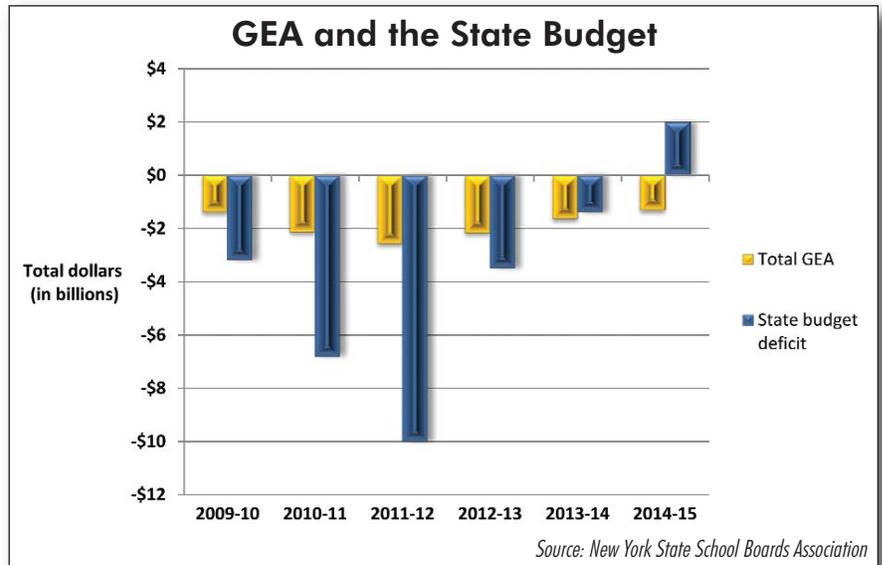




Eliminate the GEA

The Gap Elimination Adjustment, or GEA, was created as an “adjustment” to state aid for schools in order to “eliminate” the state’s budget gap. With the state now projecting a combined \$4 billion surplus over the next three fiscal years, there ceases to be a gap to be eliminated by a state aid adjustment. It is simply irresponsible to use a budget surplus generated by a built-in reduction in aid to schools in order to provide additional property tax relief without first making schools whole. New York State must eliminate the Gap Elimination Adjustment and restore state aid to levels that allow our schools to educate and prepare our students for an ever-competitive world.

As recently as 2008-09, state aid comprised approximately 40 percent of total school district revenue. By 2012-13, that portion had fallen to 34 percent, according to a January 2014 report by the Office of the State Comptroller. This depressed state support has come at a time when the property tax cap has restricted districts’ ability to raise revenue locally. Many schools have been forced to eliminate programs, lay off staff and/or deplete

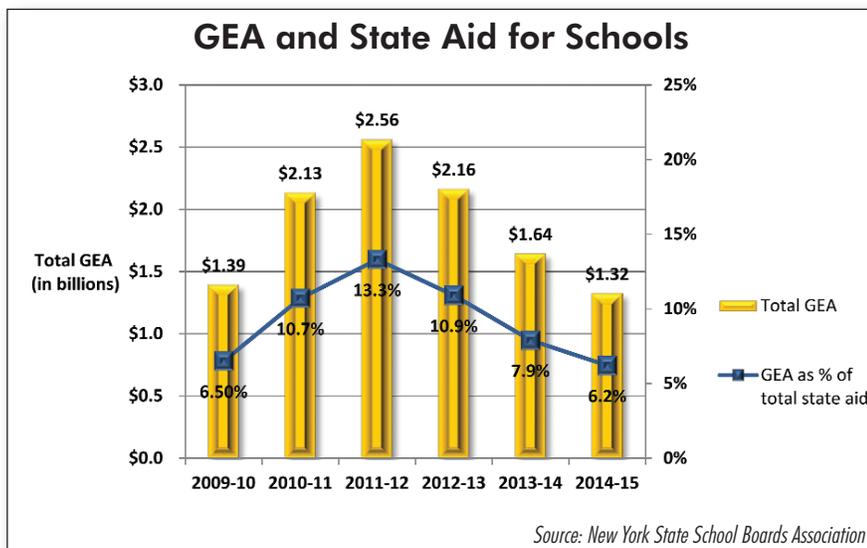


In 2009-10 there was an initial deficit reduction assessment (DRA) of \$1 billion, followed by a supplemental DRA in December 2009 of \$391 million as part of the state’s mid-year aid cuts. The total of \$1.391 billion was offset by federal stimulus funds. In 2010-11, the gap elimination adjustment was partially offset by \$726 million in remaining federal stimulus funding.

“rainy day” (reserve) funds in an attempt to remain financially and educationally solvent.

Background

- 2009-10: Foundation Aid first frozen, \$1.4 billion cut to state aid for schools
- 2010-11: GEA created to reduce state aid for schools by \$2.1 billion
- 2011-12: GEA reaches \$2.6 billion, more than 13% of total state aid for schools
- 2012-13: Federal ARRA (American Recovery and Investment Act) funds no longer available to help soften aid cuts and freezes
- 2013-14: Cumulative GEA totals \$8 billion, Foundation Aid \$5 billion behind court-ordered levels
- 2014-15: Gov. Cuomo proposes \$1.3 billion GEA cut and another Foundation Aid freeze



over



Eliminate the GEA

Impact

After several years of austerity budgets, school officials are forced to continue to cut, despite the severe consequences for their students. Every additional cut in personnel and programming hurts more, report school board members.

Consequences

- Increasing class size
- Eliminating or reducing modified sports, music and drama
- Laying off staff (i.e., teachers, administrators, teaching assistants, custodians, administrative assistants)
- Closing school buildings
- Lessening security
- Restructuring grades
- Reducing non-mandated curricula (i.e., Advanced Placement, business courses and other electives)
- Decreasing academic intervention programs
- Reducing Career and Technical Education

- Making kindergarten half-day, eliminating or reducing prekindergarten
- Cutting summer school and enhanced summer school
- Reducing custodial services
- Foregoing repairs and capital improvements (i.e., air conditioning, paving, safety repairs for bus loops)

Future

Make no mistake. Continued state aid loss due to GEA reductions will continue to erode the quality of education school districts can provide. New York State cannot continue to pass along its revenue shortfalls to local school districts. School boards have and will continue to strive for efficiencies but they will also be forced to continue making detrimental cuts to personnel, the educational program, services and extracurricular activities and to continue depleting what is left of their reserves. The Gap Elimination Adjustment must be eliminated now!