

# 2009-2011

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## BIENNIAL BUDGET REQUEST



WISCONSIN DEPARTMENT OF PUBLIC INSTRUCTION  
ELIZABETH BURMASTER  
STATE SUPERINTENDENT

# **2009-2011 Biennial Budget Request**

## **Decision Item Narratives and Statutory Language**

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EDUCATION  
FOR  
EVERY  
CHILD



## State of Wisconsin Department of Public Instruction

Elizabeth Burmaster, State Superintendent

September 2008

To the Citizens of Wisconsin:

It is my pleasure to present the Department of Public Instruction's education agenda for the 2009-11 biennium. We must be committed to public education as the foundation of democracy and economic security in Wisconsin in an increasingly competitive global economy. There is no room in Wisconsin for complacency when it comes to public education and economic development.

Public education in Wisconsin has been stretched to the limit. Wisconsin's dedicated educators and administrators have been resilient in balancing today's needs with tomorrow's expectations. However, unless we commit to reinvestment in our PK-12 system and making our students world ready, Wisconsin will lose our competitive edge in the 21st century.

Facing fifteen years of revenue caps and rising costs, school boards have struggled to preserve academic success and promote innovation. They have been forced into agonizing decisions to close schools, cut programs, eliminate services, and limit educational opportunities. Facing increasing child poverty, our schools and local communities have reached deeper and worked harder to increase support for Wisconsin's children and families in need. Facing job losses, increasing prices, and a struggling economy, Wisconsin families have been forced to make agonizing choices of their own, and have had to set tough priorities in their own family budgets.

When it comes to setting priorities, the people of Wisconsin have always recognized the vital importance of public education. Indeed, access to quality public education, no matter where you live in our state, has always been one of our most cherished values.

This is a state education budget that significantly reinvests in our PK-12 system. A budget that commits to two-thirds state funding. A budget that invests in workforce development, STEM education, global literacy and competitiveness to make our students world ready. A budget that prioritizes early childhood, small class sizes, and teacher recruitment. A budget that addresses increasing child poverty and the rising cost of transportation, special education, English language learners, and operating small, rural school districts.

And, a budget that, for the first time in 15 years, provides real revenue limit relief for all our schools.

We all know times are tight, and the 2009-11 biennial budget will be no exception. We also know that we won't be able to make all of the changes we want overnight, or in one biennium. But, by working together, we can begin the reinvestment that schools and communities need to keep our families, our children, and our state competitive in the 21st Century. By working together, we can make sure that education remains Wisconsin's top priority.

We at the department look forward to working with you, the Governor and Legislature to bring these proposals to fruition, to build on our successes and to move forward, world ready in Wisconsin.

Sincerely,

Elizabeth Burmaster  
State Superintendent

# **The New Wisconsin Promise**

## **A Quality Education for Every Child**

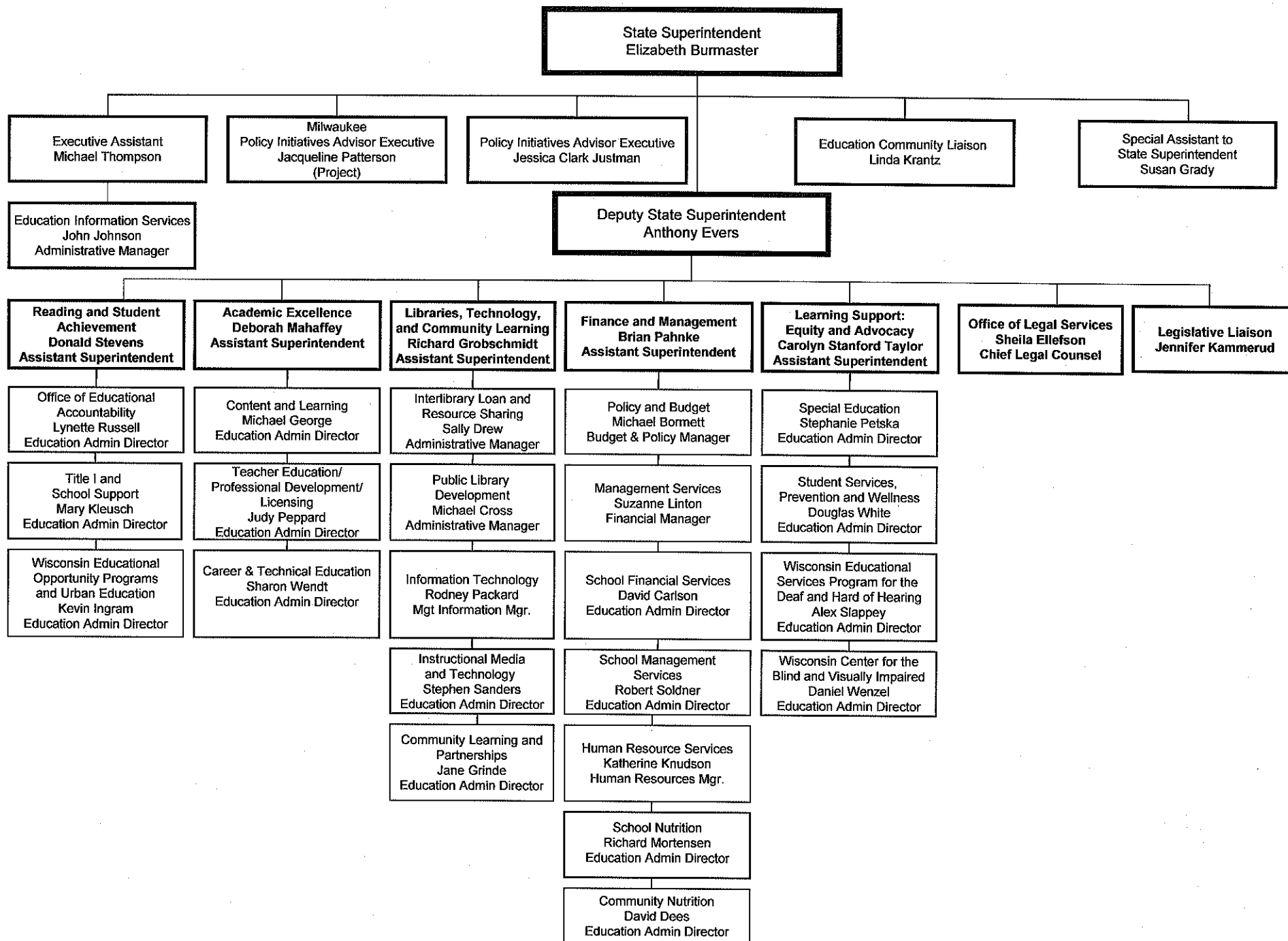
Wisconsin Department of Public Instruction

Elizabeth Burmaster, State Superintendent

Our common ground is our New Wisconsin Promise—our commitment to ensure a quality education for every child. Raising achievement for all students and closing the achievement gap between economically disadvantaged students, students of color, and their peers is our No. 1 priority. A quality education system is the foundation of a strong democracy and healthy economy.

Our New Wisconsin Promise is committed to ensuring that every child graduates with the knowledge and skills necessary for success in the 21<sup>st</sup> century global society by:

- Ensuring quality teachers in every classroom and strong leadership in every school.
- Improving student achievement with a focus on reading that has all students reading at or above grade level.
- Investing in early learning opportunities through the four-year-old kindergarten, Preschool to Grade 5, and SAGE class-size reduction programs.
- Sharing responsibility by increasing parental and community involvement in our schools and libraries to address teenage literacy, drop-outs, and truancy.
- Advancing career, technical, and arts education to engage students in becoming active citizens by understanding their role in the family, society, and the world of work.
- Providing effective pupil services, special education, and prevention programs to support learning and development for all students while preventing and reducing barriers to student success.



**DPI 2009-11 Biennial Budget Decision Items**

<u>Global Literacy &amp; Competitiveness</u>	<u>DIN #</u>	<u>FY 10</u>		<u>Source</u>	<u>FY11</u>		<u>Source</u>
		<u>Dollars</u>	<u>FTE</u>		<u>Dollars</u>	<u>FTE</u>	
Wisconsin Education for STEM	4001						
Expand STEM Grants		\$0	0.00		\$938,500	0.00	GPR
WI STEM Academies		\$253,000	0.00	GPR	\$1,148,000	0.00	GPR
21st Century Math and Science Facility Upgrades		\$0	0.00		\$5,000,000	0.00	BR
Bonding Debt Service		\$0	0.00		\$400,000	0.00	GPR
Project Lead the Way		\$250,000		GPR	\$250,000	0.00	GPR
World Languages Initiative for Elementary Schools	4002	\$0	0.00		\$812,500	0.00	GPR
International Education	4003	\$37,000	0.00	GPR	\$37,000	0.00	GPR
Environmental Education Consultant	4004	\$74,800	1.00	GPR	\$97,600	1.00	GPR
Advanced Placement Grants	4005	\$443,000	0.00	GPR	\$443,000	0.00	GPR
Supporting Gifted & Talented Pupils	4006	\$227,000	0.00	GPR	\$227,000	0.00	GPR
<b><u>Increasing Student Achievement</u></b>							
Heritage Language Learning Initiative	4501	\$0	0.00		\$200,000	0.00	GPR
Tribal Language Revitalization	4502	\$260,000	0.00	PR-S	\$260,000	0.00	PR-S
Bilingual-Bicultural Education Aid Increase	4503	\$2,314,100	0.00	GPR	\$3,412,500	0.00	GPR
Expanded Bilingual-Bicultural Education Aid	4504	\$0	0.00	GPR	\$8,902,400	0.00	GPR
Alternative Education Grants	4505	\$5,000,000	0.00	GPR	\$5,000,000	0.00	GPR
School Nurse Grant Program	4506	\$1,280,000	0.00	GPR	\$1,280,000	0.00	GPR
School Safety Grants	4507	\$0	0.00	GPR	\$5,250,000	1.00	GPR
School Breakfast Reimbursement	4508	\$1,263,100	0.00	GPR	\$2,176,900	0.00	GPR
School Milk Program Reimbursement	4509	\$447,400	0.00	GPR	\$541,300	0.00	GPR
School Lunch Matching Reimbursement	4510	\$2,500,000	0.00	GPR	\$2,500,000	0.00	GPR
Preschool-Grade 5 Program	4511	\$367,700	0.00	GPR	\$367,700	0.00	GPR
SAGE Program - Reestimate	4512	\$3,711,200	0.00	GPR	\$5,441,400	0.00	GPR
Four Year Old Kindergarten Grants	4513	\$6,225,000	0.00	GPR	\$1,500,000	0.00	GPR
Head Start State Supplement	4514	\$2,934,000	0.00	GPR	\$2,934,000	0.00	GPR
Homeless Grants	4515	\$0	0.00	GPR	\$1,179,200	0.00	GPR
<b><u>Rural Initiative</u></b>							
Transportation Aid	5001	\$7,507,500	0.00	GPR	\$7,507,500	0.00	GPR
Sparsity Aid for Small/Rural Districts	5002	\$4,555,400	0.00	GPR	\$4,555,400	0.00	GPR
<b><u>Special Education</u></b>							
Special Education Categorical Aid Increase	5501	\$27,466,600	0.00	GPR	\$53,233,000	0.00	GPR
High Cost Special Education Categorical Aid Increase	5502	\$7,398,600	0.00	GPR	\$9,996,700	0.00	GPR
Operations/Resources at WCBVI	5503	\$317,300	0.00	GPR	\$238,900	0.00	GPR
Operations/Resources at WESP-DHH	5504	\$1,003,800	0.00	GPR	\$1,005,700	0.00	GPR
<b><u>Libraries</u></b>							
Badgerlink	6001	\$1,123,000	0.00	SEG	\$1,358,400	0.00	SEG
Public Library System Aid	6002	\$10,476,800	0.00	GPR	\$11,294,600	0.00	GPR
Library Delivery Services	6003	\$216,000	0.00	GPR	\$232,000	0.00	GPR
Library Service Contracts	6004	\$48,100	0.00	GPR	\$83,600	0.00	GPR
<b><u>Teacher Quality</u></b>							
Online Licensing System	6501	\$3,000,000	0.50	GPR/PR	\$300,000	0.50	GPR/PR
Teacher Recruitment - Loan Forgiveness Programs	6502						
HEAB New High Need Teachers					\$500,000 at HEAB		GPR
HEAB Expand Minority Teachers		\$237,900 at HEAB		GPR	\$237,900 at HEAB		GPR
Elimination of Qualified Economic Offer	6503	\$0			\$0		
Master Educators & National Teacher Certification Reestimate	6504	\$417,900	0.00	GPR	\$735,300	0.00	GPR
<b><u>Agency Operations and Resources</u></b>							
Wisconsin Knowledge and Concepts Examination (WKCE)	7001	\$1,400,000	0.00	GPR	\$1,400,000	0.00	GPR
WI Alternate Assessment for Students w/ Disabilities	7002	\$1,100,000	0.00	GPR	\$1,100,000	0.00	GPR
Online Student Assessments	7003	\$500,000	0.00	GPR	\$3,000,000	0.00	GPR
WKCE in Spanish & Hmong	7004	\$250,000	0.00	GPR	\$250,000	0.00	GPR
Milwaukee Parental Choice Program Auditor	7005	\$71,300	1.00	GPR	\$92,900	1.00	GPR
MPCP & Open Enrollment Online Systems	7006	\$104,800	0.00	GPR	\$110,800	0.00	GPR
Longitudinal Data System	7007	\$211,100	3.00	GPR	\$275,000	3.00	GPR
Services for Drivers Position Authority	7008	\$0	0.30	PR	\$0	0.30	PR
Newsline for the Blind	7009	\$5,000	0.00	SEG	\$9,700	0.00	SEG
Liability Insurance Increase	7010	\$65,000	0.00	GPR	\$65,000	0.00	GPR
Program Revenue Reestimates	7011		0.00	PR		0.00	PR
Federal Program Reestimates	7012		0.00	FED		0.00	FED
<b><u>School Finance and Revenue Limits</u></b>							
General Equalization Aids	7501	\$187,025,100	0.00	GPR	\$379,188,100	0.00	GPR
Milwaukee Parental Choice Program Reestimate	7502	\$11,889,300	0.00	GPR	\$24,436,200	0.00	GPR
Milwaukee/Racine Charter School Program Reestimate	7503	\$9,303,500	0.00	GPR	\$15,500,000	0.00	GPR
Low Revenue Ceiling Adjustment	7504	\$0	0.00		\$0	0.00	
Revenue Limit - Flexibility	7505	\$0	0.00		\$0	0.00	
<b>Totals</b>		<b>\$303,043,400</b>	<b>5.80</b>		<b>\$566,267,800</b>	<b>6.80</b>	

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# **2009-2011 Biennial Budget Request**

## **Decision Item Narratives**



**Wisconsin Department of Public Instruction**  
Elizabeth Burmaster, State Superintendent  
Madison, Wisconsin

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4001 – WISCONSIN EDUCATION FOR STEM

**108 – Principal repayment and interest for STEM infrastructure**

**s. 20.255 (1) (dg) – New**

**283 – Grants for science, technology, engineering and mathematics programs**

**s. 20.255 (2) (fz)**

**285 - Science, technology, engineering, mathematics academies**

**s. 20.255 (2) (fv) - New**

**315 – Grant to project lead the way**

**s. 20.255 (3) (dn)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Grants GPR	\$450,000	\$2,188,500
State Ops GPR	\$53,000	\$148,000
Debt Service GPR	\$0	\$400,000
Bond Revenue	\$0	\$5,000,000
Total Request	\$503,000	\$7,736,500

#### Request/Objective

The Department requests funding for the following programs to assist high schools and middle schools conduct state-of-the-art instruction in Science, Technology, Engineering, and Mathematics (STEM): *Component #1: Physical capacity (STEM Stewardship) grants:* \$5,000,000 Bonding Revenue (BR) in FY11 for STEM grants to school districts for capital projects providing technological improvements to STEM classrooms; \$400,000 GPR in FY11 for annual debt service costs; *Component #2: Programmatic (non-physical capacity) requests:* Increase the current STEM grant program under s. 20.255 (2) (fz), Wis. Stats., by \$938,500 GPR (for a total of \$1,000,000 GPR) in FY11 to address achievement and participation gaps in STEM coursework and in career pursuits in these fields; *Component #3: Establishment of four STEM academies* to provide intensive training to STEM educators: \$253,000 in FY10 and \$1,148,000 in FY11; and *Component #4: Project Lead the Way:* Continue to provide \$250,000 GPR in FY10 and FY11 for annual grants to Project Lead the Way (PLTW) to provide discounted professional development services and software for participating high schools in this state.

#### Background/Analysis of Need

*Component #1: Physical Capacity--STEM Stewardship*

A “STEM Stewardship Fund” is proposed to help Wisconsin middle and high schools modernize their classrooms so they can accommodate dynamic STEM courses that will help to create a high-tech workforce, raise the bar for educational excellence, re-invigorate the state’s economy, and permit a higher standard of living and more economic security for generations of Wisconsinites. Pennsylvania and Alabama have established STEM programs dealing with physical capacity.

Wisconsin’s physical capacity proposal is based on the belief that local school districts know best what types of improvements are necessary to their middle and high school classrooms to make them suitable to accommodate state-of-the-art STEM instruction. The proposed Wisconsin “STEM Stewardship” program would provide up to \$5,000,000 BR each year to districts, beginning in FY11. The program is designed to continue for five years for a total expenditure of \$25,000,000 BR. Districts would be invited to submit their proposals for capital improvements to the Department for review, in conjunction with the Division of State Facilities in the Department of Administration. Administrative

rules will be developed for evaluating and approving grants, and to set up accountability provisions to ensure proper expenditure of the grant awards. STEM Stewardship grant recipients would be required to send their affected teachers to a specified period of professional development as a condition for receiving their grant. This training will be run through the STEM academies (see Component #3). The Department's request for \$100,000 GPR in professional development funds in FY11 would be used to develop seminars on program design, assessment, and best practices in STEM education for teachers whose classrooms are being renovated. This request, if granted, will utilize 20-year bonds, with annual debt service costs of approximately \$400,000 at five percent interest. Total FY11 costs for Component #1, Physical Capacity: \$5,000,000 BR for STEM capital projects; \$400,000 GPR for debt service costs.

#### *Component #2: Expand current STEM grant program*

The response to the grant program in its first two years of operation has been positive. Thirty-six grant applications requesting a total of \$170,450 were received in FY08 and 13 of those grants were approved. Twenty-six grant applications were received for FY09 requesting a total of \$122,912 and 14 were granted. Unfortunately, only \$61,500 was available in each year of the biennium so many applications needed to be denied. While this money is being put to good use, the size of the appropriation is too small to be used for anything but incremental projects. It is believed that this discourages some districts with creative and workable (but bolder) plans from applying at all. The Department proposes expanding the existing STEM grant program from its current \$61,500 GPR per year to \$1,000,000 GPR per year beginning in FY11. (FY10 will be a year for LEAs to organize, plan, and apply.) Grants are not to exceed \$25,000; it is anticipated that the average grant will be roughly \$20,000 - \$25,000. Such grants will make a more significant impact on the local project and will sustain it for a longer period of time. Therefore, because of the greater financial commitment on the state's part, grant applicants will be expected to undergo a rigorous process through which the applicant must demonstrate that if the grant is awarded, *transformational change will take place* and the grant will have an *impact on many pupils*. In addition, successful applicants will need to show how the grant will affect *targeted pupil populations* after the initial year of grant applicability (e.g., long-term impact through course changes, increased options for credit in science and mathematics, connections with local businesses to sustain and provide future funding for the program/project, etc.). Representatives from various regional economic workforce development boards (e.g., New North, M-7) will be included as reviewers of the grants to ensure that grant activities align with current STEM workforce needs. Examples of projects that grants could be awarded for are listed below:

*Develop new science equivalency courses:* The process is in place to provide equivalency credit in science for courses in agricultural science and technology and engineering education. Districts or a group of districts would be encouraged to develop new courses that would provide science equivalency credit, giving pupils the opportunity and the incentive to participate in more career and technical education courses and meet high school graduation requirements either on campus or via virtual means. It is assumed that a district could accomplish this task for \$25,000 per course (cost for curriculum and materials), based on teams of four to five members working for 160 hours.

*Explore and develop equivalency courses for mathematics, similar to science:* Districts could propose to work with local secondary and postsecondary institutions to create courses integrating mathematics with other courses, such as agriculture, auto technology, business/marketing, health, and information technology that would be acceptable to both levels for mathematics equivalency credit. It is assumed that a district could accomplish this task for \$25,000 per course (cost for curriculum and materials), based on teams of four to five members working for 160 hours.

*Increase integrated and connected curriculum across STEM in local districts:* Develop new approaches that will help pupils, teachers and administrators to see the connectedness of their curriculum, instruction, and pupil learning to STEM careers. The integration of technology and engineering into mathematics and science courses will promote learners to integrate their new skills into their everyday life and apply their newly acquired knowledge and skill. The estimated cost for development and evaluation is \$10,000 for each area of integration.

*Increase PK-16 alignment, assessment, and articulation:* Educators and policymakers will seek increased collaboration between kindergarten through grade 12 and postsecondary education systems. The purpose is to improve pupils' education by eliminating the disjuncture that results from two separate systems. A more seamless system may better integrate high school graduation standards and requirements for admission into college credit-bearing coursework, increase pupil access to higher education, and reduce high rates of academic remediation at postsecondary institutions. Expanding the role of the state's current PK-16 Leadership Council could support this effort. The development of the seamless system will need the collaboration of PK-12, all postsecondary systems, and policymakers. The cost of funding local collaborative groups is \$15,000 per group.

*Change career awareness and development system:* Changing the career awareness activities in PK-12 school systems will help expand pupil understanding of the world of work by identifying career pathways and specific occupations, developing respect for workers in all fields, locating and researching information about specific occupations, and developing an initial understanding of educational and training requirements. Wisconsin's Comprehensive School Counseling model links with this development of career pathways and individualized learning plans for all high school pupils. The activities associated with the career awareness can be developed by counselors and business individuals and delivered electronically or using hard copies. It can also be translated to other languages to accommodate the parents of English as Second Language (ESL) pupils. Job shadowing can provide an excellent opportunity to all pupils and teachers to explore the career paths. This may need 80 hours for development and dissemination, approximately \$12,500 per school.

*Increase Advanced Placement (AP) and other advanced coursework with support to help all pupils be successful:* The key is increasing support to pupils currently under-represented in STEM fields in middle and high schools years. Small, rural and low-income schools face particular challenges in offering AP courses. Supporting vertical teaming in school districts and among small, rural districts will increase communication and collaboration between each grade level, resulting in aligning the curriculum and providing a carefully designed sequence of courses with increased complexity and rigor at each grade level from middle school (grades 6-8) to high school (grades 9-12). Results would include decreased repetitiveness of themes and concepts and increased rigor, depth, and demand of critical thinking skills and success in advanced level courses. In addition, districts and/or groups of districts could target low-income schools or under-served pupil populations and those under-represented in STEM fields, providing training in how to differentiate their classroom instruction and/or virtual classrooms and preparation to meet the needs of pupils. Low-income middle school pupils will be provided further academic and personal support. In addition, traditionally under-served pupils and children of parents who did not attend college may not be aware of the benefits of an AP course and exam taking, or may not be exposed to courses in the middle and early high school grades that will ensure they are adequately prepared for challenging AP course content. Course offering would require training teachers, integrating the curriculum both within and among districts, purchasing materials for pupils, and paying fees associated with the course. This will require about \$12,500 per course for an average classroom.

*Work-based learning in STEM related business and industry:* The development of the work-based STEM education system will provide pupils the opportunity to connect their learning in the classroom to the needs and demands of higher education and the workplace. Work-based learning provides onsite work experience, and training and mentoring that expose the pupil to all aspects of a given industry. The activities associated with STEM work-based learning can be developed by counselors and business individuals and delivered electronically or using traditional means. It can also be translated to other languages to accommodate the parents of ESL pupils. Job shadowing can provide an excellent opportunity to all pupils and teachers to explore different career paths. This may need 80 hours for the development and dissemination, approximately \$12,500.

### *Component #3: Establish four STEM academies in the state*

The Department recommends the establishment of four STEM academies in Wisconsin by the fall of 2010. Academies will be spread across different Economic Development Regions (EDR) or Workforce Development Regions (WDR) of the state, thus providing statewide coverage. Additional academies will be added in other EDR or WDR as the four academies opening in the fall of 2010 prove their success. Each STEM academy will link with local businesses, industries, and workforce resources, collaborating with the EDR or WDR to influence the curriculum by identifying critical skills, knowledge, and relevant applications. The applicant must come from a regional PK-16 Leadership Council, providing a tangible activity and focus for the necessary groups to come together around a common goal. (These regional PK-16 councils have been urged in the past and did not materialize, partly due to the lack of a visible, attainable project.) Focusing on identified career pathways, each STEM academy will offer pupils specialized coursework. Through distance learning networks, pupils will tap these opportunities regardless of the location of their school district. The academies will focus on the identification of career pathways, based on analysis of regional labor statistics, jobs, and pupil achievement data. The academies will also link with the Governor's GROW agenda and place emphasis on the following 21<sup>st</sup> century areas for Wisconsin's economic development: health care, agribusiness-forestry-biotechnology, renewable energy, and advanced manufacturing. A four-part plan will be utilized to guide the academies and the schools they serve to excellence in STEM instruction. Each of the elements of this plan is described below:

*Part 1: Devise multiple curricular models and specific unit plans.* Key staff from each of the four regional STEM academies will spend the first nine months of FY10 developing model curriculum and unit plans and in some cases develop methods for collaboration among Wisconsin's smallest districts to implement the career models and unit plans. The target for the plans will be high school juniors and seniors. Key mathematics, science, and technology standards will be addressed, using innovative coursework and research-proven instructional strategies. The first step will be to determine those standards in which pupils are under-performing. This will entail an analysis of state level data at the item cluster level to hone in on those areas where pupils need the most help. Finally, with the content needed to be taught and the process used to teach pupils known, teams of experts from each academy will collaboratively develop models, being facilitated by content experts in math, science, technology, and service learning from RMC Research.

*Part 2: Provide professional development on the models and unit plans and demonstrate the process for devising or customizing one's own teaching to incorporate or improve effective instructional approaches designed to meet specific STEM content standards, including such pedagogies as service learning (FY11).* Regional training will feature development of a shared vision and mission, learning about the foundations for building curricular models and unit plans that address STEM issues, learning about the specific models and unit plans and what constitutes acceptable variation. Teams will have ample opportunity to plan for implementation, and will assess the types of support needed for effective and sustained practice. Academies will then plan for the ways they will support the demonstration sites. If customized plans are developed, the experts at the institute will provide feedback to ensure that the curriculum models or unit plans are consistent with best practice. During FY11, all four academies will implement their plans. They will be asked to submit quarterly reports of progress, and they will have technical assistance available to them on an "on call" basis to help them with any challenges they undertake. During state STEM networking meetings, they will be given an opportunity to meet to share their experiences and lessons learned. In the spring of 2011, an evaluation of outcomes and assessment of lessons learned will be collected formally.

*Part 3: Provide strong STEM content, courses, and experiences for juniors and seniors to pursue STEM interests and careers.* Each regional academy will provide courses and other STEM experiences not currently available to pupils, using the curriculum models and unit plans created by the development team. Distance learning opportunities will expand these experiences to serve broad areas of the state, with innovative approaches such as work-based learning and service learning providing meaningful connections with the local community.

*Part 4: Develop a “cascade” professional development through co-teaching experiences at the academy, mentoring, and an in-depth summer institute for any interested sites.* In late spring 2011, the institute training will be revised as needed. During the summer or early fall, each academy will offer the institute to any interested school. The same levels of support will be available to the schools that participate, and quarterly progress reports will be expected. Evaluations of quality of implementation and impact will take place and lessons learned will be captured

*Research-based evidence of effectiveness of the approach above:* This approach to professional development with strong models and unit plans, pilot and demonstration sites, and professional development cascades have a strong history of success. For example, the National Science Foundation-funded *Math in the Middle* process, developed by the University of Nebraska-Lincoln showed that teachers who were most successful at learning and implementing high quality middle school mathematics had models of high quality practice that were directed at meeting identified content area needs; strong professional networks and learning communities for support; ongoing professional development; incentives through peer expectations and modeling; and scale-up strategies (Lewis, 2006; 2007; Meyer & Sutton, 2006; 2007). The evaluation of the New England Cascade model (Wilkinson, 2006) of mathematics and science practices for young children showed that once a strong curriculum was developed with supporting materials, ideas of acceptable variation, and effective training-of-trainers, states could efficiently and effectively sponsor a cascade of professional development opportunities, with state experts training and supporting district or regional experts, and those experts in turn training and supporting local practice. In this case, the knowledge and skill acquisition and the implementation of effective strategies was just as strong at the local level as the direct provision of professional development services by experts in the field.

*Performance measures and evaluation:* For the academy project, the following performance measures will be used to determine effectiveness. In terms of *product development*, by spring 2010, at least four curriculum modules and four unit plans will be developed for STEM disciplines in high school. In addition, by summer 2010, a three day summer institute featuring best practices in STEM disciplines and service learning and consistent with effective practices in professional development will be developed and implemented. In terms of *participant development*, by spring 2010, a cadre of experts in STEM will be developed; by spring 2010, administrators and master teachers from at least two demonstration sites in each region will receive high quality professional development in the STEM disciplines; and by spring 2011, at least 25 pupils from at least ten schools in each region will participate in high quality STEM courses taught by educators who have attended professional development in research-based strategies to help pupils master STEM disciplines.

*Impacts:* Pupils in participating classrooms will show a greater increase on formative assessment in mathematics, science, technology, and/or engineering (whichever STEM discipline is addressed) than their nonparticipating peers in the same school or district; pupil attendance levels in participating schools or classrooms will increase relative to average attendance levels in the past; participation in junior and senior level STEM courses will increase relative to average enrollment in the past; school climate scores as rated by both teachers and pupils at participating schools will increase relative to their nonparticipating peers; demonstration sites will sustain their approach to STEM teaching using service learning and other research-based pedagogies over the course of the grant.

*Financing of academies:* As they grow, the academies should be a state/business partnership with both members of the partnership funding a portion of the academies' expenses. This partnership (which resembles matching funds coming from the regional business and industry) must develop long-term collaboration and financial support. Academy funding would be awarded through a competitive grant process. Eligible applicants would be regional PK-16 councils (linking PK-12, technical colleges, University of Wisconsin 2- and 4-year institutions, and private colleges and universities). A potential budget for STEM academies for 2009-11 is as follows:

## STEM Academies Budget

	FY10	FY11
Development of STEM curricular models and unit plans	\$40,000	\$15,000
Summer institute	10,000	0
Program evaluation	0	30,000
Regional grants to STEM academies*	200,000	1,000,000
Conference calls and web meetings for development team	500	500
Online support through project management website	2,500	2,500
Professional development for physical capacity grants	0	100,000
<b>BIENNIAL TOTALS</b>	<b>\$253,000</b>	<b>\$1,148,000</b>

\*Regional grants to STEM academies are detailed as follows: FY10: \$50,000 x four STEM academies = \$200,000; FY11: \$250,000 x four STEM academies = \$1,000,000

### *Component #4: Project Lead the Way*

Project Lead the Way (PLTW) is a not-for-profit organization dedicated to preparing middle and high school pupils for careers in the technical, high wage sector of engineering and engineering technology. PLTW started in 1996 in upstate New York with funding from an entrepreneur and his family. The organization believes that, to stay globally competitive, America needs to systemically strengthen education in technology and engineering.

The Kern Family Foundation Board of Directors, based in Waukesha, Wisconsin, agrees with the PLTW concept that to stay competitive, the U.S. needs a well-trained technical workforce and citizenry. In response to this well-documented need, the Kern Family Foundation has authorized the investment of more than \$10 million to grow the PLTW network of schools in the Midwest. The Kern Family Foundation has a competitive grant process that provides start-up funding to public and private schools in Wisconsin, Illinois, Iowa and Minnesota to implement the PLTW program.

More than 2,200 middle and high schools in the country use engineering courses offered by PLTW, up from just 12 when the initiative started in 1997. In 2007-08, there were 115-120 Wisconsin schools offering PLTW courses.

Pupils who excel in PLTW courses can receive advanced standing in engineering technology associate-degree programs in nearly a third of Wisconsin's technical colleges and in some undergraduate engineering programs, including the Milwaukee School of Engineering and Purdue University.

The Department currently spends a \$250,000 statutory allocation directly with the PLTW National Office. In turn, PLTW returns 100 percent of the money to Wisconsin's PLTW schools (the National Office keeps nothing for administering the money). The schools use the money for teacher professional development and/or the software lease that is essential to be in the program. Current law prohibits the Department from encumbering any funds from the PLTW appropriation after June 30, 2009. This request would change the sunset date of the appropriation to June 30, 2011, thus allowing the expenditure with PLTW to continue.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Wisconsin Education for STEM* in the Statutory Language section of this document.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4002 – WORLD LANGUAGES INITIATIVE FOR ELEMENTARY SCHOOLS

#### **282 – Grants for elementary world languages s. 20.255 (2) (ch) - New**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$812,500

#### **Request/Objective:**

The Department requests \$812,500 GPR in FY11 to fund the first year of a nine-year project entitled Wisconsin's World Languages Initiative for Elementary Schools.

#### **Background/Analysis of Need:**

This proposal represents an opportunity for Wisconsin to build its status and reputation as a state prepared to succeed and provide leadership within the global economy and community. Wisconsin and its pupils need the capacity to compete and collaborate with counterparts throughout the world. The state, its communities, businesses, organizations and residents are part of a world community that is diverse, interdependent, mobile, and highly competitive. Life in the 21<sup>st</sup> century requires new skills, including knowledge of languages other than English. Proficiency in a second language improves access to information, career opportunities and participation in local and international communities. Today, the term "world" rather than "foreign" language is used in recognition of the language diversity within the state and nation.

- Twenty-five percent of the world's people know English. Seventy-five percent do not.
- Fifty-two percent of Europeans are proficient in two or more languages. Nine percent of Americans have comparable language skills.
- Close to 20 percent of U.S. residents use a language other than English at home. This figure has reached 50 percent in some communities. Three hundred nineteen different languages are spoken within American households.

Proficiency in a language is developed over an extended sequence of an effective, well articulated and uninterrupted course of study. Wisconsin can boast one of the highest pupil participation rates in middle and high school world language programs with just over 50 percent of pupils learning a language. This success is compromised by the reality that fewer than ten percent of those learners continue their language study beyond two years of instruction. How pupils, including the 50 percent of pupils without any language education, will fare in comparison to their peers at home and around the world is the state's challenge.

Developing proficiency in a language takes time. Beginning the study of a language in early elementary school gives pupils the time they need to develop meaningful language skills in one or more languages. The optimal period to begin language learning is in early childhood. Developing K-12 pathways of language learning will benefit pupils and the state. Local education agencies in Wisconsin recognize the need to develop effective and sustainable elementary school language programs. Revenue limits and budget cuts currently deter districts from initiating or expanding language programs. State level leadership and financial assistance is critical to the development of elementary school world language programs.

There are costs associated with world language education. The long-term cost of prevalent monolingualism is far greater. Projections indicate that approximately 17 percent (72 of 425) of

Wisconsin school districts will offer pupils an elementary school world language program experience in 2008-09. During the 2006-07 school year, districts reported 22,700 pupils or 5.4 percent of elementary school pupils participated in world language education. This proposal is designed to support the incremental development of a six-year elementary world language learning sequence in 100 Wisconsin school districts. The Wisconsin International Education Council has recommended a 2020 target to have 50 percent of Wisconsin school districts with elementary world language programs. This initiative will bring the state within range of that goal. This goal echoes that of Governor Thompson's 1997 Wisconsin International Trade Council – International Education Task Force recommendation targeting 200 elementary world language immersion programs by 2015. Nine states have initiated early language learning programs or expanded world language requirements. Wisconsin is well positioned for leadership in this field. The state's world language teacher education programs, pupil learning standards, curriculum development framework, and professional development activities are recognized for their rigor, quality and efficacy. One of the most talented and professionally active world language teacher associations in the country, the Wisconsin Association for Language Teachers, is located in this state. Wisconsin has the professional resources needed for effective elementary program implementation. Teachers and districts stand ready and seek the financial resources to move forward. The Department, with grant support from The Longview Foundation, has identified five elementary school pilot sites with new or expanding language programs with whom it will partner during the 2008-09 school year. The Wisconsin Early Language Learning (WELL) Initiative will build a professional network of elementary world language programs and generate a means to gather data on program design, implementation and student performance. Best practices identified through this project will guide the development of future elementary world language programs. Results orientated data gathered through the WELL project and from a survey of existing elementary school world language sites will be analyzed for program efficacy purposes.

#### *Impacts of early world language instruction*

There are multiple benefits of world language education. There are cognitive, career, cultural and personal benefits to the individual learner. There are benefits to local communities as people develop the capacity to understand and negotiate language and cultural differences. There are benefits to businesses and to the state as investment in human capital and capacity translates to a stronger economy. There are benefits to the nation and to the world by prioritizing knowledge of and relationships with international partners.

When pupils begin to learn languages in addition to English during their elementary grades they develop native-like pronunciation, plus natural and automatic sentence patterns. By beginning in elementary school, pupils are able to enter advanced courses in high school, reaching levels of proficiency normally only obtained by university pupils. This provides the means for Wisconsin to reach a goal of President Bush's National Security Language Initiative, providing programs so that pupils can reach advanced levels of proficiency. In addition, the evidence in districts with strong world language instruction in elementary grades shows that pupils often begin to learn their third language in middle school or high school, adding to the world language capacity in the U.S.

World languages' positive effect on the maturation of cognitive abilities could be considered an "equalizer." Pupils who are traditionally disadvantaged but study languages make better score gains in state language arts and mathematics examinations. In a recent study of fourth graders in Louisiana, pupils who studied languages did better than those who did not in every subtest of their state's assessment. These gains do not occur with random and sporadic exposure to other languages; rather, this impact comes from regular instruction in a world language for at least 90 minutes per week. Cognitive gains and improved academic achievement through language education should be accessible to all learners.

Languages provide expanded access to careers, research, travel, friendships, and cultural understanding. Test data from other states shows that by mastering literacy in a second language, pupils' literacy in their first language is improved. In terms of brain development, studying world languages helps pupils understand the grammar, structure, and culture of their first language. In a

broader sense, language study helps pupils develop cognitive abilities at an early age. Research shows the compatibility of language development with divergent thinking, problem solving, and pattern recognition. World language study also hones critical thinking skills. The ability to think critically is a desired skill for candidates wishing to fill the knowledge based jobs described in the section below.

World languages provide pupils with a “competitive edge” for employment. In virtually every field there is a shortage of workers who are able to use more than one language for successful communication. World languages give native English speakers a deeper understanding of and respect for other cultures.

Economic development advocates support pupils learning world languages. Having the workforce perceived as globally competent will be increasingly important as an economic benefit to Wisconsin. States with a high percentage of persons able to speak other languages have a better chance at being in the winner’s circle when firms that do business at the international level make site decisions. For customer and personnel service, businesses will need employees who speak languages other than English to address the increasing diversity of citizens in Wisconsin.

The public is beginning to realize that competition for economic development is not only from neighboring states but from countries around the world. For most nations, world language education is compulsory and begins in elementary school. The Council of Europe has set the target of beginning pupils’ first world language (usually English) in second grade rather than fifth grade as is common today. Pupils then have time to learn additional languages in middle and high school. Europe’s Common Framework for Languages provides their community of nations common goals, methods, syllabi, assessment tools, instructional materials and professional development activities. Australia adopted its National Policy on Languages in 1987 and has achieved near universal elementary world language program implementation that emphasizes language pluralism and improved academic achievement through language education.

Many Wisconsin school districts have considered starting world language programs at the elementary level. If it had been financially possible to follow through on these plans, it would likely mean that in several years more pupils would have been in a position to enroll in advanced courses – something that world language advocates consider an important milestone in becoming fluent in one or more world languages. The Department asserts that two years of high school language study is not enough for a lifetime in a global community, citing the following evidence from the American Council on the Teaching of Foreign Languages (ACTFL).

- Two years of high school language study leads to a proficiency at the level called “novice-high.”
- It takes more years of language study plus time living in a country where the language is spoken in order to reach the “advanced” level, the equivalent level required for jobs such as customer service representatives, police officers, or teachers.

Despite support from school boards and parent-community groups, however, few elementary schools have been able to follow through on plans for teaching world languages. The problem is money. Revenue limits make it difficult for school districts to continue funding existing programs, let alone to start new ones. Often, the answer is a spending referendum, for which there is no guarantee of success. As a result, public schools have had trouble finding enough money to offer early world language instruction. The Department stands ready to be of technical assistance to school districts that choose to go ahead with such a program for elementary school children, just as it has been doing for the last five years. But most public schools, no matter how eager they are to move ahead, need financial assistance in order to start and staff these programs.

Data from the National Council of State Supervisors for Languages (NCSSFL) identifies five states requiring that schools provide instruction in world languages in some, if not all, elementary grades:

- Louisiana: (curriculum program requirement grades 1-12) required for academically talented beginning in fourth grade.

- Maine: K-12 program implementation and assessment beginning in 2007-08.
- Minnesota: The state legislature instituted a four year world language graduation requirement beginning in the 2011 academic year and has appropriated \$750,000 to Chinese language program and instructional materials development.
- New Jersey: LEAs must offer a program in grades K-8.
- Ohio: The State Board of Education's Foreign Language Advisory Council created *Passport to the Future: Ohio's Plan for World Languages* which included the introduction of K-4 Chinese Language pilot programs. This effort is supported by the development of a new K-4 Chinese language curriculum funded through the National Security Languages Initiative.
- Oklahoma: Language awareness in grades 1-3; required sequential instruction in a world language begins in grade 4; required of all pupils, K-8.
- Oregon: Began the first K-16 Foreign Language Flagship Initiative now being pursued in other states, including Texas. These initiatives target the development of proficiency through extended sequences of language study throughout a child's education.
- Wyoming: State support for K-6 language education. Wyoming has about one-tenth as many pupils in its public schools as Wisconsin. In June 2004, Wyoming appropriated \$5 million for a five-year pilot project, Wyoming Elementary School Foreign Language Pilot Program.

Instead of placing a state mandate on localities, the Department wants to take a cooperative partnership approach to this grant program. The Department wants to offer financial assistance to school districts over a six year period to modestly begin world language programs for elementary schools by starting a world language in first grade. The school would then add a new grade every year until all elementary grades, first through sixth, are studying a world language. (The elementary program would then link with the currently required instruction in world languages in grades 7-12.) This approach respects the long-standing Wisconsin tradition of local control and further shows sensitivity to the tight financial constraints under which many school districts in the state are operating. Some might question whether a significant number of children will enroll in early foreign language instruction if it is not a statutory requirement. But it should be noted that since 2000, over 50 districts have discussed with the Department how to bring world languages to elementary grades. This proposal is for the state to provide meaningful start-up costs to school districts for a limited amount of time. After year six, the financial responsibility for local programs rests solely with the school district; this proposal does not provide permanent funding. School district management would need to use the six year period of the grant to determine how to make up the state funding component of the elementary world language budget beginning in the seventh year of their programs. To avoid dropping or downsizing the program when the grant is exhausted, the use of resources such as appropriate federal funds, state equalization aid, and property tax dollars could be considered. Alternatively, the district could absorb the needed funds through savings elsewhere in its budget.

Quality of application, ability to raise local resources as mentioned above, and regional allocation will be the criteria for selecting recipients for grants. Evaluators will strive to create a balance between rural, suburban, and urban schools. This policy should compensate for the present inequality of opportunity under which more world language instruction is available at the elementary level in suburban schools than in urban and rural schools. Twenty-five new sites will be added each year through the first four years of the program. As a result, the goal of having 100 sites up and running within four years would be reached at the end of the four-year period. It is already required under PI 34, Wis. Admin. Code, that new candidates for world language certification be prepared to teach in grades K-12.

The grant will pay a portion of salaries for teachers hired under this program for a limited time during the build-up of the program, starting with first grade and adding a grade level each year until the language instruction is in place in grades 1-6. The grant support allows the district to begin its program by hiring a teacher to fully implement instruction at a grade level. The district is required to match a portion of the state grant. The district match is required to be at least an amount set in the grant requirement each year, but may exceed that amount, providing flexibility in district implementation while controlling the state's financial commitment. The district's match increases each year until the seventh

year when the salary and benefits for two teachers are fully funded by the district. This slow increase in district commitment allows long-term budget planning to guarantee sustainability. To meet this matching requirement, school districts will need to develop local resources, build community partnerships, and involve the local business community. The state grant pays a set amount each year. State grants and local matches at different years in program development are described in the table below:

State Grants to LEAs and Minimum LEA Matches

Year of Program Development	State Grant to LEA	LEA Match (Minimum amount required)	Total available for teacher salary and benefits	Grades providing world language instruction
Year 1	\$30,000	\$15,000	\$45,000 (1 tchr)	Grade 1
Year 2	30,000	22,500	52,500 (1 tchr)	Grades 1-2
Year 3	60,000	30,000	90,000 (2 tchrs)	Grades 1-3
Year 4	60,000	45,000	105,000 (2 tchrs)	Grades 1-4
Year 5	30,000	75,000	105,000 (2 tchrs)	Grades 1-5
Year 6	30,000	90,000	120,000 (2 tchrs)	Grades 1-6
Year 7	0	120,000	120,000 (2 tchrs)	Grades 1-6

School districts also will be expected to pay transportation and lodging for sending partially subsidized language teachers to the professional development activities discussed below. To teach the elementary program, districts may utilize the expertise of those in the community who speak languages other than English (obtaining appropriate licensure) or share teachers from middle school and high school grades.

Professional development funds will be utilized to develop seminars on program design, assessment, and best practices in world language education. In addition, these seminars will provide the opportunity to strengthen the state's network of elementary world language professional educators. Participants in these workshops will be the language teachers partially subsidized through this program as well as two classroom teachers in the newly added grades. Language and grade level cooperating teachers will attend two annual program and professional development seminars. Content for these workshops will include strategies for successful integration of language and culture with grade level curricula. Teacher teams will be given time and guidance to design content based language instructional units appropriate to their grade level and local context.

Curriculum development and materials will be provided to schools as part of an additional annual grant of \$1,000 for each participating school.

The new grant program would begin in the 2009-10 school year (FY10), allowing time following passage of the state budget for technical assistance and advice to districts applying for a grant. Announcing successful districts by Spring 2010 will allow districts to hire world language teachers to start in Fall 2010.

The anticipated budget for the new program is shown below:

**Anticipated Budget for Proposed Elementary World Languages Program, FY11**

	Proposed GPR FY11
Salary Reimbursement. FY11: 25 teachers x \$30,000 (combined with district match of at least \$15,000 to provide an estimated \$45,000 salary and benefit package) for first round of site openings	\$750,000
Professional Development – Workshops: Two workshops per year for three teachers from each site (the new teacher hired under this grant at each site <u>plus</u> two other elementary teachers from each site). FY11: 25 sites open = 75 teachers x two workshops x \$250 per workshop	\$37,500
Curriculum materials. FY11: 25 sites open x \$1,000 per site	\$25,000
Total GPR (entire program)	\$812,500

**Statutory Language**

The Department is proposing statutory language related to this request. See *World Languages Initiative for Elementary Schools* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4003 – INTERNATIONAL EDUCATION

#### *101 – General program operations* *s. 20.255 (1) (a)*

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$37,000	\$37,000

#### **Request/Objective**

The Department requests \$37,000 GPR in both FY10 and FY11 to increase dedicated agency funding for international education activities from the current \$38,000 to \$75,000 annually.

#### **Background/Analysis of Need**

International education will play a great - perhaps a defining - role in the lives of professionals in tomorrow's workplace because of increased globalization. From an economic development as well as an academic standpoint, there is an increasing need for comprehensive, well-integrated international education programs in the state's public schools. Internationalization of education is necessary to put the state's pupils and schools in a position to compete in the 21st century global economy. The Department should be in a position to provide enhanced leadership and resources to school districts so this need can be met.

The Department's new strategic plan for international education identifies four areas: Advocacy, Internationalizing Curriculum, Technology, and Study Abroad Programs for high school pupils. Increased funds for programs in these areas can open many more opportunities for working with the Department's education partners around the world.

The economy is becoming global, with more and more businesses becoming international in scope. As a result, the job market is putting pressure on pupils who are looking for jobs to become either bilingual or multilingual and to have cross-cultural experience and skills. In addition, these employers expect successful job candidates to have a workable understanding of the governance, social and economic structures, and customs of other lands. Their employees will need such knowledge to work effectively with their international peers and to design products for other cultures. To date, only a handful of pupils have benefited from international education opportunities. Often left out are elementary pupils, low-income pupils, most minority pupils, pupils in vocational education tracks, and pupils focusing on math, science, and technology. This creates an inequity in terms of learning opportunity. For pupils to have the knowledge they will need to have by the time they enter the job market, international education should begin early during the K-12 years.

The Department's international education consultant is responsible for supporting and leading many of these efforts, and while this internal staff time is provided, what are not currently funded are project expenses which are the focus of this request for additional resources. These projects, described below, include workshops, teacher exchanges and seminars, hosting international delegations, sister-school electronic linkages and other efforts to expand international education offerings in the state.

These are the proposed uses of the \$37,000 annual/\$74,000 biennial increased international education budget (shown as biennial figures):

- Development of International Education Standards: \$5,000.

1. Task force meetings (paying mileage, meals, limited overnight lodging).
  2. Professional development for teachers and administrators (in cooperation with higher education, business leaders, and Wisconsin Education Association Council [WEAC]), planning four regional events to rollout new standards and showcase exemplary school and community programs.
- Support of the Statewide International Education Council: \$5,000.
    1. Facilitate, organize, and staff work group meetings (chaired by members of the Council).
    2. Meeting expenses of the Council (twice per year - break and meeting room expenses).
    3. Meeting expenses of Council work groups (anticipating eight per year - break and meeting room expenses; some mileage reimbursement).
    4. Publish and document work results, link to teacher professional development (intertwined with the work on international education standards above) - expense is for preparing publications for print or for website access.
  - International Teacher Professional Development Seminars: \$40,000.
    1. Based on current seminars with Hessen (Germany) and France -- the budget for each seminar over a two-year span (including hosting and travel) is approximately \$20,000 each (includes expense of lodging and travel in Wisconsin for visiting delegation; expense of airfare plus some lodging and meals for Wisconsin delegation on return seminar in Germany or France).
    2. The Department is at the beginning of conversations with two new partner regions, and is anticipating teacher seminars with Heilongjiang (China) or Jalisco (Mexico).
    3. Two teacher seminar programs \* \$20,000 each = \$40,000.
  - Support of International Partnerships: \$18,000.
    1. Through hosting international delegations and student groups: \$3,000.
    2. Through staff travel to partnership regions: \$15,000.
    3. Note: Visiting partner regions is considered essential. If the Department is not visible in those regions, it will be very hard to maintain these partnerships. The Department has strong partnerships with Hessen (Germany), Aix-Marseille and Bordeaux (France), Chiba (Japan), and Thailand. The Department is currently working on creating education partnerships with Heilongjiang (China) and Jalisco (Mexico). Under this level of funding, staff anticipate the need for at least five trips abroad during the 2009-11 biennium. (5 \* \$3,000 = \$15,000).
  - National and International Conferences: \$6,000.
    1. Wisconsin delegation attendance at national and international conferences, hosted by Asia Society and others.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4004 – ENVIRONMENTAL EDUCATION CONSULTANT

#### **101 – General program operations** **s. 20.255 (1) (a)**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
<b>\$74,800</b> <b>1.0 FTE</b>	<b>\$97,600</b> <b>1.0 FTE</b>

#### **Request/Objective**

The Department requests \$74,800 GPR in FY10 and \$97,600 GPR in FY11 and 1.0 FTE GPR position authority for an educational consultant position to serve as an environmental education (EE) consultant.

#### **Background/Analysis of Need**

Despite increased public attention to the environment since the inauguration of Earth Day in 1970, environmental challenges still loom large. Climate change, an ever diminishing water supply, invasive species of plants and animals, habitat depletion, and water and air pollution are issues that play a central role in policy debates.

Some people believe that there is a need for schools to have robust EE programs that not only teach environmental science, but that also stress the need for citizen involvement and solving problems through critical thinking and collaborative working relationships. The National Science Foundation (NSF) commented that a scientifically informed constituency on the environment is necessary to overcome environmental challenges. The NSF asserts that accomplishing this will require a “concerted and systematic approach to EE grounded in a broad and deep research base that offers a compelling invitation to lifelong learning.”

The argument to place increased emphasis on EE is articulated further by Richard Louv, author of *Lost Child in the Woods* (a book about getting children out of the house and into nature) and Chairperson of the Children and Nature Network, who urged policymakers to “leave no child inside.” In congressional testimony in February 2007 Louv said: “In a typical week, only six percent of children, ages nine to thirteen play outside on their own.” Studies by the National Sporting Goods Association, and American Sports Data, a research firm, show a dramatic decline in the past decade in such outdoor activities as swimming and fishing. Even bike riding is down 31 percent since 1995. In San Diego, California, according to a survey by nonprofit Aquatic Adventures, 90 percent of inner-city kids do not know how to swim; 34 percent have never been to the beach.”

The need for effective EE should be applicable to today’s pupils, since arguably, they will be more affected by environmental policy than any previous generation. How they manage their work lives and their households will be heavily influenced by environmental concerns.

In Wisconsin, statewide aggregate EE enrollment figures since 1999-2000 (the first year data was reported for EE) show that enrollment grew until 2004, when it leveled off and then receded a bit. Yearly changes varied from +15.9 percent in 2000-01 to -16.1 percent in 2004-05.

Table 1  
Environmental Education Enrollment in Wisconsin  
1999-2000 Through 2007-2008 School Years

Year	Total Enrollment	% Up (or Down) from Previous Year
1999-2000	9,864	--
2000-2001	11,429	15.9%
2001-2002	13,083	14.5
2002-2003	13,018	(.5)
2003-2004	14,382	10.5
2004-2005	12,060	(16.1)
2005-2006	11,942	(1.0)
2006-2007	12,580	5.3

Some states appear to be gearing up their efforts in EE. Examples:

- *Virginia* has developed a master plan for EE. The Office of Environmental Education in the Virginia Department of Environmental Quality coordinates environmental activities to meet the objectives outlined in the plan.
- *Kansas* has adopted an EE plan for 2006-08. Its goal “is to strengthen and mobilize Kansas’ conservation and EE network and its commitment to provide quality EE to children ages five to 18 (grades K-12).” Priorities include development of an information and dissemination structure which will improve coordination and communication between providers of EE; integration of EE within the structure of education and natural resources agencies in Kansas “and to obtain buy-in and commitment from key decision makers;” to implement a system of independent evaluation of EE materials; utilizing the model established by the *North American Association for Environmental Education’s EE materials: Guidelines for Excellence*; and expansion of existing professional development (PD) opportunities and resources that are designed to help teachers integrate EE into their classrooms.
- *Washington’s state* EE plan stressed that pupils in EE programs should learn critical thinking skills and should know how to work collaboratively “in the classroom and community to solve challenging environmental issues.” Knowledge and skills accumulated through participation in such a program should enable pupils “to work with government, businesses, universities and non-profit organizations.” The program aims to produce graduates “who understand that every issue includes more than one perspective and set of values; graduates who actively demonstrate their civic responsibilities by participating in decision-making processes; graduates who, as adults, contribute to a strong and healthy society, environment, and economy.”

At the federal level, the No Child Left Inside Coalition and other environmental groups are supporting an effort that would include EE in the reauthorization of the No Child Left Behind Act. Introduced in Congress by Rep. John Sarbanes of Maryland and Sen. Jack Reed of Rhode Island, the legislation makes new funding available for the development of rigorous standards, teacher training, and environmental literacy programs. If the legislation passes and is signed into law, states that have environmental literacy programs will be eligible for more funds.

An added benefit of EE is that it plays a significant role in science, technology, engineering, and mathematics (STEM) education. The subjects within environmental science studies contribute to the knowledge base of each STEM discipline. They are a unifier for STEM because the issues addressed in environmental science studies or in EE courses are global in nature. For example, pupils are typically asked to research such topics as global climate change, ozone depletion, or biodiversity and the climate and are asked to make decisions about the topics.

The Girl Scouts of America recognize the link between STEM and EE. They now have a badge that pupils can earn that combines environmental studies with STEM to examine various global issues.

The State of Wisconsin recognizes the importance of EE. Section PI 8.01 (2) (k), Wis. Admin. Code, requires school districts to write curriculum plans for EE for grades K-12. The state has adopted Model Academic Standards for EE. The Department formerly had an EE consultant, until the position was eliminated in the mid-1990s because of budget cuts. This proposal would restore the EE position and provide meaningful statewide leadership in curricular and instructional issues.

The new EE consultant would have as one of his or her responsibilities ensuring that the Department's EE program is state-of-the-art. Therefore the incumbent in this position would need to be current on trends in EE to make sure that Wisconsin's program is continually on the cutting edge.

*Tasks to be performed by the requested environmental education consultant:*

Provide leadership in state-of-the-art EE curriculum, instruction, and assessment by:

- Identifying, analyzing, and synthesizing state-of-the-art practices in EE curriculum, instruction, and assessment.
- Collaborating with professional science organizations, teachers, administrators, school boards, state and national EE projects, and the general public to implement state-of-the-art practices in EE curriculum, instruction, and assessment.
- Coordinating and developing an implementation plan for disseminating publications from the Department including the *Planning Curriculum in Environmental Education*, as well as material from the Department's website and applicable national publications.
- Identifying PD needs associated with the implementation of EE curriculum, instruction, and assessment.
- Developing and/or participating in PD programs relating to effective implementation of state-of-the-art EE curriculum, instruction, and assessment.

Provide leadership in the design, redesign, implementation, and evaluation of the state Model Academic Standards for EE by:

- Developing and implementing a plan to disseminate statewide EE standards.
- Assisting school districts and the general public with understanding and implementing the state Model Academic EE Standards.
- Assembling and coordinating a team to redesign the state Model Academic Standards as requested by the State Superintendent or by state or federal legislation.
- Identifying and developing strategies for PD needs associated with the state Model Academic Standards for EE or for the redesigned state standards for EE.
- Developing exemplary documents that include best practices used to explain the state EE standards.

Provide leadership in the development of EE implementation strategies for schools and districts by:

- Identifying, analyzing, and synthesizing promising approaches for improving EE learning by schools and districts, and organizations or institutions, in the state.
- Developing distribution strategies for promising EE district strategies.
- Assisting schools and districts with implementing existing EE curricula, such as the curricular programs developed at the Wisconsin Center for Environmental Education.

Collaborate with state and national higher education institutions implementing the federal No Child Left Behind (NCLB) Act under Title 2, Part B by:

- Developing strategies to assist state higher education institutions to interpret the Act and meet the program licensing requirements under ch. PI 34, Wis. Admin. Code, including the content guidelines and evaluation rubrics specific to teaching science, in order to have highly qualified teachers as required under the Act.

- Coordinating and developing strategies for EE teachers to use with their personal development plan under ch. PI 34, Wis. Admin. Code, in order to meet the teacher quality requirements under the Act.

Collaborate with state and national government agencies, national and state professional associations and institutions in improving EE by:

- Representing the Department at state, regional, and national organizations which promote improvement in EE teaching and/or EE.
- Representing the Department as specified by the State Superintendent. (Examples include the Wisconsin Environmental Education Board and EE curriculum projects.)
- Actively participating in state and national EE associations.
- Writing proposals or cooperating with representatives of other institutions in writing proposals to state, federal, and private agencies for funding of projects to improve EE consistent with Department objectives.

Perform duties related to Department functions by:

- Serving on teams to recommend, develop, and implement Department policies and procedures.
- Cooperating with efforts related to the No Child Left Behind Act and other federally-supported education initiatives.
- Assisting and contributing to Department efforts/initiatives as invited and/or assigned.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4005 – ADVANCED PLACEMENT GRANTS

#### *205 – Grants for advanced placement courses* *s. 20.255 (2) (fw)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$543,000	\$543,000
Less Base	\$100,000	\$100,000
Requested Change	\$443,000	\$443,000

#### **Request/Objective**

The Department requests an increase of \$443,000 GPR in both FY10 and FY11 to increase the current advanced placement (AP) grant program to partially reimburse school districts at the maximum of \$300 per pupil taking an AP course as allowed under statute.

#### **Background/Analysis of Need**

2005 Wisconsin Act 25 created s. 115.28 (45), Wis. Stats., grants for advanced placement courses. The Act appropriated \$100,000 GPR to partially reimburse the costs of school districts offering AP courses to pupils. Grants are awarded based on the number of pupils participating in AP courses (limited to \$300 per pupil per course).

Small school enrollments, coupled with a shortage of qualified teachers, make AP inaccessible to many rural and small high schools. When the program began in late FY06, nine school districts applied for reimbursement of 54 pupils participating in new AP courses. Applicants were reimbursed at \$300 per pupil. Since that time, the response to this program has grown steadily. In FY07, 60 school districts applied for reimbursement of 1,439 pupils participating in new AP courses. Applicants were reimbursed at \$69 per pupil. In FY08, 51 school districts applied for reimbursement of 1,810 pupils participating in new AP courses. Applicants were reimbursed at a rate of \$55 per pupil. If the number of participants in FY08 were reimbursed at \$300 per pupil, the total amount needed in the appropriation would be \$543,000 GPR (1,810 pupils x \$300).

From this data, it is clear that school districts are increasing the number of rigorous courses available to pupils and funds are not available to reimburse the \$300 maximum allowed per pupil.

Supporting the efforts of school districts in providing these courses leads to school improvement and closing the achievement gap. Ultimately, offering rigorous coursework for all pupils prepares them for postsecondary expectations in institutions of higher education and the workplace.

College admission committees now view the presence of AP course work on an applicant's high school transcript as a key indicator of academic motivation and achievement. Pupils with AP classes on their transcript have a clear advantage.

#### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4006 – SUPPORTING GIFTED & TALENTED PUPILS

#### ***202 – Grants to support gifted and talented pupils s. 20.255 (2) (fy)***

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$500,000	\$500,000
Less Base	\$273,000	\$273,000
Requested Change	\$227,000	\$227,000

#### **Request/Objective**

The Department requests an increase of \$227,000 GPR in both FY10 and FY11 to expand the current gifted and talented grant program in order to benefit more schools and pupils.

#### **Background/Analysis of Need**

Trends indicate that a significant number of pupils with exceptional abilities are either not identified or do not receive educational services which address their unique strengths and characteristics. It is estimated that 15 to 40 percent of high ability pupils are at-risk for under-achievement because schools do not meet their needs. This has ramifications for youth and adults alike as it is thought that one-quarter of high school dropouts are gifted and talented and 25 to 30 percent of incarcerated adults have high ability or exceptional talents.

There is a misguided belief that gifted learners can maintain their abilities even when classroom instruction is restricted to the use of grade level concepts and materials. Too often it is believed that 1) gifted children can get by on their own, 2) intelligence is inherited and therefore does not change, and 3) one size instruction fits all students. The flexibility, choice, differentiation, and modification of curriculum needed for all children to experience continuous growth and intellectual progress are frequently seen as too difficult, unnecessary, and of questionable value. These ideas and beliefs combine to create circumstances that can put gifted children in the state's educational system at high levels of risk. Among those at-risk academically and intellectually are the children living in the culture of poverty, a culture in which a child often lacks the resources and opportunities needed for optimal intellectual growth. Other gifted children at-risk are those that have physical or learning disabilities. Too often, the attention of the family and the educational community is narrowly focused on enabling these children to cope with their disabilities rather than also recognizing and developing their gifts. Unfortunately, without continuous challenge at the level of their intellectual development, such abilities cannot grow optimally.

Of the approximately 865,000 pupils enrolled in Wisconsin's public schools in 2007-08, pupils with exceptional intellectual ability represented an estimated 44,000 (five percent) of that total. That number soars to an estimated 105,000 if gifted and talented pupils in the areas of specific academic, creative, artistic, or leadership areas are included. Wisconsin state law (s. 118.35, Wis. Stats.) requires school districts to establish programs for gifted and talented pupils who need services or activities not ordinarily provided in a regular school program, but the fiscal pressures facing many school districts have led a growing number of them to consider downsizing or modifying these programs.

To address this problem and help pupils receive the services they require, 2005 Wisconsin Act 25 established a grant program of \$182,000 GPR to support gifted and talented pupils in grades 5 to 8 (critical developmental years when programming is often not available). The Act required the Department to award grants to cooperative educational service agencies (CESAs) and Milwaukee

Public Schools (MPS) for the purpose of providing advanced curriculum and assessments for gifted and talented middle school pupils. 2007 Wisconsin Act 20 increased the annual appropriation by \$91,000 GPR, modified the law to allow nonprofit organizations to receive grants, and deleted the provision that grants be used only for gifted and talented middle school pupils allowing all gifted and talented pupils to benefit from the grants.

It is evident from the number of gifted and talented pupils served and the number of schools wanting, but unable, to participate in this program that there is a great need and demand for these resources. For instance, in 2006-07, the program served more than 1,900 Wisconsin pupils in 150 school districts by providing advanced coursework and other opportunities. However, in CESA 10, only 14 of the 30 schools it serves were able to participate in the grant program activities due to lack of funds.

The current program provides \$273,000 of competitive grant funds to the 12 CESAs, MPS, and nonprofit organizations. The funds provided are insufficient to meet program requests. In 2007-08, 20 proposals were submitted to the Department requesting a total of \$543,295. Twelve grant requests were funded. Many were funded at a level less than the requested amount. In 2008-09, 17 proposals were submitted to the Department requesting a total of \$484,181.

Examples of projects funded include:

- A nonprofit organization, **Positive Alternatives**, coordinated a grant project which targeted high potential, at-risk pupils in grades 6-12 in the Menomonie School District. These pupils developed enrichment activities and courses and placed them on the district's iLearn website for all district pupils and staff to use. The webpage is aptly called, "4Kids By Kids" and includes topics such as independent living; traditional Hmong dance; choir basics, diction, and solfege; and psychology.
- **CESA 3** offered a series of professional development opportunities for staff from school districts in the region to come together to develop or revise their gifted and talented identification policies and procedures to reflect the revised administrative rule. In addition, grant funds provided professional development in differentiation for school staff; developed a system to improve communication among the CESA, school districts, and families of gifted and talented pupils; and brought gifted and talented pupils together to plan future regional events.
- **CESA 2** brought Dr. George Betts to the region to work with school districts in articulating the connection between his Autonomous Learner Model (ALM) and Response to Intervention (RtI). Particular attention was paid to how identification of traditionally under-represented populations could be increased using an ALM-RtI approach.
- The **Wisconsin Association for Talented and Gifted** (WATG) used grant funds to increase the knowledge and skills of teachers and administrators in the identification of gifted children and subsequent programming. There was a special emphasis on under-represented populations. WATG sponsored a series of workshops around the state to accomplish their goals.
- **CESA 10** utilized a cadre of regional gifted and talented resource teachers to provide districts with resources and professional development in best practices for gifted and talented identification and programming. They also selected materials to supplement the *Gifted and Talented Resource Guide* and made them available online to school districts and parents.

This budget request will expand the grant program to support the identification, innovative strategies and related activities in meeting the needs of additional pupils with exceptional abilities in the academic, creative, visual/performing arts, and leadership areas. The goals of the program are:

- To provide a statewide system to reach gifted and talented pupils in the areas of academics, creativity, visual/performance arts, and leadership with the education they need to maximize their potential.

- To create an environment that is academically, socially, and emotionally stimulating and supportive.
- To allow school districts to increase educational options for gifted and talented pupils by providing accelerated, enriched curriculum within the regular school day.
- To provide interdisciplinary learning opportunities that reflect what pupils will see in high school, college, and beyond.
- To replace pupils' regular curriculum with opportunities tailored to their learning needs.
- To provide the opportunity for teachers to utilize effective educational practice.
- To create shared program offerings building on teacher expertise.
- To build a cost effective model for addressing the needs of gifted and talented pupils.

An annual increase of \$227,000 GPR would provide a total of \$500,000 GPR to better address the demand for requested funding of gifted and talented programs. Additional funding would help ease the fiscal pressures of school districts trying to provide adequate gifted and talented programs with limited funds due to revenue caps.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4501 – HERITAGE LANGUAGE LEARNING INITIATIVE

#### **203 – Heritage language learning initiative** **s. 20.255 (2) (c) - New**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$200,000

#### **Request/Objective**

The Department requests \$200,000 GPR in FY11 for a Heritage Language Learning Initiative.

#### **Background/Analysis of Need**

In the 2006-07 academic year, Wisconsin school districts identified 40,752 Limited English Proficient (LEP) pupils. Schools help these learners develop English language competency. The home or heritage language of these Wisconsin residents represents a significant language resource to the state. One hundred twelve heritage languages are spoken in the homes of these pupils. The overwhelming majority of LEP pupils spoke either Spanish (24,515 or 56 percent) or Hmong (11,382 or 26 percent). The other 18 percent spoke a wide variety of other languages (among them: Arabic, Chinese, Hindi, Farsi, and Russian). Heritage language learners include, but are not limited to, LEP pupils. Pupils from bilingual households, children born here to immigrant parents or those who have lived and studied here for extended periods may have cultural connections to and know languages other than English.

According to the 2000 census, 7.3 percent of Wisconsin residents speak a language other than English at home (370,000 people). This is an increase of 39.9 percent between 1990 and 2000. Wisconsin has more than 10,000 residents speaking each of the five most commonly spoken languages; the next 13 languages have over 3,000 speakers each. The language abilities of heritage speakers vary significantly and are susceptible to decline without efforts to maintain and improve their skills.

Most world language education programs are designed to improve the second language capacity of native English speaking pupils. It is important to consider the benefits of providing educational delivery models that recognize, preserve and grow the heritage language competencies of Wisconsin pupils for whom English is not their first or sole language.

Wisconsin immigration patterns reveal a growing need to address the first and second language needs of pupils. At the time of the 2000 Census, 193,751 Wisconsinites were foreign-born (about four percent of the state's population including both naturalized citizens and those who are not citizens). Of these people:

- 56,729 (29.3 percent) of these entered the United States since the beginning of 1995 (5 1/3 years before the 2000 Census).
- Only 34,159 (17.6 percent) arrived in the U.S. before 1965.
- One-quarter of the state's foreign-born are relatively new arrivals who in all likelihood had to learn or are still learning to speak English.

The 2000 Census also showed that large numbers of immigrants to the state come from parts of the world where English is not the predominant language. For instance:

- 65,683 (33.9 percent) came from Latin America.
- 62,762 (32.4 percent) came from Asia.

The above accounts for nearly two-thirds of the immigrant population of Wisconsin. Most of the rest (26.9 percent) came from Europe where a variety of different languages are spoken.

Educational policy and practices support English language learning to provide pathways for heritage language preservation. Development will benefit pupils, communities and the state.

As individuals can lose their language skills, so may a community, a nation and even the world. By the end of the century, some have projected that a majority of the 6,000 languages in the world will be lost. The majority of the remaining 175 Native American languages are in danger of losing all of their speakers; only around ten percent are still commonly learned by children. The state has the opportunity to reverse this trend and preserve the natural linguistic resources of the state.

A large body of research shows that pupils with access to heritage language learning outperform their peers without similar access. A positive sense of identity, connection with one's cultural community, feeling validated and accepted within the predominant culture and improved academic achievement can be gained through heritage language education. These personal benefits are accompanied by state gains in language capacity.

In the professional judgment of the Department's consultants, a "cold turkey" approach, which emphasizes learning English while marginalizing or even abandoning the heritage language, will have a detrimental effect on a child, even compromising the development of basic skills. Most seriously:

- Knowledge of one's native language and culture can be frozen. Ultimately, such knowledge will decrease and be at least partially forgotten.
- The pupil can be set back linguistically (going from being a fluent speaker to being a stunted speaker) within a relatively short period of time.
- Without instruction in his or her native language, a pupil may never develop comprehensive literacy (reading, writing, and speaking) that will make them truly bilingual and able to utilize their native language in academic and career pursuits.

Clearly if any of the outcomes mentioned above occurred, the pupil's future could fall well short of his or her full potential.

- The pupil's chances for a postsecondary education may be diminished.
- He or she could have difficulty obtaining well-paying, meaningful employment after high school or college.
- It will be hard for the pupil to conduct translations. Thus the pupil is removed from a job market that may be ripe for expansion (given the increasing globalization of the economy) and which he or she otherwise could be in a good position to enter.
- The pupil's credentials for serving the military in a language-related capacity could be greatly diminished. Currently U.S. armed forces offer bonus Foreign Language Proficiency pay.
- Interacting with peer business associates in other countries -- a key responsibility given the increasing number of firms that are conducting business internationally -- will be trying, if not impossible, for him or her.
- Teaching his or her language to others will be much more difficult.

Research has shown the native language and its importance in the life of the pupil to be a major determinant of the pupil's post-immigration success in school. If the pupil leaves the heritage language behind in the country he or she came from, impediments to learning can develop largely because academic progress is put on hold while the pupil tries to acquire English, a process taking one to four years to acquire a social conversation level, but four to seven years to acquire the language necessary to succeed academically.

This proposal outlines a multi-step process for operation of the proposed Heritage Language Learning Initiative.

- Applications will be received from high schools that are considering awarding high school credit for world languages not taught in that school to pupils.
- Applications will be reviewed by the Department's World Language consultant. Demonstration of need, number of pupils served, geographic balance, goals, and a reasonable action plan to meet those goals will be considered in terms of making recommendations for which programs to fund and at what amounts. The recommendations will be made to the State Superintendent who shall determine final awards.
- Grants are for one year. Grant recipients may receive up to \$10,000 to fund their local heritage language initiative and be eligible for professional development activities and assessment tool purchase reimbursements. No local match is required but school districts are expected to pay the cost for any staff release time (hiring substitutes, etc.).
- Once a high school has obtained a grant, it shall identify community members who are native speakers of the language(s) and who are willing to serve as language mentors or coaches to the affected pupils. These mentor-coaches will operate under the direct supervision of a licensed teacher. The high school shall be responsible for training these language mentors-coaches how to evaluate language proficiency and how to coach pupils to improve their written and oral language skills in their heritage language.
- National assessments will be used at the beginning and at the end of the school year to award high school credit for the improvement of their proficiency in using their native or heritage language. In addition, the assessments can be used as a remedial indicator. Low scores could alert educators that it is time to design alternative strategies to help those pupils who are not progressing as much as they should be.
- It is hoped that the program will have the related benefit of recruiting from the ranks of language mentors-coaches a new cadre of speakers of languages other than English who are interested in becoming teachers of world languages and other subject areas. Hopefully, some of the language mentors-coaches will become interested in a teaching career, and will build mentoring relations with existing teachers, and eventually be linked to teacher certification programs.

It should be noted in conjunction with this proposal that the Department has been provided with a grant from the U.S. Department of Education (DOE) for the 2008-09 school year to begin Heritage Language instruction on a limited basis. This one-time, one-year grant, Critical Language Fellows (CLF) Heritage Language Credit Project, will be used to fund new Heritage Language programs in up to five school districts, chosen on a competitive basis. Each of the chosen districts will receive funds to create a program which will award high school credit for conducting projects and completing assessments in the pupil's own native (or heritage) language. Due to DOE regulations, only pupils with Chinese and Arabic background are eligible for this project. The Department expects that successful completion of this federally-funded pilot will position it well to undertake the GPR-funded Heritage Language Learning Initiative outlined above to address the needs of pupils who speak Spanish, Hmong, and other languages. The \$200,000 GPR requested for this initiative will be used as outlined in Table 1.

Table 1  
Expenditures for Proposed Heritage Languages Learning Initiative

Description	2010-11 Academic Year
Heritage Language Credit Program implementation competitive grants targeting ten districts with significant heritage language pupil populations or populations with heritage languages identified as critical to the state.	Ten districts receiving \$10,000 for program planning, implementation and supervision. Supervising teacher, administration, data acquisition, instructional resources. \$100,000
Assessment instruments and procedures.	\$50,000
Professional development and language proficiency assessment training for teachers and community partners.	\$50,000
Total	\$200,000

### Statutory Language

The Department is proposing statutory language related to this request. See *Heritage Language Learning Initiative* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4502 – TRIBAL LANGUAGE REVITALIZATION

#### *101- General program operations*

##### *s. 20.255 (1) (a)*

#### *222 – Tribal languages*

##### *s. 20.255 (2) (km) - New*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Grants	\$250,000	\$250,000
State Operations	\$10,000	\$10,000
Total Request	\$260,000	\$260,000

#### **Request/Objective**

The Department requests \$250,000 PR-S in both FY10 and FY11 to establish a new competitive grant program, the Tribal Language Revitalization and American Indian Academic Achievement Initiative, through which tribal governments could apply, in partnership with a school district, a Cooperative Education Service Agency (CESA), or university, for funds to support innovative, effective instruction in tribal languages.

The Department also requests \$10,000 PR-S in both FY10 and FY11 for Department sponsored activities related to instructional leadership on tribal languages.

The program revenue would come from the tribal gaming revenues paid to the state.

#### **Background/Analysis of Need**

This proposed initiative establishes a competitive grant program through which school districts or CESAs, in partnership with tribal governments, can apply for funds to support innovative, effective instruction in tribal languages. The size of the awards would range from \$10,000 to \$50,000. Grants in the lower range will fund activities such as curriculum design, creation of appropriate assessment instruments, professional training related to instructional methods, parent and community engagement, and program evaluation. Grants at the higher end of the range may be sufficient to hire specialized personnel to support and supplement existing teaching staff.

The initiative also includes funds for Department sponsored activities related to instructional leadership on tribal languages. These funds would be used to support the creation of a community of practice where instructors and programs could support each other's efforts and rapidly disseminate effective practices. Funds would also be used to bring national leaders in tribal language revitalization and key innovators in world language instructional techniques to these meetings.

The Tribal Language Revitalization and American Indian Academic Achievement Initiative would expand the range and impact of the American Indian Language and Culture Education (AILCE) Program, which operated from 1979-2003. The AILCE program was intended to fund efforts to make the curriculum more relevant to the needs, interests, and cultural heritage of American Indian pupils, and it issued formula grants of up to \$200 per pupil to non-sectarian private or tribally controlled schools with 75 percent or more American Indian enrollment. During the last two years of the program, 2001-2003, five eligible institutions applied to serve a total of 1,195 pupils, and received \$182.15 per pupil.

This initiative addresses concerns for the vitality of tribal languages and concerns related to the academic achievement of American Indian pupils. Language is a key component of the cultural heritage of the American Indian tribes and bands in the state, and programs that feature instruction in the tribal language yield academic benefits that extend into other curricular areas. This initiative creates a new program that builds upon existing expertise in both tribal communities and local schools to establish school-based instructional programs in tribal languages.

Low academic performance can result by essentially requiring American Indian pupils to choose between their culture and the values of the school. This assimilationist approach leads many pupils and families to reject the goals of the school altogether, leading to drop outs and minimizing the benefits to pupils who remain. It also leads to "subtractive bilingualism" as pupils' knowledge of their home language and culture erodes while they also fail to become proficient in English. This situation is still the case in most Wisconsin school districts.

Currently, only one-half of one percent of the membership of the tribal nations in Wisconsin can be considered a fluent speaker in one of six tribal languages (Ho-Chunk, Menominee, Mohican/Munsee, Ojibwe, Oneida, Potawatomi). Each of the 11 tribal governments in Wisconsin operates a language program designed to revitalize their language and to undo the intergenerational effects of government boarding schools. The size and scope of the programs vary, but they are typically funded through a combination of tribal funds, federal funds, and private grants. The Menominee Nation, in a June 13, 2008 letter to Governor Doyle, exemplifies the interest that tribal governments and tribal communities have in expanding the scope of existing programs and forging new partnerships with schools and other institutions. These programs are operating primarily in community-based settings (outside of schools), in tribally operated Head Start and child care centers, and in tribally operated schools and colleges. The Tribal Language Revitalization and American Indian Academic Achievement Initiative will expand the reach and impact of these programs through partnerships with local schools.

Major policy initiatives at both the state and federal levels, exemplified by the New Wisconsin Promise and the No Child Left Behind Act, place great emphasis on raising achievement levels and closing achievement gaps. For American Indian pupils, achievement gaps exist at all grade levels and widen significantly by high school. It has been well-documented that American Indian pupils perform similarly to their peers until grade four, but are an average of three years behind by tenth grade.

These national trends hold true for Wisconsin (see Table 1 below). In the 2007-08 school year, American Indian (AI/AN) pupils comprised 1.5 percent of the total public school enrollment in Wisconsin, while white pupils comprised 76.9 percent of the total enrollment. The table indicates the percentage of pupils who scored proficient and advanced on the fall 2007 Wisconsin Knowledge and Concepts Exams (WKCE).

Table 1  
Percentage of American Indian and White Pupils Scoring Proficient or Advanced  
on Fourth and Tenth Grade WKCEs

Nov. 2007	Reading		Math		Lang. Arts		Science		Soc. Studies	
	4	10	4	10	4	10	4	10	4	10
AI/AN	73%	61%	65%	49%	64%	50%	63%	55%	87%	60%
White	78%	82%	83%	77%	81%	78%	82%	81%	94%	83%

The table shows lower performance levels for older pupils. This decrease is particularly dramatic when compared with white pupils.

The drop in proficiency levels is also apparent when academic achievement is tracked over time. The following tables track the performance of the Class of 2007 using the WKCE, and compare the percentages of American Indian pupils scoring proficient or advanced with their peers (all pupils) in the state.

Table 2  
Percentage of American Indian and All Pupils Scoring Proficient or Advanced  
on Fourth Grade WKCE (1998-99 Academic Year)

	# pupils	Reading	Lang. Arts	Math	Science	Soc. Studies
AI/AN (State)	962	66%	56%	61%	81%	79%
All (State)	64,207	78%	72%	75%	87%	85%
Achievement Gap		-8%	-16%	-14%	-6%	-6%

Table 3  
Percentage of American Indian and All Pupils Scoring Proficient or Advanced  
on Eighth Grade WKCE (2002-03 Academic Year)

	# pupils	Reading	Lang. Arts	Math	Science	Soc. Studies
AI/AN (State)	1,023	73%	41%	56%	39%	69%
All (State)	67,527	83%	62%	73%	74%	81%
Achievement Gap		-10%	-21%	-17%	-35%	-12%

Table 4  
Percentage of American Indian and All Pupils Scoring Proficient or Advanced  
on Tenth Grade WKCE (2004-05 Academic Year)

	# pupils	Reading	Lang. Arts	Math	Science	Soc. Studies
AI/AN (State)	1,034	58%	48%	50%	50%	56%
All (State)	71,231	74%	70%	71%	70%	74%
Achievement Gap		-16%	-22%	-21%	-20%	-16%

For American Indians in the Class of 2007, academic achievement levels declined as they progressed through school to the point that less than 60 percent were proficient in any area by tenth grade. In general, achievement gaps and performance levels relative to their peers, increased just as dramatically. Furthermore, American Indians in the Class of 2007 experienced a 22.7 percent cohort dropout rate as compared to 5.3 percent for white pupils.

Over 30 years of education research indicates that proficiency in a tribal language, and the associated cultural competencies, contributes to gains in such key measures as attendance, achievement, attainment, and parent/community involvement. The presence of a tribal language program in school leads to increases in attendance, gains in other subject areas, increased identification with the school, and higher levels of parental and community involvement. In several bilingual education or immersion programs, where the tribal language was used as the medium of instruction, pupils taught in their tribal language but tested in English outperformed their peers taught in English. The Tribal Language Revitalization and American Indian Academic Achievement Initiative should have broad appeal because it addresses both the linguistic and cultural needs of tribal communities and the shared interest of tribal and non-tribal citizens of Wisconsin in having well-educated community members.

The Tribal Language Revitalization and American Indian Academic Achievement Initiative creates a competitive grant process through which a school district or CESA could apply in partnership with a tribal government. Currently, only ten of 426 school districts offer instruction in a tribal language, and only one charter school, Waadookodaading, uses a tribal language (Ojibwe) as the medium of instruction. Each of the tribal governments has a language program already in place so they are well positioned to be effective partners, but they lack a connection to what is happening in classrooms. It is only with a clear tie to school curriculum that attendance, academic skills, identification with the aims of the school, and parental involvement improve. A partnership between tribal language programs and

educational institutions combines the tribe's linguistic capacity, in terms of language speakers and language documentation, with the school system's instructional expertise, and leverages the potential benefits of both. Such an approach has been successful in tribal communities in the United States and in indigenous communities elsewhere in the world.

All courses and activities funded through this program would be available to all pupils, American Indians and non-Indians alike. It is anticipated that both heritage language (for those who already speak the language at some level) and world language models may be used, depending on local circumstances. All pupils would benefit from studying another language and becoming familiar with the corresponding worldview. Pupils who are tribal members have the additional benefit of gaining deeper understanding of the traditional cultural knowledge of their people.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Tribal Language Revitalization* in the Statutory Language section of this document.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4503 – BILINGUAL-BICULTURAL EDUCATION AID INCREASE

#### *207 – Bilingual-bicultural education aids* *s. 20.255 (2) (cc)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$12,204,500</b>	<b>\$13,302,900</b>
<b>Less Base</b>	<b>\$9,890,400</b>	<b>\$9,890,400</b>
<b>Requested Change</b>	<b>\$2,314,100</b>	<b>\$3,412,500</b>

#### **Request/Objective**

The Department requests an increase of \$2,314,100 GPR in FY10 and \$3,412,500 GPR in FY11 to reimburse approximately 12 percent of approved prior year costs for school districts required to offer bilingual-bicultural education programs under ss. 20.255 (2) (cc) and 115.97 (2), (3), or (4), Wis. Stats.

#### **Background/Analysis of Need**

In certain cases, school districts are required by state law to provide special classes to pupils of limited-English proficiency (LEP). These classes are required at schools which enroll ten or more LEP pupils in a language group in grades K-3, or 20 or more LEP pupils in a language group in grades 4-8 or 9-12. These school districts are eligible for categorical aid. State aid payments are based on the ratio of the categorical aid appropriation to the total aidable costs of the eligible districts in the prior year. Aidable costs are defined as the districts' prior year costs for salaries, special books, and other expenses approved by the Department that are attributable only to programs for LEP pupils. Since FY04, LEP aidable costs have increased an average of nine percent a year.

State categorical aid for bilingual-bicultural education has not increased at the same rate as costs in recent years. In FY09, it is projected that state aid will represent 10.6 percent of reimbursable costs. As a result, under revenue limits, some districts are forced to take money from regular education to pay for LEP pupils. Other important concerns include:

- The average national dropout rate for LEP pupils is approximately double that of English-speaking pupils.
- Research indicates that at least five years of quality language/academic assistance is necessary to ensure a smooth transition of LEP pupils into the mainstream and to significantly raise high school graduation levels.
- With the creation of pupil assessments that affect grade promotion, services for LEP pupils must be adequate, promoting not only language development but also academic proficiency.
- Rapid increases of LEP pupils are occurring in many communities in Wisconsin. Some of these communities have little, if any, prior experience helping these new immigrants learn English, adapt to American life, and succeed academically in schools.

Table 1 shows that the number of districts offering programs and services to LEP pupils has increased from seven school districts in 1977 to 53 in the 2007-08 school year. It also shows two concurrent dynamics regarding the state's LEP school-age population:

- Districts required to provide LEP program services reported significant annual increases in the number of bilingual-bicultural pupils served over the last ten years, and it is estimated that this number will continue to increase to approximately 32,000 pupils by 2010-11.

- The annual census of all LEP pupils in Wisconsin is estimated to reach approximately 53,400 individuals by 2010-11.

It is the discrepancy between these two figures that is of particular importance as it is assumed that this difference represents an under-funded and potentially under-served segment of the LEP pupil population.

Table 1

Fiscal Year	Number of Districts Offering Required Programs	Number of LEP Pupils Served	Census of All LEP Pupils	Difference
1993-94	37	13,994	16,755	2,761
1994-95	37	14,883	18,258	3,375
1995-96	41	15,798	21,621	5,823
1996-97	41	17,326	23,340	6,014
1997-98	38	17,326	24,740	7,414
1998-99	37	17,941	25,382	7,441
1999-00	38	19,003	27,184	8,181
2000-01	41	20,300	29,377	9,077
2001-02	45	22,016	32,588	10,572
2002-03	43	22,136	34,199	12,063
2003-04	49	22,311	35,602	13,291
2004-05	49	24,672	39,255	14,583
*2005-06	51	25,081	33,402	8,321
*2006-07	52	26,331	40,752	14,421
**2007-08	53	27,600	43,600	16,000
**2008-09	54	29,000	46,700	17,700
**2009-10	55	30,500	50,000	19,400
**2010-11	55	32,000	53,400	21,400

\*2006 and 2007 were transitional years for data collection through Individual Student Enrollment System (ISES).

\*\*Estimated average annual increases are projected using estimated rates.

While current law establishes LEP pupil thresholds that trigger required services and programs, districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for categorical state aids. As a result, it is estimated that in the 2008-09 fiscal year, 29,000 LEP pupils will be enrolled in categorically-aided bilingual programs, while the total number of LEP pupils identified in Wisconsin will be 46,700.

While the rate of reimbursement for this program was originally set at 70 percent of aidable costs, it was subsequently reduced to 63 percent until proration was necessary for reimbursement of approved costs beginning in FY88. Over the years, the level of state support for this program has continued to diminish to the extent that in FY11 it is estimated that only 8.9 percent of the prior year's aidable costs will be supported by the current appropriation (see Table 3). State categorical aid for bilingual-bicultural education was frozen at \$8,291,400 from FY91 to FY05. 2005 Wisconsin Act 25 increased the appropriation to \$9,073,800 in FY06 and \$9,890,400 in FY07 to maintain a 12 percent reimbursement rate through that biennium.

1999 Wisconsin Act 9 required the Department to provide \$250,000 from the current bilingual-bicultural appropriation to school districts in which LEP pupils comprise 15 percent or more of the total enrollment (the Wausau school district was the only district eligible in the 1999-00 school year until Sheboygan became the second district eligible in the 2001-02 school year).

Maintaining the same level of categorical aid funding and creating a first-draw provision while bilingual-bicultural education costs continue to rise, effectively shifts the funding source for bilingual-bicultural education to general aids and property taxes.

Table 2 provides a brief history of the aid for this program under the requirements of current law:

Table 2

Fiscal Year	Aidable Costs (Prior Year)	State Aid Appropriation	Percent Reimbursement
1993-94	\$25,008,400	\$8,291,400	33.2%
1994-95	27,492,801	8,291,400	30.2
1995-96	29,579,615	8,291,400	28.0
1996-97	32,747,337	8,291,400	25.3
1997-98	35,989,940	8,291,400	23.0
1998-99	38,984,609	8,291,400	21.3
1999-00	41,714,528	8,291,400	19.9
2000-01	44,788,051	8,291,400	18.5
2001-02	48,234,013	8,291,400	17.2
2002-03	58,388,591	8,291,400	14.2
2003-04	63,122,890	8,291,400	13.1
2004-05	70,463,780	8,291,400	11.8
2005-06	76,776,410	9,073,800	11.8
2006-07	83,181,974	9,890,400	11.9
2007-08	85,602,541	9,890,400	11.6
*2008-09	93,306,800	9,890,400	10.6

\*Aidable costs based on an estimated annual increase of nine percent over the prior year.

NOTE: Includes \$250,000 first draw to Wausau and Sheboygan school districts from bilingual-bicultural appropriation. The reimbursement rate noted in the table beginning in 1999-00 reflects a slightly higher percentage than actually paid to a majority of school districts.

Table 3 projects future aidable costs and the percent of reimbursement if the state aid appropriation remains the same in the 2009-11 biennium:

Table 3

Fiscal Year	Aidable Costs (Prior Year)	State Aid Appropriation	Percent Reimbursement
*2009-10	\$101,704,400	\$9,890,400	9.7%
*2010-11	110,857,800	9,890,400	8.9

\*Aidable costs based on an estimated annual increase of nine percent over the prior year.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent vs. Voight* that describes the “character of instruction” required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges that pupils and districts are not interchangeable and takes into account districts with disproportionate numbers of limited-English proficient pupils.

In its June 2004 report, the Governor’s Task Force on Educational Excellence recommended that funds for the state bilingual-bicultural categorical aid program be substantially increased. The task force believed that investment in services and support for LEP pupils can lead to long-term positive gains.

In its 2007-09 biennial budget, the Department requested additional funding to maintain the state’s reimbursement of approximately 12 percent of approved prior year costs for school districts required to offer bilingual-bicultural education programs. This request was included in the Governor’s budget but deleted by the Legislature.

**Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4504 – EXPANDED BILINGUAL-BICULTURAL EDUCATION AID

#### **217 – Bilingual-bicultural education aids; supplement s. 20.255 (2) (cd) - New**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$8,902,400

#### **Request/Objective**

The Department requests \$8,902,400 GPR in FY11 to create a new continuing appropriation to award up to \$416 per Limited-English Proficient (LEP) pupil to districts that have LEP populations below the statutory threshold and thus do not qualify for categorical aid under s. 115.97 (2), (3), and (4), Wis. Stats., but are still educating LEP pupils. The \$416 per LEP pupil is the average amount needed to cover approximately 12 percent of aidable costs under the bilingual categorical aid program. This request is consistent with the Department's request under Decision Item Number 4503.

#### **Background/Analysis of Need**

In certain cases, school districts are required by state law to provide special classes to pupils of limited-English proficiency. These classes are required at schools which enroll 10 or more LEP pupils in a language group in grades K-3, or 20 or more in grades 4-8 or 9-12. These school districts are eligible for categorical aid. State aid payments are based on the ratio of the categorical aid appropriation to the total aidable costs of the eligible districts in the prior year. Aidable costs are defined as the districts' prior year costs for salaries, special books, and other expenses approved by the Department which are attributable only to programs for LEP pupils.

The state share of aidable costs has decreased in recent years due to growth in program expenditures. In FY08, the state appropriation was \$9,890,400 for \$85,602,500 in prior year aidable costs, representing 11.6 percent. In FY08, the average amount reimbursed per LEP pupil under the program was approximately \$360 (\$9,890,400 appropriation/27,600 eligible LEP pupils).

Table 1 shows that the number of districts offering programs and services to LEP pupils has increased from seven school districts in 1977 to 53 in the 2007-08 school year. It also shows two concurrent dynamics regarding the state's LEP school-age population:

- Districts required to provide LEP program services reported significant annual increases in the number of bilingual-bicultural pupils served over the last ten years, and it is estimated that this number will continue to increase to approximately 32,000 pupils by 2010-11.
- The annual census of all LEP pupils in Wisconsin is estimated to reach approximately 53,400 individuals by 2010-11.

It is the discrepancy between these two figures that is of particular importance as it is assumed that this difference represents an under-funded and potentially under-served segment of the LEP pupil population.

Table 1

Fiscal Year	Number of Districts Offering Required Programs	Number of LEP Pupils Served	Census of All LEP Pupils	Difference
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1998-99	37	17,941	25,382	7,441
1999-00	38	19,003	27,184	8,181
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*2005-06	51	25,081	33,402	8,321
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**2007-08	53	27,600	43,600	16,000
**2008-09	54	29,000	46,700	17,700
**2009-10	55	30,500	50,000	19,400
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\*2006 and 2007 were transitional years for data collection through Individual Student Enrollment System (ISES).

\*\*Estimated average annual increases are projected using estimated rates.

While current law establishes LEP pupil thresholds that trigger required services and programs, districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for categorical state aids. As a result, in 2008-09, it is estimated that 29,000 LEP pupils will be enrolled in categorically aided bilingual programs, while the total number of LEP pupils identified in Wisconsin will be 46,700.

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent vs. Voight* that describes the “character of instruction” required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges that pupils and districts are not fungible and takes into account districts with disproportionate numbers of limited-English proficient pupils.

In its June 2004 report, the Governor’s Task Force on Educational Excellence recommended that funds be provided to districts that currently receive no state aid for their bilingual education efforts. The task force did not select a specific funding target, but suggested that \$350 per LEP pupil (the average amount awarded under the bilingual categorical aid program in FY04) would be the most desirable.

In its 2005-07 biennial budget, the Department requested a new bilingual-bicultural categorical aid program be created to award \$400 per LEP pupil (the average amount needed to cover approximately 12 percent of aidable costs under the bilingual categorical aid program) to districts that have LEP populations below the statutory threshold and thus do not qualify for aid under s. 115.97 (2), (3), and (4), Wis. Stats., but are still educating LEP pupils.

In its 2007-09 biennial budget, the Department requested a new bilingual-bicultural categorical aid program be created to award \$350 per LEP pupil (the average amount awarded under the bilingual categorical aid program in FY06) to districts that have LEP populations below the statutory threshold and thus do not qualify for aid under s. 115.97 (2), (3), and (4), Wis. Stats., but are still educating LEP pupils.

**Statutory Language**

The Department is proposing statutory language related to this request. See *Expanded Bilingual-Bicultural Education Aid* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4505 – ALTERNATIVE EDUCATION GRANTS

#### **276 – Alternative education grants** **s. 20.255 (2) (cf)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$10,000,000	\$10,000,000
Less Base	\$5,000,000	\$5,000,000
Requested Change	\$5,000,000	\$5,000,000

#### **Request/Objective**

The Department requests an increase of \$5,000,000 GPR in both FY10 and FY11 for the Alternative Education Program. These grants are made available to school districts and consortia of school districts to develop alternative education programs for pupils at-risk of academic failure. The Department also requests changing the Alternative Education Grant appropriation from “Annual” to “Continuing” so unused funds can be carried forward into the next fiscal year.

#### **Background/Analysis of Need**

The Department’s Alternative Education Program was created by 1999 Wisconsin Act 9 under s. 115.366, Wis. Stats. The Department is required to award grants to school districts and consortia of school districts for alternative education programs, which are required to be defined by the Department through administrative rule (PI 44). The administrative rule requires that alternative education programs be designed for pupils who have difficulty succeeding in a regular school setting as evidenced by, but not limited to, any of the following:

- Academic failure.
- Truancy.
- Expulsion or suspension.
- Disruptive behavior.
- Criminal involvement.
- Violent behavior.
- Alcohol and other drug abuse involvement.

Grants are awarded for a five-year period, at an amount determined by the State Superintendent. One hundred percent of the original annual grant amount is awarded the first three years of the grant’s life. This is reduced to 60 percent in the fourth year, and to 40 percent in the fifth and final year. Awards are made contingent upon funds being available.

All programs that are funded are judged to be meritorious, but they take different approaches toward meeting the needs of pupils who are at-risk of not graduating. For instance, grant money has been used to create smaller class sizes; to institute competency-based programming; to institute credit recovery and remediation; and to establish work-based and service learning opportunities. The diverse programs were designed and implemented by professional educators at the local level. Through the competitive grant process, the Alternative Education Program demands application of local creativity. Without such creativity and determined local initiative, it is very unlikely that a grant would be approved for funding because the competition for funding is so intense. There is no state-imposed “cookie cutter” approach to alternative education. As such, the Alternative Education Program serves as a good example of the virtues of local control. In addition, each program is required to identify and collaborate



with local partners (business, industry, social services, law enforcement, etc.) that also serve the at-risk population.

Funding for the program at its inception in 1999 was set at \$5,000,000 GPR annually. According to the "Inflation Calculator" of the U.S. Bureau of Labor Statistics, \$6,408,404 in 2008 dollars is needed to achieve the same spending power that \$5,000,000 had in 1999. However, the annual appropriation has remained flat since that time. Therefore, the program's purchasing power has eroded significantly during the last seven years. It is now 28.2 percent (or over \$1,400,000 per year) lower than it was when the program started. It could be argued that the limitations imposed by inflation makes it all the more necessary that the appropriation be increased. It also needs to be stressed that the program has been targeted for special projects:

- \$50,000 GPR was diverted from Alternative Education Grants to the Wisconsin Book Festival in the 2001-03 biennial budget.
- Generac's Second Chance Partnership received \$190,000 GPR in each year of the 2005-07 biennium from the Alternative Education Grants appropriation. The funding shortfall that resulted was offset at the expense of school districts which competed for and were awarded alternative education grants.

### *Program performance*

The Department has data that shows increased attendance for at-risk pupils after involvement in an Alternative Education Program as compared to those pupils prior to program enrollment. In addition, program enrollment shows an increased graduation rate for school districts implementing alternative education programs. Because of the individual nature of each program being locally designed to meet program gaps, a formal summary of the 165 programs funded through 2008-09 is not available. For example, while improved attendance can be documented, a program that focuses on homework completion and study skills will not have the same outcome data as a program that helps credit deficient high school pupils graduate. Nevertheless, some information regarding performance does exist. That information is summarized below.

#### For pupils:

- At-risk pupils more likely to go to college instead of dropping out: One school district (Wisconsin Rapids) has seen 40 percent to 60 percent of their at-risk population proceed to postsecondary education.
- At-risk pupils graduate: Annually more than 600 alternative education pupils in the funded alternative education programs graduated from that program and/or from high school.
- Increased attendance: Similarly, there were more than 10,000 days of increased attendance for pupils compared to their attendance in the previous year.
- Improved behavior: Statewide districts operating alternative education programs under this funding source have seen an improvement in school discipline and less time lost in school due to discipline.

#### For communities:

- Community collaboration: Annually, more than 300 community partners (human services, law enforcement, literacy councils, tribes, etc.) come together to support pupils, school districts and families being served by alternative education programs.
- Nearly 87 percent of the original participating school districts decided to continue their alternative education programs after the end of their five-year grant: Of the original 60 programs started with alternative education grant funds from the state budget from fiscal years 2001 through 2006, 52 (86.7 percent) continue to operate today solely on school district funding, despite revenue limits (2006 is the latest definitive figure that the Department has).

*Funding limitations restrict the program's ability to meet its mission*

Fundable demand-supply gap: During the nine fiscal years the program has been in place, a “fundable demand-supply gap” has existed in each year that new grant money was available. This gap represents the difference between the amount of funds available and the amount requested by grantees who applied with acceptable proposals.

Roughly 80 percent of the proposals requesting alternative education funding are qualified for grants. However, many of these applicants do not obtain grants because the cumulative amount of money requested by all of the qualified proposals far exceeds the amount of money available. That means that numerous grantees do not get the resources they need to develop and operate an alternative education program that could be tailored to meet the needs of at-risk pupils in their communities. Table 1 below gives a historic overview of the difference between the amount of money available for new grants and qualified proposals.

Table 1

<u>Col. 1</u> Fiscal Year (FY)	<u>Col. 2</u> (\$ Available for New Grants)	<u>Col. 3</u> Qualified proposals	<u>Col. 4</u> Difference
FY01	\$5,000,000	\$12,160,000	(\$7,160,000)
FY02	*N/A	*N/A	*N/A
FY03	*N/A	*N/A	*N/A
FY04	2,000,000	5,760,000	(3,760,000)
FY05	1,000,000	3,360,000	(2,360,000)
FY06	**1,294,000	4,560,000	(3,266,000)
FY07	**769,600	1,440,000	(670,400)
FY08	800,000	3,680,000	(2,880,000)
FY09	1,800,000	3,176,000	(1,376,000)

\*N/A = Not applicable. The amount of money for new participants is not applicable in the second and third years because the full \$5,000,000 GPR appropriation in each of these years was being paid to the original grantees that entered the program in FY01, inasmuch as grantees receive 100 percent funding during the first three years of their grant.

\*\*Generac (Second Chance Partnership) was paid from the FY06 and FY07 appropriations. The FY06 and FY07 figures represent a 3.8 percent cut in alternative education funds so Generac could be paid \$190,000 in each of the fiscal years of the biennium, as required by 2005 Wisconsin Act 25, the 2005-07 biennial budget bill. The figures in Column 2 do not fully reflect this reduction because those figures refer only to the amount of money available for *new* grants. In implementing the cut, both new *and* existing grantees faced a reduction. (The same amount was appropriated to the Second Chance Partnership in the 2007-09 budget, but as a separate appropriation that sunsets on July 1, 2009 and not as a reduction to the Alternative Education Program).

Adequate Yearly Progress requirements under the federal No Child Left Behind Act will continue to challenge school districts to find ways to reduce truancy and dropout rates, increase graduations, and improve academic achievement. This primary focus will occur in grades 5-12 where the style of education changes and the resources available in elementary schools declines. Even in districts where declining enrollment is an issue, the needs of at-risk pupils continue to increase.

Statewide, expulsions have more than quadrupled in the years between 1992 and 2006 and more than half of those pupils have not been offered post-expulsion education services. This results in a less educated workforce and pupils who, when and if they return to school, are credit deficient and unlikely to complete high school. As the Department increases guidance on strategies for effective discipline and behavioral supports designed to maintain a safe school environment, the need for alternative education and learning options will increase.

### *Change appropriation from “Annual” to “Continuing”*

Despite close monitoring by the Department, alternative education grantees sometimes do not spend their entire grant within the fiscal year for which it is awarded. Under current law, because it is an “annual” appropriation, the unspent money lapses into the general fund at the end of each fiscal year and therefore cannot be utilized for its intended purpose. This has the potential of denying at-risk pupils educational opportunities that are specifically designed to help them remain in school and learn skills that will make them productive citizens.

Table 2 below illustrates a recent history of lapsed Alternative Education Program funds by fiscal year.

Table 2

Fiscal Year	Amount of Lapse
FY 01	\$57,916
FY 02	79,368
FY 03	95,006
FY 04	122,625
FY 05	18,597
FY 06	59,365
FY 07	69,864

If the Alternative Education Grants appropriation were changed from an “Annual” to a “Continuing” appropriation, any unspent balances could be carried over to the next year. This would be consistent with the current school breakfast appropriation that is continuing.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Alternative Education Grants* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4506 – SCHOOL NURSE GRANT PROGRAM

*101 – General program operations*

*s. 20.255 (1) (a)*

*251 – Grants for nursing services*

*s. 20.255 (2) (dL)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Grants	\$1,500,000	\$1,500,000
State Operations	\$30,000	\$30,000
Less Base	\$250,000	\$250,000
Requested Change	\$1,280,000	\$1,280,000

#### Request/Objective

The Department requests \$1,250,000 GPR in both FY10 and FY11 to expand the current nursing grant program and to improve pupil access to school nurses and to enable ongoing leadership and professional development for nurses employed or contracted by schools.

The Department also requests \$30,000 GPR in both FY10 and FY11 for training new nurses and developing leadership skills of currently practicing school nurses.

In addition, the Department proposes to change the definition of “school nurse” under s. 115.001 (11), Wis. Stats., to mean “a registered nurse licensed under ch. 441 or in a party state, as defined in s. 441.50 (2) (j), who has also received a baccalaureate degree in nursing.” This will remove the Department’s certification requirement and replace it with a nursing degree, which will better reflect current practice without reducing the qualifications of the state’s school nurses.

#### Background/Analysis of Need

Under s. 121.02 (1) (g), Wis. Stats., school districts are required to provide for emergency nursing services. Although most school districts have the required policies and protocols as to how to deal with an emergency, the health services needs are beyond just preparation for emergencies. In addition, the actual availability of school nurses onsite is restricted in some schools due to limited funding and revenue caps.

Healthcare for children has become more aggressive in the past ten years with advances in diagnostic procedures, drug management, and medical and surgical interventions. As the length of hospital stays shorten, school health staff are asked to provide services to pupils recovering from surgery, acute illnesses and injuries. As pupils enter school districts with complex medical problems and chronic illnesses, they continue to need medication and nursing procedures during the school day, on school sponsored field trips, and in after school programs. Physicians and other health care providers need the involvement of school health services to manage chronic illnesses optimally as well as to ensure compliance with medication and treatment regimes.

Medication management continues to be a challenge in schools. The Institute of Medicine has consistently reported that medication error is the most common and significant cause of error at every level of healthcare. A survey of 600 Iowa school nurses was conducted in 2001, and half the nurses reported medical errors at their school in the past year, mostly related to medication administration. Only 25 percent of the Iowa nurses indicated they were the only individuals distributing medication.

The remaining medication was dispensed by secretaries or aides. The Department does not collect information on medication errors in the school setting.

According to a Waukesha School Board report, medication administration incidents during the 2005-06 school year were four times as common as what had been reported the previous school year. During the 2006-07 school year, medication errors were 3.5 times the level found in the 2004-05 school year. District officials attributed the increase to districtwide cutbacks in nursing (eliminating one of two registered nurse positions) and health room services (reducing health aide positions by half) and shifting tasks to secretarial staff.

The school nurse to pupil ratio in Wisconsin averages one nurse for every 2,359 pupils. The U.S. Department of Health and Human Services, the American Nurses Association, the American Academy of Pediatrics and the National Association of School Nurses recommends a ratio of one nurse to every 750 pupils in the general population, one nurse to every 225 pupils with special needs, and one nurse to every 125 pupils with severe chronic illness or disability. These ratios are also a goal within Wisconsin's state health plan, *Healthy People 2010*. Actual ratios of nurses to pupils and pupil needs vary greatly for each school district, for instance:

- In Waukesha, the nurse to pupil ratio is one to 12,677. The school nurse lacks the ability to properly supervise unlicensed staff in executing the immunization audit and medication administration. Waukesha has needed to contract with home health care agencies to perform nursing tasks on an itinerant basis. Waukesha elementary schools have had five newly diagnosed pupils with Type 1 diabetes who need significant nursing services.
- In the Burlington Area School District, the nurse to pupil ratio is one to 3,994. The school nurse has seen four pupils in the last year that have been newly diagnosed with a seizure disorder and require rectal Valium administration at school. This requires significant nursing intervention and training of unlicensed school staff.
- In Kimberly, the nurse to pupil ratio is one to 2,729. The enrollment of the Kimberly schools has increased 20 percent over the last four years. In that time, the number of special education evaluations of children with health needs involving the nurse has increased from 35 to 76. The number of emergency care plans for children with potentially life-threatening conditions has increased from 420 to 870. The increase in the enrollment and dramatic increase in children with special health care needs explains the dramatic increase in the numbers of special education evaluations and emergency care plans.
- The Wisconsin Rapids School District has a pupil population of 5,834 with 1,277 pupils having special care needs. The nurse to pupil ratio is one nurse to 2,012. Of the pupils with health care needs, 26 pupils have Type 1 diabetes and 16 pupils have Type 2 diabetes.
- The Pulaski School District has a nurse to pupil ratio of one to 3,037. In a six week period of time the school received two newly diagnosed and two transfer pupils who have Type 1 diabetes. This rapid influx of pupils with Type 1 diabetes significantly challenged the minimal nursing services.
- The LaCrosse School District with a pupil population of 7,215 has 991 pupils with special health care needs. The LaCrosse nurse to pupil ratio is one to 1,203.
- In Oshkosh, the nurse to pupil ratio is one to 4,417. There are 2,603 pupils out of a total population of 10,277 who have chronic illnesses.
- East Troy School District with a pupil population of 1,695 has 263 pupils with special health care needs. The East Troy nurse to pupil ratio is one to 1,695.

- West Salem School District with a pupil population of 1,653 with 475 pupils identified with special health care needs. The West Salem nurse to pupil ratio is one to 1,653.
- New Richmond School District with a pupil population of 2,710 with 70 pupils with special health care needs. The New Richmond nurse to pupil ratio is one to 2,710.
- The school districts of Winter and Shorewood have eliminated the school nursing allocation for the 2008-09 school year. Columbus has also decreased their nursing allocation by 20 percent. All changes in nursing services are the result of fiscal constraints.

The Department has calculated the statewide nurse to pupil ratio based on information provided by local school districts as part of their third Friday in September pupil count.

Year	Ratio of Nurses to Pupils
2006-07	1 to 2,357
2005-06	1 to 2,761
2004-05	1 to 2,745

The following data also reflects the results from the Department of Health Services survey of local health departments regarding nursing involvement in schools. There is a broad range of distribution of school nurse to pupil ratios.

Ratio of Nurses to Pupils	Number of School Districts
1:<1,000	35
1:1-2,000	93
1:2-3,000	49
1:3-4,000	27
1:4-5,000	14
1:5-6,000	7
1:6-7,000	5
1:7-8,000	1
1:>8,000	10
Total	241

At this time, eight Wisconsin school districts have the recommended nurse to pupil ratio. The vast majority (over 97 percent) do not.

The proportion of pupils with special health care needs is very high.

- Fifteen percent of Wisconsin children have special health care needs. This is defined as children under the age of 18 who are at increased risk of a chronic, physical, developmental, behavioral, or emotional condition and who also require health and related services of a type or amount beyond that required by children generally.
- Eight percent of Wisconsin children under age 18 were affected by asthma during the past year.
- Nationally, diabetes affects one in every 400 to 600 pupils (American Diabetes Association, 2005); six to eight percent of pupils have food allergies; one percent of pupils have seizure disorders; and seven percent have Attention Deficit Hyperactivity Disorder.

Poor school nurse to pupil ratios are compounded by part-time nurses needing to cover several schools within a district stretched over several miles or full-time nurses having to cover two or three school districts. Further, rural school districts in the southwest and northwest parts of the state are served primarily by public health departments. The services of all statewide public health agencies have

transitioned from providing direct services to that of health education, consultation, and advocacy for change in health policy for large populations. Under ch. 441, Wis. Stats., when districts have children that require a healthcare procedure during school hours, the procedure can only legally be done by a licensed healthcare provider or delegated by the healthcare provider to an unlicensed staff person. Because public health agencies often no longer provide direct nursing services, districts have needed to hire someone or contract for nursing services. This is a burden on the school for several reasons. It is difficult to hire someone who will commit to working for limited hours and contracting with an agency for this type of service is very costly. As a result, schools will sometimes have staff learn how to do a procedure from a parent, and then those medically unlicensed staff will perform the procedure with no supervision of their clinical skills by a licensed healthcare provider. Parents may have been instructed to provide care to their child, but parents cannot instruct school staff nor can unlicensed staff independently perform a health procedure as doing so would be considered the practice of nursing without a license. Not only is the child at risk for unsafe care, the district is in a position of liability.

A voluntary school health services data set collected through the Department's school nurse website describes the scope of school nursing services in 55 school districts. The data set revealed that these school nursing services were able to administer 125,000 oral medication doses; 13,974 subcutaneous medication doses; and 17,395 intramuscular medication doses. The 55 districts reported that they had 29,694 pupils with special health care needs, including 479 children with diabetes, 877 with seizure disorder, 12,168 with asthma and 2,268 children with life-threatening food allergies. These data also indicate that school nurses contribute to safety by administering and training other school personnel to give emergency medications.

In a recent survey, 86 percent of Wisconsin school nurses reported that the severity and complexity of pupil health problems has increased in the past five years. During the same time, 50 percent of respondents reported nurse staffing levels in their schools had remained the same, and 15 percent reported that such staffing had decreased. Fifty-three percent of the school nurses reported that their school's health services were inadequate. Eighty-five percent thought that funding was the major obstacle to improvement in school health services.

School health programs can be cost effective both in terms of dollars and pupil health:

- In Milwaukee, during the 2006-07 school year, the nurse to pupil ratio was one to 3,596. In 2003, this ratio was one to 8,500. The additional school nurses hired since 2003 have been credited with increasing attendance in the middle schools where there is the highest concentration of school nurses and school nurse associates. For instance, there was a decrease in absence attributable to lice infestation in one school. Prior to a school nurse intervention, 71 pupils had a total of 136 occurrences which accounted for 681 missed days. The average number of days missed that year due just to head lice was 9.59 per pupil. The 9.59 missed days per pupil was cut to less than two days with nursing intervention. In another school, immunization compliance went from 40 percent to 66 percent when a nurse was hired to focus on immunization issues. Several studies document the positive impact of school nursing services on pupil attendance.
- Milwaukee's increase in school nurses from 2001-2007 illustrates the impact that school nurses can have on the health and safety of pupils. In 2001, Milwaukee had approximately six nurses, and in 2007 they climbed to 65 school nurses. In 2001, Milwaukee had 581 emergency health care plans which climbed to 3,821 plans in 2007. Emergency health care plans are developed by the school nurse to plan for a pupil's potentially life-threatening health event at school. Emergency health care plans are essential in providing safe and effective healthcare in the school setting.
- A study of 22 districts enrolling over 10,000 pupils found that a full-time nurse reduces the number of pupils who leave school because of medical complaints.

- The rate of sudden cardiac arrest in high school pupils is estimated to be one in every 259 to 547 pupils. School nurses are instrumental in providing training in first aid, cardiopulmonary resuscitation and use of automated external defibrators.
- A school-based hepatitis-B vaccination program costs \$31 per dose. The same vaccination provided by an HMO costs \$68 (this doesn't include the cost to the parent for lost work time and transportation).
- The school food and nutrition team report that it is often the school nurse that is the catalyst to establish a school breakfast program.
- School nurses serve as a professional link with physicians and to community resources such as Badger Care Plus.
- School nursing interventions that targeted pupils with histories of high rates of absenteeism proved effective in decreasing the number of days absent from school.
- A school nurse's teaching of hand-washing skills in an elementary school led to a decrease in absenteeism due to illness.
- Pupils whose parents had received personal phone calls from the school nurse were more adequately immunized than pupils whose parents only received a flyer with information.
- One study found that in school districts with smaller nurse-to-pupil ratios, there were fewer violent deaths among teens, fewer teen births, and increased high school graduation rates.
- A study of two middle schools in Florida which had adopted the Florida Department of Education's Coordinated School Health Program to promote pupil health and academic achievement reported that the Florida Comprehensive Assessment Test (FCAT) math scores improved by an average of 11.5 points and their FCAT reading scores by an average of 15 points. Pupil attendance also increased at each school.

In the 2007-09 state budget, an annual appropriation of \$250,000 GPR was created for school districts to initiate or expand nursing services. In January 2008, the Department administered a competitive grant program for school districts to apply for the funding based on high nursing and pupil need. Despite restrictive criteria and a limited application time period for the school nursing grants, over \$1 million was requested for the \$250,000 allocation. The demand for the grants, coupled with the many inquiries from school districts indicate the high need of school nursing services.

This proposal would increase the existing competitive grant program from \$250,000 to \$1.5 million annually in GPR categorical aid to support the expansion and improvement of school nursing services. The \$1.5 million would be available on a competitive basis to school districts with the highest needs. Such needs may include the number of economically disadvantaged pupils in a school, high rates of chronic health problems, the complexity of health needs, lack of access to school nurses, and a large ratio of nurses to pupils. Funds awarded will vary in size depending on district needs. These funds would support 25 FTE school nurse positions at about \$60,000 a year. Schools would use funds to expand nursing capacity. Funds may not be used to hire or contract for health services to replace existing staff or to supplant existing services. Schools receiving funds would be required to collect data to determine outcomes of increased nursing services.

The \$30,000 in requested administrative funds would be used by the Department to provide training, technical assistance, and professional development to school districts and nurses in preparing school health programs, and to administer the grant program. Training would focus on several levels:



- Provide training to new school nurses - \$15,000. The majority of nurses working in Wisconsin schools have no prior school nursing experience when hired or contracted. Funds would be used to purchase and develop training materials, including trainings that nurses could access at any time for timely information. Periodic face-to-face sessions for skill building, ongoing mentoring and support by more seasoned nurses would also be provided.
- Develop leadership skills of currently practicing school nurses - \$15,000. Experienced school nurses have a wealth of knowledge that, if better shared, would not only enhance the skills of new nurses but would also better inform school administrators about school health services. Because of the isolation and autonomy of a school nurse, few have the opportunity to develop or share their leadership skills. Funds would be used to develop and conduct an annual school nurse leadership institute patterned after successful programs in Indiana and Washington. The goal of the institute would be to increase leadership knowledge and skills of identified school nurse leaders in order to establish a group of nurse trainers and mentors.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *School Nurse Definition* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4507 – SCHOOL SAFETY GRANTS

#### *101 – General program operations*

##### *s. 20.255 (1) (a)*

#### *216 - School safety grants*

##### *s. 20.255 (2) (dh) – New*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Grants	\$0	\$5,000,000
State Operations	\$0	\$250,000 1.0 FTE
Total Request	\$0	\$5,250,000

#### **Request/Objective**

The Department requests \$5,000,000 GPR in FY11 to create a new continuing appropriation for grants to reimburse school districts for costs allowable under the federal Safe and Drug Free Schools and Communities Act (SDFSCA), but not paid under that act. These competitive grants would be used to prevent violence, respond to emergencies, manage crises, and recover from major safety related events.

The Department also requests \$250,000 GPR and 1.0 GPR FTE in FY11 for state administration of the grant program, related training, and technical assistance services.

#### **Background/Analysis of Need**

The level of funding Wisconsin school districts have received through the SDFSCA grant program has decreased significantly over the past seven years, since the passage of the No Child Left Behind Act of 2001.

- Aids to Wisconsin schools decreased from \$5,400,000 in FY01 to \$3,600,000 in FY08, a reduction of 33 percent. The allocation now averages \$4 per pupil. This is the only federal fund source provided to all school districts for drug and violence prevention.
- If the president's proposal is accepted for FY09 funding, Wisconsin schools and communities will share in just \$1,758,500 under a vastly modified and reduced program. This would represent a 75 percent reduction in funding available to the state from that which was provided through this program in the first year of NCLB. Most schools would not receive any funds.

In addition to the steady erosion of funds provided through SDFSCA, there are caps included in the federal law that limit spending for this program:

- Expenditures for security equipment, including surveillance cameras, communication devices, lighting, fencing, and door and window locking systems are limited to just 20 percent of the total grant received by any single school district. This is often an inadequate amount of funding given the small base grant amount upon which this cap is applied.
- Expenditures for security personnel costs may not exceed 40 percent of the total annual award. This cap would also include the costs for equipment and is not in addition to the 20 percent limitation on security equipment. Security personnel costs might include the school's share of costs for resource or liaison officers as well as for hiring of security personnel that are not sworn law enforcement officers.

Activities allowable under SDFSCA that could be funded under the proposed grant, include:

- Youth suicide prevention.
- Expanding school-based mental health services.
- Services to reduce truancy, suspensions, and expulsions.
- Developmentally appropriate drug and violence prevention strategies.
- Law enforcement and security activities.
- Emergency intervention following traumatic events.

Effective youth suicide prevention involves schools implementing a comprehensive approach that provides: 1) developmentally appropriate instruction to all pupils, 2) additional, targeted services for pupils in high-risk groups, and 3) more intensive services for pupils who have demonstrated an individual risk for suicide. Evidence-based strategies include classroom instruction, detecting warning signs of potential suicide, screening for depression and suicide risk, crisis response, and parent support. Primary allowable costs may include personnel, materials, such as curricula and screening tools, and contracts for services.

In many cases of violence, warning signs are present prior to any acts. Therefore, systematic assessments of specific threats and ongoing risks for violence are essential in preventing violence. Providing these services, both by school staff and community professionals, may create greater cost effectiveness, result in safer schools, and result in greater pupil achievement. Costs related to mental health screening, threat and risk assessment related to violence, referral to community mental health providers, and provision of mental health services in school, would be covered under this proposal. These could include personnel, materials and contracts for services including training for school personnel, such as pupil services staff who may hold clinical licenses.

For some pupils, truancy and dropping out is a signal of not feeling safe at school. Efforts to provide a safe, civil and supportive school environment can result in fewer acts of violence, suspensions and expulsion. Research-based evidence on programs effective in reducing truancy, dropping out, suspensions and expulsions include key elements. For example, such programs use data to determine when and where problems arise. They communicate with pupils, parents, school staff, and the community so adults and pupils know about the rules, the problem, and their part in the plan. Implementing consistent school rules, counseling and supportive interventions such as restorative justice can help reduce suspensions and expulsions. Such programs also frequently monitor program progress, in order to sustain what works and modify what is not working. Primary allowable costs would include personnel, materials and contracts for services.

Developmentally appropriate drug and violence prevention strategies include the following. In the area of school environment, schools can develop policies and procedures related to AODA and violence prevention and implement schoolwide behavior strategies to prevent bullying and disruptive behavior. Curriculum and instruction helps build pupil knowledge, attitudes and skills to avoid drug use and violence. Co-curricular pupil programs support prevention activities outside the classroom or school day including peer programs, clubs and after-school enrichment activities. Pupil services programs include selected and targeted services such as support groups for anger management or recovering youth and individual screening and referral to community service providers. Adult programs support professional development, parent education and support and employee assistance. Family and community connections support involvement of parents/guardians and community organizations in drug and violence prevention. Allowable costs include personnel, materials and contracts for services.

School resource officers are increasingly viewed as important members of a team that can help school officials keep pupils and schools safe and orderly. While not employees of school districts, costs related to law enforcement officers assigned as resources to schools, are typically shared by school districts and law enforcement agencies. This proposal would allow the costs for the school district's share of these contracts to be covered under grants. Further, the costs of security equipment,

including, but not limited to, surveillance cameras, communication systems (including walkie-talkies), enhanced fencing and lighting, and threat assessment costs using the Crime Prevention Through Environmental Design System could be covered through this proposal.

While each district has developed a basic school safety/crisis plan, ongoing collaboration with first responders, regular refinements of plans, and practice of procedures are needed to assure appropriate responses. When a violent or other traumatic event occurs, school administrators and pupil services staff must communicate effectively with pupils, parents and community members. Schools must take effective steps to respond swiftly to minimize injury and loss of life and provide recovery support for surviving members of the school community, including debriefing and grief counseling. Efforts must be taken to restore the teaching and learning environment as quickly as possible. Good planning and a well-developed crisis plan will facilitate a well-coordinated effective response. Recovery planning and programming is critical, and may be continuous and ongoing. Grant funds could support personnel, materials and contracts for services including staff development and training to assist school districts in responding effectively to traumatic events.

There is a great need for drug and violence prevention and early intervention activities that could be funded under this proposal. For example, the 2007 Wisconsin Youth Risk Behavior Survey representing public high school pupils statewide found that one in seven (14 percent) pupils reported seriously considering suicide in the past 12 months; one in 15 (seven percent) attempted suicide; and 23 percent of pupils reported that they were offered, sold or given an illegal drug on school property in the last 12 months.

Eighty-four percent of middle and high schools report offering some instruction on violence prevention in a required health education class. However, use of evidence-based violence prevention programs is limited.

Many schools lack basic types of violence prevention programs. Fifty percent of Wisconsin middle and high schools lack peer mediation, 80 percent lack gang violence prevention, and nearly 50 percent lack bullying prevention.

A variety of evidence-based violence prevention programs are available for schools, and some have been effectively implemented in some Wisconsin schools. The requested funds would permit greater dissemination and use of these programs. Based on previous evaluations, greater implementation of these programs would lead to decreases in violent incidents at schools. Since 2004, an increasing number of Wisconsin school districts use Safe and Drug Free Schools funding to purchase and implement evidence-based programs to decrease alcohol and drug usage and violence. With the drastic reduction in these federal funds, there is a great need to support current initiatives and new districts in implementing evidence-based programs that make a difference in changing pupils' attitudes, beliefs and behaviors. Staff development is also needed to implement the programs with fidelity. Funds are also needed to address the need for ongoing professional development training on school security and emergency preparedness issues for teachers, administrators and support staff.

School safety grants could help address drug-, violence-, and weapon-related incidents at schools. Such incidents are increasingly common at schools, as seen by the state expulsion data collected by the Department. Expulsions have nearly quadrupled in the past 15 years from about 400 to 1,500. Seventy-nine percent or 1,182 of these were the result of drug-, violence-, or weapon-related incidents in 2006-07. The safety grants could be used for prevention or early intervention programs and to maintain services to expelled pupils while keeping the school campus safe.

These school safety grants would encourage schools to develop or supplement school safety programs to prevent violence and respond to and recover from critical incidents. Such efforts are critical to learning.

The \$250,000 of administrative funds and the 1.0 GPR FTE position would be used to:

- Administer the grant program, including publishing guidance and application forms, conducting workshops for grant writers, and conducting external reviews of grant applications.
- Provide training and technical assistance, including best practices in violence prevention, crisis response and recovery.
- Provide monitoring of grant funded programs. This could include on-site monitoring, perhaps done in conjunction with NCLB consolidated monitoring. On-site monitoring of school building safety practices, procedures and drills in order to provide school specific technical assistance.

The 1.0 GPR FTE position would be classified as an educational consultant, with estimated costs to be \$96,700 in FY11.

There is currently a high demand for training on school safety and violence prevention. Training conferences, workshops and webcasts in 2007 served more than 2,000 school personnel. Seventy-three percent of school health educators report a desire for additional training in violence prevention and 71 percent want more training on suicide prevention.

A 2004 survey of 758 school resource officers nationally revealed the following key findings:

- School crime, violence, and safety offenses continue to threaten the nation's schools. A significant increase in gang activity and an increase in violent incidents on school buses, along with increased concerns about technology based misconduct and crimes, were also reported.
- Over 78 percent of school based police officers reported they had taken a weapon from a pupil on school property in the past year.
- Over 37 percent of the officers stated that gang activity in their school/district had increased during the past year. Approximately eight percent reported that gang activity in their schools actually decreased.
- Over 35 percent of School Resource Officers (SROs) indicated that violent incidents on school buses had increased in their districts during the past two years. Fewer than 13 percent of the respondents reported that violent incidents aboard school buses had decreased during this time.
- Almost 55 percent of the SROs indicated that concerns regarding internet based crimes had increased in their school community in the past two years. Over 41 percent of the officers stated that they had dealt with cases of pupils using cell phones for improper reasons (cheating on exams, taking photos in restrooms and/or locker areas, etc.) during the past year.
- Over half of the officers reported that their school crisis/emergency plans are not adequate. Over two-thirds reported that their school emergency plans are not exercised (tabletop drills, full scale drills, etc.) on a regular basis. A significant percentage (over 43 percent) of the SROs indicated that school officials do not formally meet at least once a year with police, fire, emergency medical services, emergency management agencies, and other public safety officials to review and revise school plans.
- More than half of the respondents indicated that teachers, administrators, and support staff do not receive ongoing professional development training on school security and emergency preparedness issues. Almost two-thirds of the officers stated that school bus drivers and transportation personnel have not had any training in the past three years related to security measures, emergency planning and response, terrorism, and associated topics.
- Seventy percent of the surveyed school officers indicated that funding for school safety in their districts is either decreasing or remaining the same. Only 15 percent of respondents reported an

increase in safe schools funding. The vast majority of officers believe that when considering the amount of federal funding being provided to improve homeland security for non-school entities, the amount of funding made available specifically for K-12 school security and emergency preparedness planning is not enough.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *School Safety Grants* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4508 – SCHOOL BREAKFAST REIMBURSEMENT

#### *215 – Grants for school breakfast programs s. 20.255 (2) (cm)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$4,153,700</b>	<b>\$5,067,500</b>
<b>Less Base</b>	<b>\$2,890,600</b>	<b>\$2,890,600</b>
<b>Requested Change</b>	<b>\$1,263,100</b>	<b>\$2,176,900</b>

#### **Request/Objective**

The Department requests an increase of \$1,263,100 GPR in FY10 and \$2,176,900 GPR in FY11 for state aids to school districts and private schools to fully fund the current state reimbursement rate for the School Breakfast Program at \$0.15 for each breakfast served.

#### **Background/Analysis of Need**

The federal School Breakfast Program (SBP) provides cash assistance to states to operate nonprofit breakfast programs in schools and residential child care institutions. School breakfasts are available to all pupils. Participating entities receive cash subsidies from the U.S. Department of Agriculture (USDA) for each meal they serve. In return, they must serve breakfasts that meet federal requirements, and they must offer free or reduced-priced breakfasts to eligible children. Eligibility criteria, pupil costs, and USDA reimbursement rates for free, reduced and full-price meals are as follows:

	Eligibility Criteria	Amount Pupil Pays	Amount USDA Reimburses Participating Entity
Free meals	Children from families with incomes at or below 130 percent of the federal poverty level	\$0.00	\$1.27 per meal
Reduced-priced meals	Children from families with incomes between 130 percent and 185 percent of the federal poverty level are eligible for reduced-priced meals	No more than \$0.30	\$0.97 per meal
Full-price meals	Children from families with incomes over 185 percent of the federal poverty level pay full price	Schools set their own prices for breakfasts served, though they must operate their meal services as nonprofit programs	\$0.23 per meal

In addition, the state provides GPR to reimburse participating entities at a rate of \$0.15 per each breakfast served, regardless of a pupil's eligibility for free or reduced-price meals, unless the appropriation under s. 20.255 (2) (cm), Wis. Stats., is insufficient to pay the full amount of aid, then the Department shall prorate state aid payments.

Payments have been prorated since the 2005-06 school year as a result of the increase in school breakfast participation. For the 2007-08 school year, payments were prorated at \$0.1351 per breakfast served. A history of the school breakfast appropriation follows, as well as estimated future expenditures:

Year	Beginning Balance	Appropriation	Actual Expenditures	Ending Balance	Breakfasts Served*	Percent Change in Breakfasts Served
1998-99	\$144,700	\$150,000	\$139,800	\$154,900	N/A	N/A
1999-00	154,900	150,000	159,500	145,400	N/A	N/A
2000-01	145,400	892,100	990,100	47,400	10,034,500	N/A
2001-02	47,400	1,055,400	907,000	195,800	10,783,710	7.5%
2002-03	195,800	1,055,400	983,700	267,500	11,480,800	6.5
2003-04	267,500	1,055,400	1,047,000	275,900	12,367,100	7.7
2004-05	275,900	1,055,400	1,138,400	192,900	13,618,575	10.1
2005-06	192,900	1,055,400	1,248,300	0	12,483,000	-8.3
2006-07	0	1,055,400	1,457,735	0	14,571,109	16.7
2007-08	0	2,513,500	2,790,711	0	18,604,737	27.7
2008-09 (est.)	0	2,890,600	3,404,667	0	22,697,779	22.0
2009-10 (est.)	0	2,890,600	4,153,694	0	27,691,291	22.0
2010-11 (est.)	0	2,890,600	5,067,506	0	33,783,374	22.0

NOTE: The school breakfast appropriation is a continuing appropriation; therefore, any unspent funds or ending balance becomes the subsequent year's beginning balance.

\*Breakfasts served include (2r) charter schools, state schools, and residential child care institutions. These entities do not receive funds from the School Breakfast Program.

It is anticipated that school breakfast participation will increase at 22 percent based on the average increase of the participation in the last two years. In addition, the state will receive \$407,000 from Senator Kohl's Federal Breakfast Start-up and Participation Improvement Fund in the 2008-09 school year. These additional funds are expected to stimulate increased participation, considering the participation increased 27 percent when the reimbursement rate per breakfast was raised \$0.05 in 2007-08.

Without an increase in the state school breakfast appropriation, participants will receive less reimbursement per meal served in the 2009-11 biennium. The proration rates assuming a 22 percent increase in eligible meals over the next three years are:

- 2008-09 – \$0.1294.
- 2009-10 – \$0.1044.
- 2010-11 – \$0.0856.

### Statutory Language

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4509 – SCHOOL MILK PROGRAM REIMBURSEMENT

#### **214 – Wisconsin school day milk program s. 20.255 (2) (cp)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$1,158,000	\$1,251,900
Less Base	\$710,600	\$710,600
Requested Change	\$447,400	\$541,300

#### **Request/Objective**

The Department requests an increase of \$447,400 GPR in FY10 and \$541,300 in FY11 for state aids to school districts and private schools to fully fund the Wisconsin School Day Milk Program.

#### **Background/Analysis of Need**

Since FY04, claims for reimbursement received under the Wisconsin School Day Milk Program from public and private schools have exceeded the appropriation as a result of units (pints of milk/juice) served combined with an increased cost per unit. It is assumed the FY09 appropriation level will be exceeded as well. The Department prorated claims in the last two years by paying at 80 percent in FY07, and 66.4 percent in FY08.

The Wisconsin Morning Milk Program was created by 1987 Wisconsin Act 27 which specified the state would pay the cost of providing Wisconsin produced milk each day to children enrolled in kindergarten to grade five classes and who were eligible for free lunch under the National School Lunch Program. The statute was amended by 1991 Wisconsin Act 39 which expanded eligibility for morning milk to children enrolled in pre-kindergarten to grade five classes who are eligible for free or reduced-priced lunches. These changes increased both the number of children and the number of schools participating in the program. The statute was again modified by 2001 Wisconsin Act 16 changing the title of the program from Wisconsin Morning Milk Program to Wisconsin School Day Milk Program.

More than 5.7 million one-half pint units of milk and juice were served in FY06. At a per unit cost of \$0.1543, claims for FY06 (paid from the FY07 appropriation of \$710,600) were approximately \$888,000, resulting in aid proration at 80 percent.

More than 6 million one-half pint units of milk and juice were served in FY07. At a per unit cost of \$0.1756, claims for FY07 (paid from the FY08 appropriation of \$710,600) were approximately \$1,070,000, resulting in aid proration at 66.4 percent.

The price per unit fluctuates within each fiscal year. The average price per unit decreased in FY06 by 5.5 percent, but then increased 13.8 percent in FY07.

Participation for the program rose an average of 6.3 percent annually from FY02 to FY08. In determining funding needs for the 2009-11 biennium, participation is anticipated to continue to increase 6.3 percent annually.

The price of milk increased dramatically in 2007, but the U.S. Department of Agriculture (USDA) projects that the price of milk will level off. They expect there will be a slight decrease in the price in 2009, and then slight increases in 2010 and 2011. The history and estimates of the School Day Milk Program appropriation, expenditures, prior year units claimed and unit costs follows:

Fiscal Year	Appropriation	Total Expenditures Claimed	Prior Year Units Claimed	Unit Cost
2003	\$710,600	\$682,000	4,501,916	\$0.1515
2004	710,600	682,000	4,812,220	0.1417
2005	710,600	811,200	4,938,195	0.1643
2006	710,600	889,000	5,439,257	0.1634
2007	710,600	888,028	5,754,277	0.1543
2008	710,600	1,070,020	6,092,337	0.1756
2009 (est.)	710,600	1,068,048	6,476,154	0.1649
2010 (est.)	710,600	1,158,042	6,884,152	0.1682
2011 (est.)	710,600	1,251,925	7,317,854	0.1711

Note: Estimated Unit Cost based on the USDA Agricultural Projections to 2017, February 2008

### Statutory Language

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4510 – SCHOOL LUNCH MATCHING REIMBURSEMENT

#### *209 – Aids for school lunches and nutritional improvement s. 20.255 (2) (cn)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$6,871,100	\$6,871,100
Less Base	\$4,371,100	\$4,371,100
Requested Change	\$2,500,000	\$2,500,000

#### Request/Objective

The Department requests an increase of \$2,500,000 GPR in both FY10 and FY11 to increase by \$0.025 the state match reimbursement rate for the National School Lunch Program to decrease by approximately 50 percent the amount school boards are transferring from educational funds to the school nutrition funds.

#### Background/Analysis of Need

Section 210.17 of the U.S. Department of Agriculture (USDA) regulations for the National School Lunch Program mandates a state revenue matching payment. The amount is set at 30 percent of the funds received from USDA under section four of the National School Lunch Act during the 1980-81 school year. The 30 percent may be decreased if the per capita income of Wisconsin is less than the per capita income of the United States.

Section 115.34 (2), Wis. Stats., provides that Wisconsin's match payment be based upon the total school lunches served to pupils during the prior school year payable to public and private schools. Payments shall equal the state's matching obligation as prescribed by USDA. The funding history demonstrates a stagnate state obligation since 1981-82. Since the per capita income of Wisconsin is less than the per capita income of the United States, Wisconsin has not had to make the 30 percent matching payment. Instead, Wisconsin has paid between 28 to 29 percent of what the federal government has been paying. Below are the percentages and the required state match payments the state has made since 1981:

Table 1  
Wisconsin's Matching Payments

School Year	Required Match	Percent of Matching Payment
1981-82	\$4,173,162	29.0%
1982-83	4,236,906	29.5
1983-84	4,127,749	28.7
1984-85	4,185,939	29.1
1985-86	4,192,339	29.1
1986-87	4,209,028	29.3
1987-88	4,093,436	28.5
1988-89	4,099,565	28.5
1989-90	4,109,321	28.6
1990-91	4,062,767	28.2
1991-92	4,034,021	28.0

School Year	Required Match	Percent of Matching Payment
1992-93	4,054,195	28.2
1993-94	4,054,708	28.2
1994-95	4,111,071	28.6
1995-96	4,116,173	28.6
1996-97	4,153,833	28.9
1997-98	4,139,230	28.8
1998-99	4,143,993	28.8
1999-00	4,127,849	28.7
2000-01	4,103,804	28.5
2001-02	4,141,143	28.8
2002-03	4,112,379	28.6
2003-04	4,145,095	28.8
2004-05	4,198,308	29.2
2005-06	4,214,357	29.3
2006-07	4,187,585	29.1
2007-08	4,159,693	28.9

Most of the support USDA provides to schools in the National School Lunch Program comes in the form of a cash reimbursement for each meal served. The current (July 1, 2007 through June 30, 2008) basic cash reimbursement rates if school food authorities served less than 60 percent free or reduced-priced lunches during the second preceding school year are:

Free lunches: \$2.47/lunch.

Reduced-priced lunches: \$2.07/lunch.

Paid lunches: \$0.23/lunch.

The federal reimbursement for free lunches has not kept pace with the increased cost of providing a nutritious lunch to children. On April 11, 2008, the USDA released the *School Lunch and Breakfast Cost Study – II* indicating that the full costs to produce National School Lunch Program lunches “generally exceeded the free lunch subsidy” provided to prepare them. The nationwide mean full cost to produce a reimbursable lunch was \$2.79, and the meal subsidy rate for free lunches in the 2005-06 school year was \$2.495. Table 2 shows the history of federal reimbursement in Wisconsin compared to the statewide expenditures per lunch.

Table 2  
Average Total State Expenditures and Reimbursements for All School Lunches  
(Free, Reduced and Paid Lunches)

School Year	Average Federal Reimbursement Rate per Lunch	Total Federal Reimbursement	Reimbursement Percent Change	Statewide Expenditures Per Lunch	Percent Change
2000-01	\$0.81	\$71,938,001		\$2.00	
2001-02	0.86	77,707,845	8.0%	2.05	1.5%
2002-03	0.88	80,695,483	3.8	2.14	4.9
2003-04	0.94	86,989,974	7.8	2.21	2.8
2004-05	0.98	92,352,150	6.2	2.28	1.8
2005-06	1.02	98,640,545	6.8	3.05	38.9
2006-07	1.08	104,880,961	6.3	2.41	-22.9

Note: This includes public schools, private schools and residential child care institutions. The data is based on annual claim reports that are not audited. It is assumed that the 2005-06 expenditure data is an error.

The number of lunches served has been steadily increasing, which results in a lower state reimbursement rate for each lunch served. The state match payment for 2006-07 was approximately \$0.0426 per lunch served for approximately 97,612,700 lunches.

Table 3  
Wisconsin's State Match Rate Compared to Total Lunches Served

School Year	State Match Rate	Percent Change	Total Lunches Served	Percent Change
2000-01	\$0.0462		88,780,705	
2001-02	0.0458	-0.90%	90,401,872	1.8%
2002-03	0.0453	-1.09	91,489,687	1.2
2003-04	0.0453	-0.07	92,729,763	1.4
2004-05	0.0447	-1.24	93,897,155	1.3
2005-06	0.0438	-2.09	96,268,485	2.5
2006-07	0.0426	-1.84	97,612,700	1.4

Note: This includes public schools, private schools and residential child care institutions.

In order to maintain the nutritional integrity of the meals served to children, many districts have to annually transfer valuable educational resources from Fund 10, the general school fund, to Fund 50, the school nutrition fund, as demonstrated by the following table:

Table 4  
Amount of Transfers from Fund 10 to Pay for School Lunches

Year	Number of Districts	Amount of Transfer	Average Amount
1993	179	\$3,073,745	\$17,172
1994	173	2,924,179	16,903
1995	169	2,800,722	16,572
1996	158	2,510,934	15,892
1997	182	3,239,016	17,797
1998	163	3,381,613	20,746
1999	174	3,773,825	21,689
2000	173	3,520,248	20,348
2001	167	5,459,980	32,694
2002	155	4,019,881	25,935
2003	172	6,629,215	38,542
2004	171	5,381,314	31,470
2005	149	5,998,019	40,255
2006	149	4,911,421	32,963
2007	145	5,087,173	35,084

This request proposes to reduce by approximately 50 percent the estimated district transfers from the educational resources Fund 10 to pay for school lunches by increasing the state matching payment to approximately \$0.0676 per lunch.

The National School Lunch Program provides school children with one-third or more of their Recommended Dietary Allowance (RDA) for key nutrients. These lunches are required to provide no more than 30 percent of calories from fat and less than ten percent from saturated fat. USDA research indicates that children who participate in the school lunch program have superior nutritional intake compared to those who do not participate.

Studies show that proper nutrition improves a child's behavior, school performance, and overall cognitive development. Properly nourished children more actively participate in the education experience, which benefits them, their fellow students, and the entire school community.

## **Statutory Language**

The Department is proposing statutory language related to this request. See *School Lunch Matching Reimbursement* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4511 – PRESCHOOL-GRADE 5 PROGRAM

#### **219 - Grants for preschool to grade 5 programs s. 20.255 (2) (do)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$7,721,400	\$7,721,400
Less Base	\$7,353,700	\$7,353,700
Requested Change	\$367,700	\$367,700

#### **Request/Objective**

The Department requests an increase of \$367,700 GPR in both FY10 and FY11 for the Preschool to Grade 5 Program (P-5). The additional funding will provide an inflationary increase to the program so the following functions, which are critical to closing the achievement gap, can continue to be performed:

- Aggressive reading programs. The P-5 schools recognize that reading is the core of the academic program.
- Maintain quality teachers that will continue to focus on key areas that will assist in closing the achievement gap.
- Provide more staff development in schools.
- Provide more in-service opportunities for parents to become more involved in their child's education.

The increase, if granted, would be spread across the 38 schools that currently participate in the P-5 Program ( $\$367,700/38$  schools = average of \$9,676 increase per school).

#### **Background/Analysis of Need**

P-5 was created in the 1985-87 biennial budget, and began service in the 1986-87 school year. Currently 38 schools in four districts—Beloit, Kenosha, Milwaukee, and Racine—participate in P-5. The communities of which P-5 pupils are a part suffer from high crime rates, high unemployment, drug use, high family mobility rates, and unacceptably high rates of suspensions and expulsions. Over 90 percent of the children served by many of the P-5 schools are eligible for free and reduced-priced meals under 42 USC 1758 (b). The conceptual basis for the program is largely embodied by two components, state grants to P-5 schools and local management, both of which are described below.

#### *State Grants to P-5 Schools*

Grants are awarded on a competitive basis, and cannot be renewed unless the school meets performance objectives jointly established by the Department and the school. Commonly cited successes achieved by P-5 schools include improvements on evaluation measures such as:

- The Iowa Basic Skills Test.
- The P-5 writing sample assessments for second and fifth graders.
- The Wisconsin Knowledge and Concept Examinations (WKCE) in reading, writing, and mathematics for fourth graders.
- Increased parental involvement and staff development activities.
- Increased attendance rates.

Inner-city elementary schools receive grants that are used to develop innovative, supplementary educational strategies such as parental involvement activities, reduced class size, and staff development including portfolio assessment, computer, team building and multicultural training to improve pupil achievement. Examples include the “*Direct Instruction*” program in reading and math and the “*Success for All*” program which have been started in two Beloit schools. In addition, some P-5 schools provide wrap-around day care, child care, and health care programs. All districts have at least half-day four-year-old kindergarten or preschool.

#### *Local Management of P-5 Schools*

Site-based management: P-5 schools are run on a “site-based management” system, meaning the schools largely decide how the grant money they receive will be spent. This is done to ensure that the money can be utilized to meet local needs. P-5 schools do a needs assessment each year to determine how their grant will be utilized. The Department monitors budgets to assure the local goals are achievement oriented. In addition, the state P-5 Advisory Council oversees requests for funding and funding renewals.

School councils: To promote parental involvement, P-5 schools must have school councils (composed of parents, teachers, principals and others from the community) in their schools and parents must be active in the school and their community. P-5 schools have home/school coordinators to ensure there is meaningful communication between the home, the school, the child, and the parent (or the adult[s] in the child’s life). Parents are educated on matters such as how to help a child with his or her homework. P-5 funds can be used for a broader range of purposes than Student Achievement Guarantee in Education (SAGE) funds (e.g., more comprehensive staff development; more aggressive parental involvement activities; and wrap-around day care, child care and health care programs).

#### *Funding*

P-5 is funded with an annual categorical aid appropriation, s. 20.255 (2) (do), Wis. Stats. Annual funding levels of the P-5 program since FY96 are as follows:

P-5 Funding History		
Fiscal Year	Budget (in GPR)	Percent Increase
FY96	\$6,670,000	0%
FY97	6,670,000	0
FY98	7,003,500	5
FY99	7,003,500	0
FY00	7,353,700	5
FY01	7,353,700	0
FY02	7,353,700	0
FY03	7,353,700	0
FY04	7,353,700	0
FY05	7,353,700	0
FY06	7,353,700	0
FY07	7,353,700	0
FY08	7,353,700	0
FY09	7,353,700	0

Analysis of recent funding history: It should be noted from the table above that no increase has been given to the P-5 program, inflationary or otherwise, since FY00. It also shows that the FY09 funding is only 10.3 percent higher than it was in FY96. The “Inflation Calculator” of the U.S. Bureau of Labor Standards computes that \$9,627,033 would be needed in 2008 to have the same purchasing power as \$6,670,000 had in 1995, the year in which FY96 began. (It should be noted that \$9,627,033 is \$2,273,333 or 30.9 percent higher than the current appropriation of \$7,353,700). The proposed funding



increase of \$367,700 GPR in each year of the biennium would result in appropriation levels over the course of the 2009-11 biennium as follows:

Proposed Funding for P-5 in FY10 and FY11

Fiscal Year	Proposed Annual Budget (in GPR)	Percent Increase
FY10	\$7,721,400	5%
FY11	7,721,400	0

The additional funds will likely go for the following purposes:

- Teacher salaries and benefits.
- Increasing the number of staff development opportunities.
- Drug prevention programs.
- Retaining educational assistants and paraprofessionals.
- Help struggling learners by adding more instructional materials for math and reading.
- Retaining specialists for areas like gym, music, arts, etc.
- Retaining support staff (guidance counselors, social workers).
- Maintaining teacher ratios of 25:1.

#### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4512 – SAGE PROGRAM REESTIMATE

#### **275 – Achievement guarantee contracts s. 20.255 (2) (cu)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$115,695,300	\$117,425,500
Less Base	\$111,984,100	\$111,984,100
Requested Change	\$3,711,200	\$5,441,400

#### **Request/Objective**

The Department requests an increase of \$3,711,200 GPR in FY10 and \$5,441,400 GPR in FY11 to fully fund the projected costs under the Student Achievement Guarantee in Education (SAGE) aid program.

#### **Background/Analysis of Need**

SAGE grants to local school districts are currently funded at the annual rate of \$2,250 per low-income full-time equivalent (FTE) pupil. SAGE is funded at \$111,984,100 GPR in both FY08 and FY09. After subtracting the required \$250,000 for the SAGE evaluation, the appropriation will fund 49,659.6 eligible FTE pupils at \$2,250 each.

Table 1 below shows the number of low-income FTE pupils for each of the last five academic years (2003-04 through 2007-08) and the percentage change in each number over the previous year.

Table 1  
SAGE Low-income FTEs in Academic Years 2003-04 through 2007-08

Academic Year	SAGE Low-income FTE	Percent Change
2003-04	47,899	0.8%
2004-05	47,050	(1.80)
2005-06	48,313	2.70
2006-07	48,427	0.24
2007-08	49,804	2.80

In FY08, the Department had to prorate \$324,900 of eligible SAGE aid due to the higher total number of FTE than what is funded (49,804 vs. 49,659.6). This proration occurred on the 265 FTE from the March 2008 reporting window. These FTE were paid only \$1,029 per pupil instead of the full \$2,250 per pupil.

The cumulative change in FTE over the five-year period is four percent. The average annual change over this timeframe is 0.8 percent.

It is believed that the current difficult economic times are a primary reason why the low-income FTE count went up 2.8 percent in 2007-08. Given economic uncertainties, it is possible that above average increases in the number of low-income FTEs will take place during the next three years as well.

Table 2 below demonstrates the amount of GPR needed to fund a 1.5 percent low-income FTE increase in 2008-09 (the last year of the current 2007-09 biennium) and in 2009-10 and 2010-11 (the

two years of the upcoming biennium). It shows an increase of 2,274 low-income FTE pupils, or 4.5 percent, over the three-year period of time.

Table 2  
SAGE Low-income FTEs in Academic Years 2008-09 through 2010-11,  
Assuming 1.5% Growth per Year and Associated Annual Costs

Academic Year	Anticipated Total of Low-income FTEs	Annual Cost* GPR
2008-09	50,551	\$113,989,800
2009-10	51,309	115,695,300
2010-11	52,078	117,425,500

\*Method of calculating annual cost = anticipated total low income FTEs x \$2,250 each, plus \$250,000 estimated cost for the annual SAGE evaluation.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4513 – FOUR YEAR OLD KINDERGARTEN GRANTS

#### **288 – Four-year-old kindergarten grants s. 20.255 (2) (dp)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$9,225,000</b>	<b>\$4,500,000</b>
<b>Less Base</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>
<b>Requested Change</b>	<b>\$6,225,000</b>	<b>\$1,500,000</b>

#### **Request/Objective**

The Department requests an increase of \$6,225,000 GPR in FY10 and \$1,500,000 GPR in FY11 to increase funding for the four-year-old kindergarten (4K) start-up grant program.

#### **Background/Analysis of Need**

The Department is committed to expanding the number of 4K programs in the state, and support to school districts is critical as they explore and implement 4K.

In 2007 Wisconsin Act 20, the 2007-09 biennial budget, the Governor and Legislature provided \$3,000,000 GPR in FY09 for start-up grants to school districts to implement 4K. Districts are eligible for two-year grants of up to \$3,000 per 4K pupil the first year and up to \$1,500 per 4K pupil the second year. The new two-year grants cover the approximate portion of revenue limit authority for a 4K pupil that districts could not claim under the three-year rolling average for enrollments. Districts adopting a “community approach” are given preference for the grants.

Community approaches, where districts work with child care and Head Start partners, help to maximize existing resources, minimize the number of transitions young children must make among programs, and reduce barriers to participation by increasing access to full-day programs for working families and to health and social services for low-income children. In the 2007-08 school year, 283 of the 426 school districts in the state had 4K programs; 58 of these districts used community approaches. With the 4K start-up grants that were approved in 2007 Wisconsin Act 20, 32 new districts are expected to offer 4K with community approaches in the 2008-09 school year.

The integration of multiple types of funding sources and a wide range of early care providers enhances overall quality of services to children and families. However, the planning and community building needed to design, implement and sustain a 4K program using community approaches is time consuming and requires ongoing staff effort. Giving grant preference to districts that use community approaches to 4K is a real incentive for districts as confirmed by the strong response to the initial 4K grant awards in FY09.

In the first year of the program, FY09, the Department received grant applications to fund new 4K programs for more than 4,000 pupils; however, grant funding assumed only 1,000 new pupils. Because of the overwhelming demand, the Department will prorate funding, which is currently estimated at \$722 per pupil instead of \$3,000.

The Department is requesting \$6,225,000 GPR in FY10 and \$1,500,000 GPR in FY11 to fund the grant program. While the appropriation was designed to fund 1,000 new pupils in FY09, 4,150 new pupils are expected to participate in new 4K programs. Those 4,150 pupils funded in the second year of the grant, FY10, at \$1,500/pupil, will result in a need of \$6,225,000 for second year grants. There could

also be applicants for new grants to start 4K programs at the rate of \$3,000/pupil (or prorated if necessary) in FY10. Without additional funding, the base funding of \$3,000,000 GPR will be used entirely (at a prorated amount per pupil) for second year grants. There would be no money available for first year grants.

2-year grant cycle	# of pupils	FY09	FY10	FY11	FY12
2009 and 2010	4,150	\$3,000,000	\$6,225,000		
2010 and 2011	1,000		\$3,000,000	\$1,500,000	
2011 and 2012	1,000			\$3,000,000	\$1,500,000
Total Appropriation Needed			\$9,225,000	\$4,500,000	

In FY11, there would again be a need for additional funding to fund both the first and second year grants. The Department is requesting \$1,500,000 GPR in FY11, supporting the anticipated level of 1,000 new 4K pupils in the FY10-11 two-year grant cycle.

### **Statutory Language**

The Department is not proposing statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4514 – HEAD START STATE SUPPLEMENT

**273 – Head Start supplement**  
**s. 20.255 (2) (eh)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$10,146,500	\$10,146,500
Less Base	\$7,212,500	\$7,212,500
Requested Change	\$2,934,000	\$2,934,000

#### Request/Objective

The Department requests an increase of \$2,934,000 GPR in both FY10 and FY11 to increase funding for the Head Start state supplement to be in line with the federal grant per child.

#### Background/Analysis of Need

Head Start is a federal program for preschool children from low-income families. The program's primary goal is to make sure children are ready for school. In Wisconsin, non-profit organizations, schools, community action commissions or other local grantees operate the Head Start program. Children who attend Head Start participate in a variety of educational activities. They also receive free medical and dental care. They are served healthy meals and snacks. Their parents are partners in the program and have a wide array of social services available as needed. Most communities in Wisconsin are served, at least in part, by Head Start programs. Federal funds flow directly to state Head Start grantees. The federal government pays the local grantees \$7,222 per child served.

The Wisconsin Head Start state supplement, administered through the Department, was created by the Legislature in 1989 and first funded in 1991. The program provides a Head Start experience to preschool children who would otherwise be on waiting lists to receive the federal Head Start program. The Head Start state supplement program also serves children ages birth to three. The Wisconsin Head Start state supplement is \$5,150 per child served. The per pupil amount is determined by dividing the number of children on the waiting list by the funds appropriated under the state supplement. The current state supplement provides \$7,212,500 GPR to 34 Head Start grantees. Approximately 1,400 children are serviced through the current state supplement.

The discrepancy in the state grant versus the federal grant impacts the overall integrity of the state supplement. The program has no administrative funds attached to the Department so the program is tied to federal monitoring and program regulations (which means the state program is told to follow all federal requirements for a specified number of children). With the grant discrepancy growing, Head Start has a harder time providing the services for the state children. Some Head Start programs have had this issue raised during their audits.

The Department proposes to increase the current state supplement to make the grant per child in line with the federal grant per child. Increasing the Head Start state supplement by \$2,072/child for the 1,416 children served would result in the need for \$2,934,000 GPR in each year of the biennium.

#### Statutory Language

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 4515 – HOMELESS GRANTS

#### **224 – Homeless grants s. 20.255 (2) (ds) - New**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$1,179,200

#### **Request/Objective**

The Department requests \$1,179,200 GPR in FY11 for a new continuing school aid appropriation to pay each school district up to \$100 annually for each pupil identified as homeless and enrolled in the prior school year.

#### **Background/Analysis of Need**

The poverty level in Wisconsin has dramatically increased in recent years. Between 2003 and 2006, Wisconsin had one of the highest growth rates of poverty in the United States. It is estimated that approximately 12 percent of Wisconsin children live in poverty. Some statistics from 2006:

- In Dane County, 10 percent of residents live in poverty.
- In Kenosha County, 11.6 percent of residents live in poverty.
- In Milwaukee, 18.5 percent of residents live in poverty; 23 percent of families with children live in poverty.

Poverty has a significant impact on schools in providing educational services to pupils. Homeless pupils face even greater educational barriers than pupils who are “housed” and living in poverty. Children and youth identified as homeless more often experience frequent mobility, poor nutrition, substandard living conditions, emotional stress, and lack of access to health care, resulting in unique and sometimes significant academic, health, developmental, psychological and emotional problems in the education setting.

The United States Department of Education (USDE) requires public school districts to provide free support services for pupils experiencing homelessness, including transportation. Most public school districts do not receive any additional funds to provide these services. The Education for Homeless Children and Youth (EHCY) Program is administered by the Department’s Title I and School Support Team. EHCY’s major responsibility is to implement the federal McKinney-Vento Homeless Education Assistance Act. Children and youth in homeless situations must have access to public school educational programs and services that allow them to meet the same challenging state academic standards to which all pupils are held. In addition, children and youth from homeless families are automatically eligible to receive Title I services.

The Department serves only 12 school districts with the annual USDE McKinney-Vento grant. The Department received \$967,700 in FY08. Of this amount, \$242,000 (25 percent) is for program administration and technical assistance, and \$725,700 (75 percent) is for district grants. The 12 funded districts are:

- Appleton Area School District.
- Eau Claire Area School District.
- Green Bay Area School District.
- Janesville School District.

- Kenosha Unified School District No. 1.
- Madison Metropolitan School District.
- Middleton-Cross Plains Area School District.
- Milwaukee Public Schools.
- Platteville School District.
- Racine Unified School District.
- Superior School District.
- Wisconsin Rapids Public Schools.

The ethnicity of the homeless pupils served in the 12 districts in 2006-07 was:

- Black – 56 percent.
- Hispanic – 20 percent.
- White – 20 percent.
- Native American – 3 percent.
- Asian – 1 percent.

School districts may apply for a three-year McKinney-Vento grant. While the intent of this grant cycle is to assure districts continual funding over three academic years, each year's district grant award may vary, depending upon the USDE's annual federal grant award received by the Department.

The table below shows the maximum McKinney-Vento grant allocations based on the numbers of homeless children and youth enrolled in the program. The Department also awards available funds on a competitive basis using the following criteria:

- The number of homeless children and youth. Districts with large numbers of homeless pupils may receive additional points in ranking.
- The educational and support service needs of children and youth experiencing homelessness.
- The quality of the proposed program, including how the proposed use of funds will facilitate identification, enrollment, retention, and educational success of children and youth in homeless situations.
- The extent to which the program will help close the achievement gap.

Number of Homeless Children and Youth Enrolled	Maximum Award
0 - 30 students	No Awards
31 – 100 students	\$15,000
101 - 149 students	30,000
150 – 2,000 students	75,000
Over 2,000 students	125,000

Depending on enrollment, grant funds can range anywhere from \$62/pupil up to \$500/pupil. The grant may be discontinued at the end of any academic year if little or no progress is being made toward the district's stated goals and objectives. Grant funds must be used in such a manner as to provide services for all identified homeless children and youth.

Department data indicates that in the 2006-07 school year, 202 school districts and four "2R" charter schools reported 8,108 homeless pupils. Normally, the independent "2R" charter schools under s. 118.40 (2r), Wis. Stats., are not eligible for state school aids unless specifically included in the authorizing statutes. For example, they are eligible for state special education and school lunch/breakfast aid. This request includes the 2R charter schools as eligible for the grants.

From the 2002-03 through the 2006-07 school years, the average annual increase of pupils identified as homeless was 13.3 percent. If this trend continues, there will be 11,792 homeless pupils statewide



in the 2009-10 school year, the count upon which this categorical aid would be based for aid payments in FY11 (11,792 pupils x \$100 = \$1,179,200 in FY11). This would represent a 62 percent increase in homeless funding over the \$725,700 grant funds available under McKinney-Vento.

This categorical aid could be used for purposes similar to those under McKinney-Vento, including:

- Continue pupils in their "school of origin" for the duration of their homelessness. School of origin is defined as the school the pupil "attended when permanently housed or the school in which the child or youth was last enrolled."
- Inform parents/guardians of the educational rights of their children.
- Provide transportation, at the request of the parent/guardian or an unaccompanied youth, to the school of origin.
- Ensure no barriers exist (for example, residency requirements, lack of transportation or school fees) for full educational participation.
- Develop partnerships with community agencies to identify and assist with basic services for homeless families, children, and youth.
- Ensure homeless pupils are not segregated or stigmatized.

Categorical aid could also be used to initiate professional development programs within districts to help educators address the specific barriers pupils who are homeless struggle with on a daily basis; or be used to hire a staff member to focus on the educational needs of pupils experiencing homelessness.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Homeless Grants* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5001 – TRANSPORTATION AID

#### ***210 – Aid for pupil transportation s. 20.255 (2) (cr)***

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$34,800,000	\$34,800,000
Less Base	\$27,292,500	\$27,292,500
Requested Change	\$7,507,500	\$7,507,500

#### **Request/Objective**

The Department requests \$7,507,500 GPR in both FY10 and FY11 to increase all per pupil transportation aid rates.

The Department requests a statutory language change to permit the payment of additional transportation aid to districts if there are funds remaining in the appropriation after the statutorily-defined rates are reimbursed.

The Department also requests statutory language similar to that in 2007 Assembly Bill 112 which allows schools to claim refunds of the motor vehicle fuel tax.

#### **Background/Analysis of Need**

Before the 2005-07 biennial budget, pupil transportation aid was based upon a flat annual amount per transported pupil that had been unchanged since FY81. Over the past two biennial budgets, the Department's recommendations to increase per pupil reimbursement rates over eight miles (in 2005-07) and 12 miles (in 2007-09) were agreed to by the Governor and Legislature.

There are several issues affecting transportation costs being incurred by school districts:

- Fuel costs have increased significantly over the past year.
- Labor, maintenance, and insurance costs continue to increase.
- Geographically large rural districts that transport pupils significant distances (over 12 miles) have been hardest hit due to the longer bus routes.
- District transportation costs vary widely among districts, from \$50 per pupil in some places (e.g. South Milwaukee) to over \$1,300 per pupil in others (e.g. North Lakeland).
- Pupil transportation aid, while more than covering current state-defined criteria, actually reimburses only approximately 9-10 percent of actual school district transportation costs.

The Wisconsin School Bus Association believes districts are facing a "fuel crisis."

Under current law, school districts are required to provide transportation services to public and private school pupils enrolled in regular education programs if the pupil resides more than two miles from the nearest public school they are entitled to attend. State pupil transportation categorical aid is based upon a flat annual amount per transported pupil. Payments are based upon the distance a pupil travels to school from home.

During the FY08 school year, 421 (out of 426) districts received state aid for transporting 510,000 public school pupils and 40,400 private school pupils. State categorical aid funding is provided through a single, GPR-funded appropriation totaling \$27,292,500 annually. Using the state's criteria for

providing pupil transportation aid, state funding entirely covered all allowable transportation aid claims for FY08.

It is estimated that total school district transportation costs for transporting pupils to and from school (not including co- and extra-curricular transportation or transportation for children with disabilities) were approximately \$280 million in 2006-07. Thus, as stated above, state pupil transportation aid reimburses only 9-10 percent of actual transportation costs, though unaided transportation costs are eligible to be aided through the state general equalization aid formula.

Recent significant increases in fuel costs have affected many areas of the nation's economy, both for businesses and consumers. School districts are no exception to these rising costs and have statutory requirements to transport all eligible public and private school pupils who reside within their boundaries. While voluntary, school districts' costs related to summer school transportation are invariably increasing as well. About 35,000 pupils receive transportation for summer school classes. Summer school transportation rates have not been changed in many years, and increases to those rates are included in this proposal.

The Department's proposed transportation rate increases are shown in the table below:

Mileage	Current Rate	Proposed Rate	Rate Change	% Rate Change
0-2 miles (haz.)	\$15	\$25	\$10	66.6%
2-5 miles	35	50	15	42.9
5-8 miles	55	75	20	36.4
8-12 miles	110	150	40	36.4
Over 12 miles	220	300	80	36.4
Summer 2-5 mi	4	6	2	50
Summer 5+ mi	6	8	2	33

Due to decreasing numbers of pupils being transported in recent years, the Department has been unable to spend the entire transportation aid appropriation due to the cap on per pupil rates, despite the fact these rates cover only an estimated 9-10 percent of district transportation costs. The Department is proposing a statutory language change that would permit the payment of additional transportation aid for eligible pupils if there are funds remaining after the payment of the statutorily-defined rates.

#### *Motor Fuel Tax Refund*

School districts are currently not exempted from the state motor fuels excise tax. In addition to providing additional direct transportation aid, the Department also proposes a motor vehicle fuel tax refund for schools, similar to one contained in 2007 Assembly Bill 112. The refunds would also apply to a person/company that transports pupils to/from school activities under a contract with a school district.

Assembly Bill 112 was introduced in February 2007 by Representative Bies. The Department registered in support of the bill. The bill had a public hearing in April 2007, but was not acted upon and died at the end of the 2007 legislative session. Similar bipartisan legislation was introduced in the 2005 session.

The Department estimated the fiscal effect of the bill, meaning fuel tax rebates, at approximately \$2 million annually. However, this estimate does not include the effect on motor fuel taxes paid by companies or municipal bus services that are under contract with school districts (including Madison and Milwaukee) to transport pupils. The Department does not have data to estimate the amount of motor fuel purchased by the contracted services.

Other states that have motor vehicle fuel rebate programs for schools include Iowa, Ohio, Michigan, and Kansas (possibly others).

**Statutory Language**

The Department is proposing statutory language related to this request. See *Transportation Aid* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5002 – SPARSITY AID FOR SMALL/RURAL DISTRICTS

#### **255 – Sparsity aid s. 20.255 (2) (ae)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$8,200,000</b>	<b>\$8,200,000</b>
<b>Less Base</b>	<b>\$3,644,600</b>	<b>\$3,644,600</b>
<b>Requested Change</b>	<b>\$4,555,400</b>	<b>\$4,555,400</b>

#### **Request/Objective**

The Department requests \$4,555,400 GPR in both FY10 and FY11 to fully fund estimated eligible costs for the sparsity aid categorical grant program. Total annual sparsity aid under this request would equal \$8,200,000 GPR.

#### **Background/Analysis of Need**

Many of the state's small, rural districts face a similar set of issues that include a lack of economies of scale, declining enrollment, rapidly rising property values, low median income, and large geographic boundaries. Further, a greater percentage of rural districts (as opposed to urban or suburban) are experiencing declining enrollment, which has further exacerbated issues related to their size and ability to maintain their core educational programs.

It has been argued that small, rural districts in Wisconsin are facing significant challenges in many areas due to issues such as their large geographic size and distance from neighboring schools, which are compounded by declining enrollment in many cases and increasing transportation costs. In addition, some data indicate districts with the lowest pupil density, or pupils per square mile, are among the state's lowest wealth districts in terms of average income; have higher poverty rates, higher transportation costs, and in some cases have high property values that result in the district receiving lower levels of state aid due to the districts' property "wealth" as measured by the state school aid formula.

In response to these issues, the Department's 2007-09 biennial budget request included a sparsity aid proposal as part of the State Superintendent's Rural Initiative. A scaled-down sparsity aid program was signed into law by the Governor as part of 2007 Wisconsin Act 20, the 2007-09 biennial budget.

The current sparsity aid program is funded at \$3,644,600 GPR for FY09. Eligible school districts must meet the following criteria: (1) an enrollment in the prior year of less than 725 pupils; (2) population density of less than ten pupils per square mile of district attendance area; and (3) at least 20 percent of pupils qualify for free or reduced-priced lunch (FRL) under the National School Lunch Program. A district's aid equals: (1) \$150 per pupil; or (2) \$300 per pupil if 50 percent or more of the district's membership was eligible for FRL. The Department is directed to prorate these payments if funding is insufficient to fully fund the program in a given year.

For FY09, there is \$8,147,850 in eligible awards for 110 school districts, using their 2007-08 school year data. However, based on the \$3,644,600 available, aid payments will be prorated at 45 percent. This translates into per pupil aid amounts of \$67 and \$134 instead of \$150 and \$300. Total eligible membership in the sparsity districts was 49,612 with an average of 38 percent eligible for FRL. Twelve of the 110 districts were eligible for the higher per pupil payment based on FRL eligibility of at least 50 percent.

The list of districts eligible for sparsity aid is likely to change slightly from year to year, given changes in pupil enrollment and FRL percentages. However, the Department's budget request is based on an amount to be able to fully fund the eligible awards for FY09 in each year of the 2009-11 biennium. As under current law, if the amount is insufficient in any year to pay all eligible awards, the Department would prorate all aid payments.

**Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5501 – SPECIAL EDUCATION CATEGORICAL AID INCREASE

#### *206 – Aids for special education and school age parents programs* *s. 20.255 (2) (b)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$396,405,700	\$422,172,100
Less Base	\$368,939,100	\$368,939,100
Requested Change	\$27,466,600	\$53,233,000

#### **Request/Objective**

The Department requests an increase of \$27,466,600 GPR in FY10 and \$53,233,000 GPR in FY11 for special education aid to maintain the 28.8 percent reimbursement level for aidable costs.

#### **Background/Analysis of Need**

Federal and state categorical aids for special education have not increased at the same rate as costs. The categorical aid is the state's primary direct fund source to recognize the additional costs of educating children with disabilities. The state level of reimbursement fell below 30 percent of aidable costs starting in FY05 and is projected to fall to just over 25 percent in FY11 without additional state funding. Many believe that, under revenue limits, districts are being forced to take money from regular education to pay for special education.

Special education aids reimburse costs incurred in the prior school year by a school district, charter school, County Children with Disabilities Education Board (CCDEB), or Cooperative Educational Service Agency (CESA).

In July 2000, the Wisconsin Supreme Court articulated a new standard for a basic education in *Vincent v. Voight* that describes the "character of instruction" required to be made available through each public school. In the decision, the court found that an equal opportunity for a sound basic education acknowledges that pupils and districts are not fungible (interchangeable) and takes into account the needs of disabled pupils.

Based on the five-year trend of aidable costs from FY03 through FY08, the Department would project a four percent annual growth in special education aidable costs through the 2009-11 biennium. However, as more districts are setting up trusts for OPEB (other post employment benefits) purposes, the Department's school finance team believes that aidable costs will increase as more districts are making contributions to a trust. For this reason, the Department is estimating a 6.5 percent annual increase in aidable costs. (The annual contribution to a trust becomes part of the district's shared cost. Depending on how a district is aided, this may have either a positive or negative affect on general aid received. A contribution less than or equal to the annual required contribution is eligible for federal or state grants provided consistent treatment is used in allocation to individuals or group(s) of employees in the plan. This contribution may also be eligible for additional state categorical aid provided all Department requirements are met. Districts may claim only those payments to the trust that are for active special education employees. If the employee moves out of special education and into regular education, the money accrues, but it is no longer eligible to draw special education categorical aid. OPEB is considered an employee benefit.)

The following chart shows the history of special education aidable costs and reimbursement rates since FY94:

Aid Year	Prior Year Aidable Cost	Percent Change	GPR Appropriation	Percent Reimbursement
1993-94	\$585,879,900	10.8%	\$261,330,400	44.6%
1994-95	625,111,900	6.7	275,548,700	44.1
1995-96	661,000,000	5.7	275,548,700	41.7
1996-97	698,164,300	5.6	275,548,700	39.5
1997-98	747,324,650	7.0	275,548,700	36.9
1998-99	799,556,100	7.0	275,548,700	34.5
1999-00	839,923,200	5.0	288,048,700	35.8
2000-01	880,915,600	4.9	315,681,400	35.8
2001-02	936,788,000	6.3	315,681,400	33.7
2002-03	994,520,000	6.2	315,681,400	31.7
2003-04	1,037,592,000	4.3	316,466,900	30.5
2004-05	1,069,514,900	3.1	320,771,600	29.9
2005-06	1,110,784,300	3.9	320,771,600	28.8
2006-07	1,157,850,900	4.2	332,771,600	28.7
2007-08	1,213,480,400	4.8	350,192,500	28.8

The projections for FY10 and FY11 special education aid estimated reimbursement rates, based on current law (no increase in the appropriation), are as follows:

Aid Year	Estimated Prior Year Aidable Cost	Percent Change	Appropriation	Estimated Percent Reimbursement
*2008-09	\$1,292,402,500	6.5%	\$368,939,100	28.5%
*2009-10	1,376,408,700	6.5	368,939,100	26.8
*2010-11	1,465,875,300	6.5	368,939,100	25.2

\*Aidable costs are based on an estimated annual increase of 6.5 percent over the prior year.

The estimates above show that the reimbursement rate will continue to decline as special education costs increase.

Maintaining the same level of categorical aid, while special education costs continue to rise, effectively shifts the funding source for special education programs to general aids and property taxes. The remaining special education costs that are not reimbursed by the state or federal governments are eligible for reimbursement under state general equalization aids; however, revenue limits restrict the amount of state general equalization aids and property tax revenue a school district may receive. Despite continuing increases in general equalization aids (which are inside the revenue limits), rising special education costs have essentially reduced the spending authority of some school districts for regular education.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5502 – HIGH-COST SPECIAL EDUCATION CATEGORICAL AID INCREASE

#### **204 – Additional special education aid s. 20.255 (2) (bd)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$10,898,600</b>	<b>\$13,496,700</b>
<b>Less Base</b>	<b>\$3,500,000</b>	<b>\$3,500,000</b>
<b>Requested Change</b>	<b>\$7,398,600</b>	<b>\$9,996,700</b>

#### **Request/Objective**

The Department requests \$7,398,600 GPR in FY10 and \$9,996,700 GPR in FY11 to fully fund high-cost special education claims (no-proration necessary). These numbers assume the continuation of \$1.9 million FED-IDEA.

#### **Background/Analysis of Need**

Children with severe disabilities often need costly nursing services and assistive technology, expenses that are currently not eligible for reimbursement under the special education categorical aid appropriation. These services can cost three or more times the average expense for educating a pupil.

In the State of Education address in September 2003, the State Superintendent announced the *Keeping the Promise* initiative, designating \$1.5 million in federal Individuals with Disabilities Education Act (IDEA) discretionary funding to Wisconsin schools for services to children with severe disabilities, specifically targeting direct services to educate children with high-cost special needs. Ultimately, a total of \$2 million was set aside for 2003-04. This initiative was intended to assist school boards, CESA boards of control, county children with disabilities education boards, and charter schools with meeting the needs of high-cost special education pupils.

Aidable costs under the program included all costs (except administration) related to educating a high-cost pupil with special educational needs. Costs reimbursed by IDEA flow-through funds, Medicaid and special education categorical aids were deducted. Reimbursement was then calculated at 90 percent of the amount by which the total cost of providing special education and related services to an individual pupil exceeds \$30,000 in the prior year.

A carryover balance in discretionary federal IDEA funding had provided a means to get this critically needed aid program started in 2003-04 and 2004-05. It was known that in future years it would not be possible to set aside IDEA discretionary funding for this purpose while continuing to fund other projects in school districts throughout the state. State funding was needed to continue the program and provide adequate reimbursement to school districts for these costs.

In 2005 Wisconsin Act 25, the 2005-07 biennial budget, the Governor recommended and the Legislature approved allocating \$3.5 million GPR funding in FY07 to create a new state categorical aid program to cover 90 percent of special education costs in excess of \$30,000 per special education pupil. The new aid program began in FY07 for eligible costs incurred during the 2005-06 school year.

In addition to the \$3.5 million of state categorical aid, the State Superintendent continued to allocate \$1.9 million from the federal IDEA appropriation. This additional funding was a continuation of the State Superintendent's commitment to support pupils with severe or multiple disabilities.

In the 2007-09 biennium, there have been no changes made to funding for the high-cost special education categorical aid program.

The following chart shows the history of special education high-cost categorical aid and reimbursement rates since its inception in FY04:

Aid Year	Prior Year Aidable Cost	Percent Change	GPR Appropriation	FED Assistance	Percent Reimbursement
2003-04	\$3,399,000	new	\$0	\$2,000,000	58.8%
2004-05	5,094,900	49.9%	0	2,000,000	39.3
2005-06	6,432,600	26.3	0	1,250,000	19.4
2006-07	7,356,600	14.4	3,500,000	1,921,700	73.7
2007-08	8,843,600	20.2	3,500,000	1,919,100	61.3

Based on a three-year trend of high-cost claims from FY06 through FY08, the Department would project a 20.3 percent annual growth in high-cost claims through the 2009-11 biennium.

Aid Year	Estimated Prior Year Aidable Cost	Percent Change	GPR Appropriation	FED Assistance	Percent of Estimated Reimbursement
2008-09	\$10,638,900	20.3%	\$3,500,000	\$1,900,000	50.8%
2009-10	12,798,600	20.3	3,500,000	1,900,000	42.2
2010-11	15,396,700	20.3	3,500,000	1,900,000	35.1

The estimates above show that without additional special education high-cost categorical aid, the reimbursement rate will continue to decline as claims increase.

Significant growth in the claims is likely due to several causes including: more awareness of the program among school districts; districts may have submitted just a few pupils and costs the first year and then as they've become more aware of what might be covered, they submit more costs; the Department has provided more detailed information on how to fill out the somewhat complicated paperwork to make claims; and finally, districts are now making a better effort to get these pupils identified and claim these costs (some are just getting them identified since this is new within the last several years).

In 2007-08, the average cost claimed per pupil before deductions was \$55,240. After deductions of Medicaid and IDEA flow-thru funds (\$175 and \$1,304), the 28% state special education categorical aid, and the \$30,000 threshold, an average cost per pupil of \$12,191 remained. The Department then paid 90 percent of this number, \$10,972. Due to more dollars being claimed than funding available, the Department had to prorate the total amount paid at 61.3 percent.

It is necessary for reimbursement to keep pace with the rising costs of high-cost special education services so as not to burden already struggling districts with these additional costs.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5503 – OPERATIONS/RESOURCES AT WCBVI

#### **102 – General program operations; program for the deaf and center for the blind s. 20.255 (1) (b)**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$317,300	\$238,900

#### **Request/Objective**

The Department requests \$317,300 GPR in FY10 and \$238,900 GPR in FY11 for operations/resources at the Wisconsin Center for the Blind and Visually Impaired (WCBVI). Funding is requested for the following projects:

Projects	FY10	FY11
1. Dorm Furniture (master lease)	\$3,000	\$4,600
2. Employment Education Experience	19,300	19,300
3. Assistive Technology	80,000	0
4. Outreach Program	215,000	215,000
Total	\$317,300	\$238,900

#### **Background/Analysis of Need**

##### *Dorm Furniture*

Pupils utilize the residential facilities at WCBVI throughout the entire calendar year. During the school year, pupils from across Wisconsin who are blind or have low vision live in the residential facilities from Sunday evening through Friday afternoon. Some pupils stay on weekends during athletic and other special events. During the summer, the dormitories are occupied seven days per week for most of July and half of August. Due to the constant use of the facility by typical children and teens, the furniture in the residential buildings is subjected to much wear and tear. The boys dorm was built in 1961-62; the girls dorm was built in 1955. Much of the original furniture in the boys dormitory and beds in the boys and girls dormitories are still being used. This furniture has definitely exceeded its useful life expectancy, is in very poor condition, and is beyond repair.

The Department is requesting to purchase furniture that is designed to withstand the type of wear and tear that pupils can typically impart on furnishings. Capital equipment such as furniture is typically paid for through a construction project, the operating budget, or the state's master lease program. The Department would utilize the state's master lease program to finance the furniture purchase over a period of five years. Payments over the next five years would be as follows:

Fiscal Year	Payment
FY10	\$3,041.12
FY11	4,561.68
FY12	4,561.68
FY13	4,561.68
FY14	4,561.68
FY15	2,280.84

Payments for the first two years of the master lease are included in the Department's request as noted above.

### *Employment Education Experience*

Statistics show an unemployment or under-employment rate for people who are blind or have low vision to be as high as 70 percent. A lack of work experience, job skills, and the ability to find and keep jobs are all barriers to this alarming unemployment rate. Pupils who are blind or have low vision obviously cannot learn by watching others. Instead, pupils typically require hands-on, experiential learning in order to learn many of the skills their sighted peers learn by observation.

For the past six years the WCBVI has operated a six-week employment program during the summer that has enabled pupils who are blind or have low vision to participate in an employment program. The program focuses on job-seeking and job-keeping skills. The employment education experience being requested will be modeled after the six-week employment program that WCBVI currently operates during the summer; however, the new employment education experience will take place during the school year.

School-to-work programs and experiential employment education offer pupils with disabilities the instruction needed to increase opportunities to reach their career goals as adults. Such programming can be offered to high school pupils who are blind or visually impaired throughout Wisconsin. Under No Child Left Behind, schools have increased responsibility in the area of transition. Career education offers the perfect setting for transitional learning, teaching pupils skills that they will need to utilize as adults.

The estimated budget for such programming to arrange the off-campus employment experience during the school year for a minimum of five WSVH high school pupils is:

Rate of \$5.90/hr if under age 18; \$6.50/hr if over 18	\$3,500
Fringe rate of 7.65%	300
Cost of work permits, public transportation, any adaptive devices and supplies	15,500
Total	19,300/yr

Note: budget is based on five pupils working 12 hours per week for nine weeks at a rate of \$6.50/hour.

The current lack of employment instruction is such a vital issue for pupils who are blind or visually impaired that increasing the amount of instruction pupils receive in this area is essential.

### *Assistive Technology*

The ability to use assistive technology is possibly one of the great equalizers in the field of education of pupils who are blind or have low vision. Speech software, screen enlargement and refreshable Braille displays offer the blind and visually impaired equal access to websites, word processing programs, spreadsheet programs, etc. The ability to access information via technology has educational, personal and professional implications for pupils who are blind or have low vision. At the same time, the lack of access severely impacts pupils.

Assistive technology is often expensive. Nonetheless, it can be argued that the benefits of equal access far outweigh the costs involved.

WCBVI staff and pupils rely on many forms of assistive technology. Funding to upgrade the current assistive technology network encompasses purchasing a new server, new computers, new portable note-takers, closed circuit televisions, digital book players – all specialized technology for the blind.

During the school year, around 140 staff and pupils use the network. In the summer, approximately 60 additional users through summer programming access the network. WCBVI staff and pupils rely on the assistive technology network to perform job tasks and to be able to meet the individual pupil goals outlined in individualized education plans (IEPs). With users who are blind or have low vision, the need for this network to access information on a daily basis is crucial.

The assistive technology network has not had a major upgrade in years. Once the upgrade is complete, all of the existing assistive technology equipment will still work. The information technology staff can maintain equipment and would ensure accessibility when making purchases of new devices. Special needs of the network (JAWS for Windows, MAGIC, Braille displays, etc.) drive up the cost but enable WCBVI to meet the needs of pupils and staff.

It is important for WCBVI to keep up with the latest technology. Doing so has a positive impact on the employment/postsecondary educational readiness of the pupils WCBVI serves and enables the staff onsite and in the outreach department to do their jobs more effectively and efficiently.

### *Outreach Program*

The WCBVI offers an extensive Outreach Program including a comprehensive residential summer program that provides recreational and experiential, hands-on education in the areas of employment, history, and science. The Outreach Program is mandated in law, s. 115.525 (3) (c), Wis. Stats., with summer programming mentioned specifically in s. 115.525 (3) (c) 3., Wis. Stats.

Despite the Outreach Program being a state mandate, there has never been state money allocated for it – a true lack of support to adequately address the vast number of statewide needs. After a 2003 audit of the WCBVI done by the Legislative Audit Bureau, it was verbally commented to the special education team director that there could be some improvement in services offered in WCBVI's Outreach Program—serving not only pupils at the residential school, but pupils statewide needing services. The auditor did recognize, however, that the Outreach Program is a state mandate and there has never been any state money allocated to it.

In the past, summer programs have been funded through the GPR allocated for general program operations at the WCBVI. However, because funding has been tight in recent years, WCBVI has had to reduce the makeup of their summer programs. For example, the summer employment skills program has been reduced from six weeks to five weeks and the dude ranch learning outcome program has been reduced from four days to three days.

The Center would like to allocate additional funds for summer programming so more pupils could be served and components could be added to each program. For example, each year the Dude Ranch Program is filled to capacity with a waiting list. Funding for summer programming would allow WCBVI to add an additional week to this program so that all of the kids who are interested could attend.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 5504 – OPERATIONS/RESOURCES AT WESP-DHH

#### ***102 – General program operations; program for the deaf and center for the blind s. 20.255 (1) (b)***

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$1,003,800	\$1,005,700

#### **Request/Objective**

The Department requests \$1,003,800 GPR in FY10 and \$1,005,700 GPR in FY11 to provide resources for the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (WESP-DHH) in Delavan. Funding would be used to purchase a new tractor at the Wisconsin School for the Deaf (WSD) and to support the WESP-DHH Outreach Program.

#### **Background/Analysis of Need**

##### *John Deere Tractor at WSD*

The WSD currently owns a John Deere tractor that was purchased in 1986. The tractor has lasted well beyond its usable lifetime. Every year, routine maintenance is performed and essential new parts are installed in the tractor to keep it working. However, the motor is bad and the whole infrastructure is worn out.

The campus at WSD covers 23 acres, including five acres of athletic fields, so maintenance on the property is vast. The Buildings & Grounds Superintendent at WSD has researched new tractors based on the school's needs. The requested tractor is a John Deere 1435 24HP mower with a broom to sweep snow in the winter and a cab so it keeps the snow in the winter and dust and grass in the summer off of the operator. The cab also cuts down on the noise exposure.

Capital equipment is typically paid for through a construction project, the operating budget, or the state's master lease program. Due to the useful life of a tractor, the estimated \$25,000 purchase could be financed over a period of five years using the master lease program. Payments over the next five years would be as follows:

FY10	\$3,801.40
FY11	5,702.11
FY12	5,702.11
FY13	5,702.11
FY14	5,702.11
FY15	2,851.05

The WESP-DHH residential campus is used year round; thus, regular maintenance is responsible and necessary to beautify the area as well as a safety measure for pupils and staff. Proper equipment is essential to maintaining the WSD property.

##### *Outreach Services at WESP-DHH*

Section 115.52, Wis. Stats., authorizes the WESP-DHH. Specifically, s. 115.52 (3) (b), Wis. Stats., and s. 115.52 (3) (c), Wis. Stats., discuss WESP-DHH's responsibilities to include:

- *Other statewide services.* The program may do any of the following:

1. Provide evaluation services to assist local educational agencies, cooperative educational service agencies, county children with disabilities education boards, private schools, and others.
2. Provide technical assistance and consultation services to local educational agencies, cooperative educational service agencies, county children with disabilities education boards, private schools, and others.
3. Develop and disseminate curriculum and instructional materials.
4. Provide inservice and other training to teachers and other staff serving pupils who are hearing impaired.
5. Provide training, technical assistance, and consultation services for parents of children who are hearing impaired and for professionals who work with children who are hearing impaired.
6. Provide access to educational materials to children who are hearing impaired.
7. Loan books and other materials from the library.
8. Serve as a clearinghouse for information about children who are hearing impaired.
9. Teach American sign language, and teach other subjects using American sign language, through the use of distance education technology.
10. Rent or lease technological materials and assistive technology devices, as defined in s. 115.76 (1), Wis. Stats., to local educational agencies, cooperative educational service agencies, county children with disabilities education boards, and private schools.
11. Facilitate the preparation of teachers of pupils who are hearing impaired by providing assistance to teacher preparation programs.
12. Provide other statewide services that relate to the education of children who are hearing impaired.

- *Additional services.*

1. Birth to three services. The program may provide instruction or services, or both, for children who are under the age of three and are hearing impaired, and their parents. The instruction or services are subject to the approval of, and shall comply with, requirements established by the Department.
2. Library. Educational media and materials acquired by the program constitute a circulating collection for persons who are hearing impaired. The collection shall be kept at the program's facility and be under the supervision of its director. All school-age children of the state who are hearing impaired may use the media and materials upon compliance with criteria established by the director of the program and approved by the State Superintendent.
3. Summer programs. The program shall provide summer programs each year for children who are hearing impaired.
4. Independent living skills. With the approval of the State Superintendent, the program may allow individuals to receive instruction in and practice independent living skills in state-owned housing at the program's facility in Delavan.

These services have all been combined into the WESP-DHH's Outreach Program. As shown in the table below, the Outreach Team is serving nearly 300 percent more people than just five years ago when the Outreach Program began.

Summary of Services, 2002-2007

Enrollment/Services	2002-03	2003-04	2004-05	2005-06	2006-07
Outreach Students	47	150	270	327	307
Outreach Parents/Staff	40	85	68	367	205
Outreach In-Service	114	295	300	137	250
Total Off Site	201	530	638	831	762

Since its inception in FY02, the Outreach Program has been funded by federal discretionary funds. In FY08, WESP-DHH's Outreach Program was funded by \$1,147,502 federal IDEA discretionary dollars.

Outreach also obtains limited revenue from fees such as registration for workshops and conferences, \$11,000 from the Dept. of Health and Family Services for the Deaf Mentor program, \$75,000 from federal IDEA preschool discretionary money for Guide By Your Side, Deaf Mentor, and auditory/oral supports. However, these fees do not offset the cost of the programs.

After a 2003 audit of the Wisconsin Center for the Blind and Visually Impaired (WCBVI) done by the Legislative Audit Bureau, it was verbally commented to the special education team director that there could be some improvement in services offered by WCBVI's Outreach Program—serving not only pupils at the residential school, but pupils statewide needing services. The auditor did recognize, however, that the Outreach Program is a state mandate and there is not any state money behind it—a true lack of support to adequately address the vast number of statewide needs. The same could be said of the Outreach Program at the WESP-DHH. The Legislature has never appropriated any state funds to the Department to carry out any of the initiatives in the Outreach Program.

The table below shows the federal IDEA discretionary dollars that have been used for the Outreach Program in the last several years. When compared to the increased number of services provided between FY02 and FY07, funding has failed to keep pace. The number of services provided increased by 279 percent while funding increased by only 19 percent.

Federal IDEA Discretionary Funds, 2002-2009

2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
\$859,497	\$1,021,497	\$1,021,497	\$1,021,497	\$1,021,497	\$1,147,502	\$1,332,622

The Department requests \$1,000,000 GPR in both FY10 and FY11 as a means for the state to exhibit support for the state-mandated WESP-DHH Outreach Program.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6001 – BADGERLINK

**360 – Periodical and reference information databases; newslines for the blind  
s. 20.255 (3) (q)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Funding</b>	<b>\$3,342,000</b>	<b>\$3,577,400</b>
<b>Less BadgerLink Base</b>	<b>\$2,111,000</b>	<b>\$2,111,000</b>
<b>Less Newslines Base</b>	<b>\$108,000</b>	<b>\$108,000</b>
<b>Requested Change</b>	<b>\$1,123,000</b>	<b>\$1,358,400</b>

#### Request/Objective

The Department requests an increase of \$257,000 SEG in FY10 and \$467,400 SEG in FY11 to maintain the current level of services through BadgerLink. The SEG funding source is the Universal Service Fund (USF). The contracts are being re-bid, and the cost to maintain the current level of services is expected to increase. This also includes \$25,000 to centralize authentication so that users don't have to log in five separate times using the five different resources.

The Department also requests \$866,000 SEG in FY10 and \$891,000 SEG in FY11 for curriculum-based information databases for pupils in grades three through twelve. This would include history, multicultural materials, encyclopedias and/or materials specifically designed to assist pupils in completing school assignments. The package could include Spanish language standards.

#### Background/Analysis of Need

BadgerLink began operation in July 1998 with 3,500 full text magazines and other resources from EBSCO and about 40 newspapers from ProQuest. It was a project with the goal of providing increased access to information resources for Wisconsin residents in cooperation with the state's public, school, academic, and special libraries. This project was the first priority recommended by the participants of the Wisconsin Technology Conference held in February 1998.

Through statewide contracts, BadgerLink currently provides access to more than 700 newspapers and more than 11,000 magazines, photographs, maps, book reviews, biographies and reference books. In addition, Thomson Gale's LitFinder provides access to full-text poems, essays, speeches, and plays and TeachingBooks.net provides access to information about children's literature and authors. Newspaper Archive Elite provides access to old newspaper titles between 1800 and early 1900. Below are the contract costs from FY04 to FY09.

	FY04	FY05	FY06	FY07	FY08	FY09
EBSCO	\$1,144,300	\$1,166,200	\$1,188,600	\$1,211,400	\$1,234,700	\$1,258,400
Proquest	676,800	600,000	607,500	615,000	622,700	630,400
Thomson-Gale	22,700	68,900	35,300	72,300	74,100	77,800
Teaching Books	40,000	41,200	43,700	46,300	49,100	52,000
Newspaper Archives	0	80,600	82,200	85,400	88,900	92,400
Total	\$1,883,800	\$1,956,900	\$1,957,300	\$2,030,400	\$2,069,500	\$2,111,000

The current statewide contracts are set to expire in January 2009, so the state is currently in the process of issuing a new Request for Proposal (RFP) for the next five years. Also included in the projected price is implementation of a centralized method of authentication for all vendors. Currently each vendor does authentication separately and slightly different, which causes problems in making sure everyone can be connected and requires current Reference and Loan and local library staff to manage the authentication process. Centralizing authentication is more cost effective and efficient than adding staff hours to take care of the problems. The amount requested to maintain current BadgerLink services is based on informal quotes from the current vendors on contract. Below are the estimated increases:

	Base FY09	FY10	Percent Change	FY11	Percent Change
EBSCO	\$1,258,400	\$1,466,900	16.6%	\$1,599,000	9.0%
ProQuest	630,400	693,600	10.0	762,900	10.0
LitFinder	77,800	27,400	-64.8	29,400	7.3
Teaching Books	52,000	62,600	20.4	65,900	5.3
Newspaper Archive	92,400	92,500	0.1	96,200	4.0
Central Authentication	0	25,000	0.0	25,000	0.0
Total	\$2,111,000	\$2,368,000	12.2%	\$2,578,400	8.9%

The public has used the BadgerLink service extensively. In the 2007-09 biennium, it is estimated that BadgerLink users conducted over 15 million searches in the full text resources, which accounts for over 6 million sessions, two million more searches than in the 2005-07 biennium. For TeachingBooks.com, there were over 57,000 sessions. The Reference and Loan Library staff has worked with 180 Wisconsin Internet Service Providers (ISP) to bring this service to libraries, schools and individuals throughout the state.

Statewide contracts provide cost savings. Local library staff do not have to review vendor services and bids, negotiate with the vendor, pay invoices, monitor vendor performance, and arrange for training. If libraries, schools, universities and other organizations had to purchase the EBSCO and ProQuest databases directly, it is estimated that it would cost them approximately \$66 million.

Other benefits of Badgerlink include:

- Specialized resources like the African-American Bibliographic Database and Ethnic NewsWatch provide information to minority pupils. Information in Spanish can extend learning to the Hispanic community.
- BadgerLink provides professional education information. EBSCO's Professional Collection provides specialized materials for teachers and administrators. Other EBSCO features allow teachers to find information for pupils and to set up web pages with links to those resources.
- EBSCO's Kid's Search provides information for primary school children and the EBSCO host has images that can be used with younger children. EBSCO's Student Resource Center provides information for older pupils.
- Reading and literacy. The full-text nature of this service provides reading material that can be accessed from home, school or the library. Pupils can learn how to do research and find materials independently. LitFinder and TeachingBooks.net specifically focus on reading and literature.
- Statewide contracts equalize educational opportunity across the state for all school districts, particularly small and/or rural districts that may not otherwise be able to afford these services.

The Department also requests \$866,000 SEG in FY10 and \$891,000 SEG in FY11 for curriculum-based information for pupils in grades three through twelve. This would provide sufficient funding to purchase history, multi-cultural materials, encyclopedias and/or materials specifically designed to assist pupils in completing school assignments. The resources generally provide Lexile reading scores and

often relate materials to state and national standards. This would filter website searches so that pupils can search for information safely, filtering out websites that contain adult materials, and sites that are encouraging suicide and violence. This would also give pupils more access without relying on support staff, which have been cut in schools due to budget cuts, and helps parents to find areas that can help with pupils' homework without worrying that their children could view unsafe items. Some schools have purchased materials to supplement BadgerLink, but many cannot afford to do so. Purchasing on the state level allows the resources to be purchased for less.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6002 – PUBLIC LIBRARY SYSTEM AID

#### **307 – Aid to public library systems** **s. 20.255 (3) (e)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$27,260,300</b>	<b>\$28,078,100</b>
<b>Less GPR Aid</b>	<b>\$11,297,400</b>	<b>\$11,297,400</b>
<b>Less SEG Aid</b>	<b>\$5,486,100</b>	<b>\$5,486,100</b>
<b>Requested Change</b>	<b>\$10,476,800</b>	<b>\$11,294,600</b>

#### **Request/Objective**

The Department requests an increase of \$10,476,800 GPR in FY10 and \$11,294,600 GPR in FY11 to fund public library system aid at a 13 percent index level. Current law under s. 43.24 (6), Wis. Stats., requires the Department to include a 13 percent index level of funding for the public library systems in its biennial budget request.

#### **Background/Analysis of Need**

There are 17 public library systems in Wisconsin. Over the past 30 years, these systems have developed strong programs of service for their member libraries, including resource sharing and open access for all state residents. The Public Library System Aid Program is the primary state mechanism to support public library services in Wisconsin.

The indexing level was increased to 13 percent in 1986 by the Legislature, as a result of the State Superintendent's Task Force on Library Legislation.

1993 Wisconsin Act 16, the biennial budget bill, eliminated the 13 percent indexing level.

1997 Wisconsin Act 150 required the Department to include a biennial budget request for library system aid equal to the 13 percent index.

In the 2007-09 biennial budget, the Legislature adjusted the funding by \$9,816,800 SEG from the Universal Service Fund (USF) and -\$9,200,000 GPR in FY08 for a total of \$2,097,400 GPR and \$14,040,600 SEG. In FY09, the \$9,200,000 GPR funding was restored, and \$1,262,300 SEG was added to the original SEG funding (\$4,223,800) for a total of \$11,297,400 GPR and \$5,486,100 SEG in FY09. The net increase in FY08 was \$616,800 and \$1,262,300 in FY09. The funding changes were made in order to use the unencumbered balance of \$9,816,800 in the USF.

Prior to the 2005-07 biennial budget, approximately 15 percent of the total library system aid came from the USF. In FY09, that percentage will have increased to 32.7 percent. The remainder of the public library system aid is funded from GPR.

The present level of funding jeopardizes the current status of full participation by all libraries in the state. Participation in public library systems is voluntary. If public libraries do not participate, access to public library service by non-residents is reduced or eliminated. In order to ensure continued participation by all public libraries, public library systems must provide a level of service that makes participation desirable and beneficial to its member libraries. Without adequate funding, public library systems will not be able to provide an adequate level of service.

The following table provides a history of indexing levels based on total public library system aid.

Year	Index Level
1984	11.04
1985	10.77
1986	11.53 (13% index in effect)
1987	11.89
1988	11.97
1989	11.18
1990	12.26
1991	12.07
1992	12.08
1993	11.63 (13% index eliminated)
1994	11.38
1995	10.95
1996	10.49
1997	9.91 (DPI is required to request aid at 13% level)
1998	10.30
1999	10.02
2000	9.96
2001	10.08
2002	9.42
2003	8.56
2004	8.20
2005	8.00
2006	8.10
2007 (est.)	8.10
2008 (est.)	8.20

If state library system aid is not increased, and there is an assumed three percent annual local and county library system expenditure increase between FY07 and FY11, the index level of state aid will decrease to an estimated eight percent in FY10 and 7.8 percent in FY11. The following table has the estimated expenditures and the index level of state aid.

Year	Public Library System Aid	Expenditures from County & Local Sources	Local Expenditure Percent Increase	Index – Aid Percent of Previous Year's Local Exp.
2007	\$15,521,200	\$197,657,300	3.0%	8.1%
2008	16,138,000	203,587,000	3.0	8.2
2009	16,783,500	209,694,700	3.0	8.2
2010	16,783,500	215,985,500	3.0	8.0
2011	16,783,500	222,465,100	3.0	7.8

In a separate paper (see Decision Item Narrative 6003), the Department has identified a request of \$216,000 GPR in FY10 and \$232,000 GPR in FY11 to cover 50 percent of the delivery costs incurred by public library systems.

### Statutory Language

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6003 – LIBRARY DELIVERY SERVICES

#### **314 – Library delivery services**

##### **s. 20.255 (3) (eb) – New**

<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>\$216,000</b>	<b>\$232,000</b>

#### **Request/Objective**

The Department requests \$216,000 GPR in FY10 and \$232,200 GPR in FY11 in a new annual appropriation to reimburse costs at 50 percent for delivery services for interlibrary loans.

#### **Background/Analysis of Need**

The Department manages statewide interlibrary loan operations. Libraries are encouraged to borrow and loan items not held in each library's collection to each other. The Department has worked with the South Central Library System (SCLS) to provide statewide delivery services so that systems are interconnected.

The Department appointed an advisory committee in 1998 to make recommendations concerning the operation and cost of a delivery system. In May 2002, the committee recommended that all public library system connections be made five days a week. The committee also recommended that the service be paid for from a separate state appropriation and not charged back to the systems.

Postal services and commercial delivery services such as UPS or Speedee have proven to be more expensive than having a dedicated van delivery service, which is currently employed. With a van delivery service, local library staff do not have to package and individually address each item, thus saving funds for staffing and supply costs.

For a delivery service to be effective, a large number of libraries throughout the state must be willing to take part in it. SCLS has successfully connected public library system offices, academic and other types of libraries to provide the statewide service.

Currently, public library systems pay a fee that includes a base fee and factors based on the system aids received by each system and volume. The Department has also allocated federal Library Services Technology Act (LSTA) funding toward delivery service costs. The LSTA advisory committee recommended, and the Department approved, continuing the use of LSTA funds for statewide delivery for 2009 at \$75,000. However, this decision will not be finalized until fall of 2008. Library system charges and LSTA funding provided by the division are summarized below:

Fiscal Year	Library Charges	LSTA Funds	Total Delivery Costs
2002	\$215,000	\$45,200	\$260,200
2003	236,500	45,200	281,700
2004	183,500	110,000	293,500
2005	261,900	61,600	323,500
2006	279,000	60,000	339,000
2007	296,000	60,000	356,000
2008 (est.)	13,800	60,000	373,800
2009 (est.)	TBD	TBD	401,800
2010 (est.)	TBD	TBD	432,000
2011 (est.)	TBD	TBD	464,400

In FY04, the Department was able to allocate additional LSTA funds to public libraries, since the Department did not receive state funding increases. Even so, Milwaukee County Library System dropped out of the delivery service for a period of time. If fees are raised to cover the entire cost of the service, some libraries and systems may no longer be able to participate, resulting in reduced access to library materials by Wisconsin residents.

Other types of libraries that take part in the delivery service include University of Wisconsin System libraries, private academic libraries, technical college libraries, and correctional institution libraries. The University of Wisconsin System has negotiated a separate contract for delivery services with South Central Library System. All the other entities mentioned pay a per stop cost.

In 2007, the total delivery volume to public library systems was 680,000, based on surveys done throughout the year. The Department estimates a five percent increase per year resulting in a volume of 747,700 in FY10 and 787,100 in FY11.

The delivery costs have increased on an average of six percent per year between FY02 and FY08. A 7.5 percent annual growth factor was used to figure the FY10 and FY11 delivery costs in the division request due to the increase in fuel costs. The Department requests to fund the library delivery costs at 50 percent. The remaining 50 percent will continue to be paid by public libraries.

Also included in the Department's request is \$12,800 GPR in FY10 and \$13,800 GPR in FY11 to fund 50 percent of the cost to deliver materials from Northern Waters Library Service to Wisconsin Valley Library Service in Wausau. The SCLS does not travel to Ashland or Superior to pick up the requested materials. As a result, Northern Waters must pay to have the materials shipped by private courier (WALTCO) to Wisconsin Valley Library Service where they are picked up by the SCLS.

The Department is also requesting \$1,300 GPR in FY10 and \$1,400 GPR in FY11 for the Reference and Loan Library to pay 50 percent of the cost associated with the delivery of materials to Minnesota so that the two states can easily and effectively share resources. Delivery services are provided by the MINITEX Library Information Network. MINITEX is a publicly-supported network of academic, public, state government, and special libraries working cooperatively to improve library service for their users in Minnesota, North Dakota and South Dakota. There is reciprocity with Wisconsin libraries.

## Statutory Language

The Department is proposing statutory language related to this request. See *Library Delivery Services* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6004 – LIBRARY SERVICE CONTRACTS

#### **320 – Library service contracts** **s. 20.255 (3) (ea)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Funding</b>	<b>\$1,145,300</b>	<b>\$1,180,800</b>
<b>Less Base</b>	<b>\$1,097,200</b>	<b>\$1,097,200</b>
<b>Requested Change</b>	<b>\$48,100</b>	<b>\$83,600</b>

#### **Request/Objective**

The Department requests an increase of \$48,100 GPR in FY10 and \$83,600 GPR in FY11 to continue four library contracts to supplement services provided by the Division for Libraries, Technology and Community Learning.

#### **Background/Analysis of Need**

This request is to continue four library contracts that are maintained in accordance with s. 43.03 (7), Wis. Stats., which requires the State Superintendent to contract for services with libraries and other resource providers in and outside of this state to serve as resources of specialized library materials and information not available in public libraries or the Reference and Loan Library.

The four providers with whom the Department contracts are the Milwaukee Public Library (MPL), Wisconsin Library Services (WiLS), the Wisconsin Regional Library for the Blind and Physically Handicapped (WRLBPH), and the Cooperative Children's Book Center (CCBC).

WiLS and MPL lend materials to all parts of the state in response to requests forwarded by the Reference and Loan Library or public library systems. The contracts with WiLS and MPL ensure access to the major collections and unique materials held by these libraries for patrons statewide. Funds are used to pay for staff to locate, retrieve, ship and shelve materials, and for supplies and postage to ship to those libraries not participating in the statewide delivery service.

Under s. 43.03 (6), Wis. Stats., the State Superintendent is required to contract annually with a public library for the provision of library services to physically handicapped persons including the blind and physically handicapped. Since 1961, this contract has been maintained with the WRLBPH located in the Milwaukee Public Library, which provides its space without charge. The WRLBPH provides specialized services to certified blind and physically handicapped persons throughout the state. The Library of Congress provides the recorded and Braille materials (estimated at an annual value of \$376,700), but the state is obligated to provide for processing, maintenance, and circulation.

The CCBC is a repository of children's tradebooks used by children's librarians and teachers throughout the state. It provides unique resources and services to educators and other citizens, especially on freedom of information issues. The contract provides partial funding for staff and center operations.

Due to the 15 percent reduction for the 2003-05 biennium, the Department was not able to maintain all its contracts. In particular, the interlibrary loan contracts with WiLS and MPL were cut substantially during the 2003-05 biennium. This meant that materials were not accessible from the University of Wisconsin – Madison (UW-Madison) and private academic libraries outside of Madison, and that there was not sufficient funding to fulfill all requests that could have gone to UW-Madison.



2007 Wisconsin Act 20, the 2007-09 biennial budget, provided \$257,300 GPR in FY08 and \$220,300 GPR in FY09. This allowed the Department to maintain existing services, and the Department purchased a Digital Talking Books server, which was a one-time cost in FY08, although there are annual maintenance costs for the server.

The following table presents the library service contracts appropriation history:

Year	Appropriation	Percent Change Over Previous Year
FY96	\$865,100	0%
FY97	865,000	0
FY98	945,300	9.2
FY99	973,700	3
FY00	1,012,000	3.93
FY01	1,047,300	3.49
FY02	1,047,300	0
FY03	1,031,700	-1.49
FY04	876,900	-15
FY05	876,900	0
FY06	876,900	0
FY07	876,900	0
FY08	1,134,200	29.3
FY09*	1,097,200	-3.3

\*Reductions due to loss of one-time funding in FY08 for Digital Talking Books Server

The 2009-11 budget request is broken down by contract as follows:

Contract	FY09 Base	FY10 Request	FY11 Request
WILS	\$99,000	\$104,000	\$109,000
MPL	52,900	53,000	54,600
WRLBPH	868,300	908,322	935,121
CCBC	77,000	80,000	82,106
Total	\$1,097,200	\$1,145,322	\$1,180,827

WiLS charges on a per transaction price for each service used. The increase in the WiLS contract cost is based on estimated costs to fulfill approximately 15,700 transactions for FY10 and 15,850 transactions for FY11. Interlibrary loan transactions are estimated to be charged at \$6.25 for FY10 and \$6.50 for FY11. In addition, approximately \$6,000 has been added to pay for requests to UW system libraries that charge the Reference and Loan Library for the materials that are requested.

The CCBC budget request is based on projections by CCBC in conjunction with the UW-Madison to maintain existing services.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6501 – ONLINE LICENSING SYSTEM

#### **101 – General program operations**

##### **s. 20.255 (1) (a)**

#### **122 – Personnel licensure, teacher supply, info. and analysis and teacher improv.**

##### **s. 20.255 (1) (hg)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Program Revenue	\$0 0.50 FTE	\$0 0.50 FTE
GPR	\$3,000,000	\$300,000
GPR-Earned	-\$348,000	-\$310,000

#### **Request/Objective**

The Department requests \$3 million GPR in FY10 and \$300,000 GPR in FY11 to fund the development and maintenance of an online Wisconsin Educator Licensing System.

The Department requests a 0.50 FTE IT position to support the system at a cost of \$35,200 PR in FY10 and \$45,900 PR in FY11. The Department anticipates having sufficient revenue and expenditure authority in its base to cover the cost of this position.

The Department also requests a reestimate of -\$348,000 GPR-earned in FY10 and -\$310,000 GPR-earned in FY11 to reflect a statutory language change that restores 100 percent of teacher certification revenues to the Department. The ten percent that is currently lapsed into the general fund should be retained by the Department to fund ongoing costs and projects. The remaining 90 percent of revenue has been insufficient for the past several years to fund teacher certification program operations.

#### **Background/Analysis of Need**

One of the Department's responsibilities is to license the educational professionals in Wisconsin's school districts. The teacher certification program is funded with fees received from applicants for educational licenses and certificates.

Because licenses are effective July 1 through June 30, the Department receives most of its applications during the summer months, causing a backlog of applications. Backlogs are not only caused by the number of applications but by the amount of time needed to acquire additional information from the applicants.

Processing an application for a license is labor intensive. Applications are reviewed and, if information is missing, a letter is sent to the applicant requesting the information. Until the missing information is received, this process can be, and often is, repeated several times before a license is issued.

By creating a web-based, online educator licensing system, the Department can become an efficient, high performance organization decreasing the amount of paper and time it takes to process applications and issue licenses. Also, license information could be made more readily available across the agency and to the general public.

In FY07, the Department issued 28,843 licenses. License review is currently a cumbersome, paper-based process. Most of the applications received are handwritten, difficult to read and incomplete. An abbreviated version of the license review process is:

- An application is received and reviewed for missing information.
- If information is missing, a letter is mailed to the applicant requesting the information.
- Staff verify that the license fee has been processed by the bank. The Department contracts with the bank to process teacher license checks and credit cards.
- The application and accompanying information is scanned into the imaging system.
- An LTE enters the biographical data from the application form into the teacher licensing data system.
- An LTE enters applicants' information into the Department of Justice (DOJ) criminal background website.
- The application goes to an education licensing consultant for review. Discovery of additional information needed may result in another round of correspondence with the applicant.
- Any conduct and competency or background review issues that exist are referred to an investigator for follow-up.
- Fingerprint cards, when required, are reviewed and sent to DOJ for processing against DOJ and FBI databases.
- Results of background reviews and fingerprint card processing are entered into the teacher licensing data system. Further correspondence may result from incomplete or rejected cards.
- Once the process is completed, a license is issued, printed and mailed to the applicant.

An online, web-based licensing program would provide:

- A customer-focused web interface and paperless applications.
- Electronic fee payments.
- Electronic fingerprinting and reporting of fingerprint results.
- Applicant ability to track processing of a license application.
- Automated background checks to the DOJ.
- A license review/processing system incorporating document management, workflow and electronic connections to districts and program providers involved in the licensing process.
- A searchable database of Wisconsin's approved educator preparation programs for the public and institutions of higher education.
- Automated "supply" reporting of program completers to the Department by approved program providers.
- Improved licensing audit procedures for both school districts and the Department.

An online licensing program system would meet public expectations in their ability to conduct business with the state and would make the Department become more efficient by:

- Reducing the time it takes to process an application. By automating licensing procedures and streamlining the Department's internal licensing review/approval process, the application backlogs should be eliminated. Department staff time is wasted entering application data and requesting missing or incomplete information from applicants. If license information is submitted online, the program could "force" required fields to be inserted before it could be submitted to the Department. In other words, an applicant would not be able to send his or her application for a license if required information is not entered. This feature would alleviate the need to send repeated information requests to applicants.
- Reducing or eliminating the need for LTE data entry staff. By both collecting application data electronically and obtaining background reviews through the electronic connection to DOJ, the Department could eliminate the need for the two LTEs currently entering data for background checks (\$6,000 each).
- Streamlining payment processing and reconciliation procedures by incorporating DOA's E-Payment system for applications submitted online.

- Reducing postage, phone, paper and supply costs. The number of paper applications submitted to the Department would drop significantly and paper licenses would no longer be printed and mailed.

Potential vendors have estimated an initial cost to provide a customized online licensing system, including software and hardware, to be \$3 million. Annually thereafter, \$300,000 would be needed for maintenance and support of the system.

In addition, the Department anticipates the need for an additional 0.50 FTE IT position to support the system at a cost of \$35,200 PR in FY10 and \$45,900 PR in FY11.

1995 Wisconsin Act 27 required the Department to lapse ten percent of license and certificate fees to the general fund. Due to the five year cyclical nature of the teacher certification process, it is anticipated that license applications will begin to significantly taper down in the second year of the biennium causing a reduction in revenue. Therefore, the Department requests that 100 percent of teacher certification revenues be restored in order to fund current operations, including the online licensing project, and to build a small reserve in order to better absorb ongoing costs as revenues decline.

In its 2005-07 biennial budget, the Department requested an increase in teacher licensing PR expenditure authority of \$839,800 in FY06 and \$931,500 in FY07; \$195,100 GPR in FY07; and the elimination of the ten percent teacher licensing PR lapse to fund an online license system. After reviewing the Department's request with DOA IT staff, DOA budget analysts determined the project could be funded through the Master Lease program and paid for over a seven year period using PR from teacher licensing. However, it was incorrectly assumed that a licensing software product could be purchased from the State of Massachusetts. The attorney general of Massachusetts determined that the software was not available for sale. Even if the software was available, it would have needed significant modifications to meet the Department's needs. Because Master Lease allows for only 10 to 20 percent customization of any software purchased, it was no longer an option as the Department would need to purchase new software that would have to be tailored to meet Wisconsin teacher licensing needs.

In FY07, teacher licensing contracted with a consultant to complete a detailed system analysis and develop a request for information (RFI) and request for proposal (RFP). The RFP cannot be finalized until funding is in place to pay for a contract.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Online Licensing System* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6502 – TEACHER RECRUITMENT – LOAN FORGIVENESS PROGRAMS

#### *High need teacher loan forgiveness program*

*s. 20.235 (1) (tbd) – New in HEAB*

#### *Minority teacher loans*

*s. 20.235 (1) (cr) in HEAB*

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$237,900	\$737,900

#### **Request/Objective**

The Department requests \$500,000 GPR in FY11 to create a new High Need Teacher Loan Forgiveness Program at the Higher Educational Aids Board (HEAB). The Department also requests an increase of \$237,900 GPR in both FY10 and FY11 for the existing Minority Teacher Loan Program established at HEAB.

#### **Background/Analysis of Need**

A highly qualified teacher is one of the most important components, if not *the* most important component, in student learning. Wisconsin has long been known for the high quality of our outstanding teaching workforce. However, an increasing number of Wisconsin teachers are reaching retirement age and a shortage of teachers in critical subject areas continues to grow. This growing challenge makes it more important than ever for Wisconsin's public schools to attract and retain exceptional, diverse individuals who have the talent and desire to improve educational opportunities for our children.

Recruitment and retention of highly qualified teachers is particularly important in Wisconsin's high poverty school districts. Districts with concentrated student poverty experience higher rates of teacher turnover and transfer, higher absenteeism, and fewer applications for open positions. All Wisconsin pupils, regardless of where they live or their economic circumstance, should have access to highly qualified teachers.

Teacher attrition has attracted considerable attention as many federal, state and local policies intended to improve pupil outcomes focus on recruiting and retaining more qualified and effective teachers.

Incentives like loan forgiveness may help to address these staffing shortages and promote high quality educational opportunities for Wisconsin students.

Under current law, HEAB administers various student loan programs under which certain percentages of the loans are forgiven for each year that a loan recipient is employed in certain professions after completion of the recipient's program of study. Those programs include loans that are forgiven after the recipient has been employed as a nurse in this state, as a teacher in the Milwaukee Public Schools, as a teacher of visually impaired pupils or as an orientation and mobility instructor in this state.

HEAB also administers the Minority Teacher Loan Program under s. 39.40, Wis. Stats. This program provides loans to Wisconsin resident, minority, undergraduate juniors or seniors or graduate students who are enrolled at least half-time in programs leading to teacher licensure at an independent or University of Wisconsin institution. The maximum award per year is \$2,500 with an overall maximum of \$5,000. The student who participates in this program must agree to teach in a Wisconsin school district in which minority students constitute at least 29 percent of total enrollment or in a school district participating in the inter-district pupil transfer (Chapter 220) program. For each year the student

teaches in an eligible school district, 25 percent of the loan is forgiven. If the student does not teach in an eligible district, the loan must be repaid at an interest rate of 5 percent.

Currently, \$262,100 GPR is appropriated annually for this program. In 2006-07, an average award of \$2,300 was made to 91 applicants (\$209,300 total). A majority of those students attended UW-Milwaukee. HEAB claims it would be easier to spend the money if more was available. Further, it would be better if students could receive \$5,000 each year for a total of \$10,000 rather than the current \$2,500 each year for a total of \$5,000. Because of the token amount available, universities are reluctant to advertise its availability as only one or two students may receive the funds. Within the confines of the program, it is a success. Since the program began, 34.6 percent of applicants have had their loans forgiven, meaning they have remained teaching in an eligible school district for at least four years. Most of the recipients teach, but some do not teach in districts where loan forgiveness can be applied.

HEAB offers state loan programs created to address specific needs in Wisconsin. To address the immediate need to recruit and retain qualified, diverse teachers in shortage areas, the Department requests that the following programs be established and modified under HEAB:

- *High Need Teacher Loan Forgiveness Program.* This new program will attract teachers to high poverty schools in critical shortage subject areas and would have criteria similar to the Minority Teacher Loan Program. For instance, the borrower must be a Wisconsin resident junior, senior, or graduate student who is enrolled at least half-time in a program leading to teacher licensure at an independent or University of Wisconsin institution. Other criteria of the program would include the following:
  1. Beginning in FY11, create an annual appropriation of \$500,000 GPR. This would fund 100 students per year at \$5,000 each.
  2. Allow a maximum award of \$5,000 per year for a total of \$10,000.
  3. Allow the borrower to have his or her loan forgiven if he or she teaches in a Wisconsin public school district in which at least 40 percent of the pupils enrolled are eligible for free or reduced-priced lunch under 42 USC 1758 (b). Teachers in approximately 80 districts with 650 schools would be eligible. In addition, the borrower must hold one of the following licenses issued by the Wisconsin Department of Public Instruction and be teaching in the subject area of the license held:
    - a. A license in mathematics and assigned to teach in that subject at the middle or high school level.
    - b. A license in a science subject and assigned to teach in that science subject at the middle or high school level.
    - c. A license in technology education and assigned to teach in a technology education program at the middle or high school level.
    - d. A license in English as a second language (ESL) and assigned to teach ESL at any developmental level.
    - e. A bilingual-bicultural license and assigned to teach in a bilingual program at any developmental level.
    - f. A special education license and assigned to teach in a special education program at any developmental level.
    - g. A world language license and assigned to teach in that subject at any developmental level.
  4. For each year the borrower teaches in an eligible subject area, school or developmental level, and school district, 25 percent of the loan is forgiven.
  5. If the borrower does not complete four years of teaching in an eligible subject area, school or developmental level, and school district within eight years, the remainder of the loan must be repaid at 5 percent.

- *Minority Teacher Loan Program.* This existing program is modified to:
  1. Increase the appropriation under s. 20.235 (1) (cr), Wis. Stats., by \$237,900 GPR for a total of \$500,000 GPR. This would fund 100 students per year at \$5,000 each.
  2. Allow a maximum award of \$5,000 per year for a total of \$10,000 (opposed to the \$2,500 per year for a total of \$5,000 established under ch. HEA 11, Wis. Admin. Code).

At its August 8 Board meeting, HEAB voted to increase the Minority Teacher Loan Program as requested by the Department, and to request \$500,000 for a teacher recruitment strategy to be included as part of its 2009-11 biennial budget request. The Department's proposal to create a High Need Teacher Loan Forgiveness Program is consistent with HEAB's proposal to develop a teacher recruitment strategy.

See HEAB's 2009-11 Biennial Budget Request for the following:

- DIN 4521 - High need teacher loan.
- DIN 4510 - Minority teacher loan.

### **Statutory Language**

The Department is not proposing any statutory language related to this request. However, see HEAB's 2009-11 Biennial Budget Request for statutory language to administer the High Need Teacher Loan Forgiveness Program.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6503 – ELIMINATION OF QUALIFIED ECONOMIC OFFER

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$0

#### Request/Objective

The Department proposes to repeal the Qualified Economic Offer (QEO) provisions related to teacher collective bargaining under s. 111.70, Wis. Stats., effective upon passage of the 2009-11 budget. Through this action, teachers will no longer be constrained by an artificial limit in terms of their ability to bargain compensation increases. Teachers will be able to collectively bargain under essentially the same parameters as other represented public employees.

#### Background/Analysis of Need

To maintain the excellence of Wisconsin's teachers, there needs to be greater parity at the collective bargaining table. Existing statutes allowing school boards to unilaterally invoke a QEO based on an arbitrary percentage increase in compensation does not serve the state's interest in encouraging Wisconsin's best and brightest to consider or remain in public school teaching careers. There is no compelling reason why teachers, alone among public sector employees, should be placed under collective bargaining restrictions.

One important component of attracting and retaining qualified candidates to any career is salary. Wisconsin's national teacher salary ranking has dropped in recent years, largely as a result of the QEO law. The QEO law went into effect in 1993.

Under the QEO law, a school board can avoid interest arbitration on economic issues in teacher bargaining, if it offers a QEO. To be valid, a QEO must:

- Provide a total compensation (salary and fringe benefits) increase over the prior year of 3.8 percent as measured against the prior year's districtwide base compensation, using the "cast forward" method of costing.
- Maintain 1) all employee fringe benefits, as they existed 90 days prior to the expiration of the previous contract, and 2) the district's percentage contribution to that package.
- If maintaining the fringe benefit package costs more than 3.8 percent of total base compensation the board may cut salaries.
- Use the amount, if any, of the 3.8 percent remaining after fringe benefits are paid for salary increases first to pay employees for additional years of service before providing any general across-the-board increases.

According to data collected by the American Federation of Teachers, Wisconsin has both the lowest average salary and lowest beginning salary in the Great Lakes Region.

Wisconsin's overall national rankings on average teacher salaries have also declined consistently since the QEO law was implemented (26<sup>th</sup> in 2005 vs. 14<sup>th</sup> in 1993). This decline in national ranking also exists when comparing Wisconsin teacher salaries to comparable salaries in the private sector and adjusting teacher salaries for the cost of living.



It has also been argued that in addition to constraining salary structure changes, the QEO has inhibited local innovation on health insurance matters. The requirement that districts maintain the existing fringe benefits package, if they choose to impose a QEO, has significantly reduced incentives to bargain alternative health care packages.

In 2004, the Governor's Task Force on Educational Excellence recommended repeal of the QEO because doing so "will free teachers and school boards to collectively bargain more meaningful changes in salary structure to reward the teachers' knowledge and skills, and to pursue cost effective innovations in health insurance."

According to the task force, most teachers, school administrators, and school board members agree that the QEO law has seriously eroded teacher morale, because it applies only to school district professional employees and restricts local collective bargaining. The combination of increasing teacher retirements and constrained salaries creates conditions that could easily lead to diminishing instructional quality at a time when our economic future depends on a highly educated work force.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Elimination of Qualified Economic Offer* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 6504 – MASTER EDUCATORS & NATIONAL TEACHER CERTIFICATION REESTIMATE

#### **306 – Grants for national teacher certification or master educator licensure s. 20.255 (3) (c)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$2,071,700	\$2,389,100
Less Base	\$1,653,800	\$1,653,800
Requested Change	\$417,900	\$735,300

#### **Request/Objective**

The Department requests an increase of \$417,900 GPR in FY10 and \$735,300 GPR in FY11 as a reestimate of payments to teachers who are certified by the National Board for Professional Teaching Standards (NBPTS) or certified under the Wisconsin master educator assessment process. The appropriation is sum sufficient, requiring the Department to make payments for as many teachers as are eligible in any fiscal year.

#### **Background/Analysis of Need**

There are two ways an individual may receive a grant under the national teacher certification or master educator licensure program under s. 115.42, Wis. Stats.:

- Through a national process by obtaining a national certificate issued by the National Board for Professional Teaching Standards (NBPTS).
- Through a state process by completing the Wisconsin master educator assessment process (WMEAP).

Originally created under 1997 Wisconsin Act 237, the state's National Teacher Certification grant program provided a sum-sufficient appropriation to award initial grants of up to \$2,000 and continuing grants of \$2,500 annually for nine years thereafter for teachers earning national certification only.

Created in 1987, the NBPTS is an independent, nonprofit, nonpartisan organization governed by a 63-member board of directors. The mission of the NBPTS is to: 1) establish rigorous standards for what accomplished teachers should know and be able to do; 2) develop and operate a national, voluntary system to assess and certify teachers who meet these standards; and 3) advance related educational reforms for the purpose of improving student learning in American schools.

2007 Wisconsin Act 20 modified s. 115.42, Wis. Stats., to allow persons (other than administrators) receiving master educator licenses through the state process to also receive the grants. In addition, the Act provided an incentive to grant recipients to work in high poverty schools by providing \$5,000, rather than \$2,500, to persons applying for continuing grants if they work in a school in which at least 60 percent of the pupils enrolled are eligible for free or reduced-priced lunch under 42 USC 1758 (b).

The Wisconsin master educator assessment process is as rigorous as the NBPTS process (maybe more because the applicant must have a master's degree) and offers licensure in subject areas not currently offered under the NBPTS, including but not limited to, school counselor, school social worker, and school psychologist. Eventually, the state process will offer licenses in the subject areas granted through the NBPTS as well. The state requirements include:

- Documentation of a related master's degree.
- Five years of successful experience in education.
- Evidence of improved pupil learning.
- An assessment process that is comparable in expectations to the NBPTS.

The following table reflects the Department's estimates of new and continuing nationally-certified teachers and associated funding needs in 2009-11 (based on current figures, the Department is projecting that 10 percent of new NBPTS teachers will teach in high poverty schools in the 2009-11 biennium):

NBPTS Educators				
	FY10	Cost	FY11	Cost
Newly certified	100 @ \$2,000 each	\$200,000	100 @ \$2,000 each	\$200,000
Continuing	559 @ \$2,500 each	1,397,500	649 @ \$2,500 each	1,622,500
*Continuing x .0765		106,900		124,100
*Continuing low-income	62 @ \$5,000 each	310,000	72 @ \$5,000 each	360,000
*Continuing low-income x .0765		23,700		27,500
<b>TOTAL</b>		<b>\$2,038,100</b>		<b>\$2,334,100</b>

\*Recent IRS findings and the State Controller's Office requires the Department to recognize these individuals as nonclassified nominal employees and must, therefore, pay Medicare and Social Security at 7.65 percent.

The following table reflects the Department's estimates of new and continuing Wisconsin master educators and associated funding needs in 2009-11 (it's too soon to make any assumptions as to how many additional continuing WMEAP teachers will work in high poverty schools in 2009-11):

WMEAP Master Educators				
	FY10	Cost	FY11	Cost
Newly certified	2 @ \$2,000 each	\$4,000	10 @ \$2,000 each	\$20,000
Continuing	7 @ \$2,500 each	17,500	9 @ \$2,500 each	22,500
*Continuing x .0765		1,300		1,700
*Continuing low-income	2 @ \$5,000 each	10,000	2 @ \$5,000 each	10,000
*Continuing low-income x .0765		800		800
<b>TOTAL</b>		<b>\$33,600</b>		<b>\$55,000</b>

\*Recent IRS findings and the State Controller's Office requires the Department to recognize these individuals as nonclassified nominal employees and must, therefore, pay Medicare and Social Security at 7.65 percent.

	FY10	FY11
Total funds needed for WMEAP and NBPTS awards	\$2,071,700	\$2,389,100
Less Base	1,653,800	1,653,800
Net Increase	417,900	735,300

### Statutory Language

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7001 – WISCONSIN KNOWLEDGE AND CONCEPTS EXAMINATION (WKCE)

#### **105 – Pupil assessment** **s. 20.255 (1) (dw)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$4,510,700</b>	<b>\$4,510,700</b>
<b>Less Base</b>	<b>\$3,110,700</b>	<b>\$3,110,700</b>
<b>Requested Change</b>	<b>\$1,400,000</b>	<b>\$1,400,000</b>

#### **Request/Objective**

The Department requests an increase of \$1,400,000 GPR in both FY10 and FY11 to support continued funding for state required Wisconsin Knowledge and Concept Examination (WKCE) assessment contracts. The Department also requests that the \$1,400,000 GPR becomes part of the base budget under s. 20.255 (1) (dw), Wis. Stats.

#### **Background/Analysis of Need**

In 1992-93, the Department made examinations available to districts to evaluate the knowledge obtained by eighth and tenth graders. Participation by districts was voluntary in the 1992-93 school year, and required beginning in 1993-94. 1995 Wisconsin Act 27 added a fourth grade exam. Participation in this exam by school districts was voluntary in the 1995-96 school year, and required beginning in 1996-97. Starting in 1998-99, school boards that oversee schools operating elementary grades were permitted to develop or adopt their own test for fourth and eighth grade pupils. School boards that do this are required to notify the Department.

Since 1997-98, results of the WKCE are reported by subject categories. Separate results are reported for each test area: reading, mathematics, science, social studies, language arts, and writing. Scores on the writing sample were formerly combined with scores on the language arts test at grade ten (tenth grade language arts/writing). These combined scores were called enhanced language scores. According to federal law, test results must be disaggregated by English proficiency status, race/ethnicity, gender and migrant status. In addition, federal law requires that results be reported comparing pupils with disabilities with non-disabled pupils, economically disadvantaged pupils to non-economically disadvantaged, and English Language Learners with non-English Language Learners. Prior to the debut of the WKCE-CRT (Criterion-Referenced Test) in 2005, there was a separate reading test for third grade pupils entitled the Wisconsin Reading Comprehension Test (WRCT). The function performed by that test is now part of the WKCE-CRT. State statute requires a third grade reading test and that districts provide remediation if a pupil is not proficient.

The WKCE was administered in the past to approximately 190,000 pupils. Beginning in 2005-06, the WKCE-CRT was administered to roughly 500,000 pupils because of the expanded assessment requirements imposed on the state by NCLB. This expansion resulted in four new grades being added to the test (grades 3, 5, 6, 7). This addition of about 310,000 pupils represented an increase of 163.2% in the number of tests taken.

Assessment requirements under the federal No Child Left Behind (NCLB) Act impose continual development costs. Development costs continue even after a test is initially developed. Customized tests, as required under NCLB, need to *continually* have alignment studies, range finding, and bias review committees to ensure the test is both timely and properly constructed.

Contract and support (non-salary) expenditures for the WKCE over the last eight fiscal years are shown on Table 1.

Table 1

Year	Development Contract GPR	Development Contract FED	Production, Distribution, Scoring, Reporting GPR	Production, Distribution, Scoring, Reporting FED	TOTAL
2000-2001	\$0	\$0	\$2,154,800	\$0	\$2,154,800
2001-2002	0	0	1,803,200	0	1,803,200
2002-2003	0	384,100	2,701,700	2,160,600	5,246,400
2003-2004	0	3,056,300	2,244,500	0	5,300,800
2004-2005	1,345,800	4,683,600	2,211,200	1,375,900	9,616,500
2005-2006	369,000	1,390,600	3,110,700	5,909,800	10,780,100
2006-2007	448,300	0	3,110,700	4,630,700	8,189,600
2007-2008	615,200 <i>0</i>	327,400 <i>793,100</i>	1,319,300 <i>464,100</i>	4,804,400 <i>0</i>	7,066,300 <i>1,257,200</i>

NOTE: The figures in *italics* in the row depicting 2007-08 costs are monies that have been encumbered as of September 5, 2008, which are expected to be paid before the conclusion of the 2007-08 fiscal years.

WKCE contract costs are paid out of the pupil assessment GPR appropriation s. 20.255 (1) (dw), Wis. Stats., which is funded at \$3,110,700 GPR in each year of the 2007-09 biennium. However, as the table shows, the Department has also been making use of federal NCLB funds in the past six years to comply with the additional assessment requirements of the Act. The large increase in expenditures from 2001-02 to 2002-03 is because the NCLB Act required that standards be reset and the WKCE had to be enhanced.

The test contract for FY06 was a transitional one which involved some temporary higher costs:

- During test development, the Department's vendor issued numerous change orders for FY06, which were reduced during a negotiation process to an agreement of \$10 million for FY06.
- This was done with the understanding that FY07 was capped at a total cost of \$8 million.
- The Department's goal is to keep this cap on the test contract for the remaining years of the contract.

The state and federal requirements have been rolled into a single testing contract. Therefore, one vendor is responsible for meeting both state and federal requirements.

Federal and state assessment requirements overlap to a degree, but there were still significant differences. Those differences meant Wisconsin had to expand its testing efforts.

- STATE: Section 118.30, Wis. Stats., requires assessment in grades 4, 8 and 10 in reading, language arts/writing, mathematics, science and social studies. Section 121.02 (1) (r), Wis. Stats., requires assessment for third grade reading.
- FEDERAL: NCLB requires assessment of reading and mathematics in grades 3-8 and once in high school, and science assessment once at each level: elementary, middle, and high school.

Currently, federal dollars are provided to help states meet testing requirements at grades 3-8 and 10 in reading and mathematics. While there is some overlap in those requirements, the federal dollars also are used to meet requirements for the alternative assessments as well as to meet numerous technical quality requirements. In addition to paying the Department's major vendor from state and federal funds, the GPR funds are used to contract with other entities for other assessment and data related costs. Currently, \$1,400,000 GPR for pupil assessments is subject to review by the Joint Committee on Finance (JCF) under s. 13.10, Wis. Stats., before the funds can be released to the Department. The

Department did not receive these funds for FY08, but intends to request the funds from JCF again in FY09.

The Department's assessment vendor estimates the state required portion of the WKCE to develop, distribute, score, and report for grades 4, 8, and 10, and to test grade 3 reading comprehension, will be \$5.4 million per year. This leaves an annual funding gap despite efforts by the Department to economize by cutting down on hand scored items and streamlining other test production costs. Therefore, the Department requests \$1,400,000 GPR to partially fund this gap. Because of funding pressures, there is no doubt that this money will be needed in future years to meet existing state testing requirements. Therefore, the Department further requests that this sum be built into its base budget in s. 20.255 (1) (dw), Wis. Stats., rather than be subject to review before the JCF under s. 13.10, Wis. Stats.

The Department strongly asserts that:

- Certain large scale testing standards must be met for development, validity, reliability, and alignment of the Department's assessment instruments.
- Federal dollars cannot be depended on to support the state's assessment requirements.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7002 – WISCONSIN ALTERNATE ASSESSMENT FOR STUDENTS WITH DISABILITIES

#### *105 – Pupil assessment*

#### *s. 20.255 (1) (dw)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$4,210,700	\$4,210,700
Less Base	\$3,110,700	\$3,110,700
Requested Change	\$1,100,000	\$1,100,000

#### **Request/Objective**

The Department requests an increase of \$1,100,000 GPR in both FY10 and FY11 to partially fund the new version of the Wisconsin Alternate Assessment for Students with Disabilities (WAA-SwD).

#### **Background/Analysis of Need**

The federal government did not approve the assessment Wisconsin used for severely disabled pupils prior to 2007 because it was locally scored and not sufficiently standardized. A new assessment developed by using federal carryover funds was created and successfully “piloted” in 2007-08. In order to continue the program, the state now must share in the cost.

The new WAA-SwD assessment is completely standardized and electronically scored. Based on the development and use of Extended Grade Band Standards, the new WAA-SwD:

- Is technically sound.
- Meets federal requirements.
- Is aligned to state standards.
- Minimizes burdens on teachers and pupils that often accompany the administration of exams for severely disabled pupils.
- Was produced by the Department after working with, and getting input from, educators around the state.

The new assessment is not based on work samples that teachers must develop and submit for evidence. Instead, it is a performance task assessment that has teachers record pupil responses to a standardized set of test items.

#### *Extended Grade Band Standards: Basis for New WAA-SwD*

Prior to the change in assessments, the content standards for pupils with severe disabilities were all designed to be downward extensions of the fourth grade content standards used by regular education pupils. That is, regardless of the chronological age of the pupil, they were all working on standards that would fall below fourth grade.

In contrast, the new Extended Grade Band Standards are designed to shape expectations for severely disabled pupils from the grade level expectations of their chronological peers. This means that under the new exam a severely disabled pupil would be tested on academic skills that stem directly from what his or her aged peers are learning. Expectations are modified, however, for the given abilities of the cognitively disabled pupils. This helps severely cognitively disabled pupils move beyond life skills learning and into the realm of academic achievement. For this reason, cognitively disabled pupils

benefit from inclusion with their regular education peers. Just as the Wisconsin Knowledge and Concepts Examination tests what all pupils should know and be able to do, WAA-SwD tests what pupils with significant disabilities should know and be able to do.

In addition to their use for assessment purposes, Extended Grade Band Standards also guide instruction and curriculum planning for pupils with significant disabilities.

Examples of Extended Grade Band Objectives Paired with Instructional Activity

Subject	Grade Level	Extended Grade Band Objective	Paired with an Instructional Activity
Reading	Grades 3-4	Sequence beginning and end from text.	After listening to a story, tell what happened at the beginning and the end.
Math	Grades 5-6	Connect calendars and clocks to everyday situations.	When asked, "When do you eat lunch?" pupils point to the time on a clock.
Science	Grade 8	Identify single cause and effect relationships.	Pour water and oil into a container to show how the two liquids do not mix.

The standards for this population of pupils are designed to cross two grade levels so pupils in grades 3-4 are working toward one set of standards, grades 5-6 on the next set, and so forth.

Individualized Education Plan (IEP) teams will continue to be responsible for deciding whether pupils with disabilities will participate in the Wisconsin Knowledge and Concepts Examinations, with or without testing accommodations, or participate in the WAA-SwD.

The cost of the new assessment is \$2,100,000 per year. The state required grades and content areas (reading—grade 3 and reading, math, and science—grades 4, 8, and 10) constitute slightly more than half of the assessment, and will cost the state \$1,100,000 GPR in each year of the biennium. The remaining costs are federal.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7003 – ONLINE STUDENT ASSESSMENTS

#### *105 – Pupil assessment s. 20.255 (1) (dw)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$3,610,700	\$6,110,700
Less Base	\$3,110,700	\$3,110,700
Requested Change	\$500,000	\$3,000,000

#### **Request/Objective**

The Department requests \$500,000 GPR in FY10 and \$3,000,000 GPR in FY11 to fund years two and three of the ten-year transition plan leading to the development of a Comprehensive Assessment System in Wisconsin.

#### **Background/Analysis of Need**

The Department is proposing a “next generation of pupil assessments” that will provide meaningful information to educators throughout the school year. The Department asserts that such a practical but visionary system needs to be established in Wisconsin and should provide:

- Immediate pupil reports that track the pupils’ growth over time.
- Multiple attempts for pupils to take the assessments during the year.
- An online format that allows for more interactive pupil assessment.
- An adaptive test design that varies the question difficulty based on previous responses.
- Data on grade-level attainment of standards for accountability and program improvement.
- Data that is diagnostic to determine specific pupil needs or strengths above and below grade leveling.

Teachers and administrators from throughout the state have expressed a desire for a more comprehensive approach to assessment that is truly “next generational” in its scope and approach. They envision a comprehensive testing system which would be entirely online by FY18. Such a system would be of immense help to educators inasmuch as it would provide meaningful feedback from tests in a timely fashion. While the current assessment provides annual summative data, a comprehensive system would include a diagnostic component that schools could use to provide ongoing data on pupil progress throughout the year. As a result, teachers and administrators would be able to adjust instruction more quickly and accurately. Remedial issues could be resolved before they become more entrenched and pupils would be better able to achieve or maintain grade level proficiency.

When fully developed, the comprehensive system will be divided into two testing tiers. In the tier one phase, the system will be five percent online and will be piloted and field tested in FY12. The system will be ten percent online in FY13. In FY14, the system will be 20 percent online and will have replaced the current Wisconsin Knowledge and Concepts Examination (WKCE). Tier one will be completed and the system will be 100 percent online in FY18. Tier two will be piloted in FY17 and will have an expanded diagnostic function in FY18, the last year of the phase-in. Paper versions of the test will be available until the test is fully online.

### *Tier One*

Tier one will draw from a comprehensive, rich test item bank designed around Wisconsin Model Academic Standards. It will meet the needs of both benchmark and large-scale summative assessment. The online grade level test may be administered up to three times during the school year. Teachers receive immediate reports showing pupil performance levels on content standards, with information about the relative strengths and areas of need within a content area.

Over the year, pupil growth will be tracked on subsequent test administrations. Once a pupil reaches grade level proficiency, it will not be required that the pupil be tested for the remaining testing sessions during that year. (A comparable paper-and-pencil assessment would be provided during the phase-in period; however, this version would not have immediate pupil results.) School and district summary reports would be provided during the summer after completion of the school year.

This assessment will be developed to meet federal No Child Left Behind (NCLB) requirements for grade level assessment. These assessments will be:

- Grades 3, 4, 5, 6, 7, 8, 10: reading and mathematics (state/federal).
- Grades 4, 8, 10: science (state/federal).
- Grades 4, 8, 10: social studies, language arts, writing (state).

Example of tier one results information level: "Susan is proficient in mathematics; she is strongest in measurement and weakest in geometry."

### *Tier Two*

Tier two will be developed as the item bank is expanded to allow for finer levels of detail about pupil learning, and will provide diagnostic information that pinpoints a pupil's specific areas of need. This assessment will be activated when a pupil completes a *tier one assessment* if the pupil performed below or above a certain level on some objectives within a content area. This assessment is not required and is available as an option to assist schools with diagnosing specific learning levels so appropriate instruction may be provided at the level a pupil is functioning. This may be below or above grade level. The pupil receives questions that are adapted to the ability of the pupil as they progress. They continue to be asked questions until a level of performance is established.

A diagnostic report is available immediately upon completion. There are no school or district summary reports as the focus is diagnostic at the pupil level. These will be provided first for reading and mathematics, and later for other content areas as funds permit.

Example of tier two results information level: "Within the area of geometry, Susan is specifically having difficulty with the concept of congruent angles while she has a strong grasp of geometric figures and volume/perimeter."

### *Tentative Outline of the Ten-Year Development of the Comprehensive Assessment System*

(Years two and three are the years covered by this budget request. Please note that these plans are tentative and are subject to change by the Department's planning group.)

- Year One (2008-09):
  1. Research: Online feasibility study districts/state; white paper and data gathering about other state models.
  2. Contract/Bids and Staffing: Research provided by Great Lakes Comprehensive Center Regional Labs.

3. Development: Continue ongoing WKCE item development, adding to pool of Wisconsin-owned items.
  4. Technical Requirements: Define minimum hardware and connectivity needed by schools.
  5. Scoring/Reporting: Build understanding of scoring procedures for adaptive grade level testing.
  6. Test Administration: Continue WKCE.
  7. Communication: Share and refine Comprehensive Assessment Model with stakeholders. While this interactive involvement of stakeholders may result in a somewhat different assessment model than described here, the described model is likely to be similar enough that the cost estimates are still relevant. For instance, it may be determined that the high school needs a different approach to assessment than grades 3-8 and that could be addressed when the overall plan is refined.
- Year Two (2009-10):
    1. Research: Research requests for proposal (RFPs) of other states using online and/or adaptive testing, discuss lessons learned by others to inform construction of the Wisconsin RFP development.
    2. Contracts/Bids and Staffing: Develop RFP; accept bids; decide what parts to do independently and which through vendors.
    3. Development: Begin expanded tier one item bank development through teacher summer institutes.
    4. Technical Requirements: Build item bank database application; begin process of certifying schools as technology ready for online assessment.
    5. Scoring/Reporting: Seek United States Department of Education advance approval for test design and scoring methods; focus on immediate pupil level reports showing growth.
    6. Test Administration: Continue WKCE.
    7. Communication: Work with stakeholders to define item specifications; revise assessment frameworks for 21<sup>st</sup> century skills and content standard refinements.
  - Year Three (2010-11):
    1. Research: Determine best strategy for rollout of assessments; which grade levels and content levels. Research possible sharing of item bank across states.
    2. Contracts/Bids and Staffing: Contract out or hire application development; test development; psychometrician(s) for test scoring and scaling of raw data.
    3. Development: Continue tier one expanded item bank development through teacher summer institutes.
    4. Technical Requirements: Develop computer generated pupil reports; build online district/school summary test reporting application.
    5. Scoring/Reporting: Develop scoring algorithms; develop adaptive grade level forms.
    6. Test Administration: Continue WKCE.
    7. Communication: Work with stakeholders to define reporting requirements; support districts seeking technology readiness certification.

In order to complete these tasks in years two and three:

1. The Department will need \$500,000 GPR in year two (FY10) to fund two one-week annual item development institutes with 50 educators, plus pre/post work with a subset of 12 educators during both FY10 and FY11.
2. In year three (FY11), the Department needs \$3,000,000 GPR to fund the first year of the new test contract. The focus of year three is on expanding the item bank, building the software for computer scoring, building the software for test administration, and supporting districts seeking certification of meeting the required technical capacity to administer an online assessment. The contract will be bid with the possibility of awarding sub-portions of the contract to different entities, and/or providing a more cost effective, state delivered option where feasible. In

addition, this funding will be used in year three to continue to fund two one-week annual item development institutes described for year two.

- Years Four through Ten (2011-12 through 2017-18):
  1. Research: Gather data on pilot test process to refine test administration procedures; conduct comparability studies between online and paper and pencil version; conduct comparability studies between WKCE and new assessments; ongoing studies on validity, reliability, trends over time, and sensitivity to instruction.
  2. Contract/Bids and Staffing: Contract out or hire; test administration support documents; teacher documents; technical trouble-shooting support, parent/pupil practice materials; ongoing contracted or in-house staffing.
  3. Development: Continue tier one expanded item bank development through teacher summer institutes with item bank being large enough by 2013-14 to support multiple (three) attempts without exposing pupils to the same items twice; continue item development focusing on adding diagnostic tier two function beginning in 2015-16.
  4. Technical Requirements: Select pilot schools meeting technical specifications; item bank database refinements; develop scanning/scoring requirements; ongoing district technology readiness certification; item bank database refinements; refine scanning/scoring applications; begin developing tier two report application; refine tier two report application.
  5. Scoring/Reporting: Field tests used for test form and scale development; immediate pupil reports available for pilot; school/district summary reports piloted; immediate pupil growth reports refined and available; school/district summary reports refined/provided; multiple attempts in one year produce immediate online pupil growth reports pre/mid/post testing; develop tier two diagnostic reports; summary reports; tier one growth reports; tier two diagnostic reports expanded.
  6. Test Administration: Continue WKCE through FY13; tier one test spring pilot and field testing (one test administration) with selected technology certified schools; tier one expanded field testing (three test administrations; online and paper version for pilot; tier one test all schools, three attempts with option of either online or paper version, pilot; tier two diagnostic assessment component; expand tier two diagnostic function.
  7. Communication: Work with stakeholders to define support documentation needs; support districts seeking technical specification certification; pilot test training, train on use of up to three attempts; work with stakeholders to refine materials and process; support districts seeking technical specification certification; in 2016-17 prepare for move to all online the following year.

This is clearly an ambitious project. Oregon is the most experienced state in terms of online testing. It took that state ten years to get to the point Wisconsin hopes to be at in year eight. Most other states are at other stages, such as just putting a graduation test online or only having the non-accountability practice tests online.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7004 – WKCE IN SPANISH AND HMONG

#### *105 – Pupil assessment* *s. 20.255 (1) (dw)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$3,360,700</b>	<b>\$3,360,700</b>
<b>Less Base</b>	<b>\$3,110,700</b>	<b>\$3,110,700</b>
<b>Requested Change</b>	<b>\$250,000</b>	<b>\$250,000</b>

#### **Request/Objective**

The Department requests \$250,000 GPR in both FY10 and FY11 to translate the state required portion of testing requirements (grades 4, 8, and 10 in math, science, and social studies) into Spanish and Hmong.

#### **Background/Analysis of Need**

The 2006-07 school year enrollment data revealed that the number of pupils who are Limited-English Proficient (LEP) in the state totaled 43,777. This accounted for five percent of the total statewide pupil enrollment of 875,543 in 2006-07.

The overwhelming majority (82 percent) of LEP pupils spoke either Spanish (24,515 or 56 percent) or Hmong (11,382 or 26 percent). The other 18 percent spoke a wide variety of other languages (among them: Arabic, Chinese, Hindi, Farsi, and Russian).

It is easy to imagine how a pupil moving to the United States from another country and speaking his or her native language can experience academic difficulties. Because the pupil is still in the process of learning English, his or her grades in English and mathematics are often low. They frequently face different communication problems when venturing outside of their homes.

In the 2007-08 academic year, the Department undertook a limited pilot project to provide assistance to the 82 percent of LEP pupils who spoke either Spanish or Hmong by translating the state portion (math, science, and social studies in grades 4, 8, and 10) of the Wisconsin Knowledge and Concepts Examination (WKCE) into Spanish and Hmong. The goal was to provide these pupils with an opportunity to demonstrate what they know without language being a barrier.

The pilot project cost roughly \$60,000, paid for by federal carryover funds. Most of the money went to translators and teams of native speakers who edited and revised the initial translation. Compact disc sets were mailed to local districts, thus minimizing the cost. Existing Department staff and a full-time limited term employee oversaw the pilot project.

Using a translation or providing a translator (either through the Department or through a district) was an option available to all school districts. The translations needed to be both in written script form and in audio/visual format for pupils not proficient in their native written language.

There are approximately 7,000 English Language Learners (ELL) who use some accommodation for language. Decisions as to which pupils participated in a translated exam are made by teachers on a pupil-by-pupil basis. If it was decided to provide the translation support, the district was told by the Department to use the Department's translations if the pupil was either a Spanish speaker or a Hmong speaker.

A survey conducted after the pilot project showed that most districts felt that the translations allowed some pupils not only to access the test, but also to demonstrate what they have learned, better than if the translations had not been available. (The survey was conducted electronically and did not necessarily receive responses from each district).

There were some technical difficulties with the audio/visual translation, so the written translations were more helpful.

The pilot project established a good model for future translations:

- It is clear that because of the pilot program, considerable work has already been undertaken in translating the exams and in finding out what works and what needs to be improved.
- In addition to the material printed above, *Guidelines for Use of the WKCE Hmong and Spanish Translation Accommodation*, were published and are on the Department's website.
- Better software needs to be in place for the audio/visual translations.

The Department is proposing to provide Spanish and Hmong translated examinations for each administration of the WKCE. The permanent program will be designed similar to the pilot project with the changes described below.

Better software will be needed for audio/visual translations:

- For the pilot project, the Department used its existing MediaSite software. This limited the final product in terms of what it could accomplish. The translated exam was largely "user-friendly" but not to the extent that a pupil could independently work through the examination. Therefore, software needs to be purchased that is better designed for the purpose of providing a translated examination in an audio/visual format.
- Spanish and Hmong speakers may not be proficient in their written native language, but will be capable of understanding their *spoken* native language (thus needing an audio/visual product).
- This is particularly true for Hmong speakers since Hmong has been a written language for only a relatively short period of time (traditionally, Hmong has been only a spoken language).
- The improved software also is needed for increased item database development and entry of data, increased educator review, and increased quality control.

More staff time will be needed to work with the new software to make certain that it does the work it was purchased to do, particularly regarding audio/visual formats. Having both written and audio/visual translations available will better assure that affected pupils' knowledge can be assessed in the most appropriate way. Purchasing this more powerful software and then taking the time to ensure it is being used to its full potential will help accomplish this objective. Technical work and/or translation services will need to be contracted out.

It is important to note that if this proposal is implemented, the WKCE will need to be translated every year. The WKCE item bank only has a few "linking items" that are repeated in different administrations of the test. The vast majority of items in any given administration are new, thus requiring new translations. Therefore, this is not a one-time expenditure and consequently if it is adopted it needs to be a part of the Department's base budget.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7005 – MILWAUKEE PARENTAL CHOICE PROGRAM AUDITOR

#### *101 – General program operations* *s. 20.255 (1) (a)*

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$71,300 1.0 FTE	\$92,900 1.0 FTE

#### **Request/Objective**

The Department requests \$71,300 GPR in FY10 and \$92,900 GPR in FY11 and 1.0 FTE GPR position for a school finance auditor to provide financial accountability services for the Milwaukee Parental Choice Program (MPCP).

#### **Background/Analysis of Need**

2003 Wisconsin Act 155 adopted financial accountability provisions to ensure the fiscal viability of private schools participating in the MPCP. The act assigned the responsibility for review and enforcement of the financial accountability provisions with the Department. The workload created by the act cannot be absorbed by the current 1.0 FTE auditor assigned to the MPCP, nor divided among other existing staff. An additional full-time school finance auditor is needed to ensure these tasks are performed with precision and in a timely manner.

Financial abuses in schools participating in the MPCP led to the passage of 2003 Wisconsin Act 155. The act sought to make the schools financially accountable for the way they operate inasmuch as state dollars are used to fund the program. Under the act, new private schools wishing to participate in the MPCP are required to participate in fiscal management training, submit a budget and cash flow report, submit a revised budget and cash flow report, and submit an initial assurance report with attached accounting procedures and compensation arrangements. Thirty-four new schools registered to participate in the MPCP during the 2008-09 school year.

Under the act, all schools participating in the MPCP must:

- Submit, annually, a third Friday in September enrollment audit and fiscal practices report by December 15.
- Submit by September 1 following the school year, a financial information report audited by a CPA firm. Approximately 25 CPA firms are currently involved in auditing MPCP private schools.

For the 2008-09 school year, 154 schools have registered to participate in the MPCP. This is 28.3 percent higher than the 120 schools that participated in 2007-08.

Under the act, the State Superintendent is allowed to terminate a private school from participating in the program if the school does not meet the financial requirements or provide evidence of sound fiscal practices. The Department is also given the authority to request auditor working papers as part of its administration responsibilities. Since the effective date of the act, the Department has:

- Reviewed three schools' working papers due to concerns of fraud.
- Undertaken a substantial review of five schools' financial operations due to concerns of financial viability.
- Terminated one school's participation in the program due to lack of sound fiscal practices and evidence of fiscal viability.

It is not possible for one auditor, even with the assistance of other MPCP staff, to review over 500 audits and budgeting reports each year while also providing training, technical assistance, and conducting audit work paper review and appeal work. This is especially true because much of this work involves details such as tracking individual payment eligibility to many of the over 19,000 pupils in the program. The Department believes that it is imperative to be proactive in this area by working with schools and CPA firms to avoid problems rather than reacting to problems as they occur.

Because of the heavy responsibilities required under the act that the Department performs, there will be serious workload concerns on the School Management Services Team if this new position is not provided:

- Currently there are 3.5 FTE working on the MPCP: 1.0 financial specialist, 1.5 school administration consultants, and 1.0 school finance auditor.
- It is not feasible from a workload perspective for the current auditor to perform all of the duties required under Act 155. Current staff have already been reallocated to the extent possible.
- Currently, the financial specialist (responsible for generating the aid payments), the administrators (whose duty is to oversee the administration of the entire program), and the auditors from the public school finance team assist the auditor in processing reports. However, it is not the best business practice for a financial specialist to audit payments he or she has generated.
- Current program staff have their own administrative responsibilities under 2005 Wisconsin Act 155 and with the continual growth of the program, these must be completed in a timely manner.

The new MPCP auditor will:

- Work to better protect state resources and the pupils participating in the MPCP.
- Review payments made to MPCP schools to ensure they are correct and that over-payments and under-payments are resolved quickly.
- Help ensure stronger leadership in every participating MPCP school by providing fiscal training for MPCP schools.
- Ensure that schools participating in the program are financially sound.
- Provide training to CPA firms related to MPCP audit and reporting requirements. Review schools' required evidence of financial liability.
- Provide technical assistance to school auditors and accountants.
- Provide timely review of financial information reports submitted by participating schools.
- Review audit working papers for compliance with program requirements; helping the Department to identify issues and potential problems and address those concerns before they become serious. This review is helpful for the school and the Department and fosters good working relationships and results in a consistent approach to MPCP financial reporting and audits.
- Work with schools and the Department's legal staff on appeals related to the financial audits.
- Work to ensure that pupils are not involuntarily displaced by reducing the risk of school closure for financial reasons during the course of a school year.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7006 – MPCP & OPEN ENROLLMENT ONLINE SYSTEMS

#### ***107 – Milwaukee parental choice program and open enrollment online systems s. 20.255 (1) (em) – New***

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$104,800	\$110,800

#### **Request/Objective**

The Department requests \$40,000 GPR in both FY10 and FY11 for the programming operations (primarily programming costs) and maintenance of the Milwaukee Parental Choice Program (MPCP) online pupil application system.

The Department also requests \$64,800 GPR in FY10 and \$70,800 GPR in FY11 to fund the ongoing development and maintenance of the Open Enrollment Application Log (OPAL).

#### **Background/Analysis of Need**

##### *MPCP*

In 2007, in an effort to assist particular MPCP schools, the online application system (OAS) was developed. Initially, the primary function of OAS was to allow private schools to enter pupil applications and pupil count reports over the internet and allow the Department to process payments using the state accounting system, WiSMART.

During the 2007-08 school year, over 20,000 pupil records were entered into the system. The initial programming cost for the OAS was in excess of \$100,000 GPR reallocated within the Department. It became clear that the program could be of further use to the Department. However, there was insufficient funding to complete the entire program. In addition, the continued reallocation of base dollars for this purpose will continue to be a drain on the MPCP administration funds and the Department, especially in regards to vouchering and auditing payments that are made to participating private schools.

Continued maintenance and improvements to the OAS will assist the Department in better protecting state resources. The MPCP will disburse over \$125,000,000 GPR in the 2009-10 school year to approximately 20,000 pupils in the form of the 80,000 individual parent checks, paid quarterly. Additional programming for the OAS would allow the Department to better track pupils participating in the MPCP for payment purposes. In addition, audit functions could be developed to better ensure that only eligible pupils are receiving MPCP funding and assist the schools and auditors in completing the required audit reports. This may save participating schools auditing costs.

In addition to expanded usage of OAS, effective maintenance is important in protecting the investment already made in this program. Yearly programming maintenance is needed along with programming fixes for problems that occur.

Without an online system there is much duplication of work for the school, the pupil, and the Department. In contrast, improving OAS would offer great efficiency to the MPCP administration. As part of the online system, only the changes to an applicant's information would be keyed. It would free administrators from some "paperwork" obligations and allow them to concentrate on broader issues regarding the program.

## *Open Enrollment*

In the 2005-07 biennial budget, the Joint Committee on Finance (JCF) and the Legislature required the Department to submit a report to the Governor and the JCF by March 1, 2006, on the feasibility and cost of developing and implementing a statewide internet-based application and reporting system for the open enrollment program.

The Department completed the report and found that it would be feasible to create an internet-based application and reporting system for open enrollment. The estimated cost for the development of the system was \$23,400, with annual maintenance costs of \$3,000. The Department reallocated funds to begin the project in FY07. However, the original estimated cost for the development of the system was low, and the \$30,000 GPR reallocated to create the system has already been used.

This request will be in addition to the \$30,000 - \$40,000 amount that has already been allocated for the project annually. The Department has hired a programmer, which will alleviate some of the project costs. The programmer will work on developing the OPAL and the Milwaukee Parental Choice application systems, but the Department still needs funding for programming software, business planning, servers, training and publications.

The OPAL system currently allows parents to apply online, and the application can be seen by each school district and the Department. However, there is not a tracking or reporting portion in the program. For every pupil that applies for open enrollment, districts and the Department need to determine if the pupils actually open enroll; the school aid amount; the school district information; if the pupil needs special education; if they are part of 4-year-old kindergarten or 5-year-old kindergarten; if they have withdrawn from open enrollment; and how many days they were open enrolled.

Each school district has to report to the Department for each open enrollment applicant, either entering, leaving and sometimes continuing in the school district whether the applicant actually open enrolled. Under the current system, the Department has to manually enter each district's response, which is two entries per each potential open enrollee, up to 30,000 initial entries per year. The resident and non-resident school district counts have to match.

There are approximately 3,000 to 5,000 discrepancies between the information reported from the resident school district and the non-resident school district every year that take a long time to resolve. In addition, there are 1,000 applications received by the non-resident school district that are not received by the resident district. Entering the initial reports and resolving the discrepancies requires a 0.75 FTE position. If the non-resident and resident school districts could enter their information and see what the other district has entered, the Department and school district staff time would be significantly reduced.

2007 Wisconsin Act 222 defined virtual education, and removes the requirement that virtual charter schools be located in a school district. Furthermore, it allows the number of pupils attending virtual charter schools to increase to 5,250 pupils per year. This action on virtual education could result in more parents open enrolling their children into virtual charter schools and increase the number of applications the Department processes.

There are currently 50 to 75 school districts that are paying a private vendor, the School Software Group (SSG), to track the open enrollment information for them. They currently pay a flat fee of \$500 plus \$0.25 per pupil in the entire school district, not just the open enrolled pupils. The school districts will be able to stop paying SSG once OPAL is functioning as a tracking system.

There has been an average increase of 13.8 percent per year in the number of applications for open enrollment since the 1998-99 school year. Table 1 shows the history of the number of applications received, total pupil transfers and dollars transferred to the school district to which the pupil transferred.

Table 1  
History of Open Enrollment Applications and Transfers

Year	Applications*	Percent Change	Total Transfers	Percent Change	Total Dollars Transferred**	Percent Change
1998-99	5,926		2,464		\$9,579,946	
1999-00	6,691	12.9%	4,858	97.2%	19,609,504	104.7%
2000-01	7,616	13.8	7,213	48.5	30,468,058	55.4
2001-02	9,523	25.0	9,602	33.3	42,458,620	39.4
2002-03	11,859	24.5	12,378	28.9	57,407,563	35.2
2003-04	13,770	16.1	15,413	24.5	73,862,334	28.7
2004-05	15,367	11.6	18,210	18.1	88,014,863	19.2
2005-06	16,461	7.1	21,025	15.5	104,027,886	18.2
2006-07	18,122	10.1	23,406	11.3	118,740,934	14.1
2007-08	18,713***	3.3	25,899	10.7	N/A	N/A

\*All transfers, including regular and special education. Pupil count, not FTE.

\*\*Total dollars include regular education transfers only. Special education costs are billed directly between school districts.

\*\*\*The new virtual school in Grantsburg accounted for 621 applications. Without those applications, for the first time there would not have been an increase in total applications over the previous year.

Last year, of the 18,713 open enrollment applications submitted, 7,034 applications were submitted through the OPAL system without any strong promotion of the new system.

### Statutory Language

The Department is proposing statutory language related to this request. See *MPCP & Open Enrollment Online Systems* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7007 – LONGITUDINAL DATA SYSTEM

#### **106 – Longitudinal data system** **s. 20.255 (1) (e) - New**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$211,100 3.0 FTE	\$275,000 3.0 FTE

#### **Request/Objective**

The Department requests \$211,100 GPR in FY10 and \$275,000 GPR in FY11 and 3.0 GPR FTE to maintain the Longitudinal Data System (LDS).

#### **Background/Analysis of Need**

The Department's New Wisconsin Promise is a commitment to ensure a quality education for every child by raising achievement for all pupils and closing the achievement gap between economically disadvantaged pupils, pupils of color, and their peers. In order to better support districts, the Department needs to know whether what is happening in schools is working. There is no shortage of state and local data within the education system. The challenge is to collect the most relevant data and have a coordinated system for using it effectively. The Department is developing an LDS that will provide an environment to enable deep and systematic examination of variables associated with pupil achievement and enhance data informed decision making about programs and pupils.

The LDS system will complement the New Wisconsin Promise by enhancing access to educational data for purposes such as:

- Studying pupil achievement gaps.
- Researching the impact of educational programs on pupil outcomes.
- Tracking the improvement of pupil achievement.
- Providing evidence of effective services and programs that support success for all pupils.

In addition, the No Child Left Behind (NCLB) Act requires data to be collected, including pupil outcome data disaggregated by gender, race/ethnicity, disability, economic status, migrant status, and English Language proficiency.

The Department currently uses approximately 1,000 separate data collections. Data collection occurs through a variety of formats: web-based collections, electronic forms, and print-only forms.

State and federal legislation requires schools, districts and the state to routinely report academic performance along with other key metrics, such as demographics, incidents of discipline and attendance. These public reports are published over the web and made available at the Wisconsin Information Network for Successful Schools (the WINSS website). The Department currently out-sources the creation and posting of these graphs/reports. By leveraging the tools and technology available through LDS, this reporting could be brought back in-house, thus, reducing overall costs and providing the Department greater control over the final product.

In February 2006, the Department received a grant from the U.S. Department of Education for \$3.2 million that enabled Wisconsin to lay the foundation for the LDS. The three-year LDS project resulted

in the purchase and installation of necessary computer hardware, a state-of-the-art security system, high quality detailed data sets, key reports and a data dictionary to tie it all together.

The LDS will be functional in February 2009. The system will integrate many important sources of state and local data, including the results of the annual statewide testing (WSAS), pupil demographics and mobility, results of advanced placement (AP) exams, data on incidents of discipline, performance on English language learning and many more. This will allow systematic analysis on whether specific educational programs or districtwide services have the desired effect on pupil outcomes and the ability to monitor pupil achievement over time. However, a system of this sort requires ongoing support and can never really be considered done as needs and questions change over time. As usage grows and staff turns over, ongoing training will be required.

The Department is requesting 3.0 FTE IS Systems Development Services Specialist positions. One position would be responsible for providing analysis of business systems and working closely with program area professionals and other users of LDS to understand their needs and convert their needs into IT specifications and subsequently train users on LDS. The position will be responsible for the inclusion of "local data," which allows school districts to merge their data into the LDS system and use the LDS technology to create reports. The other two positions would be responsible for programming and would move data from operational systems into the LDS, create appropriate data sets and publish standard reports in accordance with the needs of the educational community.

The work that has been done to date has been through contractors funded by the federal grant the Department received to build this system. There are three contractors working on the project, and each contractor costs \$130,000 per year. The three state positions requested would replace these three contractors at a lower cost.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Longitudinal Data System* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7008 – SERVICES FOR DRIVERS POSITION AUTHORITY

#### **134 – Services for drivers** **s. 20.255 (1) (hm)**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0 0.30 FTE	\$0 0.30 FTE

#### **Request/Objective**

The Department requests 0.30 FTE classified position authority in PR-S appropriation s. 20.255 (1) (hm), Wis. Stats., Services for Drivers.

#### **Background/Analysis of Need**

Each year, all moneys received by the Secretary of Administration from the driver improvement surcharge on court fines and forfeitures are credited to an appropriation at the Department of Health Services. The Secretary of Administration transfers 3.76 percent of all moneys credited to this appropriation to the Department of Transportation for the chemical testing training and services provided by the state traffic patrol. The remaining unencumbered money is transferred to the Departments of Public Instruction, Health Services, Transportation, Justice, and the University of Wisconsin System after each agency leader has consulted with the Secretary of Administration. There is \$265,200 budgeted to the Department in each year of the 2007-09 biennium.

The money that is transferred to the Department is placed in appropriation s. 20.255 (1) (hm), Wis. Stats., Services for Drivers. Following are some ways that the Department uses this money:

- *Alcohol/Traffic Safety (ATS) Program.*

The purpose of the Department's ATS program is to develop and implement K-12 prevention curricula and instructional programs to counter the problem of drinking and driving by youth. Under s. 118.01 (2) (d) 6., Wis. Stats., each school board is required to provide an instructional program on the prevention of accidents and promotion of safety on the public highways, including the relationship between highway safety and the use of alcohol and controlled substances under ch. 961, Wis. Stats.

- *Alcohol Traffic Safety Grants.*

Districts may apply for funds to conduct alcohol traffic safety-related projects, or portions of alcohol and other drug abuse (AODA) related grants that are traffic safety-related, in a variety of ways. One avenue is through the Department's State AODA Consolidated Grant Program. The Alcohol Traffic Safety Program also supports pupil-planned and lead projects through the agency's AODA Mini Grant Program. The Department has also provided Alcohol Traffic Safety grants to eligible local school districts to upgrade existing driver education simulators with alcohol driver analyzer equipment and software.

- *Professional Development Activities.*

Through the Alcohol/Traffic Safety Education program, school traffic safety curriculum materials, inservice/professional development workshops, conferences and training events are provided.

- *Traffic Safety Education/Driver Education.*

Wisconsin requires the satisfactory completion of a driver education course (classroom and laboratory) for persons under 18 years of age electing to be licensed after the age of 16. There is no longer a State Driver Education Categorical Aid Reimbursement Program in Wisconsin. The last state driver education categorical aid payments to districts were made in March of 2004 (for FY03 pupils). Although state categorical aids have been eliminated, the Department continues to administer public school driver education programs. Districts that offer driver education programs submit, and have on file in the Department, an approved Program Approval Application (PI 1709). Approved and eligible districts may also continue to apply for, and issue, Department Course Completion Certificates.

The Department has 1.0 FTE currently authorized in appropriation s. 20.255 (1) (hm), Wis. Stats. The 1.0 FTE is an education consultant. The Services for Drivers program requires substantial support to carry out tasks such as:

- Arranging logistics of workshops.
- Purchasing of educational materials for distribution.
- Developing grant application and guidance materials.
- Developing and maintaining records of grant awards.
- Providing appropriate numbers of drivers education completion certificates for each school district with such courses.
- Maintaining accurate records of completion certificate distribution.
- Providing technical assistance to school districts in completing the program approval online report.
- Developing reports on driver education services provided by school districts.

Because these additional duties are too numerous for the education consultant, it has been necessary for an office operations associate to provide support, and charge time equivalent to approximately 0.30 FTE to the program, via timesheets. The approval of this request would establish an appropriate amount of authorized FTE to accurately reflect the time devoted by these staff members to the Services for Drivers program.

The spending authority in s. 20.255 (1) (hm), Wis. Stats. is adequate. In addition to this decision item requesting 0.30 FTE position authority, the Department is also requesting minor transfers within this appropriation in Decision Item Number 3011 to more accurately place funding where it is needed.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7009 – NEWSLINE FOR THE BLIND

**360 – Periodical and reference information databases; newsline for the blind  
s. 20.255 (3) (q)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Funding</b>	<b>\$2,224,000</b>	<b>\$2,228,700</b>
<b>Less Newsline Base</b>	<b>\$108,000</b>	<b>\$108,000</b>
<b>Less BadgerLink Base</b>	<b>\$2,111,000</b>	<b>\$2,111,000</b>
<b>Requested Change</b>	<b>\$5,000</b>	<b>\$9,700</b>

#### Request/Objective

The Department requests an increase of \$5,000 SEG in FY10 and \$9,700 SEG in FY11 to continue to fully fund the Newsline for the Blind services.

#### Background/Analysis of Need

Newsline provides access to newspapers on a daily basis for people who cannot read print newspapers. The service is provided by the National Federation of the Blind (NFB) using an automated electronic voice and can be accessed using a regular touch-tone telephone. The Regional Library for the Blind and Physically Handicapped assists in providing the service by registering new users, providing technical support and placing Wisconsin announcements and local information on the Newsline local channel.

Newsline provides access to 14 Wisconsin newspapers and over 200 national newspapers, news wire services, and some national magazines. The 14 Wisconsin newspapers that are included in Newsline are: *Appleton Post-Crescent*, *Fond du Lac Reporter*, *Green Bay Press-Gazette*, *Herald Time Reporter* (Manitowoc), *La Crosse Tribune*, *Marshfield News-Herald*, *Milwaukee Journal Sentinel*, *Oshkosh Northwestern*, *Stevens Point Journal*, *The Sheboygan Press*, *Wausau Daily Herald*, *Wisconsin Rapids Daily Tribune*, and *Wisconsin State Journal/The Capital Times*.

Newsline currently has almost 2,300 Wisconsin users registered. The average length of a call into Newsline is 25 minutes.

Nonstatutory language provided in 1997 Wisconsin Act 27 (1997-1999 biennial budget) required the Department to enter into a two-year contract with the National Federation of the Blind to provide Newsline from locations in Madison and Milwaukee. The Department was directed to use money transferred into the Department's appropriation s. 20.255 (1) (ke), Wis. Stats., from the Public Service Commission's (PSC) Universal Service Fund (USF) to fund the Newsline contract. Initially, the statutes directed specific amounts be transferred to fund Newsline. However, beginning in FY02, the Legislature instead enumerated the Newsline program as an allowable purpose for which the USF could be used. Newsline is currently funded from s. 20.255 (3) (q), Wis. Stats. The current appropriation is shared only with BadgerLink.

The Department is requesting \$5,000 SEG for FY10 and \$9,700 SEG for FY11 from the USF to fully fund the Newsline services. The telecommunications costs are increasing based on estimates from the National Federation of the Blind, and the increased number of people registering for their services. The Department wants to increase awareness of the program, and will be promoting the program, especially at the Wisconsin Center for the Blind and Visually Impaired in Janesville.



The following table represents the current costs for the Newsline for the Blind Services and the estimated increases for FY10 and FY11.

	FY09 Base	FY10	FY11
Newsline Contract	\$40,000	\$40,000	\$40,000
Telecommunications	15,400	18,500	22,200
Regional Library Contract	52,000	53,000	54,000
Printing	600	1,500	1,500
Total	\$108,000	\$113,000	\$117,700

#### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7010 – LIABILITY INSURANCE INCREASE

#### *101 – General program operations* *s. 20.255 (1) (a)*

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$65,000	\$65,000

#### **Request/Objective**

The Department requests an increase of \$65,000 GPR in both FY10 and FY11 to fund an increase in liability insurance premiums.

#### **Background/Analysis of Need**

Beginning in 2010, the Department will be billed an additional \$65,000 in annual liability insurance premiums. The premium increase will be assessed beginning in 2010 and then an additional seven years.

The State of Wisconsin has a Self-funded Liability Program which provides funding for payment of liability claims brought against state officers, employees and agents, whose negligent acts while acting within the scope of their employment result in bodily injury or property damage to a third party. It is the responsibility of the State Risk Management Office to annually recommend appropriate premiums to ensure sufficient revenue is generated for the losses being paid under the program. This includes setting loss reserves on upcoming claims.

The Department's anticipated insurance premium increase is due to the agreement reached in April 2008 between Disability Rights of Wisconsin (DRW) and the Department regarding an ongoing special education class-action lawsuit that has been disputed since 2001, Jamie S. et al v. Milwaukee Public Schools et al (including the Department and the State Superintendent).

Risk Management's methodology for figuring liability premiums is based on loss experience. Individual claims are capped when determining an agency's loss experience. For claims with loss dates of July 1, 2006, and later, a cap of \$150,000/claimant or \$600,000/occurrence is used (caps are based on the agency's number of FTE). Capping claims provides a focus on the frequency of claims rather than the severity. The caps also incorporate the element of risk sharing for severe claims, thus establishing some consistency in agency premiums from year to year.

In FY08, the Department's total liability insurance premium was \$85,305.

#### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES

**130 – General educational development and high school graduation equivalency  
s. 20.255 (1) (hj)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Projected Expenditures</b>	<b>\$110,700</b>	<b>\$114,500</b>
<b>Less Base</b>	<b>\$111,800</b>	<b>\$111,800</b>
<b>Less Adjustments</b>	<b>\$8,900</b>	<b>\$11,100</b>
<b>Requested Change</b>	<b>-\$10,000</b>	<b>-\$8,400</b>

The Department requests a decrease in expenditure authority of \$10,000 PR in FY10 and \$8,400 PR in FY11 to reflect a decrease in projected revenues.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES

**131 – Data processing**  
**s. 20.255 (1) (ks)**

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$4,183,300</b>	<b>\$4,263,100</b>
<b>Less Base</b>	<b>\$3,108,300</b>	<b>\$3,108,300</b>
<b>Less Adjustments</b>	<b>\$280,100</b>	<b>\$343,800</b>
<b>Requested Change</b>	<b>\$794,900</b>	<b>\$811,000</b>

The Department requests an increase in expenditure authority of \$794,900 PR-S in FY10 and \$811,000 PR-S in FY11 to reflect an increase in projected revenues and expenditures.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES**

***132 – Funds transferred from other state agencies; program operations  
s. 20.255 (1) (ke)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$2,720,800</b>	<b>\$2,720,800</b>
<b>Less Base</b>	<b>\$2,351,600</b>	<b>\$2,351,600</b>
<b>Less Adjustments</b>	<b>\$173,300</b>	<b>\$212,800</b>
<b>Requested Change</b>	<b>\$195,900</b>	<b>\$156,400</b>

The Department requests an increase in expenditure authority of \$195,900 PR-S in FY10 and \$156,400 PR-S in FY11 to reflect an increase in projected revenues.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES**

***133 – Alcohol and other drug abuse program  
s. 20.255 (1) (kd)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$738,400</b>	<b>\$738,400</b>
<b>Less Base</b>	<b>\$656,000</b>	<b>\$656,000</b>
<b>Less Adjustments</b>	<b>\$28,700</b>	<b>\$39,200</b>
<b>Requested Change</b>	<b>\$53,700</b>	<b>\$43,200</b>

The Department requests an increase in expenditure authority of \$53,700 PR-S in FY10 and \$43,200 PR-S in FY11 to reflect an increase in projected revenues.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES

**136 – Program for the deaf and center for the blind; pupil transportation  
s. 20.255 (1) (gt)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Projected Expenditures</b>	<b>\$1,286,000</b>	<b>\$1,607,500</b>
<b>Less Base</b>	<b>\$1,028,500</b>	<b>\$1,028,500</b>
<b>Requested Change</b>	<b>\$257,500</b>	<b>\$579,000</b>

The Department requests an increase in expenditure authority of \$257,500 PR in FY10 and \$579,000 PR in FY11 to reflect an increase in projected revenues. Due to the increased costs of transportation in recent months, the Department is charging the resident school districts more for transporting their pupils to the residential schools.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7011 – PROGRAM REVENUE REESTIMATES**

***232 – Funds transferred from other state agencies; local aids  
s. 20.255 (2) (k)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$9,282,200</b>	<b>\$9,282,200</b>
<b>Less Base</b>	<b>\$9,519,100</b>	<b>\$9,519,100</b>
<b>Requested Change</b>	<b>-\$236,900</b>	<b>-\$236,900</b>

The Department requests a decrease in expenditure authority of \$236,900 PR-F in both FY10 and FY11 to reflect a decrease in projected revenues and expenditures.



**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7012 – FEDERAL PROGRAM REESTIMATES**

**146 – Indirect cost reimbursements**

**s. 20.255 (1) (pz)**

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$2,949,100</b>	<b>\$3,008,200</b>
<b>Less Base</b>	<b>\$2,876,700</b>	<b>\$2,876,700</b>
<b>Less Adjustments</b>	<b>-\$73,100</b>	<b>-\$5,900</b>
<b>Requested Change</b>	<b>\$145,500</b>	<b>\$137,400</b>

The Department requests an increase in expenditure authority of \$145,500 PR-F in FY10 and \$137,400 PR-F in FY11 to reflect an increase in projected revenues.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7012 – FEDERAL PROGRAM REESTIMATES**

***141 – Federal aids; program operations  
s. 20.255 (1) (me)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$43,375,600</b>	<b>\$43,375,600</b>
<b>Less Base</b>	<b>\$40,255,100</b>	<b>\$40,255,100</b>
<b>Less Adjustments</b>	<b>\$1,833,600</b>	<b>\$2,507,100</b>
<b>Requested Change</b>	<b>\$1,286,900</b>	<b>\$613,400</b>

The Department requests an increase in expenditure authority of \$1,286,900 PR-F in FY10 and \$613,400 PR-F in FY11 to reflect an increase in projected revenues.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7012 – FEDERAL PROGRAM REESTIMATES**

***241 – Federal aids; local aid***  
***s. 20.255 (2) (m)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$614,996,600</b>	<b>\$614,996,600</b>
<b>Less Base</b>	<b>\$556,751,000</b>	<b>\$556,751,000</b>
<b>Requested Change</b>	<b>\$58,245,600</b>	<b>\$58,245,600</b>

The Department requests an increase in expenditure authority of \$58,245,600 PR-F in both FY10 and FY11 to reflect an increase in projected revenues.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7012 – FEDERAL PROGRAM REESTIMATES

**343 – Federal funds; local assistance**  
**s. 20.255 (3) (mm)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Projected Expenditures	\$1,107,100	\$1,107,100
Less Base	\$1,241,900	\$1,241,900
Requested Change	-\$134,800	-\$134,800

The Department requests a decrease in expenditure authority of \$134,800 PR-F in both FY10 and FY11 to reflect a decrease in projected revenues and expenditures.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 7012 – FEDERAL PROGRAM REESTIMATES**

***344 – Federal funds; individuals and organizations  
s. 20.255 (3) (ms)***

<b>FISCAL SUMMARY</b>		
	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>Projected Expenditures</b>	<b>\$54,424,700</b>	<b>\$54,424,700</b>
<b>Less Base</b>	<b>\$47,712,000</b>	<b>\$47,712,000</b>
<b>Requested Change</b>	<b>\$6,712,700</b>	<b>\$6,712,700</b>

The Department requests an increase in expenditure authority of \$6,712,700 PR-F in both FY10 and FY11 to reflect an increase in projected revenues.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7501 – GENERAL EQUALIZATION AIDS

#### *201 – General equalization aids* *s. 20.255 (2) (ac)*

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$4,986,527,000</b>	<b>\$5,178,690,000</b>
<b>Less Base</b>	<b>\$4,799,501,900</b>	<b>\$4,799,501,900</b>
<b>Requested Change</b>	<b>\$187,025,100</b>	<b>\$379,188,100</b>

#### **Request/Objective**

The Department requests \$187,025,100 GPR in FY10 and \$379,188,100 GPR in FY11 to fund the general equalization aids share of meeting approximately two-thirds of estimated “partial school revenues.” The amounts reflect a 3.9 percent and 3.85 percent annual increase, respectively, over the biennium.

The Department’s request related to general equalization aids reflects other funding requests contained elsewhere in this biennial budget related to certain categorical school aids (both new and existing), the Milwaukee/Racine Charter Schools Program (MRCSP), revenue limit flexibility and funding for the two state residential schools. To the extent that those requests are denied and/or modified, the amount of general equalization aids needed to fund approximately two-thirds of “partial school revenues” would also change.

#### **Background/Analysis of Need**

Annually, the state provides funding for general equalization aids to nearly all school districts in the state. General equalization aids represent the single largest funding commitment in all of state government, totaling \$4.799 billion in FY09.

From 1994 through 2002, as part of its biennial budget requests, the Department calculated the amount of general equalization aids necessary (which included categorical aids and the school levy tax credit as well) to fulfill the state’s statutory “two-thirds” funding target for the succeeding biennium. The statutory “two-thirds” requirement was repealed in 2003 Act 33, the 2003-05 biennial budget. Using the former “state support” definition, it is estimated state school funding in FY09 will cover approximately 65.7 percent of “partial school revenues.”

The cost of K-12 education is supported by the state through two primary means. First, unrestricted general school aids are provided to all districts through the state’s general equalization aid formula. The “formula” distributes aid based upon the relative fiscal capacity of each school district, which is primarily measured by each district’s membership (enrollment calculated on an FTE basis), its taxable property per pupil, and its eligible aidable costs (i.e. spending) per pupil. The state’s other main method of support is through categorical aids that fund specific programs such as special education, transportation, food/nutrition, etc.

The main premise of distributing state general equalization aids based on school district’s individual fiscal capacity, as measured by property wealth, has been in place in Wisconsin since 1949. While the “formula” was modified in 1973 (two-tier formula) and 1996 (three-tier formula), its major premise for distributing aid has not changed fundamentally over the past 50+ years. While unique compared to other states, most of which have “foundation” formulas, Wisconsin’s “power equalization” formula

places a heavy emphasis on local control by not requiring districts to spend at a certain level to qualify for state aid, nor levy taxes at a certain state-determined minimum rate.

The increases in general equalization aids have varied widely during the past 16 years (see Table 1 below). During the mid-1990's, there were significant increases in general equalization aids as a result of the state's efforts to increase its overall support for K-12 education from roughly 48 percent to two-thirds. Once that target was met in 1996-97, funding increases hovered around 3-6 percent annually for the next four years to remain at roughly two-thirds funding until the definition was changed in FY02, making the target easier to attain. Upon repeal of the state's two-thirds commitment, general equalization aid increases slowed appreciably in FY04 and FY05.

After school aid increases more in line with those in the late 1990's in FY06 and FY07 due in part to strong revenue growth, the state did not increase general school aids in FY08 and provided a modest increase in FY09. However, the Governor/Legislature have chosen to provide significant increases in the School Levy Tax Credit (\$230 million in 2007-09 biennium) recently as a means of offsetting school district property taxes, in lieu of significant general equalization aid increases.

Table 1  
General School Aid History  
(1993-94 through 2008-09)

Fiscal Year	General School Aids (\$ in millions)	Annual % Change	Annual \$ Change (\$ in millions)
1993-94	\$1,832.2	12.2%	
1994-95	2,093.4	14.3%	\$261.2
1995-96	2,341.5	11.9%	248.1
1996-97	3,182.2	35.9%	840.7
1997-98	3,393.5	6.6%	211.3
1998-99	3,560.1	4.9%	166.6
1999-00	3,767.9	5.8%	207.8
2000-01	3,931.9	4.4%	164.0
2001-02	4,051.6	3.0%	119.7
2002-03	4,200.9	3.7%	149.3
2003-04	4,273.1	1.7%	72.2
2004-05	4,317.5	1.0%	44.4
2005-06	4,613.9	6.9%	296.4
2006-07	4,722.7	2.4%	108.8
2007-08	4,722.7	0.0%	0.0
2008-09	4,799.5	1.6%	76.8

General equalization aids are received within school district's revenue limits. Thus, changes in aids received directly affect school district property tax levies. General equalization aids may be used by school districts for any purpose (e.g. teacher salaries and benefits, debt repayment, computers, athletic equipment, etc.)

Given that districts essentially "compete" for funding with one another for general equalization aids, changes in most district's "factors" (property value, spending level or membership) affect the distribution of aid to most other districts in the state.

The current school aid formula's goal is to distribute funding so that school districts that spend the same amount per pupil will have a similar tax rate, regardless of their property value per pupil.

However, the formula does not guarantee all districts will have the same tax rate; rather, it attempts to achieve equalization of each district's tax base.

Fundamentally, there is an inverse relationship between equalization aids and property wealth as districts with the lowest property valuations per pupil receive the highest percentage of state aid and vice versa. The formula funds those school costs that would otherwise be supported by property taxes in the absence of state equalized aid.

In FY08, state cost sharing through the equalization aid formula alone (not including integration aids) ranged from 0 percent (17 districts) to roughly 83 percent of eligible shared costs.

There are two smaller funding elements within the general equalization aids appropriation that provide funding to: 1) 24 specific districts in the metro Milwaukee area (interdistrict integration aid) and five specific districts throughout the state (intradistrict integration aid), commonly known as "Chapter 220" aids; and 2) some districts each year to ensure that no district receives less than 85 percent of what it received in the prior year, also known as "special adjustment" aids.

Finally, there are deductions made from general equalization aids each year to support the Milwaukee Parental Choice Program (MPCP) and the Milwaukee/Racine Charter School Programs (MRCSP). Annually, state statutes require the Department to deduct from the Milwaukee Public Schools (MPS) general equalization aids entitlement an amount equal to 45 percent of the total estimated cost of the MPCP (direct state funds cover the other 55 percent of the MPCP). In addition, the Department is required to deduct a proportionate amount of funding from each of the state's 426 districts to cover 100 percent of the costs of the 16 independent charter schools participating in the MRCSP.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7502 – MILWAUKEE PARENTAL CHOICE PROGRAM REESTIMATE

#### **235 – Milwaukee parental choice program s. 20.255 (2) (fu)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
Requested Aid	\$140,725,800	\$153,272,700
Less Base	\$128,836,500	\$128,836,500
Requested Change	\$11,889,300	\$24,436,200

#### **Request/Objective**

The Department requests \$11,889,300 GPR in FY10 and \$24,436,200 GPR in FY11 to continue to fund the Milwaukee Parental Choice Program (MPCP) under s. 119.23, Wis. Stats.

#### **Background/Analysis of Need**

Under current law, the state general fund pays 55 percent of the total cost of the MPCP. Milwaukee Public Schools (MPS) pays for the remaining 45 percent of the MPCP through a reduction in its general equalization aid entitlement each year. In September 2008, there were 129 private schools eligible to participate in the MPCP.

MPS can, and does, increase its property tax levy to replace these lost state aids under its revenue cap. However, the continued growth in the MPCP will result in MPS' actual share of the MPCP reaching approximately \$58 million in FY09, a figure likely to increase to \$63 million in FY10 and \$69 million in FY11.

While the state's method for funding the MPCP has changed numerous times over the years, the MPCP has always been funded from a single, sum sufficient GPR appropriation. A compromise was reached in the 2001-03 biennial budget bill to come up with the current 55 percent state/45 percent MPS funding split.

The table below shows the state's history of funding the MPCP since its inception in 1990-91:

Fiscal Year	MPCP Pupils (FTE)	MPS Aid Reduction (\$ in millions)	Other School Districts Aid Reduction (\$ in millions)	Total MPCP Cost/Payments(\$ in millions)
1990-91	300	\$0.7	\$0	\$0.7
1991-92	512	1.4	0	1.4
1992-93	594	1.6	0	1.6
1993-94	704	2.1	0	2.1
1994-95	771	2.5	0	2.5
1995-96	1,288	4.6	0	4.6
1996-97	1,616	7.1	0	7.1
1997-98	1,497	7.0	0	7.0
1998-99	5,761	28.7	0	28.7
1999-00	7,575	19.5	19.5	39.1
2000-01	9,238	24.5	24.5	49.0
2001-02	10,497	26.7	0	59.4
2002-03	11,304	29.5	0	65.6

Fiscal Year	MPCP Pupils (FTE)	MPS Aid Reduction (\$ in millions)	Other School Districts Aid Reduction (\$ in millions)	Total MPCP Cost/Payments(\$ in millions)
2003-04	12,882	33.9	0	75.3
2004-05	14,071	39.3	0	82.6
2005-06	14,514	42.2	0	91.3
2006-07	17,088	49.7	0	110.1
2007-08	18,500 (est.)	54.1	0	120.3
2008-09	19,500 (est.)	58.0	0	128.8
2009-10	20,500 (est.)	63.3	0	140.7
2010-11	21,500 (est.)	69.0	0	153.3

Under current law, the Department calculates MPS' general equalization aid annually in the school aid formula and then deducts an amount identified to be sufficient to fund 45 percent of the estimated cost of the MPCP in that year. It is of note that unlike public school pupils, MPCP pupils are counted and aided by the state on a current year basis.

2003 Wisconsin Act 33 provided that the per-pupil payment for the MPCP is increased by the percentage increase in state general equalization aids to public school districts. Elsewhere in its 2009-11 biennial budget request (Decision Item Number 7501), the Department is recommending annual increases in general equalization aids of 3.9 percent and 3.85 percent, respectively, in FY10 and FY11. Thus, according to the Department's budget, the estimated MPCP per pupil payment will be \$6,865 in FY10, an increase of \$258 over the FY09 level of \$6,607, and \$7,129 in FY11, an increase of \$264 over the FY10 level. The Department is projecting MPCP FTE enrollment of 20,500 in FY10 and 21,500 in FY11.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7503 – MILWAUKEE/RACINE CHARTER SCHOOL PROGRAM REESTIMATE

#### **218 – Charter schools s. 20.255 (2) (fm)**

FISCAL SUMMARY		
	2009-10 Request	2010-11 Request
<b>Requested Aid</b>	<b>\$58,231,000</b>	<b>\$64,427,500</b>
<b>Less Base</b>	<b>\$48,927,500</b>	<b>\$48,927,500</b>
<b>Requested Change</b>	<b>\$9,303,500</b>	<b>\$15,500,000</b>

#### **Request/Objective**

The Department requests an increase of \$9,303,500 GPR in FY10 and \$15,500,000 GPR in FY11 to fully fund the Milwaukee/Racine Charter Schools Program (MRCSP) under s. 118.40 (2r), Wis. Stats.

#### **Background/Analysis of Need**

Aid for the MRCSP is paid from a separate charter school appropriation. The amount of aid paid is proportionately withheld from the general equalization aid payment under s. 20.255 (2) (ac), Wis. Stats., for all of the state's 426 public school districts. In short, the Department estimates the total number of pupils expected to enroll in MRCSP schools each year and then totals these funds together for an overall MRCSP figure. The Department then calculates the percentage reduction (estimated to be 1.0 percent of all general school aids in FY09) and deducts this amount from each school district's aid entitlement and shows it on each school district's aid worksheet each year. The aid withheld lapses to the state's general fund.

School districts are allowed to increase their property tax levy under their revenue limit to replace the loss of this state aid. The continued growth in the MRCSP will result in school district property taxes nearing \$48 million in FY09. In FY08, the state school district gross property tax levy was \$4.066 billion, of which \$44.5 million (1.1 percent of the total) was tied to the current state approach to funding the MRCSP.

In addition, the state makes a payment to the unified school district, in which the school chartered by UW-Parkside is located, equal to that district's equalization aid per pupil amount multiplied by the number of pupils attending a charter school who were previously enrolled in that unified district. This additional aid is also drawn from the sum sufficient charter school appropriation. The Racine Unified School District (RUSD) is the only district that meets current law aid eligibility under this provision. Unlike the Milwaukee Parental Choice Program (MPCP), there is no overall enrollment cap on the number of pupils that can participate in the MRCSP.

The MRCSP provides direct state assistance to operators of charter schools sponsored by the City of Milwaukee, the UW-Milwaukee, the Milwaukee Area Technical College, and the UW-Parkside. Independent charter schools participating in the MRCSP are not considered to be an instrumentality of any public school district. There are no income eligibility criteria for pupils seeking to enroll in these independent charter schools nor is there any limit on the total number of pupils allowed to enroll in them.

1997 Wisconsin Act 27 authorized the City of Milwaukee, the UW-Milwaukee, and the Milwaukee Area Technical College to operate, or contract with another individual or group to operate, an independent charter school beginning June 1, 1998. 2001 Wisconsin Act 16 expanded the MRCSP to allow the

UW-Parkside to establish, or contract to establish, one charter school in a unified school district (Racine) that is located in the county in which UW-Parkside is located or in an adjacent county.

There are currently 16 charter schools participating in the MRCSP, as shown in Table 1 below. However, the Bruce Guadalupe Community School will switch its charter from Milwaukee Public Schools to the UW-Milwaukee in the 2009-10 school year, which will increase the number of pupils enrolled in the MRCSP. In the 2007-08 school year, there were 777 pupils attending the Bruce Guadalupe Community School.

Table 1

Charter School Authorizer	Charter School	Grades
City of Milwaukee	Academy of Learning and Leadership	K4-8
City of Milwaukee	Central City Cyberschool	K4-8
City of Milwaukee	Darrell L. Hines College	K4-8
City of Milwaukee	Downtown Montessori	K4-8
City of Milwaukee	Milwaukee Academy of Science	K4-11
UW-Milwaukee	Business and Economics Academy of Milwaukee (BEAM)	K4-8
UW-Milwaukee	Capitol West Academy	K4-5
UW-Milwaukee	Inland Seas School of Expeditionary Learning	9-12
UW-Milwaukee	Milwaukee College Preparatory School	K4-8
UW-Milwaukee	Milwaukee Renaissance Academy	Grade 6
UW-Milwaukee	School for Early Development and Achievement	K4-2
UW-Milwaukee	Seeds of Health Elementary	K5-5
UW-Milwaukee	Tenor High School	9-11
UW-Milwaukee	Woodlands School	K4-8
UW-Milwaukee	YMCA Young Leaders Academy	K4-8
UW-Parkside	21st Century Preparatory School	K-8

Table 2 below shows the state's history of funding the MRCSP since its inception in FY99 and estimated payments for 2009-11:

Table 2

Fiscal Year	MRCSP Pupils	MRCSP Per Pupil State Aid Payment	School Districts Aid Reduction (includes Racine School District payment)
1998-99	55	\$6,062	\$350,000
1999-00	193	6,272	1,210,000
2000-01	1,590	6,494	9,160,000
2001-02	2,031	6,721	13,750,000
2002-03	3,402	6,951	24,212,000
2003-04	3,600	7,050	26,400,000
2004-05	4,066	7,111	29,949,700
2005-06	4,629	7,519	35,465,100
2006-07	4,830	7,669	39,900,000
2007-08	5,487	7,669	44,492,300
2008-09 (est.)	6,000	7,775	48,350,000
2009-10 (est.)	7,000	8,033	58,231,000
2010-11 (est.)	7,500	8,297	64,427,500

MRCSP pupils are counted and aided by the state on a current year basis. Public school district pupils are counted and aided by the state on a prior year basis.

2003 Wisconsin Act 33 provided that the per pupil payment for the MRCSP is increased by the increase in the per pupil amount paid to private schools participating in the MPCP. The MPCP per pupil payment under the Department's budget request is estimated to increase by \$258 over the FY09 level in FY10, and \$264 over the FY10 level in FY11 (See Decision Item Number 7502). Thus, the estimated MRCSP per pupil payment will also increase by \$258 over its FY09 level (\$7,775) in FY10 for a total of \$8,033 and by an additional \$264 over its FY10 level in FY11 for a total of \$8,297.

Of the estimated amounts shown in Table 2 for FY10 and FY11, it is projected that the RUSD payment will be \$2,000,000 and \$2,200,000, respectively.

### **Statutory Language**

The Department is not proposing any statutory language related to this request.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7504 – LOW REVENUE CEILING ADJUSTMENT

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$0

#### Request/Objective

The Department proposes to increase the per pupil low-revenue ceiling amount by \$400 annually, to \$9,400 in FY10 and to \$9,800 in FY11, to continue to provide the state's lowest spending districts with the opportunity to narrow the disparity with the highest spending districts.

There is no state fiscal impact. However, this proposal would allow approximately 110-120 of the state's school districts to increase their revenues beyond the annual allowable per pupil adjustment each year with an estimated fiscal impact of \$8-10 million in additional revenue limit authority in both FY10 and FY11. (Also see Decision Item 7505 related to revenue limit flexibility)

#### Background/Analysis of Need

Revenue limits were imposed on school districts beginning in 1993-94 and have now been in place for 16 years. One of the arguments against revenue limits made over time has been that frugal, "low spending" districts in 1992-93 have been "locked-in" as revenue limits have been calculated on a per pupil basis since their inception.

Since 1995-96, however, the state has established a per pupil "low-revenue" ceiling amount that allows districts to increase their per pupil revenues to this amount without having to go to referenda. Use of the low-revenue ceiling is not required; rather, it is an option for districts to increase their revenues to this figure if they so choose. However, absent action in each biennium, the low-revenue ceiling will remain at the FY09 figure (\$9,000) and assist few, if any, districts unless it is increased each and every year.

Increasing the "low-revenue ceiling" figure is arguably the state's best tool to provide its' lowest revenue districts with the opportunity to increase their revenues to narrow the gap with the state's highest revenue districts so long as revenue limits are in place. Recently, increases in the low-revenue ceiling (see Table 1) have benefited roughly 15-20 percent of the state's lowest revenue districts. Districts choosing to utilize this additional revenue limit authority are able to do so on a permanent basis, helping them maintain their current programs.

The statewide average base revenue per pupil for FY08 was \$9,332. Thus, the \$8,700 low-revenue ceiling figure for FY08 represented roughly 93 percent of the statewide average revenue per pupil in that year. It is estimated that over 70 percent of the districts eligible to use the \$8,700 figure in FY08 chose to use all of the additional revenue limit authority available to them.

Table 1

Fiscal Year	Low-Revenue Ceiling Per Pupil	Number of Districts Eligible to Use Low-Revenue Ceiling
1995-96	\$5,300	29
1996-97	5,600	33
1997-98	5,900	41
1998-99	6,100	16
1999-00	6,300	5
2000-01	6,500	6
2001-02	6,700	4
2002-03	6,900	2
2003-04	7,400	53
2004-05	7,800	88
2005-06	8,100	86
2006-07	8,400	94
2007-08	8,700	87
2008-09	9,000	80 (estimated)

### Statutory Language

The Department is proposing statutory language related to this request. See *Low-Revenue Ceiling Adjustment* in the Statutory Language section of this document.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 7505 – REVENUE LIMIT – FLEXIBILITY

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$0

#### Request/Objective

The Department proposes to provide additional revenue limit flexibility for all school districts by increasing the per pupil revenue limit adjustment to \$335 in FY10 and \$350 in FY11 to better reflect rapidly increasing fixed costs. This would represent an approximately 3.5 percent average annual revenue limit increase. Under current law, these adjustments would be approximately \$285 per pupil in FY10 and \$297 per pupil in FY11, about 3 percent each year.

This proposal would allow school districts to increase their revenues beyond the current law annual allowable per pupil adjustment each year with an estimated fiscal impact of approximately \$35 million in additional revenue limit authority in FY10 and \$67 million in additional authority in FY11. The Department's estimate for general equalization aids (see Decision Item 7501) in the 2009-11 biennium reflects this additional revenue limit authority to meet approximately two-thirds funding.

#### Background/Analysis of Need

Revenue limits were imposed on school districts beginning in 1993-94 and have now been in place for 16 years. The state's school finance system is sometimes referred to as being "broken" since many school districts are no longer able to raise or receive the necessary revenues to continue their current programs. While some may believe the general equalization aid formula, or level of state support is the reason for the system being "broken," the real source of many school district's woes are revenue limits.

It is revenue limits that have constrained the ability of school districts to meet ongoing increases in their costs, especially related to staff compensation and both the increasing requirements and number of children with disabilities, English language learners (ELL) and those in poverty.

#### *Revenue Limit History*

1993--State implements revenue limits, effective beginning in 1993-94 school year, on a temporary basis for a five year period (1993-94 through 1997-98).

1995--State modifies revenue limits and makes them permanent. State also establishes a "low revenue ceiling" of \$5,300 per pupil for any district in 1995-96 and \$5,600 in 1996-97.

1997--State adds exemption for declining enrollment, beginning in 1998-99, and allows districts to count 20 percent of their summer school enrollment, beginning in 1998-99. Low revenue ceiling is increased to \$5,900 in 1997-98 and \$6,100 in 1998-99.

1999--State allows districts to count 40 percent of their summer school enrollment beginning in 2000-01 school year. Low revenue ceiling is increased to \$6,300 in 1999-00 and \$6,500 in 2000-01.

2001--State excludes community services tax levies from district's revenue limit calculation, beginning in 2001-02 school year. State also provides recurring revenue limit exemption for certain "large area, low enrollment" districts, with a maximum increase of \$250,000 in 2001-02. Low revenue ceiling is increased to \$6,700 in 2001-02 and \$6,900 in 2002-03.

2003--Low revenue ceiling increased to \$7,400 in 2003-04 and \$7,800 in 2004-05.



2005--State allows districts to carryover 100 percent of their unused prior year revenue limit authority, making provision retroactive to 2004-05 (previous carryover figure was 75 percent). Low revenue ceiling increased to \$8,100 in 2005-06 and \$8,400 in 2006-07.

2007--State expands declining enrollment exemption for eligible districts and creates new exemption for those experiencing severe declines. Low revenue ceiling increased to \$8,700 in 2007-08 and \$9,000 in 2008-09.

As defined, revenue controls limit the amount of revenue a school district can raise through local property taxes and state general school aids annually on a per pupil basis. State categorical aids, federal aids, local receipts and most debt service tax levies are not included in revenue limits.

Revenue limits are increased each year on a per pupil basis, with that annual increase itself increased by the Consumer Price Index (CPI), and determined by a district's three-year full-time equivalent (FTE) rolling enrollment average (see Table 1).

Table 1

Fiscal Year	Allowable Per Pupil Increase	Annual Percentage Increase	Cumulative Percentage Increase
1993-94	190.00		
1994-95	194.37	2.3%	2.3%
1995-96	200.00	2.9	5.3
1996-97	206.00	3.0	8.4
1997-98	206.00	0.0	8.4
1998-99	208.88	1.4	9.9
1999-00	212.43	1.7	11.8
2000-01	220.29	3.7	15.9
2001-02	226.68	2.9	19.3
2002-03	230.08	1.5	21.1
2003-04	236.98	3.0	24.7
2004-05	241.01	1.7	26.8
2005-06	248.48	3.1	30.8
2006-07	256.93	3.4	35.2
2007-08	264.12	2.8	39.3
2008-09	274.68	4.0	44.6

Revenue limits are determined by each district individually and are not dependent on changes in other districts. There are state-defined exemptions/adjustments that are provided for declining enrollment, unused revenue authority, transfers of service, reorganizations, community services, and for districts below the "low revenue ceiling." Revenue limits can be exceeded if approved through local referendum. However, only 20-30 districts annually have been able to pass a successful referendum to exceed their revenue cap in recent years.

Revenue limits affect all districts, regardless of size, wealth, spending, poverty level, etc. Given the growing concerns of more districts each year, it can be argued that while some districts are in need of more assistance than others, *all* districts in Wisconsin have suffered under revenue limits and should be afforded more flexibility (i.e. local control) in making decisions on behalf of the children they educate.

Approximately 99.6+ percent of districts' overall revenue limit authority is used annually on a statewide basis, as usually less than \$35 million out of \$8.2 billion in total revenue limit authority in FY08, is left

unused. Districts exceeding their revenue cap in any year are penalized under current law, resulting in the return of state general aid to the state's general fund in that same year.

In FY08, the \$264.12 per pupil increase for all districts amounted to a 2.95 percent increase in the base revenue of the average district (\$9,028 in FY07). In FY08, there were about 50 districts (all of which had declining enrollment) that had base revenues less than what they were in FY07.

The current allowable per pupil increase of 2.95 percent is below the 3.8 percent minimum compensation increase that may be offered to teachers under the Qualified Economic Offer (QEO). In addition, the four percent CPI increase for FY09 (see Table 1), while higher than many recent years, is still below the percentage increase in costs in areas over which districts have no control such as fuel and utilities, as well as other areas such as health insurance.

To the extent that districts are provided with some additional revenue limit authority above what is allowed under current law, fewer districts may need to hold referenda to exceed their revenue caps during the next biennium to maintain class sizes, keep existing programming, etc.

### **Statutory Language**

The Department is proposing statutory language related to this request. See *Revenue Limit – Flexibility* in the Statutory Language section of this document.

**DPI 2009-11 BIENNIAL BUDGET REQUEST****DECISION ITEM 3001 – TURNOVER REDUCTION**

*See Appropriations Below*

<b>FISCAL SUMMARY</b>			
<b>Numeric Appropriation</b>	<b>Alpha Appropriation</b>	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>101</b>	<b>s. 20.255 (1) (a)</b>	<b>- \$191,600</b>	<b>- \$191,600</b>
<b>102</b>	<b>s. 20.255 (1) (b)</b>	<b>- \$225,300</b>	<b>- \$225,300</b>
<b>141</b>	<b>s. 20.255 (1) (me)</b>	<b>- \$413,200</b>	<b>- \$413,200</b>
<b>Total</b>		<b>- \$830,100</b>	<b>- \$830,100</b>

The Department requests -\$416,900 GPR and -\$413,200 PR-F in FY10 and FY11 as the Department's required turnover reduction in appropriations funding more than 50 FTE permanent positions. A detailed calculation is available on a separate spreadsheet from the Policy and Budget Team.

## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 3002 – REMOVAL OF NONCONTINUING ITEMS FROM THE BASE

**141 – Federal aids; program operations**

**s. 20.255 (1) (me)**

**315 – Grant to project lead the way**

**s. 20.255 (3) (dn)**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$250,000	\$250,000
-2.00 FTE	-2.00 FTE

Due to a keying error at DOA while entering file maintenance from the base reconciliation, the Department requests removal of 2.0 project positions. There was no funding associated with the positions, thus, no funding is being removed.

In s. 20.255 (3) (dn), Wis. Stats., the statute prohibits the Department from encumbering any funds from the appropriation after June 30, 2009. Because the funds were not removed when reconciling the Department's base budget, the funds need to be removed now. It should be noted that the Department is requesting to restore the funds to Project Lead the Way in a separate decision item (DIN 4001).

**DPI 2009-11 BIENNIAL BUDGET REQUEST****DECISION ITEM 3003 – FULL FUNDING OF CONTINUING SALARIES AND FRINGE**

*See Appropriations Below*

<b>FISCAL SUMMARY</b>			
<b>Numeric Appropriation</b>	<b>Alpha Appropriation</b>	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>101</b>	<b>s. 20.255 (1) (a)</b>	<b>\$345,400</b>	<b>\$345,400</b>
<b>102</b>	<b>s. 20.255 (1) (b)</b>	<b>\$121,500</b>	<b>\$121,500</b>
<b>122</b>	<b>s. 20.255 (1) (hg)</b>	<b>\$120,400</b>	<b>\$120,400</b>
<b>124</b>	<b>s. 20.255 (1) (i)</b>	<b>\$900</b>	<b>\$900</b>
<b>125</b>	<b>s. 20.255 (1) (jg)</b>	<b>\$7,300</b>	<b>\$7,300</b>
<b>129</b>	<b>s. 20.255 (1) (km)</b>	<b>\$1,000</b>	<b>\$1,000</b>
<b>130</b>	<b>s. 20.255 (1) (hj)</b>	<b>\$6,400</b>	<b>\$6,400</b>
<b>131</b>	<b>s. 20.255 (1) (ks)</b>	<b>\$207,500</b>	<b>\$207,500</b>
<b>132</b>	<b>s. 20.255 (1) (ke)</b>	<b>\$117,000</b>	<b>\$117,000</b>
<b>133</b>	<b>s. 20.255 (1) (kd)</b>	<b>\$16,200</b>	<b>\$16,200</b>
<b>134</b>	<b>s. 20.255 (1) (hm)</b>	<b>\$4,900</b>	<b>\$4,900</b>
<b>141</b>	<b>s. 20.255 (1) (me)</b>	<b>\$1,427,800</b>	<b>\$1,427,800</b>
<b>146</b>	<b>s. 20.255 (1) (pz)</b>	<b>- \$164,100</b>	<b>- \$164,100</b>
<b>Total</b>		<b>\$2,212,200</b>	<b>\$2,212,200</b>

The Department requests \$466,900 GPR, \$135,000 PR, \$346,600 PR-S and \$1,263,700 PR-F in FY10 and FY11 to adjust the amount needed to bring salary and fringe amounts to FY09 levels. A detailed calculation is available on a separate spreadsheet from the Policy and Budget Team.

**DPI 2009-11 BIENNIAL BUDGET REQUEST****DECISION ITEM 3007 – OVERTIME**

*See Appropriations Below*

<b>FISCAL SUMMARY</b>			
<b>Numeric Appropriation</b>	<b>Alpha Appropriation</b>	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>101</b>	<b>s. 20.255 (1) (a)</b>	<b>\$10,700</b>	<b>\$10,700</b>
<b>102</b>	<b>s. 20.255 (1) (b)</b>	<b>\$271,300</b>	<b>\$271,300</b>
<b>122</b>	<b>s. 20.255 (1) (hg)</b>	<b>\$3,000</b>	<b>\$3,000</b>
<b>124</b>	<b>s. 20.255 (1) (i)</b>	<b>\$500</b>	<b>\$500</b>
<b>125</b>	<b>s. 20.255 (1) (jg)</b>	<b>\$200</b>	<b>\$200</b>
<b>131</b>	<b>s. 20.255 (1) (ks)</b>	<b>\$100</b>	<b>\$100</b>
<b>132</b>	<b>s. 20.255 (1) (ke)</b>	<b>\$9,700</b>	<b>\$9,700</b>
<b>133</b>	<b>s. 20.255 (1) (kd)</b>	<b>\$600</b>	<b>\$600</b>
<b>141</b>	<b>s. 20.255 (1) (me)</b>	<b>\$37,200</b>	<b>\$37,200</b>
<b>146</b>	<b>s. 20.255 (1) (pz)</b>	<b>\$14,400</b>	<b>\$14,400</b>
<b>Total</b>		<b>\$347,700</b>	<b>\$347,700</b>

The Department requests \$282,000 GPR, \$3,700 PR, \$10,400 PR-S and \$51,600 PR-F in FY10 and FY11 to restore funds for overtime that were removed in the full funding calculation. The amount requested is based on salary amounts approved in 2007 Wisconsin Act 20. Fringe benefits are calculated at the variable fringe rate of 18.85 percent.

**DPI 2009-11 BIENNIAL BUDGET REQUEST****DECISION ITEM 3008 – NIGHT AND WEEKEND DIFFERENTIAL**

*See Appropriations Below*

<b>FISCAL SUMMARY</b>			
<b>Numeric Appropriation</b>	<b>Alpha Appropriation</b>	<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>101</b>	<b>s. 20.255 (1) (a)</b>	<b>\$500</b>	<b>\$500</b>
<b>102</b>	<b>s. 20.255 (1) (b)</b>	<b>\$56,500</b>	<b>\$56,500</b>
<b>132</b>	<b>s. 20.255 (1) (ke)</b>	<b>\$200</b>	<b>\$200</b>
<b>141</b>	<b>s. 20.255 (1) (me)</b>	<b>\$200</b>	<b>\$200</b>
<b>146</b>	<b>s. 20.255 (1) (pz)</b>	<b>\$200</b>	<b>\$200</b>
<b>Total</b>		<b>\$57,600</b>	<b>\$57,600</b>

The Department requests \$57,000 GPR, \$200 PR-S and \$400 PR-F in FY10 and FY11 to restore funds for night and weekend differential that were removed in the full funding calculation. The amount requested is based on salary amounts approved in 2007 Wisconsin Act 20. Fringe benefits are calculated at the variable fringe rate of 18.85 percent.

**DPI 2009-11 BIENNIAL BUDGET REQUEST**

**DECISION ITEM 3010 – FULL FUNDING OF LEASE AND DIRECTED MOVES COSTS**

***101 – General program operations***

***s. 20.255 (1) (a)***

<b>FISCAL SUMMARY</b>	
<b>2009-10 Request</b>	<b>2010-11 Request</b>
<b>\$123,500</b>	<b>\$123,500</b>

The Department requests \$123,500 GPR in FY10 and FY11 to fund the increased costs of private lease and state owned space expenditures.



## DPI 2009-11 BIENNIAL BUDGET REQUEST

### DECISION ITEM 3011 – MINOR TRANSFERS WITHIN THE SAME ALPHA APPROPRIATION

#### **101 – General program operations**

**s. 20.255 (1) (a)**

#### **102 – General program operations; program for the deaf and center for the blind**

**s. 20.255 (1) (b)**

#### **124 – Publications**

**s. 20.255 (1) (i)**

#### **131 – Data processing**

**s. 20.255 (1) (ks)**

#### **134 – Services for drivers**

**s. 20.255 (1) (hm)**

#### **146 – Indirect cost reimbursements**

**s. 20.255 (1) (pz)**

FISCAL SUMMARY	
2009-10 Request	2010-11 Request
\$0	\$0

#### *General Program Operations*

The Department requests that \$57,000 in appropriation 101 be moved from line 08 to line 06. Funds were placed on the unallotted reserve line several years ago as part of the reductions from the state's Accountability, Consolidation & Efficiency (ACE) initiative. Currently, each year, the Department needs to process a transaction to move the funds from the unallotted reserve line to a line where the money can be spent. Transferring this money will avoid having to process these transactions in future years.

#### *General Program Operations; Program for the Deaf and Center for the Blind*

The Department requests that \$54,400 in appropriation 102 be moved from line 08 to line 06. Funds were placed on the unallotted reserve line several years ago as part of the reductions from the state's Accountability, Consolidation & Efficiency (ACE) initiative. Currently, each year, the Department needs to process a transaction to move the funds from the unallotted reserve line to a line where the money can be spent. Transferring this money will avoid having to process these transactions in future years.

#### *Publications*

The Department requests that \$35,200 in appropriation 124 be moved from line 01 to line 06, \$19,000 from line 04 to line 06, and \$15,800 from line 05 to line 06. This corrects a reduction in spending authority in 2007 Wisconsin Act 20 that mistakenly took all the funding from one line. Redistributing this funding to the correct lines will ensure funding is available where it is needed.

#### *Data Processing*

The Department requests that \$69,700 in appropriation 131 be moved from line 08 to line 06. Funds were placed on the unallotted reserve line several years ago as part of the reductions from the state's Accountability, Consolidation & Efficiency (ACE) initiative. Currently, each year, the Department needs to process a transaction to move the funds from the unallotted reserve line to a line where the money can be spent. Transferring this money will avoid having to process these transactions in future years.

### *Services for Drivers*

The Department requests that \$12,700 in appropriation 134 be moved from line 10 to line 01, \$600 from line 10 to line 05, and \$24,100 from line 10 to line 06. Redistributing this funding will ensure funding is available where it is needed.

### *Indirect Cost Reimbursements*

The Department requests that \$70,200 in appropriation 146 be moved from line 08 to line 06. Funds were placed on the unallotted reserve line several years ago as part of the reductions from the state's Accountability, Consolidation & Efficiency (ACE) initiative. Currently, each year, the Department needs to process a transaction to move the funds from the unallotted reserve line to a line where the money can be spent. Transferring this money will avoid having to process these transactions in future years.

# **2009-2011 Biennial Budget Request**

## **Statutory Language**



**Wisconsin Department of Public Instruction**  
**Elizabeth Burmaster, State Superintendent**  
**Madison, Wisconsin**

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4001*)

**Subject:** Wisconsin Education for STEM

**Request Date:** September 15, 2008

**Agency Contact:** Paul Sandroek, 267-3726  
Mike Te Ronde, 266-5186

**Brief Description of Intent:**

This proposal will provide up to \$5,000,000 bonding revenue (BR) in FY11 on a competitive grant basis to school districts that wish to undertake capital projects (new construction, remodeling, major equipment purchases) to create state-of-the-art learning environments for Science, Technology, Engineering, and Mathematics (STEM) classes in high schools and middle schools (known as STEM Stewardship grants). This program will operate over a five-year period, from FY11 through FY15, providing \$25 million in total BR. Statutory language will be needed to authorize the Department to create administrative rules for evaluating grant proposals in conjunction with the Division of State Facilities in the Department of Administration (DOA), and to set up accountability provisions to ensure proper expenditure of the grant awards. In addition, a new GPR debt service appropriation will need to be established in the Department under s. 20.255 (1) (dg), Wis. Stats., as well as a new capital improvement fund appropriation in s. 20.866, Wis. Stats., to authorize the release of state bonds for this purpose.

A network of four STEM academies is also established by this proposal. Statutory language will be needed to authorize the Department to create administrative rules addressing site selection and operational procedures for the academies. In addition, a new categorical aid grant will need to be established under s. 20.255 (2) (fv), Wis. Stats., for the STEM academies.

The Department requests to change the sunset date in the statutes regarding Project Lead the Way. Since the statute currently reads that no funds can be encumbered from this appropriation after June 30, 2009, it is necessary to change the date to allow for expenditures to occur. The Department requests that the sunset date be changed to June 30, 2011.

**Related Stat. Citations:**

Create s. 20.255 (1) (dg), Wis. Stats. - Principal repayment and interest for STEM infrastructure projects under s. 20.866 (2) (zha); estimated to be \$400,000 GPR in FY11.

Create s. 20.255 (2) (fv), Wis. Stats. - Science, technology, engineering, mathematics academies; concerning grants, site selection and operational procedures for the academies established under s. 115, Wis. Stats.

Create s. 20.866 (2) (zha), Wis. Stats. - STEM Stewardship projects; a sum sufficient for the building commission to provide grants to school districts for science, technology, engineering and mathematics classroom capital improvement projects. State may contract debt not to exceed \$25,000,000 for this purpose.

Amend ch. 115, Wis. Stats., to establish the physical capacity bonding program (competitive grants for STEM Stewardship capital projects in public middle and high schools).

Amend ch. 115, Wis. Stats., to establish the regional STEM academies.

Amend appropriate statutes to provide administrative rulemaking authority for the Department to evaluate physical capacity grants (competitive grants for capital projects) and to develop accountability provisions.

Amend appropriate statutes to provide administrative rulemaking authority for the Department regarding site selection and operational procedures for the STEM academies.

Amend s. 20.255 (3) (dn), Wis. Stats., to extend the sunset date of Project Lead the Way funding to June 30, 2011.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4002*)

**Subject:** World Languages Initiative for Elementary Schools

**Request Date:** September 15, 2008

**Agency Contact:** Pam Delfosse, 266-3079  
Paul Sandroek, 267-3726  
Mike Te Ronde, 266-5186

**Brief Description of Intent:**

The Department wants to offer financial assistance to school districts over a six-year period to begin world language programs for elementary schools by starting a world language in first grade. The school would then add a new grade every year until all elementary grades, first through sixth, are studying a world language. (The elementary program would then link with the currently required instruction in world languages in grades 7-12.) It should be noted that this proposal is for the state to provide meaningful start-up grants to school districts for a limited amount of time. After year six, the financial responsibility for local programs rests solely with the school district. This proposal does not provide permanent funding. School district management would need to use the six-year period of the grant to determine how to replace the state funding component of the elementary world language budget beginning in the seventh year of their programs.

The grant will pay a portion of salaries for teachers hired under this program for a limited time during the build-up of the program, starting with first grade and adding a grade level each year until the language instruction is in place in grades 1-6. The grant support allows the district to begin its program by hiring a teacher to fully implement instruction at a grade level. The district is required to match a portion of the state grant. The district match is required to be at least an amount set in the grant requirement each year, but may exceed that amount, providing flexibility in district implementation while controlling the state's financial commitment. The district's match increases each year until the seventh year when the salary and benefits for two teachers are fully funded by the district. This slow increase in district commitment allows long-term budget planning to guarantee sustainability. To meet this matching requirement, school districts will need to develop local resources, build community partnerships, and involve the local business community. The state grant pays a set amount each year.

School districts also will be expected to pay transportation and lodging for sending partially subsidized language teachers to the professional development activities discussed below. To teach the elementary program, districts may utilize the expertise of those in the community who speak languages other than English (obtaining appropriate licensure) or share teachers from middle school and high school grades.

Professional development funds will be utilized to develop seminars on program design, assessment, and best practices in world language education. In addition, these seminars will provide the opportunity to strengthen the state's network of elementary world language professional educators. Participants in these workshops will be the language teachers partially subsidized through this program as well as two classroom teachers in the newly added grades. Language and grade level cooperating teachers will attend two annual program and professional development seminars. Content for these workshops will include strategies for successful integration of language and culture with grade level curricula. Teacher

teams will be given time and guidance to design content based language instructional units appropriate to their grade level and local context.

Curriculum development and materials will be provided to schools as part of an additional annual grant of \$1,000 for each participating school.

The new grant program would begin in the 2009-10 school year (FY10).

**Related Stat. Citations:**

Establish a new categorical aid under s. 20.255 (2) (ch), Wis. Stats., for grants for elementary world languages.

Create a new section under ch. 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4501*)

**Subject:** Heritage Language Learning Initiative

**Request Date:** September 15, 2008

**Agency Contact:** Pam Delfosse, 266-3079  
Mike Te Ronde, 266-5186

**Brief Description of Intent:**

Create the Heritage Language Learning Initiative, a grant program to local school districts to encourage granting high school credit to pupils who demonstrate improved proficiency in heritage languages other than English. Pupils will meet academic course objectives and language development goals by completing projects in their native language. Projects will be guided and assessed by heritage language resource personnel in cooperation with content area teachers.

Grant money can be used for school planning, community member mentor training, instructional resource materials, and national assessment instruments. Demonstration of need, number of pupils served, geographic balance, goals, and a reasonable action plan to meet those goals will be criteria for evaluating applications.

Grants are for one year. Grant recipients may receive up to \$10,000 to fund their local Heritage Language Initiative and be eligible for professional development activities and assessment tool purchase reimbursements. No local match is required but school districts are expected to pay the cost for any staff release time (hiring substitutes, etc.).

Once a high school has obtained a grant, it shall identify community members who are native speakers of the language(s) and who are willing to serve as language mentors or coaches to the affected pupils. These mentor-coaches will operate under the direct supervision of a licensed teacher. The high school shall be responsible for training these language mentor-coaches how to evaluate language proficiency and how to coach pupils to improve their written and oral language skills in their heritage language. National assessments will be used at the beginning and at the end of the school year to award high school credit for the improvement of pupils' proficiency in using their native or heritage language.

**Related Stat. Citations:**

Establish a new categorical aid under s. 20.255 (2) (c), Wis. Stats., for grants for the Heritage Language Learning Initiative.

Create a new section under ch. 115, Wis. Stats., to establish the new grant program.



**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4502*)

**Subject:** Tribal Language Revitalization

**Request Date:** September 15, 2008

**Agency Contact:** J. P. Leary, 267-2283  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests \$250,000 PR-S in both FY10 and FY11 to establish a competitive grant program, the Tribal Language Revitalization and American Indian Academic Achievement Initiative, through which tribal governments could apply, in partnership with a school district, Cooperative Education Service Agency (CESA), or university, for funds to support innovative, effective instruction in tribal languages.

The Department also requests \$10,000 PR-S in both FY10 and FY11 for Department sponsored activities related to instructional leadership on tribal languages.

The program revenue would come from the tribal gaming revenues paid to the state.

**Related Stat. Citations:**

Create a new appropriation under s. 20.255 (2) (km), Wis. Stats., to establish a new grant program. Appropriate \$250,000 in both FY10 and FY11.

Create a new section under ch. 115, Wis. Stats., to establish a new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4504*)

**Subject:** Expanded Bilingual-Bicultural Education Aid

**Request Date:** September 15, 2008

**Agency Contact:** Michael George, 266-2364  
Lori Slauson, 267-9127

**Brief Description of Intent:**

The current bilingual-bicultural aid program establishes limited-English proficient (LEP) pupil thresholds that trigger required services and programs. Many districts with LEP enrollments below these thresholds are not required to establish LEP programs under state law and, if begun, their programs are not eligible for state aid. Districts are required to establish programs when there are:

- Within a language group, 10 or more LEP pupils in kindergarten to grade 3.
- Within a language group, 20 or more LEP pupils in grades 4 to 8 in elementary, middle or junior high school.
- Within a language group, 20 or more LEP pupils in grades 9 to 12 in high school.

The Department recommends keeping the existing program and creating a new grant program in FY11 to aid programs for LEP pupils that are not eligible under s. 115.97, Wis. Stats. In addition, the Department recommends that all districts receiving bilingual-bicultural aid be required to annually submit a report on bilingual-bicultural education to the State Superintendent. Furthermore, all districts receiving bilingual-bicultural aid that do not meet the LEP thresholds under statute, would be required to have certified English as a second language or bilingual-bicultural instructors teach LEP pupils if the district has 20 or more LEP pupils of various language groups in kindergarten to grade 3 in elementary school; grades 4 to 8 in elementary, middle or junior high school; or grades 9 to 12 in high school.

**Related Stat. Citations:**

Create s. 20.255 (2) (cd), Wis. Stats., and appropriate \$8,902,400 annually beginning in FY11 to create a new bilingual-bicultural categorical aid program to award up to \$416 per LEP pupil to districts that have LEP populations below the statutory threshold and thus do not qualify for categorical aid under s. 115.97 (2), (3), and (4), Wis. Stats.

Under subch. VII of ch. 115, Wis. Stats., create a new section or modify an existing section to establish the new grant program. If appropriated funds are insufficient, allow the Department to prorate payments.

Under s. 115.993, Wis. Stats., modify the reporting requirements to also apply to school districts that are not required to offer a bilingual-bicultural education program but will be receiving aid under the new grant program.

Under s. 115.995, Wis. Stats., require that a school district that is not required to offer a bilingual-bicultural education program to provide instruction in bilingual-bicultural education by a certified teacher of English as a second language or by a bilingual teacher if the district has 20 or more LEP pupils of various language groups in kindergarten to grade 3 in elementary school; grades 4 to 8 in elementary, middle or junior high school; or grades 9 to 12 in high school.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4505*)

**Subject:** Alternative Education Grants

**Request Date:** September 15, 2008

**Agency Contact:** Beth Lewis, 267-1062  
Mike Te Ronde, 266-5186

**Brief Description of Intent:**

The Department requests an increase of \$5,000,000 GPR in both FY10 and FY11 for the Alternative Education Program.

Despite close monitoring by the Department, alternative education grantees sometimes do not spend their entire grant within the fiscal year for which it is awarded. Under current law, because it is an “annual” appropriation, the unspent money lapses into the general fund at the end of each fiscal year and therefore cannot be utilized for its intended purpose. This has the potential of denying at-risk pupils educational opportunities that are specifically designed to help them remain in school and learn skills that will make them productive citizens.

Therefore, the Department requests that the type of Alternative Education Grants appropriation be changed from “Annual” (A) to “Continuing” (C).

**Related Stat. Citations:**

Section 20.255 (2) (cf), Wis. Stats.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4506*)

**Subject:** School Nurse Definition

**Request Date:** September 15, 2008

**Agency Contact:** Doug White, 266-5198  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The current definition of “school nurse” in s. 115.001 (11), Wis. Stats., is “a registered nurse licensed under ch. 441 or in a party state, as defined in s. 441.50 (2) (j), who is also certified by the department of public instruction as being qualified to perform professional nursing services in a public school.” This definition of “school nurse” applies to chs. 115 to 121, Wis. Stats., and is referenced under ss. 115.28 (7m) and (47), 115.88 (1), 118.257 (1) (c), and 120.13 (11), Wis. Stats.

It appears that the definition of school nurse was created in 1975 at the same time the State Superintendent was granted the authority to certify or “license” school nurses under s. 115.28 (7m), Wis. Stats. However, a school nurse license issued by the Department is not a required license under s. PI 34.31 (2), Wis. Admin. Code. Therefore, there are very few school nurses licensed by the Department. Currently, there are 446 nurses working in school districts statewide. Of that amount, only 89 are licensed by the Department. Further, 27 out of the 89 are employed in the Madison School District.

The Department proposes to change the definition of “school nurse” to mean “a registered nurse licensed under ch. 441 or in a party state, as defined in s. 441.50 (2) (j), who has also received a baccalaureate degree in nursing.” This will remove the Department’s certification requirement and replace it with a nursing degree, which will better reflect current practice without reducing the qualifications of the state’s school nurses.

**Related Stat. Citations:**

Modify the definition of “school nurse” under s. 115.001 (11), Wis. Stats., as described in the above paragraph.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4507*)

**Subject:** School Safety Grants  
**Request Date:** September 15, 2008  
**Agency Contact:** Doug White, 266-5198  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests \$5,000,000 GPR in FY11 to create a new, continuing appropriation for grants to reimburse school districts for costs allowable under the federal Safe and Drug Free Schools and Communities Act (SDFSCA), but not paid under that act. These competitive grants would be used to prevent violence, respond to emergencies, manage crises, and recover from major safety-related events. Grant funds may be used for safety personnel, including safety officers, pupil services staff with clinical licenses, materials for suicide prevention, mental health materials, training for staff, contract services and costs of security equipment, including, but not limited to, surveillance cameras, communication systems (including walkie-talkies), enhanced fencing and lighting, and threat assessment costs using the Crime Prevention Through Environmental Design System.

The Department also requests \$250,000 GPR and 1.0 GPR FTE annually for state administration of the grant program, related training, and technical assistance services.

**Related Stat. Citations:**

Establish a new categorical aid appropriation under s. 20.255 (2) (dh), Wis. Stats., for school safety grants. Appropriate \$5,000,000 GPR in FY11.

Create a new section under ch. 115, Wis. Stats., to establish the new grant program.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4510*)

**Subject:** School Lunch Matching Reimbursement

**Request Date:** September 15, 2008

**Agency Contact:** Richard Mortensen, 267-9121  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests a statutory change to allow Wisconsin to pay more than the state's matching obligation for school lunches as prescribed by the U.S. Department of Agriculture (USDA) to reduce the amount school boards are transferring from their general program operations to pay for school lunches. The Department requests \$2,500,000 GPR in both FY10 and FY11 each year of the biennium to increase by \$0.025 the state match reimbursement rate for the National School Lunch Program to decrease by approximately 50 percent the amount school boards are transferring from educational funds to the school nutrition funds.

Section 115.34 (2), Wis. Stats., provides that Wisconsin's match payment be based upon the total school lunches served to children during the prior school year payable to public and private schools. Payments shall equal the state's matching obligation as prescribed by USDA.

**Related Stat. Citations:**

Modify s. 115.34 (2), Wis. Stats., to allow Wisconsin to pay more than the state's matching obligation as prescribed by the USDA.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 4515*)

**Subject:** Homeless Grants

**Request Date:** September 15, 2008

**Agency Contact:** Mary Kleusch, 267-3163  
Mike Bormett, 266-2804

**Brief Description of Intent:**

The Department requests \$1,179,200 GPR in FY11 for a new continuing school aid appropriation to pay each school district up to \$100 annually for each pupil identified as homeless and enrolled in the prior school year. The grants are to be used to provide services to homeless pupils or for professional development activities related to serving homeless pupils.

Homeless pupil counts for the 2009-10 school year will be the basis for making aid payments beginning in FY11. The independent "2R" charter schools under s. 118.40 (2r), Wis. Stats., are to be made eligible for these grants. If funds are insufficient to pay each district \$100 per homeless pupil, the Department will prorate the aid.

**Related Stat. Citations:**

Create a new categorical aid appropriation, s. 20.255 (2) (ds), Wis. Stats., for homeless grants.

Create authorizing language under ch. 115, Wis. Stats.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 5001*)

**Subject:** Transportation Aid

**Request Date:** September 15, 2008

**Agency Contact:** Brian Pahnke, 267-9124  
Mike Bormett, 266-2804

**Brief Description of Intent:**

There are three components to this request:

- Increase the pupil transportation reimbursement rates for both years of the 2009-11 biennium per the following table:

Mileage	Current Rate	Proposed Rate	Rate Change	% Rate Change
0-2 miles (haz.)	\$15	\$25	\$10	66.6%
2-5 miles	35	50	15	42.9
5-8 miles	55	75	20	36.4
8-12 miles	110	150	40	36.4
Over 12 miles	220	300	80	36.4
Summer 2-5 mi	4	6	2	50
Summer 5+ mi	6	8	2	33

- A statutory change to permit the Department to make additional transportation aid payments for eligible pupils to districts if there are funds remaining in the appropriation after payment of the statutory-mandated per pupil rates.
- Statutory language similar to that in 2007 Assembly Bill 112 which allows schools to claim refunds of the motor vehicle fuel tax.

**Related Stat. Citations:**

Update per pupil transportation aid rates as described above in s. 121.58, Wis. Stats., and authorize additional payments to districts if funds remain in the appropriation under s. 20.255 (2) (cr), Wis. Stats.

Incorporate provisions of 2007 Assembly Bill 112 related to creation of a motor fuel tax exemption for schools. The refunds would also apply to a person/company that transports pupils to/from school activities under a contract with a school district.



**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 6003*)

**Subject:** Library Delivery Services

**Request Date:** September 15, 2008

**Agency Contact:** Sally Drew, 224-6161  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests \$216,000 GPR in FY10 and \$232,000 GPR in FY11 in a new annual appropriation to reimburse public libraries at 50 percent for the costs of delivery services for interlibrary loans.

**Related Stat. Citations:**

Establish a new aid appropriation to libraries under s. 20.255 (3) (eb), Wis. Stats., for library delivery services. Appropriate \$216,000 GPR in FY10 and \$232,000 GPR in FY11.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 6501*)

**Subject:** Online Licensing System

**Request Date:** September 15, 2008

**Agency Contact:** Judy Peppard, 266-0986  
Lori Slauson, 267-9127

**Brief Description of Intent:**

The Department requests statutory language to allow the retention of 100 percent of the money received from the certification of school and public library personnel under s. 115.28 (7) (d), Wis. Stats.

**Related Stat. Citations:**

Amend s. 20.255 (1) (hg), Wis. Stats., to eliminate the reference to "Ninety percent of."

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 6503*)

**Subject:** Elimination of Qualified Economic Offer

**Request Date:** September 15, 2008

**Agency Contact:** Tony Evers, 266-1771  
Lori Slauson, 267-9127

**Brief Description of Intent:**

The Department proposes to repeal the Qualified Economic Offer (QEO) provisions related to teacher collective bargaining under s. 111.70, Wis. Stats.

**Related Stat. Citations:**

Amend s. 111.70, Wis. Stats., to repeal provisions related to the QEO effective upon passage of the budget bill.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 7006*)

**Subject:** MPCP & Open Enrollment Online Systems

**Request Date:** September 15, 2008

**Agency Contact:** Robert Soldner, 266-7475  
Michael Te Ronde, 266-5186  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests \$40,000 GPR in both FY10 and FY11 for the programming operations (primarily programming costs) and maintenance of the Milwaukee Parental Choice Program (MPCP) online pupil application system. Funds will be used to better track pupils participating in the MPCP for payment purposes.

The Department also requests \$64,800 GPR in FY10 and \$70,800 GPR in FY11 to fund the ongoing development and maintenance of the Open Enrollment Application Log (OPAL). Funds will be used for programming software, business planning, servers, training and publications.

**Related Stat. Citations:**

Create a new appropriation under s. 20.255 (1) (em), Wis. Stats., for the MPCP & Open Enrollment Online Systems, funded at \$104,800 GPR in FY10, and \$110,800 GPR in FY11.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 7007*)

**Subject:** Longitudinal Data System

**Request Date:** September 15, 2008

**Agency Contact:** Rod Packard, 266-7049  
Susanne Matschull, 266-3892

**Brief Description of Intent:**

The Department requests \$211,100 GPR in FY10 and \$275,000 GPR in FY11 and 3.0 GPR FTE to maintain the Longitudinal Data System (LDS). In February 2006, the Department received a grant from the U.S. Department of Education for \$3.2 million that enabled Wisconsin to lay the foundation for the LDS. The three-year LDS project resulted in the purchase and installation of necessary computer hardware, a state-of-the-art security system, high quality detailed data sets, key reports and a data dictionary to tie it all together.

The LDS will be functional in February 2009. The system will integrate many important sources of state and local data, including the results of the annual statewide testing, pupil demographics and mobility, results of advanced placement exams, data on incidents of discipline, performance on English language learning and many more. This will allow systematic analysis on whether specific educational programs or districtwide services have the desired effect on pupil outcomes and the ability to monitor pupil achievement over time. As usage grows and staff turns over, on-going training will be required.

The Department is requesting 3.0 FTE IS Systems Development Services Specialist positions. One position would be responsible for providing analysis of business systems and working closely with program area professionals and other users of LDS to understand their needs and convert their needs into IT specifications and subsequently train users on LDS. The position will be responsible for the inclusion of "local data," which allows school districts to merge their data into the LDS and use the LDS technology to create reports. The other two positions would be responsible for programming and would move data from operational systems into the LDS, create appropriate data sets and publish standard reports in accordance with the needs of the educational community.

**Related Stat. Citations:**

Create a new appropriation s. 20.255 (1) (e), Wis. Stats., for the Longitudinal Data System, funded at \$211,100 GPR in FY10 and \$275,000 GPR in FY11.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 7504*)

**Subject:** Low Revenue Ceiling Adjustment

**Request Date:** September 15, 2008

**Agency Contact:** Brian Pahnke, 267-9124  
Mike Bormett, 266-2804

**Brief Description of Intent:**

The Department proposes to increase the per pupil low-revenue ceiling amount by \$400 annually, to \$9,400 in FY10 and to \$9,800 in FY11, to continue to provide the state's lowest spending districts with the opportunity to narrow the disparity with the highest spending districts.

**Related Stat. Citations:**

Amend s. 121.905 (1), Wis. Stats., to define "revenue ceiling" as \$9,400 in the 2009-10 school year and \$9,800 in any subsequent school year.

**DEPARTMENT OF PUBLIC INSTRUCTION  
2009-11 BIENNIAL BUDGET  
DRAFTING REQUEST TO THE LEGISLATIVE REFERENCE BUREAU**

☒ Draft for Possible 2009-11 Budget Bill Introduction (*Agency Decision Item No. 7505*)

**Subject:** Revenue Limit – Flexibility

**Request Date:** September 15, 2008

**Agency Contact:** Brian Pahnke, 267-9124  
Mike Bormett, 266-2804

**Brief Description of Intent:**

The Department proposes to provide additional revenue limit flexibility for all school districts by increasing the per pupil revenue limit adjustment to \$335 in FY10 and \$350 in FY11 to better reflect rapidly increasing fixed costs. This would represent an approximately 3.5 percent average annual revenue limit increase. Under current law, these adjustments would be approximately \$285 per pupil in FY10 and \$297 per pupil in FY11, about 3 percent each year.

**Related Stat. Citations:**

Modify s. 121.90, Wis. Stats., to set the annual per pupil revenue limit adjustment to \$335 in FY10 and \$350 in FY11.