



Fiscal Year 2024 Budget and Policy Engagement

May 2023



Agenda

- v **Funding Streams:**
 1. **Federal Stimulus**
 2. **State Foundation Aid**
 3. **State C4E**

- v **Class Size Reduction Plan and Working Group**

FEDERAL STIMULUS

SY 2023-2024

Stimulus Funding for Education

- v NYC Public School's School Year 2023 – 24 plan includes the remaining \$1.9 billion of stimulus funding from the American Rescue Plan Act (ARPA), enacted March 2021.
 - NYC Public School received a total of \$4.8 billion from ARPA, which can support activities from SY 2021-22 through September 2024.
 - 20% of ARPA funding must be used to address “learning loss,” defined as the academic impact of lost instructional time, and with a focus on high-needs students.
 - Next year, School Year 2023-24, will be the last school year supported with education stimulus funding.

NYC Public Schools Will Continue Its Investments in School Budgets

- v Major initiatives will continue to support school budgets in the 2023-2024 school year, and include:
 - **\$80 million investment** to support Summer Rising, the City's expanded summer program that will connect 110,000 elementary and middle school students to, culturally-relevant, hands-on experiences to strengthen their academic, social, and emotional skills.
 - This investment also provides programs to the 100,000 high school students participating in a variety of different activities including summer youth employment options.
 - **\$160 million** direct to school budgets to support schools facing enrollment declines.
 - This investment will help to mitigate the financial impact for schools which have seen pandemic-related enrollment fluctuations, as they adjust to this new normal.

Nearly \$600 Million of Stimulus in FY 2024 Will Continue to Fund Significant Investments in Early Childhood Education, SE and Mental Health Supports

- v In addition to funding that will support Summer Rising and schools facing enrollment declines, NYCPS is continuing the following investments in school budgets:
 - **\$456 million** for 3-K
 - This includes 3-K provided by NYCPS schools as well as by CBOs.
 - **\$79 million** to support social workers, guidance counselors, and school psychologists
 - This continues last year's investment.
 - **\$50 million to support special education recovery services**
 - Funding supports compensatory services.

Stimulus Funding Continues to Support Mayor & Chancellor Priorities

v Mayor and Chancellor priorities include:

- **\$65 million** for contracted school nurses to continue to provide nursing at all NYCPS school buildings where NYCPS staff nurses aren't available to provide permanent coverage.
- **\$25 million** to support arts education
 - Additionally, \$16 million will be funded with one-time Title IV carryover for a \$41 million program in total
- **\$28 million** to expand career pathways programming
 - Additionally, \$24.7 million will be funded with one-time Title IV carryover for a \$40 million program in total
- **\$15 million** for Project Pivot, CBO provided violence interruption activities in high need schools
- **\$10 million** for bilingual education classes and supports
- **\$11 million** for family engagement and translation and interpretation services
- **\$7 million** to literacy and dyslexia programming
- **\$6 million** for digital teaching and learning experiences
- **\$5 million** to high impact tutoring
- **\$2 million** to gifted & talented programming

Stimulus Funding Prioritizes Special Populations in New York City Public Schools

- v \$98 million of our academic support budget is targeted specifically at Special Education Pre-K, including program stabilization for providers, extending provider hours to align with public school hours, and related supports.
- v \$50 million in special education recovery funding is targeted specifically at school aged students with disabilities.
- v \$55 million investment in community schools which is targeted at schools with high needs, including large populations of students in temporary housing.
- v \$10 million for expanded Bilingual Education Program and Supports will continue this year.

Other Key Programming is Supported with Stimulus Funding

- v NYCPS continues to invest in other key programs, such as:
 - **\$117 million** for Other Academic Supports, such as curriculum, Academic Assessments, and Affinity and New Visions
 - **\$50 million** for School Building Investments
 - **\$40 million** for Devices & IT Support such as NYCPS-wide IT contracts
 - **\$27 million** for PSAL Expansion
 - **\$40 million** for All Other, including CUNY-based programs, staffing recruitment, and student enrollment support
 - **\$283 million** for Citywide Savings Plan

What Are the Next Steps for Stimulus Funding?

- Let us know what you think!
 - Please send comments and feedback on the overall stimulus plan no later than June 30, 2023 to stimulus2022@schools.nyc.gov.
 - Slides are accessible at the following link and upon request at <https://infohub.nyced.org/reports/financial/financial-data-and-reports>.
 - We will collate comments and feedback for consideration as we continue to plan for the next school year.
 - School Leadership Teams work with Principals on budget priorities as plans for the upcoming year are finalized.

STATE FOUNDATION AID

SY 2023-2024

SY2023-24 Foundation Aid

- v In the NYS FY 2022 Enacted Budget, the state committed to fully funding the Foundation Aid formula over 3 years. FY 2024 is the final year of the phase-in.
- v As previously committed, NYC has fully funded the FSF formula with added Foundation Aid in FY 2023.
- v In FY 2024, Foundation Aid will increase by 5.5% or \$493 million over FY 2023 Foundation Aid.

SY2023-24 Foundation Aid

Of the total increase, the first 3% increase, or \$268 million, may be used flexibly to address the needs of NYC Public Schools and communities. In SY2024, it will be allocated as follows:

- v \$120 million will be used to support new FSF weights that will provide targeted funding to schools with students in temporary housing and with high concentrations of students with additional needs.
- v \$100 million will be used to support the increase in mandated Charter Tuition costs.
- v \$48 million will support growth in special ed costs and new schools.

The Foundation Aid that is more than 3% above the prior year is restricted and must be used for purposes eligible under C4E, which is separately addressed.

Please send questions and comments on the use of foundation aid for this school year by June 30, 2023: foundationaid@schools.nyc.gov

STATE CONTRACTS FOR EXCELLENCE

SY 2023-2024

Contracts for Excellence (C4E) Background

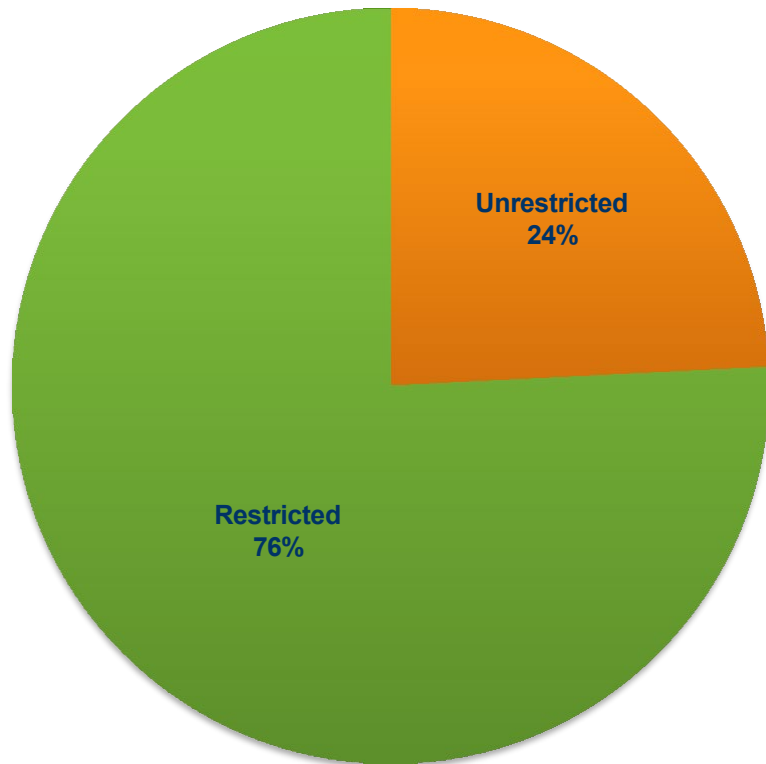
- C4E legislation was established as part of the 2007-08 Enacted State Budget under Foundation Aid and requires that a portion of Foundation Aid be used for specific restricted purposes. C4E requires that funding be allocated toward specific programs that raise the achievement of the students with the greatest educational need including, but not limited to those students with limited English proficiency, students in poverty and students with disabilities.
- Funding allocated pursuant to C4E is required to be spent on the following program initiatives:
 1. Additional Instructional Time, “Time on Task”
 2. Model Programs for Multilingual Learners
 3. Full Day Pre-Kindergarten and Kindergarten
 4. Class Size Reduction
 5. Teacher and Principal Quality Initiatives
 6. Middle/High School Restructuring

Changes to Contracts for Excellence (C4E) 2023 - 2024

- In 2022, amendments to New York State Education Law section 211-d (the C4E law) included the following:
 1. The amount of Foundation Aid subject to the requirements of C4E increased by \$225 million, from \$531 million to \$756 million.
 1. A requirement that the New York City school district create and implement a plan to reduce actual class size over the next 5 years, beginning September 2023. The plan must be signed off on by the Chancellor and the presidents of the bargaining units representing the teachers and the principals.

C4E 2023 – 2024 Funding Breakdown

Total C4E = \$756 million



■ Unrestricted ■ Restricted

- Of the \$756 million subject to Contracts for Excellence, \$182 million will remain “unrestricted”.
 - Since 2007-08, this funding has been used to support-Fair Student Funding and will continue in 2023-24.
 - Were this funding to be used for another purpose, the DOE would not be able to continue funding all schools at 100% FSF.
- The remaining \$574 million, comprised of existing \$349 million and additional \$225 million, will be allocated as restricted funding for use by schools within the six eligible uses previously discussed.

Proposed Allocation of \$574 million of Restricted Funds

Discretionary

- \$429 million or 75% of restricted Contracts for Excellence funds are released to 1,500+ schools in late Spring. This is an increase of \$215 million over FY2023.
- Principals will work with their School Leadership Teams (SLTs) to plan the use of this funding for SY 2023-24 in alignment with eligible program categories. They may choose to change the use of the funding or to maintain existing staffing positions or programs that were funded in SY 2022-23.

Targeted & Maintenance of Effort

- \$145 million or 25% of restricted funds will be targeted for specific programs and will maintain these existing programs. Schools receiving allocations were chosen based on (a) overall student need and (b) capacity to carry out the specific program.
 - *\$84.6 million – Integrated Co – Teaching Classrooms (ICT)*
 - *\$11.5million – Autism Spectrum Disorder Program (ASD ICT) Classrooms*
 - *\$9.0 million – Full-Day Pre-K*
 - *New: \$5.5 million – PATH*
 - *New: \$3.0 million - Curriculum Support*
 - *New: \$0.8 million – IREAD*
 - *\$30.0 million – Summer programming (maintenance of effort)*

Proposed Allocation of Restricted Funds Citywide

Allocation Type	Amount	%
Discretionary (Schools decide on use within allowable programs)	\$429,413,758	74.84%
ICT (Targeted: Schools must spend on this purpose)	\$84,600,062	14.74%
ASD (Targeted: Schools must spend on this purpose)	\$11,470,636	2.00%
Pre – K (Targeted: Schools must spend on this purpose)	\$8,979,572	1.56%
PATH (Targeted: Schools must spend on this purpose)	\$5,485,478	0.96%
Curriculum Support (Targeted: Schools must spend on this purpose)	\$3,086,483	0.54%
IREAD (Targeted: Schools must spend on this purpose)	\$775,140	0.14%
Summer Programming (Maintenance of Effort)	\$30,000,159	5.23%
Total	\$573,811,288	100.00%

Proposed Allocation of Restricted Funds District 15

Allocation Type	Amount	%
Discretionary (Schools decide on use within allowable programs)	\$11,552,824	68.58%
ICT (Targeted: Schools must spend on this purpose)	\$3,446,363	20.46%
ASD (Targeted: Schools must spend on this purpose)	\$416,536	2.47%
Pre – K (Targeted: Schools must spend on this purpose)	\$585,247	3.47%
IREAD (Targeted: Schools must spend on this purpose)	\$67,535	0.40%
Summer Programming (Maintenance of Effort)	\$777,316	4.61%
Total	\$16,845,821	100.00%

Public Comment

- v We will take public feedback into account in the coming weeks as we continue to work toward complying with this mandate.
- v The deadline for submitting public comment will be August 11, 2023.
- v Educators, parents and caregivers, and all other members of the New York City community may submit their comments by email to contractsforexcellence@schools.nyc.gov

CLASS SIZE LEGISLATION & WORKING GROUP

Chapter 556 of the Laws of 2022 and the Class Size Reduction Plan

- ✓ The State revised the Contracts for Excellence law last year, establishing new class size caps and requiring DOE to create a 5-year class size reduction plan to comply with the new caps.
- ✓ We are required to have 20% of classes in compliance this coming year (SY 2023-24), increasing to 40% the subsequent year, until 100% in the fifth year of implementation (SY 2027-28).
- ✓ DOE is on track to comply with the targets for years 1 and 2
- ✓ DOE's Class Size Reduction Plan for the coming year, which has been publicly posted at <https://www.schools.nyc.gov/about-us/funding/contracts-for-excellence>, reflects both the expected compliance in SY 23-24, current class size statistics, and the longer-term planning for implementation, including the Class Size Working Group.
- ✓ Outlined in the plan, the DOE has created a Class Size Working Group, including parents, advocates, and other stakeholders, to develop recommendations to advise NYC Public Schools in implementing the law.

Estimated Costs of Implementation

Key Factor	Estimated Cost to Reach Compliance with the Law
<i>Building Utilization and Capacity</i>	\$30-35 billion
<i>Hiring/Staffing</i>	\$1.3 billion annually at full phase-in

- ***These figures are preliminary and based on assumptions. They will vary based on the decisions made as a result of the working group's feedback and actual implementation decisions.***

What is the Class Size Working Group?

- v Building on the success of the Fair Student Funding Working Group, Chancellor Banks wanted to re-engage key stakeholders, in particular families and community members in discussion on this topic.
- v In February 2023, the Chancellor announced that NYC Public Schools would be convening a Class Size Working Group to gather input related to implementing the new class size mandates and caps.
- v NYC Public Schools has built a working group reflecting diverse perspectives and experiences from across New York City, taking into account individuals' geographic representation and experience as a parent or guardian of a NYC Public School student, educator, advocate, researcher or other stakeholder, while also considering individuals representing different school levels and sizes as well as organizational affiliations.
- v You can find more information, including a list of members of the working group, presentations from their meetings and meeting notes at <https://schools.nyc.gov/classsize>

Public Comment

- v We will take public feedback into account in the coming weeks as we continue to work toward complying with this mandate.
- v The deadline for submitting public comment will be August 11, 2023.
- v Educators, parents and caregivers, and all other members of the New York City community may submit their comments by email to ClassSize@schools.nyc.gov

Summary of Public Comment

Public Comments Email (deadline for submitting):

- stimulus2022@schools.nyc.gov (by June 30, 2023)
- foundationaid@schools.nyc.gov (by June 30, 2023)
- contractsforexcellence@schools.nyc.gov (by August 11, 2023)
- ClassSize@schools.nyc.gov (by August 11, 2023)