

News Release

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July 1 general aid estimate released

MADISON — The \$108.1 million bump in state general aid from Wisconsin's biennial budget means 61 percent of school districts (260 of 424) will see an increase in state aid for the 2016-17 school year, according to estimates released today by the Department of Public Instruction.

General aid — made up of equalization aid also known as the school aid formula, integration aid also known as Chapter 220 aid, and special adjustment aid also known as hold harmless aid — totals \$4.584 billion for the 2016-17 school year. The amount to be distributed to school districts is up nearly \$120 million because of changes in how the Independent Charter School and Milwaukee Parental Choice programs are funded.

General aid to school districts is paid in installments and is based on prior year membership, shared costs, and property value. The July 1 aid estimates use unaudited school district data and will be recalculated on audited 2015-16 data and certified on Oct. 15. District aid estimates can be found on the department's [School Financial Services website](#), both alphabetically and by percent change.

Statewide pupil membership, counted as full-time equivalent (FTE) students rather than enrollment, decreased by 29 FTE to 854,390 for 2015-16, which is a smaller decline than in prior years. This is because membership now includes students who resided in 142 districts who were enrolled in the Wisconsin and Racine parental choice programs for 2015-16. Payments to those voucher programs will be deducted from the general aid of districts that have students enrolled in private choice schools for 2016-17: \$7,323 per full-time student in kindergarten through grade eight who enrolled for the first time in the 2015-16 school year and \$7,969 for each student enrolled full-time in grade nine through 12. Additionally, all districts will have 1.4 percent of their aid deducted, an estimated \$63.9 million, to pay for the 7,800 FTE pupils enrolled in 22 independent charter schools.

Milwaukee Public Schools will have a state aid deduction estimated at \$52.8 million to pay its new statutory share (25.6 percent) of the Milwaukee Parental Choice Program (MPCP). Overall, that program is expected to total \$206.1 million for 27,500 FTE students attending private choice schools in Milwaukee for the coming school year. General program revenue (GPR), state tax dollars, will pay the remaining MPCP costs for 2016-17 and will

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increase by 3.2 percent each year until GPR pays 100 percent of MPCP costs in 2024-25. Total general state aid to be distributed to public school districts after deductions is \$4,467,460,738.

Shared costs per pupil, a main factor in the school aid formula, include the operating and debt costs of a school district. Shared costs range from \$22,523 in the North Lakeland (K8) School District in Manitowish Waters to \$8,831 in the Stanley-Boyd Area School District. The preliminary statewide average shared cost per pupil for 2015-16 is \$10,765.

Changes in property valuations are another factor that impacts whether a district receives more or less general state aid than the prior school year. Property valuations per pupil range from \$8,996,900 in North Lakeland to \$183,400 in Beloit, a ratio of 49:1 between the state's most and least property wealthy districts. Beloit is the state's highest aided district, receiving state general aid that covers 81.3 percent of its eligible shared costs. There are 20 districts that receive no equalization aid because their property wealth exceeds \$1.9 million per pupil. Most of these districts receive special adjustment aid, which ensures that most aid decreases are held to no more than 15 percent from year-to-year. Geneva J4, Mercer, North Lakeland, and Washington school districts are estimated to receive no general aid for the 2016-17 school year.

The Herman, Neosho, and Rubicon districts will consolidate on July 1, reducing the number of public school districts across Wisconsin to 422. The three districts will continue to appear separately in aid lists for 2016-17 because aid calculations are based on prior year data. The new district name will be the Herman-Neosho-Rubicon School District.

State statute requires the department to compute an estimate of the general school aid each public school district will receive for the coming school year by July 1. School personnel use the estimate to complete their annual budgets. On Oct. 15, the department will certify state general aid amounts for 2016-17 based on audited 2015-16 data. Estimated general aid to districts may change.

The department's July 1 aid estimate does not include per pupil categorical aid, which is based on a three year average of Third Friday in September membership. That aid is \$250 per pupil, totaling \$211.2 million, and will be paid in March 2017. Per pupil aid is among a number of other categorical aids, most of which restrict spending to a specific program or service, such as special education and pupil transportation aid. More information can be found on the [Wisconsin Categorical Aid Programs website](#).

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NOTES: Additional information about general and categorical school aids can be found on the Department of Public Instruction's School Financial Services website at <http://dpi.wi.gov/sfs>. For lists of school district aid estimates, click the [July 1 Estimate of 2016-17 General Aid link](#). This news release is available electronically at http://dpi.wi.gov/sites/default/files/news-release/dpinr2016_73.pdf.