

We believe it's time for Wisconsin to develop a better, more effective school funding system



And we're working together to develop a solution...

Every child should have the opportunity to receive an excellent education, and Wisconsin has a long tradition of investing in great public schools. To keep this tradition strong, we need a more effective system of school funding. The School Finance Network is a statewide coalition committed to strengthening our system of school funding. After 15 years of capped funding, we need to protect programs across the board, and restore opportunities in art, music and foreign language, as well as business and vocational and technical training. We need a better system of school funding to avoid making more cuts in vital programs and services for children.

The School Finance Network has a plan that increases financial accountability by ensuring money goes to those students who need it most — such as those with disabilities and special needs. With new investments, Wisconsin can improve programs in reading and math and prevent the loss of top-quality teachers, helping public schools to strengthen communities around the state.

Highlights of the School Finance Network proposal

School funding must meet student costs

Current law is based on a formula unrelated to the cost of educating students. Targeted (categorical) aid has remained almost unchanged for 15 years despite significant increases in the number of high-cost students. The proposal increases categorical aid for children with disabilities and special needs, for small, rural school districts, and also for low-income students. This will make the system more equitable and increase opportunities for all students.

School funding must meet the cost of living

The state's current funding system does not allow schools to keep up with real-world costs, such as those for utilities and transportation. The proposal reconfigures how annual per-pupil increases are calculated, moving them from \$264 to \$350 in year one, and then tying future increases to overall statewide economic growth. The new system is more effective in aligning revenue with costs and it will allow public schools to restore important course offerings.

Controlling property taxes

The plan increases state aid and expands homestead property tax relief, generating lower property taxes and providing tax relief for homeowners.

Analysis of the plan

An analysis by the University of Wisconsin-Madison shows that all districts benefit from the plan, and that it also is highly effective in delivering the most relief to districts most in need.

Paying for the plan

The state Legislature has the responsibility to fully fund public education, as mandated by the state's Constitution. There are many funding options for state leaders to improve our school funding system, including closing corporate tax loopholes, eliminating tax breaks and subsidies for companies that do not keep jobs in Wisconsin, changing the sales tax system, eliminating sales tax exemptions, and adopting strategies to increase federal support for the state.



What is the School Finance Network?

The School Finance Network is a statewide coalition of education, religious, and community organizations committed to strengthening our system of public school funding.

School Finance Network member groups include: AFT – Wisconsin, Fair Aid Coalition, School Administrators Alliance, Southeastern Wisconsin Schools Alliance, Wisconsin Alliance for Excellent Schools, Wisconsin Association of School Boards, Wisconsin Association of School District Administrators, Wisconsin Education Association Council and Wisconsin Parent Teacher Association (PTA).

School Finance Network: Frequently Asked Questions

Why do we need to change the way Wisconsin funds its schools?

All children deserve an excellent education, and after 15 years of capped school funding we need to protect programs across the board, while restoring opportunities in art, music and foreign language, as well as business and vocational training. We need a better system of school funding to keep schools solvent and to avoid making more cuts in vital programs and services for children.

The state's system of school funding fails to keep up with inflationary increases in the economy and does not provide adequate resources for high-cost children. Many districts report they may not be solvent in a few short years. If we didn't make the school funding system more effective, opportunities for Wisconsin's students will continue to erode, communities will be hurt, and the state's economy will weaken.

What does the group propose for school funding?

The School Finance Network proposes increasing categorical aid for children with disabilities and special needs, for small, rural school districts, and for low-income students — making the system more equitable while ensuring that all children have the opportunity to learn.

The proposal also reconfigures how annual per-pupil increases are calculated, moving them from \$264 to \$350 in year one, and then tying future increases to overall statewide economic growth. The new system is more effective in aligning school district revenue with annual costs.

Increases in categorical aid and improvements in the funding formula will allow school districts to maintain classes in non-tested subjects, including business, vocational and technical training, art, music, and history, keeping intact experiences and opportunities for children that increase overall achievement and benefit them for life. This outcome — maintaining educational opportunities for all children — is of the utmost importance.

Why should investing in education be a state priority in a time of economic distress?

Research consistently shows what common sense tells Americans: education has a positive effect on economic growth. Education is a permanent asset for the state that benefits individual earnings, local communities and overall economic development. Continued tax cuts will harm education, while investments will expand opportunity.

Investments in education boost economic growth by helping individuals rise to their full potential, helping local communities stay strong, and reaping an overall return for the state.

Will any districts lose funding with this plan?

No district loses money under this plan because it builds on existing funding levels and does not reshuffle money within the current system, producing winners and losers.

Some districts, however, do receive more aid than others. This is because new aid is primarily based on need — those districts with more high-cost students will get more aid from the state.



Will this plan help maintain art, music and other educational programs at my local school?

Yes. Although there is no guarantee that all programs will be restored (these decisions are locally controlled), targeting money to high-cost students will free up funds elsewhere in the budget. Also, by tying funding to economic growth, schools will have more flexibility to promote experiences and opportunities in a full range of subjects.

While some of the above practices were driven by innovation, many arose from necessity. Responses from educators on multiple surveys, for example, show that increased workload and doubling job responsibilities are not perceived as improving the quality of education.

Moreover, these cost-saving strategies are in addition to outright cuts in programs and services that districts are making across the board, as documented in an annual revenue control survey.

Are there any ideas to reduce costs?

Yes. After 15 years of revenue controls it is difficult to document where “waste” or “inefficiency” remain in any significant fashion at the school district level. However, at the state level, more effective practices can be enacted.

The proposal includes a host of suggestions for the state to consider. These include: having the state negotiate energy and utility purchases in a coordinated fashion, creating a statewide pool for catastrophic insurance for school employees, creating a statewide purchasing pool for pharmaceuticals to reduce costs, combining small school districts where it makes sense, consolidating different categorical aid streams to pay in part for new aid identified in the proposal, and creating a statewide council to better coordinate social services between counties, municipalities and school districts.

Every child should have the opportunity to receive an excellent education, and Wisconsin has a long tradition of investing in great public schools. To keep this tradition strong, we need a more effective system of school funding.

After 15 years of capped funding, we need to protect programs across the board and restore opportunities in art, music and foreign language. We also need to direct more resources to business and vocational/technical training. We need a better system of school funding to avoid making more cuts in vital programs and services for children.

4 things to know

Here are the four things you need to know about the upcoming school funding reform campaign:

1) All school districts benefit

The School Finance Network proposes to build upon the existing system of school funding instead of simply rearranging the money within it. As a result, no district loses money and every district gains from the plan. The proposal also overhauls revenue controls, allowing annual increases in revenue that align more closely with actual costs. In the past, district revenues have failed to keep pace with costs such as utilities and transportation, over which schools have no control.

The proposal reconfigures how annual per-pupil increases are calculated, including tying increases to overall statewide economic growth.

2) Money goes where it's needed most

The School Finance Network proposal targets money to where it is needed most, such as to those who have special needs and those who come from low-income families. New monies are targeted to specific programs for these students and cannot be used elsewhere in school budgets. The proposal also directs new money to districts most in need, such as small, rural schools and those with declining enrollment.

3) Funding sources already exist

Two important changes are made to help control property taxes. First, the proposal calls for expanding the Homestead Property Tax, which, based on income, targets money to Wisconsin residents most in need. Second, the proposal increases state aid for all districts. As state aid goes up, local taxes go down. All told, this plan decreases property taxes for residents throughout the state by using alternative sources.

There are many funding options available to improve our school funding system, and state leaders can choose among closing corporate tax loopholes, eliminating tax breaks and subsidies for companies that do not keep jobs in Wisconsin, changing the sales tax system, eliminating sales tax exemptions, and adopting strategies to increase federal support for the state.

4) All children deserve an excellent education

As educators, we need to protect educational programs and services that benefit children. Arts classes and business training are being cut and eliminated in districts around the state. Class sizes are increasing, too, as a result of continued budget restraints. We need a more effective system of school funding to keep schools solvent, ensuring this nation's great democratic promise of opportunity for all.

Getting involved

You can make the case for better school funding. For more information on the School Finance Network plan and how to get involved, visit www.sfnwisconsin.org or e-mail SFNWisconsin@gmail.com.



There's strong public support for school funding reform

- In a recent survey, 81% of Wisconsin voters said they believe it is extremely or very important to make sure Wisconsin has great public schools.
- A well-rounded education is important to Wisconsin voters. The survey found that 88% of voters think it's important to prevent reductions in class offerings like art, music and foreign language, and 74% believe maintaining programs in vocational education, business education and technical training is a high or top priority.
- The public wants to see the funding system changed: 7 out of 10 voters acknowledged the need to change Wisconsin's school funding system.
- In the same survey, 65% of respondents think now is the time to invest in Wisconsin's future by improving our public schools.

(Source: Belden Russonello & Stewart Research and Communications, phone survey of Wisconsin residents, August 21-27, 2008)



P.O. Box 275
Oregon, WI 53575
608.957.2443
www.sfnwisconsin.org



What you can do:

Contact SFN at SFNWisconsin@gmail.com to find out what you can do in your community to strengthen public schools. There are plenty of opportunities to get involved.