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May, 2019

Joint Committee on Finance

Paper #577

Urban School District Initiatives (DPI -- Categorical Aids)

[LFB 2019-21 Budget Summary: Page 328, #17 and 18, Page 329, #19,
Page 330, #20, and Page 354, #4]

CURRENT LAW

Current law provides an annual grant of \$1,400,000 GPR to Milwaukee Public Schools to develop, redesign, or implement a summer school program.

Any educator who obtains a national certificate from the National Board for Professional Teaching Standards or completes the Wisconsin master educator assessment process is eligible for an initial grant reimbursing the cost of obtaining the certification (up to \$2,000), followed by annual grants of \$2,500 annually for the duration of the certificate. Educators in schools high poverty schools, defined as those at which at least 60% of pupils are eligible for a free or reduced-price lunch, are eligible for annual grants of \$5,000. Base level funding is equal to \$2,910,000 GPR annually.

Under current law, the achievement gap reduction program provides categorical aid funding totaling \$109.2 million GPR annually to school districts with the goal of reducing achievement gaps. Under the program, participating schools must agree to implement one or more of the following strategies in K-3 classrooms: (a) one-to-one tutoring provided by a licensed teacher; (b) instructional coaching for teachers provided for a licensed teacher; or (c) maintaining 18:1 or 30:2 classroom ratios and providing professional development on small group instruction. Participating schools must specify performance objectives, including reducing the achievement gap between low-income pupils in math and reading. Participating schools receive a payment (equal to \$2,381 in 2017-18) for each low-income pupil attending the school in a classroom participating in the program. In 2017-18, 418 schools participated in the program in 203 school districts. No aid specific to achievement gap reduction is provided for higher grade levels.

GOVERNOR

Provide additional funding under the following programs for urban school districts, defined as any district that either had an enrollment of at least 18,000 pupils in 2018-19 or an enrollment of at least 18,000 pupils in the previous school year:

- Provide \$3,600,000 GPR annually for grants to develop, redesign, or implement a summer school program, and expand the current law program to include all urban school districts, rather than only Milwaukee Public Schools.
- Provide \$5,000,000 GPR beginning in 2020-21 to develop, implement, or administer new or expanded early childhood programming.
- Provide \$1,000,000 GPR annually for community engagement grants for collaboration between the district and a nonprofit organization, a local unit of government, a cooperative educational service agency, a technical college, or a UW System institution to provide additional resources or services to pupils and their families, with the goal of improving the academic achievement of pupils, the well-being of pupils and their families, or relationships between pupils, school staff, and the community.
- Provide \$250,000 GPR annually for principal training, coaching, and professional development.
- Provide an additional \$571,200 GPR in 2019-20 and \$652,900 GPR in 2020-21 to increase the size of the annual grants for teachers who are nationally board certified or hold a Wisconsin master educator license, and teach in a low-income school located in either an urban or non-urban school district.

DISCUSSION POINTS

1. Under the bill, an urban school district would be defined as a school district that meets either of the following two criteria: (a) an enrollment of at least 18,000 pupils in 2018-19; or (b) an enrollment of at least 18,000 pupils in the previous school year. The Governor's Executive Budget Book indicates that the program is intended to include the state's five largest urban districts: Green Bay, Kenosha, Madison, Milwaukee, and Racine. Additional school districts could qualify in future years if they experience an increase in their enrollment; the next largest districts in the state are Appleton (approximately 16,300 pupils in 2018-19) and Waukesha (approximately 12,700 pupils in 2018-19).

2. The Executive Budget Book indicates that the Governor intends the programs to apply to the state's five largest school districts. However, the statutory definition of "urban school district" under the bill could exclude one of these districts (Racine) based on its 2018-19 enrollment. A technical correction would modify the definition of an urban school district to include districts with an enrollment of at least 18,000 in the 2017-18 school year, rather in 2018-19 as under the bill.

3. The Governor's Budget in Brief document indicates that the intended purpose of the

proposals is to address Wisconsin's achievement gaps by providing additional resources and support to urban school districts. A 2017 report titled "Race for Results" published by the Annie E. Casey Foundation identified Wisconsin as the state with the largest disparities between African-American children and white children, based on a number of education, health, family, and poverty indicators. Similarly, in recent years Wisconsin's gap between African-American pupils and white pupils on the National Assessment of Educational Progress (NAEP), has been among the largest in the nation.

4. Under the Every Student Succeeds Act (ESSA), the 2015 reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA), every state was required to submit a plan to the U.S. Department of Education with information about the state's educational goals and academic indicators used to measure progress towards achieving these goals. In its ESSA state plan, Wisconsin indicated that its goal is to cut the achievement gap and graduation rate gap in half for all pupil groups by 2023-24. For African-American pupils, the pupil group with the largest achievement gap, meeting this goal will require a 4.0 percentage point increase in grade-level proficiency in English language arts, a 4.2 percentage point increase in grade-level proficiency in mathematics, and a 2.7 percentage point increase in graduation rates each year.

5. It could be argued that, given the size of the five school districts that would be included in the proposal and their high levels of racial and ethnic diversity and poverty, focusing attention on these districts is an appropriate method to address statewide achievement gaps. The five urban districts represent 18.8% of the state's total pupil population, but 31.3% of the state's total population of economically disadvantaged pupils, 44.8% of English learners, 68.2% of African-American pupils, and 33.5% of other non-white pupils. Table 1 shows each of the five urban district's population of these pupil groups as a percentage of the district's total enrollment, based on the September, 2018, count date.

TABLE 1

Urban District and Statewide Pupil Counts By Sub-Group, 2018-19

	<u>Total Enrollment</u>	<u>Economically Disadvantaged</u>	<u>English Learner</u>	<u>African-American</u>	<u>Other non-white</u>
Green Bay	20,391	59.4%	22.3%	9.2%	46.3%
Kenosha	21,233	51.5	10.1	14.2	33.3
Madison	26,917	48.2	19.9	17.9	39.9
Milwaukee	75,431	82.9	11.9	51.5	38.0
Racine	17,862	61.3	12.1	25.3	35.8
Statewide	858,833	40.7%	6.0%	9.1%	21.7%

6. Each of the five urban districts had an accountability score below the statewide average of 74.6 in 2017-18. The accountability score is a numerical score out of 100 based on performance in the following areas: (a) pupil achievement in reading and mathematics; (b) growth in pupil achievement in reading and mathematics; (c) gap closure in pupil achievement in reading and mathematics, and in high school graduation rates; and (d) rates of attendance or of high school graduation. Table 2 shows the accountability scores of each of the urban districts compared to the statewide average.

TABLE 2

Urban District and Statewide Average Accountability Score

	<u>Accountability Score</u>
Green Bay	63.0
Kenosha	71.2
Madison	68.0
Milwaukee	57.0
Racine	58.0
Statewide average	74.6

Summer School Programming

7. The summer school grant program was created under 2017 Act 59 (the 2017-19 biennial budget). Under current law, Milwaukee Public Schools (MPS) is eligible for a grant of \$1.4 million GPR annually to develop, redesign, or implement a summer school program. The grant was first awarded in the 2018-19 school year.

8. Under the bill, an additional \$3.6 million GPR would be provided for grants to develop, redesign, or implement a summer school program, and grant eligibility would be expanded from MPS to include all urban school districts. DPI would be required to annually award \$2 million to MPS, and allocate the remaining funding equally among the other urban districts (\$750,000 each for Green Bay, Kenosha, Madison, and Racine).

9. Summer school classes provide remediation for pupils who have fallen behind academically, as well as academic enrichment outside of the normal school calendar. By doing so, summer classes seek to minimize the impact of "summer learning loss," which refers to the loss of academic skills and knowledge that can occur over the summer months if pupils do not have opportunities to practice skills learned during the school year. Some research indicates that pupils who do not attend summer programs can fall behind, particularly in reading and math, and may receive lower scores on standardized tests at the beginning of a school year than they did on the same test at the end of the previous school year. Pupils from low-income families may be affected more than pupils from more affluent families who may have greater access to summer activities like camps or private lessons. As a result, some point to summer learning loss as a contributing factor to achievement gaps.

10. Other than the existing summer school grant for MPS, districts receive funding for summer school programs by including in their membership count pupils who attended summer school in the summer prior to the start of the school year. Under current law, 48,600 minutes (810 hours) of summer school instruction is equal to one full-time equivalent (FTE) pupil. Districts can include summer school FTEs in their membership for general aid purposes, and can count 40% of their FTE summer school enrollment in the three-year rolling average pupil count for revenue limits. School districts can also receive certain categorical aids for pupils attending summer school. Transportation categorical aid is provided for pupils transported to summer school, and school districts can receive

special education categorical aid for eligible expenses incurred during the summer, such as instruction required under a pupil's individualized education program (IEP). Additionally, the revenue limit three-year rolling average is used to calculate the distribution of per pupil aid, equal to \$654 per pupil in 2018-19.

11. The Blue Ribbon Commission on School Funding recommended additional funding for summer school in its final report, published in January, 2019. The bipartisan Commission, which consisted of sixteen members, including legislators, school administrators, and other stakeholders, developed its recommendations following public hearings and informational hearings held throughout the state. The Commission recommended providing an additional \$3.6 million GPR annually for the existing grant program and expanding the program to additional school districts, which is similar to the proposal in the bill but would include districts that are not classified as urban. The Commission also recommended creating a new grant program to support year-round schooling pilot programs, and providing \$3 million for the grants beginning in 2020-21 [Alternative 2a].

Early Childhood Education

12. Lack of early childhood education is thought to contribute to achievement gaps because pupils from families who are low-income or otherwise lacking in resources may have fewer opportunities for positive learning and development prior to their enrollment in school than their peers from wealthier families. A 2017 report by the National Conference of State Legislatures titled "Closing the Opportunity Gap in Early Childhood Education" indicates that African-American, Hispanic/Latino, and lower-income pupils enter kindergarten already significantly behind in reading and math skills compared to their peers. Children from low-income families are also less likely to enroll in high-quality early childhood education compared to children from higher-income families.

13. Under current law, all Wisconsin school districts are required to offer full-day or part-day kindergarten programs for five-year-olds. Pupils must complete kindergarten before they can enroll in first grade. School districts may choose to offer four-year-old kindergarten (4K), but are not required to do so, and enrollment in 4K is not mandatory. In 2018-19, all but six of the state's 410 school districts operating elementary school grades offer 4K programs.

14. The state currently provides \$1.4 million GPR annually for two-year grants to school districts that implement a new 4K program. Each eligible district receives up to \$3,000 for each 4K pupil enrolled in the district in the first year of the grant and up to \$1,500 for each 4K pupil enrolled in the second year of the grant. The grants are intended to cover a portion of the cost of the new program in the two years before 4K pupils are fully counted in the district's three-year rolling average revenue limit count. 4K pupils are included in equalization aid and revenue limit counts as 0.5 member if the pupil attends for at least 437 hours, unless the program provides at least 87.5 additional hours of outreach activities, in which case the pupil is counted as 0.6 member.

15. Additionally, state funding is provided to supplement the federal Head Start program, which provides comprehensive educational, health, nutritional, social, and other services to economically disadvantaged preschool children and their families. State grants totaling \$6.3 million GPR annually are distributed to federally designated Head Start agencies, to enable expansion of their programs to serve additional families. In 2018-19, state grants were provided to 38 grantees, including

five school districts (Green Bay, Kenosha, Merrill, Milwaukee, and West Bend), three CESAs, and one independent charter school. Federal funding for Head Start and Early Head Start in Wisconsin was an estimated \$116.4 million in federal fiscal year 2017-18.

16. Under the bill, \$5 million GPR would be provided annually beginning in 2020-21 for grants to develop, implement, or administer a new or expanded early childhood program. An early childhood program is defined as a program to enhance learning opportunities for young children residing in the district and to prepare those children for entry into the elementary school grades. Pupils would be eligible for the program if they meet one of the following criteria: (a) the pupil is three years old on or before September 1 of the year the pupil starts in the program; or (b) the child is less than three years old, but is eligible to attend the program under procedures, conditions, and standards developed by the school board for early admission to the program.

17. The bill would provide grants of \$1,000 per eligible child attending an early childhood program in the current year, based on the 3rd Friday in September count. Pupils would not be counted by the school district for general aids or revenue limits. DPI would be required to prorate payments if funds in the appropriation were insufficient, and if any funds remained in the appropriation after payments were made, DPI could distribute the balance to any of the participating school districts.

18. The total funding amount is based on DPI's estimate that approximately 10,000 children residing in the five urban school districts would qualify for the program based on their age, and of those, approximately half would be enrolled in the first year of the program. The agency indicates that this estimate is based on prior experience with participation in 4K programs.

19. The Blue Ribbon Commission on School Funding recommended additional early childhood programming in its final report. During public hearings, the Commission heard testimony regarding the need for high quality early childhood programming. The Commission recommended several options related to early childhood education, including allowing districts that offer full-day 4K to count participating pupils as 1.0 FTE (which is included in another provision of the bill); providing an additional \$1 million GPR for the state supplement for the Head Start program [Alternative 4a]; and modifying the age at which a pupil can be enrolled in 4K to allow pupils who turn four after September 1 to enroll during the school year [Alternative 5a].

Community Engagement Grants

20. Under the bill, \$1 million GPR would be provided annually for community engagement grants. DPI would be required to annually award a grant to each urban school district for projects satisfying the following criteria: (a) makes additional resources or services available to pupils and their families; (b) has a goal to improve the academic achievement of pupils, the well-being of pupils and their families, or relationships between pupils, school staff, and the community; and (c) includes collaboration with at least one of the following: (1) a nonstock, nonprofit corporation organized under Chapter 181 of the statutes; (2) a cooperative educational service agency; (3) a UW System institution; (4) a technical college district board; and (5) any local unit of government. The grant amount would be determined by dividing the appropriation by the total number of urban school districts in each year.

21. In its agency budget request, DPI indicated that the funding would be used for two-year

pilot projects to address factors outside the classroom that might impact pupils' academic achievement and other outcomes. Examples given in the document include the following: (a) dental health; (b) lead poisoning; (c) inadequate nutrition and hunger; (d) eviction from the pupil's home; (e) adverse childhood experiences; (f) trauma; (g) substance abuse in the home; or (h) parental unemployment.

22. Some have identified wrap-around services such as those that could be funded by the grant program as a tool to reduce achievement gaps by addressing factors that may impact pupils' success in school. In particular, low-income or otherwise disadvantaged pupils may experience problems outside of school that affect their ability to focus on their academic success. Helping such pupils access adequate nutrition, safe housing, medical care, mental health services, and other supports could result in improved attendance, classroom behavior, and grades.

Principal Training and Coaching

23. Under the bill, DPI would be required to annually award a grant to a nonprofit organization or an urban school district for the purpose of providing training, coaching, and professional support to principals employed by urban school districts. A new appropriation would be created for the grant, totaling \$250,000 GPR annually.

24. The Executive Budget Book indicates that the training would be conducted through the Wisconsin Urban Leadership Institute (WULI). WULI provides training and coaching designed specifically for principals working in urban districts, with an emphasis on closing achievement gaps. WULI is a partnership between DPI, the five large urban school districts, and the Urban League, a nonprofit organization serving historically underserved urban communities. WULI's activities include providing professional development related to cultural responsiveness, trauma sensitive schools, and family and community engagement; identifying and training principal fellows in each of the five urban school districts; encouraging networking and collaboration between principals from each of the five districts, as well as among other stakeholders such as the Urban League, DPI, and community partners; and incorporating data collection and data analysis into professional development.

25. Currently, WULI is funded with a portion of Wisconsin's federal Title II ESEA grant funds. Title II supports projects to improve teacher and principal quality and effectiveness. In its agency budget request, DPI indicated that Title II funds would continue to be used for WULI, but that additional state support would allow WULI to expand to include additional principals.

Grants for National Teacher Certification or Master Educator Licensure

26. Under current law, public, private, or tribal school teachers who are nationally board certified or have been certified as a Wisconsin master educator can receive an initial grant reimbursing the cost of obtaining the certification (up to \$2,000), followed by annual grants of \$2,500 for the duration of the certificate. Educators in high poverty schools, defined as those at which at least 60% of pupils are eligible for a free or reduced-price lunch, are eligible for annual grants of \$5,000.

27. The bill would provide an additional \$571,200 GPR in 2019-20 and \$652,900 GPR in 2020-21 to increase the size of the grants for eligible teachers. Under the bill, the size of the annual grant would be increased to \$15,000 for a teacher employed at a school located in an urban district

and at which at least 60% of enrolled pupils are eligible for a free or reduced-price lunch. The grant would be increased to \$10,000 annually for a teacher employed at a school that is not in an urban district, but at which at least 60% of enrolled pupils are eligible for a free or reduced-price lunch.

28. The prerequisites for certification by the National Board for Professional Teaching Standards (NBPTS) include holding a bachelor's degree, completing three full years of teaching or school counseling, and possessing a valid state teaching license or, if teaching where a license is not required, having taught in schools recognized and approved to operate by the state. To obtain National Board certification, a candidate must complete two major components: a portfolio of classroom practice, and a content knowledge computer-based assessment. The portfolio must include samples of student work, video recordings of instruction, and documentation of a teacher's work outside the classroom that has contributed to student learning. The assessment requires candidates to demonstrate knowledge of developmentally appropriate content and pedagogy necessary to teach across the age range and ability level of the certificate area in which they have applied. Certificates are available in broad academic subject areas including: art, career and technical education, English as a new language, language arts, exceptional needs (special education), health, library media, literacy/reading, mathematics, music, physical education, school counseling, science, social studies/history, and world languages.

29. The state requirements to complete the Wisconsin master educator assessment process (WMEAP) include: (a) documentation of a related master's degree; (b) five years of professional experience in education; (c) evidence of improved pupil learning; and (d) an assessment process. The assessment includes examination and observation by a team of three educators who have similar responsibilities to the candidate's, and who have been trained by DPI. Chapter PI 34 requires that the state assessment process be comparable to the NBPTS process. The WMEAP includes subject areas that are not currently offered under the NBPTS, such as school counselor, school social worker, and school psychologist.

30. Some have expressed concern that schools with relatively high enrollments of pupils of color and economically disadvantaged pupils may employ a disproportionate number of inexperienced or unqualified teachers. Inexperienced teachers are considered to be those who have three years of teaching experience in their current subject area or less, and unqualified teachers are those who have a bachelor's degree but no teacher preparation, and who currently hold an emergency teaching permit. It is thought that an unequal distribution of highly qualified and experienced teachers could contribute to achievement gaps.

31. Under the federal Elementary and Secondary Education Act (ESEA), each state's Title I plan is required to include information about how the state will ensure that pupils from low-income families and pupils of color are not taught at higher rates than other children by inexperienced or unqualified teachers. Wisconsin's final plan was submitted in June, 2015. The report focused on nine school districts which were identified as the state's largest gaps in equitable access to highly qualified teachers, including the five urban districts identified in the bill as well as West Allis, Waukesha, Janesville, and Beloit. The report identified four root causes of the equity issues, including the following: (a) lack of resources for school districts and schools to recruit and retain educators; (b) school climate, including teacher perceptions of safety and feelings of being valued; (c) lack of

ongoing professional learning; and (d) underexposure to high needs classrooms and teaching strategies in teacher preparation programs. The proposed increase in grant size would address the first of these root causes by providing a financial incentive for educators to become certified, and for those who achieve the certification to teach in high-poverty schools in urban districts.

32. DPI's agency request document indicates that the funding amount was determined based on projections for the number of individuals who would be eligible for grants and the estimated cost of providing the increased grant amounts. DPI estimates that in 2019-20, of the approximately 700 educators who would qualify for a continuing grant, 54 would be employed in a high-poverty school in an urban district, while 81 would be employed by another high-poverty school. In 2020-21, it is estimated that 60 educators would be employed by a high poverty school in an urban district and 82 would be employed by another high poverty school. Given the time required to obtain certification, it is likely that this number could increase further in future years.

ALTERNATIVES

The following sets of alternatives correspond with options identified in the paper:

1. Summer School Programming

a. Approve the Governor's recommendation to provide \$3,600,000 annually for grants for summer school programming, and expand grant eligibility from MPS under current law to all urban school districts. Also approve a technical correction to the definition of an urban district to reference enrollment in 2017-18 rather than 2018-19.

ALT 1a	Change to	
	Base	Bill
GPR	\$7,200,000	\$0

b. Take no action.

ALT 1b	Change to	
	Base	Bill
GPR	\$0	- \$7,200,000

2. Year-Round Schooling

a. Provide \$3,000,000 beginning in 2020-21 for a pilot program for year-round schooling, as recommended by the Blue Ribbon Commission on School Finance.

ALT 2a	Change to	
	Base	Bill
GPR	\$3,000,000	\$3,000,000

- b. Take no action.

3. Early Childhood Education

- a. Approve the Governor's recommendation to provide \$5,000,000 beginning in 2020-21 for early childhood education grants to urban school districts, with a technical correction to the definition of an urban district to reference enrollment in 2017-18 rather than 2018-19.

ALT 3a	Change to	
	Base	Bill
GPR	\$5,000,000	\$0

- b. Take no action.

ALT 3b	Change to	
	Base	Bill
GPR	\$0	-\$5,000,000

4. Head Start Supplement

- a. Provide an additional \$1,000,000 beginning in 2020-21 for Head Start supplemental grants, as recommended by the Blue Ribbon Commission on School Funding.

ALT 4a	Change to	
	Base	Bill
GPR	\$1,000,000	\$1,000,000

- b. Take no action.

5. Four-Year Old Kindergarten Start Date

- a. Modify current law to specify that a pupil can begin 4K in September if he or she turns four by December 31, and in January if he or she turns four between January 1 and the last day of the school year, as recommended by the Blue Ribbon Commission on School Funding.

- b. Take no action.

6. Community Engagement Grants

- a. Approve the Governor's recommendation to provide \$1,000,000 annually beginning in 2019-20 for community engagement grants for urban school districts, with a technical correction to the definition of an urban district to reference enrollment in 2017-18 rather than 2018-19.

ALT 6a	Change to	
	Base	Bill
GPR	\$2,000,000	\$0

- b. Take no action.

ALT 6b	Change to	
	Base	Bill
GPR	\$0	- \$2,000,000

7. Principal Training

- a. Approve the Governor's recommendation to provide \$250,000 beginning in 2019-20 for training and support for principals employed by urban school districts, with a technical correction to the definition of an urban district to reference enrollment in 2017-18 rather than 2018-19.

ALT 7a	Change to	
	Base	Bill
GPR	\$500,000	\$0

- b. Take no action.

ALT 7b	Change to	
	Base	Bill
GPR	\$0	- \$500,000

8. Grants for National Teacher Certification or Master Educator Licensure

- a. Approve the Governor's recommendation to provide \$571,200 in 2019-20 and \$652,900 in 2020-21 for grants for teachers who are nationally board certified or hold a master educator license, and increase the size of the annual grant for educators who are employed in a school that is located in an urban school district or at which at least 60% of pupils qualify for a free or reduced-price lunch.

Also approve a technical correction to the definition of an urban district to reference enrollment in 2017-18 rather than 2018-19.

ALT 8a	Change to Base	Bill
GPR	\$1,224,100	\$0

b. Take no action.

ALT 8b	Change to Base	Bill
GPR	\$0	-\$1,224,100

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