

Education

OVERVIEW

The FY24 Boston Public Schools (BPS) budget aims to create learning environments where all students feel valued, supported, and empowered to reach their full potential. A record \$1.45 billion in funding will support 50,000 students at BPS, and another \$280 million will support approximately 10,558 Boston students in charter schools.

The increase of \$111 million over the FY23 BPS Adopted operating budget supports the district’s aim to provide a high-quality experience for every student regardless of school, program, or neighborhood. Boston’s FY24 education budget, including the BPS operating budget and the city’s charter school tuition assessment, continues to represent roughly 40% of the city’s budget as a whole.

As BPS takes on long-standing challenges and deepens investments in areas critical to student outcomes, the district will continue to receive a boost from federal relief funding. However, that funding will not be available in FY25, so BPS has begun work to sustain services piloted with federal dollars that are aligned with strategic priorities.

FY24 BPS Priority Investments

	<u>Operating Budget</u>
Inclusive Education	\$9.6 M
Multilingual Education	\$6.3 M
Equitable Literacy	\$3.5 M
Mental Health	\$1.2 M
High School & Alt. Ed.	\$1.1 M
Community Engagement	\$1.9 M

Table 1

FY24 Investments (see Table 1) are grouped into six identified priority areas and are aimed at increasing equity and closing gaps. These priorities are: Inclusive Education, Multilingual Education, Equitable Literacy, Restorative Justice and Mental Health, High School and Alternative Education, and Community Engagement.

Inclusive Education investments dedicate \$9.6 million to increase inclusive practices and opportunities for all students regardless of their need level.

Multilingual and Multicultural Education investments allocate \$6.3 million to increase investments for immediate action in Dual Language and bilingual programs, for multilingual learners with disabilities, and for bilingual teacher pipelines.

Equitable Literacy investments appropriates \$3.5 million for Equitable Literacy to invest in High Quality Tier 1 curriculum and professional learning to strengthen Multi-Tiered Systems of Support (MTSS).

Restorative Justice and Mental Health investments allot \$1.2 million for expanding the use of and access to restorative practices at both the school and central levels.

High School and Alternative Education investments dedicate \$1.1 million for High School and Alternative Education by expanding Early College and Career Pathways programming.

Community Engagement investments appropriate \$1.9 million to increase community engagement by adding capacity to the family hotline, expanding translations and interpretation, increasing Family Engagement Facilitators, and

investing in a Chief of Community Engagement and Chief of Family Advancement.

BPS OPERATING BUDGET

At a \$1.45 billion appropriation, the FY24 operating budget is the largest in BPS's history (Table 2). The FY24 allocation makes investments to create a fully-inclusive, high-performing district for all students. The FY24 budget also enables schools with declining enrollments to maintain key services and supports. Of note, around \$50 million of the \$111 million increase over the FY23 Adopted budget relates to collective bargaining agreements approved since the start of the fiscal year. The change described and displayed in Table 2 does not reflect the changes in FY23 appropriation; the City's version of the data does include FY23 supplemental budgets as of the April 2023.

BPS Operating Budget Summary

	FY23 Adopted	FY24 Recom.	\$ Change
Direct School Expenses	\$855M	\$905M	\$51M
School Services Budgeted Centrally	\$336M	\$382M	\$45M
Central Administration	\$82M	\$91M	\$8M
Non-BPS Student Services	\$61M	\$68M	\$6M
Total BPS Budget	\$1.335B	\$1.446B	\$111M

Table 2

Looking at spending categories, funding directly in schools will increase by \$51 million from the FY23 budget to \$905 million.

In addition to school budgets, schools receive significant support from services that are budgeted centrally. This includes items such as transportation, particular special education services, and facilities maintenance. This portion of the budget will increase 13.5% from the FY23 budget to \$382 million. With these support funds

added to funds budgeted at the school level, \$1.29 billion is expected to be spent on school services, nearly 90% of the BPS budget.

BPS is also responsible for funding services for students living in Boston and attending school outside of BPS, including adult education students, students placed out-of-district for special education and vocational education, and pre-kindergarten students at community-based organizations. In addition, BPS provides transportation for out-of-district special education students, and these costs comprise 28.7% of the FY24 BPS transportation budget. Total funds budgeted for non-BPS students will increase 4.7% from the FY23 budget to \$68 million, comprising 4.7% of the overall FY24 BPS budget.

In FY24, the Central Administration budget will increase by 10.2% to \$91 million, to ensure organizational effectiveness, accountability, and strong coordination and support from district leadership.

Along with additional federal funding, the \$26 million in FY26 BPS operating investments aim to deliver on the promise of educational equity and excellence. FY24 investments target six priority areas: Inclusive Education, Multilingual Education, Equitable Literacy, Restorative Justice and Mental Health, High School and Alternative Education, and Community Engagement.

A \$9.6 million investment in Inclusive Education Strategy will develop inclusive environments in a subset of schools through structural changes, new staffing, professional training, and the leveraging of MTSS data to identify interventions and provide resources, including referrals to special education services, to students. An agreement with the Boston Teacher's Union has created a framework for rolling this work out across the district over multiple years, building on the traditional

partnership with parents through individualized educational programs (IEPs).

In FY23, BPS is using federal relief funding to make significant investments in bilingual supports and Native Language programming. In FY24, a \$6.3 million investment in Multilingual, Multicultural Programs and Services continues that push, with additional attention to the needs of Students with Limited and Interrupted Formal Education (SLIFE) and multilingual learners with disabilities. The Office of Multilingual and Multicultural Education strategic plan has pointed the way towards a multi-year expansion of bilingual, heritage, and world language programming.

A \$3.5 million investment in Equitable Literacy likewise builds on a current year investment with federal relief funding to implement evidence-based reading and writing support for all students. A core tenet of the district's approach will be to provide culturally and linguistically responsive, standards-aligned grade-level tasks and texts in diverse content areas and disciplines.

In FY24 BPS is also making \$4.2 million in commitments to the areas of Social Work, Restorative Justice, & Mental Health; High Schools & Alternative Education; and Family and Community Engagement. Collectively, these investments seek to address student safety, social-emotional wellbeing, and collaboration with parents and the broader community, as well as increase opportunities for post-secondary success and offer alternative pathways for students who need them.

Finally, while not formally a part of the district's \$26 million in strategic investments, around \$15 million in salaries and services will be moving off federal relief funding and onto the operating budget in FY24. These salaries and services align with the district's priorities in the areas of

Inclusive Education, Multilingual and Multicultural Learning, and Equitable Literacy. Moving them now demonstrates a commitment to funding this work for the long-term, as federal relief will lapse in FY25.

Early Childhood Education

Each year, the City continually expands the number of quality pre-kindergarten seats, as part of the Universal Pre-K (UPK) initiative. In the 2023-2024 school year, over 4,800 three- and four-year-olds are expected to be enrolled in a quality pre-kindergarten program. The City's Quality Pre-K Fund has enabled and accelerated this expansion over the last several years, and a new partnership between BPS and the City's Office of Early Childhood will support Mayor Wu's vision of universal, affordable, high-quality early education for all infants, toddlers, and children under five. Change since Mayor Wu took office include updating the funding model from seats to classrooms, opening participation to three-year-olds, and planned in FY24, integrating family child care providers into the UPK system. As a result, over 750 more three- and four-year-olds are expected to be served in community-based and family child care settings in FY24 compared to FY22.

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 that BPS pre-kindergarten attendees outperform their peers in third and fifth grade MCAS, in both ELA and Math.

Special Education

The FY24 BPS budget makes robust investments in special education that will result in over 100 new school-budgeted special education teachers and paraprofessional positions. The special education budget totals almost \$350 million

in FY24, an increase of \$39 million, or 12.8%, from the FY23 budget. The special education budget accounts for nearly a quarter of the total BPS budget and supports the over 10,200 students with disabilities, or about 21% of the BPS student population.

The significant increase in special education teachers in the FY24 budget aligns with the continued inclusion rollout across the district and into new grade levels, as well as commitments made in the district's systemic improvement plan agreement with the Commonwealth.

In addition to mainstream or substantially separate placements in the district, BPS is responsible for the educational services of special education students in out-of-district placements. Over time, 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 a total projected cost of \$47 million in FY24. Some of the costs for these services will be reimbursed by Circuit Breaker. Tuition rates are established by the Commonwealth of Massachusetts Rate Setting Commission.

BPS is also responsible for providing education services to students with IEPs in private placements. To better support these students, the FY24 budget continues to fund a proportionate share team responsible for conducting IEP meetings and evaluations.

English Learners

The Bilingual/Sheltered English Immersion budget totals \$129.7 million in FY24, an increase of \$22 million, or 20%, from the FY23 budget. Approximately a third (34%) of BPS students have an ELL designation; as a group, they hail from 145 different countries and speak 83 languages. Anticipating that these students will require

targeted support, BPS will invest \$6.3 million to increase support for Dual Language and bilingual programs, multilingual learners with disabilities, and bilingual teacher pipelines in FY24.

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 FY24 budget development process required close collaboration between school leaders and BPS Finance to develop accurate enrollment projections.

BPS projected enrollment for FY24 is approximately 50,019. The district has seen steady enrollment decline in the last 15 years, driven by broader demographic trends, with fewer students living in Boston and entering the district as birth rates decline and the cost of living continues to rise. Though actual declines are expected to increase, the total BPS projection for FY24 is 169 more than FY23 due to over-projecting losses in FY23. Driven by English language learners, the district's enrollment was larger as of June 2022 than had been anticipated. In FY24 BPS's budget will increase on a per pupil basis by about \$1,800, bringing per pupil spending in FY24 to \$28,900. At the school level, BPS has seen some shifts in enrollment since BPS parents have a voice in where their child attends BPS school. The BPS School Committee has also supported school communities that have requested to expand grades in recent years, which has led to additional shifts.

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 needs-based weights include students with disabilities, English Language Learners, 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.

For FY24, the thirteenth year using the WSF formula, BPS continues to refine this needs-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 need. BPS's highest-need students receive more resources through the weighted student funding structure.

When enrollment declines at a school, the BPS central office works closely with the school to appropriately adjust staffing. Particular care is made through this process to ensure classrooms are full so that they are affordable to schools. There are safeguards in place to assist schools with declines in enrollment, such as rules-based soft landings and other reserves that are used throughout the budgeting process.

In FY24, WSF funding is increasing by \$61.6 million, to \$581.0 million. WSF is only one component of schools' funding; total general fund allocations to schools will increase by \$64.7 million in FY24, a lower number than the WSF change due to the shifting of \$24.5 million in hold harmless funding for schools to federal relief.

BPS school budgets include substantial supports on top of WSF. The Foundation for Quality, which replaces sustainability funds, expands the definition of baseline services for schools, ensuring that all schools have a baseline amount of funding above compliance. Schools in transition will receive additional targeted funding, including supports for K-6 transitions, new inclusion programs, strands undergoing redesign, and capacity maintenance for existing programs.

The Opportunity Index

FY24 is the sixth year that bps will be using the Opportunity Index (OI) as part of WSF. The OI is an innovative tool that quantifies differences in experiences, opportunities, and needs between students, allowing BPS to allocate resources more equitably. The OI 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 ranging from 0.01 to 0.99, BPS is better equipped to direct resources and supports to the schools and students who need them most.

Since FY19, BPS has used OI for the allocation of two central sources of funding: school support funds, which support schools' academic priorities, and the partnership fund, which enables schools to partner with community nonprofit organizations. Funding is allocated based on student enrollment and level of need. In FY24, \$5.4 million in discretionary school support funds will be awarded to schools with an OI score greater than or equal to 0.35. Additionally, \$6 million from the partnership fund will be awarded to schools with an OI score greater than or equal to 0.56.

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, and at \$373.6M represent 20.6% of total funding in FY24, up from 13.8% in FY13 (Figure 1). Decreased external funding was identified as a challenge to BPS's long-term financial stability in the district's 2016 Long-Term Financial Plan, with the BPS budget relying on increased City appropriations to help absorb costs. This dynamic has changed, temporarily, with the influx of pandemic-related relief funding.

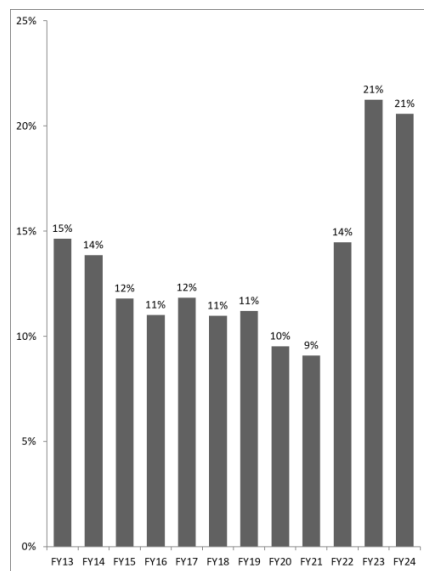


Figure 1 - External Funds as % of Total Funds FY13-23 Actuals, FY23 Appropriation, FY24 Adopted

One of the largest sources of federal revenue for BPS is the Title I entitlement grant. BPS expects to receive \$45 million in Title I revenue in FY24. The grant's purpose is to improve the academic achievement of disadvantaged students by ensuring 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 has budgeted approximately \$25.5 million in Circuit Breaker revenue in FY24. Additionally, funds provided through the federal Individuals with Disabilities Education Act (IDEA) grant enable the district to provide special education services in the least restrictive environment possible for children with disabilities ages three through twenty-one, and to provide early intervention services for children from birth through age two. BPS expects to have almost \$19 million in IDEA funds available in FY24.

School Improvement Grants

In FY24, BPS will receive an estimated \$1.07M from the commonwealth through targeted assistance grant funding. Targeted assistance grant funding is provided to the lowest performing schools in BPS, also known as turnaround or transformation schools, to increase professional development, add staff, and provide other supports. In FY24, 32 BPS schools will be eligible for this funding.

As school improvement grants end for each school exiting turnaround status, the district shifts these activities to the operating budget to continue the work of turning around low-performing schools. The FY24 budget includes \$253 thousand in funding to transition Brighton High and Grew Elementary, where previous school improvement grants have ended or funding is tapering.

Federal Relief Funding

BPS has received \$400 million via the federal Elementary and Secondary School Emergency Relief (ESSER) Fund. In FY21, the increase in the percentage of external funds as a share of total BPS funds (Figure 1) reflects COVID-19 relief funding, including a federal ESSER I grant. In FY22, federal

ESSER II and ESSER III grants became available to BPS, with around \$65 million already expended in FY22 and over \$300 million in spending projected between FY23 and FY24.

ESSER allocations directly to schools amount to \$50M in FY23 and FY24, with schools having some discretion on how to spend those dollars in ways that would be most transformational. The district also has numerous central ESSER initiatives aligned with its strategic academic priorities. Because relief funding will no longer be available after FY24, the district is currently working to spend funds down and to plan for how to sustain critical positions and services that are paid out of this funding source. A \$15 million shift of costs, including around 100 positions, from federal relief to the general fund in FY24 is a step in that direction.

PERFORMANCE

BPS is committed to using data to improve school performance and provide the best education to students. In FY21, the district created a new performance management system based on the six anchor goals: eliminate opportunity and achievement gaps, accelerate learning, amplify all voices, expand opportunity, cultivate trust, and activate partnerships. Each goal is paired with a series of aligned metrics to measure progress. BPS has been evaluating its progress towards academic goals using measurable outcomes for several years.

Graduation Rates

The overall four-year graduation rate for the BPS class of 2022 was 81%, a 2.2 percentage point increase over the 2021 rate and the highest ever recorded by BPS. The graduation rate has increased 15.1 percentage points over the past decade, from 65.9% in 2012.

In 2022, twenty Boston high schools achieved graduation rates of 80% or above:

Kennedy Academy for Health Careers, O'Bryant School of Math & Science, Boston Latin School, Boston Latin Academy, Quincy Upper School, Boston Arts Academy, New Mission High School, East Boston High School, Fenway High School, TechBoston Academy, Dearborn 6-12 STEM Academy, Lyon High School, Boston Community Leadership Academy, Henderson K-12 Inclusion School Upper, Boston Green Academy, Another Course To College, English High School, Madison Park Technical Vocational High School, Snowden International High School, Margarita Muniz Academy.

Dropout Rate

The overall dropout rate for grades 9-12 in 2022 was 3.7%. BPS has cut the dropout rate by 47% over the past ten years, with a decrease of 626 students dropping out annually across the decade.

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) implemented a new accountability system in the fall of 2018, which determines schools' need for assistance or intervention based on a set of accountability indicators including student growth, graduation rate, and chronic absenteeism.

Due to the COVID-19 pandemic, DESE has not issued school or district accountability determinations since the 2018-2019 school year; for 2021-2022 DESE pursued an "accountability lite" model featuring published data but no determinations. In 2019, DESE singled out the Hale and Winship as schools of recognition. Fourteen schools were classified as meeting or exceeding targets, and thirty-five were

classified as making substantial progress toward targets. 67% of schools improved relative to 2018 performance. BPS met English language arts, math, and science targets for all students in grades 3-8, and many schools showed strong progress against targets.

In March 2020, as the result of a district review by DESE, BPS and DESE entered into a partnership to improve the district's lowest performing schools, to continue to address systemic barriers to equity across the school system, and to support its most vulnerable students to achieve their highest educational potential.

As part of that partnership, BPS committed to four priority initiatives: make improvements in BPS schools included among the lowest performing 10% of schools in the state; address instructional rigor, equitable access to advanced coursework, and chronic absenteeism at the high school level; improve educational services for students with disabilities; and improve on-time arrival of school buses. BPS has also committed to a long-term initiative to develop a plan for improving services to English learners and improve interpretation and translation services for limited English proficient parents and guardians.

To assist in a holistic understanding of the progress that BPS made toward these goals, DESE undertook a follow-up district review of BPS in March 2022. The review found that progress had been made in multiple areas but that persistent challenges remained. The resulting systemic improvement plan succeeds the 2020 agreement with DESE and focuses on many of the same areas, as well as student safety, facilities, and data integrity. The City is working to meet the new commitments by the deadlines stipulated in the plan and will receive significant support from the commonwealth, including an expected \$10 million in funding over three years.

BPS CAPITAL

The City is committed to modernizing Boston's public school infrastructure. Through a dedication of city capital funds and a strong working relationship with the Massachusetts school building authority (MSBA), the commitment more than doubles the capital spending on BPS facilities from FY18 to FY27.

The Green New Deal for Boston Public Schools plan will result in new school buildings and major transformations, reconfigurations to align schools with K-6/7-12 and K-8/9-12 pathways, and increased investments district-wide for all school buildings and communities. The planning process is focused on creating high-quality, twenty-first-century learning environments for students, and in so doing close opportunity gaps for more students.

The Josiah Quincy Upper School and Horace Mann are currently in construction, and the Carter School and Madison Park Technical Vocational School are currently in design. New study and design will begin for a consolidated school, combining the Shaw and Taylor schools, as well as the King K-8. In FY24, the city will continue studying programming and siting for future elementary schools, including a new elementary school in East Boston. In addition, BPS will pursue building improvements to facilitate grade reconfigurations at various schools.

The City will also continue districtwide investments in window replacements, bathroom upgrades, fire systems, radiator covers, entryway improvements, and plumbing and fixture upgrades to expand drinking water availability. Expanding on FY23 investments, BPS will make further progress in building accessibility, upgrading auditoriums, and improving building interiors and exterior grounds. The City is also investing in new school maintenance initiatives to upgrade libraries, science rooms, and art rooms. Additionally, the city

will continue annual programs for school yards, security improvements, and technology infrastructure, as well as leveraging the MSBA accelerated repair program to fund roof, window, and boiler repairs.

The FY24-28 capital plan sustains and supports planning for large-scale projects coming out of the BPS capital engagement process. The FY24-28 capital plan projects \$1.05 billion in BPS related spending over the next five years.

CHARTER SCHOOL TUITION

Commonwealth charter schools, which are granted charters by the Massachusetts Board of Elementary and Secondary Education, are publicly-funded schools administered independently from local school districts and district bargaining rules and regulations. Commonwealth charter schools are primarily financed by each student's sending district through per-pupil-based tuition.

Commonwealth charter schools are projected to educate approximately 10,558 Boston students in FY24. Boston is assessed by the Commonwealth to fund charter schools on a per-pupil basis, and the City's charter school tuition assessment is projected to increase by \$15.9 million over FY23 to a total of \$280.4 million primarily due to higher per-pupil tuition rates.

As of FY23, Boston's charter school assessment has nearly tripled since the enactment of the 2010 Achievement Gap legislation. This has put increasing pressure on the City to fund education, as overall state support decreased for charter school tuition costs. However, thanks to the Student Opportunity Act (SOA) passed in 2019, Boston and other municipalities across the Commonwealth are seeing an increase in state education aid. The SOA will make an unprecedented \$1.5 billion investment in Massachusetts public schools, and provides an implementation

timeline for fully funding charter school reimbursement costs. The Commonwealth fully funded the SOA in Year 1 (FY22), more than fully funded Year 2 (FY23), and is committed to fully fund Year 3 (FY24) in the state budget.

See the *Revenue Estimates and Analysis* section of Volume I for more details on state education aid, charter school tuition reimbursement, and the SOA.

