

2017-2018 Regents State Aid Proposal

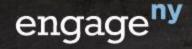
Board of Regents State Aid Subcommittee

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

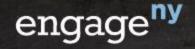
- September, October and November: Board of Regents develops State Aid proposal
- November 15: SED releases updated State Aid data
- December: Regents adopt State Aid proposal
- January: Governor introduces Executive Budget
- February: SED releases updated State Aid data

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- 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 expensebased 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.



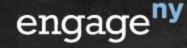
November Database Update

- 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



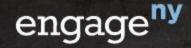


Proposed Foundation Aid Changes



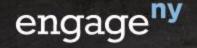
Proposed Changes: Phase-in

- The Regents State Aid proposal calls for a 3-year phasein 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%.



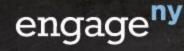
Proposed Changes: Pupil Needs Index (PNI)

- 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





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 ageand language-appropriate materials and supports.

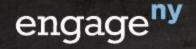
Improving Access to High Quality Instruction and Specialized Coursework

- 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.



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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





Thank You

