Private School Choice Programs
Fiscal Management Training

New Private School Expense Minimums

School Finance Auditors
Parental Education Options

WISCONSIN DEPARTMENT OF Public Instruction
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This section of the training will explain the minimum expenses applicable for new private schools.

Applicable Law

- The Choice program is governed by Wis. Stat. §§ 119.23 and 118.60, as well as Wis. Admin. Codes ch. PI 35 and 48. This training provides guidance with respect to how the agency is likely to apply the requirements in these statutes and rules. Provisions of this training module are subject to statutory and rule changes.

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We will refer to the Private School Choice Programs as “Choice” or “Choice program” throughout this training. Information on the applicable law is identified on this slide.

New School Minimum Expense Amounts

- Schools must have a minimum expense amount for certain expenses.
- If the school does not include an amount that is at least as much as the minimum amounts, the minimum expense and cash payments to pay for the minimum expense will be added to the budget prior to determining whether the school meets the Choice requirements.
- The "tab" labeled New School Minimums explains the items that require minimum amounts.

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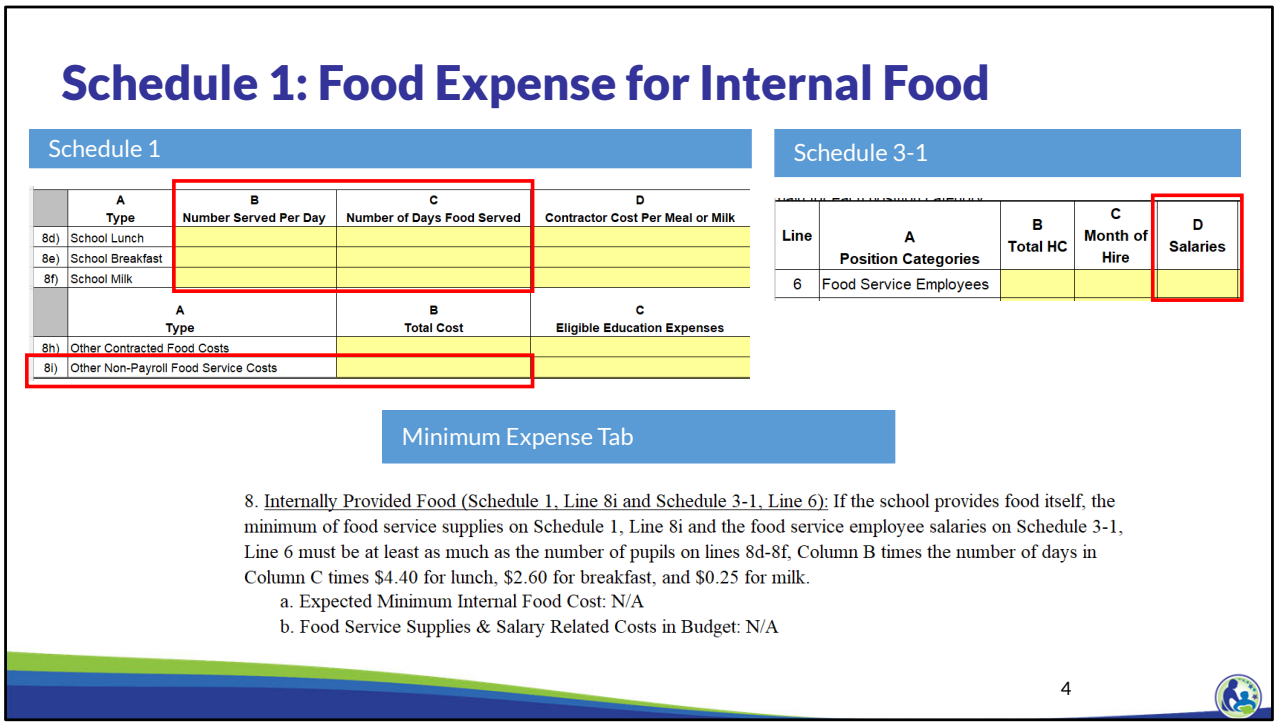
This training will describe the minimum expense amounts required for new schools. These are the minimum expenses for a new private school. A new private school is defined under Wis. Stat. 118.60 and 119.23.

If the school does not include the required minimum expenses on this tab, the required minimum amount will be added to the budget prior to determining whether a school meets the Choice requirements.

Please note where the "New School Minimums" tab is located in the budget. This tab will provide you more information and a listing of the minimum expenses.



If the school provides food itself, the minimum amount for food service supplies on Schedule 1, Line 8i and the food service employee salaries on Schedule 3-1, Line 6, Column D must be at least as much as the number of meals served on Lines 8d-8f, Column B multiplied by the number of days in Column C multiplied by $4.40 for lunch, $2.60 for breakfast, and $0.25 for milk.

As shown at the bottom of this screen, the New School Minimums tab will calculate the expected minimum internal food cost. It will also show the total food services supplies and salary costs in the budget. The amount on the new school minimums tab in 8b must be at least as the much as the amount in 8a or the department will add the additional cost as part of its review.

Schedule 1: Food Expense for Food from a Contractor

- If the school will obtain food from the school district or a 3rd party provider, the minimum rates on Schedule 1, Column D, Lines 8d-8f must be at least $4.40 for lunch, $2.60 for breakfast, and $0.25 for milk.

	A Type	B Number Served Per Day	C Number of Days	D Contractor Cost Per Meal or Milk
8d)	School Lunch			
8e)	School Breakfast			
8f)	School Milk			

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If the school will obtain food from the school district or from a 3rd party provider contracted by the school, the minimum rates on Schedule 1, Column D, Lines 8d-8f must be at least $4.40 for lunch, $2.60 for breakfast, and $0.25 for milk if the school is providing lunch, breakfast, or milk to the students at the school.

Schedule 3-2: Utilities & Supplies

Line	A Item Description	B Total Cost	C Education Expenses	D If no costs are included, explain how the utilities or supplies are being provided.
1	Telephone & Internet Access			
2	Electricity			
3	Gas			
4	Water and Other Utilities			
5	**TOTAL UTILITY**	-	-	
6	Administrative Supplies			
7	Classroom Supplies			

- Utility Costs (Schedule 3-2, Lines 1-4): The school must have a minimum of $11,000 for total utilities on Line 5.
- Administrative Supplies (Schedule 3-2, Line 6): The expected administrative supplies are between $1,000 and $20,000. The school must have a minimum of $1,000.
- Classroom Supplies (Schedule 3-2, Line 7): The expected classroom supplies are between $2,000 and $25,000. The school must have a minimum of $2,000 if it has 1-20 students, $5,000 if it has 21-50 students, or $7,500 if it has more than 50 students.

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The school must include minimum expense amounts for certain categories in the budget. If the school does not include the required minimum expense amount, the required minimum will be added to the budget prior to determining whether a school meets the Choice requirements.

Utility Costs are listed on Schedule 3-2, Lines 1-4. The total of all the utilities is on Line 5. The minimum for total utilities on Line 5 is $11,000. The school can only have less than this amount if the landlord is paying for a utility and a signed lease agreement is provided with the budget indicating the landlord will pay for the utility.

Administrative Supplies is listed on Schedule 3-2, Line 6. The expected administrative supplies are between $1,000 and $20,000. The school must have a minimum of $1,000.

Classroom Supplies is listed on Schedule 3-2, Line 7. The expected classroom supplies are between $2,000 and $25,000. The school must have a minimum of $2,000 if it has 1-20 students, $5,000 if it has 21-50 students, or $7,500 if it has more than 50 students.

Schedule 3-2: Insurance

- New private schools must have a minimum of $7,500 of insurance expenses.

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The next minimum expense is insurance, which is included in the cash flow section at the bottom of Schedule 3-2. The expected insurance cost is between $7,500 and $25,000. The school must have a minimum of $7,500 or the additional expense will be added to the budget.

Schedule 3-3: Auditing Services & Student Information System

Line	A Item Description	B Total Cost	C Education Expenses
1	Accounting Services		
2	Independent Auditing Services		
3	Consultant, Legal & Other Services		
4	TOTAL SERVICES COSTS	-	-
5	Contractor Provided Pupil Transportation		
6	Student Information System		

- **Independent Auditing Services (Schedule 3-3, Line 2):** The expected independent auditing services cost is between $7,500 and $35,000.
- **Student Information System (Schedule 3-3, Line 6):** The expected Student Information System cost is between $1,000 and $25,000.

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The expected independent auditing services cost is between $7,500 and $35,000. The school must have a minimum of $7,500. Schools participating in the Choice programs are required to annually have an independent auditor hired by the school complete a September Enrollment Audit, January Enrollment Audit, Fiscal & Internal Control Practices Report, and Financial Audit.

For the Student Information System, the expected expense is between $1,000 and $25,000. The school must have a minimum of $1,000. Schools participating in the Choice programs are required to have a Student Information System.

Schedule 5-1: Equipment & Educational Media

Line	A Item Description	B Years of Service	C June 30, 2026 Balance	D Purchases	E Disposals	F June 30, 2027 Balance
1	Land					-
2	Buildings & Land Improvements					-
3	Equipment					-
4	Educational Media					-
5	Leasehold Improvements					-
6	Construction in Progress					-
7	**TOTAL**			-	-	-

- New private schools must include at least $5,000 for equipment and educational media. If there is not at least $5,000 for each category, the additional amount will be added when DPI reviews the budget.

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New private schools must include at least $5,000 for equipment and educational media purchases in Schedule 5-1, Lines 3 and 4, Column D. If there is not at least $5,000 for each category, the additional amount will be added when DPI reviews the budget.

Schedule 5-3: Minimum Rent Amount

- If Schedule 5-2 indicates that the legal entity of the school does not own one of the locations, the school must include a minimum of $50,000 for each location the school does not own. If the school has a rental agreement or letter indicating the rental amount, the rent must match that amount.
- If the school does not include an amount that is at least as much as the minimum amount, the minimum expense and cash payments to pay for the minimum expense will be added to the budget prior to determining whether the school meets the Choice requirements.

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If Schedule 5-2 indicates that the legal entity of the school does not own one of the locations, the school must include a minimum of $50,000 of rent for each location the school does not own. If the school has a rental agreement or letter indicating the rental amount, the rent must match that amount.

If the school does not include an amount that is at least as much as the minimum amount, the minimum expense and cash payments to pay for the minimum expense will be added to the budget prior to determining whether the school meets the Choice requirements.

Available Resources

On Demand Trainings

- K4 Parental Outreach (Training 1-3)
- Auditor Authorization Form (Training 3-3)
- Financial Audit Requirements (Training 5)
- Fiscal & Internal Control Practices (Training 6)
- Payment Process, Pupil Count Report, & Audit Overview (Training 9-1)
- Count Reports (Training 9-2 & 9-3)

https://dpi.wi.gov/parental-education-options/choice-programs/on-demand-training

Bulletins

- Financial Audit and PSCP/SNSP Reserve Balance Bulletin
- PSCP Eligible Education Expenses Bulletin
- K4 Parental Outreach Activities Bulletin
- Student Tuition and Fees Bulletin
- Criminal Background Checks Bulletin
- Staff Credentials Bulletin
- Summer School Bulletin
- Accreditation Bulletin
- Insurance and Fidelity Bulletin

https://dpi.wi.gov/parental-education-options/choice-programs/bulletins

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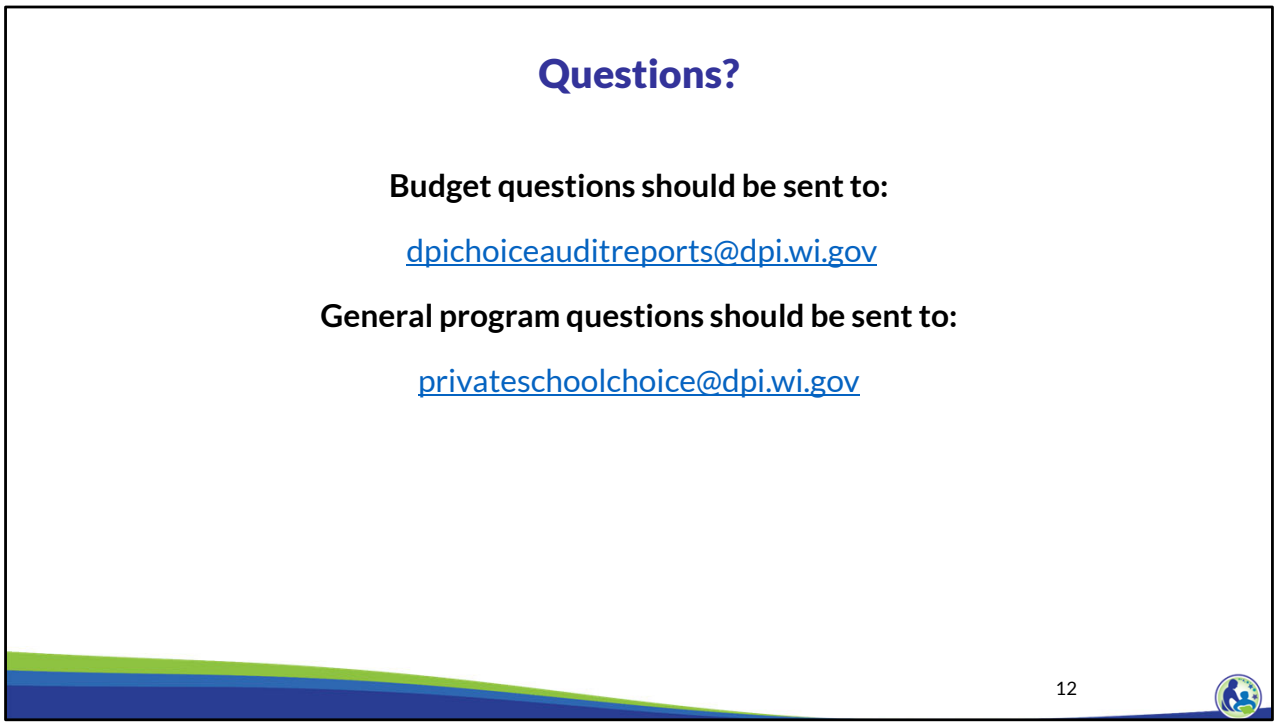
The department has on demand trainings and bulletins available to help schools understand programmatic requirements. Schools are encouraged to review these trainings and bulletins throughout the year when you have questions on the Choice program requirements.



Questions on this training, including questions on the budget and cash flow report, should be directed to dpichoiceauditreports@dpi.wi.gov, rather than a specific auditor. This mailbox is monitored by all of the Choice program auditors.

If you have general Choice program questions, they should be directed to the Choice program consultants at privateschoolchoice@dpi.wi.gov.