2017-2018 Regents State Aid Proposal

Board of Regents
State Aid Aid Subcommittee

December 12, 2016
Agenda

• Recap of the Budget Cycle
• Fiscal updates generated from the November Database
• Proposed Foundation Aid Changes
• Proposal Summary
• Additional Investments
• Next Steps – Review Process
Budget Cycle

- **September, October and November:** Board of Regents develops State Aid proposal
- **November 15:** SED releases updated State Aid data
- **December:** Regents adopt State Aid proposal
- **January:** Governor introduces Executive Budget
- **February:** SED releases updated State Aid data
- **March:** Legislature introduces one-House budget bills; budget negotiations between Legislature and Executive
- **April 1:** Expected Enacted Budget, release of State Aid runs
November Database Update

- Every November 15, SED calculates estimates for the statutorily-mandated increases in expense-based aid formulas, such as Building Aid and Transportation Aid, for the coming budget year.

- 2017-2018 increases are projected to be $335 million, including $340 million in expense-based formula aids, and a slight decrease in categorical programs.
November Database Update

- Categories with increases include:
  - Building Aid - includes new lead testing and remediation aid
  - Transportation Aid
  - Special Services Aid
  - Private and High Cost Special Education
  - BOCES Aid

- These increases are entitlements that must be paid to school districts.
November Database Update

- The total remaining “phase-in” of Foundation Aid increased from $3.8B to $4.3B as of the November Update
  - Approximately $220 million was added due to increased enrollments in higher aid districts
  - Approximately $190 million was added due to the addition of 0.9% inflation to the base “Foundation amount”
  - Approximately $80 million was added due to reductions in district wealth
Proposed Foundation Aid Changes
Proposed Changes: Phase-in

- The Regents State Aid proposal calls for a 3-year phase-in of the remaining formula (completed in the 2019-2020 school year), with all districts receiving their full aid amount.

- The phase-in schedule will provide roughly 33% of the remaining difference in each year.

- In addition, for districts on “save harmless” in 2017-18, most would receive a wealth-adjusted minimum increase of up to 1%.
Proposed Changes: Pupil Needs Index (PNI)

- Convert 3-year average Free and Reduced Price Lunch (FRPL) data to a 3-year average “Direct Certification” count, using a blend of the two in 2017-2018 and 2018-2019 to transition
- Update Census 2000 poverty data with current annual Small Area Income and Poverty Estimates (SAIPE) data
Proposed Changes: Income Wealth Index (IWI)

• For the 2017-2018 school year, there are 341 (of 674 districts) with an Income Wealth Index less than 0.65

• If the minimum were eliminated, 172 of the 341 would see a net benefit

• The Regents Proposal recommends the elimination of this minimum
Proposal Summary

• Foundation Aid Phase-in: $1.47 billion
• Expense-base Aids: $335 million
• Formula Subtotal: $1.8 billion

• Additional Investments: $290 million
  o Universal Prekindergarten: $100 million
  o English Language Learners: $100 million
  o College and Career Pathways: $60 million
  o Professional Development: $30 million
Additional Multi-year Investments
Supporting Readiness to Learn

• **Expand Universal Prekindergarten ($100 million):** Consolidate all prekindergarten programs into one unified program and continue to expand access to high quality prekindergarten programs to all students in New York State.

• **Education of English language learners ($100 million):** Support for appropriate programs and opportunities for students who are learning English including access to dual-language programs and age- and language-appropriate materials and supports.
Improving Access to High Quality Instruction and Specialized Coursework

• **College and Career Pathways ($60 million):** Increase support for career and technical education through BOCES and in large city and other districts that do not belong to BOCES.

• **Professional Development for Teachers and Principals ($30 million):** Create an Instructional Development Fund. This Fund would build upon the existing work of districts and BOCES and leverage lessons learned from the implementation of previous teacher and leader initiatives.
# 2017-2018 Regents State Aid Proposal

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<tr>
<th>Program</th>
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<tr>
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Thank You