



School Administrators Alliance

Representing the interests of Wisconsin school children

SAA Summary of Major Provisions DPI 2005-07 Biennial Budget

September 22, 2004

- **Overall Proposed Funding Increase** – about \$211 million in 2005-06 and an additional \$165 million in 2006-07, for a biennial increase of about \$587 million (add the \$211 million into the 2006-07 base as well).
- **General Equalization Aids** – provide a 2.5% increase in general aid (\$108 million increase in 2005-06 and \$218.6 million increase in 2006-07). This amount includes continuation of \$60 million transportation SEG in the 2005-07 biennium.
- **SPED Categorical Aid** – reimburse 30% of the prior year's aidable costs; increase \$25.7 million in 2005-06 and \$48.3 million in 2006-07. In addition, DPI is requesting a statutory change that would permit guidance counselors to be included as one eligible category for cost reimbursement under categorical aid.
- **High Cost SPED Initiative** – create a categorical aid program to educate children with high-cost special needs (\$5 million annually). Costs reimbursed by IDEA funds, Medicaid and special education categorical aids are deducted. Reimbursement is then calculated at 90% of the eligible cost exceeding \$30,000 in the prior year.
- **Bilingual/Bicultural Aid** – increase aid to about 30% of prior year costs for districts required to offer programming (\$14.4 million increase in 2005-06; \$16.4 million in 2006-07).
- **Bilingual/Bicultural Aid for Currently Ineligible Students** – create a new categorical aid program to award \$400 per LEP student to districts that currently do not qualify for aid (\$5.44 million in 2005-06; \$5.64 million in 2006-07).
- **Transportation Aid** – increase aid \$21.13 million annually to:
 1. Fully fund the current transportation aid appropriation
 2. Double the current reimbursement rates to all schools
 3. Provide even higher reimbursement rates to districts transporting students more than 12 miles each way.
- **Declining Enrollment Revenue Limit Exemption** – change the current 75% hold harmless non-recurring exemption to a recurring exemption that district could retain in their base revenue limit for the forthcoming year. This would provide roughly \$25-30 million in additional annual statewide revenue limit authority.

- **Unused Revenue Limit Carryover**– increase the allowable percentage of unused revenue limit carryover from 75% to 100% beginning in 2005-06. There is not state fiscal impact.
- **Low Revenue Ceiling** – increase the low revenue ceiling by \$400 annually, to \$8,200 in 2005-06 and to \$8,600 in 2006-07.
- **Mentoring Grants for Initial Educators** – create a new mentoring categorical aid program (\$2.625 million annually).
- **4K Start-up Grants** – create a new categorical grant program for districts wishing to start a 4K (\$3 million). The grant would be \$3,000 per student and districts would be eligible for 2 years.
- **Additional 4K FTE Authority for Community Approaches** –districts adopting “community approaches” to 4K would be eligible for an additional 0.1 FTE toward each 4K student. Additional revenue limit authority.
- **Strengthening SAGE** – increase FTE low income pupil aid from \$2,000 to \$2,500; and add 10 new SAGE schools in 2006-07. (\$27 million increase in 2005-06 and \$29.3 million in 2006-07).
- **Sparsity Aid** – create a new sparsity categorical aid program in 2006-07 (\$24 million) establishing the following eligibility criteria:
 1. District enrollment of 2000 or less
 2. Less than 15 students per square mile
 3. FRL eligibility of at least 20 percent. Aid would be \$300 for districts with FRL above 40% and \$150 for districts with FRL between 20% and 40%.
- **P-5 Funding** – increase aid \$367,700 annually.
- **Elimination of the QEO.**
- **Milwaukee Parental Choice Program** – increase funding \$6.4 million in 2005-06 and \$8.6 million in 2006-07.
- **Milwaukee/Racine Charter Schools Program**– increase funding \$3.9 million in 2005-06 and \$7.6 million in 2006-07.
- **School Breakfast Program** – increase per meal reimbursement rate from 10 cents to 15 cents (\$500,000 increase in 2005-06; \$830,000 in 2006-07).
- **Reduced Price School Breakfast** – create a new grant program to pay the 30 cents charged to each student for reduced-price breakfast thus allowing the student to eat a free breakfast (\$1.2 million annually).