

engage^{ny}

Our Students. Their Moment.

Setting the Stage for the Regents 2015-16 State Aid Proposal

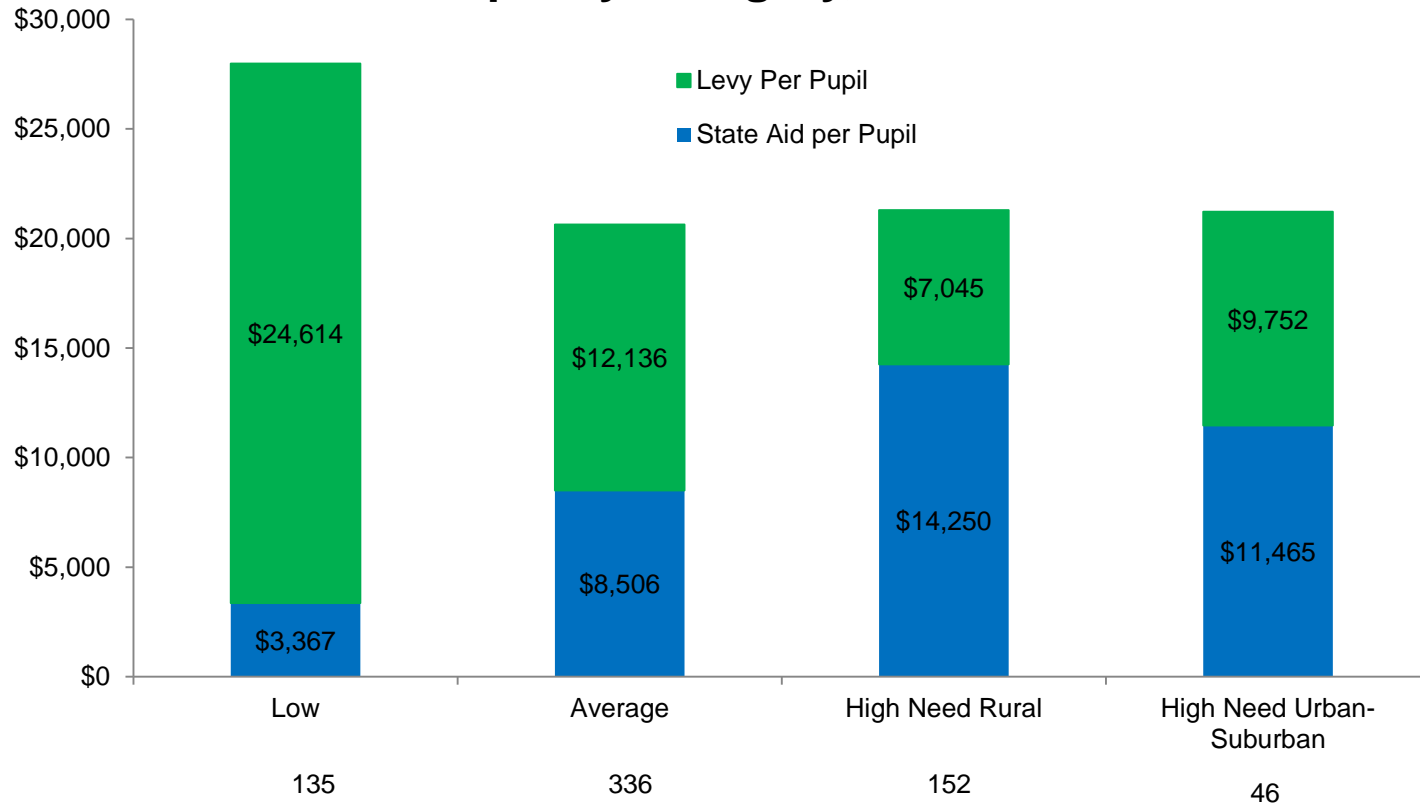
**Board of Regents
State Aid Subcommittee**

June 2014



Projected Per Pupil Revenue by NRC

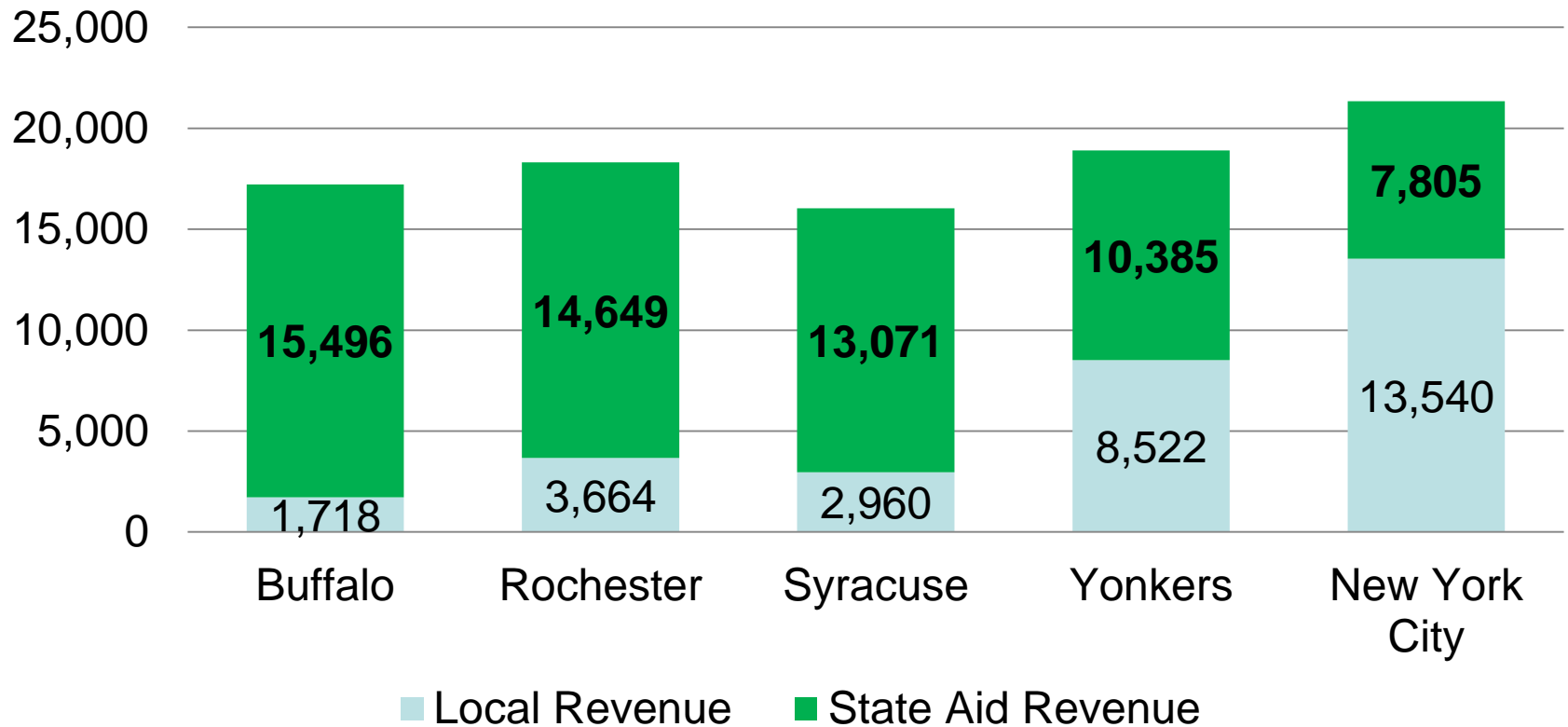
Average Levy and State Aid (Estimated) per Pupil* by Need/Resource Capacity Category, School Year 2014-15



*Pupil counts based on projected 2014-15 counts submitted with the Property Tax Report Card. Enrollment is expected to decline year to year. Also, neither this slide nor the next one include Federal revenues. Federal revenues tend to be proportionately higher in the high needs districts – like the two high needs categories here – and in the Big Five. Net spending per pupil figures may be different as a result.

Projected Per Pupil Revenue for Big Five City Districts

2014-15 School Estimates



Local revenue estimates for the Big 4 Cities reflect proposed or recommended values as the budgets for the school year beginning in July have not been formally adopted yet. Pupil counts reflect actual counts for 2013-14. Federal revenues tend to be proportionately higher in the high needs districts – including the Big Five. Net spending per pupil figures may be different as a result.

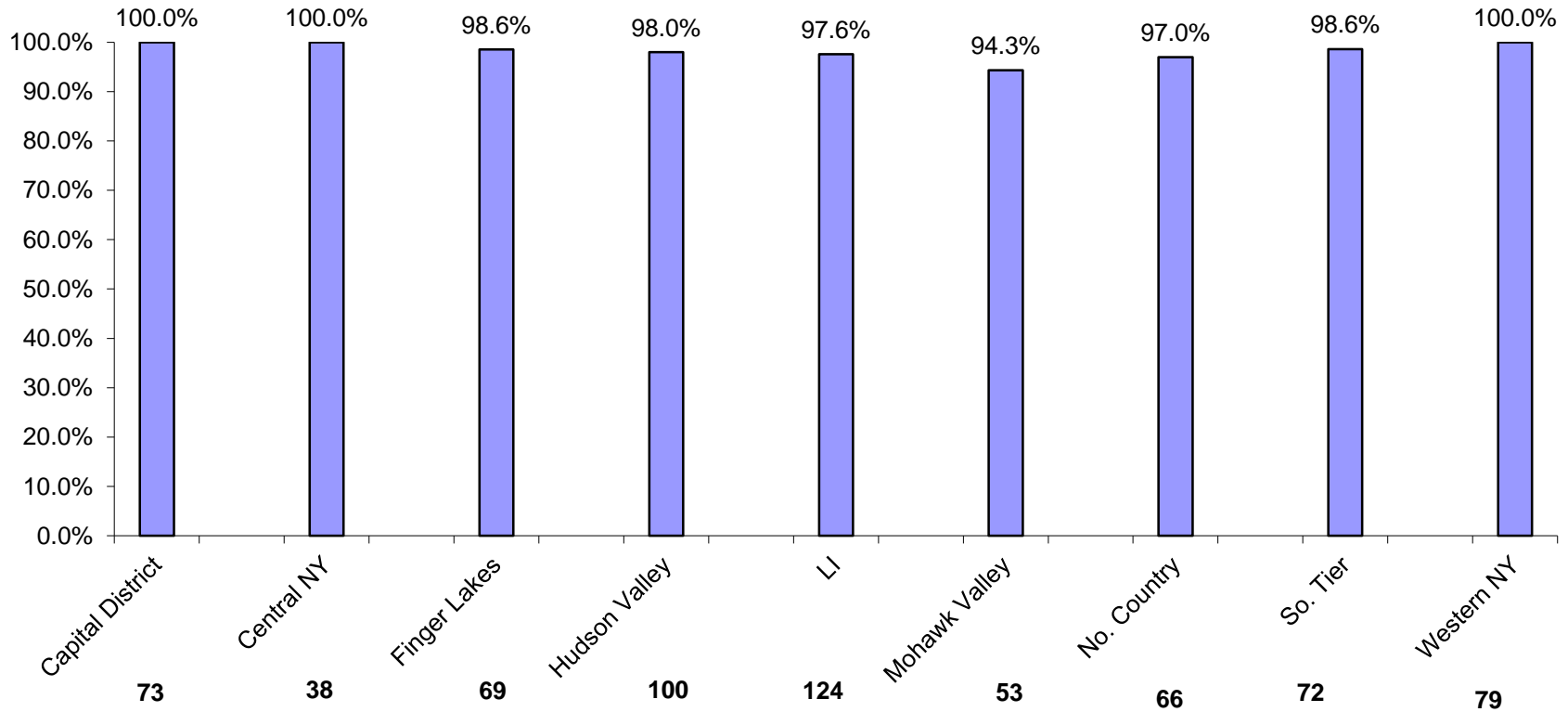
Property Tax Report Card

Projected levy and spending for districts outside the Big Five:

- Statewide - proposed spending increased by 2.5%
- Proposed local levy increased by 1.9%
- Projected enrollment *declined* by 0.7% from prior year
- Proposed spending increases varied considerably statewide: from a decline of 8.4% to an increase of 12.5% (extreme values occurred in smaller, rural districts – perhaps driven by capital projects?)
- Average per pupil spending increases tended to be largest in counties with declining enrollment – fixed costs for buildings etc. do not decline with enrollment, driving per pupil expenditures up.

Vast Majority of Budgets Passed – Few Regional Differences

Percentages of Districts Passing May 2014 Budgets, by NYS Labor Dept. Market Area*

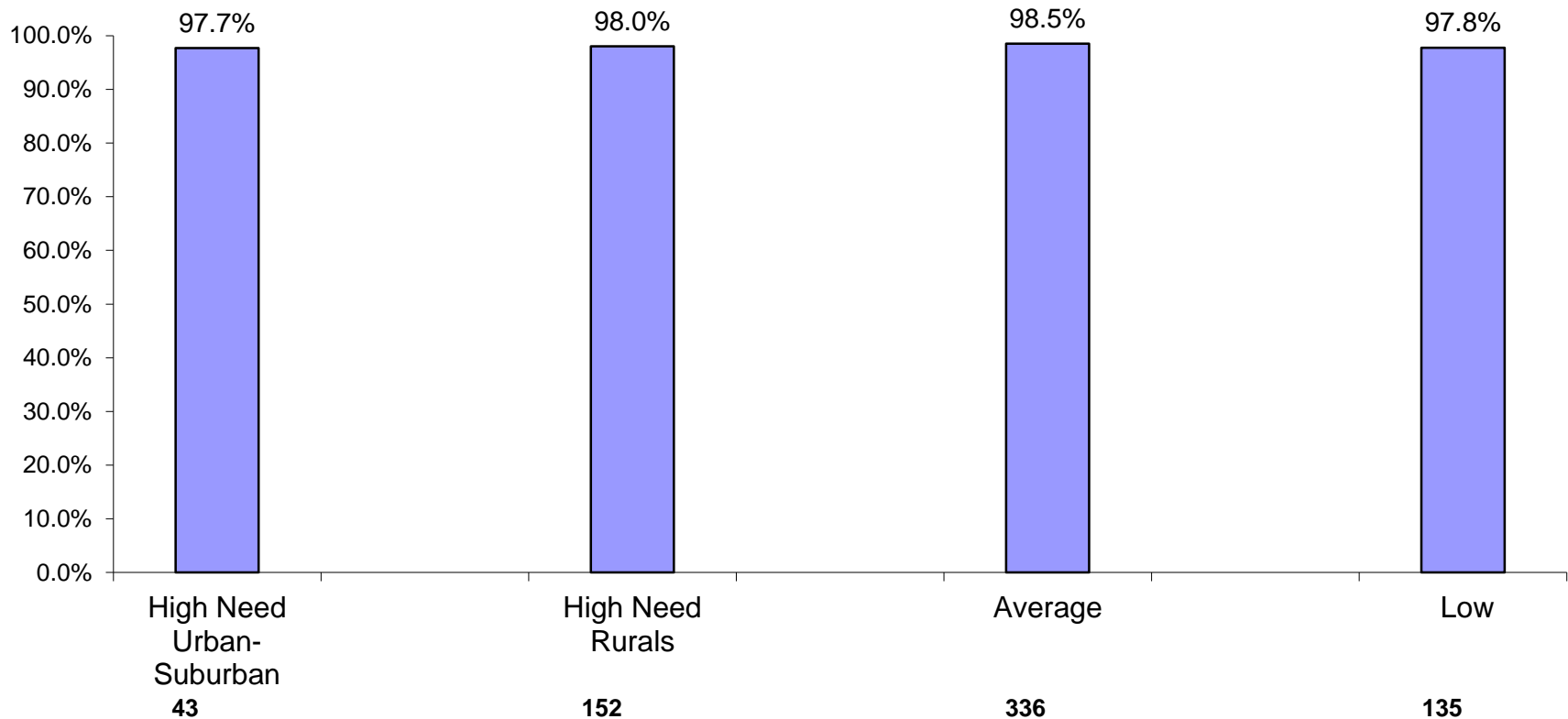


*Numbers under the Labor Market areas denote the number of districts the area(s) comprise

Few Differences in Passage Rates by NRC

Percentage of Districts Passing May 2014 Budgets, by Need-Resource Capacity* Category

* The New York City and the Big 4 City school districts who make up the other two NRC categories, do not vote on budgets



Numbers represent the number of districts in each Need Resource Category.

2014-15

Regents State Aid Proposal

2014-15 Regents State Aid Proposal

Major recommendations included:

- **\$719 million Transitional Operating Aid.** Transitional Operating Aid adheres to the principles of the Foundation Aid formula and addresses the impact of several years of Gap Elimination Adjustments.
- **\$281 million for increases in reimbursement-based programs, according to existing formulas.** These included Transportation Aid, Building Aid and BOCES Aid.
- **\$300 million in future aid programs – intended to make strategic investments in key priorities was also recommended**

Strategic Investments

\$300 million in new, focused spending was recommended

- Professional development of teachers and principals,
- Ensuring that our youngest students get a good start,
- Investing in instructional materials,
- Enhancing career/technical education, and
- Increasing support for sharing resources.

Enacted Budget

The 2014-15 Enacted Budget included \$21.8 billion in General Support for Public Schools, a year to year increase of \$1.12 billion. Major program increases included:

- **Foundation Aid: \$251 million increase;**
- **Gap Elimination Adjustment: \$602 million restored;**
- **Increases consistent with existing statutory formulas for services to students with disabilities, building and transportation aids; and**
- **Full-day PreK: Budget authorized \$340 million in new spending on full-day prekindergarten programs.**

Considerations for Next Year

What approaches should be considered as work on the 2015-16 Regents State Aid Proposal begins?

- **Gap Elimination Adjustment Restoration?**
- **Foundation Aid Phase-In?**
- **Consolidation of Prekindergarten Programs?**
- **Expiration of Race to the Top Funds in 2015?**
- **Strategic Investments?**