

**Wally Leipart**  
Superintendent

**Dr. John Sample**  
Director of Pupil Services

**Brian Dasher**  
Director of Finance

**Dr. Michele Jahnke**  
Director of Curriculum

**Cindy Heinz**  
Director of Human Resources

and Instruction

March 13, 2015

*Re: Impact of the proposed 2015-17 State Budget*

Dear Members of Joint Finance Committee

I want to thank each member of the Joint Finance Committee for always being open to feedback and willing to listen. I would like to share the Merrill Schools concerns with the proposed 2015-17 State Budget.

**Starting with School Levy Credits:** The budget provides a financial increase of \$319 million to public education in the form of school levy credits. This tax credit is in name only and provides no additional money for schools or students; they are used to reduce the net local levy for property owners. Please consider using these dollars for increasing aid directly to schools.

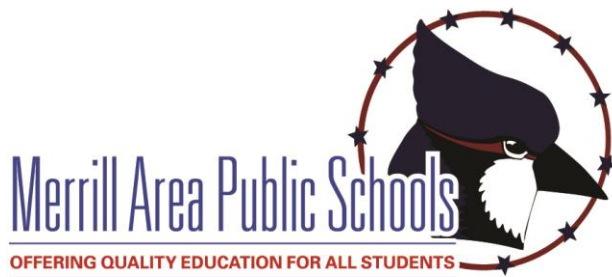
**Revenue Limit Per Pupil:** The budget includes no revenue limit per pupil increase in either year of the biennium. If the budget plan remains whole, Merrill Schools will face approximately a \$700,000 deficit in 2015-16 and a total deficit of \$1,200,000 over the biennium. Please consider adding an inflationary increase in per pupil revenues much like what is afforded to other public entities such as the county government and municipalities to avoid reductions in educational opportunities for public school children.

**Per Pupil Categorical Aid:** In Merrill, the impact of that first year cut in categorical aid is \$425,625 and will have an impact on program and services that allow us to provide high-quality learning opportunities for students.

**Statewide private School Choice Program:** Even though the state has not fully funded the current public education system, the budget lifts the caps on the voucher program. The budget calls for funding vouchers with the existing money appropriated for public schools. What this means for Merrill is a reduction in aid of over \$70,000 for every 10 voucher students. Not only will vouchers reduce state aid, it will reduce levy authority. Expanding vouchers has a devastating potential to Merrill Schools, our children and local taxpayers.

**Accountability, Assessment, and Standards:** Our concern isn't accountability, in fact, we embrace accountability. We can develop an accountability system that is built off of a single set of standards and provides a measurement by a single assessment while still providing local voice and choice in how and what we teach. The proposal to have different standards and assessments will result in apples to oranges comparison.

Furthermore, letter grades have the potential of having a negative impact on both the school and community. The proposed budget defines a "C" as the school meets expectations. Most



**Wally Leipart**  
Superintendent

**Dr. John Sample**  
Director of Pupil Services

**Brian Dasher**  
Director of Finance

**Dr. Michele Jahnke**  
Director of Curriculum

**Cindy Heinz**  
Director of Human Resources

and Instruction

individuals view a “C” as average. Apply a “C” to credit ratings and you equate a “C” to, substantial risks; extremely speculative; and, default imminent with little prospect for recovery. Consider what the economic impact would be to a community if people equated a “C” school as a school of substantial risk; extremely speculative; and, default imminent with little prospect for recovery. This doesn’t sound like meets expectations anymore. Families move to communities where there is a good school. This correlation results in a vibrant community. I am requesting that you eliminate the accountability provisions as proposed.

**Future of Charter Schools:** We are concerned that the creation of an independent charter school oversight board is the first step in making all charter schools non-instrumentalities of a school district. The impact to Merrill should our three charter schools become non-instrumentality would be a net reduction of approximately \$1,200,000. Our charter schools serve nearly 750 pupils and have been a successful partnership between MAPS and our communities. These partnerships have allowed MAPS to continue to provide programs and services to students both in the charters and the traditional schools. If MAPS loses this revenue we will have to consider cutting expenditures that will result in a reduction in programs for students.

I know that your job is difficult and it is challenging to adopt a budget with so many competing interests. I respectfully request that you continue to advocate and take a stand for our kids by seeking a way to restore the reduction in funds to public schools and remove the provisions from the budget that I have addressed. The policies that are proposed in this budget will not only change the landscape of public education, it will without a doubt be financially unsustainable. Please refer to the letter I sent to you on March 13, 2015 for a more details on our suggestions. Thank you for your consideration and I look forward to your response.

Respectfully,

Wally Leipart, Superintendent