

**Summary of
Governor's Proposed 2009-11 Budget
2009 Assembly Bill 75**

**Provisions Related to
Elementary and Secondary Education
and State Agency Operations**

**Also Includes Listing of Key Provisions from the
Department's 2009-11 Budget Request but NOT Included In
Governor's Final Bill**

**Prepared by Policy and Budget Team
Department of Public Instruction**



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KEY TO ABBREVIATIONS

APPROPRIATIONS

GPR - Appropriations financed from general purpose revenues available in the state's general fund.

FED - Appropriations financed from federal revenues.

PR - Appropriations financed from program revenues, such as user fees or product sales.

PR-O - Program Revenue-Operations - Appropriations financed from revenue generated from agency operations.

PR-S - Program Revenue-Service - Appropriations financed from funds transferred between or within state agencies for the purpose of reimbursement for services or materials.

SEG - Appropriations financed from segregated revenues.

OTHER

FY - Fiscal year. For example, FY10 means the 2009-10 state fiscal year.

FTE - Full-time equivalent position.

FY09 Base - The total 2008-09 authorized funding level for an agency or program. The base equals 2008-09 appropriations, pay plan modifications and any other supplements. It is this base that serves as the beginning point for calculating budget changes for 2009-11.

TANF - Temporary Assistance to Needy Families. The federal TANF program provides an annual block grant to Wisconsin, which is the primary funding source for the Wisconsin Works (W-2) program, the child care program and a number of other public assistance expenditures.

2009-11 State School Aids – Governor’s Biennial Budget

Categorical Aid Program	FY09 Base	FY10	FY10 to Base	FY11	FY11 to FY10	FY11 to Base	Overall Change
Special Education	\$ 368,939,100	\$ 368,939,100	\$ -	\$ 368,939,100	\$ -	\$ -	\$ -
SAGE	\$ 111,984,100	\$ 115,695,300	\$ 3,711,200	\$ 117,425,500	\$ 1,730,200	\$ 5,441,400	\$ 9,152,600
Pupil Transportation	\$ 27,292,500	\$ -	\$ (27,292,500)	\$ -	\$ -	\$ (27,292,500)	\$ (54,585,000)
MPS Achievement Grants	\$ 10,000,000	\$ 9,900,000	\$ (100,000)	\$ 9,900,000	\$ -	\$ (100,000)	\$ (200,000)
Bilingual-Bicultural	\$ 9,890,400	\$ 9,791,500	\$ (98,900)	\$ 9,791,500	\$ -	\$ (98,900)	\$ (197,800)
Tuition Payments	\$ 9,491,000	\$ 9,396,100	\$ (94,900)	\$ 9,396,100	\$ -	\$ (94,900)	\$ (189,800)
P-5 Program	\$ 7,353,700	\$ 7,280,200	\$ (73,500)	\$ 7,280,200	\$ -	\$ (73,500)	\$ (147,000)
Head Start Supplement	\$ 7,212,500	\$ 7,140,400	\$ (72,100)	\$ 7,140,400	\$ -	\$ (72,100)	\$ (144,200)
Alternative Ed Grants	\$ 5,000,000	\$ 4,950,000	\$ (50,000)	\$ 4,950,000	\$ -	\$ (50,000)	\$ (100,000)
AODA Prevention Grants	\$ 4,520,000	\$ 4,474,800	\$ (45,200)	\$ 4,474,800	\$ -	\$ (45,200)	\$ (90,400)
TEACH Debt Service	\$ 4,475,700	\$ 4,349,800	\$ (125,900)	\$ 4,342,400	\$ (7,400)	\$ (133,300)	\$ (259,200)
School Lunch Match	\$ 4,371,100	\$ 4,327,400	\$ (43,700)	\$ 4,327,400	\$ -	\$ (43,700)	\$ (87,400)
Aid for CCDEB's	\$ 4,214,800	\$ 4,172,700	\$ (42,100)	\$ 4,172,700	\$ -	\$ (42,100)	\$ (84,200)
Sparsity Aid	\$ 3,644,600	\$ 3,608,200	\$ (36,400)	\$ 3,608,200	\$ -	\$ (36,400)	\$ (72,800)
Special Ed-High Cost	\$ 3,500,000	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -
Children-at-Risk	\$ 3,500,000	\$ 3,465,000	\$ (35,000)	\$ 3,465,000	\$ -	\$ (35,000)	\$ (70,000)
4K Start Up Grants	\$ 3,000,000	\$ 4,000,000	\$ 1,000,000	\$ 4,000,000	\$ -	\$ 1,000,000	\$ 2,000,000
School Breakfast Grants	\$ 2,890,600	\$ 2,861,700	\$ (28,900)	\$ 2,861,700	\$ -	\$ (28,900)	\$ (57,800)
Special Education-Supplemental	\$ 1,750,000	\$ 1,750,000	\$ -	\$ 1,750,000	\$ -	\$ -	\$ -
Grants for Mentors	\$ 1,350,000	\$ 1,336,500	\$ (13,500)	\$ 1,336,500	\$ -	\$ (13,500)	\$ (27,000)
School Day Milk	\$ 710,600	\$ 703,500	\$ (7,100)	\$ 703,500	\$ -	\$ (7,100)	\$ (14,200)
Open Enrollment Transportation	\$ 500,000	\$ -	\$ (500,000)	\$ -	\$ -	\$ (500,000)	\$ (1,000,000)
Peer Review & Mentoring	\$ 500,000	\$ 495,000	\$ (5,000)	\$ 495,000	\$ -	\$ (5,000)	\$ (10,000)
Aid for CESAs	\$ 300,000	\$ 297,000	\$ (3,000)	\$ 297,000	\$ -	\$ (3,000)	\$ (6,000)
Gifted and Talented Grants	\$ 273,000	\$ 270,300	\$ (2,700)	\$ 270,300	\$ -	\$ (2,700)	\$ (5,400)
Grants for Nursing Services	\$ 250,000	\$ 247,500	\$ (2,500)	\$ 247,500	\$ -	\$ (2,500)	\$ (5,000)
SAGE-Debt Service	\$ 150,000	\$ 148,500	\$ (1,500)	\$ 148,500	\$ -	\$ (1,500)	\$ (3,000)
Supplemental Aid	\$ 125,000	\$ 123,700	\$ (1,300)	\$ 123,700	\$ -	\$ (1,300)	\$ (2,600)
Adv Placement Grants	\$ 100,000	\$ 99,000	\$ (1,000)	\$ 99,000	\$ -	\$ (1,000)	\$ (2,000)
English for Southeast Asian Pupils	\$ 100,000	\$ 99,000	\$ (1,000)	\$ 99,000	\$ -	\$ (1,000)	\$ (2,000)
STEM Grants	\$ 61,500	\$ 60,900	\$ (600)	\$ 60,900	\$ -	\$ (600)	\$ (1,200)
Youth Ops Transportation	\$ 20,000	\$ -	\$ (20,000)	\$ -	\$ -	\$ (20,000)	\$ (40,000)
Consolidation Grants	\$ 250,000	\$ -	\$ (250,000)	\$ -	\$ -	\$ (250,000)	\$ (500,000)
GPR Sub-Total	\$ 597,720,200	\$ 573,483,100	\$ (24,237,100)	\$ 575,205,900	\$ 1,722,800	\$ (22,514,300)	\$ (46,751,400)
Tribal Languages (PR)	\$ -	\$ 247,500	\$ 247,500	\$ 247,500	\$ -	\$ 247,500	\$ 495,000
Aid for AODA (PR)	\$ 1,518,600	\$ 1,427,500	\$ (91,100)	\$ 1,427,500	\$ -	\$ (91,100)	\$ (182,200)
PR Sub-Total	\$ 1,518,600	\$ 1,675,000	\$ 156,400	\$ 1,675,000	\$ -	\$ 156,400	\$ 312,800
School Library Aids	\$ 40,000,000	\$ 39,600,000	\$ (400,000)	\$ 39,600,000	\$ -	\$ (400,000)	\$ (800,000)
Envir Educ, Forestry-UW	\$ 400,000	\$ 396,000	\$ (4,000)	\$ 396,000	\$ -	\$ (4,000)	\$ (8,000)
Envir Educ, Envir. Assess-UW	\$ 50,000	\$ 49,500	\$ (500)	\$ 49,500	\$ -	\$ (500)	\$ (1,000)
Educ Telecomm Access-TEACH	\$ 11,340,700	\$ 11,190,700	\$ (150,000)	\$ 11,190,700	\$ -	\$ (150,000)	\$ (300,000)
Pupil Transportation	\$ -	\$ 27,019,600	\$ 27,019,600	\$ 27,019,600	\$ -	\$ 27,019,600	\$ 54,039,200
Open Enrollment Transportation	\$ -	\$ 495,000	\$ 495,000	\$ 495,000	\$ -	\$ 495,000	\$ 990,000
Youth Ops Transportation	\$ -	\$ 19,800	\$ 19,800	\$ 19,800	\$ -	\$ 19,800	\$ 39,600
SEG Sub-Total	\$ 51,790,700	\$ 78,770,600	\$ 26,979,900	\$ 78,770,600	\$ -	\$ 26,979,900	\$ 53,959,800
Total Categorical Aids	\$ 651,029,500	\$ 653,928,700	\$ 2,899,200	\$ 655,651,500	\$ 1,722,800	\$ 4,622,000	\$ 7,521,200
Aid to High Poverty Districts	\$ 12,000,000	\$ 15,000,000	\$ 3,000,000	\$ 15,000,000	\$ -	\$ 3,000,000	\$ 6,000,000
State GPR Equalization Aid	\$ 4,508,501,900	\$ 4,522,501,900	\$ 14,000,000	\$ 4,600,447,600	\$ 77,945,700	\$ 91,945,700	\$ 105,945,700
Federal Equalization Aids	\$ 291,000,000	\$ 277,000,000	\$ (14,000,000)	\$ 221,000,000	\$ (56,000,000)	\$ (70,000,000)	\$ (84,000,000)
Total Equalization Aids	\$ 4,799,501,900	\$ 4,799,501,900	\$ -	\$ 4,821,447,600	\$ 21,945,700	\$ 21,945,700	\$ 21,945,700
Total State School Aids	\$ 5,462,531,400	\$ 5,468,430,600	\$ 5,899,200	\$ 5,492,099,100	\$ 23,668,500	\$ 29,567,700	\$ 35,466,900
School Levy Tax Credit	\$ 822,400,000	\$ 822,400,000	\$ -	\$ 822,400,000	\$ -	\$ -	\$ -
State Residential Schools	\$ 11,485,900	\$ 12,068,400	\$ 582,500	\$ 12,068,400	\$ -	\$ 582,500	\$ 1,165,000
Total Sch Aids & Credits	\$ 6,296,417,300	\$ 6,302,899,000	\$ 6,481,700	\$ 6,326,567,500	\$ 23,668,500	\$ 30,150,200	\$ 36,631,900

GENERAL SCHOOL AIDS

General Equalization Aids

AGENCY REQUEST:

- Request \$187,025,100 GPR in FY10 and \$379,188,100 GPR in FY11 over the FY09 base of \$4,799,501,900 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.

GOVERNOR:

- Provide an increase for general equalization aids of \$47,995,000 GPR (1 percent) in FY10 and \$69,940,700 GPR (1.45 percent) in FY11 over the FY09 base. Apply the 1% across the board reduction of all appropriations (-\$47,995,000 GPR in each of FY10 and FY11). ***This results in a net change of \$0 GPR in FY10 and \$21,945,700 GPR (0.45%) in FY11.***
- In addition, use federal economic stimulus funds to offset reductions to general equalization aids in the 2009-11 biennium. Reduce GPR aids by \$277,000,000 in FY10 and \$221,000,000 in FY11 and increase federal aids by an equal amount each year. Also lapse \$291 million GPR in general equalization aids to the general fund in FY09 and offset the lapse with federal economic stimulus funds.

High Poverty Aid

AGENCY REQUEST:

- None.

GOVERNOR:

- Provide \$3,120,000 GPR in both FY10 and FY11 to increase aid to high poverty districts to reflect an increase in the number of eligible districts. Apply the 1% across the board reduction of all appropriations (-\$120,000 GPR in each year) ***for a net increase of \$3,000,000 GPR in each fiscal year.*** School districts with at least 50 percent of pupils eligible for free or reduced-price lunch are eligible to receive funding under the program.

REVENUE LIMITS

Low Revenue Ceiling Adjustment

AGENCY REQUEST:

- Request 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.
- It is estimated that this request would allow approximately 110-120 of the state's school districts to increase their revenues beyond the annual allowable per pupil adjustment each year.

GOVERNOR:

- Approve the request. This provision would result in an estimated \$20-25 million in additional revenue limit authority in both FY10 and FY11.

Revenue Limit Exemptions for School Safety, Nurses and Transportation

AGENCY REQUEST:

- None.

GOVERNOR:

- Phase in, over a three-year period, a new exemption to school district revenue limits starting in FY11 for the following items which are not directly related to the delivery of instructional services: (a) the costs of school safety equipment and compensation costs of security officers up to \$100 per pupil or \$40,000, whichever is greater; (b) the salary and fringe benefit costs of school nurses employed by a school district; and (c) prior-year transportation costs per pupil above the statewide average.

CATEGORICAL AIDS

Special Education Categorical Aid

AGENCY REQUEST:

- Request 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.

GOVERNOR:

- Provide an increase of \$3,689,400 GPR in FY10 and FY11 for special education aid. Apply the 1% across the board reduction of all appropriations (-\$3,689,400 GPR in each of FY10 and FY11). ***This results in a net change of \$0 GPR in FY10 and FY11.*** Based on the Department's estimates of aidable costs, the Governor's recommendation for the special education appropriation would provide state reimbursement rates of 26.8 percent of aidable costs in FY10 and 25.2 percent of aidable costs in FY11.

High-Cost Special Education Categorical Aid

AGENCY REQUEST:

- Request \$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.

GOVERNOR:

- Provide an increase of \$35,000 GPR in FY10 and FY11 for high-cost special education aid. Apply the 1% across the board reduction of all appropriations (-\$35,000 GPR in each of FY10 and FY11). ***This results in a net change of \$0 GPR in FY10 and FY11.*** High-cost special education claims would continue to be prorated.

Supplemental Special Education Aid

AGENCY REQUEST:

- None.

GOVERNOR:

- Provide an increase of \$17,500 GPR in FY10 and FY11 for supplemental special education aid. Apply the 1% across the board reduction of all appropriations (-\$17,500 GPR in each of FY10 and FY11). ***This results in a net change of \$0 GPR in FY10 and FY11.***

Student Achievement Guarantee in Education (SAGE)

AGENCY REQUEST:

- Request an increase of \$3,711,200 GPR in FY10 and \$5,441,400 GPR in FY11 to fully fund the projected costs under the SAGE aid program.

GOVERNOR:

- Approve the request. Provide an increase of \$4,831,000 GPR in FY10 and \$6,561,200 GPR in FY11. Apply the 1% across the board reduction (-\$1,119,800 GPR in each of FY10 and FY11). *This results in a net increase of \$3,711,200 in FY10 and \$5,441,900 in FY11 as the agency requested.*

Pupil Transportation Aid

AGENCY REQUEST:

- None.

GOVERNOR:

- Remove all GPR funding for pupil transportation aid. Using transportation fund revenues (SEG), restore base level funding of \$27,292,500 SEG in FY10 and FY11. Apply the 1% across the board reduction of all appropriations (-\$272,900 SEG in each year). *Final result is \$27,019,600 SEG available in each of FY10 and FY11 for pupil transportation aid, a decrease of \$272,900 from the base in each fiscal year.*

Transportation Aid; Youth Options Program

AGENCY REQUEST:

- None.

GOVERNOR:

- Remove all GPR funding for transportation aid - youth options. Using transportation fund revenues (SEG), restore base level funding of \$20,000 SEG in FY10 and FY11. Apply the 1% across the board reduction of all appropriations (-\$200 SEG in each year). *Final result is \$19,800 SEG available in each of FY10 and FY11 for transportation aid – youth options.*

Transportation Aid; Open Enrollment Program

AGENCY REQUEST:

- None.

GOVERNOR:

- Remove all GPR funding for transportation aid - open enrollment. Using transportation fund revenues (SEG), restore base level funding of \$500,000 SEG in FY10 and FY11. Apply the 1% across the board reduction of all appropriations (-\$5,000 SEG in each year). *Final result is \$495,000 SEG available in each of FY10 and FY11 for transportation aid – open enrollment.*

Four-Year-Old Kindergarten Grants

AGENCY REQUEST:

- Request 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.

GOVERNOR:

- Provide an increase of \$1,030,000 GPR in FY10 and FY11. Apply the 1% across the board reduction of all appropriations (-\$30,000 GPR in each year) *for a net increase of \$1,000,000 GPR in each fiscal year*. There will be a total of \$4,000,000 GPR in each of FY10 and FY11 for 4K start-up grants.

Tribal Language Revitalization

AGENCY REQUEST:

- Request \$250,000 PR-S (tribal gaming) 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.
- Request \$10,000 PR-S (tribal gaming) in both FY10 and FY11 for Department-sponsored activities related to instructional leadership on tribal languages.

GOVERNOR:

- Provide \$250,000 PR-S (tribal gaming) in both FY10 and FY11 to create a competitive grant program for school districts or Cooperative Educational Service Agencies, acting in conjunction with tribal education authorities, to support innovative, effective instruction in American Indian languages.

CHOICE, CHARTER, AND OPEN ENROLLMENT

Milwaukee Parental Choice Program (MPCP) Accountability

AGENCY REQUEST:

- None

GOVERNOR:

- Provide additional accountability measures for the Milwaukee Parental Choice Program by requiring Choice schools to: (a) employ teachers and administrators with bachelor's degrees; (b) be accredited by August 1 prior to the beginning of the school year; (c) schedule the same number of instructional hours as required for public schools; (d) adopt academic standards and administer all tests required for public schools; (e) implement the same promotion policies currently required by statute for public schools; (f) maintain pupil progress reports, provide a diploma or certificate for students meeting graduation requirements, and transfer or provide records under certain conditions; (g) provide certain information about school policies and performance to applicants upon request; and (h) give preference to siblings if the program's enrollment cap is reached and a waiting list is implemented.

MPCP Funding Formula

AGENCY REQUEST:

- None

GOVERNOR:

- Change the calculation of "guaranteed valuation" in the general equalization aid formula for the Milwaukee Public Schools (MPS) to include as being enrolled in MPS those pupils enrolled in the Milwaukee Parental Choice Program. The number of Choice pupils included in the calculation will increase annually by 10 percent increments from 10 percent of Choice pupils in the 2009-10 school year to 50 percent in the 2013-14 school year and every year thereafter.

MPCP Reestimate

AGENCY REQUEST:

- Request \$11,889,300 GPR in FY10 and \$24,436,200 GPR in FY11 to reestimate the sum sufficient appropriation under the Milwaukee Parental Choice Program.

GOVERNOR:

- Approve \$6,607,000 GPR in FY10 and \$13,214,000 GPR in FY11 to reestimate the sum sufficient appropriation under the Milwaukee Parental Choice Program.

MPCP Auditor

AGENCY REQUEST:

- Request \$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.

GOVERNOR:

- Approve \$71,300 PR-O in FY10 and \$92,900 PR-O in FY11 and 1.0 FTE PR-O position for a school finance auditor to provide financial accountability services for the Milwaukee Parental Choice Program.

Milwaukee/Racine Charter School Program

AGENCY REQUEST:

- Request \$9,303,500 GPR in FY10 and \$15,500,000 GPR in FY11 to reestimate the sum sufficient appropriation under the Milwaukee/Racine Charter School Program. The reestimate is based on an estimate of 7,000 pupils in FY10 and 7,500 pupils in FY11.

GOVERNOR:

- Provide -\$577,500 GPR in FY10 and \$7,197,500 GPR in FY11 to reestimate the sum sufficient appropriation under the Milwaukee/Racine Charter School Program. The reestimate is based on an estimate of 6,000 pupils in FY10 and 7,000 pupils in FY11.

ASSESSMENTS

Wisconsin Knowledge and Concepts Exam

AGENCY REQUEST:

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

GOVERNOR:

- Provide an increase of \$1,400,000 GPR in FY10 and FY11 for the WKCE. Apply the 1% permanent across the board reduction (-\$17,400 GPR in each of FY10 and FY11) and a 5% reduction (-\$87,100 GPR in each of FY10 and FY11). (The 5% reduction may not be permanent.) ***This results in a net increase of \$1,295,500 GPR in FY10 and FY11.***
- The \$1,400,000 GPR would be placed in unallotted reserve. Therefore, it would not be part of the department's base budget under s. 20.225 (1)(dw), Wis. Stats. The department would have to apply to the Department of Administration to release the funds for the department's use.

Wisconsin Alternate Assessment for Students with Disabilities

AGENCY REQUEST:

- Request an increase of \$1,100,000 GPR in FY10 and FY11 to partially fund the new version of the Wisconsin Alternate Assessment for Students with Disabilities (WAA-SwD).

GOVERNOR:

- Approve the request. Apply the 1% permanent across the board reduction (-\$13,700 GPR in each of FY10 and FY11) and a 5% reduction (-\$68,400 GPR in each of FY10 and FY11). (The 5% reduction may not be permanent.) ***This results in a net increase of \$1,017,900 GPR in FY10 and FY11.***

LIBRARY SERVICES

Badgerlink

AGENCY REQUEST:

- Request an increase of \$257,000 SEG (universal service fund) in FY10 and \$467,400 SEG in FY11 to maintain the current level of services through BadgerLink. 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 login five separate times using the five different resources.
- Request \$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.

GOVERNOR:

- Provide an increase of \$257,000 SEG (universal service fund) in FY10 and \$467,400 SEG in FY11 to maintain the current level of services through BadgerLink. Apply the 1% across the board reduction of all appropriations (-\$22,200 SEG in each of FY10 and FY11). ***This results in a net change of \$234,800 SEG in FY10 and \$445,200 SEG in FY11.***

Public Library System Aid

AGENCY REQUEST:

- Request 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 that is statutorily required to be in the department's biennial budget request.

GOVERNOR:

- Remove all GPR funding for public library system aid. Using universal service fund SEG, restore FY09 base level funding of \$11,297,400 and provide an increase of \$411,500 SEG in FY10 and \$927,300 SEG in FY11. Apply the 1% across the board reduction of all appropriations (-\$112,900 SEG in each year). Combine with the supplemental aid to public library systems funding that was previously in a separate appropriation of \$5,486,100 (which also received the 1% across the board reduction of all appropriations (-\$54,900 SEG in each year)). ***Net effect is \$17,027,200 in FY10 and \$17,543,000 in FY11 available for public library system aid, an increase of \$243,700 in FY10 and \$759,500 in FY11.***
- In addition, remove \$11,297,400 GPR funding for public library system aid in FY09, and utilize an equivalent amount of universal services fund SEG instead.

Library Services Contracts

AGENCY REQUEST:

- Request 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. The service contracts assure individuals equal access to informational resources regardless of where they live, their special needs or circumstances.

GOVERNOR:

- Remove all GPR funding for library service contracts. Using universal service fund SEG, restore FY09 base level funding of \$1,097,200 and provide an increase of \$48,100 SEG in FY10 and \$83,600 SEG in FY11. Apply the 1% across the board reduction of all appropriations (-\$11,000 SEG in each year). *Net effect is \$1,134,300 in FY10 and \$1,169,800 in FY11 available for library service contracts, an increase of \$37,100 in FY10 and \$72,600 in FY11.*

Newsline For the Blind

AGENCY REQUEST:

- Request 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.

GOVERNOR:

- Approve the request.

SCHOOL DISTRICT OPERATIONS

Qualified Economic Offer Repeal

AGENCY REQUEST:

- Repeal the QEO provisions related to teacher collective bargaining. Teachers will be able to collectively bargain under essentially the same parameters as other represented public employees.

GOVERNOR:

- Approve the request.
- In addition, eliminate revenue limits and local economic conditions as factors to be considered in arbitration procedures for teachers.
- Improve efficiency by permitting contracts of up to four years for school district employees and authorizing two or more collective bargaining units consisting of school district employees to combine for the purposes of bargaining.

Require Three Years of Math and Science

AGENCY REQUEST:

- None.

GOVERNOR:

- Increase the number of math and science credits required to receive a high school diploma from two to three. This requirement will first apply to pupils graduating from high school in 2013.

School District Consolidation Changes

AGENCY REQUEST:

- None.

GOVERNOR:

- Clarify the procedure for calculating the revenue limit of a consolidated school district by specifying that authority granted under a referendum to exceed revenue limits, which passed prior to the consolidation, expires on the date the consolidation goes into effect.
- Allow an individual to serve as an elected representative on both the school board of an existing school district and the board of a consolidated district between the date of an election for the school board of the consolidated district and the date the consolidation takes effect.

Milwaukee Public Schools

AGENCY REQUEST:

- None.

GOVERNOR:

- Direct the Legislative Reference Bureau to prepare a bill for introduction during the 2009 legislative session that addresses the findings of a review of the finances and operations of Milwaukee Public Schools conducted at the request of the Governor and the Mayor of Milwaukee.

ADMINISTRATION AND OTHER FUNDING

National Teacher Certification/Master Educators Reestimate

AGENCY REQUEST:

- Request 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.

GOVERNOR:

- Approve the request.

Science, Technology, Engineering & Mathematics

AGENCY REQUEST:

- Request 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.

GOVERNOR:

- Provide \$250,000 GPR in FY10 and FY11 for annual grants to Project Lead the Way. Apply the 1% across the board reduction of all appropriations (-\$2,500 GPR in each of FY10 and FY11). Apply an additional 5% cut (-\$12,500 GPR in each of FY10 and FY11). ***In total, \$235,000 GPR will be available in each fiscal year for grants to Project Lead the Way.***

Adult Literacy Grants

AGENCY REQUEST:

- None.

GOVERNOR:

- Provide an increase of \$22,400 GPR in each fiscal year for adult literacy grants to support programs that train community-based adult literacy staff and establish volunteer-based programs. Apply the 1% across the board reduction of all appropriations (-\$500 GPR in each year). Apply an additional 5% reduction (-\$2,500 GPR in each year) for a ***net increase of \$19,400 in each fiscal year.*** There will be a total of \$69,400 GPR in each of FY10 and FY11 for adult literacy grants.

Program Revenue Reestimates

AGENCY REQUEST:

- Request changes in program revenue expenditure authority in General Educational Development and High School Graduation Equivalency (-\$10,000 in FY10 and -\$8,400 in FY11); Data Processing (\$794,900 in FY10 and \$811,000 in FY11); Funds Transferred from Other State Agencies (\$195,900 in FY10 and \$156,400 in FY11 in operations; -\$236,900 in each year for local aids); Alcohol and Other Drug Abuse Program (\$53,700 in FY10 and \$43,200 in FY11); and WESPDHH and WCBVI Pupil Transportation (\$257,500 in FY10 and \$579,000 in FY11).

GOVERNOR:

- Approve the request.
- In addition, apply the 1% across the board reduction of all appropriations which results in the following additional changes in each of the said appropriations (General Educational Development and High School Graduation Equivalency (-\$1,100 in each fiscal year); Data Processing (-\$31,100 in each fiscal year); Funds Transferred from Other State Agencies (-\$23,500 in each fiscal year in operations; -\$95,200 in each fiscal year for local aids); Alcohol and Other Drug Abuse Program (-\$6,600 in each fiscal year); and WESPDHH and WCBVI Pupil Transportation (-\$10,300 in each fiscal year).

Alcohol and Other Drug Abuse Program (AODA)

AGENCY REQUEST:

- None.

GOVERNOR:

- Because the penalty surcharge fund (the PR fund that funds the AODA program) is in deficit, all programs funded here are reduced. For AODA, -\$36,300 PR in FY10 and -\$35,800 PR in FY11 from operations; -\$75,900 PR in each fiscal year from local aids.
- This reduction is in addition to the 1% reduction noted in the Program Revenue reestimates for the AODA program.

Federal Revenue Reestimates

AGENCY REQUEST:

- Request changes in federal revenue expenditure authority in Indirect Cost Reimbursements (\$145,500 in FY10 and \$137,400 in FY11); Federal Aids (\$1,286,900 in FY10 and \$613,400 in FY11 for operations; \$58,245,600 in each year for local aids); Other Federal Local Assistance (-\$134,800 in each year); and Federal Aids to Individuals and Organizations (\$6,712,700 in each year).

GOVERNOR:

- Approve the request.
- In addition, provide \$177,200,000 in FY10 and \$194,100,000 in FY11 from federal economic stimulus funds to local K-12 education aids. These totals were an estimate of Title I and IDEA money that would come to the State Education Agency (SEA) in the federal stimulus bill. The totals will be reestimated by the Legislative Fiscal Bureau since the stimulus bill has since been signed into law. It is expected that

the totals will include other money (besides just Title I and IDEA) that will also be coming directly to the SEA, for example, funding for the Homeless program and Education through Technology program.

Standard Budget Adjustments

AGENCY REQUEST:

- Request adjustments to the agency's base to reflect standard budget adjustments for:
 1. Turnover reduction (-\$830,100 in each year).
 2. Remove non-continuing items from the base (-\$250,000 and -2.0 FTE in each year).
 3. Full funding of continuing salaries and fringe (\$2,212,200 in each year).
 4. Overtime (\$347,700 in each year).
 5. Night and weekend differential (\$57,600 in each year).
 6. Full funding of lease and directed moves costs (\$123,500 in each year).
 7. Minor transfers within the same alpha appropriation.

GOVERNOR:

- Approve the request.

Debt Service Reestimate

AGENCY REQUEST:

- None.

GOVERNOR:

- Adjust the Department's base budget by \$33,200 GPR in FY10 and -\$169,100 GPR in FY11 to reflect a reestimate of debt service on authorized bonds.

Fuel and Utilities Reestimate

AGENCY REQUEST:

- None.

GOVERNOR:

- Adjust the Department's fuel and utilities budget by \$82,400 GPR in FY10 and \$108,600 GPR in FY11 for expected changes in prices and to reflect statistically normal weather conditions. Apply the 1% across the board reduction of all appropriations (-\$6,100 GPR in each year). ***Net increase is \$76,300 GPR in FY10 and \$102,500 GPR in FY11.***

OTHER AGENCIES

Department of Administration – Enterprise Consolidation Authority and Government Efficiency Measures

GOVERNOR:

- Authorize the secretary to reassign employees among state agencies in order to gain efficiencies through consolidation.
- Authorize the secretary to abolish any position in any executive branch agency if that position has been vacant for more than 12 months and reduce authorized expenditure levels by the amounts of salary and fringe benefits for the vacant positions.
- Repeal the requirement that state agencies complete a base budget review every third biennium.
- Require the secretary to review the maintenance staffing at state buildings and reorganize under the department where efficiencies could be gained.

Department of Administration – TEACH Flexibility

GOVERNOR:

- Authorize the department to transfer expenditure authority between the five TEACH appropriations to better align authority with programmatic needs.
- Allow certain for-profit companies, that meet eligibility requirements, to use BadgerNet lines to broadcast on the Internet school events that it has recorded.

Department of Administration – Wisconsin Covenant

GOVERNOR:

- Transfer responsibility for promulgating administrative rules for the Wisconsin Covenant from the board to the Department of Administration to reflect the location of the Office of the Wisconsin Covenant.
- Eligibility for Wisconsin Covenant grants is limited to students designated as Wisconsin Covenant Scholars by the Department of Administration.
- Require the Department of Public Instruction to share with the Department of Administration student information which is needed to manage the Covenant grant program efficiently and effectively.

Higher Education Aids Board – Wisconsin Covenant

GOVERNOR:

- Provide \$25 million GPR to establish a base level of support for grants to qualified Wisconsin Covenant Scholars beginning in FY12. Establishing this base now will help students, parents and financial aid offices with planning for the first class of Covenant Scholars in the 2011-12 school year. Since aid is not needed until FY12, the FY11 appropriation of \$25 million will be lapsed to the general fund.

Office of State Employee Relations (OSER) – Transfer of Human Resource Functions

GOVERNOR:

- Transfer human resource functions from executive branch agencies, other than the University of Wisconsin System, to the OSER. Authorized positions within agencies that perform human resources will be transferred to the OSER and will be under the supervision of the OSER director. Individuals performing those functions will remain located within the agencies they serve or as directed by the OSER.
- Authorize the OSER to charge other state agencies for services and materials relating to the transfer. This item will result in an additional budget reduction to DPI of an unknown amount. The proposal would convert all OSER positions to PR instead of GPR. (PR will come from agencies billed for human resources services.)

Employee Trust Funds – Domestic Partner Coverage Under State Insurance

GOVERNOR:

- Extend benefits offered by the Group Insurance Board and the Wisconsin Retirement System to domestic partners of state employees, including University of Wisconsin faculty and academic staff.

Employee Trust Funds – Retirement Benefits for Educational Support Employees

GOVERNOR:

- Modify existing law to permit educational support employees to accrue creditable retirement service at the same rate as school district teachers, librarians and administrators.

Department of Justice – Fee Increase for Background Checks

GOVERNOR:

- Provide expenditure authority to upgrade two electronic law enforcement systems, the Automated Fingerprint Identification System and the Criminal History Records System. The additional revenues will be generated from changes to the fees charged for background checks conducted by the Department.

Department of Revenue – School Levy Tax Credit

GOVERNOR:

- Provide \$150 million GPR in both FY10 and FY11 to fully fund the ongoing base level for the school levy tax credit.

Department of Transportation – Driver Education Grant Program

GOVERNOR:

- Provide \$4 million in each fiscal year for a driver education grant program, which will assist low-income individuals to afford driver education classes. DOT is required to develop and administer a program to award grants to providers of approved driver education courses, to supplement the cost of providing these courses to low-income individuals.

Department of Transportation – Fees for School Bus Inspection

GOVERNOR:

- Allow DOT to charge fees for the inspection of school buses. DOT must specify the fee charged in rule.

ITEMS NOT INCLUDED IN THE GOVERNOR'S BUDGET

The following requests are not included in the Governor's budget recommendations for the
Department of Public Instruction.

Decision Item (#)	Source of Funds	FY10 Dollars	Positions	FY11 Dollars	Positions
World Languages Initiative for Elementary Schools (4002)	GPR	\$0	0.00	\$812,500	0.00
International Education (4003)	GPR	\$37,000	0.00	\$37,000	0.00
Environmental Education Consultant (4004)	GPR	\$74,800	1.00	\$97,600	1.00
Advanced Placement Grants (4005)	GPR	\$443,000	0.00	\$443,000	0.00
Supporting Gifted & Talented Pupils (4006)	GPR	\$227,000	0.00	\$227,000	0.00
Heritage Language Learning Initiative (4501)	GPR	\$0	0.00	\$200,000	0.00
Bilingual-Bicultural Education Aid Increase (4503)	GPR	\$2,314,100	0.00	\$3,412,500	0.00
Expanded Bilingual-Bicultural Education Aid (4504)	GPR	\$0	0.00	\$8,902,400	0.00
Alternative Education Grants (4505)	GPR	\$5,000,000	0.00	\$5,000,000	0.00
School Nurse Grant Program (4506)	GPR	\$1,280,000	0.00	\$1,280,000	0.00
School Safety Grants (4507)	GPR	\$0	0.00	\$5,250,000	1.00
School Breakfast Reimbursement (4508)	GPR	\$1,263,100	0.00	\$2,176,900	0.00
School Milk Program Reimbursement (4509)	GPR	\$447,400	0.00	\$541,300	0.00
School Lunch Matching Reimbursement (4510)	GPR	\$2,500,000	0.00	\$2,500,000	0.00
Preschool-Grade 5 Program (4511)	GPR	\$367,700	0.00	\$367,700	0.00
Head Start State Supplement (4514)	GPR	\$2,934,000	0.00	\$2,934,000	0.00
Homeless Grants (4515)	GPR	\$0	0.00	\$1,179,200	0.00
Transportation Aid (5001)	GPR	\$7,507,500	0.00	\$7,507,500	0.00
Sparsity Aid for Small/Rural Districts (5002)	GPR	\$4,555,400	0.00	\$4,555,400	0.00
Operations/Resources at WCBVI (5503)	GPR	\$317,300	0.00	\$238,900	0.00
Operations/Resources at WESP-DHH (5504)	GPR	\$1,003,800	0.00	\$1,005,700	0.00

Library Delivery Services (6003)	GPR	\$216,000	0.00	\$232,000	0.00
Online Licensing System (6501)	GPR/PR	\$3,000,000	0.50	\$300,000	0.50
HEAB-New High Need Teachers Loan Forgiveness Program (6502)	GPR			\$500,000 at HEAB	
HEAB-Expand Minority Teachers Loan Forgiveness Program (6502)	GPR	\$237,900 at HEAB		\$237,900 at HEAB	
Online Student Assessments (7003)	GPR	\$500,000	0.00	\$3,000,000	0.00
WKCE in Spanish & Hmong (7004)	GPR	\$250,000	0.00	\$250,000	0.00
MPCP & Open Enrollment Online Systems (7006)	GPR	\$104,800	0.00	\$110,800	0.00
Longitudinal Data System (7007)	GPR	\$211,100	3.00	\$275,000	3.00
Services for Drivers Position Authority (7008)	PR	\$0	0.30	\$0	0.30
Liability Insurance Increase (7010)	GPR	\$65,000	0.00	\$65,000	0.00
Revenue Limit – Flexibility (7505)		\$0	0.00	\$0	0.00

**OTHER ITEMS SUBJECT TO ACROSS-THE-BOARD 1% REDUCTION
(NOT OTHERWISE ADDRESSED IN THE SUMMARY)**

Appropriation	Appropriation Number s. 20.255	Source of Funds	Decrease in FY10 Dollars	Decrease in FY11 Dollars
General program operations	(1)(a)	GPR	\$120,500	\$120,500
General program operations: program for the deaf and center for the blind	(1)(b)	GPR	\$119,600	\$119,600
Student activity therapy	(1)(g)	PR	\$0	\$0
Program for the deaf and center for the blind	(1)(gb)	PR	\$500	\$500
Program for the deaf and center for the blind: leasing of space	(1)(gl)	PR	\$200	\$200
Program for the deaf and center for the blind: services	(1)(gs)	PR	\$700	\$700
Program for the deaf and center for the blind: pupil transportation	(1)(gt)	PR	\$10,300	\$10,300
Personnel licensure, teacher supply, information and analysis and teacher improvements	(1)(hg)	PR	\$33,200	\$33,200
General educational development and high school graduation equivalency	(1)(hj)	PR	\$1,100	\$1,100
Services for drivers	(1)(hm)	PR	\$2,700	\$2,700
Publications	(1)(i)	PR	\$2,600	\$2,600
Library products and services	(1)(im)	PR	\$2,500	\$2,500
School lunch handling charges	(1)(jg)		\$150,000	\$150,000
Professional services center charges	(1)(jm)	PR	\$1,800	\$1,800
Gifts, grants and trust funds	(1)(jr)	PR	\$20,500	\$20,500
School district boundary appeal proceedings	(1)(jz)	PR	\$100	\$100
Alcohol and other drug abuse program	(1)(kd)	PR	\$6,600	\$6,600
Funds transferred from other state agencies; program ops	(1)(ke)	PR	\$23,500	\$23,500

State agency library processing center	(1)(km)	PR	\$400	\$400
Data processing	(1)(ks)	PR	\$31,100	\$31,100
General equalization aids	(2)(ac)	GPR	\$47,995,000	\$47,995,000
Supplemental aid	(2)(ad)	GPR	\$1,300	\$1,300
Sparsity aid	(2)(ae)	GPR	\$36,400	\$36,400
Aid for children-at-risk programs	(2)(bc)	GPR	\$35,000	\$35,000
Aid to county children with disabilities education boards	(2)(bh)	GPR	\$42,100	\$42,100
Bilingual-bicultural education aids	(2)(cc)	GPR	\$98,900	\$98,900
English for Southeast Asian children	(2)(ce)	GPR	\$1,000	\$1,000
Alternative education grants	(2)(cf)	GPR	\$50,000	\$50,000
Tuition payments; full-time open enrollment transfer payments	(2)(cg)	GPR	\$94,900	\$94,900
Grants for school breakfast programs	(2)(cm)	GPR	\$28,900	\$28,900
Aids for school lunches and nutritional improvement	(2)(cn)	GPR	\$43,700	\$43,700
Wisconsin school day milk program	(2)(cp)	GPR	\$7,100	\$7,100
Aid for debt service	(2)(cs)	GPR	\$1,500	\$1,500
Grants for improving pupil academic achievement	(2)(df)	GPR	\$100,000	\$100,000
Grants for nursing services	(2)(dl)	GPR	\$2,500	\$2,500
Grants for alcohol & other drug abuse prevention & intervention programs	(2)(dm)	GPR	\$45,200	\$45,200
Grants for preschool to grade 5 programs	(2)(do)	GPR	\$73,500	\$73,500
Head start supplement	(2)(eh)	GPR	\$72,100	\$72,100
Aid for cooperative educational service agencies	(2)(fg)	GPR	\$3,000	\$3,000

Grant program for peer review and mentoring	(2)(fk)	GPR	\$5,000	\$5,000
Grants for advanced placement courses	(2)(fw)	GPR	\$1,000	\$1,000
Grants to support gifted and talented pupils	(2)(fy)	GPR	\$2,700	\$2,700
Grants for science, technology, engineering and mathematics program	(2)(fz)	GPR	\$600	\$600
Funds transferred from other state agencies; local aids	(2)(k)	PR	\$95,200	\$95,200
Aid for alcohol and other drug abuse programs	(2)(kd)	PR	\$15,200	\$15,200
Mentoring grants for initial educators	(2)(kg)	GPR	\$13,500	\$13,500
School library aids	(2)(s)	SEG	\$400,000	\$400,000
Elks and Easter Seals center for respite and recreation	(3)(d)	GPR	\$900	\$900
Grants to project lead the way	(3)(dn)	GPR	\$2,500	\$2,500
Milwaukee Public Museum	(3)(eg)	GPR	\$500	\$500
Very Special Arts	(3)(fa)	GPR	\$800	\$800
Special Olympics	(3)(fg)	GPR	\$800	\$800
Precollege scholarships	(3)(fz)	GPR	\$22,900	\$22,900

**ADDITIONAL 5% REDUCTION TAKEN ON VARIOUS ITEMS*
(NOT OTHERWISE ADDRESSED IN THE SUMMARY)**

Appropriation	Appropriation Number s. 20.255	Source of Funds	Decrease in FY10 Dollars	Decrease in FY11 Dollars
General program operations	(1)(a)	GPR	\$602,700	\$602,700
Elks and Easter Seals center for respite and recreation	(3)(d)	GPR	\$4,400	\$4,400
Milwaukee Public Museum	(3)(eg)	GPR	\$2,500	\$2,500
Very Special Arts	(3)(fa)	GPR	\$3,800	\$3,800
Special Olympics	(3)(fg)	GPR	\$3,800	\$3,800
Precollege scholarships	(3)(fz)	GPR	\$114,300	\$114,300

*It is the Governor's intent to use federal economic stimulus funds to backfill the 5% reductions made on the Department's appropriations.