

# Education

## OVERVIEW

The FY25 Boston Public Schools (BPS) budget builds a foundation for the future. A robust \$1.53 billion in funding will support 50,000 students at BPS, and another \$287 million will support approximately 10,400 Boston students in charter schools.

The increase of \$81 million over the FY24 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 FY25 education budget, including the BPS operating budget and the city’s charter school tuition assessment, represents roughly 39% of the city’s budget as a whole.

While federal Elementary and Secondary School Emergency Relief (ESSER) funding will expire in FY25, BPS will sustain a share of services currently funded on ESSER that are aligned with strategic priorities. These efforts are supported both by new funding and by cost reductions in Central Office and in schools through classroom consolidations and reconfigurations.

<b>FY25 BPS Priority Investments</b>	<b>Operating Budget</b>
Inclusive Education	\$20M
School-Directed Investments	\$6M
Transitioning ESSER Hold Harmless	\$4M
Planning Beyond ESSER	\$6M

**Table 1**

FY25 Investments (see Table 1) are grouped into four priority areas and are aimed at improving academic outcomes and closing gaps. These priorities are: Inclusive Education, School Directed Investments, Transitioning ESSER Hold Harmless for Schools, and Planning Beyond ESSER.

*Inclusive Education* investments dedicate \$20 million to increase inclusive practices and opportunities for all students regardless of their need level.

*School-Directed Investments* allocate \$6 million to increase investments for special education, school psychologists and guidance counselors; for staffing in new transformation schools; for MassCore Implementation; for immediate action in Dual Language and bilingual programs; for multilingual learners with disabilities; and for bilingual teacher pipelines.

*Transitioning and Planning Beyond ESSER* investments allocate \$4 million for Hold Harmless for Schools with increasing enrollment and \$10 million for Central office investments in Capital Planning, Student Support, and Equitable Literacy.

## BPS OPERATING BUDGET

At a \$1.53 billion appropriation, the FY25 operating budget (Table 2) maintains a trend of significant increases over the past several years. The FY25 allocation makes investments towards achieving a fully-inclusive, high-performing district for all students. It does so in the context of the loss of expiring federal relief funding that kept learning going during the pandemic, stabilized schools with declining enrollment, and sponsored literacy programs, classroom supports, and other impactful programming. The budget seeks to sustain the progress that has been made in the face of challenges shared by large

urban districts across Massachusetts and the nation as a whole.

**BPS Operating Budget Summary**

	<b>FY24 Adopted</b>	<b>FY25 Recom.</b>	<b>\$ Change</b>
Direct School Expenses	\$905M	\$943M	\$26M
School Services Budgeted Centrally	\$382M	\$421M	\$28M
Central Administration	\$91M	\$109M	\$12M
Non-BPS Student Services	\$67M	\$59M	\$5M
Salary Transition Costs	-\$17M	-\$6M	\$10M
<b>Total BPS Budget</b>	<b>\$1.446B</b>	<b>\$1.527B</b>	<b>\$81M</b>

**Table 2**

Looking at spending categories, funding directly in schools will increase by \$26 million from the FY24 budget to \$943 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 7% from the FY24 budget to \$421 million. With these support funds added to funds budgeted at the school level, \$1.36 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 approximately 21% of the FY25 BPS Recommended transportation budget. Total funds budgeted for non-BPS students will increase 8.5% from the FY24 budget to \$59 million, comprising around 4% of the overall FY25 BPS Recommended budget.

In FY25, the Central Administration budget will increase by 12% to \$109 million, to ensure organizational effectiveness, accountability, and strong coordination and support from district leadership.

Around \$17 million in collective bargaining increases were carried on ESSER in FY24 and will be moving to the operating budget in FY25. So-called Salary Transition Costs carried on other funding sources will be lower in FY25, contributing another \$10 million to the year over year growth.

On top of the BPS base budget, \$36 million in FY26 BPS operating investments aim to deliver on the promise of educational equity and excellence. FY25 investments target four priority areas: Inclusive Education, School Directed Investments, Transitioning ESSER Hold Harmless for Schools with increasing enrollment, and Planning Beyond ESSER.

A \$20 million investment in Inclusive Education Strategy will develop inclusive environments in a subset of schools through structural changes, new staffing, and professional training. Out of \$20 million, \$15.1 would be for Inclusion Planning Team (IPT) requests for staffing to meet the needs of Students with Disabilities (SWDs) and Multilingual Learners (MLs). \$2.7 million would be to increase specialized services and supports for MLs with disabilities in substantially separate classrooms. \$2.2 million are being reserved

to provide additional funding to schools later in the rollout process.

In FY25, \$6 million in School-Directed Investments would be made to continue building the foundation for the future, including Coordinators of Special Education, school psychologists and school counselors, instructional coaches and specialist teachers in new Transformation Schools, and MassCore (High School graduation requirements) implementation.

A \$4 million investment in transitioning from ESSER Hold Harmless would be reinstating a portion of supplementary funds carried on ESSER in FY24 to support schools with increasing enrollment projections for FY25.

In FY25 BPS is also making a \$6 million investment in planning beyond ESSER for Equitable Literacy, Students Supports, Capital Planning, and other areas.

In addition to the investments mentioned above, the \$81 million increase in FY25 BPS budget also includes support for School-Directed Investments, Multilingual, Multicultural Program and Services, Equitable Literacy, Family and Community Engagement, and Increased costs for transportation, facilities, extended learning time costs, and food services.

### **Early Childhood Education**

The City continues to expand the number of quality pre-kindergarten seats as part of the Universal Pre-K (UPK) initiative. In the 2024-2025 school year, about 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 an ongoing 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. Changes since Mayor Wu took office include updating the funding model from seats to

classrooms, opening participation to three-year-olds, and integrating family child care providers into the UPK system. As a result, around 250 more three- and four-year-olds are expected to be served in community-based and family child care settings in FY25 compared to FY24.

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 FY25 BPS budget makes robust investments in special education through the Office of Specialized Services and Direct School Staffing based on classroom compositions and formulas to determine special staffing needs. The special education budget totals over \$421 million in FY25, an increase of \$43 million, or 11.4%, from the FY24 budget. The special education budget accounts for nearly a quarter of the total BPS budget and supports the over 11,400 students with disabilities, or about 24% of the BPS student population.

The significant increase in special education teachers in the FY25 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 expects to be fully or partly responsible for paying for services for roughly 415 students, at a total projected cost of \$44 million in FY25. 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 FY25 budget continues to fund a proportionate share team responsible for conducting IEP meetings and evaluations.

### **English Learners**

The Bilingual/Sheltered English Immersion budget totals \$125.9 million in FY25, an decrease of \$5 million, or -3.8%, from the FY24 budget. Approximately a third (33%) of BPS students have an ELL designation; as a group, they hail from approximately 145 different countries and speak 90 languages. This year's Bilingual/Sheltered English Immersion budget decrease is due to a combination of re-coding positions and changing how educators are classified in BPS systems, as well as updates in the number of minutes required, changes in the definition for SEI classrooms, and consolidation of classrooms.

### **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 helps determine the allocation of resources at the school level. The FY25 budget development process required close collaboration between school leaders and BPS Finance to develop accurate enrollment projections.

BPS projected enrollment for FY25 is approximately 50,205. The district has seen steady enrollment decline in the last 7 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. Driven by Multilingual Learners, the district's enrollment was larger as of June 2023 than had been anticipated. Since FY20, BPS per pupil spending has increased by \$9,700 and is expected to exceed \$30,000 in FY25. The district continues to consolidate classrooms when appropriate and is evaluating

### **Reimagine School Funding**

FY25 will be a transition year away from Weighted Student Funding (WSF) as BPS builds a new framework called Reimagine School Funding. The weighted student funding model created a baseline per-student funding amount and then adjusted the amount depending on individual student need. For example, students whose family income was at or below the poverty level would receive additional funding in the formula. Other needs-based weights included students with disabilities, English Language Learners, and vocational education students. A school's budget was calculated by adding the individual funding amounts for every student projected to attend that school in the fall. Additionally, each school also received a foundation budget to support essential staff.

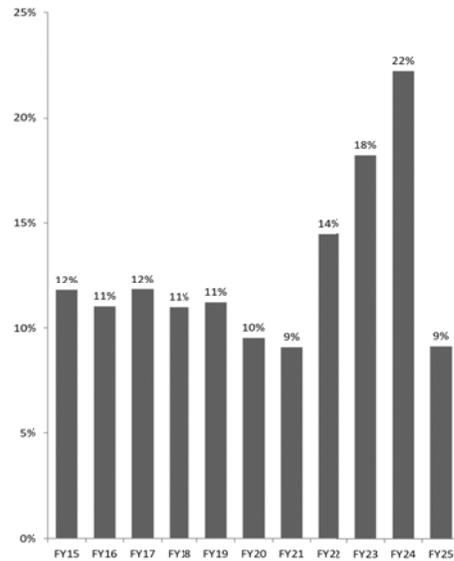
When enrollment declines at a school, the BPS central office works closely with the school to appropriately adjust staffing. Particular care is made through this process to ensure classrooms are full so that they are affordable to schools. There are supports in place to assist schools with declines in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

In FY25 budgeting at the school level began with existing operating allocations from FY24. The number and mix of classrooms in schools was then adjusted based on enrollment and student need. From there schools were given investment funding for inclusive education and other changes to ESL and Special Education services. Finally, a set of schools with increasing enrollment were allowed to move hold harmless funds

from ESSER to the operating budget in order to enhance their capacity.

## 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 \$153.7M represent 9.1% of total funding in FY25, down from 12% in FY15 (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.



**Figure 1 - External Funds as % of Total Funds FY15-23 Actuals, FY24 Appropriation, FY25 Recommended**

One of the largest sources of federal revenue for BPS is the Title I entitlement grant. BPS expects to leverage \$43 million in Title I revenue in FY25. 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 \$26.2 million in Circuit Breaker revenue in FY25. 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 \$18 million in IDEA funds available in FY25.

## Federal Relief Funding

BPS received \$390 million via the federal Elementary and Secondary School Emergency Relief (ESSER) Fund. During the period of FY22 to FY24, the increase in the percentage of external funds as a share of total BPS funds (Figure 1) reflects COVID-19 relief funding. ESSER spending totaled around \$65 million in FY22 and at least \$130 million in FY23. Including FY24, total anticipated spending is \$370 million. Though not officially budgeted, BPS is expecting to carry roughly \$19.5 million in ESSER funding forward into FY25.

ESSER allocations directly to schools amounted to \$50M in both 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 in FY25, 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 \$4 million investment for transitioning ESSER Hold Harmless for schools with increasing enrollment and an additional \$6 million for Planning Beyond ESSER, including around 60 positions, from

federal relief to the general fund in FY25, 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 six anchor goals: eliminate opportunity and achievement gaps, accelerate learning, amplify all voices, expand opportunity, cultivate trust, and activate partnerships. Each goal was paired with a series of aligned metrics to measure progress. Entering FY25, 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 increased 15.1 percentage points over the 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 cut the dropout rate by 47% relative to a decade earlier, 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 did not issue school or district accountability determinations in the 2019-2020 and 2020-2021 school years; for 2021-2022 DESE pursued an "accountability lite" model featuring published data but no determinations. For the 2022-2023 school year accountability classifications resumed, with BPS being assessed as "Not requiring assistance or intervention" based on substantial progress toward targets. Meanwhile four BPS schools were named Schools of Recognition: the Joseph P. Tynan Elementary School, the Oliver Hazard Perry School, the John F. Kennedy School, and the Joseph P. Manning School.

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 is receiving 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-schools infrastructure. With city bond funds and a strong working relationship with the Massachusetts School Building Authority (MSBA), the capital plan includes 72 projects and programs with a total budget over \$1.2 billion.

Implementing a long-term facilities improvements plan 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 ongoing 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.

In September 2024, Boston Public Schools will welcome students to the new Josiah Quincy Upper School, a \$223 million, six-story facility that will accommodate 650

students. In addition, the Horace Mann School will be temporarily relocated to the former Edwards School in Charlestown, following a \$46 million building renovation.

Construction on the new \$111 million Carter School is on schedule. The new building will be ready for students in September 2025. Renovation of the former Irving School building will also be completed for a September 2025 school opening. The renovated building will support the merger of the Philbrick-Sumner schools.

Final programming and design work will begin for the renovation project at Madison Park Technical Vocational High School. A feasibility study is expected to begin, in partnership with the MSBA, for a consolidated school, combining the Shaw and Taylor schools. In addition, BPS will pursue building improvements to facilitate grade reconfigurations at various schools.

The City will also continue district-wide investments in window replacements, bathroom upgrades, fire systems, radiator covers, entryway improvements, plumbing and fixture upgrades to expand drinking water availability, school yards, security improvements, and technology infrastructure, as well as leveraging the MSBA accelerated repair program to fund roof, window, and boiler repairs.

The FY25-29 capital plan sustains and supports planning for large-scale projects coming out of the BPS capital engagement process. The FY25-29 capital plan projects \$900 million 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 10,400 Boston students in FY25. Boston is assessed by the Commonwealth to fund charter schools on a per-pupil basis, and the City's FY25 charter school tuition assessment is projected to increase by \$6.2 million to a total of \$287.3 million primarily due to higher per-pupil tuition rates.

As of FY24, Boston's charter school assessment had 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. Following passage of the Student Opportunity Act (SOA) in 2019, Boston and other municipalities across the Commonwealth anticipated an increase in state education aid, including full of funding of charter school reimbursement costs. The Commonwealth fully funded the SOA in Year 1 to Year 3 (FY22 to FY24), and is committed to fully fund Year 4 (FY25) in the state budget. However, due to a variety of factors, including enrollment and inflation, Boston has remained a minimum aid community. In fact, State education aid in FY25 will enter negative territory, meaning that Charter tuition costs are projected to exceed the combination of Charter reimbursement and Chapter 70 aid.

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