



The Research Bureau

PAYING FOR A PUBLIC EDUCATION

An Examination of the FY26 Worcester Public
Schools' Budget

REPORT 25-13

October 2025





EXECUTIVE SUMMARY

THE WORCESTER PUBLIC SCHOOLS' (WPS) adopted budget for FY26, *From Here, Anywhere...Together!* (including general and special revenue) of **\$586,302,044 is a 6.1% increase from the adopted budget of FY25**. *Paying for a Public Education: An Examination of the FY26 Worcester Public Schools's Budget* is the latest in an ongoing series from the Bureau, explaining how Massachusetts' Ch. 70 education funding works, and translating and analyzing the budget-making process of the Worcester Public Schools.

The FY26 budget is a 6.1% increase from FY25. This year, the District did not face the same aid deficit it did in FY25 due to the state's inflation cap. The District itself saw **an enrollment increase of 1.75%, or 428 students**, between FY24 and FY25, increasing the overall baseline foundation enrollment numbers used to calculate state and local aid.

Page 6 in the report explains the City of Worcester's role in funding its public schools; **24.8% of the foundation budget for FY26 consists of a required local contribution**.

Page 6 also explains special revenues, like the Child Nutrition Program, that play a crucial role in funding WPS. **This year, they saw a 5.45% increase from FY25**, but uncertainty at the federal level could play a future role in this revenue line.

Worcester Public Schools largest expenditures are in the salaries and benefits of its employees (page 7-9). **86% of its budget consists of salaries and benefits** (page 8). **WPS budgeted for 5,109 employees in FY26, of which about 66% directly teach students** (page 7). While the number of teachers grew by 2.1% (56 positions) and paraeducators by 2.5% (17 positions) since FY25, **there are still more than 100 teachers fewer than there were in FY24 and 33 fewer than in FY23. Overall, there are 286 fewer employees than in FY24, and 40 fewer than in FY23 — a direct result of the state aid deficit that WPS faced in FY25 thanks to the state's inflation cap**.

FY26 marks the second full school year of WPS strategic plan, "Our Promise to the Future" (page 7-8). Spending in FY26 is aligned with the priorities, aims, and promises outlined in the plan.

Worcester has also continued to budget for facilities and capital improvements. \$15.7 million is budgeted from City, state, and federal sources for renovations, maintenance, and other repairs across the District (pages 8-9). Additionally, **the City and WPS continue to move through the Burncoat High reconstruction process**, as it

moves into the Massachusetts School Building Authority's (MSBA) feasibility study period, and Burncoat Middle School continues to be studied for inclusion in the process by the City, WPS, and the MSBA.

Finally, the last two sections of the report compare Worcester to selected Gateway Cities and its own neighbors, as well as what to watch in future budgets (pages 9-12). Though in FY24 Worcester was under required net school spending by \$4.9 million, **it made up that deficit and exceeded the required amount 0.4%, or \$2.29 million in FY25 according to data from the Department of Elementary and Secondary Education** (page 10).

Among the top ten Gateway Cities by foundation enrollment, Worcester has the highest required local contribution, and the second highest foundation budget requirement (page 10). By percentage of its foundation budget, its local contribution, however, ranks third. Among Worcester's neighboring school districts, it ranks last in that same category. This is explained further on page 10.

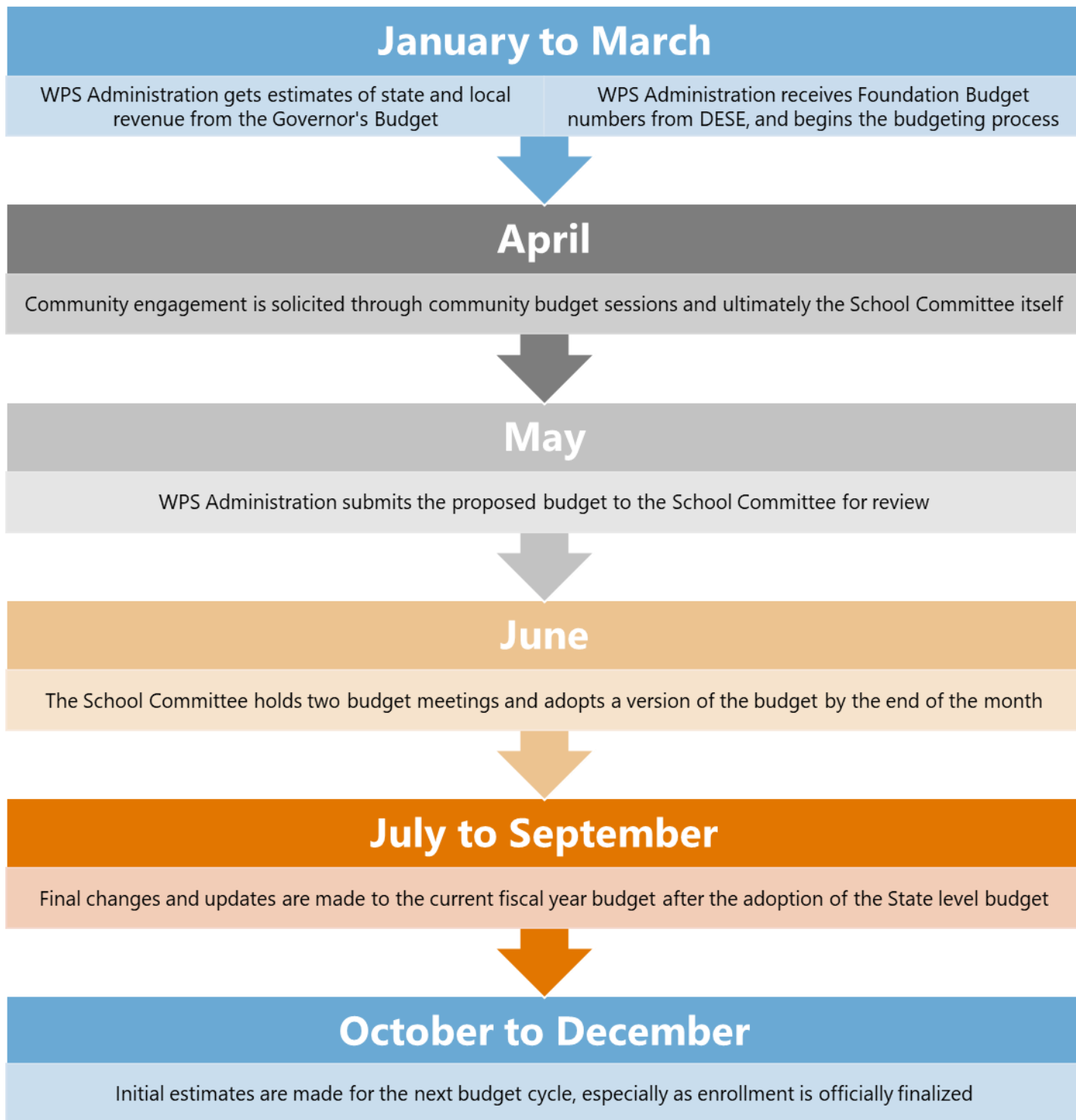
Finally, the report concludes with several developments to watch:

- **There have been several instances this year already of federal grants being put on hold nationwide that would have affected Worcester.** With the Department of Education in flux, this will continue to potentially be an issue for WPS going forward.
- **Next year is the final phase-in year of new Student Opportunity Act funds.** How will the District handle them going forward?
- **FY25 was a difficult year for WPS, as it faced an unanticipated deficit in state aid thanks to a higher rate of experienced inflation that the state's 4.5% inflation cap could not match.** There has been some movement in the Commonwealth's General Court to rectify this problem, and it is a development to watch.
- Finally, the Governor initially enacted an FY26 state budget line item reduction of \$20 million in charter school reimbursements statewide. **The General Court overrode this reduction in October, restoring funding**, but interested parties should watch this line item in the future to ensure that proper funding continues.



HOW DOES THE BUDGET PROCESS WORK?

The road to making a budget requires the input of many individual actors, including Worcester Public Schools (WPS), the Department of Elementary and Secondary Education (DESE), and the City of Worcester. The following graphic lays out the key timeline of events for making the school's budget every year. The "Foundation Budget," the key to determining how much the schools should spend on their students, is discussed and explained on page 4.





UNDERSTANDING REVENUES

The adopted budget for the Worcester Public Schools' (WPS) 2025-2026 school year (FY26) is **\$586,302,044, a 6.1% increase** from the adopted budget of the year before. This amount is a combination of a **General Fund budget of \$523,984,086 and Special Revenue budget of \$62,317,958**. These numbers represent the budget of WPS *only* and not any funds received by charter schools or school choice from the State or the City. The breakdown of WPS revenues can be found in the pie chart on this page.

Revenues for the schools come from a variety of sources, but the greatest source is the **"General Fund," which is a combination of state aid (Ch. 70 funds determined by the Foundation Budget process outlined and defined below, as well as a charter school reimbursement) and a contribution from the City**. This year, **the total local contribution from the City accounts for \$142,468,414 and state aid accounts for \$381,515,672 of the General Fund**.

The bulk of Worcester Public Schools' revenue comes from state aid and a required contribution from the City. These numbers are determined through what's known as

the **"Foundation Budget."** The **Foundation Budget is the minimum amount that the Department of Elementary and Secondary Education (DESE) determines must be spent for an adequate education for all students in Massachusetts**. It is calculated through a process outlined in Massachusetts' General Laws Ch. 70. The next pages will describe the Foundation Budget process and the City's role in funding the Worcester Public Schools.

THE FOUNDATION BUDGET PROCESS

Understanding the "Foundation Budget" in Massachusetts is critical to understanding how schools across the state are funded. Each year, DESE, through the state's Chapter 70 program, determines how much money should be spent—at a minimum—on the state's many students. The current program has its origin in "An Act Establishing the Education Reform Act of 1993," which wholly replaced the State's previous education funding formula. Chapter 70's stated intention is to "assure fair and minimum per student funding for public schools" by "defining a Foundation Budget and a standard of local funding effort applicable to every city and town in the commonwealth" (M.G.L. Ch. 70 § 1 (1993)). This "foundation" budget is then used to determine how

much money a municipality itself should contribute towards the education of students, and, from there, how much money the state will provide in aid to reach the Foundation Budget amount. Every district is guaranteed to receive some state aid, though some receive higher percentages than others. Ch.70 was further amended in 2019 with "An Act Relative to Educational Opportunity for Students," increasing the funding rates of some Foundation Budget cost centers, and applied an inflation factor to others.

The Foundation Budget for a district is determined by assigning different dollar amounts across a matrix. Different areas of a school (like teaching, or administration, or guidance) are assigned different dollar amounts depending on where (Pre-K, Kindergarten half day, Kindergarten full day, elementary, middle, high, vocational) they lay. Then, after enrollment is determined on October 1st every year, the Foundation Budget takes the number of students in each category and assigns a dollar amount for each area. So, for example, imagine that for each elementary school student, \$5 was assigned for administration, \$10 assigned for classroom teachers, etc, one could determine

Chart 1: Sources of Revenue in the WPS Budget

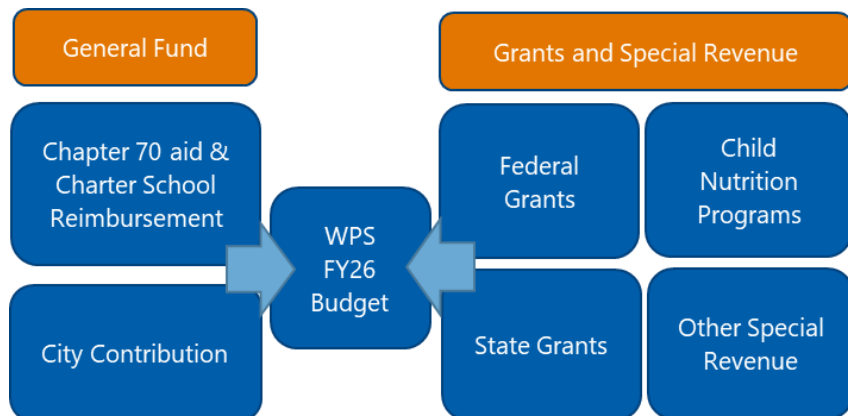
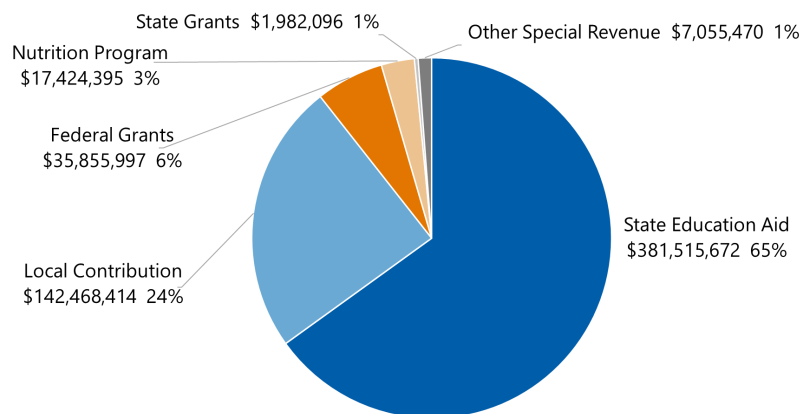


Chart 2: Revenues for FY26, All Sources



Source: Worcester Public Schools, FY26 Recommended Budget



the basic amount to be spent for each student by adding up these categories. Enrollment considers most resident students, including those that are enrolled in the district's own schools, in public charter schools, and school-choice students that attend a school in a different district but reside in that community.

However, the Foundation Budget calculation does not end there. For each student that falls into an additional category (special education in or out of district, English learners, and/or low income students), an additional amount on top of the base amount is added to the Foundation Budget. Therefore, for example, all other things being equal, one district with more low-income students than another would be allotted a higher Foundation Budget than the other. **This also means that districts with stable or declining enrollments will have lower foundation budgets year over year. Worcester has seen stable enrollment since FY22, but the district projects that enrollment will decrease slightly through FY29.**

Each municipality is then plugged into a formula that considers property value and total income, in combination with the previous year's required contribution and other factors, to determine the local

contribution towards the Foundation Budget. The remainder is filled in with state aid. Municipalities can contribute more towards their schools' general budget if they wish, but they must contribute at least their required amount, or face a penalty in a subsequent year. [DESE has a wide variety of papers and spreadsheets](#) that explain, in detail, the various elements of the formula for each municipality and school district. The graphic below presents a simplified way of how local contributions are determined.

Importantly, the **Foundation Budget—including the required local contribution and Ch. 70 state aid—is not entirely allocated to the Worcester Public Schools.** Some of these funds are earmarked for Charter School and out-of-district school choice students.

The Foundation Budget represents the main process by which most of a school district's revenues are determined. The local contribution and state aid (including any reimbursements given to the district thanks to the loss of students to Charter Schools) becomes the "General Fund." Since state aid is determined partly by what the municipality can contribute towards the budget of its schools, Worcester *does* play an important role in funding WPS. Its contributions—both those that are required and

Chart 3: Understanding the Statewide Foundation Budget Process

Ensuring Statewide Uniformity

- 59% of the statewide foundation budget is made up of local aid. Half of this must come from a property value factor, and half from income. In this step, the State determines percentages applied to property values and aggregate income from every community, so that each counts as half of the statewide local aid target. These percentages are then applied to the values in every community.

Determining The Target Local Aid Percentage

- Percentages from the previous step are applied to total property value and total income of the community and then added together. If it is less than 82.5% of the total municipal foundation budget, this is the start of determining what required local aid for schools will be. It is then used to determine what the target percentage of local aid to state aid should be.

Determining the Required Local Contribution

- A municipal revenue growth factor (as determined by the Department of Revenue) is applied to the previous year's required contribution. This number is the preliminary contribution. If it, as a percentage of total foundation budget, is a certain amount higher or lower than the target percentage found in the previous step, it must be either lowered or raised to meet that percentage. Otherwise, this will become the required local contribution. State aid fills in the rest of the way to the Foundation.

**Table 1: Foundation Budget Breakdown for Worcester, FY26**

	Total	Percentage
Foundation Budget	\$547,442,459	
Required Local Contribution	\$135,663,200	24.8%
Ch 70 State Aid	\$411,779,259	75.2%

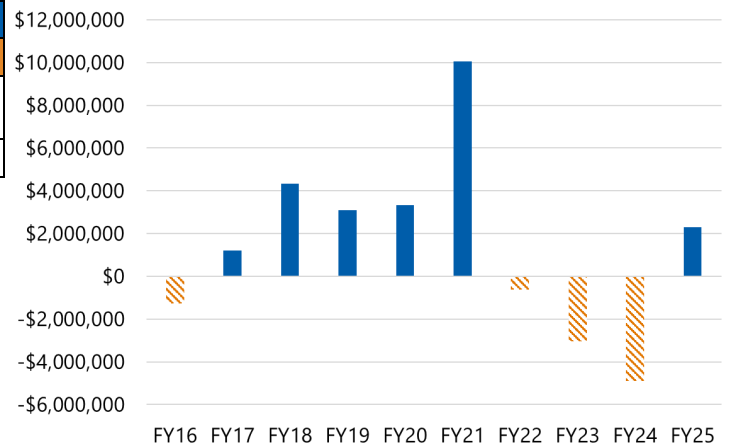
any excess direct and indirect contributions it makes towards the operations of its schools—are explained in further detail in the next section.

UNDERSTANDING THE CITY'S ROLE IN FUNDING EDUCATION

After the Foundation Budget process is completed, the City is required to make a local contribution towards net school spending each year; failing to meet that contribution could incur penalties on the City, including a reduction in other kinds of state aid in the next year. For some communities, the required local contribution is greater than the amount of Ch. 70 state aid that will be received, though every community is guaranteed to receive some state aid. This local contribution includes money spent on district schools as well as public charter schools and school choice tuition. The amount that the municipality must contribute is called **“required net school spending.”**

While communities can contribute more money to their schools than the required minimum, calculating what “counts” towards required spending can be complicated. For example, spending for student transportation, adult education, crossing guards, and building leases are included in the general budget, **but the Department of Elementary and Secondary Education does not count these towards required net school spending.** For example, in FY26 the City will provide funds for the categories listed above, totaling \$28,243,933, but **those contributions are not counted by DESE** towards the required net school spending amount the City has to provide. While these are necessary contributions for the City’s many schools to function, they are not counted in net school spending requirements.

Chart 4 uses data from DESE to show the excess or deficiency in required net school spending for the last ten years by the City of Worcester (that is, the amount spent by the City that DESE count as its required contribution). Despite the inflation-cap related deficit in FY25, and a carryover penalty from FY24, WPS met its net school spending requirements that year—likely [due in part to the fact that the City allocated \\$10 million in free cash to the schools in December 2024](#), of which \$7 million was earmarked for operating expenses.

Chart 4: Over/Under Required Net School Spending, FY16-25

Source: Department of Elementary and Secondary Education, Net School Spending Compliance File; District Profiles.

For FY26, and for the Worcester Public Schools specifically, **the City of Worcester is contributing \$142,468,414**, some of which is counted towards required spending and some of which, as already noted, is not (again, the City’s total contribution, including eligible and ineligible funding, is split between WPS, the Charter Schools, and school choice tuition).

THE STUDENT OPPORTUNITY ACT

This year represents the fifth year of implementation of the “Student Opportunity Act” (SOA), a 2019 law that changed and expanded the Foundation Budget funding formula for all Massachusetts school districts (amending M.G.L. Ch. 70), increasing long term funding of public schools to address inequitable gaps in student outcomes. More specifically, the law aims to close disparities in outcomes and experiences among low income students, English learners, and students of color. Each school district is required to submit an actionable plan to DESE to close those gaps. These plans must be based on evidence-based program areas, and by law each district must make measurable progress towards each of its program choices and must regularly reevaluate their goals, metrics, and progress as funding increases each year.

General fund revenues of the Worcester Public Schools will continue to increase next year thanks to the Student Opportunity Act’s updated Foundation Budget formula. By the end of the six-year implementation period, the Worcester Public Schools anticipates receiving an additional \$90 million a year from the Student Opportunity Act, more than it would have received without the Act’s passage in 2019.



SPECIAL REVENUES

In addition to its general fund revenues, the Worcester Public Schools receive special revenues from a variety of sources, including State and Federal grants. These are also accounted for in the FY26 budget. These revenues are expected to total **\$62,317,958**. The adopted budget includes preliminary numbers for some of these revenue sources, as their total amount is not yet fully known. These include federal and state grants, Child Nutrition Programs, and other revenues including other grant

funds and funds raised directly by the Worcester Public Schools.

This year's special revenues represent a **5.45% increase** from FY25. However, this is assuming that these grants remain at expected levels. The current Federal funding environment does leave some questions as to how grants will be followed through.

UNDERSTANDING EXPENDITURES

WPS runs a balanced budget. The pie chart on the next page shows the breakdown of major expenditure areas for FY26.

The Worcester Public Schools' largest expenses are on the salaries and benefits of its employees. **In FY26, there are 5,109 employees budgeted for nearly 25,000 students.** This is a 64 employee increase from the year before. Slightly more than half of those employees are teachers; if paraeducators and teacher substitutes are included in that number, **about 66% of WPS employees are directly teaching students.** The remaining 34% includes student transportation (408), Nutrition (310), custodians (164), Head Start (124), School Nurses (116) and more.

Human resources are a major factor in the public school budget. The 2,596 teachers are an increase in FY26 of 56; the 734 paraeducators are an increase of 17. Overall, there are 64 more employees at WPS budgeted for FY26

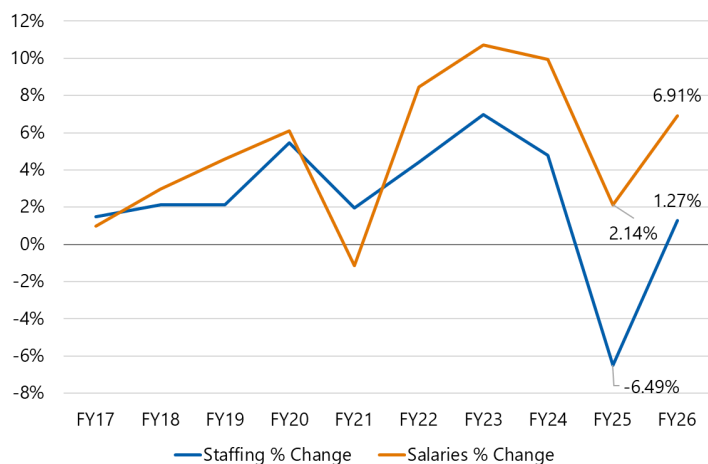
than in FY25; however, this is a decrease of 286 from FY24 and 40 from FY23, indicating that the deficits in FY25 have continued to have an impact on employee growth after several years of consistent increases. Cuts across the board in FY25 mean that nearly all employee categories are down compared to FY24, even in FY26 — only school-level administrators, paraeducators, custodians, and district support positions are above what they were in FY24. Between FY25 and FY26, teachers have seen a 56 position increase (2.1%), paraeducators a 17 position increase (2.5%), and student transportation has seen an 11 position increase (3%). **Teachers are still more than 100 positions under what they were in FY24 and 33 positions below FY23.** There are three more district administrators, for an increase of 7.7% over the year before—but there are still six fewer district administrators than there were in FY24. FY23 and FY24 had 27.1% and 33.2% more employees, respectively, than FY16. But FY25 and FY26 saw only 24.6% and 26.2% more employees than FY16, a clear decline. In other words, the deficits **that WPS faced in FY25 thanks to the inflation cap, and the effects that had on staffing, are still being felt**, despite signs of recovery.

In FY26, employee salaries account for \$391,170,123 in expenditures; "fringe benefits," that is, health insurance, retirement, and other employee benefits account for \$109,447,489. Chart 5 shows the annual change in both staffing and total salaries between FY16 and FY25. For all years before FY24, the final "actual" salary total is used.

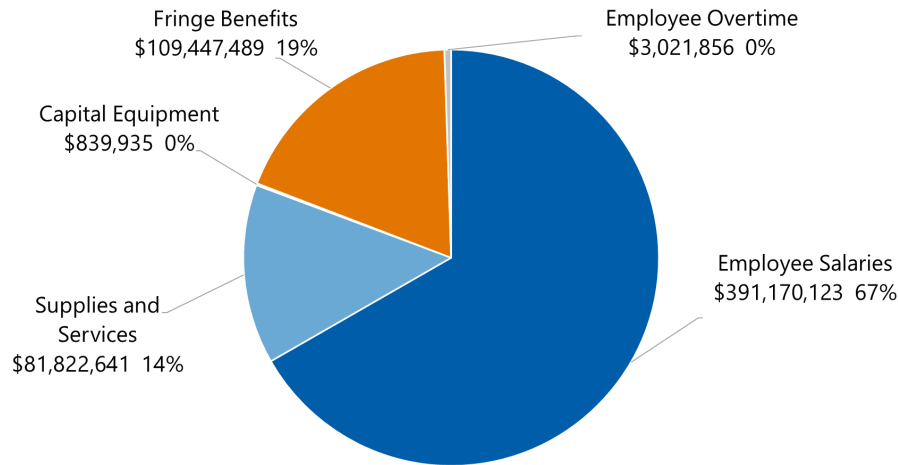
A NEW STRATEGIC PLAN

FY26 marks the second full year of implementation of the Worcester Public Schools' new five year strategic plan, [*Our Promise to the Future*](#), which was adopted in

Chart 5: Percentage Change in Staffing and Salaries, FY16-26



Source: Worcester Public Schools FY19-FY26 Budgets

**Chart 6: WPS FY26 Expenses by Account Area**

Source: Worcester Public Schools, FY26 Budget

December 2023. The Strategic Planning Advisory Task Force included many members of the community, including the Research Bureau and the Worcester Education Collaborative, and of course the Schools' Administration. The plan seeks to align spending with six key priorities and their sub-aims:

1. Providing equitable resources for educational programming.
2. Engage in and foster two-way communication between families, schools, and the community.
3. Providing and sustaining environments in which members of the school community grow, thrive, and feel safe.
4. Prioritizing, valuing, and compensating staff by creating a culture of inclusivity and growth.
5. Upgrading infrastructure across all school facilities to provide a modern teaching and learning environment.
6. Prioritizing equitable services and programs that focus on the mental and physical well-being of all members of the schools' community.

Table 2: Capital Improvement Plan - Facilities Repairs, Renovations, and Other Infrastructure (FY26) (Included as part of City budget, not as expenses in Chart 6 above)

Location	Purpose	City/WPS Share	DESE IVAQ or City ARPA Funding	Total
Worcester East Middle	Window Replacement	\$125,000	\$4,000,000	\$4,125,000
Thorndyke Road	ADA Upgrades & Elevator Install		\$3,174,000	\$3,174,000
Lincoln Street	ADA Upgrades & Elevator Install		\$1,810,000	\$1,810,000
Jacob Hiatt	Site Upgrades	\$1,200,000		\$1,200,000
Gerald Creamer Center	ADA Upgrades		\$860,000	\$860,000
Challenge & Reach at Harlow St.	ADA Upgrades		\$856,000	\$856,000
Roosevelt	Site Upgrades	\$650,000		\$650,000
Worcester Technical High	Parking Garage Repairs	\$500,000		\$500,000
Fanning	ADA & Fire Protection Upgrades	\$450,000		\$450,000
Burncoat High	ADA Chairlift	\$200,000		\$200,000
Vernon Hill	Cafeteria Relocation	\$200,000		\$200,000
Various Locations	Door/Hardware/Intercoms Replacements	\$200,000		\$200,000
Forest Grove Middle	Exterior Wall Repair	\$150,000		\$150,000
Thorndyke Road	Office Security Improvements	\$125,000		\$125,000
Sullivan Middle	Interior Renovations	\$125,000		\$125,000
Mill Swan Head Start	Modular Demolition	\$75,000		\$75,000
Design/Engineering/Const. Admin		\$500,000		\$500,000
Facilities	Vehicle Replacement and Equipment	\$200,000		
Information Technology	Infrastructure Replacement	\$175,000		
Student Transportation	Vehicle Equipment	\$125,000		
Totals		\$5,000,000	\$10,700,000	\$15,700,000

Source: Worcester Public Schools, FY26 Budget (p. 146). For the FY25-26 school year, there is no estimated MSBA share listed in the table. There is for future years. IVAQ stands for Improving Ventilation and Air Quality and ARPA is American Rescue Plan funds.



Spending that is aligned with the new plan is described in the FY26 budget on pages 65-72, under each priority area table. For example, under the Family & Community Engagement priority, a Student Placement and Enrollment Administrator was added to the Parent Information Center to help improve the student enrollment process. This was achieved by reallocating other funds. While each priority area has sub goals to aim towards, the plan itself does not include a way to track how close the schools are to achieving these goals on a yearly basis.

FACILITIES AND CAPITAL IMPROVEMENTS

The FY26 budget includes \$4.5 million from the City and \$10.7 million from federal Improving Ventilation and Air Quality (IVAQ) and City American Rescue Plan (ARPA) funds for facilities improvements and building renovations, and \$500,000 from the City for capital equipment purchases and maintenance. The City Manager recommends the capital budget for the City to City Council, and capital improvement projects are funded through borrowed funds. **These debts are represented in the City budget rather than the Public Schools' budget.** There are several important updates to facilities and capital improvements on which to focus. First, FY26 will mark the second year in which the new Doherty Memorial High School is open for students.

Second, the City of Worcester and the Massachusetts School Building Authority (MSBA) announced on May 1, 2025 that a Feasibility Study was underway for the reconstruction of Burncoat High School, the next step in the school construction process after City of Worcester completed all requirements of the Eligibility Phase that began in July 2024. Although Burncoat High School and Burncoat Middle School share facility space, the City, WPS, and the MSBA are still working together to determine the scope and size of the project, and whether it will include grades [7 through 12 or be limited to grades 9 through 12](#). Interested readers should read the Bureau's [Building the Future: Investing in Worcester Public Schools' Facilities](#) to learn more about how the MSBA operates.

Finally, it is worth pointing out that WPS has budgeted \$500,000 to support other, non-construction related capital equipment. Capital equipment includes vehicle replacement and equipment and infrastructure replacement in IT. IT infrastructure includes tens of thousands of Chromebooks, iPads, and desktop computers, as well as the WPS' VOIP telephone, security, and other relevant systems. IT is level funded at \$175,000.

NEW INITIATIVES

The adopted budget for FY26 has a number of new initiatives, including (but not exclusively):

- ▶ Expanding dual language classrooms at Worcester Dual Language Magnet School and Woodland Academy.
- ▶ Funding for additional time at certain elementary schools and grades for structured common planning time for instructional staff.
- ▶ Funds after-school late buses for secondary schools, three days per week, for 32 weeks. This is reinstating a previous program.

STUDENT OPPORTUNITY ACT EXPENSES

New Student Opportunity Act funds continue in FY26, the fifth year of its phase-in and one remaining year. The use of these funds continue to be informed by the Worcester Public Schools' SOA implementation plan, which has changed over time (districts must reevaluate their plans every three years or so). The current focus areas guiding the District's SOA plan are especially interested in serving the DESE-defined "lowest-performing student group":

- ▶ Implement a multi-tiered system of supports that helps all students progress academically and in their social, emotional, and behavioral development.
- ▶ Select and skillfully implement high-quality, engaging instructional materials that support culturally and linguistically sustaining practices and foster deeper learning.

Updates on the implementation of these plans can be found on [DESE's website](#).

The following table shows the different cost centers that student opportunity act funds have been added to in FY26, as well as the total since FY22, the first full year of the phase in period. There are no "new" initiatives this year, as much of the new funds are used to address rising costs in the budget in these particular cost areas.

Table 3: SOA Funding in the Following Categories		
	FY26	FY22-FY26
Benefits and Fixed Charges	\$4,221,782	\$18,680,424
Guidance and Psychological Services	\$767,607	\$3,339,682
Special Education	\$317,683	\$1,833,204
English Learners	\$722,131	\$3,163,472
Low Income Rate	\$11,245,709	\$49,810,499
Low Income Student Count (FY22/FY23)	-	\$9,397,544
Total	\$17,274,912	\$86,224,825

Source: Worcester Public Schools, FY26 Budget



COMPARING WORCESTER TO OTHER COMMUNITIES

Since the bulk of education funding is a combination of a local contribution and State aid, it is possible to compare to different municipalities on these particular metrics. However, this cannot be a straight one-to-one comparison because Foundation Budgets vary wildly from district to district based on student demographics, and required community contributions can differ significantly because of the local wealth of that community.

What could be valuable, however, is these numbers in conjunction with community contributions above required net school spending. As was explained earlier, communities do make many direct and indirect contributions towards their schools. Some of these contributions count towards required spending, and some do not. The following table compares Worcester on these metrics with other Gateway Cities, its direct neighbors, Boston, and the state in FY25, the most recent year for which nearly full information is available. Statewide, schools spent 25.7% more than required net school spending.

A couple of caveats should be noted about the data. First, in FY25 Worcester's foundation enrollment counted 26,667 students, making it the 3rd highest in the state that year (this number includes students in the district as well as Charter School and School Choice students attending schools outside of the city). Second, excess school spending does not, as was previously established, count certain categories of expenses that municipalities may contribute towards their schools, and so does not necessarily tell the entire story. **This was the case in FY24, where budgeted net school spending was deficient by \$4.9 million;** this was carried over to FY25 as a penalty, which is reflected in the fact that required net school spending that year was higher than the Foundation Budget. **Ultimately, however, FY25 budgeted spending in Worcester exceeded the required amount by 0.4%, or \$2.29 million.**

Notice also that the required local contribution as a percentage of the Foundation Budget is the third highest among these Gateway Cities, but the lowest among Worcester's neighbors. What does this tell us? Local contribution is based on a combination of property value and total income of the community. Worcester's required local contribution being a lower percentage of its Foundation Budget than its neighbors indicates that, overall, due to its much larger number of students, and greater number of higher needs students, the "combined effort" of income and property values is significantly lower than its foundation budget minimums. High

property and income values and smaller numbers of students of all kinds lead to different required contributions.

Finally, if we consider all [26 Gateway Cities](#) in FY25, Worcester had the second highest each of Foundation Budget, required net school spending, and budgeted net school spending (following Springfield in all three categories). The median Gateway City had a required net school spending amount of \$140,427,988, and budgeted amount of \$145,903,757; and the median Gateway City also had a budgeted net school spending amount equal to 100.9% of required net school spending. While Worcester is far above the median in terms of required spending and budgeted spending, it is slightly below the median in terms of percentage — at 100.4%.

COMPARING PER-PUPIL EXPENDITURES

School districts can be compared based on per-pupil expenditures, but these comparisons can be misleading due to significant demographic differences between districts. Massachusetts' school funding formula is designed to provide more state aid to districts serving higher numbers of low-income students, English learners, and students with disabilities—groups that require additional resources to educate. As a result, per-pupil spending may be higher in some low-income districts, not because they are better funded overall, but because the formula aims to reflect the greater cost of meeting student needs.

Comparing Worcester to Gateway Cities in FY23 for per-pupil expenditures (the latest year available), shows that Worcester spends above the average and median Gateway City in total per-pupil expenditures (which includes charter school students and publicly funded students in other districts) and in-district expenditures (WPS only).

**Table 4: Net School Spending for FY25, Worcester compared to Gateway Cities and Neighbors**

District Name	FY25 Foundation Budget***	Required Local Contribution**	State Aid**	Required Net Schol Spending (NSS; including carryover penalty if applicable)	Budgeted NSS	Amount Over or (Under) Required NSS	Budgeted NSS as % of Required NSS
Gateway Cities							
Quincy	\$167,877,095.86	\$127,478,124.00	\$46,126,903.00	\$173,605,027.00	\$193,948,166.03	\$20,343,139.03	111.7%
Haverhill	\$140,921,702.34	\$52,953,650.00	\$87,968,052.00	\$140,921,702.00	\$149,491,775.16	\$8,570,073.16	106.1%
Lowell	\$308,040,584.44	\$64,989,538.00	\$243,051,046.00	\$308,040,584.00	\$313,812,886.54	\$5,772,302.54	101.9%
Fall River*	\$243,053,149.77	\$40,721,548.00	\$202,331,602.00	\$244,151,983.20	\$246,848,040.40	\$2,696,057.20	101.1%
Lynn	\$351,967,448.88	\$64,398,962.00	\$287,568,487.00	\$351,967,449.00	\$353,715,959.00	\$1,748,510.00	100.5%
Worcester*	\$505,110,665.75	\$127,670,996.00	\$377,439,670.00	\$510,003,263.10	\$512,291,742.80	\$2,288,479.70	100.4%
Lawrence*	\$301,454,148.42	\$15,203,337.00	\$286,250,811.00	\$302,529,192.83	\$303,688,554.36	\$1,159,361.53	100.4%
Springfield*	\$557,622,637.53	\$51,503,174.00	\$506,119,464.00	\$557,622,643.16	\$558,657,733.46	\$1,035,090.30	100.2%
New	\$274,431,862.39	\$38,100,672.00	\$236,331,190.00	\$274,431,862.00	\$274,072,839.30	(\$359,022.70)	99.9%
Brockton	\$314,919,037.44	\$58,428,285.00	\$256,490,752.00	\$322,148,212.50	\$314,248,771.90	(\$7,899,440.60)	97.5%
Greater Worcester							
Berlin-	\$13,467,608.22	\$10,476,087.00	\$2,991,521.00	\$13,467,608.00	\$23,142,232.80	\$9,674,624.80	171.8%
West	\$11,804,797.72	\$8,971,206.00	\$3,244,345.00	\$12,215,551.00	\$16,695,496.58	\$4,479,945.58	136.7%
Millbury	\$23,341,579.90	\$14,332,855.00	\$9,023,943.00	\$23,356,798.00	\$31,497,702.00	\$8,140,904.00	134.9%
Grafton	\$37,107,723.81	\$25,816,666.00	\$13,096,328.00	\$38,912,994.00	\$49,475,806.12	\$10,562,812.12	127.1%
Wachusett	\$86,493,263.78	\$51,193,105.00	\$36,558,963.00	\$87,752,068.00	\$110,596,121.00	\$22,844,053.00	126.0%
Shrewsbury	\$77,754,351.17	\$60,858,729.00	\$21,595,260.00	\$82,453,989.00	\$102,694,922.00	\$20,240,933.00	124.5%
Auburn	\$32,470,504.22	\$17,758,731.00	\$15,380,489.00	\$33,139,220.00	\$40,069,906.88	\$6,930,686.88	120.9%
Leicester	\$21,380,842.22	\$10,610,635.00	\$11,244,367.00	\$21,855,002.00	\$24,112,333.20	\$2,257,331.20	110.3%
Worcester*	\$505,110,665.75	\$127,670,996.00	\$377,439,670.00	\$510,003,263.10	\$512,291,742.80	\$2,288,479.70	100.4%
Boston and Statewide							
Boston	\$1,145,949,554.13	\$945,408,382.00	\$236,667,161.00	\$1,182,075,543.00	\$1,602,007,312.94	\$419,931,769.94	135.5%
Statewide	\$14,518,462,736.40	\$7,972,055,321.00	\$6,901,610,127.26	\$14,887,718,252.41	\$18,716,781,491.32	\$3,829,063,238.91	125.7%

*Required NSS includes carryover from underpaying year before

** Local Contribution and State Aid numbers are from FY25 District Profiles. All other numbers are from FY24 NSS Compliance File

***Foundation budgets include all students in a community, including Charter School enrollments; in some cases the required NSS is higher than the Foundation Budget but is not a carryover penalty; in general, state aid does not decrease from the prior year, and local contributions also use the previous year as a base, leading to this discrepancy.

Source: Massachusetts Department of Elementary and Secondary Education, FY25 District Profiles; FY24 NSS Compliance File

Table 5: FY23 Per-Pupil Expenditures Worcester and Gateway Cities				
Group	Avg Total Exp	Median Total Exp	Avg In-District Exp	Median In-District Exp
Worcester	\$20,875.75	\$20,875.75	\$20,606.45	\$20,606.45
Gateway City	\$20,545.28	\$20,805.19	\$20,126.86	\$20,309.97
Difference	\$330.47	\$70.56	\$479.59	\$296.48

Source: Massachusetts Department of Elementary and Secondary Education, [Per-Pupil Expenditures](#). Within the 26 Gateway Cities in FY23, Worcester ranked 12th in total per-pupil spending and 13th for in-district spending. To become the highest-spending Gateway City on in-district expenditures, Worcester would need to increase its in-district spending per student by \$4,768.19.



WHAT TO WATCH IN FUTURE BUDGETS

In FY27, and beyond, there are several things to watch.

First, a major question remains to be answered given the current Federal funding environment: will Federal grants, including Child Nutrition, remain at the levels they are today? More than \$50 million comes from Federal Grants each year. The loss of all or part of these funds would be devastating to the Worcester Public Schools and to the City of Worcester. Moreover, the vacuum left by these funds would unlikely be filled by the City; nor, by the state, considering that every school district in the state would likely be faced with a similar shortfall. While budget predictions going forward continue to anticipate level-funding of these grants, the present and the future could change rapidly—and it already has. Although it has since said it would release those funds, the Federal Department of Education previously announced it would withhold some federal grants to school districts, which the Superintendent reported would have meant a \$3.5 million loss for WPS in the upcoming year. While those particular cuts seem to have been avoided, it is impossible to say whether future funds could also be withheld, or unfunded entirely. Further cuts to the staff of the Federal Department of Education might not directly jeopardize funds, but could lead to roadblocks in grant approvals, slowdowns in the release of approved money, and even the lack of direct customer service support from the federal government that could impact WPS's ability to solve these problems. Cuts to grants that go to the State, unrelated to education, could impact the state's ability to provide for education aid; indeed, the final FY26 state budget was more than \$1 billion less than the budget that was initially proposed by the Governor in January 2025, reflecting some of that uncertainty.

Second, **the end of the Student Opportunity Act is near**. It is not the case that WPS will suddenly lose its SOA funds. **By the end of FY27, the District will be receiving nearly \$100 million more than it would have under the old foundation budget formula**. Rather, FY27 marks the last year in which there will be new money phased in to the district thanks to SOA rate changes. In FY28, WPS will have to make do with the money as provided, and cannot expect an additional \$17 million to budget towards key SOA initiatives as it has the last few years. In addition, a key way the Foundation Budget formula works is that it uses student enrollment as the basis of its funding categories—and WPS enrollment is predicted to remain stable-to-declining over the next three years. In combination with the end of the SOA phase-in, it means that WPS could have revenue -to-expenditure problems going forward.

Third, and a related point, **inflation and the state's low inflation factor continues to be a problem for WPS, as it is for many school districts across Massachusetts**. As the FY26 budget points out on page 7, "the district's cost increases continue to exceed the foundation budget inflationary growth." On page 15: "The state's foundation budget is adjusted annually by a national inflation index, 1.35% for FY25 and 1.93% for FY26. These amounts continue to be lower than actual cost increases within the district. In addition, the state formula set an inflation cap at 4.5% in the previous two years, while the actual inflation rate was 8.01% in FY23 and 7.08% in FY24. The undercounting of the actual inflation in the foundation budget has underfunded the Worcester Public Schools by approximately \$30 million in these two years." **In other words, Massachusetts' guidelines for adding inflation to its budget calculations have been well below actual, experienced inflation by WPS, which led especially to budget cuts in FY25**. While this is a problem faced by all school districts in Massachusetts, **it is especially a problem in Gateway City districts that are more reliant on state aid for their funding**.

Several bills were filed in the 194th General Court (2025-2026) to attempt to address this issue, including S.345 ("An Act Eliminating Education Funding Inflation Cap"), S.683 ("An Act Relative to Inflation Adjustments for Education Aid"), and H.678/S.388 ("An Act to Fix the Chapter 70 Inflation Adjustment"). There has been talk within the General Court of reexamining the Foundation Budget formula, especially for districts that have not been targeted by the Student Opportunity Act. The FY26 State Budget, in fact, directs DESE to study and make recommendations regarding the Chapter 70 funding program and the formula used to determine required local contributions (among other requirements). While this does not address the inflationary problems of the last several years—and so may not have immediate or direct effects on WPS itself—it indicates that the formula used to determine foundation budgets, and therefore state aid and local contributions, is not fully settled.

Finally, the final state budget for FY26 *initially* received a line-item reduction from the Governor for nearly \$20 million related to charter tuition reimbursements. **However, this veto was overridden and funding was restored by the House and Senate in October 2025.** Readers of past *Paying for a Public Education* reports would know that the state provides a declining three-year reimbursement to school districts for new enrollments in Charter Schools that otherwise remove those students from their sending districts. Future reimbursements should be watched, as cuts would have an impact on districts across the state, especially Gateway Cities.



CONCLUSION

Year-over-year, expenditure increases in a budget are often due to contractual increases and inflation factors that are out of any one organization's control. **The FY26 budget of the Worcester Public Schools increased by \$33 million over FY25, a 6% increase, but saw staffing increase by only 64 positions—1.5%. The adopted budget of FY25, on the other hand, saw a decline in expenditures compared to the budget the year before. In that way, FY26 is a return to trend.**

It bears repeating that FY26 marks the second full school year of WPS strategic plan, "Our Promise to the Future." Spending in FY26 is aligned with the priorities, aims, and promises outlined in the plan.

This year, WPS touted its new "equity-based budgeting" framework to target the schools, programs, and populations most in need. To this end, as noted in the Superintendent's budget introduction, budget staff consulted with "school leaders, educators, the Family and Community Engagement Roundtable, the Superintendent Student Advisory Council, and the Citywide Parent Planning Advisory Council," groups outside the normal budgeting process. **To address some of their concerns, in FY26 WPS will be focusing on "common planning time" at all secondary schools and several high-need elementary schools.** As this approach is rolled out for the first time, it remains to be seen how equity-based budgeting will be operationalized across the district's schools. Key questions include how WPS defines need, how resources are allocated in response, and how schools and stakeholders will evaluate whether the changes are making a measurable difference. A transparent framework for tracking these equity investments, and

how they differ from prior allocations, will be essential to ensure this shift lives up to its stated goals.

Still, the Worcester Public Schools—like many other school districts throughout the state—will have to contend in coming years with stable to declining enrollments, continued inflationary factors, and the end of the Student Opportunity Act phase-in period. While WPS will be receiving more money annually after FY27 than it would have without the Student Opportunity Act, **the end of the SOA phase-in period means that district cannot rely on receiving more funds on a year-over-year basis.** Future Federal funding is also uncertain as the Presidential Administration, Department of Education, and Congress continue to eye cuts to funds and staff. In addition, if experienced inflation continues to run above the inflation limit in the Chapter 70 funding formula, WPS could continue to be limited in new spending and hiring or be forced to make cuts. To that end, there is movement in the state legislature to continue to view and adjust for these problems in the future, but nothing is guaranteed.

To repeat the 2025 edition of *Paying for a Public Education*, in the coming years, the Worcester community should keep an eye on how the Worcester Public Schools continues to respond to potential budget deficits; the replacement of Burncoat Middle and High School; the continued use of Student Opportunity Act funds as they become available; and, through it all, how the District keeps track of its five-year strategic plan and its ability to spend its funds to achieve the priorities, aims, and promises within it.



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