The Conversation is Not Over
Association for Equity in Funding

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In 2000, the WI State Supreme Court established an educational standard which provides that:

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

2. The Court also required that “. . . districts with disproportionate numbers of disabled students, economically disadvantaged students, and students with limited English language skills . . . ” be taken into consideration.

The effect of this decision is to demand that the legislature revise our school finance system to assure that every child has an equal educational opportunity.
There is a very strong correlation between poverty and school performance.

SOURCE: Wisconsin Department of Public Instruction. School and District Report Cards
http://reportcards.dpi.wi.gov/
State Support for K-12 = Property Tax Relief

General Aids
Categorical Aids

Direct Aid to Schools
Property Tax Credits
Historical Equalization Aid 1993-94 to 2018-19
Historical Equalization Aid 1995-96 to 2020-21 (in billions)
Categorical Aid Increases 1993-94 to 2018-19
WI Historical Tax Levy Credit

$21 BILLION TOTAL DURING THIS PERIOD OF TIME
Wisconsin Tax Levy Credit Distribution
$940,000,000 each year

Should out of state residents receive our tax dollars in tax relief?

Over 29 year period, over $5.46 Billion has gone to out of State Residents.
Total State K-12 Funding Below 2008 Levels in Most States

Percent change in total state funding per student, inflation adjusted, fiscal years 2008-2015

-36.6%
-22.0%
-21.6%
-18.0%
-16.6%
-15.9%
-15.6%
-14.6%
-12.4%
-12.4%
-12.2%
-11.9%
-11.8%
-11.8%
-11.7%
-10.6%
-10.6%
-10.0%
-9.9%
-9.9%
-9.0%
-7.9%
-7.4%
-5.9%
-3.6%
-3.3%
-2.6%
-2.7%
-1.8%
-1.4%
-1.4%
-1.3%
-1.2%
-1.1%
1.1%
1.5%
2.0%
2.4%
2.2%
3.1%
3.4%
3.6%
4.2%
4.9%
6.5%
7.8%
8.5%
15.5%
16.3%
27.6%
30.8%
96.2%

Note: Hawaii and Indiana are excluded because the data necessary to make a valid comparison are not available. Iowa and Wisconsin shifted funds from the local to the state level during the 2008-2015 period. We counted these funds as state funds in 2008 for an apples-to-apples comparison across the period.


Change from FY08 to FY 15
- 10.6%
Adjusted for Inflation
Trend in State Aid

K-12 School Aids as a % of the State General Fund

Percentage of State General Fund Budget

Years: 1999-2021

Values: 32.6%, 38.4%, 37.7%, 39.5%, 39.9%, 43.1%, 38.1%, 37.6%, 37.4%, 34.1%, 33.1%, 32.4%
Per Student Revenues for an “Average” School District

Chart courtesy of Wisconsin Taxpayers Alliance (WISTAX)
Wisconsin Constitution

- Section 3. The Legislature shall provided by law for the establishment of district schools, which shall be as nearly uniform as practicable; and such schools shall be free and without charge for tuition to all children between the ages of 4 and 20 years; and no sectarian instruction shall be allowed therein...
Wisconsin currently has three private school choice programs:
• Milwaukee Parental Choice Program (MPCP)-enacted in 1990-91
• Racine Parental Choice Program (RPCP)-enacted in 2011-12
• Wisconsin Parental Choice Program (WPCP)-enacted in 2013-14

Each program is funded on a current year basis with sum sufficient funds.

• 2017-18 Per FTE Student Payments:
  Grades K-8     $7,530
  Grades 9-12    $8,176

• 2018-19 Per FTE Student Payments:
  Grades K-8     $7,754
  Grades 9-12    $8,400
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of MPCP Schools</th>
<th>Number of Full-Time Equivalent (FTE) MPCP Students</th>
<th>MPCP FTE Student Payment</th>
<th>MPCP Total State Aid Payments/Program Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>6</td>
<td>300</td>
<td>$2,446</td>
<td>$733,800</td>
</tr>
<tr>
<td>1998-99</td>
<td>83</td>
<td>5,761</td>
<td>$4,894</td>
<td>$28,194,300</td>
</tr>
<tr>
<td>2008-09</td>
<td>123</td>
<td>19,428</td>
<td>$6,607</td>
<td>$127,061,900</td>
</tr>
<tr>
<td>2015-16</td>
<td>117</td>
<td>26,470</td>
<td>$7,214/$7,860</td>
<td>$195,466,800</td>
</tr>
<tr>
<td>2016-17</td>
<td>121</td>
<td>26,913</td>
<td>$7,323/$7,969</td>
<td>$201,918,400</td>
</tr>
<tr>
<td>2017-18</td>
<td>125</td>
<td>27,697</td>
<td>$7,530/$8,176</td>
<td>$213,478,200</td>
</tr>
<tr>
<td>2018-19</td>
<td>129</td>
<td>28,067</td>
<td>$7,754/$8,400</td>
<td>$221,800,000</td>
</tr>
<tr>
<td>(estimated)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In 2018-19, the state directly pays 80.8% of the cost of the MPCP while Milwaukee Public Schools (MPS) pays 19.2% of the cost ($42.6 million this year) through a reduction in its state general school aids.

MPS can increase its property tax levy to replace this state general aid reduction under its revenue limit; however, MPS cannot count choice students in its membership for state general aid purposes and does not receive a revenue limit adjustment for each MPCP student.

Under current law, the state General Purpose Revenue (GPR) share increases by 3.2% annually through 2023-24 and MPS’ share decreases by the same figure each year until the MPCP is entirely GPR state-funded in 2024-25.

MPS also receives $6.3 million in High Poverty Aid in 2018-19 to reduce its property tax levy related to the MPCP.
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of RPCP Schools</th>
<th>Number of RPCP FTE Students</th>
<th>RPCP FTE Student Payment</th>
<th>RPCP Total State Aid Payments/Program Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>8</td>
<td>219</td>
<td>$6,442</td>
<td>$1,408,200</td>
</tr>
<tr>
<td>2012-13</td>
<td>11</td>
<td>485</td>
<td>$6,442</td>
<td>$3,125,300</td>
</tr>
<tr>
<td>2013-14</td>
<td>13</td>
<td>1,169</td>
<td>$6,442</td>
<td>$7,529,400</td>
</tr>
<tr>
<td>2014-15</td>
<td>15</td>
<td>1,659</td>
<td>$7,210/$7,856</td>
<td>$12,154,300</td>
</tr>
<tr>
<td>2015-16</td>
<td>19</td>
<td>2,057</td>
<td>$7,214/$7,860</td>
<td>$15,089,900</td>
</tr>
<tr>
<td>2016-17</td>
<td>19</td>
<td>2,420</td>
<td>$7,323/$7,969</td>
<td>$18,022,900</td>
</tr>
<tr>
<td>2017-18</td>
<td>23</td>
<td>2,852</td>
<td>$7,530/$8,176</td>
<td>$21,876,300</td>
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<tr>
<td>2018-19</td>
<td>26</td>
<td>3,242</td>
<td>$7,754/$8,400</td>
<td>$25,614,900</td>
</tr>
</tbody>
</table>

(estimated)
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Number of WPCP Schools</th>
<th>Number of WPCP FTE Students</th>
<th># of School Districts with WPCP Student</th>
<th>WPCP FTE Student Payment</th>
<th>WPCP Total State Aid Payments/Program Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>25</td>
<td>498</td>
<td>N/A</td>
<td>$6,442</td>
<td>$3,212,300</td>
</tr>
<tr>
<td>2014-15</td>
<td>31</td>
<td>994</td>
<td>N/A</td>
<td>$7,210/$7,856</td>
<td>$7,345,200</td>
</tr>
<tr>
<td>2015-16</td>
<td>82</td>
<td>2,483</td>
<td>141</td>
<td>$7,214/$7,860</td>
<td>$18,369,200</td>
</tr>
<tr>
<td>2016-17</td>
<td>121</td>
<td>2,978</td>
<td>182</td>
<td>$7,323/$7,969</td>
<td>$22,382,500</td>
</tr>
<tr>
<td>2017-18</td>
<td>153</td>
<td>4,359</td>
<td>225</td>
<td>$7,530/$8,176</td>
<td>$33,612,100</td>
</tr>
<tr>
<td>2018-19</td>
<td>213 (est.)</td>
<td>6,878</td>
<td>256</td>
<td>$7,754/$8,400</td>
<td>$54,633,000</td>
</tr>
</tbody>
</table>
1. Students enrolled in the RPCP/WPCP prior to 2015-16:
   • Vouchers paid with state GPR funding until student exits program.
   • Students are not counted in a district’s membership for state general aid or revenue limit purposes.

2. Students enrolling in the RPCP/WPCP in 2015-16 or thereafter:
   **State General Aids**
   • Resident district pays for RPCP/WPCP students through a reduction in its state general aids.
   • RPCP/WPCP students are counted in their resident district’s membership for state general aid purposes.

   **Revenue Limits**
   • Resident districts receive a revenue limit adjustment equal to the per student choice payment, allowing them to replace the state general aid reduction through increased property taxes if the resident school board chooses to do so.
All private schools in Wisconsin are eligible for the following state categorical aid programs:

- School lunch aid;
- School breakfast aid;
- School day milk aid;
- Robotics league participation grants; and
- Personal electronic computing devices grants (new in 2018-19).

Private schools participating in one of the state’s choice programs are also eligible for some additional state categorical aid programs:

- School performance improvement grants (new in 2018-19); and
- School mental health aid (new in 2018-19).
Special Needs Scholarship Program (SNSP)

- The SNSP is funded on a current year basis with sum sufficient funds.
- **SNSP Per FTE Student Payments:**
  
<table>
<thead>
<tr>
<th>Year</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>$12,207</td>
</tr>
<tr>
<td>2018-19</td>
<td>$12,431</td>
</tr>
</tbody>
</table>

**State General Aids**

- Resident district pays for SNSP students through a reduction in its state general aids.
- SNSP students are counted in their resident district’s membership for state general aid purposes.

**Revenue Limits**

- Resident districts receive a revenue limit adjustment equal to the per student payment allowing them to replace the state aid reduction through increased property taxes if the resident school board chooses to do so.
## SNSP State/Local Funding History

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th># of SNSP Private Schools</th>
<th>Full-Time Equivalent (FTE) Students and Partial Scholarships</th>
<th># of Districts with SNSP Student</th>
<th>SNSP Direct State GPR Funding</th>
<th>State General Aid Deduction/Local Property Taxpayer Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-17</td>
<td>26</td>
<td>215</td>
<td>22</td>
<td>0</td>
<td>$2,578,800</td>
</tr>
<tr>
<td>2017-18</td>
<td>28</td>
<td>244</td>
<td>25</td>
<td>0</td>
<td>$2,982,300</td>
</tr>
<tr>
<td>2018-19</td>
<td>76</td>
<td>676</td>
<td>84</td>
<td>0</td>
<td>$8,351,600</td>
</tr>
</tbody>
</table>

(estimated)
Consider... As we prepare students for the future workforce...

- Do we believe that ALL students, no matter where they are raised, deserve and need an equal opportunity to be career and college ready?
1. Increases in per pupil aid independent of a district’s property wealth, but need to be tied to socio-economic factors. Yes/No
2. Removing the levy credit as part of the education funding calculation. **NO**
3. Positive adjustments in the revenue limit to provide relief for factors outside of the control of school districts Yes – Revenue Limit, NO – Aid for low spending districts.
4. Revenue limits indexed to inflation. **No**
6. Restoration of the mandated two-thirds state commitment to public education investment to alleviate the need for local referendum, which leaves lower property wealth districts behind their higher wealth counterparts in terms of education funding. Not there yet.
Thank You! Any Questions?

You can lead a human to knowledge but you can't make him think.
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Opportunity for All
A study to determine the state of adequate funding in Wisconsin Public Schools
Study 1: “Segregation of Opportunity”
Where you live matters to Funding Disparity
Funding Disparity Increasing: New Data
Wisconsin Survey of Statewide Funding Disparity
Elmbrook Survey of Funding Disparity
Green Bay with New Data
Abbotsford Survey of Funding Disparity

![Graph showing the trend of funding per pupil from 2004 to 2015. The graph compares Total Funding and Indexed Funding. The data shows a general increase in funding per pupil over the years.](image-url)
Higher poverty = lower PPRL; Type of District matters
Study 2

“Segregation of Opportunity: Student Outcome and School Funding”
Poverty Interacts with Funding Disparity to Reduce District Report Card Scores

![Graph showing the relationship between funding disparity rank percentile and district report card scores for different FRL categories. The graph indicates a decrease in report card scores as funding disparity increases.]
Negative Association of 8M Scores with FDR

8th Grade Math Score vs. Funding Disparity Rank

- 8th Math
- Linear (Adjusted)
Negative Association of 4th Grade Scores with FRL Rate Varies by District Type
Negative Association of 4th Grade Reading Scores with Truancy Varies by District Type
New Study
“Opportunity for All: Adequacy in Education Funding”
2015 Funding Adequacy Comparison

- **Low**: Current Funding - 11014, Adjusted Funding - 11120
- **Median**: Current Funding - 11541, Adjusted Funding - 11749
- **Upper**: Current Funding - 11750, Adjusted Funding - 12535
- **High**: Current Funding - 12778, Adjusted Funding - 15897
- **Statewide**: Current Funding - 11436, Adjusted Funding - 12277

Legend:
- **Current Funding**
- **Adjusted Funding**
New Data: Negative Effects of Funding Disparity Increasing 2012-2015
Poverty Interacts with Funding Disparity to Reduce District Report Card Scores
Compare to 2004-2011 data

2012 – 2015 data shows poverty/funding disparity interaction now has greater negative effect on District Report Cards than prior eight years.
Poverty Interacts with Funding Disparity to Reduce District Report Card Scores 2004-2011
New Data: Truancy Interacts with Poverty to Reduce Scores

Free-Reduced Lunch Interaction with Truancy

Report Card Score

Truancy

Low FRL
Median FRL
High FRL
Discussion and Questions

www.waef.net