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2017-2018 Regents State Aid Proposal

**Board of Regents
State 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

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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
 - Universal Prekindergarten: \$100 million
 - English Language Learners: \$100 million
 - College and Career Pathways: \$60 million
 - Professional Development: \$30 million

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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

Program	Amount
Foundation Aid	\$1.47B
Expense-based Aids	\$335 M
Universal Prekindergarten	\$100 M
English Language Learners	\$100 M
College and Career Pathways	\$60 M
Professional Development	\$30 M
Total	\$2.1 B

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Thank You

