

**THE IMPACT OF
ZERO GROWTH
IN REIMBURSEMENT
FOR ALLOWABLE COSTS**

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May 28, 2013

PRESENTATION: SED TUITION METHODOLOGY WORK GROUP

- The question posed by SED for this presentation...
 - Can you briefly share with us the impact of the rate methodology over the last few years on 853 Schools and in particular, LaSalle?
- How can I do that- from 20,000 feet?
- Maybe Three things
 - Describe the schools in the 853 Coalition
 - Talk about a few issues specific to LaSalle
 - To set a context, offer a comparison of what we've gone through with what my own public school district has experienced during this fiscal crisis
 - I served on the School Board, was Vice President for a period
 - Sources include the CFR, LaSalle operating reports and District Web Site

THE NYS COALITION OF 853 SCHOOLS

- About 35 organizations that operate 853 Schools
 - Most operate residential programs and have one or more approved 853 schools
 - Beds are OCFS, OMH, OPWD, CSE Residential and more
 - Most operate Day Programs and a few serve exclusively Day Services Students
 - 853 Schools Serve children with wide range of disabilities
- We welcome the opportunity to be here
 - We see our role as assisting by offering suggestions and answering questions
 - We do not anticipate uniform agreement, nor see it as necessary
 - We are encouraged by the department's interest in addressing both School Age and Pre-School, but separately
 - We have members that operate Pre-Schools
 - We've worked in partnership with the Special Act Coalition
 - There are important differences, but we are far more alike than different
- The primary (rate related) issues of the 853 Coalition are:
 - Short Term- Securing a timely tuition rate for 2013-14 that includes reasonable growth and getting a resolution of the 2012-13 rate prior to fiscal year end
 - Longer Term: Reform of the Methodology

IMPACT ON LASALLE SCHOOL: BACKGROUND

- Our 853 serves both RTC and Day Services
 - RTC and Day kids are middle and high school youth
 - High frequency of significant trauma, school failure
- We have purposefully reduced the RTC Licensed Capacity since 2001
 - From 100, to 88, and then two years ago to 78
 - We also intensified the program
- Why did we reduce the RTC Capacity?
 - Trends are for fewer youth in out of home care
 - OCFS licensed beds are down 16% since Nov 2013
 - CSE residential went down 12% from June 2010-June 2012
 - Youth that make it to an RTC are increasingly complex
 - Expectations for outcomes for RTC youth are higher

IMPACT ON LASALLE SCHOOL: BACKGROUND

- Compared to five years ago, in our RTC we now have:
 - Fewer kids- Intentionally, and they are more complex
 - More resources on a per child basis (rate)
 - More direct care staff: Safety and Wellbeing enhanced
 - More Treatment Staff: Permanency & Wellbeing enhanced
 - **STRENGTHENED OUR ABILITY TO CARE FOR KIDS!**
- Compared to five years ago, in our School we have
 - Fewer kids- Intentionally, and they are more complex
 - Less resources on a per child basis (rate)
 - Fewer Direct Care staff- Safety and well being compromised
 - Fewer Instructional staff- Student achievement compromised and we're uncertain about compliance
 - Growing operating losses
 - Employees losing ground: Compensation & benefits
 - **THREATENED, IF NOT WEAKENED, OUR ABILITY TO EDUCATE KIDS!**

THE REAL KILLERS

- **Annual Rate Growth Screen set at Zero**
 - Reduced enrollment already means savings overall
 - Not needed on top of zero trends or COLAs
 - Who really thinks this can cost less per child without serious compromise?
 - And who accepts responsibility for that compromise?
- **Zero Trends of Historical Costs**
 - For a few years- yes, we were all ready for that and supported it
 - At this point, it is destructive
- **One Myth: State Aid to Public Schools went up this year, so the 853 programs were helped as well.**
 - FALSE: We cannot readily access increased aid the districts have now for kids if our per pupil allowable expense (rate) is stagnant
- **The Methodology is not well linked to a standard or model**
 - The Staffing Standards are a start, but it illustrates problems as well as solutions
 - If Staffing Standards gives us a reasonable program model, why is there no linkage to what that model should cost?
- **A Cumbersome Appeal and Waiver System**
- **Rates: Too many, too late, too confusing**
 - Not following the process nor announcing intentions, is a disregard for us, our voluntary boards and the important services we provide in partnership with government

AN OVERVIEW, LAST FIVE YEARS

In My District

- Very tight budgeting
- Declining enrollment
- Layoffs
- Positions Eliminated
- Programs reduced/cut
- Shared Functions
 - CSE chair, Transportation
- Slight benefit reductions
- Annual raises & step increases retained

LaSalle School

- Very tight budgeting
- Declining enrollment
- Layoffs
- Positions Eliminated
- Programs reduced/cut
- Shared Functions
 - Teachers w/St Anne
- Benefits diminished
 - 2011 Pension cut by 1/3
- Annual raises delayed and/or eliminated, no step

BUDGET & SPENDING

My District (Overall)

- 08-09 \$26.5M
- 12-13 \$28.3M

- IMPACT: +\$1.8M
- +6.8%

- 13-14 \$29.2M
- IMPACT +\$2.7M
- +10.2%

LaSalle School (Tuition Driven)

- 08-09 \$4.30M
- 12-13(est) \$3.24M

- IMPACT -\$1.06M
- -24.7%

- 13-14 ??????

ENROLLMENT AND PER PUPIL SPENDING

In My District

■ 08-09	1,293	\$20,494
■ 12-13	1,218	\$23,235
■ IMPACT	-75	+\$2,741
■	-5.8%	+13.4%
■ 13-14	1,206	\$24,212
■	-87	+\$3,781
■	-6.7%	+18.1%

LaSalle School (capacity)

■ 08-09	128	\$37,800 (32,400)
■ 12-13	118	\$36,540 (31,320)
■ IMPACT	-10	-\$1,260
■	-7.8%	-3.3%
■ 13-14		?????

■ (Number in Parenthesis is 180 day cost)

DISTRICT STATE AID AND ACCUMULATING DEFICIT

In My District (State Aid)

- 08-09 \$6.71M
- 12-13 \$6.38M

- IMPACT -\$330K
- - 4.9%

- 13-14 \$6.54M
- -\$170K
- -2.5%

LaSalle (Deficit \$\$)

- 08-09 -\$280K
- 12-13 -\$223K (est)

- IMPACT -\$567K Cumulative

- 13-14 ??????

WHY WE ARE HERE

- One colleague of mine describes the kids served in 853 and Special Act schools as “The least, the last and the lost” of the children served by our public education system in New York.
- There are not many of them when we consider there are roughly three million children between the ages of 5 and 18 in NYS.
- We are not only educators, regulators, executives, Regents, legislators, administrators, CFOs, CEOs, lobbyists, or whatever- when it comes to these kids, we are more than that.
- We have a responsibility to act to the best of our abilities as advocates for these children, because the truth is that for the most part, they have no other voice than ours.
- We may try, but as we attend to our jobs we cannot ethically or morally assign to anyone else, our related responsibilities to these children for securing their one, short lived opportunity for access to a free and appropriate education.