



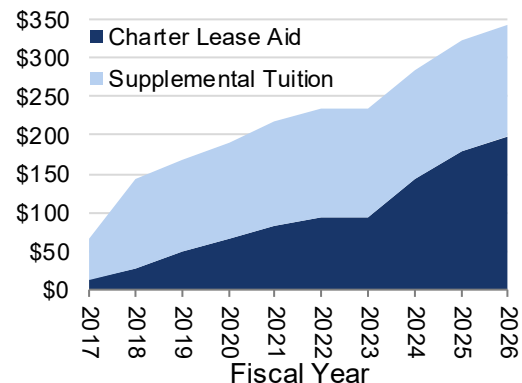
Charter School Tuition and Lease Aid

Charter schools are free, publicly funded schools that are open to all students via admissions lottery. Each charter school operates on a charter, or covenant, that is issued by an approved state or local agency, but is not operated within the organization structure of the public school system. Charter schools are accountable to their charter issuing agency through the terms of five-year performance contracts for student achievement.

In the 2024-25 school year, there were 281 charter schools operating in New York City, serving a total of 148,083 students in grades Pre-K through 12 (this amounts to approximately 15 percent of both the number of public schools and public school students in the City). The State provides school districts additional aid for every charter school student, called “Supplemental Basic Tuition,” which is set by State law and supplements a base level of per-pupil funding provided by the Foundation Aid formula. New York State maintains a cap on the number of charter schools that are allowed to operate in the City (currently 299; some approved charters have not yet opened), which has been reached, but has historically allowed the reissuance of charters that have lapsed or been revoked.

Since 2014, New York State has required the City to provide new or expanding charter schools with space in a City school building or fund the rental of equivalent space in private buildings — 176 charter schools in New York City were eligible for such support in FY 2025. The State covers 60 percent of the cost of rental space in the form of Charter Lease Aid. In total, the City received \$323 million in state aid for charter schools in FY 2025, consisting of \$180 million in lease aid and \$143 million in Supplemental Tuition (see Figure 1). The City has consistently received more State funding for charter leases than it budgets for at adoption as spending is accrued over the year. OSC adjusts anticipated Charter Lease Aid to reflect an increase to match the prior fiscal year.

FIGURE 1
State Support for Charter Schools
(\$ in millions)



Sources: NYC Office of Management and Budget; OSC analysis

Impact

The City’s total expenses to support charter schools have been considerably higher than the amount of charter tuition and lease aid received from the State; though charter school students are counted and factored into other forms of student-based State aid, including Foundation Aid, and the State has determined a minimum per-student level of funding for charter schools. In

FY 2025, Supplemental Basic Tuition and Charter LeaseAid provided 9.6 percent of the total of nearly \$3.4 billion which the City spent on charter schools — the highest level yet. Charter school enrollment has proven particularly unfazed by external forces, rising each year since 1998 to reach 148,083 in the 2024-25 school year (the most recent year for which data is available).