

Reforming Wisconsin's School Finance System



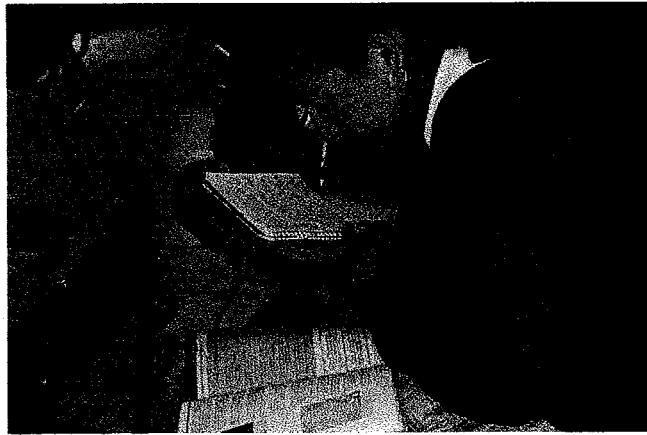
The Institute for Wisconsin's Future

Sept. 18, 2001

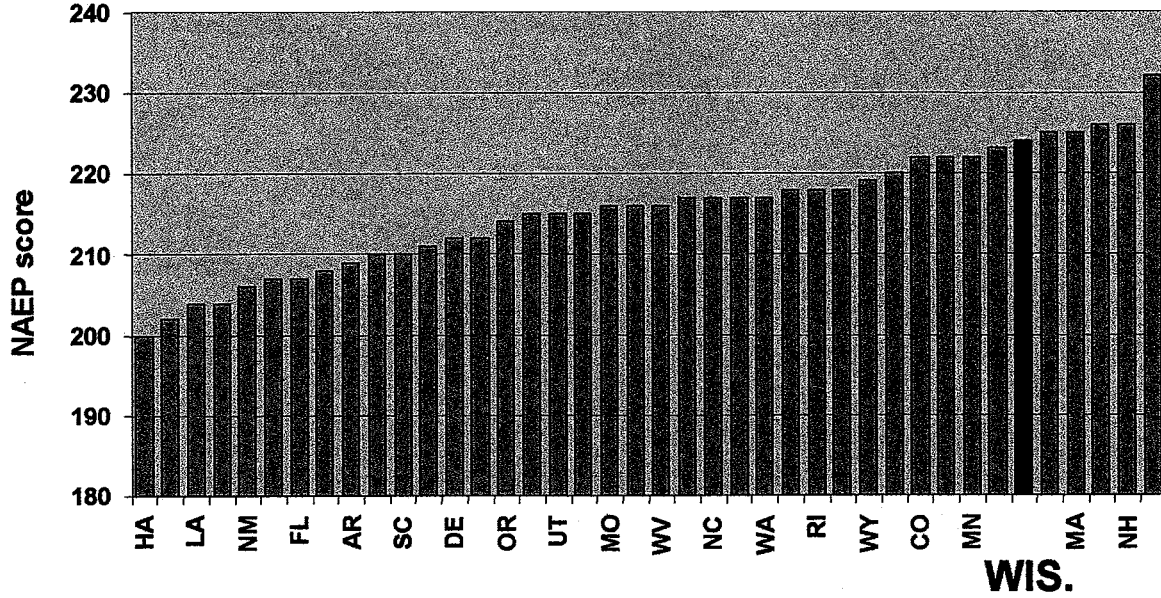
Version 11.1

www.wisconsinsfuture.org

I. Wisconsin has good schools but faces serious problems

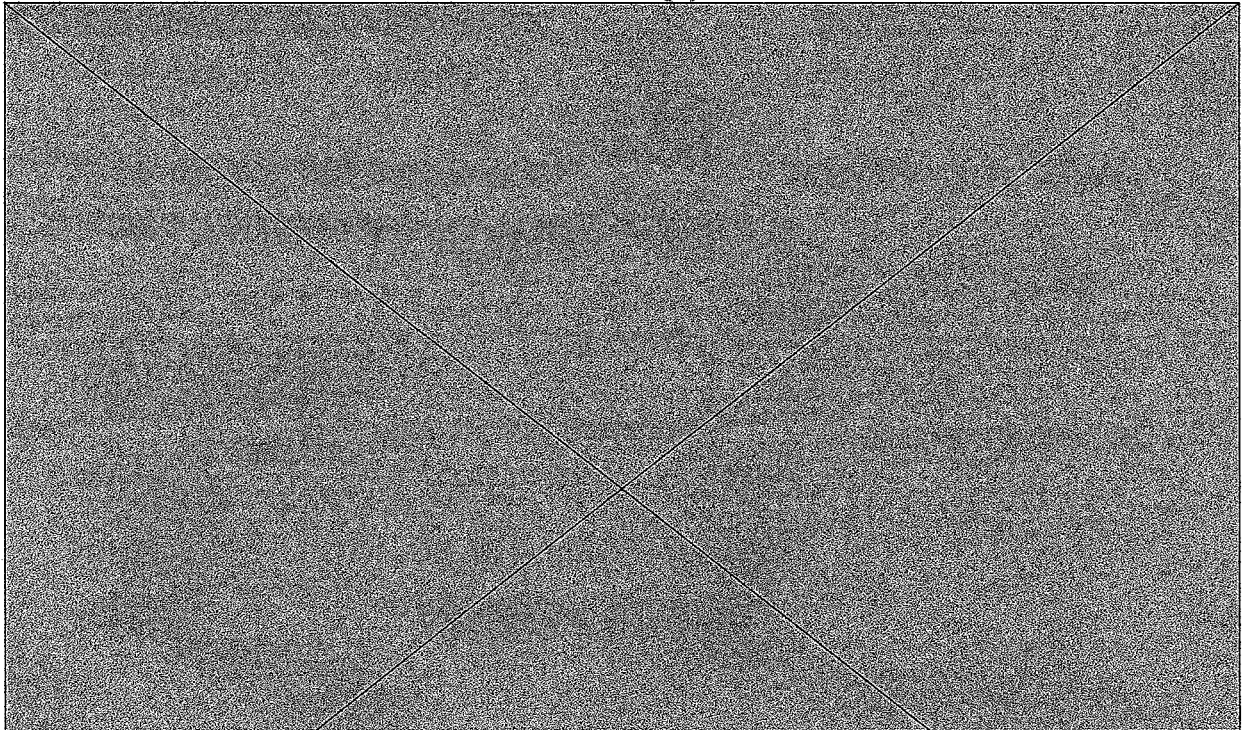


4th grade reading scores are among the best in the nation



Source: *National Assessment of Education Progress, 1998*

But low-income and minority students are falling behind



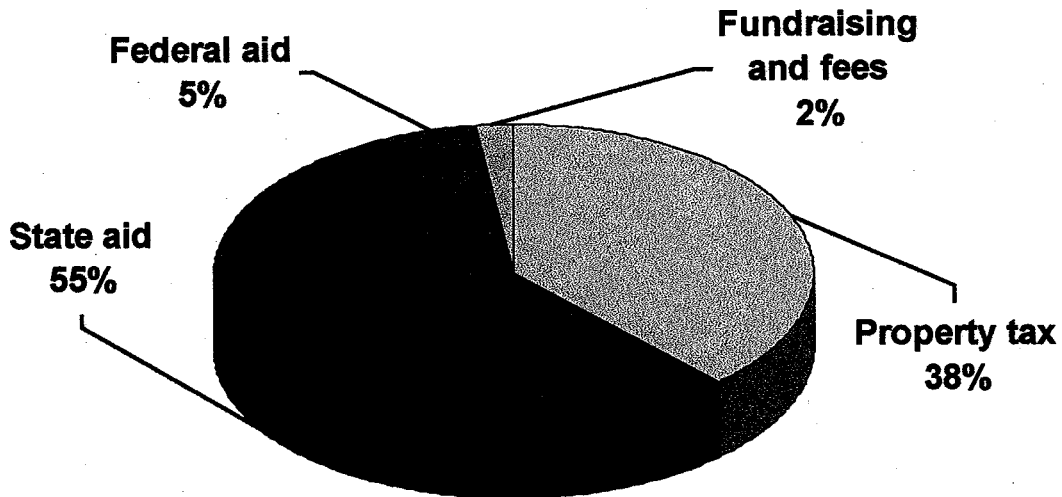
**Wisconsin needs schools that
ensure all children learn to their
maximum potential**



Foundations for Excellence

The Institute for Wisconsin's Future

II. School funding is a major problem

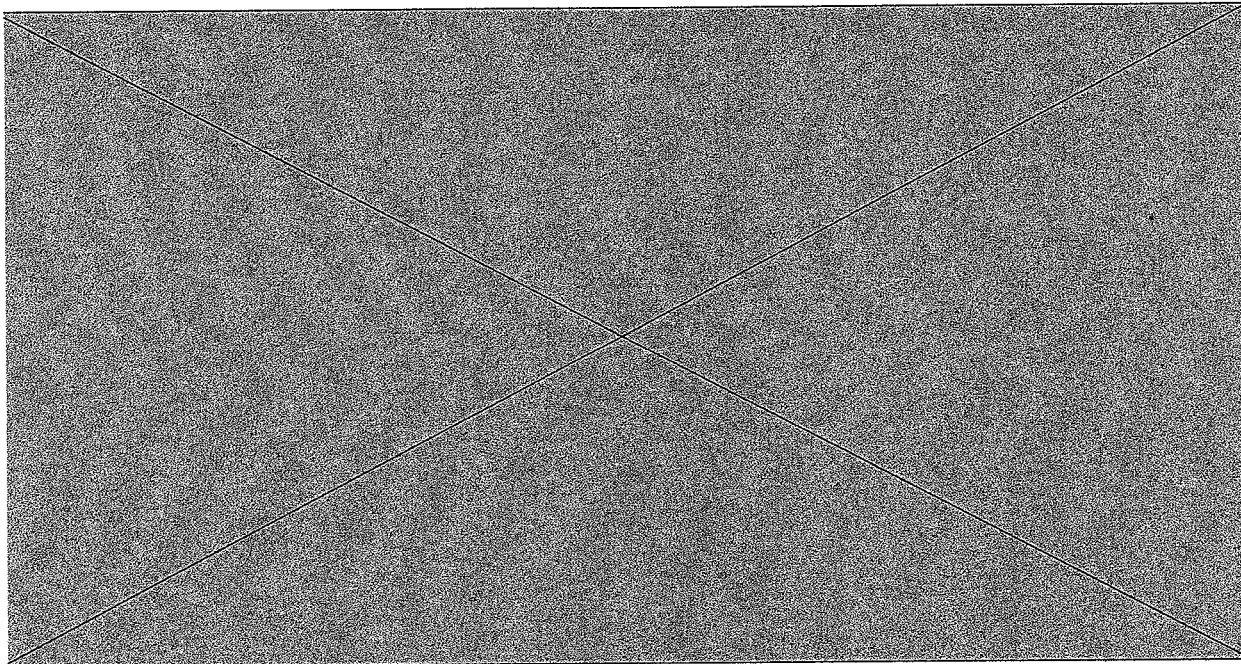


Total annual funding—about \$8 billion

9/11/2001

1

The number of advanced students is below the national average



Source: *National Assessment of Education Progress, 1998, 4th grade reading, white students*

The current finance system is not working for most districts

Lake Mills schools try for a fifth time

In the fifth referendum...

Schools plead for financial assistance

By Nina Sweda
NASHVILLE, Tenn. (AP) —

By the time...

Manawa struggling to make ends meet

MONDAY

IN FOCUS:
School

By Kathy...

Declining enrollment and revenue caps reduce Westby school budget

Declining enrollment and revenue caps are reducing the Westby school district's budget...

No-frills districts now face revenue-cap cuts

Designed to...

...the high school...

Education budget blues

School districts are hurting throughout Wisconsin. Each year, the squeeze is worsened by rising costs and state-imposed caps...

schools with his plan to take testing out of the Department of Public Instruction and attach it to the Department...

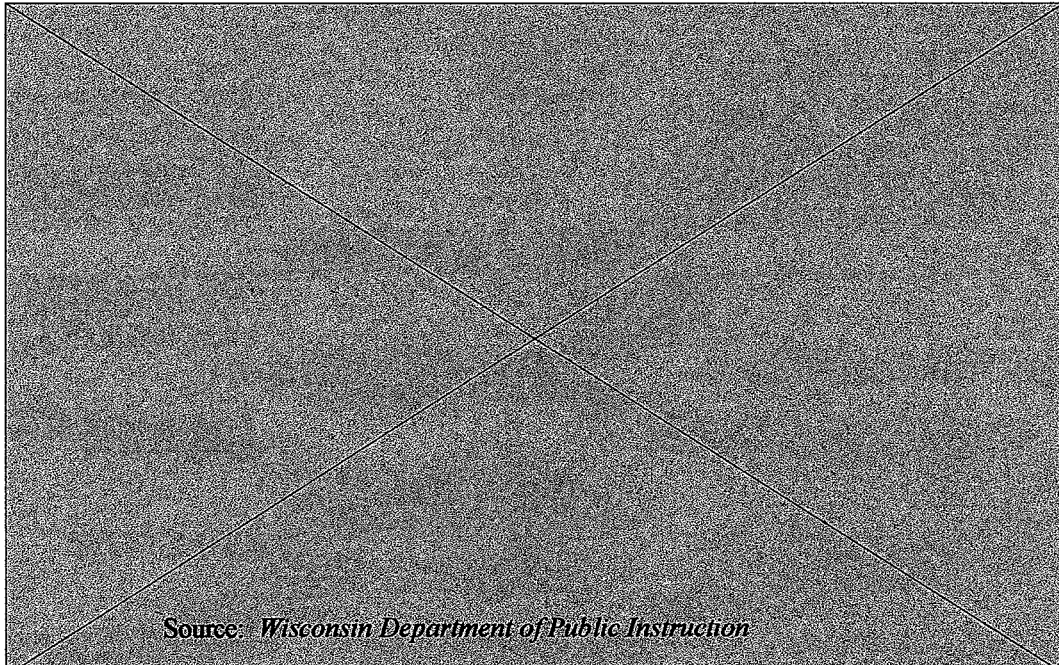
Near or far, the aftershocks of failed school referendums continue being felt

By Michael...

...the aftermath...

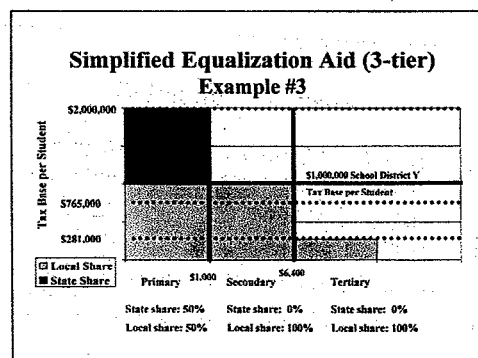
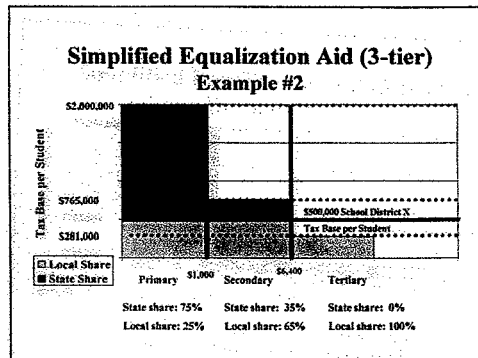
Current funding is unequal

- ❑ Per-pupil spending among 425 districts:
from \$6,356 to \$14,371



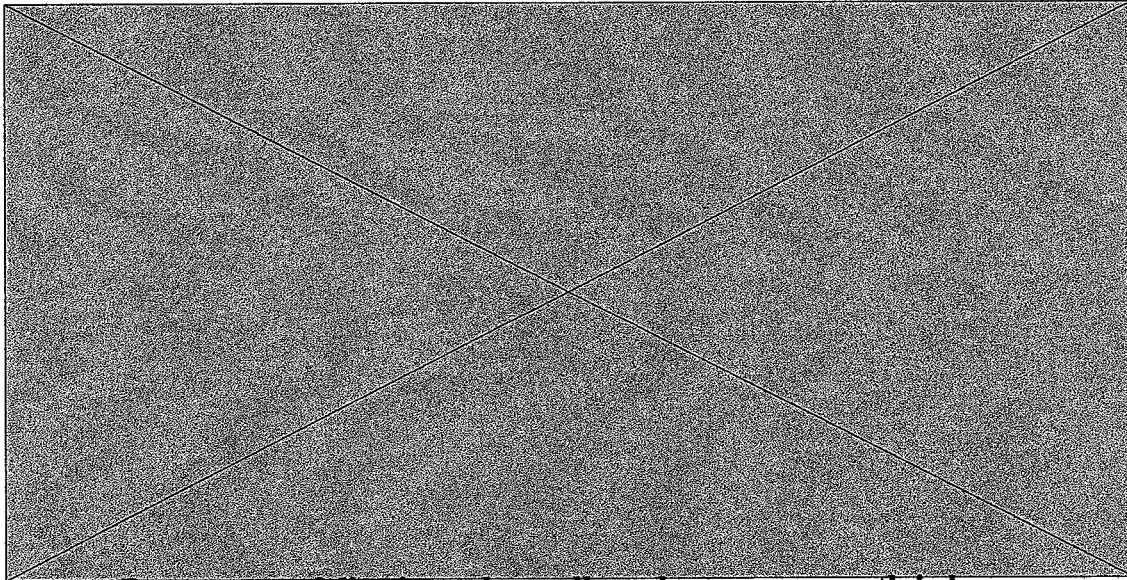
The system is convoluted

“The extraordinary complexity of state school finance law and the fiscal instability that results...” (Wisconsin Taxpayers Alliance)



The current system is inadequate

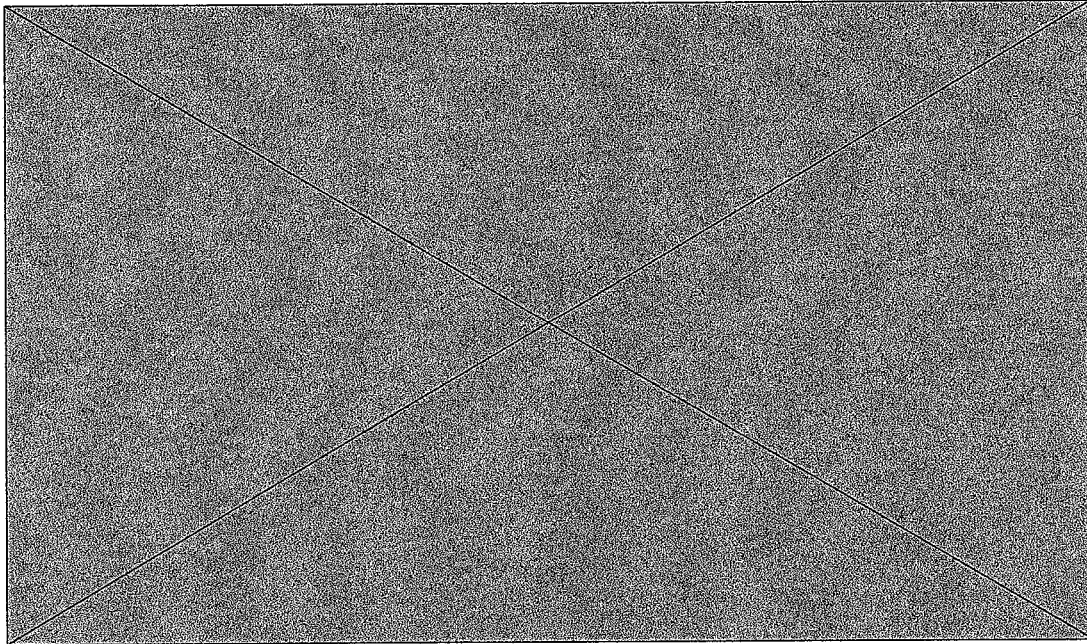
- ❑ Eight of ten districts can't keep up with inflation.



Percentage of districts whose allowed revenue growth is lower than (education) inflation.

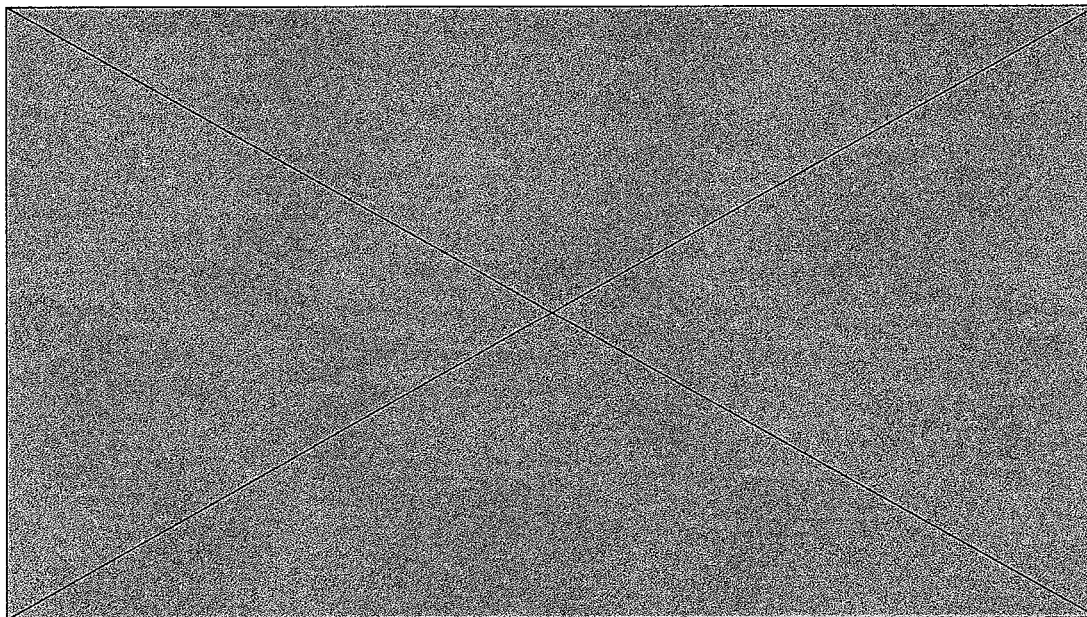
Source: Wisconsin Department of Public Instruction, US Bureau of Labor Statistics

Aid for special education isn't keeping pace with costs



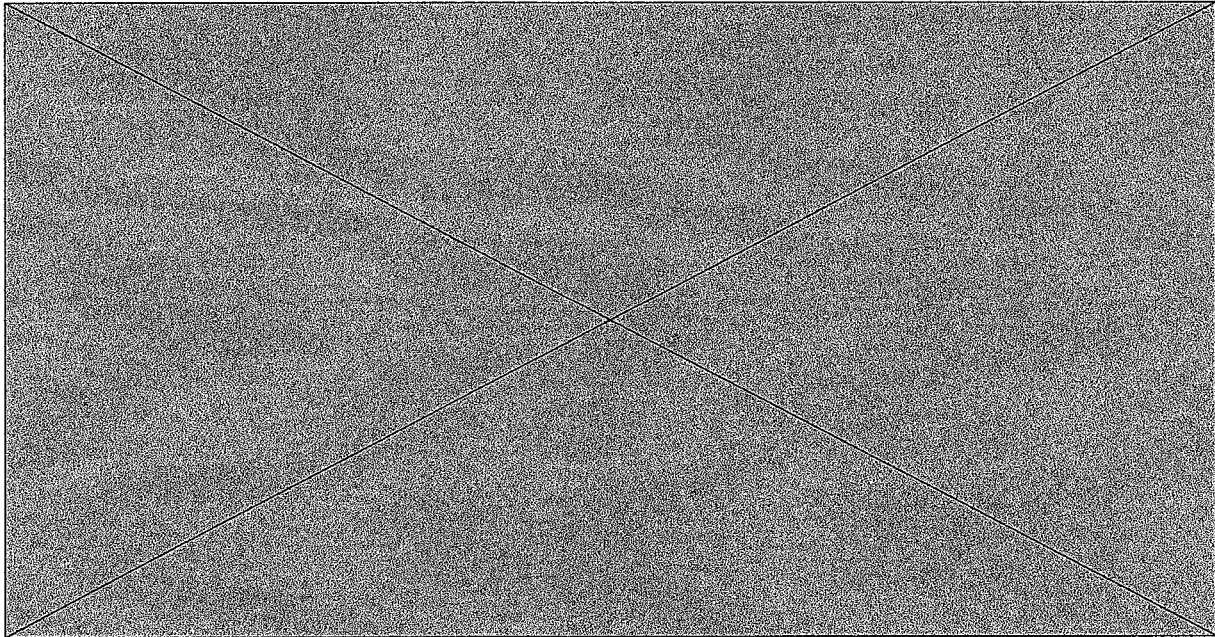
Source: *Wisconsin Department of Public Instruction*

Aid for English-as-a-second-language isn't keeping pace with costs



Source: *Wisconsin Department of Public Instruction*

Teachers are in short supply as wages fall below U.S. average



Source: *American Federation of Teachers*

How districts cope:

- ✓ Cut programs
- ✓ Reduce staff
- ✓ Increase class size
- ✓ Delay purchases
- ✓ Trim staff training
- ✓ Boost fees
- ✓ Defer maintenance



Revenue caps set an arbitrary base in 1993

- **Current school budgets are based on the “Ancestry” model:**

“... and 1993 begat 1994, and 1994 begat 1995, and 1995 begat 1996, and 1996 begat 1997, and 1997 begat 1998, and 1998 begat 1999 ...”

Spending is based on history and property wealth. There is no link to children's educational needs.

III. Goal for Wisconsin schools

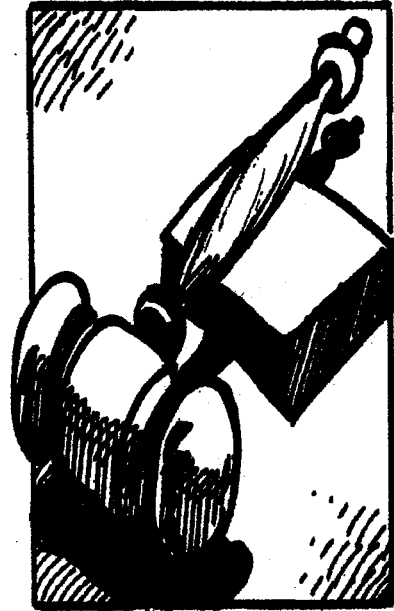
A simpler, fairer funding system -- linked to academic goals -- that meets all children's needs.



Wisconsin Supreme Court:

“Wisconsin students have a fundamental right to an equal opportunity for a sound, basic education. An equal opportunity for a sound basic education is one that will *equip students for their roles as citizens and enable them to succeed economically and personally.*”

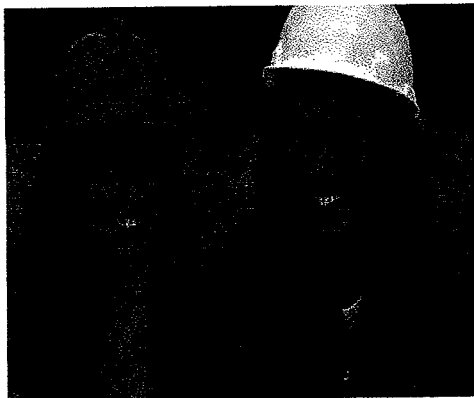
(Vincent v. Voight, 2000)



Educational Goals and Standards:

What did our Supreme Court mandate?

Schools must give students an equal opportunity to compete successfully in the job market.



UWM
(Training Manager)

The UW-Milwaukee School of Social Welfare seeks applications for a training Manager. This is a full-time position that provides professional support to the Faculty Liaison and Training Director for the training partnership between the Milwaukee Bureau of Child Welfare and the School of Social Welfare. This includes coordinating training for all child welfare workers in Milwaukee County, monitoring and maintaining of department finances, and assisting in budget development.

A bachelors degree in social work is preferred. Qualified applicants will have at least three years of experience, financial, and organizational skills, and an ability to attend to details.

Applications should include a letter of interest, a vita, and the names and phone numbers of three reference individuals.

Starting Date: October 30, 2001
Salary: Competitive
Application Deadline: Postmarked by September 1, 2001.

Inquiries and applications should be directed to: Rachelle A' Director of Training, Child Welfare Training Partnership, School of Social Welfare, P.O. Box 789, Milwaukee, WI 53201-0



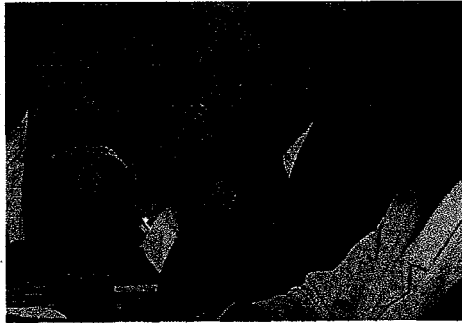
Educational Goals and Standards:

What did the Supreme Court mandate?

Schools must give students an equal opportunity to become effective citizens—voters, jury members, and community leaders.

Minimum Reading Level?

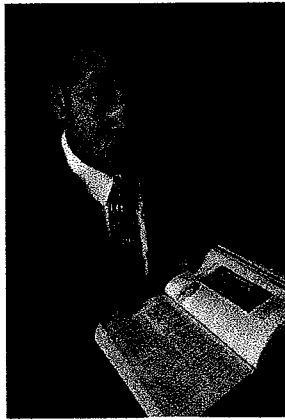
Constitutional Amendment 1998 ballot



“Shall section 24(3), (5) and (6)(a) of article IV of the constitution be amended to require that the net proceeds of the state lottery and of moneys received by the state from bingo games and pari-mutual on-track betting be used for property tax relief for residents of this state as provided by law, but subject to the condition that the distribution not vary based on the income or age of the person provided property tax relief?”

Wisconsin State Academic Standards

In 1998, Wisconsin set learning goals in 18 areas, including: mathematics, science, history, language, physical education, and the cultural arts.

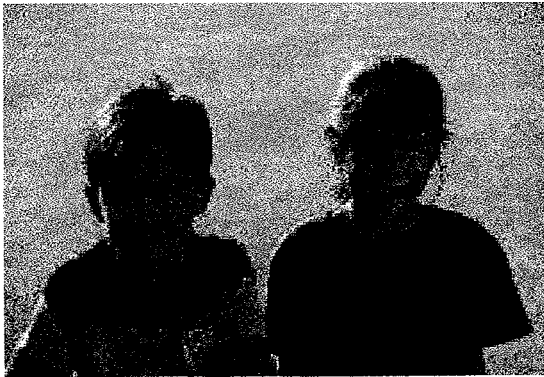


Example: Standard A.12.2 (12th grade):

Draw on a broad base of knowledge about the universal themes of literature such as initiation, love and duty, heroism, illusion and reality, salvation, death and rebirth, and explain how these themes are developed in a particular work of literature.

Wisconsin has—

- **Academic Standards**
- **Supreme Court mandates**
- **Family goals for children's achievement**

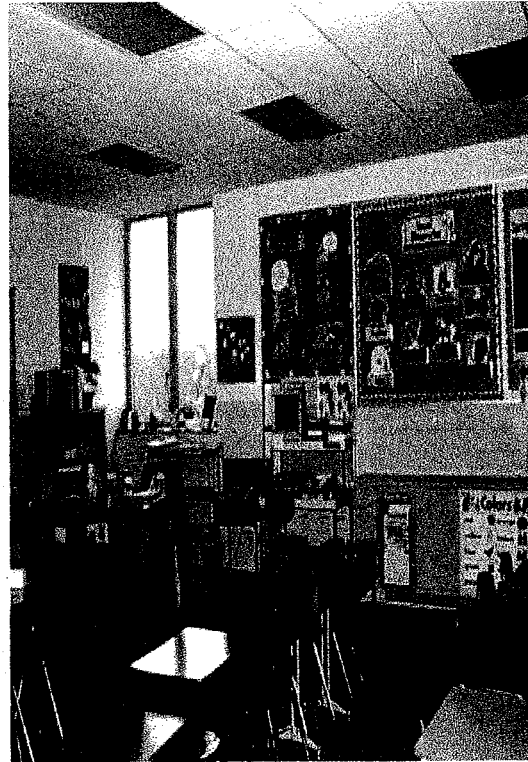


What resources does it take for each child to attain these goals?

Wisconsin needs—

A funding system to link academic standards, court mandates, and educational goals with the resources necessary to equip *all* students for citizenship and personal and economic success.

This is adequacy



Does adequacy mean average?

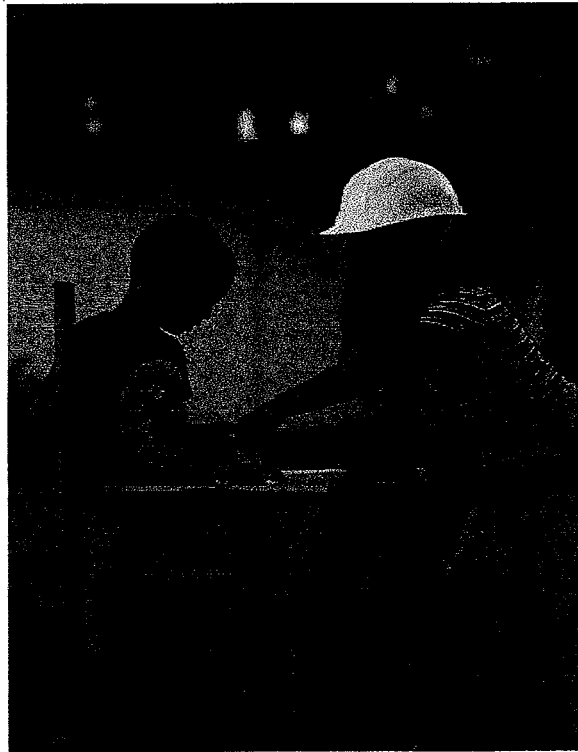
No —

adequacy means sufficient money to provide the staff, facilities, equipment, and technology to ensure all children the opportunity to achieve high academic standards.

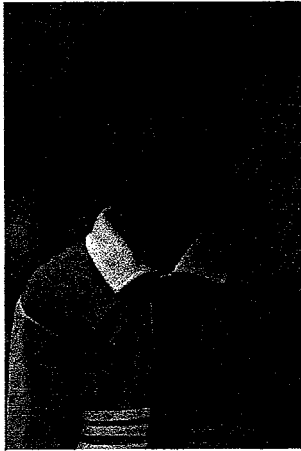


Does adequacy mean equity?

- **No —**
adequacy is a funding floor, but districts can add more money.
- **No —**
adequacy is a funding base. Children with special needs require more resources to achieve academic standards.



- **What Resource Standards ensure all students an equal opportunity for success?**



The Wisconsin Adequacy Model

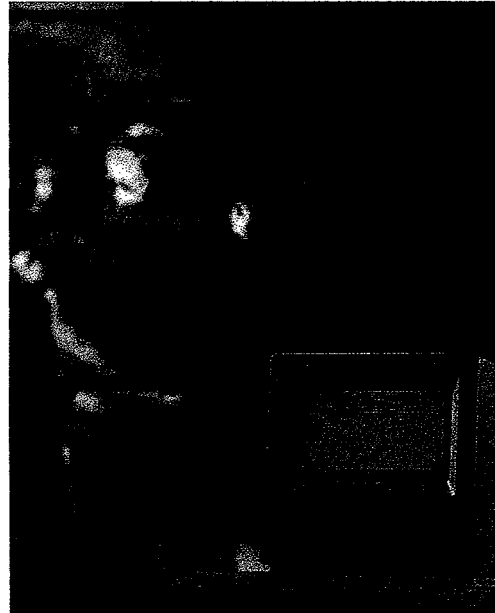
Initiated by Institute for Wisconsin's Future in 1997

Professional judgment method to determine
staff, programs, equipment needed to meet
Wisconsin standards

- Panels of state and national experts
- Surveys of Wisconsin principals and teachers
- Reviews of scholarly research
- Detailed expense spreadsheet

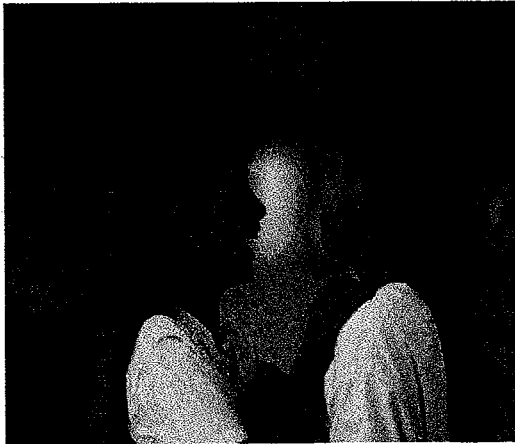
Resource elements

- Small schools
- Small classes
- Broad curriculum
- Appropriate technology
- Strong staff development
- Strong parent presence
- Added programs for special-needs students



Small schools—

About 350 students for elementary, 500 for middle, and 600-1,000 for high schools.

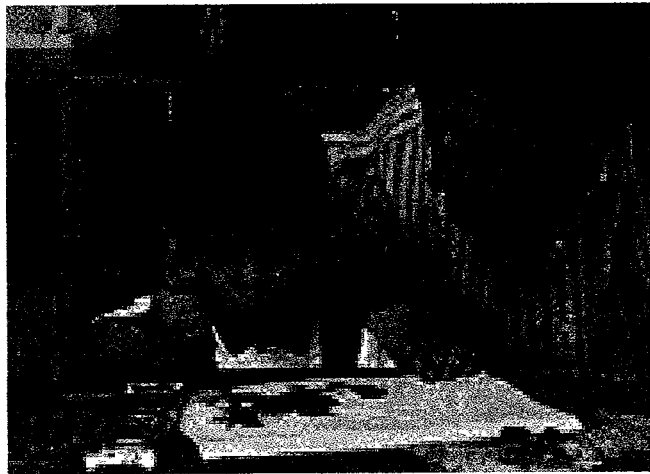


A Chicago Public Schools' study found students in small schools achieve more and misbehave less than those in larger schools. Teachers and administrators felt more effective in smaller schools.

Small classes—

- **15 students in K-3; 20 students in 4-5**
- **20 students in core courses 6-12; 30 in non-cores**

Studies in Tennessee and Wisconsin reported achievement gains in small classes in the early grades.



Broad curriculum—

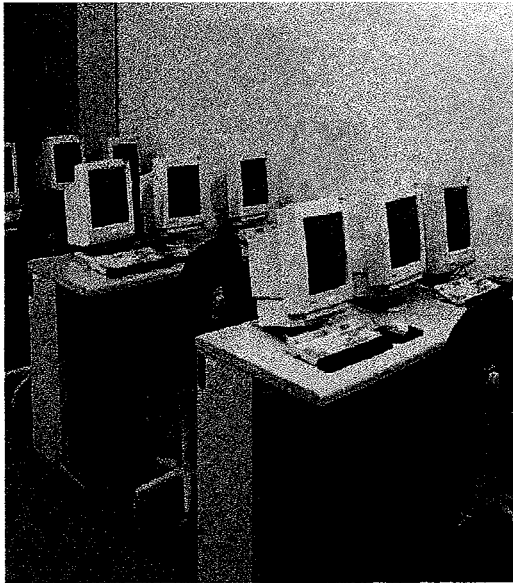
- **Advanced Placement courses in all schools**
- **Art, music, physical education, and foreign language available at all grade levels**



College Board studies show higher SAT scores for those students who take foreign languages and the arts.

Up-to-date technology—

- **5-10 computers for every 20 students**



According to a Florida study, the individualized, efficient, and cooperative use of computers results in higher tests scores in all grades, schools, and subject areas.

Staff development—

- **Ongoing in-service training**
- ✂ **Time for teachers to plan jointly**
- ✂ **Staff development coordinator**

University of Wisconsin's Allan Odden says that schools with strong staff development produce higher test scores.



Involved parents—

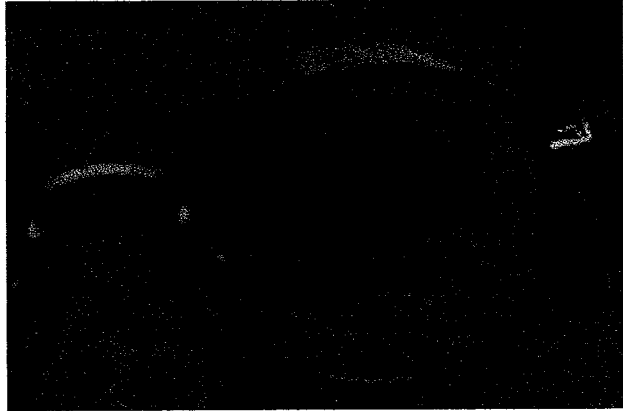
- **Parent outreach specialists in the schools to keep parents informed, support governance councils, and help with parent activities**

An American Federation of Teachers study shows parental involvement strengthens children's education in all grades.



Support for special needs students—

- **Special education –**
Full funding for students with disabilities.
- **ESL students –**
Full funding for English as a Second Language.



Extra support for schools with concentrations of poverty



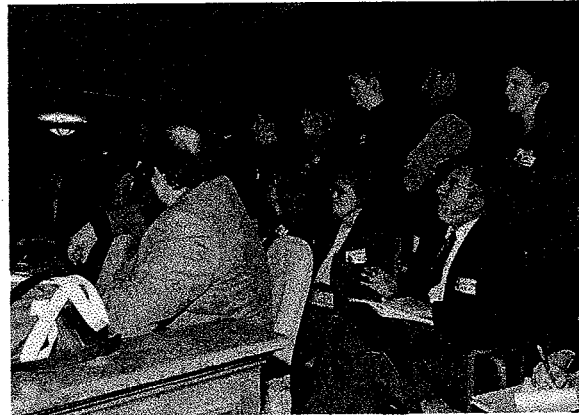
Schools with high levels of low-income students—

- Salary incentives
- Tutoring and enrichment
- Aggressive use of public/private programs for health care and pre-kindergarten services
- Summer school

V. Financing resource standards

How much \$\$\$? An Adequacy approach

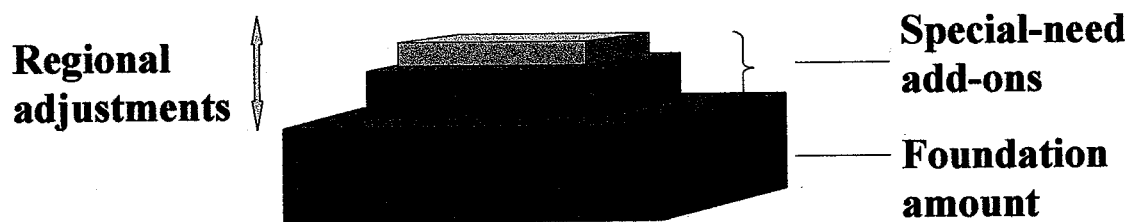
- Set academic goals
- Determine resource needs to meet goals
- 3. Price resources
- Too much? Then
revise goals



Simpler mechanics— Part I

“Adequacy Model” establishes funding levels

- Basic per-student foundation amount
- Additional money for special needs students
- Adjustments for regional differences



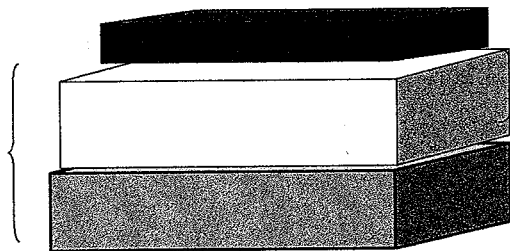
Simpler mechanics—

Part II

“Foundation Plan” replaces Aid/Cap/QEO

- Uniform statewide property tax floor
- State funds difference between property tax and foundation amount
- Local option for higher property tax

Adequacy
funding level



How much for the Wisconsin Adequacy Project?

Microsoft Excel - Copy_2.0_of_Feb-03_prototype.xls

File Edit View Insert Format Tools Data Window Help

100%

A1

	A	B	C	D	E	F	G	H	I	J	K
		Enroll-ment	Total, Per Pupil	Total, \$	Salary	Benefits	FTEs Total	FTEs Base	Supplies & Equipment		
45	Teachers, Base			1,219,021	38,214	14,787	23	23			
46	Teachers, Specialty			159,003	38,214	14,787	3	3			
47	Teachers, Gifted, Reading, Math			106,002	38,214	14,787	2	2			
48	Teachers, Staff Developmt, Parent Outreach			53,001	38,214	14,787	1	1			
49	Perm Subs			53,001	38,214	14,787	1	1			
50	Aides			105,862	12,831	8,301	5	5			
51											
52	Keyboarding Aide			21,132	12,831	8,301	1	1			
53	Day-to-Day Subs			6,775	13,266	1,010	0.474	1			
54											
55	Reg Inst Cost Per Pupil		4,578								
56											
57	Principal			76,045	56,806	19,439	1	1			
58	Clerical Staff			61,473	19,193	11,543	2	2			
59											
60	Total School Administrative Cost		367								
61											
62	Support - Counselors			53,001	38,214	14,787	1	1			
63	Library			53,001	38,214	14,787	1	1			
64	Library Assist			27,722	16,669	11,053	1	1			
65											
66	Aux Inst Svcs Per Pupil		357								
67											

Regional Cost Model Summary Supplies and Equipment Urban School Para Ed

Ready NUM

See Appendix for details

Accountability—Real bottom line

- Children accountable for learning
- Teachers, schools accountable for teaching
- State accountable for **resource standards**

