

Education budget cuts & how to fight them Macrolevel analysis

Presentation at Parent Action Conference

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This year,
there
were big
budget
cuts to
schools

Mayor claimed no cuts to schools, but budgets slashed sharply in most every school, tied to continued projected enrollment decline through Fair Student Funding formula -- & DOE overprojected enrollment decline

Federal funds also reduced sharply - about \$1B, even though NYC still had more than \$4B in federal Covid funds unspent as of late August

These cuts led to class size increases in many schools as teachers were let go or retiring teachers not replaced, and critical programs & service eliminated.

How much were schools cut?

- City Comptroller estimated that 77% of schools had their Fair Student Funding cut by a total of \$469M
- But FSF is only one part of school budgets.
- As of Jan. 13, 2023, schools' entire Galaxy budgets slashed by net \$822 Million.
- 86% of schools suffered Galaxy cuts totaling \$893 million, averaging about \$655,000 each.
- As of May 22, 2023, cuts totaled \$649M , & 81% of schools were cut by average of \$592,000 each
- If you want to see how much your school was cut, we have a spreadsheet here:
<https://tinyurl.com/schoolcutsMay22>

Mayor's proposed budget for next year again claims NOT to cut school budgets, but is this true?

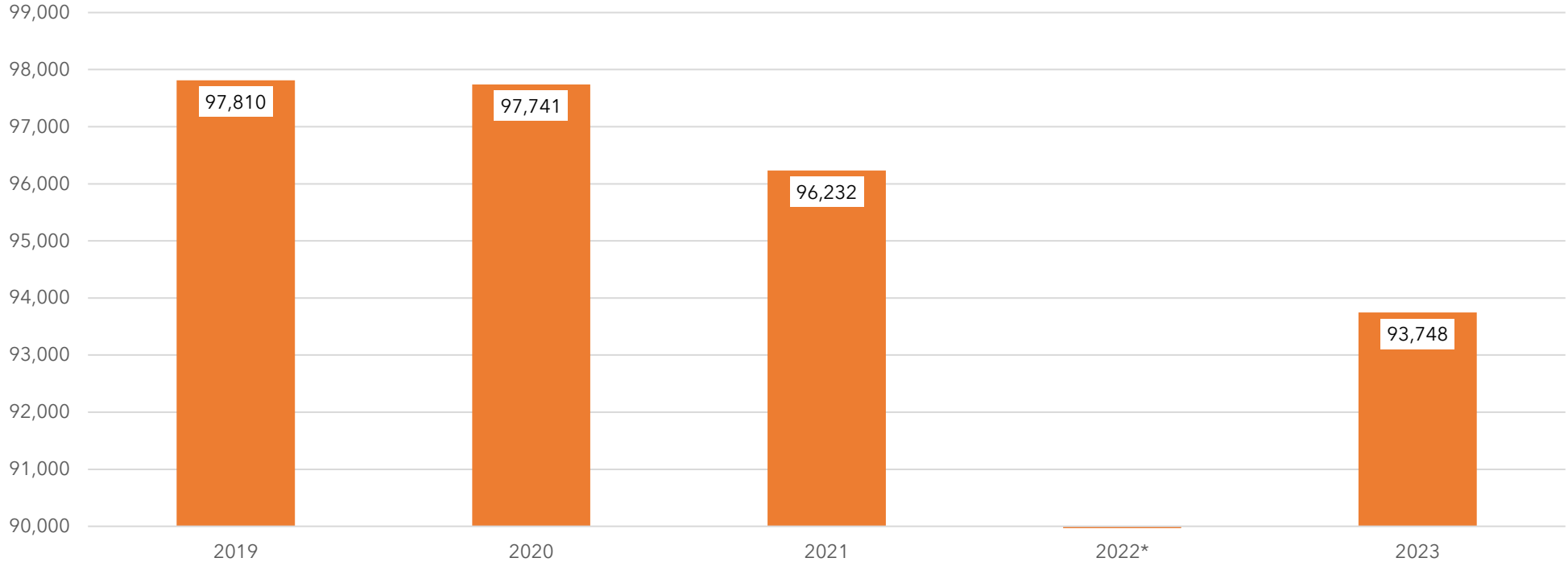
- DOE overall budget would be cut by \$1.1B, much of that to 3K expansion as expected;
- DOE claims no cuts to school **initial budgets** compared to this year's **initial budgets**, though mid-year adjustments (i.e. funding givebacks) may be required.
- ***In addition, schools in which Fair Student Funding is being cut will be funded in other areas that are targeted for specific programs and positions - and cannot be used to keep teachers on staff or hire new ones.***
- Already we've heard of schools forced to excess teachers; and according to [Council analysis](#), this budget would lead to the elimination of over 800 full-time teaching positions, many of them unfilled.

Also timing of funding means that schools will likely get less in the end

- Schools will not get nearly as much \$ as year progresses, unlike in previous years, so entire budgets likely to be less by end of the year.
- Initial school budgets for FY24 are about \$818 Million LESS than FY23 school budgets as of March 2023, according to analysis by PEP member Naveed Hasan.
- ***This is despite DOE projecting overall enrollment decline of less than 1%, & increases in 3K, 4K, Kindergarten and HS level.***
- In any case, school budgets will NOT allow schools to rehire the 4,000 plus positions they've lost over the last four years

DOE has lost over 4,000 full-time K12 teaching positions since FY 2019

Data sources: DOE headcount reports
(U/A 401 gened, U/A 403 sped & U/A 481 categorical)

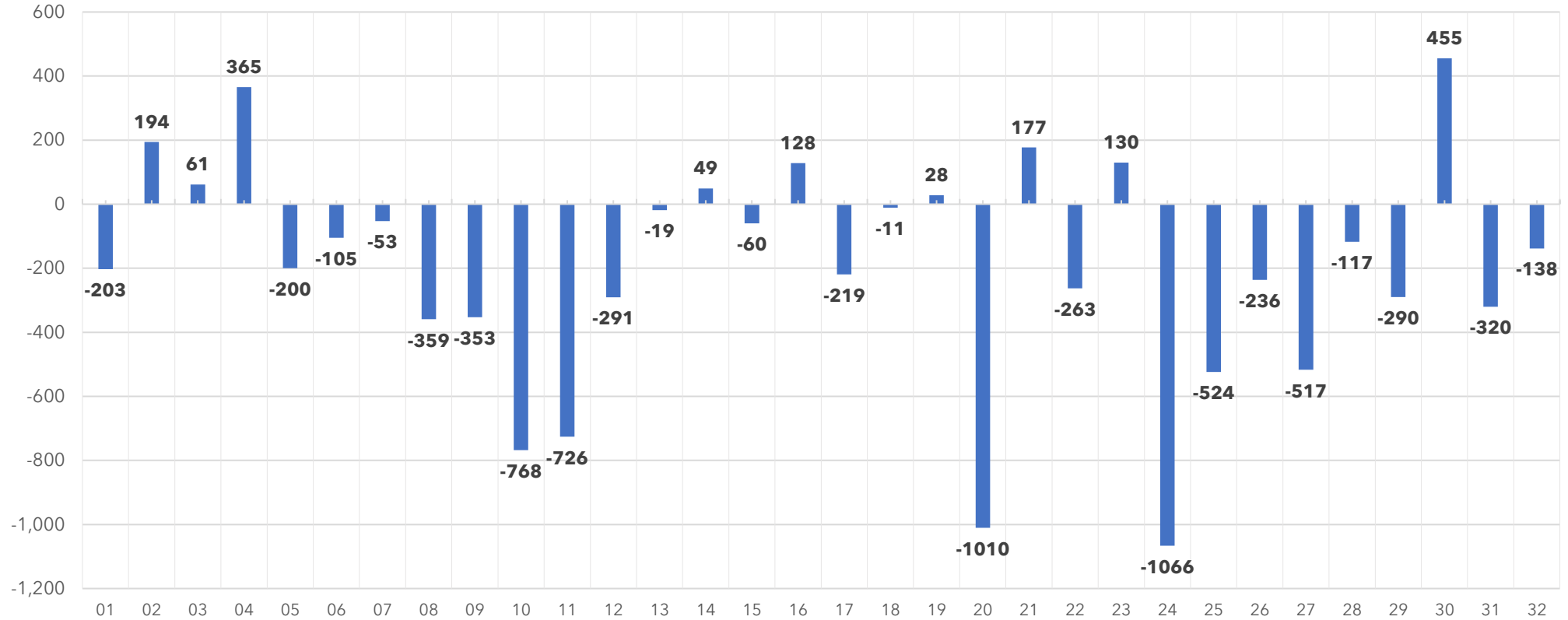


* -2022 Headcount report missing from NYC Council website as of February, 2023

Projected DOE Change in K12 Enrollment next year by District

FY 2023 - FY 2024

Overall decrease only .6%; doesn't include 3K, PreK, D75, D79 or new or reconfigured schools



Source: DOE School Based Projections, 2024

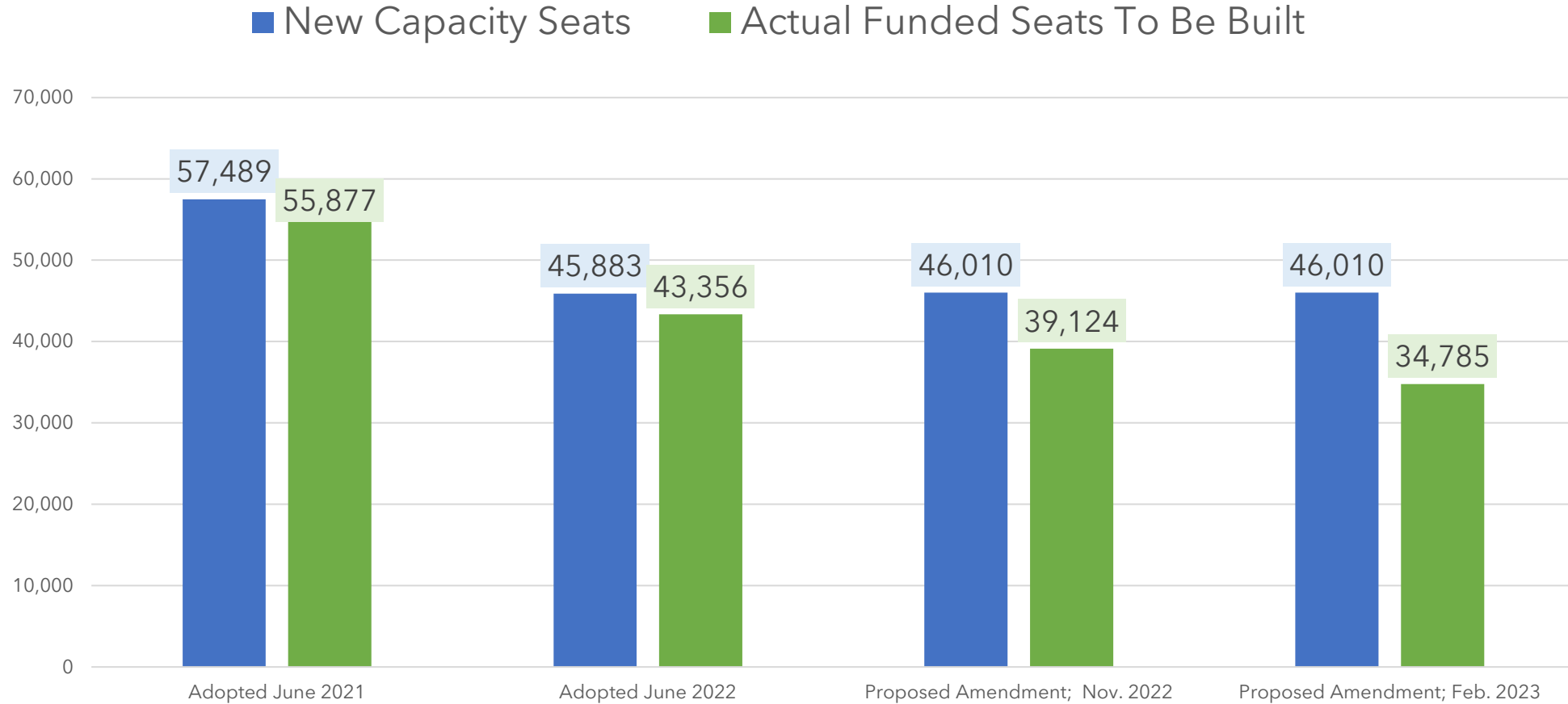
In any case,
schools should
be receiving
MORE funding
to help them
restore
programs &
reduce class
size

- [According to OMB budget doc](#), DOE plans not to add a single additional teacher through at least June 2025.
- Yet IBO projects NYC will end fiscal year 2023 with \$4.9B surplus & as of early Feb., NYC cash balance was at \$14.6B, including reserves.
- DOE slated to receive about \$500 million in additional state Foundation Aid --final CFE phase-in amount over three years of \$1.3B in additional annual aid -- in which class size was a central issue in the case
- Tweaks to FSF formula ignores how formula continues to be aligned with large classes & incentivizes principals to overcrowd schools & classrooms.

Big concern:
proposed
amended
capital plan
would cut
nearly \$2.3B in
new capacity
vs. plan
adopted in
2021

- 347,000 (38%) of students citywide were enrolled in schools over 100% last year, according to Blue Book.
- Yet amount to be spent on new capacity plunged from \$7.8B to \$6.3B in the June 2022 adopted plan
- More than 11,000 net seats cut (57,489 to 46,010)
- Feb. 2023 proposed amendment cuts new capacity by another \$820M & puts 11,000 seats in 11 districts into "funded for design only" category.

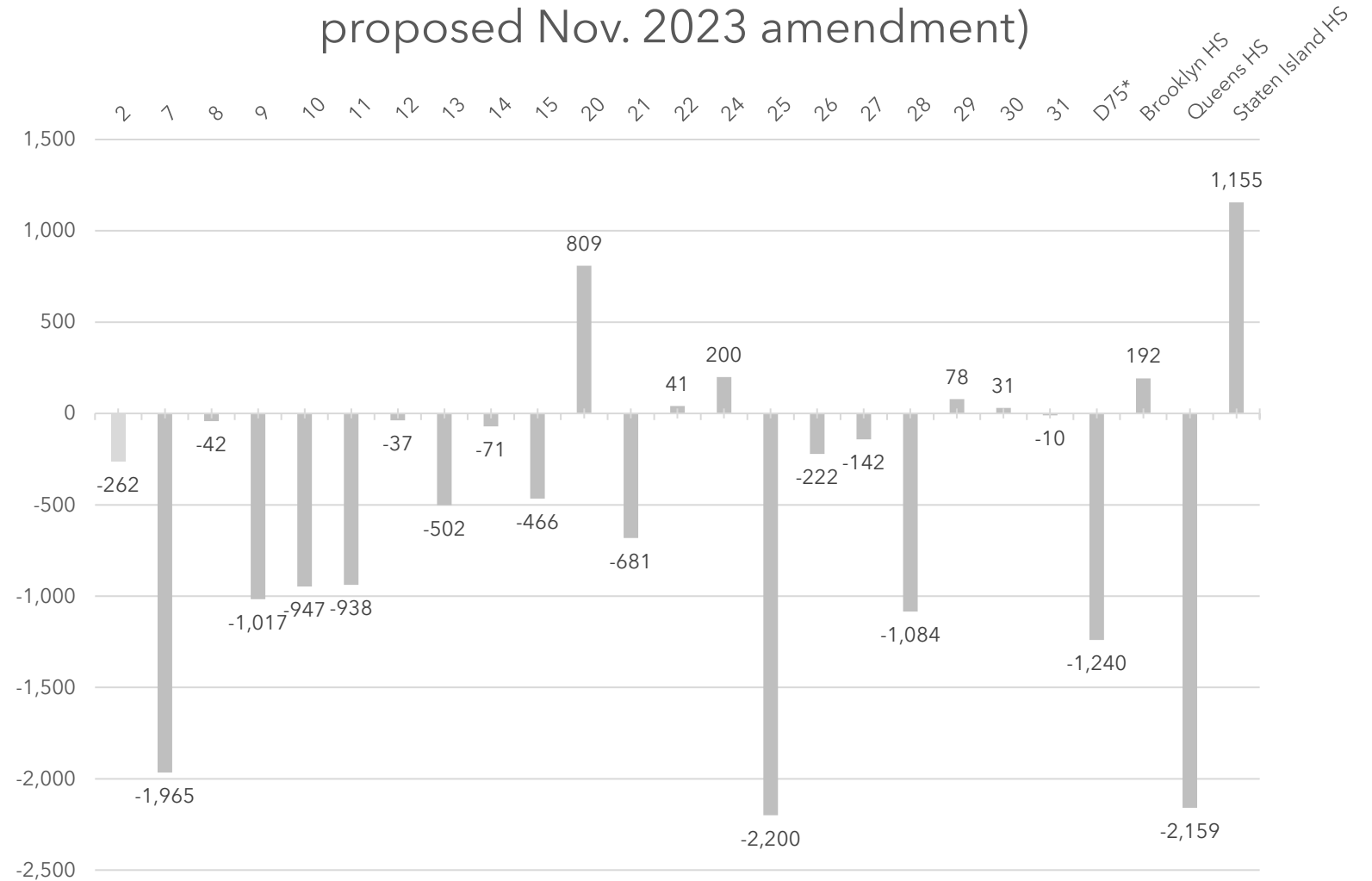
Since plan adopted in June 2021, funding for new capacity slashed by \$2.3 billion & actual funded seats to be built cut by over 21,000 (38%)



Source: New Capacity section of FY2020 - 2024 Capital Plan, including un-sited D75 seats

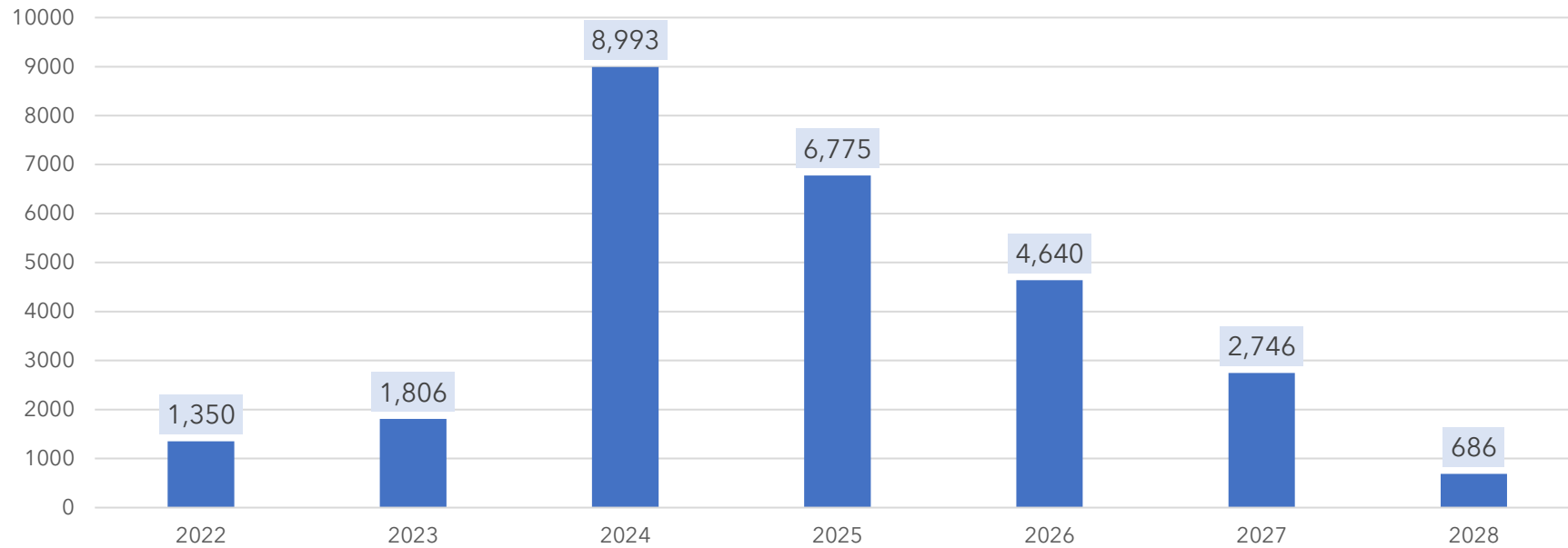
Net 11,000 seats cut in new proposed Feb. amendment compared to plan adopted in June 2021.

Capital Plan Seat Changes By School District
(Five-year adopted plan June 2021 vs. proposed Nov. 2023 amendment)



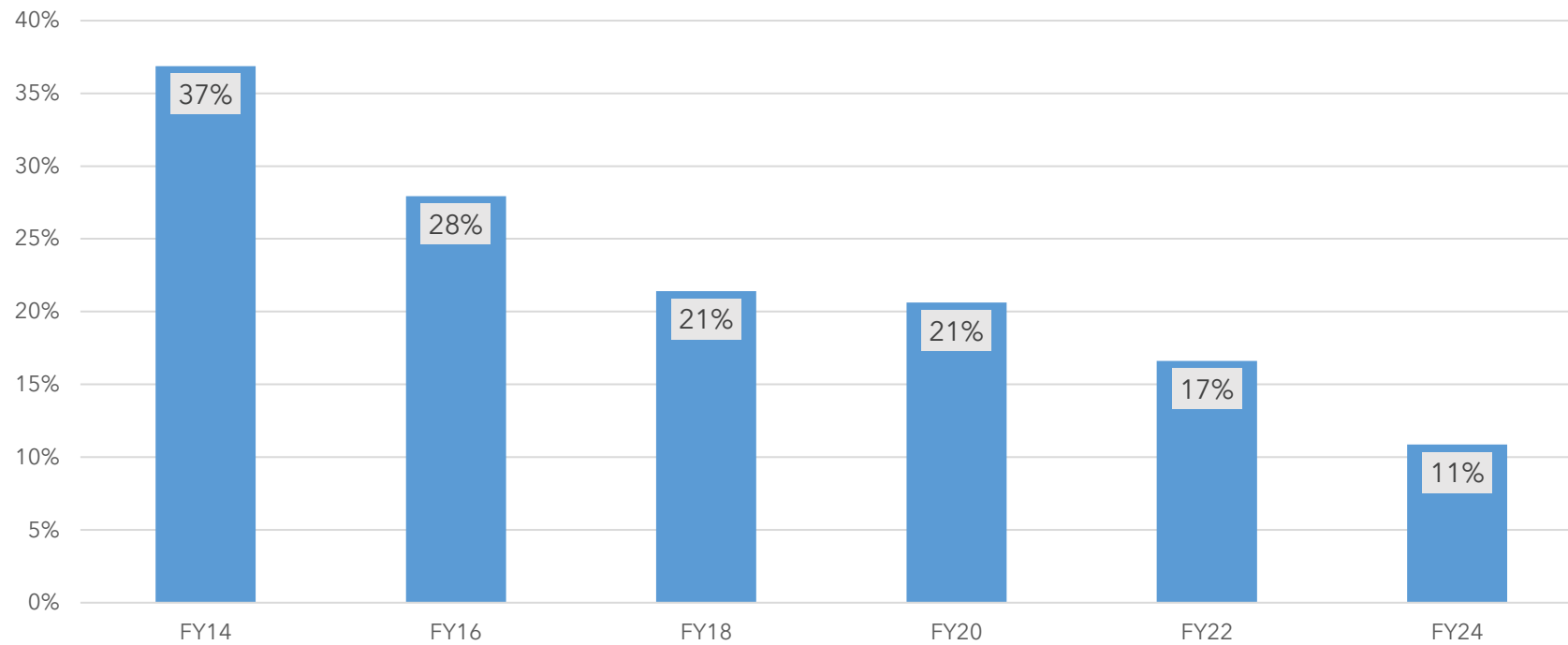
* - D75 field includes only un-sited District 75 Seats.

Number of new school seats in process to be completed by the Fall of each school year (2022-2028)



[Source: FY2020 - 2024 Capital Plan, List of Projects in Process](#)

NYC school spending as Percentage of Ten-Year Capital Strategy Funding



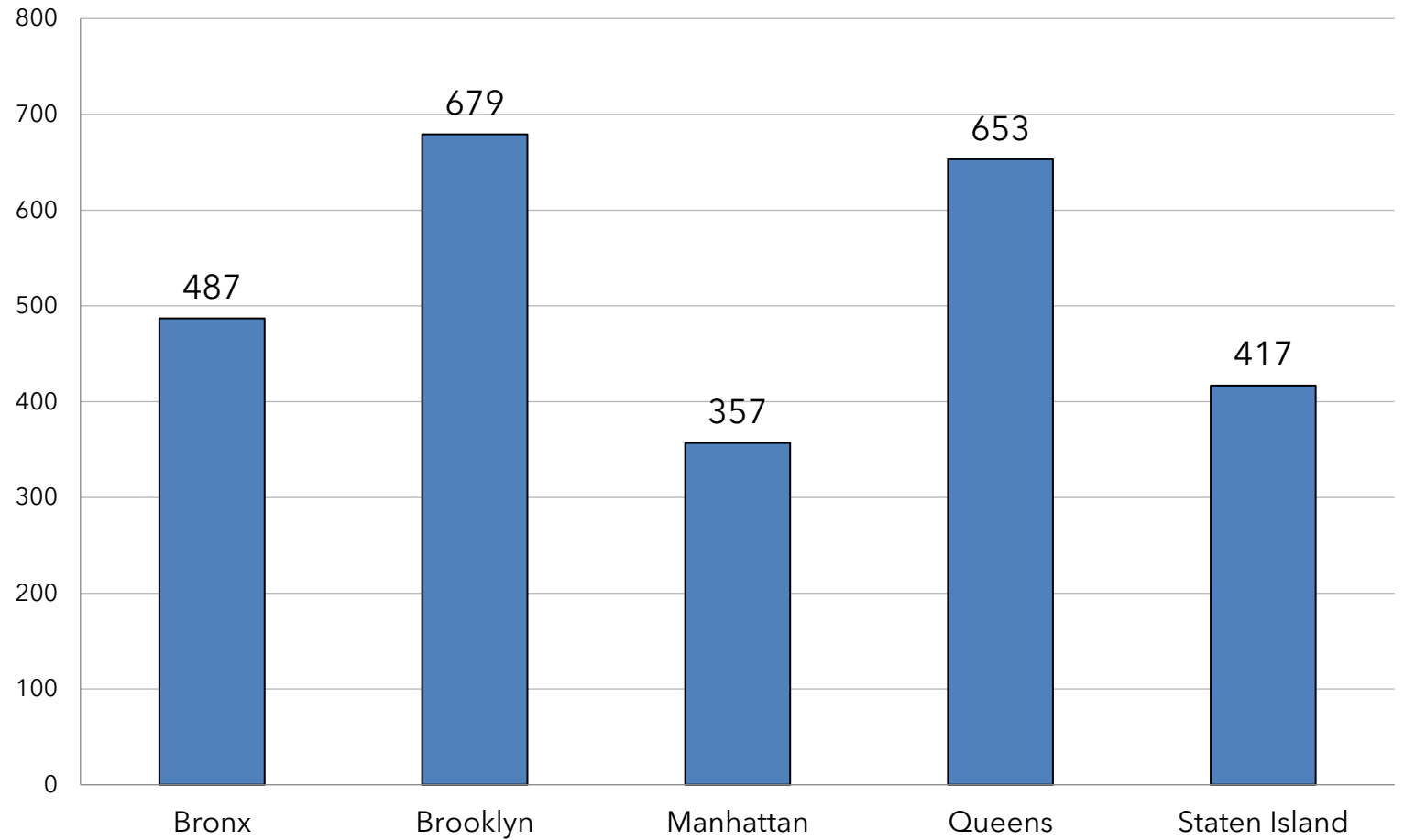
[Source: NYC OMB Executive Budget Ten Year Capital Strategy, 2003-2023](#)

Cuts in capital plan not explained

- No mention in any of these plans of new state law or need to create more space for class size reduction to comply
- SCA changed school capacity formula in 2019-2020 Blue Book by adjusting room capacity limits down to smaller classes ---but at the same time, changed "efficiency ratio" that assumes how many periods a day a MS or HS classroom will be scheduled.
- Previously regular classrooms were expected to be in use 7 of 8 periods a day. Specialty rooms 5 of 8 periods a day; now all MS and HS rooms expected to be scheduled 100% of time - difficult if not impossible to achieve.
- ***This single change artificially added 2593 seats to existing MS & 20,279 Seats to HS without building any additional space***

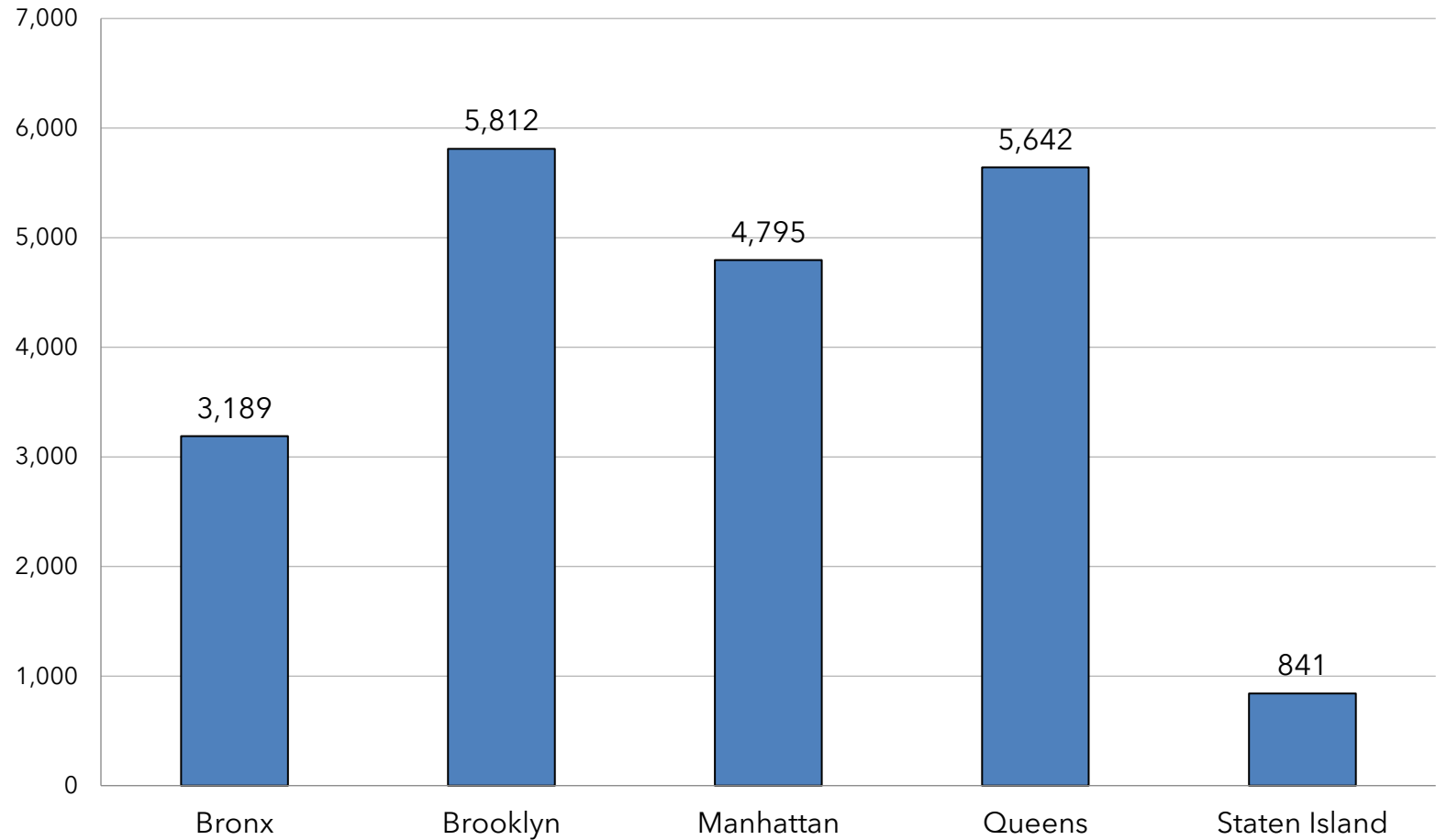
2,593 Seats
were added in
Middle Schools
due to the
revised
efficiency ratio

Seats Added in Middle Schools by borough
due to revised efficiency ratio



20,279 Seats
were added to
High Schools
due to the
Revised
Efficiency Ratio

Seats Added to High Schools by borough due to Revised Efficiency Ratio



Need for more space is critical & even the Blue Book figures are uncertain

- Blue Book capacity figures often inadequate as do not fully capture need for specialized rooms, intervention rooms, & issues related to co-located schools
- 333 elementary schools (42%) are missing 593 cluster rooms; 132 of these schools are listed as underutilized - lacking an average of 1.4 cluster rooms each & No real accounting in BB of need for sufficient specialty and intervention rooms in MS and HS.
- According to [census figures](#), from July 2021 -July 2022 international immigration to NYC returned to 54,300, a level common during 2011 - 2016 when school enrollment increased. ***This is before migrant busing from border states began.***
- More immigration since has contributed to about 15,000+ NYC migrant/refugee students & this trend will likely continue into foreseeable future.
- Reducing class size could also lure more parents into staying in city and/or sending their children to public schools vs. charters/privates as happened in CA
- DOE/SCA also claims to analyze building starts which add to & redistribute student population across the city, though the way they take this into account is unclear.

SCA/DOE refuses to provide data on their actual estimates of how many seats are needed & their methodology as required by law

- [Local Law 167](#) (2018) mandated DOE to provide transparent methodology and data on which capital plan & seats needs estimates based. Neither has happened.
- Posted enrollment projections do not include 3K, D75, D79 or co-located charter school students, and no sub-district trends are available.
- Seat funded in capital plan STILL do not differentiate elementary vs MS seats
- Housing start data is from 6/2020; with multiplier based on 2010 census data; rezonings/changes in school utilization info provided only to 2021
- Actual methodology isn't provided, instead says it uses above data and then adds unspecified "*qualitative analysis*" and "*various strategies to address need.*"
- Data source <http://www.nycsca.org/community/capital-plan-reports-data> as of 5.22.22

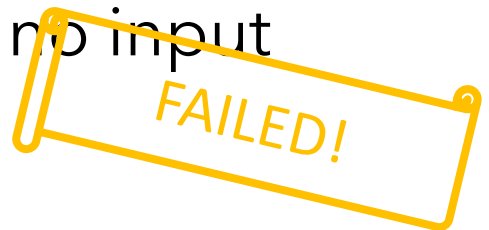


FAILED!

DOE also in non-compliance with Local Law 168

[Local Law 168](#) (2018) created a Task Force for School Siting to identify sites where new schools could be built, including all city-owned & privately-owned empty lots

The Task Force met only twice, released a 2-pg report with no input from City Council & parent members



Through FOIL we received a spreadsheet that ruled out hundreds of city-owned sites for unclear reasons, and never reported on suitability of 22,065 privately-owned sites.

CSM/Kids PAC/AQE/CPAC budget priorities

- School budgets in TOTAL over course of year should show no cuts
- More \$ not less should flow to schools given additional \$500M in state Foundation Aid
- The need is greater than ever given the pandemic disruptions to learning and the need to lower class size
- NO CUTS to the capital plan; instead it needs to be expanded and accelerated.
- Our one-pager is here: tinyurl.com/CSMbudgetpriorities

How can you help?

- Call or email your councilmember; we will provide you with a script.
- Council should demand that total funding at school level should not be cut compared to total funding this year
- New Units of Appropriation should be added to the DOE budget every year that contains school-level spending.
- The capital plan for school construction needs to be expanded not cut.
- Questions: email us at info@classsizematters.org