

# NYC & NYS Education Budget Briefing

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MARCH 2025

COALITION FOR EQUITABLE EDUCATION FUNDING





# Last year...

- Many important education programs were at risk of ending in 2024 because they were funded with expiring federal stimulus funds and expiring city funds.
- The City continued funding for many key education programs that were at risk of ending.
  - Some programs were continued using one-year city funding — meaning the funding will expire in June 2025 unless extended.
  - Other programs were continued long-term using state Foundation Aid funding.





# City Budget

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# Programs continued through one-year city dollars include:

- Early Childhood Education
  - 3-K
  - Preschool special ed classes
  - Extended day seats
  - Outreach
- Summer programming
- Arts programming
- Community schools
- Learning to Work
- Restorative justice
- Teacher recruitment
- Mental Health Continuum
- Immigrant family communications & outreach
- High-impact tutoring
- Student Success Centers





# The Mayor's Preliminary Budget extends funding for two of them for one more year:

- Early Childhood Education
  - 3-K
  - Preschool special ed classes
  - Extended day seats
  - Outreach

- **Summer programming**

- Arts programming
- Community schools

- **Learning to Work**

- Restorative justice
- Teacher recruitment
- Mental Health Continuum
- Immigrant family communications & outreach
- High-impact tutoring
- Student Success Centers



# Which means the following programs are once again at risk of significant cuts at the end of June:

- Early Childhood Education
  - 3-K **\$112M**
  - Preschool special ed classes **\$55M**
  - Extended day seats **\$25M**
  - Outreach **\$5M**
- Arts programming **\$41M**
- Community schools **\$14M**
- Restorative justice **\$12M**
- Teacher recruitment **\$10M**
- Mental Health Continuum **\$5M**
- Immigrant family communications & outreach **\$4M**
- High-impact tutoring **\$4M**
- Student Success Centers **\$3.3M**



A child is sitting on a green mat, playing with colorful blocks. The child's hands are visible, holding a white circular graphic that contains the text '3-K & Pre-K'. The background is slightly blurred, showing the child's legs and feet.

## 3-K & Pre-K

- \$112M of the overall budget for 3-K is one-year city funding
- Last year's budget also included \$25M for extended day seats and \$5M for community outreach
- Losing this funding could mean that thousands of 3-year-olds who would have had the chance to attend 3-K this fall will instead miss out







**Preschool  
special ed  
classes  
\$55M**

- NYCPS opened new preschool special education classes to help address the significant shortage
- Adding seats for about 700 children with disabilities like autism
- Even *with* this funding, hundreds of preschoolers with disabilities are still waiting for a seat in their legally mandated special education class





**Community  
schools  
\$14M**

- Schools partner with community-based organizations to provide students and their families with comprehensive wrap-around services like after-school programs, medical and dental care, and adult education classes
- Expiring one-year funding supports more than 50 community schools





**Restorative  
justice**  
*\$12M*

- Allows more schools to use alternatives to suspensions, keeping students in the classroom while helping them build and repair relationships
- One-year funding represents the majority of the City's investment in restorative justice practices





**Mental  
Health  
Continuum  
\$5M**

- Helps students with significant mental health needs access expedited mental healthcare
- Currently serving thousands of students at 50 high-needs schools, but funding will expire in June





**Immigrant  
family  
outreach  
\$4M**

- Strengthens communication with immigrant families, many of whom would otherwise be left without important information about their children's schools
- Critical for this initiative to continue given the increase in the number of newcomer immigrant families in NYC as well as changes in federal policies





A person is standing in a hallway, holding a large white circle. The circle contains the text 'Student Success Centers \$3.3M'. The person is wearing a dark shirt and pants, and their arms are raised to hold the circle. The hallway has a tiled floor and a railing on the right side.

**Student  
Success  
Centers  
\$3.3M**

- Allows trained youth leaders to build a culture of college-going and help their peers with the college admissions process
- In more than 30 NYC high schools





**Arts programming  
\$41M**



**Teacher recruitment  
\$10M**



**High-impact tutoring  
\$4M**



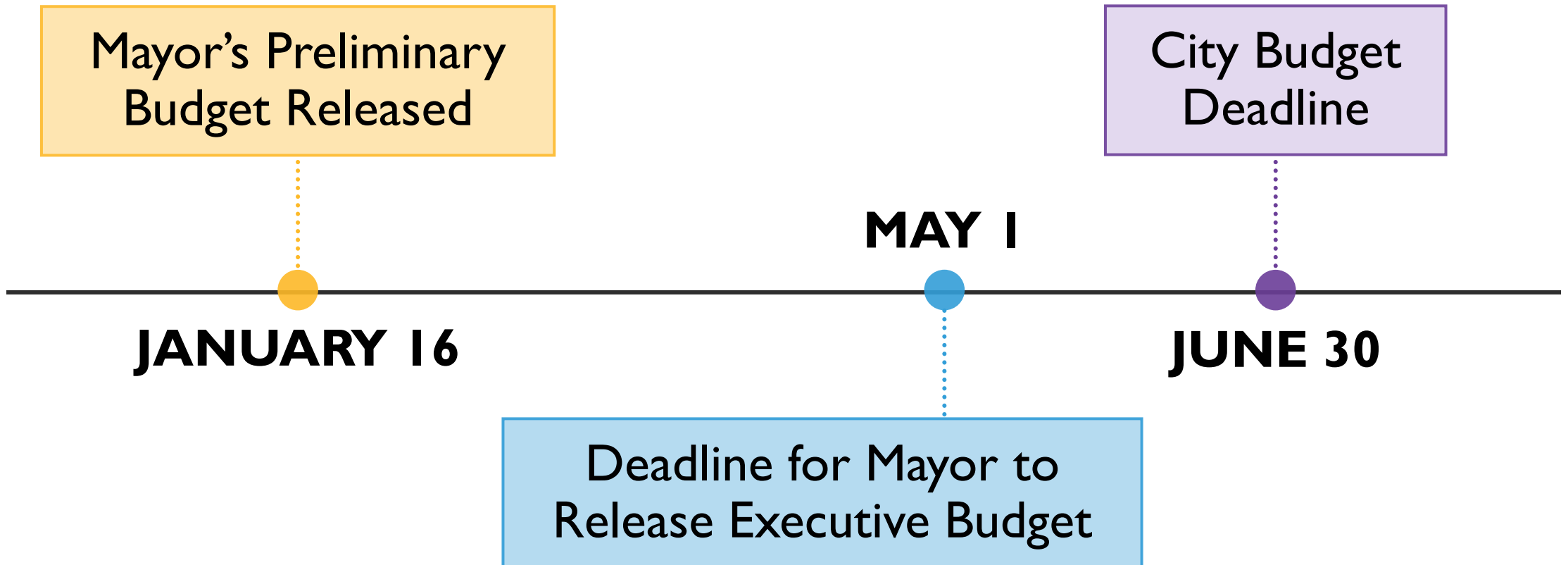
## CEEF RECOMMENDATION

# Include long-term funding for these important education programs in the Executive Budget

- Parents, students, and educators need to know that they will be able to rely on these programs next year and beyond.
- The City should also make additional investments that are needed to support students, with a focus on those who have the greatest needs.



# Timeline



# City Council Education Budget Hearing: March 13th

**Join CEEF for a rally!**

9–10am • Steps of City Hall

Scan to register  
for the rally



**Testify at the hearing**

- Public testimony will start in the late afternoon
- In person at City Hall or via Zoom
- Register at [council.nyc.gov/testify](https://council.nyc.gov/testify)





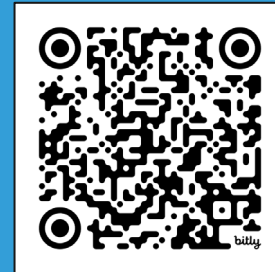


# ACTIONS YOU CAN TAKE

Email Mayor  
Adams



Sign up for updates  
and to get involved



# State Budget

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# What is Foundation Aid?



Largest source of funding from the State to New York City Public Schools (NYCPS) and other school districts



Distributed to NYC and other school districts through a funding formula that provides funding for each student



Currently being re-examined for the first time since 2007





## How much funding does it provide?

- **\$24.9B** to districts across the State this year
- **\$9.9B** to New York City Public Schools  
*25% of NYCPS's budget*





# How is it used?

NYCPS uses the funds in many ways including:

- School budgets
- Education programs





# Programs previously funded with expired federal funding and now funded through long-term state Foundation Aid dollars include:

- Certain preschool special education supports
- 500 school social workers / psychologists
- More than 100 community schools
- 100 shelter-based coordinators
- Literacy & dyslexia programming
- Bilingual programming
- Translation & interpretation services
- Career pathways programs



# How it works

The formula sets the base amount per student



That base funding amount is then adjusted to account for inflation, regional cost differences, and student need with added weights for:

Students living in  
poverty

Students with  
disabilities

English Language  
Learners



NYS determines what a district's minimum local contribution is, and that amount is subtracted



# How did we get here?

1993

A group of parents, led by now-Senator Robert Jackson, sued New York State, arguing that their children were not receiving the education they were entitled to under the NYS Constitution.

2000

Parent organizing intensified across the State with the founding of the Alliance for Quality Education, raising awareness on the issue outside of the courts.

2006–  
2007

The parents won, and the Foundation Aid formula was created to equitably distribute education funding to school districts.



# How did we get here?

2007–  
2021

The State repeatedly failed to fund the FA formula. Parents continued to fight tirelessly for full funding, even marching to Albany in protest.



2021

Governor Hochul & the NYS Legislature committed to a 3-year full phase-in of Foundation Aid.

2023

New York schools started the school year with the full amount of Foundation Aid they were entitled to for the first time!

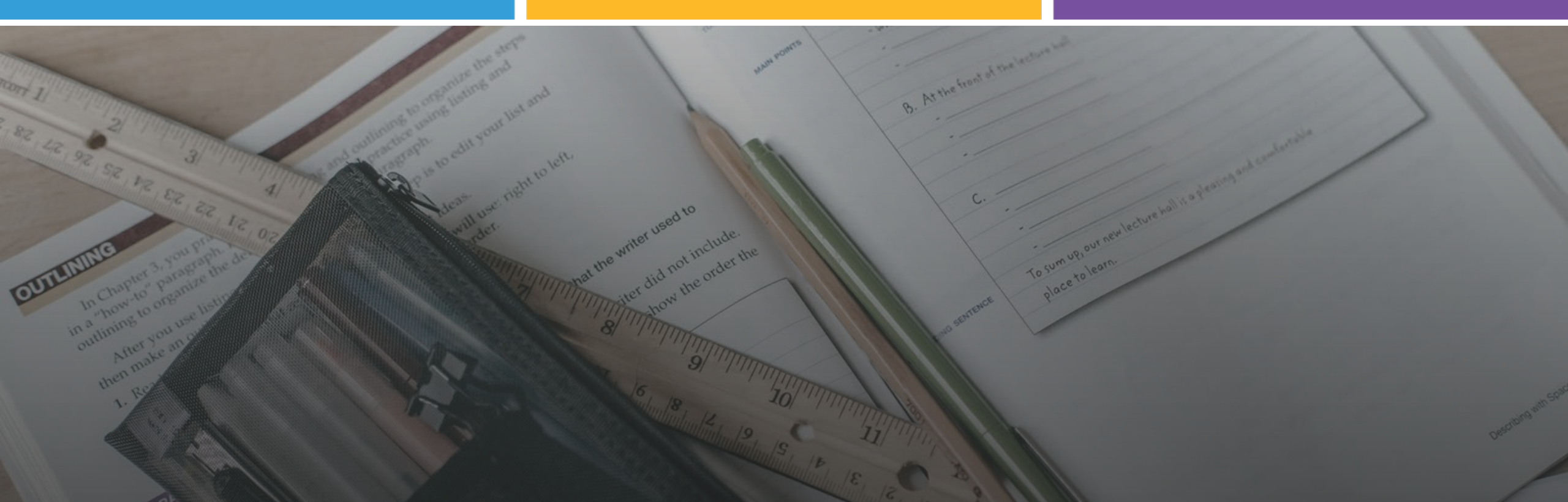


# How did we get here?

- We appreciate that the Governor & NYS Legislature fully funded the formula for the first time in 2023
- But the formula is outdated—most parts haven't changed since 2007
- State funding for public education has not kept up with rising costs and changing student needs
- In 2002, NYC and NYS contributed around the same amount to NYC's education budget
  - Now, the City contributes 57% while the State contributes only **37%**







# TIME FOR CHANGE



# Refresher: What was it like in 2007?



Barack Obama launched his first Presidential campaign

The first iPhone was released



Twitter was only a year old



# What's changed in NY schools since 2007?

COVID-19

Increase in  
community  
schools

New class  
size law

Youth mental  
health crisis

New learning  
standards

Added 3-K  
and Pre-K

Rise in student  
homelessness

Technology

More children  
diagnosed with  
autism



# Why now?



State examining formula for the first time in 15+ years



Last year, NYS budget funded Rockefeller Institute to study the formula and recommend changes



Changes could have a major impact on how much education funding NYC and other school districts get from NYS





# The Rockefeller Institute Study

- A more than 300-page report was released in early December.
- It included a menu of numerous possible changes to the Foundation Aid formula.



# THE GOVERNOR'S BUDGET PROPOSAL





# The Governor's proposal would shortchange NYC schools

- Governor Hochul proposed only a few changes to the Foundation Aid formula.
- Would result in New York City schools getting nearly **\$350 million less** than they would without these changes.



# Executive Budget Proposal

- ✓ Replace free/reduced-price lunch metric with broader measure of “economically disadvantaged students”
  - This change would bring more resources to NYC schools by better counting the number of low-income students.
- ! Replace 2000 Census data with 3-year average Small Area Income and Poverty Estimates (SAIPE)
  - This change would decrease funding for NYC schools.



# What is SAIPE?

- Another Census measure
- Uses the federal poverty guidelines — currently just **\$32,150** for a family of four
- Makes no adjustments for local cost of living
  - It costs more to live in NYC than many other places in the State!
- Includes students in public *and* private schools
- Not an adequate way to measure student poverty!



# Impact on NYC Schools

- Overall, NYC will still see an increase in Foundation Aid because of other parts of the formula.
- But the increase will be **nearly \$350 million less** than it would be without the Governor's proposed changes to the formula.



# Impact on NYC Schools

- NYC schools would lose funding intended for low-income students even though:
  - 146,000 NYC students experienced homelessness last year
  - 700,000 NYC students are economically disadvantaged
  - 44% of NYC families with children had trouble affording food in 2023





# Impact on NYC Schools

- NYC's needs are too significant for our schools to *miss out on* funding
  - Around 50,000 newcomer immigrant students have enrolled since 2022
  - New state law requires NYC to lower class sizes
  - NYC has been paying for 3-K almost entirely on its own
  - Federal stimulus funding—used to pay for key programs, staff, and services—expired in 2024



A stack of several books is shown in the background, slightly out of focus. The books have various colored covers, including blue, red, and grey. The text is overlaid on a blue rectangular box.

# WHAT CAN STATE LEADERS DO?



# NYS should ensure NYC is not negatively impacted by changes to the FA formula

- NYS should ensure that NYC schools do not lose hundreds of millions of dollars due to changes to the Foundation Aid formula.
- Changes should better capture student needs and account for variations in costs in different parts of the State.



## CEEFF RECOMMENDATION

# Update the Regional Cost Index

- Accounts for differences in salaries in different regions of NYS, but not updated since 2006
- Recommended by the NYS Board of Regents and the state-funded Rockefeller Institute study
- IBO estimates this would drive \$306M to NYC schools, if fully implemented in one year



## CEEFF RECOMMENDATION

# Add a weight for students in temporary housing & students in the foster care system

- More than 146,000 students are homeless in NYC, and around 5,000 students are in foster care
- The formula includes no added funds for these students





## CEEFF RECOMMENDATION

# Consider additional ways of measuring poverty

- Use higher weights for higher concentrations of poverty, as recommended by the state-funded Rockefeller Institute study
- Add a new cost-of-living adjustment or a higher poverty threshold for certain communities



# What else is still missing

The Executive Budget only includes changes related to the weights for low-income students & students in poverty.



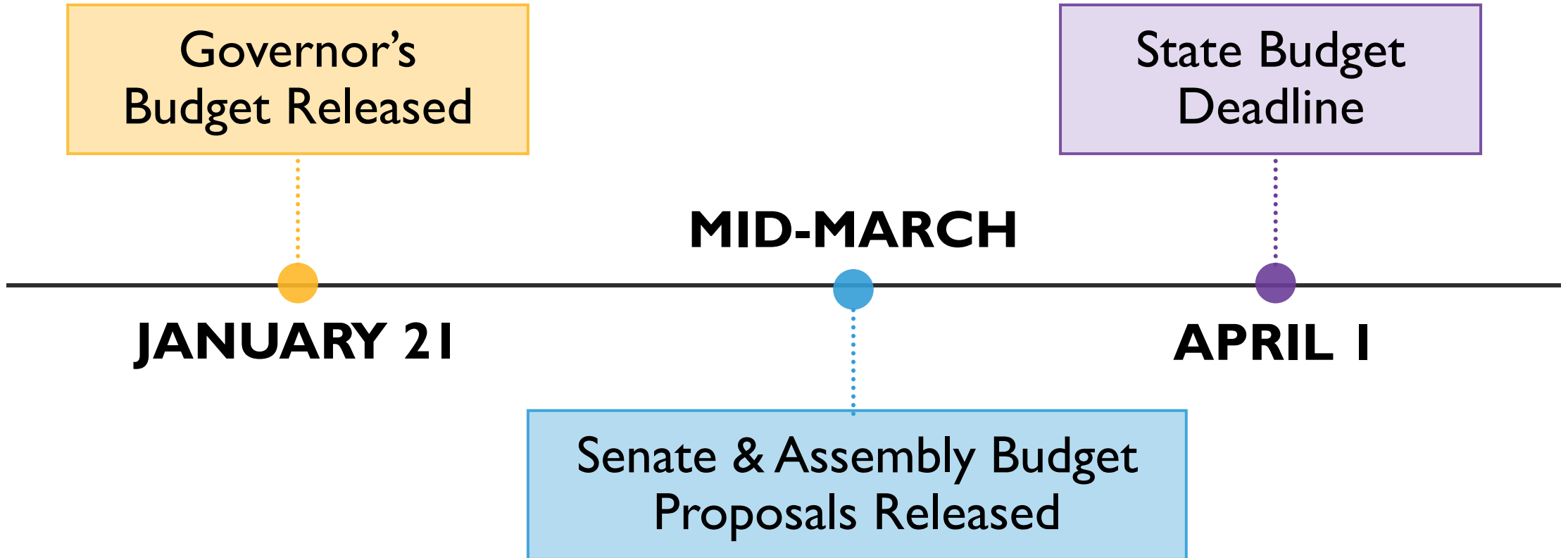
# What else is still missing

- Increase weights for students with disabilities and English Language Learners (ELLs)
- Include funding for students in 3-K & Pre-K and for students with disabilities through the school year they turn 22
- Reexamine the base amount for each student
- Include funding for class size

Ongoing review of the formula!



# Timeline



# Join us in calling on the Governor and the NYS Legislature not to shortchange NYC schools!

Our state leaders must make sure changes to the Foundation Aid formula do not negatively impact NYC schools.







# ACTIONS YOU CAN TAKE

Email Governor Hochul  
& key NYS legislators



Sign up for updates  
and to get involved





# QUESTIONS?

