



WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

Memo No. 2

TO: MEMBERS OF THE STUDY COMMITTEE ON STUDENT ACHIEVEMENT
GUARANTEE IN EDUCATION (SAGE) PROGRAMS

FROM: Katie Bender-Olson and Jessica Ozalp, Staff Attorneys

RE: Options for Discussion Following Second Meeting

DATE: September 15, 2014

This Memo summarizes options for further consideration by the SAGE study committee and provides specific decision points for the membership to address. The Memo is intended to assist the committee by focusing discussion in order to refine and eliminate options for potential draft legislation. The presented options were revised following the August 14, 2014 meeting, based upon information received by the committee and direction from the committee chair.

The Joint Legislative Council tasked the committee with studying the SAGE program and considering whether to institute alternatives to current class size limitations. Specifically, the committee scope reads as follows:

The study committee is directed to study the SAGE program; whether there are alternatives to current class size limitations that would allow schools to achieve the aims of SAGE; and whether the Department of Public Instruction should be authorized to waive the class size limitations in a school that implements alternative interventions, or to otherwise provide funds and assistance for alternatives to class size limitations.

The committee may consider this scope when evaluating options and determining its recommendations.

NEW ROUND OF SAGE CONTRACTS

Background

A school may only enter the SAGE program when the Legislature authorizes a round of SAGE contracts, though a school currently participating in the program may renew its existing SAGE contract. The most recent large-scale authorization of new SAGE contracts was for contracts beginning in the 2010-11 school year. Schools that are not currently participating in SAGE cannot enter the program unless state law is changed to authorize additional SAGE contracts.

Committee discussion noted that certain school districts or schools with high concentrations of low-income students, which appear to be prime candidates for the SAGE program, are not currently participating in the program or participated in the past and have subsequently dropped out.

Option: Authorize a New Round of SAGE Contracts

The committee could consider authorizing a round of new SAGE contracts beginning in the 2015-16 school year and could allow any eligible school to enter the program. Alternatively, the committee could consider authorizing a more limited round of new SAGE contracts and make only those schools meeting revised criteria eligible to enter the program.

Decision Points:

- Decision 1: Should the committee recommend authorizing a new round of SAGE contracts, allowing additional schools to enter into the program?
- Decision 2: If a new round is authorized, should SAGE contracts be open to any school that qualifies under the existing criteria, which requires schools to have at least a 30% low-income enrollment?
- Decision 3: As an alternative to Decision 2, should a new round of SAGE contracts be limited to schools with a higher threshold of low-income enrollment? If so, what threshold should apply?

MINIMUM THRESHOLD OF LOW-INCOME STUDENTS

Background

Under current law, an individual school must have an enrollment of at least 30% low-income students before the school district may initially enter into a SAGE contract on behalf of that school. The Department of Public Instruction (DPI) reports that most schools in the state currently meet the minimum 30% low-income enrollment threshold. The minimum threshold applies when a school first enters into SAGE, but the school is not required to maintain this percentage when it later renews a SAGE contract.

The committee heard discussion about targeting eligibility for the SAGE program to those schools and districts with high concentrations of low-income students. Members noted that the number of schools eligible to participate in SAGE has increased over time, and that the more students participate, the less SAGE funding schools receive for each individual student because the funds are prorated.

Option: Implement a Different Minimum Low-Income Threshold

The committee could consider increasing the minimum low-income threshold above 30% before a school is eligible to renew its SAGE contract.

Decision Points:

- Decision 1: Should the committee recommend increasing the 30% low-income enrollment threshold before a school may **renew** its existing SAGE contract (require higher threshold for continued participation in SAGE program)?
- Decision 2: If an increased low-income threshold applies, what threshold should be required?

INCLUSION OF 4K IN SAGE PROGRAM

Background

Existing SAGE contracts do not cover four-year-old kindergarten (4K) and school districts cannot receive SAGE funding for 4K students. Under current law, only low-income students enrolled in Kindergarten to grade 3 are eligible for SAGE funding. Because the SAGE program does not presently include 4K, student-to-teacher ratios of the program do not apply to these classrooms.

Group child care centers licensed by the State of Wisconsin are currently subject to staff-to-child ratios of 13:1 for four-year-old children. [s. DCF 251.05 (4) (b) and Table 251.05-D, Wis. Adm. Code.] The committee heard discussion about current exclusion of 4K from the SAGE program and noted that small class sizes for four year olds seem appropriate, given that the state enforces staff-to-child ratios for this age group in child care settings.

Option: Expand SAGE to Include 4K

The committee could consider making 4K eligible for participation in the SAGE program and for SAGE funding. The committee could make 4K participation by a SAGE school a requirement for a district to participate in the program (as it currently is for K-1). Alternatively, the committee could make 4K participation optional for a school (as it is for grades 2-3).

Decision Points:

- Decision 1: Should the committee recommend expanding the SAGE program to include 4K?

- Decision 2: The SAGE program currently allows participating schools flexibility to decide whether grades two and three will participate in the program from year to year. This means a school can choose not to maintain an 18:1 or 30:2 ratio in 2nd and 3rd grade classrooms without losing its SAGE contract. In contrast, a school must maintain an 18:1 or 30:2 ratio in all of its Kindergarten and grade 1 classrooms to continue participating in SAGE.

If SAGE is expanded to include 4K, should a school be required to maintain an 18:1 or 30:2 ratio in all 4K classrooms in order to continue participating in SAGE (similar to Kindergarten and grade 1)? Or, should schools have flexibility to choose whether 4K will participate in SAGE from year to year (similar to grades 2 and 3)?

ALLOWING PARTICIPATION BY SCHOOLS EXPERIENCING SMALL FLUCTUATIONS IN CLASSROOM RATIOS

Background

The committee discussed the planning difficulties faced by schools struggling to meet the classroom ratio requirements for SAGE. The committee heard testimony that this is a particularly thorny challenge in rural school districts where small, overfull schools face a threat of sudden loss of eligibility for SAGE if new students move into the district near the September count date, causing classrooms to exceed ratios.

To maintain SAGE funding, school districts must maintain the 18:1 or 30:2 ratios in every Kindergarten and grade 1 classroom. Wisconsin law prohibits waiver in these grade levels. Thus, receiving extra students may lead to loss of a school's SAGE contract and loss of all SAGE funding. In grades 2 and 3, a school may request flexibility for that grade level when needed to absorb new arriving students, and lose funding only for the affected grade level. The committee discussed several options related to this topic.

Option: Allow Schools to Maintain SAGE Participation at any Compliant Grade Level

The committee could consider ways to allow schools flexibility to exclude any individual grade (including K-1) as needed, while keeping eligibility and funding for other compliant grade levels. This would alleviate the problem of entire schools losing SAGE funding because one grade level exceeds the classroom ratio requirements.

Decision Points:

- Decision 1: Currently, a school loses its SAGE contract for all grade levels (K-3) if the school does not maintain an 18:1 or 30:2 ratio in every Kindergarten classroom and every grade 1 classroom.

Should the committee recommend allowing schools flexibility to choose whether to participate in SAGE from year to year in Kindergarten and grade 1 (similar to grades 2 and 3)?

Option: Allow Schools to Maintain SAGE Participation in Individual Classrooms

The committee could consider ways to allow schools to maintain SAGE eligibility and funding for individual classrooms that comply with the 18:1 ratio requirements, even if other classrooms in the school fail to comply. This flexibility would alleviate the problem of an entire school losing its SAGE funding because one classroom exceeds 18 students in a situation where all classrooms are at the maximum allowed ratio and a new student moves into the district.

Decision Points:

- Decision 1: Currently, a school must maintain an 18:1 or 30:2 ratio in every classroom in the entire grade level. If even one classroom exceeds the ratio, then the school loses SAGE funding for that entire grade level, or for all grade levels (K-3).

Should the committee recommend allowing schools to maintain SAGE funding for any individual classroom that maintains an 18:1 or 30:2 ratio?

Option: Use Three-Year Rolling Average to Determine Whether a School Meets 18:1 Requirement

One option raised to the committee was to use a three-year rolling average instead of a yearly count to allow schools more flexibility in meeting the classroom ratio requirement. The committee could consider ways to implement an average ratio to replace the yearly count requirements.

Decisions Points

- Decision 1: Does the committee need to consider a three-year average classroom ratio if it moves forward with flexibility mentioned in the two preceding options (grade level or classroom flexibility)?
- Decision 2: If so, should the committee recommend use of a three-year rolling average when calculating classroom ratios?
- Decision 3: How would the classroom ratio be calculated and implemented (i.e., each school would report its average class size in each grade by using the prior two school years and the current school year and would meet the ratio requirement with an average of 18.0 or less)?

DEVELOPING A SAGE EQUIVALENCY MODEL

Background

Currently, if a school receives even one additional student that takes a classroom over the required classroom ratios, the school may face loss of its SAGE contract and the associated funding. The committee heard testimony noting that the SAGE funding a school receives may not be sufficient to cover the expense of hiring a new teacher to meet the classroom ratios. School

administrators indicated they have insufficient control over these circumstances, and that the cost-benefit considerations make this a difficult budgetary problem.

The committee heard discussion about creation of an equivalency model that would permit a school to apply to DPI to allow a 20:1 classroom ratio if the school implements alternatives that support early literacy (i.e., Reading Recovery or Literacy Coaches). Testimony pointed out that under the current rules, flexibility in classroom ratios would be the most helpful alteration to SAGE requirements because schools that cannot meet ratios in every classroom are excluded whether or not they meet the other SAGE criteria.

Option: Create an “Equivalency” Model by Weighting All Four SAGE Criteria

The committee could consider developing an equivalency model to allow a school more flexibility in classroom ratios in return for providing effective literacy support. Testimony suggested that under such a model, a school receiving flexibility on ratios would have to monitor literacy. If the school failed to meet specified goals by the third year of flexibility, for example, the 18:1 classroom ratio requirement would again apply. The committee could designate or create an appropriate body to evaluate and approve flexibility requests.

Decision Points

- Decision 1: Should the committee recommend state funding support for literacy interventions by incorporating flexibility into the SAGE program? Or, should such support be provided through another program or appropriation?
- Decision 2: Should the committee recommend allowing schools to exceed the required 18:1 or 30:2 classroom ratios if they propose implementation of specific literacy interventions? What maximum classroom size should be allowed?
- Decision 3: If schools may request classroom size flexibility based on literacy interventions, should schools have to achieve specific literacy goals within three years?
- Decision 4: What agency or body should evaluate and approve requests to exceed the 18:1 or 30:2 ratio based on literacy interventions and monitor whether schools achieve their proposed literacy goals?
- Decision 5: What criteria should the evaluating agency or body use to measure whether schools have achieved their proposed literacy goals?
- Decision 6: If the evaluating agency or body is DPI (or includes DPI), should the committee recommend additional funding for DPI to cover the increased administration costs?