NEPC Review: The Mediocre State of New York State Schools (Manhattan Institute, September 2026)



Reviewed by:

Bruce D. Baker
University of Miami

November 2026

National Education Policy Center

School of Education
University of Colorado Boulder
nepc.colorado.edu

Acknowledgements

NEPC Staff

Faith Boninger
Publications Manager

Patricia Hinchey
Academic Editor

Elaine Duggan
Production Design

Alex Molnar
NEPC Director

Kevin Welner
NEPC Director

Suggested Citation: Baker, B.D. (2026). *NEPC Review: The mediocre state of New York State schools*. Boulder, CO: National Education Policy Center. Retrieved [date], from https://nepc colorado.edu/review/ny-state

Funding: This review was made possible in part by funding from the Great Lakes Center for Education Research and Practice.

This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License.

This publication is provided free of cost to NEPC's readers, who may make non-commercial use of it as long as NEPC and its author(s) are credited as the source. For inquiries about commercial use, please contact NEPC at nepc@colorado.edu.

The National Education Policy Center (NEPC), a university research center housed at the University of Colorado Boulder School of Education, sponsors research, produces policy briefs, and publishes expert third-party reviews of think tank reports. NEPC publications are written in accessible language and are intended for a broad audience that includes academic experts, policymakers, the media, and the general public. Our mission is to provide high-quality information in support of democratic deliberation about education policy. We are guided by the belief that the democratic governance of public education is strengthened when policies are based on sound evidence and support a multiracial society that is inclusive, kind, and just. Visit us at: http://nepc.colorado.edu

NEPC
NATIONAL EDUCATION POLICY CENTER

NEPC Review: The Mediocre State of New York State Schools (Manhattan Institute, September 2026)

Reviewed by:

Bruce D. Baker
University of Miami

November 2026

Summary

A Manhattan Institute report asserts that New York spends more per pupil than any other state but gets only "mediocre" results in return, and that the root of the problem is a governance system that neither measures what works nor follows the evidence. The report's own foundational evidence, however, fails to adjust for inflation, the rising cost of the school workforce, regional variation in labor costs, and changes in student needs. In fact, while the report's figures imply that per-pupil spending grew 124% during the almost two-decade period from 2004-05 to 2023-24, when priced in the cost of school staff compensation, New York's per-pupil spending grew by only 34% over the period in question. The report also ignores a large body of rigorous research showing that money does matter for student outcomes and for the state's constitutional obligation, and that most of New York's children attend schools spending well below what it would cost to achieve even current average outcomes. Some of the report's recommendations, like universal early screening and better reporting on special education services, are reasonable. But its headline recommendations—lifting the charter cap, opting into federal tax-credit scholarships and restructuring the Board of Regents—rest on advocacy sources, not evidence. And its proposed "educational return on investment" metric repeats a methodological error addressed in prior NEPC reviews: Simple ratios of outcomes to spending are the wrong tool for comparing institutions serving very different student populations. Overall, the report provides little or no useful guidance for New York policymakers.

NEPC
NATIONAL EDUCATION POLICY CENTER

NEPC Review: The Mediocre State of New York State Schools (Manhattan Institute, September 2026)

Reviewed by:

Bruce D. Baker
University of Miami

November 2026

I. Introduction

New York State is once again at a crossroads in school finance policy. Nearly two decades after adopting the Foundation Aid formula, and only three years after finally funding it in full, state policymakers are debating whether and how to recalibrate a formula whose core elements have never been empirically updated.[1] Any report asserting that New York already spends too much for what it gets bears directly on that debate. Sound policy must be grounded in evidence on what it actually costs to provide New York's children a sound basic education, not in rhetoric about how much the state spends.

Authored by Jennifer Weber, Ray Domanico and Carolyn D. Gorman, the Manhattan Institute's report *The Mediocre State of New York State Schools*[2] contends that New York's high spending has failed to produce better outcomes because the state "does not measure what works or use evidence to guide decisions," and because its governance system "makes no one truly responsible for results."[3] The report covers a lot of ground—early childhood, screening and intervention, special education, school-based mental health, teacher preparation, school choice, graduation standards and governance. But its argument rests on a single premise: that New York's mediocre outcomes "cannot be explained by a lack of spending."[4] This review focuses primarily on that premise, because it is the most consequential for state school finance policy, and because it is the least supported by the evidence the report presents.

This is not the first Manhattan Institute report on New York's schools to come before NEPC reviewers. Prior reviews have examined Manhattan Institute reports on New York City charter school performance, on charter school treatment of low-per-

forming students, on "educational pluralism" and on Education Savings Accounts for New York families.[5] I have also reviewed for NEPC a number of reports making similar arguments about spending, adequacy and productivity—that states already spend enough, or too much, and that the solution lies in measuring productivity rather than in providing sufficient resources.[6] Many of the same issues arise here.

II. Findings and Conclusions of the Report

The report's core finding is that New York's spending has grown dramatically while student outcomes have stagnated or declined. The report notes that per-pupil spending reached approximately $34,300 in 2023–24, up from about $8,900 in 1993–94, and that NAEP scale scores in all four tested grades and subjects fell between 2004–05 and 2023–24. From this, the report concludes:

> NAEP scores also reveal a disconnect between the state's education spending and student outcomes. From 2004–05 to 2023–24, the highest-spending years correspond to the lowest NAEP scale scores, while the highest scores came in years where the state spent far less than what is spent today. Clearly, increases in per-pupil expenditures have not produced better student outcomes.[7]

Having established, at least to its own satisfaction, that New York's "mediocre student outcomes cannot be explained by a lack of spending,"[8] the report organizes its remaining findings under three headings[9]:

- **Measurement.** New York lacks universal K–3 screening in reading and math, operates three overlapping intervention frameworks, identifies 21% of its students for special education (driven largely by speech and language impairment classifications), and has expanded school-based mental health services without tracking their effectiveness or compliance with parental consent requirements.
- **Evidence.** Teacher certification is procedurally demanding, but preparation programs are rated "weak" on early reading, and full certification reciprocity extends to only four states. Charter schools "perform significantly better than their district counterparts,"[10] yet their growth is capped, and state leaders oppose the federal tax-credit scholarship program.
- **Accountability.** The NY Inspires graduation reforms will undermine the comparability of diplomas across districts. A Board of Regents appointed by the legislature, with no role for the governor, insulates education policy from voters and is aligned with the interests of teachers' unions.

The report concludes that "New York has spent more on public education than any

other state; yet the outcomes come nowhere close to justifying the expenditure,"[11] and offers seven recommendations[12]: Adopt and publish an educational return on investment (EROI) framework; establish universal early screening in reading and math; align teacher preparation with evidence-based instruction and expand certification reciprocity; ensure the consistency and comparability of graduation standards; lift the charter school cap and opt into the federal tax-credit scholarship program; require public reporting on special education and school-based mental health services; and change the structure of educational governance.

III. The Report's Rationale for Its Findings and Conclusions

The report's rationale follows a simple chain of reasoning. Spending went up and scores did not, so money must not be the problem. If money is not the problem, the problem must be how the system uses—or fails to use—evidence. And if the system fails to use evidence, the cause must be a governance structure that answers to no one. Each link depends on the one before it, and the first link carries the weight of the entire argument.

That first link is simply asserted. At no point does the report ask what it would actually cost to achieve any given level of outcomes for New York's students, in New York's labor markets, against New York's standards. Instead, it moves directly from "spends the most" to "spending doesn't matter," skipping entirely the question that school finance research and litigation have treated as central for decades: whether spending is adequate relative to the costs of achieving desired outcomes for the children actually served.[13] Notably, that is precisely the question New York's own high court ordered the state to answer in *Campaign for Fiscal Equity, Inc. v. State of New York*.[14]

The remaining links lean on selective framing. Charter schools are said to outperform district schools on the strength of a news article and an opinion outlet's ranking of raw test scores.[15] The governance argument turns on the partisan leanings of the Board of Regents and on teachers' union political spending, neither of which the report connects to any measured student outcome.[16] Put simply, the report holds the state to the standard of "follow the evidence," while its own recommendations on school choice and governance are not derived from any evidence the report presents.

IV. The Report's Use of Research Literature

The report relies on a thin and selective base of literature. Its 55 endnotes consist mostly of government web pages, press releases, news stories and advocacy publications. Only a handful point to peer-reviewed research—one study of New York's

school-based mental health clinics and three studies of school counselor effects. Four cite the authors' own work or other Manhattan Institute publications.[17]

Most notably, the report conveniently bypasses the literature on the very question it treats as settled: whether money matters. The report cites no research at all on the relationship between school spending and student outcomes. Yet a substantial body of rigorous research, much of it using court-ordered school finance reforms as natural experiments, finds that additional spending improves student achievement, educational attainment and adult earnings, with the largest effects for children from low-income families.[18] The report neither engages nor acknowledges any of this work.

The report's characterization of New York's teacher preparation programs as "weak" on early reading rests on ratings from the National Council on Teacher Quality (NCTQ). NEPC reviewers have repeatedly found NCTQ's teacher preparation ratings methodologically unsound, most recently in reviews of its 2023 and 2026 reports on elementary reading preparation.[19]

The report's claims about charter school performance rest on an article in *The74* and a ranking published by the *Washington Free Beacon*, both of which compare unadjusted test score levels.[20] More rigorous evidence, from matched-comparison and lottery-based studies, does generally find positive effects for New York City charter schools,[21] though an NEPC review of the most recent national CREDO study cautioned that effect magnitudes are small and that the study's design cannot fully account for selection into charter schools.[22] Citing that work would have strengthened the report's case, though it would also have made clear that those effects are estimated relative to similar students, not relative to all district schools. Prior NEPC reviews of Manhattan Institute reports on New York City charter schools have raised similar concerns about how comparisons are constructed and about differences in the populations charter and district schools serve, including students with disabilities and English learners.[23] The report is also silent on the fiscal and financial accountability of the charter sector itself—including related-party facilities arrangements and the substantial private philanthropy flowing to some New York City charter networks—an odd omission for a report centered on accountability.[24]

Similarly, the report's case for the federal tax-credit scholarship program rests on estimates from Education Reform Now, Ballotpedia and EdChoice.[25] No research on the achievement effects of voucher or tax-credit scholarship programs is cited. As I have explained in prior NEPC reviews of tax-credit scholarship and Education Savings Account proposals in Pennsylvania and New York, recent rigorous evaluations of statewide voucher programs have found mixed to negative effects on student achievement.[26] Nor does the report address how such programs might affect stratification in New York's private school sector, which an earlier report by one of the report's authors documented as highly segregated by race, income and religion.[27]

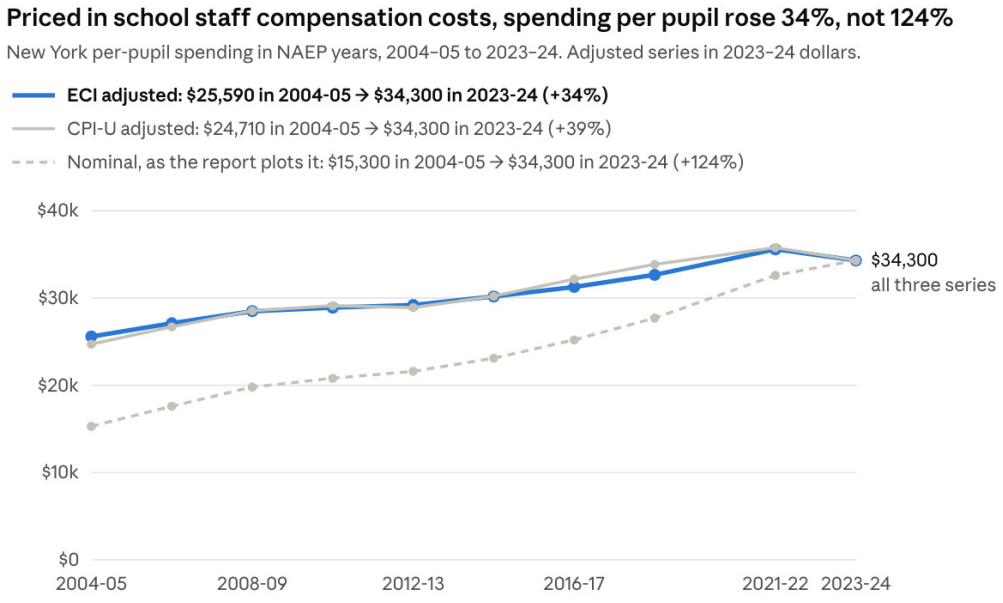
V. Review of the Report's Methods

The report's methods are entirely descriptive: time-series charts, tables of statewide figures and two scatterplots. None of these can support the causal claim the report draws from them. Five problems stand out.

1. Nominal dollars, and the wrong inflation adjustment. The report's Figures 1, 3, 4 and 5 present spending in nominal dollars—that is, at face value, unadjusted for inflation. The report does adjust 1993–94 spending for inflation once, in the text, using the Consumer Price Index (CPI), but then drops the adjustment from every figure, including the two scatterplots on which its central conclusion rests.

Further, the CPI is the wrong yardstick for schools. It measures the price of a household's basket of goods and services, while schools spend most of their budgets on people. A better tool for inflation adjustments is the Bureau of Labor Statistics Employment Cost Index (ECI) for state and local government elementary and secondary school workers, which tracks the cost of employing a comparable mix of school staff over time, including both wages and benefits.[28] Between 2004–05 and 2023–24, that index rose 67%, compared with 61% for the CPI. I made a related point in an NEPC piece more than a decade ago: Comparisons of education spending over time are overly simplistic if they simply adjust for the value of the dollar, ignoring changes in the students served, in the outcomes expected of them, and in the competitive wages required to recruit and retain qualified staff.[29]

Figure 1



Nominal values read from the report's Figure 4 (approximate); 2023–24 from the report's text. Inflation adjustments: BLS ECI, total compensation, state and local

government elementary and secondary schools (CIU3016110000000I); CPI-U (CPI-AUCNS); school-year averages.

Adjusted for the cost of school staff compensation, the report's 2004–05 figure of about $15,300 per pupil is worth about $25,600 in 2023–24 dollars. That is, as Figure 1 shows, real growth across the NAEP window is about 34%, not the 124% implied by the report's nominal figures, and less than the 39% implied by a CPI adjustment.

2. Ten data points, no controls. Figures 4 and 5 each plot 10 statewide NAEP results against spending. Because spending trends upward over time, any outcome that dips at the end of the series—as NAEP scores did nationally after 2019—will produce a negative correlation. The two lowest points in each figure are 2021–22 and 2023–24, the pandemic years. The report itself concedes that "the pandemic merely accelerated a preexisting trend,"[30] but then allows those two points to drive its conclusion.

3. No adjustment for costs or needs. "Spends more than any other state" is a statement about raw dollars. New York's labor costs, especially downstate, are among the highest in the nation, and its cities serve large concentrations of children in poverty. Statewide per-pupil averages tell us nothing about whether any given district or school has sufficient resources to achieve any given outcome. As I explained in prior NEPC reviews of reports by the Fordham Institute and others, national and statewide averages can easily mask the shortchanging of districts serving the neediest children.[31]

4. Misreading the composition of spending. The report notes that teacher salaries declined from 41% to 29% of spending while fringe benefits grew, concluding that "an increasing share of educational spending is directed toward activities other than direct classroom instruction."[32] But fringe benefits are teacher compensation: health insurance and pension contributions for the same classroom teachers. Rising benefit costs indicate a shift in the form of compensation, from salary to benefits, not a shift of resources away from classrooms.

5. Timing of the Foundation Aid phase-in. The report treats 1993–2024 as one long experiment in spending more. But the Foundation Aid formula was frozen after the 2008 recession and not fully funded until 2023–24, 16 years after its adoption.[33] For most of the NAEP window, the state was not providing the aid its own formula called for. The first year of full funding coincides with the report's final data point, so the report can say nothing about the effects of the remedy.

The report's proposed "educational return on investment" (EROI) metric repeats the adjustment problem at the district level. The metric, drawn from a recent Manhattan Institute paper, measures spending per graduate,[34] treating a dollar spent in Buffalo the same as a dollar spent in Scarsdale. It would label high-poverty districts

"unproductive" because the cost of producing a graduate there is higher, not because the money is used less well. In a recent NEPC review of a School Choice Wisconsin report, I explained why simple ratios of outcomes to spending are not merely a flawed method but the wrong method altogether for comparing institutions serving non-randomly distributed student populations.[35] I raised similar concerns about the Center for American Progress's district "return on investment" index and the Fordham Institute's *Stretching the School Dollar* more than a decade ago.[36] The tool the report asks for already exists. Education cost models estimate the cost of achieving given outcomes for given students in given labor markets, and comparing actual spending to those costs provides exactly the kind of return-on-investment measure the report claims to want.[37]

VI. Review of the Validity of the Findings and Conclusions

The report's central conclusion—that New York's outcomes "cannot be explained by a lack of spending"—is invalid. It is contradicted by direct estimates of what New York's schools would need to spend to achieve the state's own outcome benchmarks.

Recently, I have estimated cost models for New York schools using data from 2018-2023, predicting for each district and school, the per-pupil spending needed to achieve current state average outcomes and a higher standard set one standard deviation above that average.[38] In the 2023 data:

- 40% of districts, enrolling 67% of students, spend less than the estimated cost of achieving *current average* outcomes; districts enrolling 91% of students spend less than the cost of the higher standard.
- New York City spends about 86% of the cost of current average outcomes, and the four upstate Big 5 districts about 81%.
- 46 of the 57 small city school districts spend below the cost of current average outcomes, and 54 of 57 fall below the cost of the higher standard.[39]

District-level estimates show where the shortfalls occur (Table 1), including in the eight small city districts that challenged the adequacy of their funding in *Maisto v. State of New York*.

Table 1. District Funding Gaps by Group, Current Average Outcome Standard, 2023[40]

Group	Districts Below Cost	Students in Districts Below Cost	Median Funding Gap Per Pupil	Mean Outcome Gap	Economically Disadvantaged
New York City	1 of 1	100%	-$4,925	-0.12	74%
Buffalo, Rochester, Syracuse, Yonkers	4 of 4	100%	-$5,253	-1.28	80%
Maisto Districts	7 of 8	88%	-$6,234	-0.76	71%
All Other Districts	260 of 658	43%	+$942	+0.16	41%

Source: Reviewer's district-level cost model. Maisto districts are Jamestown, Kingston, Mount Vernon, Newburgh, Niagara Falls, Port Jervis, Poughkeepsie and Utica. Student shares are enrollment-weighted; median funding gaps and mean outcome gaps are across districts. Outcome gaps are in standard deviation units relative to the standard.

Sorting districts by how far their spending falls short of the cost of current average outcomes reveals precisely the pattern the report claims does not exist (Table 2). Districts in the most underfunded quarter spend about $13,000 less per pupil than those in the best-funded quarter, even though they serve far needier students, and they have by far the largest outcome gaps. Across all districts, the correlation between funding gaps and outcome gaps is 0.41.[41]

Table 2. Outcomes by Funding-Gap Quartile, All Districts, 2023

Funding-Gap Quartile	Median Funding Gap	Mean Spending Per Pupil	Economically Disadvantaged	Mean Outcome Gap
Most Underfunded	-$3,496	$22,873	56%	-0.25
Second	-$325	$24,082	45%	+0.11
Third	+$2,435	$26,562	44%	+0.16
Best Funded	+$7,555	$35,859	31%	+0.54

Source: Reviewer's district-level cost model.

In other words, statewide average spending can be high while districts serving the state's neediest children remain thousands of dollars per pupil short of what it would cost to achieve even average outcomes. Ironically, the report's own recommendations on screening, intervention and special education all describe services that cost money to deliver well—and the districts where those services are most needed are the ones facing the largest funding gaps.

Taken together, the report suffers the following shortcomings:

1. It draws causal conclusions about the effects of spending from 10 statewide data points, unadjusted for inflation, labor costs or student needs.
2. It ignores a substantial body of rigorous research showing that money matters for student outcomes.
3. It relies on unadjusted test score levels and advocacy sources for its claims about charter schools and private school choice.
4. It offers no evidence linking the Board of Regents' appointment process, or teachers' union political activity, to student outcomes.
5. It proposes an EROI metric that would systematically mislabel districts serving high-need student populations as unproductive.

Other aspects of the report hold up better. Its descriptions of New York's screening policies, overlapping intervention frameworks, special education identification rates and the state comptroller's audit findings appear accurate. Its concerns about the comparability of diplomas under NY Inspires are reasonable.

VII. Usefulness of the Report for Guidance of Policy and Practice

If New York policymakers are looking for guidance on whether the state's school funding is adequate, and where it is not, this report provides none. Rather, its framing points them away from the state's central constitutional obligation: to ensure that every district has the resources necessary to provide a sound basic education. The report's message, that spending is already too high to be the problem, would discourage precisely the comprehensive cost study the state needs before recalibrating Foundation Aid.[42]

Several of the report's recommendations are reasonable on their own terms: universal early screening (provided that intervention capacity is also funded), common rubrics and external moderation to protect diploma comparability under NY Inspires, and improved reporting on special education and school-based mental health services. That reporting should extend to fiscal reporting for all publicly funded schools, including charters.[43] But the report's headline recommendations—lifting the charter cap, opting into tax-credit scholarships and restructuring the Board of Regents—find no support in the evidence presented. And its proposed EROI metric would do more harm than good. Overall, the report provides little or no useful guidance for policy and practice in New York.

Notes and References

1 New York's Court of Appeals held in *Campaign for Fiscal Equity, Inc. v. State of New York*, 100 N.Y.2d 893 (2003), that the state's school finance system denied New York City children the opportunity for a sound basic education guaranteed by Article XI of the state constitution, and ordered the state to ascertain the actual cost of providing that opportunity. See also *Campaign for Fiscal Equity, Inc. v. State of New York*, 8 N.Y.3d 14 (2006). Opinions retrieved October 2, 2026, from https://www.leagle.com/decision/2003993100ny2d8931838 (2003) and https://www.nycourts.gov/reporter/3dseries/2006/2006_08630.htm (2006). The Foundation Aid formula, adopted in 2007 in response, was frozen following the 2008 recession and was not fully funded until 2023–24. Its base amount and its need and regional cost adjustments have never been empirically re-estimated. See Baker, B.D. (2026, August 1). *Foundation Aid at 20: The need for cost-based reform*. New York State Small City School Districts. Retrieved October 2, 2026, from https://schoolfinance101.com/wp-content/uploads/2026/09/nyscs_foundation_aid_policy_brief.pdf

Throughout this review I also draw on school- and district-level education cost models I have estimated for New York State for 2019 through 2023. These models predict, for each school and district, the per-pupil spending required to achieve two outcome standards—current state average outcomes, and a higher standard one standard deviation above the average—given the students served and the context in which they are served. The outcome index combines grade 3–8 assessment results, chronic absenteeism, dropout and graduation rates, and Regents and Advanced Regents diploma rates. Interactive versions and related materials are available through the School Finance 101 Education Rights Project. Retrieved October 2, 2026, from https://schoolfinance101.com/education-rights-project/

On the broader relationship between state constitutional education provisions and school finance policy, see Baker, B.D. (2021). *NEPC Review: The effect of constitutional provisions on education policy and outcomes*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/constitutional-provisions

2 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools*. Manhattan Institute for Policy Research. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

3 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 1). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

4 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 7). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

5 Frankenberg, E. (2015). *NEPC Review: Pushed out? Low-performing students and New York City charter schools*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/review-pushed-out

Cordes, S. (2017). *NEPC Review: New York charter schools outperform traditional selective public schools: More evidence that cream-skimming is not driving charters' success*. Boulder, CO:

National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/review-nyc-charters

Westheimer, J. (2019). *NEPC Review: The case for educational pluralism in the U.S.* Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/pluralism

Baker, B.D. (2021). *NEPC Review: Education savings accounts: How ESAs can promote educational freedom for New York families*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/esas

6 See, for example:
Baker, B.D. (2011). *NEPC Review: Stretching the school dollar: A brief for state policymakers*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/part-1-stretching-truth

Baker, B.D. (2016). *NEPC Review: School spending and student achievement in Michigan: What's the relationship?* Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/school-spending

Baker, B.D. (2018). *NEPC Review: Everything you know about state education rankings is wrong*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/review-rankings

Baker, B.D. (2023). *NEPC Review: Equal is not good enough: An analysis of school funding equity across the U.S. and within each state, and Balancing act: How states can address local wealth inequity in education finance*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/school-funding

Baker, B.D. (2023). *NEPC Review: Think again: Is education funding in America still unequal?* Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/education-funding

Baker, B.D. (2025). *NEPC Review: Wisconsin's most cost-effective K-12 program*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/cost-effective

7 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 5). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

8 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 7). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

9 The report addresses "measurement" on pages 7–13, "evidence" on pages 13–16 and "accountability" on pages 16–20.

10 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 16). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

11 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York*

State schools (p. 23). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

12 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (pp. 20–22, Table 8). Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

13 In school finance, "adequacy" refers to whether the resources available to a district or school are sufficient to provide children the opportunity to achieve a specified set of outcomes, given the needs of the children served and the costs of the inputs required, including competitive wages for staff in the local labor market. Statewide spending averages say nothing about adequacy in this sense. See Baker, B.D. (2018). *Educational inequality and school finance: Why money matters for America's students*. Harvard Education Press. Retrieved October 2, 2026, from https://hep.gse.harvard.edu/9781682532423/educational-inequality-and-school-finance/

Duncombe, W., & Yinger, J. (2005). How much more does a disadvantaged student cost? *Economics of Education Review, 24*(5), 513–532. Retrieved November 5, 2026, from https://doi.org/10.1016/j.econedurev.2004.07.015

14 See note 1. The Court of Appeals directed the state to "ascertain the actual cost of providing a sound basic education in New York City."

15 The report's endnotes 43 and 44: Aldeman, C. (2026, January 29). 138 NYC schools that are defying expectations when it comes to reading. *The74*. Retrieved October 2, 2026, from https://www.the74million.org/article/nyc-has-138-of-the-states-143-bright-spot-schools-and-54-of-them-are-charters/

Stoll, I. (2026, March 18). Exclusive: Charter schools dominate New York City's top 100 public schools by math and English test scores. *Washington Free Beacon*. Retrieved October 2, 2026, from https://freebeacon.com/education/exclusive-charter-schools-dominate-new-york-citys-top-100-public-schools-by-math-and-english-test-scores/. Neither source adjusts for differences in the students served by charter and district schools.

16 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (pp. 18–20). New York, NY: Manhattan Institute for Policy Research. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools. The report's evidence on union political spending is a single news article (the report's endnote 54: Block, F. [2026, May 18]. How teachers' unions became political big spenders. *The Free Press*. Retrieved October 2, 2026, from https://www.thefp.com/p/how-teachers-unions-became-political).

17 The report's endnotes 20, 25 and 37 cite prior work by Weber and Gorman; endnote 53 cites a Manhattan Institute paper by William Henson (see note 33).

18 Jackson, C.K., Johnson, R.C., & Persico, C. (2016). The effects of school spending on educational and economic outcomes: Evidence from school finance reforms. *Quarterly Journal of Economics, 131*(1), 157–218.

Lafortune, J., Rothstein, J., & Schanzenbach, D.W. (2018). School finance reform and the distribution of student achievement. *American Economic Journal: Applied Economics, 10*(2), 1–26.

Candelaria, C.A. & Shores, K.A. (2019). Court-ordered finance reforms in the adequacy era: Heterogeneous causal effects and sensitivity. *Education Finance and Policy, 14*(1), 31–60.

Baker, B.D. (2018). *Educational inequality and school finance: Why money matters for America's students*. Education Press. Retrieved October 2, 2026, from https://hep.gse.harvard.edu/9781682532423/educational-inequality-and-school-finance/

In a 2023 NEPC review of a Fordham Institute report, I noted that its argument against pursuing funding adequacy "ignores a vast literature detailing rigorous methods for analyzing education costs." See Baker (2023), *Think again*, note 6.

19 Thomas, P.L. (2023). *NEPC Review: Teacher prep review: Strengthening elementary reading instruction*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/teacher-prep. Thomas concluded that the NCTQ report "is ambitious ideological advocacy, not a scientific analysis of teacher preparation suitable to inform policy or practice."

Aydarova, E. (2026). *NEPC Review: Decoding progress in reading preparation*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/reading-prep

20 See note 14.

21 Raymond, M.E., et al. (2023). *As a matter of fact: The national charter school study III*. Stanford, CA: Center for Research on Education Outcomes (CREDO), Stanford University. Retrieved October 2, 2026, from https://ncss3.stanford.edu/wp-content/uploads/2023/06/Credo-NCSS3-Report.pdf

22 Ferrare, J.J. (2023). *NEPC Review: As a matter of fact: National charter school study III 2023*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/charter-study. Ferrare concluded that "the magnitude of the main findings fails to meet the minimum threshold experts consider to be a meaningful educational intervention."

23 Frankenberg (2015) and Cordes (2017), note 5. Cordes concluded that "as an evaluation of cream-skimming in charter schools, this report misses the mark."

On students with disabilities, see Baker, B.D. (2012). *NEPC Review: New York State special education enrollment analysis*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/review-ny-special-ed. There I found that New York charter schools "often serve sizeable shares of children with mild specific learning disabilities, but very few children with severe disabilities."

In the 2023 school-level data underlying the reviewer's cost model, New York City charter schools enrolled, on average, 10.2% English learners and 20.9% students with disabilities, compared with 15.7% and 22.6% in district schools (unweighted school means; District 75 excluded).

24 Baker, B.D. & Miron, G. (2015). *The business of charter schooling: Understanding the policies that charter operators use for financial benefit*. National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/publication/charter-revenue

Baker, B.D., Libby, K., & Wiley, K. (2012). *Spending by the major charter management organizations: Comparing charter school and local public district financial resources*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/

publication/spending-major-charter

Baker, B.D. & Ferris, R. (2011). *Adding up the spending: Fiscal disparities and philanthropy among New York City charter schools*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/publication/NYC-charter-disparities

Baker, B.D. (2014). *NEPC Review: Should charter schools pay rent?* Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/review-should-charter-schools-pay-rent

25 The report's endnotes 45–47 (Education Reform Now, "ECCA Calculations," October 2025, https://dfer.org/2025/10/06/new-data-projects-potential-24-billion-boost-for-students-through-educational-choice-for-children-act-ecca/; Ballotpedia, "States with and without universal school choice programs," August 2026, https://ballotpedia.org/States_with_and_without_universal_school_choice_programs; EdChoice, *The ABCs of school choice,* January 2025, https://www.edchoice.org/research/the-abcs-of-school-choice/). All retrieved October 2, 2026.

26 Abdulkadiroğlu, A., Pathak, P.A., & Walters, C.R. (2018). Free to choose: Can school choice reduce student achievement? *American Economic Journal: Applied Economics, 10*(1), 175–206. Retrieved November 5, 2026, from https://doi.org/10.1257/app.20160634

Waddington, R.J. & Berends, M. (2018). Impact of the Indiana Choice Scholarship Program: Achievement effects for students in upper elementary and middle school. *Journal of Policy Analysis and Management, 37*(4), 783–808. Retrieved November 5, 2026, from https://doi.org/10.1002/pam.22086

Baker, B.D. (2020). *NEPC Review: Unleashing educational opportunity: The untapped potential of expanded tax credit scholarships in Pennsylvania*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/tax-credits

Baker, B.D. (2020). *NEPC Review: Comparing ed reforms: Assessing the experimental research on nine K-12 education reforms*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/charter-research

Baker, B.D. (2024). *NEPC Review: K-12 school choice calculator*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/calculator

Baker, B.D. (2024). *NEPC Review: Pennsylvania's education tax credit scholarships: How EITC serves children and families in the Commonwealth*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/review/tax-credits
See also Baker (2021), note 5.

27 Domanico, R. (2020). *A statistical profile of New York's K-12 educational sector: Race, income, and religion*. Manhattan Institute. Retrieved October 2, 2026, from https://www.manhattan-institute.org/complex-demographics-new-york-public-private-schools

See also Westheimer (2019), note 5, and Baker, B.D. (2009). *Private schooling in the U.S.: Expenditures, supply, and policy implications*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/publication/private-schooling-US

28 U.S. Bureau of Labor Statistics. Employment Cost Index: Total compensation for state and local government workers in elementary and secondary schools, series CIU3016110000000I (December

2005 = 100); and Consumer Price Index for All Urban Consumers, series CUUR0000SA0. Both retrieved October 2, 2026, from FRED, Federal Reserve Bank of St. Louis: https://fred.stlouisfed.org/series/CIU3016110000000I and https://fred.stlouisfed.org/series/CPIAUCNS. Calculations are the reviewer's, using July–June school-year averages. Nominal per-pupil values for 2004–05 through 2021–22 are read from the report's Figure 4 and are approximate to within a few hundred dollars; the 2023–24 value ($34,300) is from the report's text.

29 Baker, B.D. (2011). *Understanding costs and inflation*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/costs-and-inflation. There I argued that "comparisons in education spending over time are overly simplistic if they simply adjust for the value of the dollar."

30 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 4). New York, NY: Manhattan Institute for Policy Research. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

31 Baker (2023), *Think again*, and Baker (2023), *Equal is not good enough*, note 6. Of the Fordham report, I wrote that "relying on national funding averages that can mask the shortchanging of districts serving vulnerable student populations, the report's analysis is too coarse-grained to inform state-level policy."

32 Weber, J., Domanico, R., & Gorman, C.D. (2026, September). *The mediocre state of New York State schools* (p. 4). New York, NY: Manhattan Institute for Policy Research. Retrieved October 2, 2026, from https://manhattan.institute/article/the-mediocre-state-of-new-york-state-schools

33 See note 1.

34 Henson, W. (2026, February 12). *If you can't measure it, can you improve it?* Manhattan Institute. Retrieved October 2, 2026, from https://manhattan.institute/article/if-you-cant-measure-it-can-you-improve-it. See also Weber, Domanico, & Gorman (2026), pp. 19 and 21.

35 Baker (2025), note 6. There I concluded that "cost-effectiveness ratios are wholly insufficient for determining the relative efficiency or productivity of educational institutions serving non-randomly distributed student populations."

36 Baker, B.D. (2011). *Deficiencies & misinterpretations in the Center for American Progress method for measuring and comparing school district return on investment*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/thinktank/deficiencies-misinterpretations

Baker (2011), *Stretching the school dollar*, note 6.

Baker, B.D. & Welner, K.G. (2011). *Productivity research, the U.S. Department of Education, and high-quality evidence*. Boulder, CO: National Education Policy Center. Retrieved October 2, 2026, from https://nepc.colorado.edu/publication/productivity-research

See also Baker (2018), note 12, chapter 8.

37 Such cost-efficiency analyses estimate, for each institution, the cost of achieving its current outcomes given the students it serves and the context in which it operates, and then evaluate how far actual spending departs from that predicted cost. See Duncombe & Yinger (2005), note 12; Baker (2025), note 6, Table 1.

38 District-level figures, including those in Tables 1 and 2, are from the reviewer's New York district-level cost model, 2023 data. School-level figures are from the corresponding school-level model, excluding District 75 schools, which lack outcome measures in the source data. "Small city" refers to New York's small city school district designation; "Big 5" here refers to Buffalo, Rochester, Syracuse and Yonkers, with New York City reported separately. The "Maisto districts" are the eight small city districts that were plaintiffs in *Maisto v. State of New York*, 196 A.D.3d 104 (3d Dep't 2021): Jamestown, Kingston, Mount Vernon, Newburgh, Niagara Falls, Port Jervis, Poughkeepsie and Utica. See also note 1. See Baker, B.D. (2026, August 1). *Foundation Aid at 20: The need for cost-based reform*. New York State Small City School Districts. Retrieved October 2, 2026, from https://schoolfinance101.com/wp-content/uploads/2026/09/nyscs_foundation_aid_policy_brief.pdf

39 Baker (2026), note 1.

40 Table 1 covers the 671 districts with a 2023 cost estimate, enrolling 2,293,909 students. The four groups are mutually exclusive. (1) New York City: 1 district (835,164 students), treated as a single district; gap -$4,925 per pupil. (2) Buffalo, Rochester, Syracuse and Yonkers: 4 districts (94,076 students); all four spend below cost, with gaps of -$10,714 (Syracuse), -$6,479 (Rochester), -$4,026 (Yonkers) and -$3,904 (Buffalo). (3) Maisto districts: 8 districts (49,928 students); seven spend below cost, with gaps of -$8,564 (Utica), -$7,889 (Mount Vernon), -$7,832 (Niagara Falls), -$6,614 (Poughkeepsie), -$5,854 (Port Jervis), -$5,209 (Jamestown) and -$2,956 (Newburgh); Kingston spends $1,637 above cost. (4) All other districts: 658 districts (1,314,741 students), including the remaining 49 small city districts (among them Albany); 260 of these districts, enrolling 561,387 students, spend below cost. Twenty-two districts in the source data are excluded because they lack a 2023 cost estimate: North Colonie and Cattaraugus–Little Valley, which have spending data but no cost prediction, and 20 districts with no 2023 spending data. Four districts with cost estimates (Kiryas Joel, Newcomb, Ossining and West Canada Valley) lack outcome measures and are omitted from the mean outcome gaps. Enrollment is the district's 2023 pupil count in the school-level data (for Newburgh, which lacks that count, the district rollup count). The economically disadvantaged share is enrollment-weighted.

41 Quartiles are defined on each district's funding gap relative to the cost of current average outcomes in 2023 (671 districts with cost estimates; New York City is treated as a single district). Quartile ranges and enrollments: most underfunded, 168 districts with gaps from -$15,973 to -$1,641 per pupil (1,295,347 students); second, 168 districts from -$1,635 to +$899 (362,745 students); third, 167 districts from +$922 to +$4,237 (315,926 students); best funded, 168 districts from +$4,296 to +$91,907 (319,891 students). The most underfunded quarter includes New York City, all four of Buffalo, Rochester, Syracuse and Yonkers, seven of the eight Maisto districts (all but Kingston, which falls in the third quarter) and 156 other districts; it therefore enrolls about 56% of students in the analysis. Means within quartiles are unweighted district means; mean outcome gaps exclude the four districts lacking outcome measures (see note to Table 1). The correlation is an unweighted Pearson correlation across the 667 districts with both measures.

42 Baker (2026), note 1, recommends commissioning a comprehensive cost study in the FY2028 budget to inform a replacement formula for FY2029, and provides template request-for-proposals language for such a study.

43 On the financial practices of charter operators and the need for transparent fiscal reporting, see Baker & Miron (2015) and Baker & Ferris (2011), note 23.