teacher qualifications, and rewards and penalizes schools based on their test results. Beginning in the 2005-06 school year, public schools will have to test all students in grades 3 through 8 in math and reading. Annual testing in science in 3 grade levels will begin in the 2007-2008 school year. For the first time, all states will administer the same national test, the National Assessment of Educational Progress, in the fourth and eighth grades, in addition to the yearly tests devised by the states. The national tests are a means to compare states and a way of gauging the rigor of state exams. In addition to increased public access to test scores, states will be required to separate data by major race and ethnic subgroups, gender, and for students with disabilities and limited English proficiency. The states will also report comparisons between the actual achievement of subgroups and the state’s objectives for such groups. The test score information and the professional qualifications of teachers, the percentage of teachers teaching with emergency or provisional credentials, and the percentage of classes in the state not taught by highly qualified teachers will be available to the parents of students and communities.

While the New York State policies affect both low performing schools and low performing students in *any* school, federal policy targets low performing schools. Schools face consequences based on their performance on state tests, and states define the minimum levels of proficiency and adequate yearly progress (AYP) objectives. (The national tests are for reporting purposes only and results on national tests are not tied to consequences.) If schools do not meet guidelines, parents have the right to transfer children out of failing public schools or get federal aid for private tutoring. If after one year of corrective action, the school is still “identified for improvement” local authorities must do at least one of the following: (1) replace the school staff who are relevant to the failure, (2) institute and fully implement a new curriculum, (3) significantly decrease management authority at the school level, (4) appoint an outside expert to advise the school, (5) extend the school’s school year or school day, or (6) restructure the school’s internal organizational structure.⁵⁷

Although allowing students the right to transfer out of failing schools was one of the most talked about provisions in the “Leave No Child Behind Act,” in the year since the law has passed relatively few students have requested transfers and even fewer

students have been able to secure spots in different schools. The law gave 3.5 million children the right to transfer out of failing schools. In New York City, 220,000 children attending Schools Under Registration Review (SURR) were allowed to transfer, but so far only 2,800 have applied for transfers. In Baltimore and Chicago, there will be slots available for fewer than half of the children that applied to transfer. New York State has not yet released the complete list of schools that are considered failing by federal standards. That list will be five times greater than the list of SURR schools.⁵⁸

The increased standards and accountability measures are accompanied by a change in federal financial support, although most of the changes in funding are related to poverty and are not directly related to school performance. Funding for Title I of the Education Act, which directs money to schools based on poverty rates, was authorized to increase 20 percent⁵⁹, and the definition of Title I schools has been restricted to only include poverty measures, and will no longer include geographical and political considerations. This change in definition will shift money toward poor big cities and rural areas. The law also gives the states greater flexibility to move money among different federal programs and provides money for teacher training, bilingual education, after-school programs and technology.⁶⁰ Although these changes may lead to increased federal aid for Syracuse and other urban districts, the estimated share of federal aid is 7 percent nationally⁶¹ and was only 9.3 percent for the Syracuse school district in 1999-2000 (see table 7). Moreover, actual federal appropriations for education are expected to fall short of authorized amounts, so increases in federal aid are in doubt. If school districts want to substantially increase funding in response to these new standards, most of the money will have to come from state and local sources.

The act also authorizes State Academic Achievement Awards to schools that significantly close achievement gaps or exceed AYP standards for two or more consecutive years, and awards teachers in such schools. However, the new law punishes States that fail to put in place systems of standards, assessments, and accountability by permitting—and in some cases requiring—the Secretary to withhold a portion of Federal funds provided for the administration of Title I.⁶²

Endnotes

¹ General education students are students without disabilities. Fifty-three percent is the percentage of students in who started 9th grade in 1997 who got scores of 65 or higher on the English Regents exam by the spring of 2001. Fifty-nine percent of the same group of students received scores of 65 or higher on the mathematics Regents exams, but in the future students will have to score 65 or higher on both exams (and others) in order to graduate. See also Table 1, which includes citation.

² U.S. Census Bureau press release, “New Jersey and New York Spent Most per Pupil on Education,” “Census Bureau Reports,” last revised May 22, 2002.

³ “Financing higher student performance standards: the case of New York State”, William Duncombe and John Yinger, *Economics of Education Review* 19 (2000), p. 363-386.

⁴ Master File for 1999-2000 from the Fiscal Profile Reporting System, New York Education Department, http://www.oms.nysed.gov/faru/Profiles/masterfile99-00_for_web.xls.

⁵ Ibid.

-
- ⁶ While the Superintendent and School Board could approve a budget with expenditure goals, the mayor and Common Council determine the final amount of city funding given to the school district.
- ⁷ In the 2002-2003 budget for the City of Syracuse, 1.7 percent of revenues for the school district came from the county sales tax. “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002,” page xx, <http://www.syracuse.ny.us/pdfs/2001-2002.pdf>.
- ⁸ *Post-Standard*, May 22, 2002.
- ⁹ *Post-Standard*, October 28, 2001.
- ¹⁰ *Post-Standard*, August 27, 2001.
- ¹¹ He was appointed by Democrats to fill a vacancy for the 3rd district seat.
- ¹² *Post-Standard*, November 8, 2001.
- ¹³ *Post-Standard*, July 14, 1999.
- ¹⁴ *Post-Standard*, August 29, 1999.
- ¹⁵ *Post-Standard*, August 19, 1999.
- ¹⁶ *Post-Standard*, February 4, 2002. The power of teachers unions is hard to quantify, but a more powerful teachers union has more leverage in setting contracts, including salary, hours, and extra responsibilities, such as lunch room supervision.
- ¹⁷ *Ibid*.
- ¹⁸ “Regents and High School Diploma/Graduation Requirements,” New York State Education Department, <http://www.emsc.nysed.gov/part100/pages/diprequire.pdf> (September, 2000).
- ¹⁹ The new English exam will take six hours and be administered over two days, replacing the three-hour minimal skills test (for the old competency diploma). The new test adds three comparative essays based on several passages of text and one essay based on works of literature read in class. The test will also include multiple-choice questions on grammar, punctuation and vocabulary. The revised Regents math test will include more advanced algebra and geometry, as well as some trigonometry. *New York Times*, June 25, 1998.
- ²⁰ Letter from education commissioner Richard Mills to the Honorable Board of Regents on Newly Identified Schools Under Registration Review (SURR) and Schools Removed from Registration Review, January 7, 2002.
- ²¹ “The Registration Review Process: A Successful Approach to School Improvement”, New York State Education Department, <http://www.emsc.nysed.gov/nyc/PDFs/SURRBrochure99.pdf> (1999).
- ²² Ideas in the accountability system discussion are based on concepts from the introduction of *Holding Schools Accountable*, Helen F. Ladd, ed., The Brookings Institution, Washington, DC, 1996 .
- ²³ Students in the 1998 cohort had at least one more year to pass the Regents exam, but evidence from the 1997 cohort suggests that pass rates will not rise much. Only 53 and 59 percent of general education students in Syracuse passed English and mathematics, respectively. “District-wide Public School Summary Comprehensive Information Report,” New York State Education Department, <http://www.emsc.nysed.gov/reprcd2002/cir/421800010000.pdf> (Syracuse). (Reports for other New York districts can be found at http://www.emsc.nysed.gov/irts/ch655_99/home.html). Each county contains links to school district reports for districts within that county.)
- ²⁴ As previously mentioned, all students will have to earn a Regents or Advanced Regents diploma in the class of 2005 and beyond. Until then, some students will still be receiving competency (also called local) diplomas.
- ²⁵ District Wide Public School Summary Comprehensive Education Report, New York State Education Department, 2001, (www.nysed.gov).
- ²⁶ City and County Data Book: 2000.
- ²⁷ *Ibid*.
- ²⁸ “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002”, page iv, <http://www.syracuse.ny.us/pdfs/2001-2002.pdf>.
- ²⁹ “State Aid to Schools: A Primer”, The University of the State of New York, December 2000.
- ³⁰ “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002”, page xxiii.
- ³¹ There are more than 50 aid programs and multiple complex aid formulas. For specifics and an assessment of New York State aid, see “School Finance Reform in New York: A Work in Progress?”, William Duncombe and John Yinger, December 6, 2001 (cpr.maxwell.syr.edu/efap).
- ³² “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002”, page xxiii.

³³ Decisions about local tax effort can affect the amount of state aid. With STAR, the higher the local property tax rate, the more money the city (or town) will receive for each property from the state. STAR is a property tax relief program where the state pays the property taxes on an exemption amount of the assessed value. The owner pays taxes on the assessed value minus the exemption amount. An increase in the property tax rate will cause both the state and the owner to pay more in taxes.

³⁴ However, implementation of new assessments may be deferred if Congress does not appropriate specified levels of funding for assessment development and administration, ranging from \$370 million for fiscal year 2002 to \$400 million in fiscal year 2005. “The *No Child Left Behind Act of 2001: A Preliminary Overview of Programs and Changes*,” U.S. Department of Education, <http://www.ed.gov/offices/OESE/esea/progsum/>, (July 11, 2002).

³⁵ *Post-Standard*, May 21, 2002. Congressional Democrats are concerned that President Bush’s budget and the eventual resulting appropriations bill will provide much less money than they were expecting. *New York Times*, February 13, 2002.

³⁶ *New York Times*, February 13, 2002.

³⁷ The main sources of “other revenue” are Medicaid reimbursement and interest on investments. Other sources include interfund revenue, refund of prior year’s expenditures, and school building use. For a complete list see page xxii of “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002”.

³⁸ “City of Syracuse Annual Budget: Fiscal Year Ending June 30, 2002,” page xx. The sales tax in Onondaga County is 7 percent. New York State receives 4 percent of these revenues, while Onondaga County, the City of Syracuse, the towns, villages and school districts within the county divide the remaining 3 percent according to an agreement formulated by the Onondaga County Legislature.

³⁹ Bernardi did increase city taxes in 2001 in order to give the district an extra \$5 million, but he had negotiated a nearly identical decrease in county taxes for city residents. (*Post-Standard*, April 5, 2002).

⁴⁰ “Comparison of School Property Tax Rates Between Syracuse and Other School Districts in New York,” William Duncombe, May 3, 2001.

⁴¹ *Post-Standard*, July 5, 2001.

⁴²

| | Percent population change | | Percent change in school tax rate | |
|--|---------------------------|-----------|-----------------------------------|-----------|
| | 1980-1990 | 1990-2000 | 1980-1990 | 1990-2000 |
| Syracuse | -3.7 | -10.1 | -12.9 | -21.0 |
| Onondaga County (contains Syracuse) | 1.1 | -2.3 | NA | NA |
| Rochester | -4.5 | -4.8 | -14.7 | 34.5 |
| Monroe County (contains Rochester) | 1.7 | 3.0 | NA | NA |
| Buffalo | -8.4 | -10.8 | -18.3 | 13.1 |
| Erie County (contains Buffalo) | -4.6 | -1.9 | NA | NA |
| SOURCE: County and City Data Book: 2000 (population change); “Comparison of School Property Tax Rates Between Syracuse and Other School Districts in New York,” William Duncombe, May 3, 2001 (school tax rates) | | | | |

⁴³ “1999 Overlapping Real Property Tax Rates”, New York State Office of Real Property Services, <http://www.orps.state.ny.us/ref/osc/99ovrlap/99rates/31.htm>.

⁴⁴ “Superintendent’s Proposed 2002-2003 General Fund Budget,” Syracuse City School District, March 15, 2002.

⁴⁵ Email from Robert Peters, Chief Financial Officer for the Syracuse City School District, to the author, July 20, 2002.

⁴⁶ Since opening, it has encountered some difficulties, including discipline problems and an evaluation by the SUNY Charter Schools Institute suggesting improvements in curriculum and teacher consistency. *Post-Standard*, April 29, 2002.

⁴⁷ *Post-Standard*, April 26, 2002.

⁴⁸ “Final 2002-2003 Adjusted Expense Per Pupil”, New York State Education Department. http://stateaid.nysed.gov/charter_2003.htm.

⁴⁹"Questions and Answers Regarding the Financing of Charter Schools Pursuant to Section 2856 of the Education Law and Part 119 of the Regulations of the Commissioner of Education," New York State Education Department, <<http://stateaid.nysed.gov/charterQA.pdf>>.

⁵⁰ Ibid.

⁵¹ *Post-Standard*, August 27, 2001.

⁵² Ibid.

⁵³ Interview with Ken Morkrzycki, June 5, 2002.

⁵⁴ *Post-Standard*, May 2, 2002.

⁵⁵ *Post-Standard*, April 9, 2002.

⁵⁶ *Post-Standard*, April 11, 2002.

⁵⁷ Public Law 107-110, the "No Child Left Behind Act of 2001."

⁵⁸ *New York Times*, August 28, 2002.

⁵⁹ *New York Times*, December 12, 2001 and *New York Times*, December 19, 2001.

⁶⁰ *New York Times*, December 12, 2001.

⁶¹ *EdWeek*, January 9, 2002.

⁶² "The *No Child Left Behind Act of 2001*: A Preliminary Overview of Programs and Changes," U.S. Department of Education, <http://www.ed.gov/offices/OESE/esea/progsum/>, (July 11, 2002).