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May 29, 2013

Joint Committee on Finance

Paper #523

Expand Part-Time Open Enrollment Program to Course Options Program (DPI -- Choice, Charter, and Open Enrollment)

[LFB 2013-15 Budget Summary: Page 387, #17]

CURRENT LAW

Part-time open enrollment program. Under part-time open enrollment, a pupil enrolled in a public school in grades 9 to 12 may attend public school in a nonresident district to take a course offered by the nonresident district. A pupil may attend no more than two courses at any time in nonresident districts.

The pupil's parent is required to submit an application, on a form provided by DPI, to the nonresident district no later than six weeks prior to the date the course is scheduled to commence. The application must include the course or courses that the pupil wishes to attend and can specify the school or schools at which the pupil wishes to attend the course. The nonresident district must send a copy of the application to the pupil's resident district. The nonresident district must, no later than one week prior to the date on which the course is scheduled to commence, notify the applicant and the resident district, in writing, whether the application has been accepted and the school at which the pupil can attend the course. The acceptance applies only for the following semester, school year, or other session in which the course is offered. If accepted, the parent is required to notify the resident and nonresident districts, prior to the date on which the course is scheduled to commence, of the pupil's intent to attend the course in the nonresident district. If the number of applications received for a particular course exceeds the amount of space available, a district is required to select pupils on a random basis.

The acceptance criteria of the nonresident district must be the same as the criteria for entry into the course applicable to pupils who reside in the school district, except that preference can be given to residents of the district. A resident district can prohibit a pupil from attending a course in a nonresident district if the cost of the course would impose an undue financial burden

upon the resident district. A resident district must prohibit a child with disabilities from attending a course in a nonresident district if the course conflicts with the child's individualized education program (IEP). The resident district must, no later than one week prior to the commencement of the course, do the following: (a) notify the applicant, in writing, if it determines that the course does not satisfy the high school graduation requirements; and (b) notify the applicant and the nonresident board, in writing, if the application is denied and the reason for the denial.

If an application is rejected by the resident or nonresident school district, the pupil's parent may appeal the decision to DPI, which must affirm the school board's decision unless it finds that the decision was arbitrary or unreasonable.

Parents are responsible for transporting pupils to and from courses. The parent of a pupil can apply to DPI for reimbursement (from the aid for open enrollment transportation appropriation) of the costs of the pupil's transportation if the pupils and parent are unable to pay the cost of such transportation.

The resident district pays the nonresident district an amount equal to the cost of providing the course or courses to the pupil, calculated in a manner determined by DPI. Under DPI rule, the cost of a course is calculated by dividing the total number of hours of instruction that the student will be enrolled in the course by the total number of hours of instruction required annually for a full-time high school student in the nonresident school district, and multiplying that result by the district's regular annual tuition rate, which is generally equal to the district's net school cost divided by its pupil membership. Assuming that the funds used by the resident district to pay tuition are derived from general school aid or property taxes, those amounts are subject to the resident district's revenue limit. Tuition payments received by the nonresident district are not subject to its revenue limit.

Postsecondary courses for high school students. A number of statutory programs exist under which high school pupils can earn postsecondary credits. Under the youth options program, high school juniors and seniors may take postsecondary level courses at any University of Wisconsin (UW) 2-year or 4-year institution, any of the 16 colleges within the Wisconsin Technical College System (WTCS), or in participating private, nonprofit and tribal colleges and universities. Under the program, a student does not pay for a college course if the district determines the course qualifies for high school credit and is not comparable to a course already offered in the district. If approved by the district, the student can receive both high school and college credit upon successful completion of the course.

If a pupil attends a technical college under youth options, the district must pay an amount equal to the cost of tuition, course fees, and books. If a pupil takes a course for high school credit at a UW institution, the district must pay the actual cost of tuition, fees, books, and other necessary materials directly related to the course on behalf of the pupil. If a pupil attends a private college or university, the district must pay the lesser of: (a) the actual cost of tuition, fees, books, and other necessary materials, or (b) an amount determined by DPI based on the statewide average cost per pupil per high school credit in the previous school year, and multiplied by the number of high school credits taken by the pupil at the private college or university.

Under compulsory education, high school students who meet certain statutory criteria are allowed to attend technical college in lieu of high school or on a part-time basis. School districts pay an amount calculated under statute based on statewide average instructional costs of technical colleges for general education in the prior year and prorated based on the actual hours of instruction provided to the pupil.

GOVERNOR

Expand the part-time open enrollment program to create a course options program. Specify that a pupil enrolled in a public school in any grade may attend an educational institution for the purpose of taking a course offered by the educational institution. As under current law, a pupil could attend no more than two courses at any time under this program. Define "educational institution" to include a public school in a nonresident school district, the University of Wisconsin System, a technical college, a nonprofit institution of higher education, a tribal college, a charter school, and any nonprofit organization that has been approved by the Department.

Provide that the pupil's resident district may reject an application by a pupil to attend a course at an educational institution if the resident district determines that either of the following apply: (a) the course does not satisfy a high school graduation requirement; or (b) the course does not conform to or support the pupil's academic and career plan (as provided for under another provision of the bill). Delete the current law provision under which a resident school district may reject an application if the cost of the course would impose an undue financial burden on the district.

Specify that an educational institution may not charge to, or receive from, the pupil or the pupil's resident district any additional payment other than the payment determined by DPI for a pupil attending a course at the educational institution.

Modify the statutory references to "nonresident school board" and "nonresident school district" under the current part-time open enrollment program to instead be "educational institution" under the course options program with respect to the other provisions governing the program.

DISCUSSION POINTS

1. The part-time open enrollment program was enacted in 1997 Act 27. The program is designed to allow high school students enrolled in their resident district to take high school courses in a nonresident school district. The proposed course options program under the bill would contain elements of both the part-time open enrollment and other current programs allowing high school pupils to take postsecondary courses. The part-time open enrollment program would be expanded under the bill to allow pupils in more grades to take classes from more educational institutions than under current law.

2. In addition to the statutory programs, the UW System and WTCS have established

by policy additional programs under which pupils can take courses at their high school for postsecondary credit. Under the UW System's College Credit in High School programs, offered by UW-Oshkosh and UW-Green Bay, students can earn high school and college credit provided they pay for the cost of the college credit, which is currently set at half the per credit tuition rate. DPI and UW Colleges have also entered in the memorandum of understanding to begin a statewide dual enrollment partnership.

3. Under transcribed credit, a student can earn both high school and technical college credit for courses taught in the high school. Transcribed credit is done through a cost-neutral agreement between the technical college and the school district which stipulates that students are not charged for the course.

4. Among the arguments that could be made in favor of the proposed course options program are:

- It would be an additional framework for educational options for students.
- It would allow students in all grade levels to participate, not just the high school grades.
- It would provide options for pupils to attend charter schools and nonprofit organizations.
- The options would be provided at no cost to students, because the educational institutions would not be able to charge any additional payment beyond the DPI-determined amount to pupils participating in the program.
- The program would better align a pupil's course selection to his or her high school graduation requirements, and to his or her academic and career plan as required under a separate bill provision.

5. Among the arguments that could be made against the proposed course options program are:

- Given the number of programs and arrangements that exist to allow high school pupils to take postsecondary courses, the proposed course options program could be viewed as duplicative.
- To the extent that school districts would be paying for courses that pupils would pay for under current programs, it could be viewed as an additional mandate on districts, especially since the ability to reject an application on the basis of undue financial burden would be removed under the bill.
- Because the part-time open enrollment program was designed to handle transfers between school districts, some of the requirements that carry over to the proposed program would expand DPI's role in higher education, such as resolving appeals of rejections and determining the cost of courses at institutions of higher education. This would arguably be inconsistent with the statutory responsibilities of the UW Board of Regents and WTCS Board and the governing

structures of private and tribal institutions.

- Similarly, some of the other provisions of part-time open enrollment may not be optimal for other educational institutions, such as the provisions under which DPI provides the forms for application and the timelines under the program.
- Depending on the procedure DPI uses to determine the cost of a course, it could have an adverse impact on the operating budgets of the educational institutions that accept pupils.
- Conversely, depending on the institution, the cost of providing the course could be greater than the tuition and fees charged for the course (given other funding sources available to the institution), thus negating the cost benefit to the student.

6. The Committee could choose to modify the course options provisions under the bill to address some of these concerns. One issue is the determination of payments under the program. The responsibility for payments under the current postsecondary options programs can vary depending on the program used by the student, the institution attended by the student, and the nature of the course taken by the student. One alternative that would incorporate some aspects of the current programs with the proposed course options program would be to specify that DPI continue to calculate a payment equal to the cost of providing the course for pupils attending a public school in a nonresident school district, including instrumentality charters, and specify that the other educational institutions certify a payment amount under the course options program to DPI (Alternative 2a).

7. The Committee could also further specify that payments certified by the other educational institutions be set to equal to the cost of providing the course for pupils or the tuition and fees for the course, whichever is less (Alternative 2b).

8. The Committee could also choose to specify that pupils could attend a tribal or nonprofit college under the program if the institution has notified that State Superintendent of its intent to participate in the program (Alternative 2c), which would be similar to youth options. Finally, the Committee could maintain the current law provision under which a resident district can reject an application if the cost of the course would impose an undue financial burden on the district (Alternative 2d).

9. The Committee could also choose to delete the provisions creating the course options program, but still expand the part-time open enrollment program consistent with some of the provisions of the bill. This would provide additional options to K-12 pupils, and allow the current postsecondary options programs to operate as under current law.

10. The modifications that the bill makes for the course options program that could still be applied to the part-time open enrollment program include expanding part-time open enrollment to all grades rather than just the high school grades (Alternative 3a), allowing students to attend charter schools or nonprofit organizations in addition to a nonresident district (Alternative 3b), and specifying that the criteria under which a resident district may reject an application if a course does not satisfy a high school graduation requirement (Alternative 3c) or does not support the pupil's academic and career plan (Alternative 3d) would apply under part-time open enrollment. The

Committee could also choose to maintain the current law provision under which a resident district may reject an application as an undue financial burden (Alternative 3e).

ALTERNATIVES

1. Approve the Governor's recommendation to expand the part-time open enrollment program to create a course options program.

2. Modify the course options program under the bill by some or all of the following options:

a. Maintain the current law procedure under which DPI determines the payment equal to the cost of providing the course for pupils attending a public school in a nonresident school district and specify that the other educational institutions certify a payment amount to DPI.

b. In addition to a., specify that the payment certified by an educational institution be set equal to the cost of providing the course for pupil or the tuition and fees for the course, whichever is less.

c. Specify that pupils could attend a tribal or nonprofit college under the program if the institution has notified the State Superintendent of its intent to participate in the program.

d. Maintain the current law provision under which a resident school district may reject an application if the cost of the course would impose an undue financial burden on the district.

3. Delete provision, and instead, modify the part-time open enrollment program by some or all of the following options:

a. Delete the current law provision limiting participation to pupils in grades 9 to 12.

b. Specify that a pupil could also attend a charter school or any nonprofit organization that has been approved by the Department.

c. Specify that a resident district may reject an application if it determines that the course does not satisfy a high school graduation requirement.

d. Specify that a resident district may reject an application if it determines that the course does not conform to or support the pupil's academic and career plan.

e. Maintain the current law provision under which a resident school district may reject an application if the cost of the course would impose an undue financial burden on the district.

4. Delete provision.

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