The FY 2021 Executive Budget reflects the Governor's strong commitment to education through an \$826 million annual School Aid increase. The Budget provides a \$704 million increase in Foundation Aid and includes support for several key initiatives to improve educational outcomes and provide access to high quality educational opportunities. These include the eighth consecutive expansion of Universal Prekindergarten and early college high school awards for high-need districts, a fourth round of Empire State After School awards, and the continued transformation of high-need schools into community hubs. Together, these investments continue to advance the transformation of public education across the State. Important initiatives from prior years are also sustained, including the State's landmark school funding transparency initiative and the \$2 billion Smart Schools Bond Act.

Overview

As budgets are statements of values and priorities, it is clear New York's highest priority is the education of its children. With total school district spending from all sources exceeding \$70 billion, education is both the largest area of State spending and the largest component of local property taxes. New York has ranked first nationally in per pupil spending for 13 straight years, a reflection of the State's long-standing commitment to provide all students with the opportunity to excel as learners, workers, and citizens. With this Executive Budget, School Aid increases will total \$9.0 billion over nine years—a 46 percent increase over that period. Last year alone, the FY 2020 Budget included an additional \$1.0 billion (3.8 percent) increase.

The FY 2021 Executive Budget continues the progress made to strengthen New York's educational offerings and increase access across the State. Building upon the State's multi-year investments in high-quality full-day prekindergarten and after school programming, the Executive Budget provides additional funding to expand these vital programs in high-need school districts. In addition, the Budget reflects the Governor's continued commitment to the transformation of high-need schools into community hubs. These initiatives, along with programs already underway, are improving public education across the State—reaching students earlier and ensuring they have access to highly effective teachers, programs, and schools.

Improving Educational Outcomes

New York's public schools spend more per pupil (\$23,091) than any other state in the country—almost double the national average (\$12,201). While the level of spending is important, Governor Cuomo has initiated several programs to improve outcomes within the State's education system. These include:

- School Funding Transparency. The FY 2019 Enacted Budget included landmark legislation directing school districts to make their distribution of funds at the school building level public for the first time. Initially, based on 76 districts' data, funding inequities within some of the State's largest and highest need school districts were uncovered, prompting further legislation in FY 2020 requiring districts to prioritize funding to their neediest and most underfunded schools. At the same time, in FY 2020, this school-level funding disclosure requirement was expanded to over 300 school districts. Starting in FY 2021, all 673 major school districts in the State will report school building-level funding to the public, providing a critical window for every parent, lawmaker, and stakeholder to understand how we can ensure all students in New York State have access to high-quality education and the opportunity it makes possible.
- Prekindergarten Programs. New York State spends nearly \$850 million annually on public prekindergarten programs for three- and four-year-old children, serving over 128,000 students statewide. In FY 2015, the Enacted Budget committed \$1.5 billion over

five years to support full-day prekindergarten for four-year-old children across the State. That same year, New York received a grant award of \$100 million over four years from the United States Department of Education to expand access to full-day prekindergarten in high-need school districts. In FY 2016, the Enacted Budget included \$30 million to support the first State-funded full-day prekindergarten program for three-year-olds, while also expanding prekindergarten access for four-year-olds. The FY 2017 Enacted Budget further expanded prekindergarten access to three-year-old children in the State's highest-need school districts, and the FY 2018 through FY 2020 Enacted Budgets promoted prekindergarten access for all high-need students by targeting funding to the few remaining high-need school districts without prekindergarten programs. Finally, in FY 2020, the State's merger of seven prekindergarten programs into Universal Prekindergarten was fully realized.

- After School Programs. In FY 2018, Governor Cuomo made the State's largest single investment in high-quality after school programming with the creation of the Empire State After School Program. His \$35 million commitment provided services to an additional 22,000 students in high-need communities in every region of the State—including the State's 16 Empire State Poverty Reduction Initiative (ESPRI) communities. In FY 2019 and FY 2020, the State invested another \$10 million of new funding each year to support a second and third round of Empire State After School awards, providing public after school care to 12,500 more students in school districts with high rates of childhood homelessness, and communities vulnerable to or at-risk of gang activity. Today, with these funds, the State's annual investment in after school programming totals more than \$134 million, providing 80,000 students across the State with high-quality extended learning and youth development opportunities in supportive, safe environments in the critical hours after school.
- Smart Schools Bond Act. In November 2014, the Smart Schools Bond Act, proposed by Governor Cuomo, was approved by voters. The Smart Schools Bond Act provides \$2 billion in funding for districts to reimagine classrooms and provide New York's students with the technological resources, skills, and learning environments necessary to succeed in the 21st century. Funding supports enhanced education technologies, including infrastructure improvements, high-speed broadband internet access, and active learning technologies. Additionally, the Smart Schools Bond Act supports the State's long-term investments in full-day prekindergarten through the construction of new prekindergarten classrooms, the

replacement of classroom trailers with permanent classroom spaces, and high-tech school safety programs. To date, over 750 Smart Schools Investment Plans totaling \$1.4 billion have been approved by the Smart Schools Review Board.

 Community Schools. When schools and communities partner to provide students with health and social services, learning improves and students succeed. Over the past seven years, the State has invested \$880 million to transform schools across 240 higher-need districts into community schools. This funding supports services that are unique to each school's individual needs, including before- and after-school programs, summer learning activities, medical and dental care, and other social services.

	2019-20	2020-21	Change	
Category	School Year (millions)	School Year (millions)	Dollar (millions)	Percent
School Aid	\$27,724	\$28,550	\$826	3.0

Table 7: School Aid Increase

Category of Increase	Change (millions)
Foundation Aid	\$504
\$50 Million Community Schools Set-aside	
Targeted High-Need District Foundation Aid	\$200
Reimbursement for Expense-Based Aids / Other	\$72
Expanded Prekindergarten for Three- and Four-Year-Olds	\$15
Empire State After School Program	\$10
Early College High Schools	\$6
Master Teachers Program	\$2
Curriculum on Diversity and Tolerance	\$1
STEM Entrepreneur	\$1
Other Education Initiatives	\$16
School Aid Increase	\$826

Proposed FY 2021 Budget Actions

The Executive Budget reflects the Governor's strong commitment to improved student outcomes and builds upon the achievements of prior years. In FY 2021, School Aid will continue to represent New York's largest State-supported program, accounting for approximately 31 percent of total General Fund spending.

School Aid

The FY 2021 Executive Budget provides an overall School Aid increase of \$826 million (3.0 percent), with over 80 percent of this year's increase directed to high-need school districts. This includes funding for a \$704 million increase in Foundation Aid—85 percent of which is directed to high-need school districts—a community schools set-aside increase of \$50 million for the continued transformation of high-need schools into community hubs, \$72 million in reimbursements for expense-based aids, a \$15 million expansion of high-quality prekindergarten for three- and four-year-old children, a \$10 million expansion of Empire State After School grants to high-need districts, and an additional \$6 million for early college high schools.

More Progressive Foundation Aid

While New York spends more per pupil than any other state in the country, almost double the national average, longstanding politics, complex funding formulas, and disparities in local wealth and local property taxes have perpetuated an unfortunate reality—higher need districts receive less total funding per pupil than lower need districts. To generate greater equity and advance the closure of this education funding gap and to more progressively distribute State funding to New York's needlest districts, the Executive Budget recommends the consolidation of 10 expense-based aid categories into Foundation Aid starting in the 2020-21 school year. Currently, only 50 percent of these 10 expense-based aids are distributed to high needs districts, compared to more than 70 percent of Foundation Aid. To direct more expense-based aid to high-need districts, the Budget proposes legislation to consolidate these expense-based aids into Foundation Aid so that future funding increases can be more progressively targeted to the State's needlest districts.

Community Schools

The Budget continues the Governor's push to transform New York's high-need schools into community schools. Last year's Budget invested \$250 million as a set-aside within Foundation Aid to support the Governor's community schools efforts across the State. This year, the FY 2021 Budget increases the community schools set-aside amount by \$50 million, to a total of \$300 million. This increased funding is targeted to districts with schools in need of comprehensive support and improvement (CSI) due to their academic performance, as well as districts with a large and/or growing population of English language learners. In addition, the Budget expands the number of districts receiving community schools funding to 440 districts—an increase of 200 districts. This ensures all lower-wealth districts across the State can apply community schools funds to a wide-range of activities, including hiring community school coordinators, providing before- and after-school mentoring services, offering summer learning activities, and providing health and dental care services.

Prekindergarten

The Budget includes an additional \$15 million investment in prekindergarten to expand high-quality half-day and full-day prekindergarten instruction for over 2,000 three- and four-year-old children in high-need school districts. Preference for these funds will be given to the few remaining high-need school districts currently without a prekindergarten program, and will focus on including students in integrated or community-based settings. The Budget also continues the State's \$5 million investment in the implementation of QUALITYstarsNY, New York's quality rating and improvement system intended to ensure the State's youngest students are enrolled in the highest quality prekindergarten programs possible.

Empire State After School Program

The FY 2021 Budget provides \$10 million to fund a fourth round of Empire State After School awards. These funds will provide an additional 6,250 students with public after school care in high-need communities across the State. Funding will be targeted to school districts with high rates of childhood homelessness and communities vulnerable to gang activity. This expansion will provide more young people with safe environments to engage in sports, music, and other educational programming during after school hours.

Ensuring College and Career Readiness

Federal and State labor projections show tremendous job growth in areas where postsecondary education is required—especially as automation continues to dramatically alter the workforce. New York is making critical investments to ensure all students are college and career ready and prepared for this transition in the economy.

- Early College High Schools. New York currently has over 90 early college high school programs serving thousands of students in every region of the State. These programs allow students to get a jump start on college by providing opportunities to earn college credit or an associate's degree. To further build upon the success of the existing programs, the Budget commits an additional \$6 million to create at least 10 new early college high school programs. This expansion will target communities with low graduation and/or college access rates.
- Syracuse Comprehensive Education and Workforce Training Center. To meet the emerging science, technology, engineering, arts, and mathematics demands in Syracuse, the Executive Budget proposes the creation of the State's first regional Comprehensive Education and Workforce Training Center in Central New York. Administered by the Syracuse City School District in partnership with SUNY Empire State College and other local colleges and universities, the Center will provide specialized educational opportunities and state of the art workforce training programs in advanced technologies to students and residents throughout the region. The State will reimburse 98%, or \$71.4 million, of the cost to renovate the building that will house the Center. The Syracuse Comprehensive Education and Workforce Training Center is scheduled to open in 2021 and will ultimately serve 1,000 students, as well as residents of the community.

Charter Schools

The FY 2021 Executive Budget increases charter school tuition in alignment with public school spending and provides New York City charter schools with a total per pupil funding increase of 5.3 percent. This will allow charter schools to continue to innovate, recruit high-quality teachers and staff, and provide strong educational options for New York's families and students.

Nonpublic School Programs

Approximately 400,000 elementary and secondary students attend more than 1,600 nonpublic schools in New York State. The Executive Budget increases aid by 3 percent, to \$199 million, to reimburse nonpublic schools' costs for State-mandated activities. The Budget also provides \$35 million for science, technology, engineering, and math (STEM) instruction, a \$5 million increase. In addition, the Budget continues \$15 million in annual capital funding provided to nonpublic schools for health and safety projects.

Other Budget Actions

• Master Teachers Program. Building on the success of the Governor's Master Teacher Program—which has awarded nearly \$60 million to 1,200 teachers—the Budget provides \$1.5 million to fund an additional cohort of master teachers in schools with high rates of teacher turnover or inexperience. In addition, for the first time, the Budget also expands award eligibility to high-performing school counselors. Each master teacher and counselor will be awarded \$15,000 per year for four years (\$60,000 total). Those selected will pledge to engage in peer mentoring, participate in mental health professional learning communities, work closely with pre-service and early career teachers and counselors to foster a supportive environment for the next generation of educators, and ensure the most innovative practices are shared across all grades and regions.

- Curriculum on Diversity and Tolerance. To help preserve New York's rich history of diverse worldviews, beliefs, and faiths, the Budget includes \$1 million for the development of a statewide curriculum on diversity and tolerance, to ensure that our children learn about religious freedom and the principles upon which our country was founded.
- **STEM Entrepreneur.** The FY 2021 Executive Budget provides \$500,000 to support the State's first STEM Entrepreneur in Residence pilot program for high-need middle schools. School districts will partner with female- or minority-owned or -led STEM companies to expose students to STEM careers and STEM role models in their communities.
- Reining in Expense-Based Aids. Since FY 2012, school district spending on non-instructional expenses such as construction and transportation has outpaced inflation. To encourage school districts to control spending and free up additional State resources for more progressive Foundation Aid increases, the FY 2021 Budget advances legislation to cap growth in future Transportation Aid for operating expenses to the greater of inflation or inflation plus district enrollment growth, eliminate a regressive reimbursement aid ratio within Transportation Aid, and propose a new tier of Building Aid for projects approved beginning in the 2020-21 school year.