



Legislative Fiscal Bureau

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June 20, 2016

TO: Senator Janet Bewley
Room 126 South, State Capitol

FROM: Christa Pugh and Russ Kava

SUBJECT: Funding for Private School Choice Programs and K-12 General School Aids

At your request, we are providing information about GPR funding for the Milwaukee, Racine, and statewide private school choice programs and funding for general school aids.

Choice Program Payments

Under the Milwaukee, Racine, and statewide private school choice programs, the state pays a statutorily-determined amount for each pupil attending a private school under the programs.

You asked for the choice payment amount for the 2010-11 school year and the payment amounts for the 2015-16 school year. In 2010-11, the per pupil payment was equal to \$6,442 for pupils in all grades. In 2015-16, the per pupil payment is equal to \$7,214 for pupils in grades K-8 and \$7,860 for pupils in grades 9-12. The weighted average per pupil payment in 2015-16 is approximately \$7,353, based on the percentage of full-time equivalent (FTE) pupils in the Milwaukee, Racine and statewide choice programs who are enrolled in grades K-8 and the percentage enrolled in grades 9-12.

Total Cost of Private School Choice Programs and Gross GPR Appropriations

The attachment shows the GPR appropriation amounts, aid reductions, and net GPR cost of the Milwaukee, Racine, and statewide private school choice programs. Since the beginning of the Milwaukee private school choice program, DPI has been required by law to reduce the general aid for which MPS is eligible in each year by a percentage of the estimated total cost of the program. In 2015-16, the percentage was 28.8%, and this percentage will be reduced by 3.2 percentage points each year until no aid reduction is made beginning in 2024-25.

Additionally, beginning in 2015-16, the full cost of payments for incoming pupils in the Racine and statewide private school choice programs, or pupils who begin participating in the programs in 2015-16 or later, will be reduced from the general aid of those pupils' school districts of residence. School districts will be able to count those pupils for general aid purposes on a prior

year basis, and receive a revenue limit adjustment for the current year. In 2015-16, the revenue limit adjustment for each pupil was equal to each district's base revenue per pupil. Beginning in 2016-17, the revenue limit adjustment will be equal to the amount of the aid reduction.

The attachment also shows gross GPR appropriations in each year, and the gross and net cost of the choice programs as a percentage of gross GPR appropriations.

School Aid Funding

Table 1 shows the total net general aid payments (after statutory reductions for the private school choice and independent charter school programs) and high poverty aid payments made to school districts in 2010-11 and 2015-16. Also shown is the pupil membership used to calculate equalization aid in the indicated aid year, as well as the general aid payment per pupil for each year.

TABLE 1

General Aid Payments

	<u>2010-11</u>	<u>2015-16</u>
General Aid	\$4,544,984,017	\$ 4,347,490,560
High Poverty Aid	<u>18,700,000</u>	<u>16,830,000</u>
Total	\$4,563,684,017	\$4,364,320,560
Pupil Membership	858,205	854,419
Aid Per Pupil	\$5,318	\$5,108

Table 2 shows the total general and categorical school aid appropriated for each year under the 2009-11 and 2015-17 biennial budget acts, as well as the total school aid for each year and the biennial totals for those categories.

TABLE 2**State School Aid Appropriations**

	<u>2009-10</u>	<u>2010-11</u>	<u>Biennial</u>
General Aid	\$4,671,200,000	\$4,671,200,000	\$9,342,400,000
Categorical Aid	<u>644,150,500</u>	<u>653,834,600</u>	<u>1,297,985,100</u>
Total	\$5,315,350,500	\$5,325,034,600	\$10,640,385,100
	<u>2015-16</u>	<u>2016-17</u>	<u>Biennial</u>
General Aid	\$4,492,790,500	\$4,600,928,000	\$9,093,718,500
Categorical Aid	<u>751,749,900</u>	<u>843,683,300</u>	<u>1,595,433,200</u>
Total	\$5,244,540,400	\$5,444,611,300	\$10,689,151,700

Table 3 shows the total net general aid payments (after statutory reductions for the private school choice and independent charter school programs) and categorical aid payments made to school districts in 2010-11. Complete categorical aid payment information is not yet available for 2015-16. Table 3 shows the complete data for 2014-15 and the data that is available for 2015-16.

TABLE 3**General and Categorical Aid Payments**

	<u>2010-11</u>	<u>2014-15</u>	<u>2015-16</u>
General Aid	\$4,563,684,017	\$4,363,030,452	\$4,364,320,560
Categorical Aid	<u>594,774,447</u>	<u>706,207,304</u>	N.A.
Total	\$5,158,458,464	\$5,069,237,756	N.A.
Pupil Membership	858,205	856,955	854,419
Aid Per Pupil	\$6,011	\$5,915	N.A.

We hope this information is helpful. Please let us know if you have additional questions.

ATTACHMENT

Total Cost of Private School Choice Programs and Gross GPR Appropriations
2009-10 to 2016-17

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Milwaukee Private School Choice Program								
GPR	\$130.1	\$130.8	\$144.3	\$154.6	\$161.1	\$191.0	\$196.4	\$207.1
Aid Reduction	<u>54.1</u>	<u>50.2</u>	<u>55.4</u>	<u>59.4</u>	<u>56.7</u>	<u>61.1</u>	<u>56.6</u>	<u>53.0</u>
Net GPR	\$76.0	\$80.6	\$88.9	\$95.2	\$104.4	\$129.9	\$139.8	\$154.1
Racine and Statewide Private School Choice Programs								
GPR	\$0.0	\$0.0	\$1.6	\$3.2	\$10.8	\$22.0	\$33.5	\$45.0
Aid Reduction	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>16.1</u>	<u>27.0</u>
Net GPR	\$0.0	\$0.0	\$1.6	\$3.2	\$10.8	\$22.0	\$17.4	\$18.0
Choice Total								
GPR	\$130.1	\$130.8	\$145.9	\$157.8	\$171.9	\$213.0	\$229.9	\$252.1
Aid Reduction	<u>54.1</u>	<u>50.2</u>	<u>55.4</u>	<u>59.4</u>	<u>56.7</u>	<u>61.1</u>	<u>72.7</u>	<u>80.0</u>
Net GPR	\$76.0	\$80.6	\$90.5	\$98.4	\$115.2	\$151.9	\$157.2	\$172.1
Gross GPR Appropriations	\$12,940.4	\$14,109.3	\$13,840.6	\$14,755.2	\$15,013.5	\$15,883.2	\$15,749.4	\$17,012.9
Choice as a Percent of Gross GPR								
Total Choice GPR	1.0%	0.9%	1.1%	1.1%	1.1%	1.3%	1.5%	1.5%
Net Choice GPR	0.6%	0.6%	0.7%	0.7%	0.8%	1.0%	1.0%	1.0%