

News Release

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FOR IMMEDIATE RELEASE

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October general aid certification shows most school districts will experience drop in state aid

MADISON — The Department of Public Instruction’s general aid certification, released today, showed that 97 percent of the state’s public school districts (411 of 424) will receive less school aid for the 2011-12 school year than they did in the previous year. The median decrease in aid for districts was 9.98 percent.

The 2011-13 biennial budget bill (2011 Wisconsin Act 32) set general aid at \$4.262 billion this year, an 8.4 percent decrease from the previous year. The actual amount of state general aid that school districts receive is less than the amount appropriated due to statutory reductions. For the 2011-12 school year, there are state aid reductions for the Milwaukee Parental Choice Program (\$55.4 million from Milwaukee Public Schools only), the new Racine Parental Choice Program (\$593,700 from the Racine Unified School District only), and independent charter schools in Milwaukee and Racine (\$54.6 million from all 424 school districts). The costs for the existing and new voucher programs are increases to the statutory aid reduction from the prior year.

General aid amounts to districts are based on budgeted school district data from the 2010-11 school year, which include membership, shared costs, and property value. School membership, which is not the same as enrollment, is down by more than 900 full-time equivalent (FTE) students and totaled 857,272 FTE. Property valuations range from \$9.1 million per pupil to \$199,100 per pupil, a ratio of 45:1 between the state’s most and least property wealthy districts.

Last fall, the DPI proposed “Fair Funding for Our Future,” to reform school finance in Wisconsin. The plan would move away from property wealth being the primary determiner for aid, instead providing a base level of state aid for every student. The “Fair Funding for Our Future” school finance reform package was not included in the 2011-13 state budget. As proposed, “Fair Funding for Our Future” would

- fix Wisconsin’s school funding formula to be fair, sustainable, and transparent;
- hold the line on property taxes;
- guarantee state funding for every student;

(more)

- strengthen rural schools and schools with declining enrollments;
- account for family income and poverty;
- end the school funding shell game; and
- provide predictable growth in state aid.

As required by statute, the DPI estimates general school aid each year in July and then, by Oct. 15, certifies the amount of aid each school district will receive, based on audited school district data. School boards use this aid certification to finalize their property tax levies.

General aid is made up of three parts: equalization aid, integration aid, and special adjustment aid. Largely because of the decrease in the state's share of support for education, over 70 percent of districts (308 of 424) became eligible for special adjustment aid this year. This "hold harmless" aid provides school districts with 90 percent of the state general aid they received in the previous year. The DPI makes general aid payments to school districts in several installments throughout the year. The next general aid payment will be made in December.

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NOTES: A table that shows 2011-12 General Aid Certification for the state's 424 school districts can be found on the Department of Public Instruction newsroom website at http://dpi.wi.gov/eis/pdf/dpinr2011_120_general_aid.pdf. This news release is available electronically at http://dpi.wi.gov/eis/pdf/dpinr2011_120.pdf. Additional information about "Fair Funding for Our Future" is available at <http://fairfundingforourfuture.org/>.