



New York State Catholic Conference

465 State Street • Albany, New York 12203-1004 • Tel. (518) 434-6195 • Fax. (518) 434-9796
www.nyscatholic.org • info@nyscatholic.org

DENNIS POUST
Interim Executive Director

JAMES D. CULTRARA
Director for Education

Testimony
of the
New York State Council of
Catholic School Superintendents

presented by

James D. Cultrara
Executive Secretary

regarding the

2021 – 2022

Elementary and Secondary Education Budget

January 28, 2021

Introduction

The COVID-19 Pandemic has caused and continues to cause enormous financial hardship to the state's Catholic schools. In the days and immediate weeks following the declaration of the state and national emergency, tuition income to our schools began to drop as parents lost jobs, suffered reduced income and/or were unwilling to pay tuition for an on-line instructional program we were forced to implement. As a result of the precipitous drop in income, more than 30 Catholic schools across the state were forced to permanently close last June, two-thirds of which were in the City of New York.

The financial hardship did not end with the close of last school year. Re-registrations for the fall were dramatically lower, leaving administrators unsure of whether they could survive the next school year. As they prepared to reopen their schools for in-person instruction -- under the strict health and educational requirements of the state -- they were forced to bear the unanticipated costs of hiring additional nurses and other staff, installing physical barriers and signage, purchasing personal protective equipment, acquiring cleaning supplies, arranging for on-going sanitizing throughout and between each day, installing or modifying air purification equipment, purchasing and training for additional technology, collecting and reporting data to the Department of Health on a daily basis -- the list goes on and on. As the school year progressed, many schools located in red, orange and yellow zones were also forced to endure the cost of COVID testing. Taken together thus far, these costs are ranging between \$1,000 to \$5,000 per pupil.

Although our schools have been eligible for several federal emergency assistance programs, so far relief has come from only the Payroll Protection Program -- relief and services from the other programs have yet to be rolled out. Moreover, the level of support for our schools from both iterations of the federal Education Stabilization Fund falls dramatically short of our needs and is far below the per/pupil level of support made available to public schools.

There is also every expectation that the economic devastation wrought by the pandemic will continue to plague our Catholic schools and tuition-paying families in the months and years to come. These are schools that have been successfully educating the children of New York's working families -- a great many of them being front-line workers and first responders. Although these families have been extraordinarily grateful for our efforts to re-open schools to in-person instruction, the cost of these on-going efforts, including the debt schools have incurred, will no doubt result in the closure of additional schools absent sufficient federal and state assistance to our schools and families.

It is without question that Catholic and all other religious and independent schools represent an enormous asset to the State of New York. Not only are our schools successfully educating hundreds of thousands of students across the state but the financial sacrifice our tuition-paying families make in enrolling their children in our schools saves all New York State taxpayers more than \$10 BILLION annually. In any ordinary year, providing state and federal financial assistance to our families and schools is not only a matter of fairness, doing so is financially prudent. Given the devastating financial impact the pandemic has had on our families and schools, such assistance not only remains a matter of fairness and financial prudence, it is needed now more than ever.

It is within this context that we offer the following comments on the elementary and secondary education portion of the 2021-22 Executive Budget.

Mandated Services Aid / Comprehensive Attendance Policy: First and foremost, we are grateful to Governor Cuomo for ensuring that MSA/CAP reimbursement for the 2019-20 school year expenses will be held harmless against the automatic cuts that would have occurred. The Governor recognized that the cancellation of the state assessments was beyond the control of religious and independent schools and the inability of public school districts to meet the 180-day instructional requirement was beyond their control. Governor Cuomo made sure our schools and districts would not suffer financially as a result.

However, the 2021-22 Executive Budget includes a two percent decrease in funding for MSA/CAP at a time not only when our schools can least afford it, but also when our expenses have dramatically increased in fulfilling the state's COVID-related mandates. While we recognize that the state cannot afford to reimburse our schools for these additional COVID-related costs at this time, it is critical that the mandated services statute be amended to ensure that state-imposed costs not covered by emergency federal assistance, are acknowledged and eligible for future state MSA reimbursement.

We also strongly urge you to reject the Executive Budget proposal which would limit the state's liability under the program to the amount appropriated, not only during these difficult times, but indefinitely. The very essence of the Mandated Services Aid program, enacted in 1974, centers around schools being reimbursed for their "actual expenses" in fulfillment of state mandates and participating in state assessment programs. Each and every time state funding has been deficient in reimbursing schools for their actual expenses, the state's liability has been carried over to subsequent years and schools eventually have been fully reimbursed. Not only is this the framework on which this program was upheld by the U.S. Supreme Court, it is the basis by which schools plan their budgets. Limiting the state's liability to an amount lawmakers are able and/or willing to reimburse schools in any given year, will wreak havoc on our incredibly fragile school budgets. The resulting inconsistency and unpredictability in reimbursement will, at a minimum, threaten the solvency of more of our schools and force dramatic and unexpected tuition increases on already over-burdened families.

The Executive Budget also proposes a future application deadline of April 1 with payments being made to schools no more than two months later (May 31). While we support and need such an application and payment schedule, we urge that SED be required to make applications available to our schools no later than June 30th of the school year in which expenses are incurred, that schools applications to SED by December 1 and payments to schools be made by January 31 of each year. This schedule is necessary not only to meet the cash-flow needs of our schools but also to accommodate the change-over of school administrators which occurs in the summer.

Continued Commitment to Other Education Programs: The Executive Budget proposes a two percent reduction in support to various programs that address some of the most critical needs of our students. Although schools have been forced to shift much attention to responding to the COVID pandemic, their efforts to meet the on-going and increased instructional needs of our students nonetheless continues. We remain grateful to you and the Governor for and we seek your on-going funding commitment to following programs: **Science, Technology, Engineering and Math (STEM); Academic Intervention Services (AIS); and Health, Safety & Security Equipment.**

Helping Tuition-paying Families:

The pandemic has had a compounding effect on the tuition crisis. Not only has the number of families seeking scholarships increased but also current scholarship recipients are seeking increased scholarship assistance. This is compounded by the dramatic reduction in our ability to raise funds for scholarships. The pandemic has also exposed an ever-widening gap between the wealthy and the rest of us – a gap that Catholic schools have been instrumental in closing. Our schools continue to move hundreds of thousands of children out of poverty, many from immigrant populations and communities of color. It is well known that our Catholic schools serve many non-Catholic families; our reach and service goes well beyond the Catholic community. Our ability to serve poor families and the broader community with a quality education depends on the ability of low-income and minority families to access these scholarships. These families are desperate for safe and successful schools, knowing that a quality education for their children is the means to a prosperous future.

If our schools are to continue being a part of addressing New York's inequality of resources and opportunities, we must work together to support the families who seek our schools. Lawmakers in 30 states have enacted various forms of tuition assistance programs enabling poor and working-class families to choose the educational setting best suited for their children. These programs have helped multiple generations achieve the kind of educational equality and economic opportunity on which New York State prides itself.

Although demand for our schools has increased, especially during the pandemic, far too many working- and middle-class families cannot afford even the modest tuition that we must charge. We urge you to join the lawmakers of the other 30 states by enacting a meaningful tuition assistance program to generate additional scholarships for the children of low- and working-class families to attend a school best suited for them.

In Summary:

While we are grateful for the multiple programs enacted by lawmakers to the benefit of students in religious and independent schools, the fact remains that our schools operate on a dramatically uneven playing field. Even though 13 percent of children in New York State attend a religious or independent school, less than 1 percent of state education spending is devoted to these children. Even the emergency federal assistance being made available to schools is disproportionately allocated to public schools on a per/pupil basis. The bulk of the cost of educating these children is shouldered by their families already overburdened with taxes that support the public education system. Continued and expanded state support of the students in religious and independent schools, especially during this pandemic, will benefit virtually every community across the state and will help make New York the truly progressive state it continues to aspire to be.