

Education

OVERVIEW

The City of Boston is investing in its students to invest in its future. Education comprises 40% of the FY19 budget with a projected \$1.109 billion to support 57,000 students at Boston Public Schools (BPS) and \$194.2 million to support approximately 11,000 Boston students in charter schools. This \$67 million increase is in spite of a projected increase of just \$1.3 million in Chapter 70 Education Aid and a charter reimbursement that is projected to be underfunded by \$27.3 million by the state. Since Mayor Walsh took office, Boston has increased its annual spending on education by 170 million despite a \$1.4 million reduction in education funding from the state.

In FY18, the City adopted a \$1.061 budget for BPS, before making a supplemental appropriation of \$31 million for the Boston Teachers Union contract. This spring, the School Committee unanimously approved a \$1.109 billion budget for BPS which marks the largest BPS budget in history.

BPS Budget Summary

	FY18 Adopted	FY19 Recom	\$ Change
Direct School Expenses	\$692M	\$733M	\$40M
School Services			
Budgeted Centrally	\$307M	\$313M	\$6M
Central Administration	\$62M	\$63M	\$2M
Total BPS Budget	\$1.061B	\$1.109B	\$48M

Table 1

With this investment, Mayor Walsh has increased funding for the BPS annual budget by \$48 million from the FY18 adopted budget, and the number of BPS educators will have increased by approximately 358 since he took office. Funding directed to schools will increase by \$40 million or almost 6% in FY19, even before

the largest driver of BPS costs, employee collective bargaining increases, are negotiated.

The FY19 budget includes strategic investments in line with the BPS guiding principles for budget equity: closing opportunity and achievement gaps, making system-wide investments, and enabling school-led investments.

\$10 million of new investments are targeted to schools with concentrations of high need as well as a series of new supports for schools with declining enrollments, particularly those that are lower performing. These include \$3 million that will be targeted to English language learners, and \$3 million that will be allocated using the Opportunity Index, an innovative approach to identifying high-need students.

The budget also includes a series of targeted high-impact investments to support physical and mental health and close opportunity and achievement gaps that total \$6 million. These include the addition of 20 new social emotional wellness professionals, expanding Excellence for All to the 6th grade, and expanding Becoming a Man, a program that serves young men of color by providing school-based group counseling and mentoring services.

Boston is also continuing its signature investments made under Mayor Walsh by sustaining Expanded Learning Time, adding nearly 150 new high-quality pre-K seats, and increasing supports for students experiencing homelessness.

The FY19 budget also continues the focus on finding central office and transportation efficiencies to pour back into schools and supports. Efforts to tighten budget management and identify efficiencies, along with Mayor Walsh's commitment to education funding, make possible \$16 million in new BPS investments beyond increases for teacher

salaries. While the School Committee approved a balanced budget for FY19, the District still has underlying challenges that require structural changes to allow Boston to continue to effectively invest in its students in future years.

BPS OPERATING BUDGET

At a \$1.109 billion appropriation, this marks the largest BPS budget in history. The FY19 allocation makes investments targeted to schools with concentrations of high need, high-impact investments in technology, training and innovation, as well as a series of new supports for schools with declining enrollments, particularly those that are lower performing.

Funding directed to schools will increase by almost 6% from the FY18 adopted budget, even before the largest driver of BPS costs, employee collective bargaining increases, are negotiated. When taking into account total spending at schools, funding directed to schools is projected to increase at 109 schools, even with flat overall district enrollment. This includes additional funding in school budgets for high needs students and ELL students, increased funding for students experiencing homelessness, and soft landings for schools with declining enrollment and lower performing schools.

In addition to school budgets, schools receive significant support from services that are budgeted centrally. This includes items such as transportation, certain special education services, and facility maintenance. This portion of the budget will increase almost 2% from the FY18 adopted budget to \$313 million. With these support funds added to funds budgeted at the school level, a full \$1.045 billion dollars is expected to be spent on school services. This increase is driven primarily by transportation costs, which are expected to rise to \$119 million.

As BPS looked to achieve efficiencies to fund strategic investments and approve a balanced budget, they were able to focus the majority of their savings initiatives on central office departments. Despite rising healthcare costs, the Central Administration budget will increase by only 2.6% to \$63 million. The FY19 budget

includes across-the-board reductions in central office budgets in areas such as cell phones, travel, and food, making way for strategic investments such as the Opportunity Index.

In the area of teacher quality, BPS will spend \$38 million in FY19 on increased salaries and benefits for educators, making them among the highest paid in the country. And in the field of early education, BPS has made steady progress in adding K1 seats, increasing the number of students served by 976 since Mayor Walsh took office.

The FY19 BPS budget includes \$6 million in new system-wide investments to expand successful district-wide programs and invest in high-impact technology, training, and innovation:

- \$2.4 million to add eight additional nurses and twelve additional psychologists and social workers
- \$1.2 million to support translations and interpretations for students with IEPs and their families
- \$700,000 to grow Excellent for All into its third year of expansion, rolling classes up to the 6th grade
- \$500,000 to expand Becoming a Man, a school-based group counseling program for young men in grades 7-12
- \$500,000 in curriculum investments for English language learners, social and emotional learning, and expanding successful curriculum pilots.
- \$300,000 to expand the Lynch Leadership program, a key leadership pipeline for BPS principals
- \$300,000 for two additional custodians and two additional school police officers
- \$200,000 for a new data system for teacher evaluation
- \$200,000 for new radios for school police.

The budget also includes \$10 million of new investments targeted to schools with concentrations of high need:

- \$3 million in additional investment in school budgets for high needs students through the Opportunity Index
- \$3 million in additional investment in school budgets for ELL students
- \$2.8 million in soft landings for schools with declining enrollments
- \$1 million in soft landings for lower performing schools
- \$500,000 in additional funds to support students experiencing homelessness

BPS has not yet negotiated their collective bargaining agreements effective in FY19. Consequently, this budget does not include general wage increase for FY19. Funding for the next contract is included in the FY19 collective bargaining reserve.

Health and Social Emotional Wellness

Social, emotional, and physical well-being are critical to academic success, and BPS strives to create safe, healthy, and welcoming school environments that address the needs of the whole child. Students exposed to trauma especially need appropriate services and supports to ensure that nothing limits their ability to succeed. BPS strives to ensure that each school has at least three behavioral health touchpoints to provide a continuum of high quality services to students.

Thanks to Mayor Walsh, the FY19 BPS budget includes a \$2.4 million investment to add 8 nurses, 7 psychologists, 4 social workers, and a Director of social work services. This comprehensive investment in Social Emotional Learning and Wellness will make transformative impacts on the social emotional wellbeing of students at BPS.

BPS will examine best practices around identifying need and determining capacity. The outcome of this process will be used to assign these new positions to schools, with the goal of increasing the number of schools with at least three behavioral health touchpoints from 71 to 100.

8 new nurses to will bring the number of schools with at least one full-time nurse to 74. The investment will decrease the student to nurse ratio from 438:1 to 405:1, which is 40% lower than the ratio recommended by the CDC and National Association of School Nurses of 750:1.

The addition of 7 new psychologists, including 5 bilingual school psychologists and 2 district-wide psychologists will lower the student to psychologist ratio by 10% and significantly increase the level of culturally and linguistically appropriate services.

The addition of 4 bilingual trauma and resiliency support specialists or social workers will enhance schools' capacity to deliver trauma-sensitive services to students and families.

To support these additional front-line staff, BPS will also add a Director of Social Work Services, who will coordinate professional development, technical assistance, and formal supervision for school-based social workers, along with developing partnerships with mental health organizations and higher education institutions.

Early Childhood Education

Research confirms that pre-kindergarten has a positive impact on student achievement in the Boston Public Schools.

Under Mayor Walsh's leadership, the City has continually expanded the number of high-quality pre-kindergarten seats. In September 2019, 976 more children will be enrolled in high-quality pre-kindergarten than when Mayor Walsh took office.

This includes BPS seats, as well as 250 new seats at community-based organizations funded by a federal Preschool Expansion Grant (PEG) that the City of Boston and BPS partnered with MA Early Education and Care to secure in 2015. PEG funds high-quality seats in community-based organizations (CBOs) and serves as one of the templates for Boston's Universal Pre-K system. This funding, as well as an earlier private/public partnership, will be used to provide the groundwork for an expansion of Pre-K seats in Boston through a mixed delivery

system of BPS and community-based partners going forward.

BPS will serve 2,958 children in pre-kindergarten classrooms in FY19, a 147 increase from FY18. BPS early education programs have been recognized as among the most effective in the nation at closing achievement gaps. They are content-rich in science, literacy, arts and math. Data shows BPS prekindergarten attendees outperform their peers in third and fifth grade MCAS, both in ELA and in Math.

BPS will continue to strengthen and expand programs, including full-day K1 classrooms for four-year-olds. More than 60% of BPS early childhood classrooms have earned accreditation from the National Association for the Education of Young Children (NAEYC), affirming that these programs offer high-quality, state-of-the-art education to help get children off to successful starts.

Special Education

The special education budget totals \$250 million in FY19, an increase of \$12.3 million or 5% from FY18 adopted. The special education budget accounts for approximately 22% of the total BPS budget and supports the almost 11,000 students with disabilities, or 19% of the BPS population.

In FY18, the District implemented a special education data management system. This data system allows BPS to better manage and monitor Individualized Education Programs (IEPs) and ensure students are getting the services they need.

In addition to mainstream or substantially separate placements in the District, BPS is responsible for the educational services of approximately 495 students in out-of-district placements. BPS has seen an increase in the number of high need students and DCF involved students placed in group homes who require private placement. BPS is fully or partly responsible for paying for services for most of these students at an average cost of \$85,600 per year in FY18. Tuition rates are established by

the Commonwealth of Massachusetts Rate Setting Commission.

Bilingual Education

The Bilingual/SEI budget totals \$83.7 million in FY19, an increase of \$7.6 million or 10% from FY18 adopted. Approximately 33% of BPS students have an ELL designation. Currently, English Learning students within the District speak more than 71 different languages.

Additionally, BPS continues to make investments to expand ELL academic programs and teacher training. BPS is investing an additional \$3 million in schools for ELL support, as well as \$400,000 in curriculum development funding.

The investment in nurses, psychologists, and social workers will also include 5 bilingual nurses and 4 bilingual trauma and resiliency support specialists. This investment will increase the levels of culturally and linguistically appropriate services for English language learners.

BPS Enrollment

Student enrollment is the foundation of the BPS budget. The preliminary stage of the budget process involves enrollment projections for each program, grade, and school, which are based on historic trends and current data. The projected enrollment at each school for the upcoming school year determines the allocation of resources at the school level through the weighted student funding formula. The FY19 budget development process continued the work done for FY18 to use data more rigorously and collaborate between school leaders and BPS Finance to develop accurate enrollment projections.

In FY19, the BPS projected budgeted enrollment is approximately 57,140 including an additional 147 prekindergarten seats. Overall enrollment has remained consistent over the past 5 years, ranging from a high of 56,959 students in 2014-15, to a low of 56,404 in 2016-17. To date in FY18, BPS has welcomed 194 students from Puerto Rico, over four times as

many as in FY17, due to the displacement caused by Hurricane Maria.

At the school level, BPS has seen some shifts in enrollment. BPS gives parents a voice in where their child attends schools, which causes shifts from year to year. The BPS School Committee has also supported school communities that have requested to expand grades in recent years, which has led to shifts in enrollment. It is projected that 536 more students will be enrolled in the District's highest performing schools next year.

Weighted Student Funding

Weighted Student Funding (WSF) ensures resource equity for all students no matter the school they attend. The weighted student funding model creates a baseline per-student funding amount and then adjusts the amount depending on individual student need. For example, students whose family income is at or below the poverty level will receive additional funding in the formula. Other need-based weights include students with disabilities, English Language Learners (ELL), and vocational education students. A school's budget is calculated by adding the individual funding amounts for every student projected to attend that school in the fall. Additionally, each school also receives a foundation budget to support essential staff. In FY19, the district increased WSF funding by approximately \$33 million to \$516.7 million through WSF. WSF is only one component of schools' funding; total school funding is expected to rise by almost 6% or \$40 million in FY19.

For FY19, the eighth year using the WSF formula, BPS continues to refine this need-based method of funding. Student-based allocation models are the standard for transparent and equitable school budgeting. Such models allow dollars to follow students, and those dollars are weighted based on student needs. BPS's highest-need students receive more resources through the weighted student funding structure.

When enrollment declines at a school, central office works closely with that school to

appropriately adjust staffing. Particular care was made through this process to make classrooms full so that they are affordable to schools. There are safeguards in place to assist schools with declines in enrollment, including sustainability allocations and soft landings, as well as other reserves that are used throughout the budgeting process.

BPS's FY19 budget includes a series of substantial supports on top of WSF that differentially serve the district's highest need students. In addition to FY18 investments that support students experiencing homelessness and assist low-performing schools, BPS is investing an additional \$1 million for lower performing schools, \$2.8 million for soft landings for schools with declining enrollments, and an additional \$500 thousand for students experiencing homelessness.

The Opportunity Index

FY19 is the first year that BPS will be using the Opportunity Index as part of WSF. The Opportunity Index is an innovative tool that quantifies differences in experiences, opportunities, and needs between students, allowing BPS to allocate resources more equitably. The Opportunity Index is a composite index that incorporates a range of data representing factors that are outside of the schools' control, yet are predictive of students' academic outcomes. By rolling multiple measures into a single, more accessible metric, BPS will be better equipped to direct resources and supports to the schools and students who need them most.

For FY19, BPS will pilot the use of the Opportunity Index for the allocation of two central sources of funding: School Support Funds, and the Partnership Fund. \$3 million in unrestricted School Support Funds will be awarded to schools with an Opportunity Index score greater than or equal to 0.35 (102 schools) will receive an allocation, based on student enrollment and level of need. The

The Partnership Fund is funding that was previously awarded to schools based on legacy relationships between certain schools and

partners. In FY19, this funding will be included as part of WSF and awarded centrally to schools with the highest concentration of student need (Opportunity Index score greater than or equal to 0.57). 60 schools will receive funding.

EXTERNAL FUNDS

External funds are provided directly to BPS through formula grants (entitlements), competitive grants, reimbursement accounts, and other grants, primarily from state and federal sources. These external funds are critical to the success of the district, but have decreased to 11% of total funding in FY19 from 17% in FY12 (Figure 1). Decreased external funding was identified as a challenge to BPS's long-term financial stability in the Long-Term Financial Plan. In recent years, the BPS budget has relied on the increased City appropriation to help absorb these decreases. Overall, BPS is expecting a decrease of \$1.1 million, or .8%, compared to FY18.

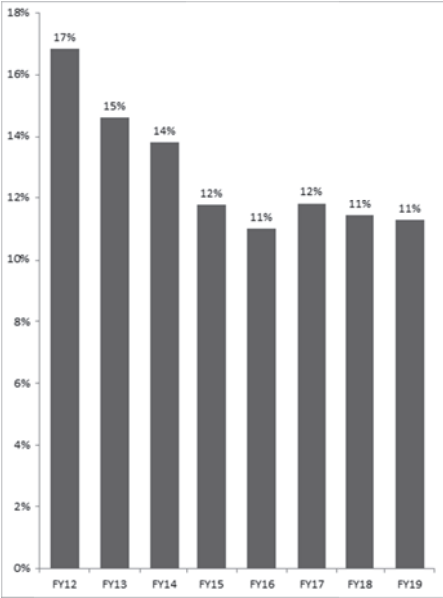


Figure 2
External Funds as % of Total Funds
FY12-17 Actuals, FY18 Budget, FY19 Projected

One of the largest sources of federal revenue for BPS is the Title I entitlement grant. BPS is projecting \$41.6 million in Title I revenue in FY19. The grant's purpose is to improve the academic achievement of disadvantaged

students by ensuring that that all students have an equal opportunity to obtain a high-quality education. The grant provides direct funds to schools with higher levels of poverty.

BPS receives two external revenue sources to fund the district's comprehensive special education program. Through Circuit Breaker reimbursements, the Commonwealth shares the cost of educating students with disabilities once the cost to educate those students exceeds a threshold amount. BPS is projected to receive approximately \$15.5 million in Circuit Breaker revenue in FY19. Additionally, funds provided through the federal Individuals with Disabilities Education Act (IDEA) grant enable the district to provide special education in the least restrictive environment possible for children with disabilities ages 3 through 21, and to provide early intervention services for children from birth through age two. BPS is projecting to receive \$17.4 million, or a 2.4% decrease in IDEA funds in FY19.

School Improvement Grants

BPS anticipates \$1.9 million in School Improvement Grants from the Commonwealth in FY19. This funding is provided to the lowest performing schools in BPS, also known as turnaround schools, to extend the instructional day by at least 30 minutes, hold an additional 100 professional development hours for teachers, and provide other school based support, such as after school tutors and literacy coaches. In FY19, the district has applied for funding for Grew Elementary, Dever Elementary, Madison Park Technical Vocational High School, Excel High School, and Brighton High School.

Although previous School Improvement Grants have expired, the district has shifted these activities to the operating budget to continue the work of turning around low performing schools. The FY19 budget includes an additional \$1.6 million in funding to transition the Channing, Grew, Winthrop, and English schools, where previous School Improvement Grants have ended. Also, as mentioned previously, \$3.6 million will be invested in low-performing

schools or school experiencing declining enrollment, in addition to \$1.25 million invested in FY18.

PERFORMANCE

The creation of a Performance Meter comprised of 14 key performance indicators (KPIs) associated with school improvement was an initiative that was developed as part of Superintendent Chang's 100 Day Plan. The Performance Meter is a critical step in establishing a performance management culture within the District, and will allow BPS to identify the most effective supports for schools. The Performance Meter tracks KPIs concentrated on the achievement gap, early literacy, proficiency of certain age groups in specific subjects, and college and career readiness. The use of authentic evidence and data will allow BPS to continue to close opportunity and achievement gaps.

Graduation Rates

BPS has been evaluating its progress towards academic goals using measurable outcomes for several years. The District has seen positive gains in several performance metrics, including increases in graduation rates. The overall four-year graduation rate for the BPS class of 2017 was 72.7%. This represents a 0.3% increase over the 2016 rate. The BPS high school graduation rate has increased each year since the 2006-2007 school year, when the graduation rate was 57.9%. The 2017 graduation rate is the highest ever recorded by BPS.

Additionally, twelve Boston high schools achieved graduation rates of 80% or above, meeting the state's accountability target. They include: New Mission High School; Boston Latin School; Boston Latin Academy; John D. O'Bryant School of Mathematics and Science; Boston Arts Academy; Boston Community Leadership Academy; Mary K. Lyon High School; Fenway High School; Josiah Quincy Upper School; Edward M. Kennedy Academy for Health Careers; Snowden International School; and TechBoston Academy.

Dropout Rate

BPS's annual dropout rate for students in grades 9-12 decreased by 20% from 4.5% to 3.6% in the 2016-17 school year. Overall, BPS has cut the dropout rate in half over the past ten years, from 7.9 percent in 2007.

According to state guidelines, students in grades 6-12 are counted as dropouts if they leave school during the year for any reason other than transfer, graduation, death or expulsion with an option to return.

Accountability Results

The Massachusetts Department of Elementary and Secondary Education (DESE) classifies all Massachusetts districts and schools into one of five accountability and assistance levels, with the highest performing in Level 1 and lowest performing in Level 5. Boston has a track record of leading struggling schools to success.

In FY19, a projected 536 more students will be enrolled in the District's highest performing schools. The City will continue to work with state and community partners to make more improvements in our schools across the board.

BUILDBPS

The FY19-23 capital plan funds facility and technology projects that support education and youth achievement in all neighborhoods across the City. In FY18, Mayor Walsh announced a \$1 billion investment to modernize Boston's public school infrastructure, and the BuildBPS plan will guide that process. Through a dedication of City capital funds and a strong working relationship with the Massachusetts School Building Authority (MSBA), the plan more than doubles the capital spending on BPS facilities over the next decade. Mayor Walsh's FY19-23 capital plan implements early action BuildBPS initiatives, and supports planning for large-scale projects coming out of the BuildBPS engagement process.

A robust community process commenced in FY18 and will continue each year. The planning principles, data, and analysis outlined during the BuildBPS planning process will guide

community workshops across the City. These workshops will be the vehicle through which the community can propose new projects and investments. The City and BPS will further analyze the proposed projects that will become the foundation of each year's capital plan.

The \$13 million BuildBPS 21st Century Schools Fund is providing schools with 21st century tools, including new technology and comfortable, movable furniture. This initiative will promote learner-centric programs, benefit professional development, and provide greater flexibility in both current and future learning spaces. Relative to larger-scale building renovations and repairs, these upgrades can be done at lower cost and on an accelerated timeline. BPS created a menu of 21st century packages that schools selected from, depending on their needs. BPS will work with school leaders to complete these upgrades for the start of the 2018-19 school year.

Boston has also successfully ramped up its efforts to leverage MSBA Accelerated Repair Program (ARP) dollars to provide much needed improvements to its schools. In FY18, Boston invested \$16.9 million to unlock \$22.8 million in grants from the MSBA to provide seven BPS schools with new windows replace roofs and boilers at five BPS schools. In FY19, BPS will invest \$4.5 million to unlock a \$7.1 million grant from the MSBA to replace roofs, boilers, or windows at six schools. The Mayor's capital plan sets aside an additional \$26.7 million over the next five years to position Boston to further leverage MSBA ARP dollars in the future. The MSBA will also be a key partner as we move towards funding for the Josiah Quincy Upper School, Boston Arts Academy, and Carter School.

Finally, this capital plan allows Boston to invest in BPS projects already in the pipeline:

- Slated to be completed in winter of 2017/2018, the \$73 million Dearborn STEM Academy will open for students in September 2018. The project, which leverages a projected \$37 million match from the MSBA, is designed based upon a

project-based learning curriculum, with an emphasis on STEM education.

- Over the next year, the Eliot School construction projects will be completed. The new \$23 million North Bennet Street building opened in September 2017, and next fall, the \$34 million Commercial Street building will welcome grades 5-8 into a 21st century learning environment.
- The new \$124 million Boston Arts Academy building is leveraging \$49 million match from the MSBA. Beginning construction in FY19, the school will provide students with state of the art performance and studio space, opening in September 2021
- BPS is partnering with the Shah Family Foundation to provide 25 schools with full-service kitchens. This is the first phase in a multi-year kitchen renovation program.
- The capital plan provides for Boston's matching investment in the Josiah Quincy Upper School (JQUS) and the Carter School which are collaborative projects with the Massachusetts School Building Authority (MSBA).
- BPS will continue the 5 year plan to upgrade technology infrastructure across the district in support of 21st century learning.
- BPS will increase its investment in school security to a total budget of \$5 million. The project includes upgrades to external and internal doors, locks and key cards, and cameras.

Boston is projected to spend \$90.1 million on BPS capital projects in FY19. Boston is investing \$341 million in the next five years, with an additional \$343 million committed for the remainder of the ten year plan. When combined with projected MSBA matching funds, Boston is committing \$1 billion to BPS capital projects over ten years.

NET STATE EDUCATION REVENUE

Stagnant state education revenue, combined with the City's steeply growing charter school assessments, will continue to contribute to the district's fiscal challenges. Over the past ten years, Boston's net education aid has dramatically declined, while education costs have rapidly climbed. Boston is projected to spend \$257 million more in FY19 to support education for Boston students attending the Boston Public Schools and charter schools than it did when Mayor Walsh took office. However, Boston's two major state education revenue sources have declined by \$1.4 million since that time.

Chapter 70 Education Aid, the City's main source of state education aid, does not work for Boston. Despite the Commonwealth adding over \$1.1 billion to its statewide Chapter 70 appropriation since FY08, Boston's Chapter 70 Aid has increased by just \$3.5 million during this period, or an average annual growth of 0.17%. Boston's Chapter 70 aid would grow by just 0.59% or \$1.3 million under the FY19 state budget, well short of the \$66.8 million more Boston expects to spend on education in FY19.

Charter school tuition reimbursement was an important part of the 2010 Achievement Gap law, meant to assist communities with the transition years' costs as their Commonwealth charter school costs increased. Effectively, the legislation doubled the City's charter school spending limit, while increasing the state's financial commitment to sharing in the associated increased costs. However, the state's charter school tuition reimbursement is subject to legislative appropriation, and has been underfunded between FY15 and the FY19 Governor's budget, leading Boston to lose a projected \$100 million in revenue from the state in these 5 years combined. Under the FY19 state budget alone, Boston is projected to lose \$27.3 million. Charter School Reimbursement is a critical revenue source for Boston, which has seen its charter school tuition costs grow rapidly; Boston's charter school assessment has risen by \$126 million or 184% since the

enactment of the 2010 Achievement Gap Legislation.

EDUCATION LEGISLATION

In a very short time Boston will reach a turning point in educational financing when none of the BPS budget will be funded with state education aid. Boston's net charter school assessment (its charter school tuition and facilities charges less charter school reimbursement) will exceed Boston's Chapter 70 Education aid. With this crossroad looming, during the remaining months of the legislative session and into the future, Mayor Walsh and BPS will focus their advocacy on passage of a more equitable and transformational financing formula for education aid and increased support for quality Pre-Kindergarten seats. During the remainder of FY18, the Mayor and BPS will also advocate for full funding of Boston's current year charter school reimbursement, which is underfunded by over \$25 million.

During 2017 and early 2018, Mayor Walsh's education finance reform legislation was considered during the Commonwealth's biennial legislative process with the City and BPS jointly advocating for the Legislature's support of the reform package that provides an equitable investment in public education and expands access to high quality education for students of all ages.

To address the growing challenges of decreasing net education revenue and increasing education costs, the legislative package includes a fix to the broken charter school finance model, more fully funds the cost of the Commonwealth's highest need students, redirects existing tax revenue produced in Boston back to its residents and, if additional funding for education became available, would increase education funding for Boston by \$150 million within several years.

While the majority of the Mayors education finance reform legislative package has been referred to study, one bill has been reported out favorably by the Joint Committee on Education.

An Act Relative to Expanding Access to High Quality Early Education (House Bill 3759) seeks to provide every Boston 4-year old with a high quality Pre-Kindergarten seat, dedicating \$16.5 million to early education. Boston has solved the overall access challenge for pre-K seats, but continues to face a significant shortage of quality seats. The bill proposes to close the “quality gap” in pre-kindergarten seats in Boston by investing in programs at public schools and community based organizations with surplus revenue raised in Boston from the Convention Center Fund. The proposed legislation redirects the surplus amounts generated from two Convention Center Fund revenues that are produced exclusively in Boston, the Boston Sightseeing Surcharge and the Boston Vehicular Rental Transaction Surcharge.

Although the Legislature’s Joint Committee on Education chose not to incorporate a cap of 2.5% for the municipal revenue growth factor for communities like Boston that serve the Commonwealth’s most economically disadvantaged students, are investing more in their students than is required, but are receiving stagnant education aid each year in its proposal to fix the Chapter 70 Education Aid formula the Mayor continues to support the recommendation compiled by the Foundation Budget Review Commission recognizing that without further reforms that the impact will not benefit Boston until more than half way through a seven year roll out of the recommendations and new aid for Boston would be reduced by two-thirds.

CHARTER SCHOOL TUITION

Commonwealth charter schools, which are granted charters by the State Board of Education, are publicly funded schools administered independently from local school committee and district bargaining rules and regulations. Commonwealth charter schools are primarily financed by the home districts of their students through a per pupil based charge.

Commonwealth charter schools are projected to educate 11,000 Boston students in FY19. Boston

is assessed by the Commonwealth to fund charter schools on a per pupil basis, and Boston’s charter school tuition assessment is projected to increase by \$20 million over the FY18 budget due to growing attendance and a higher per pupil tuition rate. Boston’s charter school assessment has risen by 184% since the enactment of the 2010 Achievement Gap Legislation.

In total, the City of Boston will spend \$1.303 billion in operating dollars to support education-related programs in FY19 – from prekindergarten to high school in the BPS system, as well as Commonwealth charter schools. Boston will also dedicate \$340 million from City borrowing over five years to provide Boston’s students with 21st century learning environments.