The final report of the New York State Commission on Education Reform, otherwise known as the Zarb Commission, contains a complicated set of proposals that would shift the blame for educational failure in poor urban school districts away from the state and onto the districts themselves. This is not reform; it is an attempt to evade the state's own responsibilities.

In its ruling last summer in Campaign for Fiscal Equity vs. New York, the Court of Appeals required the state to reform the education finance system so that New York City would receive the "funding level necessary to provide city students with the opportunity for a sound basic education." Neither the Zarb Commission nor the Standard & Poor's report on which it builds takes this charge seriously.

The S&P report recognizes that the per-pupil cost of a sound basic education is higher in a district with a higher share of low-income students, students with limited English proficiency, or students with disabilities. This report makes no attempt, however, to estimate these extra costs. Instead, it suggests basing state aid on "weighted pupils," using the extra weights for students in these categories that are found in the average state's aid formula.

This approach is irresponsible. The weights in most state aid formulas, including the current aid formulas in New York, are political compromises, not serious estimates of the extra cost of educating disadvantaged students -- which the court's mandate requires.

Scholarly estimates of these weights are much higher than the weights in the S&P report. The extra weights for a poor student and for a student with limited English proficiency, for example, are typically 100 percent or more in the scholarly literature; the S&P report uses weights of 35 percent and 20 percent, respectively.

The S&P report claims that it "does not recommend the adoption of one particular weighting." This is disingenuous. All of the calculations in the report, including the estimated costs of reform, are based on the same unrealistically low weights for disadvantaged students.
If weights from the scholarly literature were used, education finance reform would cost a great deal more. Indeed, using S&P's own EdResource Calculator (http://www.spses.com), we find that switching to a weight of 100 percent for both low-income students and students with limited English proficiency would at least double the cost of any reform option.

This misleading approach carries over into the Zarb Commission report, which accepts the pupil weights in the S&P report without even acknowledging that they lead to an underestimate of the cost of reform. Moreover, the Zarb Commission outlines a new basic operating aid formula that does not adjust at all for the extra costs of disadvantaged students. Instead, the commission calls for a supplemental aid program to deal with low-income students and students with limited English proficiency.

This misses the point entirely. The extra costs of educating disadvantaged students are part of the basic operating expenses of a school district, not supplemental costs to be handled in an ad hoc manner. New York state has already tried this supplemental route -- and failed miserably.

Despite its unwillingness to recommend adequate funding for districts such as New York City, Buffalo, Rochester, and Syracuse, with high concentrations of disadvantaged students, the Zarb Commission goes on to recommend that New York adopt one of the most punitive accountability programs in the nation. Poor, urban districts will not be given the resources they need to succeed, and then will be blamed when they do not.

Schools that fail to raise student test scores will be closed and then reconfigured, turned into charter schools, or, in extreme cases, taken over by the state. The available evidence does not show that an accountability system of this type can be effective in raising student performance, and, particularly without adequate funding, such severe sanctions are simply not justified.

Unfortunately, some of the same problems arise in recent proposals made by the state Education Department and the Campaign for Fiscal Equity. The Education Department proposal uses a reasonable maximum weight for the extra cost of a poor student, 100 percent, but fails to adjust for the extra costs of students with limited English proficiency.

The consultants hired by CFE estimate the additional costs of disadvantaged students using educated guesses by teachers and school administrators. This approach greatly understates the extra costs faced by New York City and other poor urban districts. The CFE proposal, which builds on their consultants' report, therefore understates these costs, as well. Adding a stringent
accountability system to either of these proposals would lead to unfair penalties on poor urban schools, just like the Zarb Commission's proposal.

Better approaches are available. We recommend:

- A standard foundation aid formula, the type used by most states, with realistic adjustments for the extra costs of disadvantaged students and with a required local tax contribution.
- An accountability program with modest rewards and penalties based on a school's performance after adjusting for factors outside its control, such as a concentration of disadvantaged students.

A program of technical assistance and evaluation that would give the state Education Department enough resources to identify effective education programs and management practices.

Last summer, the Court of Appeals declared that New York state must be held accountable for the inequities in its education finance system. This is the real accountability issue in this case. To meet its responsibilities to the children in New York City, the state must implement a new education finance system that fully accounts for the extra costs required to educate disadvantaged students.

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