



"Leadership in Public School Governance"

JOHN H. ASHLEY, EXECUTIVE DIRECTOR

122 W. WASHINGTON AVENUE, MADISON, WI 53703  
PHONE: 608-257-2622 FAX: 608-257-8386

TO: Members, Speaker's Task Force on Rural Schools  
FROM: Dan Rossmiller, WASB Government Relations Director  
RE: A Perspective on the Challenges Facing Rural Schools in Wisconsin  
DATE: January 28, 2014

Chairperson Swearingen, members of the Task Force, thank you for inviting me to speak to you today and thank you for the important work each of the members of this task force is doing to illuminate the problems of rural schools. I would also like to thank Speaker Vos for establishing this task force to examine the challenges faced by rural school districts throughout our state.

One of the advantages of testifying last at a public hearing is that many things have already been said. It's also one of the challenges of testifying last because many things have already been said. I hope I will be able to offer you a slightly different perspective on some of the concerns you have heard about as you've travelled the state.

American poet Gertrude Stein famously wrote that a "rose is a rose is a rose is a rose." I don't know as much about flowers as I know about schools. Schools are not roses. No two school districts in our state have the same student demographics or technology or transportation needs or finances or even the same revenue limit. They are all a bit different in different ways. However, I hope that by touring rural schools in different parts of the state, you have an appreciation that although the needs of rural schools throughout the state are not identical, rural schools do share many common challenges.

One set of challenges many rural school districts face are related to what I'll call problems of a lack of scale and scope and what others have called sparsity. While I believe you have seen that our state's rural schools are surviving, they are not thriving as they should.

Many rural school districts have relatively small enrollments. Further, rural school districts are likely to be losing enrollment over time. Smaller enrollments mean that a typical rural school district's fixed costs are spread among fewer students. This may mean technology infrastructure improvements (such as providing more broadband access) may have a higher per pupil cost in smaller rural districts than they do elsewhere in the state.

Smaller enrollments typically mean smaller faculty of teachers, and a lower likelihood that teachers will hold the same variety of teaching certifications as larger districts. This often limits the course offerings rural schools can provide, compared to larger school districts.

Rural school districts, and especially those with large geographic areas and few students per square mile (so called sparse districts), have high pupil transportation costs. They spend much more money just to get students to the classroom door (and back home again) than other districts.

Many rural areas have populations that are aging, with many retirees on fixed incomes and fewer women of childbearing age. As a result, enrollments are declining in many rural districts, meaning less revenue is available for schools, because revenue limits and state aid are tied to enrollment and often the full-year residents of these districts have less ability to pay for schools out of current income. The problem for many rural districts becomes: “As enrollment declines can we shed costs faster than our revenue is declining?”

Because upwards of 70 percent (often more) of a school district’s costs are personnel related, the easiest way to cut is to cut staff, but that is not always possible. (Explain stepwise cost function –easy to cut if 20 students all leave at same grade level--and inability to cut staff if enrollment declines by one or two students per classroom).

What gets cut? Probably not the teachers who teach what gets tested on state assessments and what gets reported on state accountability report cards. Unfortunately, in many districts the electives that have been cut have been the career and technical education classes that prepared students for the jobs available in their community.

It is ironic listening to Mr. Sedlmayr. When I was born, my father, a former vocational agriculture teacher, was the principal of the Racine County Agricultural High School in Rochester, not far from where Speaker Vos lives today.

We once had whole high schools devoted to training students for careers in farming in at least 13 counties in our state. These schools, operated by counties, were built around a working farm, which provided hands-on learning opportunities for students as well as food for the school cafeteria. Those students whose families lived long distances from the school and wished to live on campus, were housed in on-campus dormitories. Those schools went the way of county school superintendents—which were eliminated in the early 1960’s when the Cooperative Educational Service Agencies (or CESAs) were created. I believe the last county agricultural high school to cease operating was in Dunn County in the early 1970s. But it shows that once time our state was able to do some very “outside the box” thinking to train our young people for the family-sustaining jobs that needed to be done in our state at that time. We need some of that same “outside the box” thinking to meet today’s workforce training demands.

But I digress.

Under revenue limits, a school district’s ability to sustain programs depends on its ability to pass referendums—a problem that is amplified by declining enrollment. Too often the matter of sustaining vibrant schools in our state’s rural areas comes down to a question of resources.

Simply put, many children in rural schools are being shortchanged. Compared to students in many suburban and urban districts, students in many rural school districts are being shortchanged in terms of instructional resources. Consider two school districts that each spend \$10,000 per pupil under the revenue cap. The rural district spends \$1,500 per pupil to transport its students to and from school, while the other school district spends \$100 per pupil to transport its students to and from school.

The rural school has only \$8,500 of its revenue cap left for instructional and other costs, while the urban or suburban district has \$9,900 of its revenue cap available for instructional and other costs. That’s a gap of \$1,400 per pupil. If one assumes an average classroom of 20 students, that’s a difference of \$28,000 per classroom.

Is it any wonder that rural schools struggle under the revenue cap to implement technology or to attract and retain quality teachers?

And if I might add this comment, this task force has discussed ways to make it easier for rural schools to attract and retain quality teachers and the WASB encourages further discussions. To answer the question I anticipate receiving from Rep. Wright, my organization supports the loan forgiveness concept that has been discussed by the task force. Such a program would provide student loan forgiveness for teachers who agree to teach for a period of time in a rural school district. We look forward to seeing the details as a formal proposal emerges.

We also support proposals for granting additional licensure flexibility, particularly flexibility for teachers in shortage areas where a lack of certified teachers hampers small and rural districts' efforts to provide the same well-rounded course offerings, such as advanced placement (AP) classes and Science, Technology, Engineering and Mathematics (STEM) classes found in larger and urban school districts.

It is critical to rural schools that this task force finds ways to level the playing field for rural schools. And yes, that will involve providing resources.

We recognize that it costs more to educate some children than others. We explicitly recognize this with the respect to special education for children with special needs. We need to take a broader view of this when it comes to ensuring opportunities for children in small and rural districts.

I urge you to continue the high cost transportation aid. It puts money where it is needed most. It is a start. However, in order to bring the cost of those school districts whose transportation costs exceed 150 per cent of the statewide average pupil transportation costs back to the statewide average level this program should be doubled to \$10 million per year. But that addresses just a fraction of transportation costs incurred by districts and doesn't address the needs of districts whose transportation costs do not exceed 150 percent of the statewide average per pupil cost.

I urge you to increase sparsity aid. This program was originally intended to provide small rural school districts with \$300 per pupil to help those districts compensate for the lack of economies of scope and scale and the higher per pupil costs of administration in the smallest, most geographically isolated rural districts. As the result of first cuts and then freezes to the sparsity aid appropriation, sparsity aid payments have been prorated at 82 percent last year and 79 percent this year. The per-pupil reimbursement has fallen to \$246 per pupil in last year and to \$237 this year.

According to the DPI's budget request submitted in late 2012, it would take just over \$3.3 million to fully fund sparsity aid at \$300 per pupil based on current estimated eligible costs with the enrollment size cutoff at 725 students.

While we urge you to increase sparsity aid payments, we urge you not to expand sparsity aid eligibility to districts with enrollments higher than 725 students without also increasing the dollars in the appropriation. If you do that you will dilute the payments to existing recipients to the point where they may be so small that they won't provide the relief they were intended to provide. That could inadvertently harm the very smallest districts in the state. If you expand eligibility, please expand the amount of money provided so the level of the payments remains at least at its current level, and preferably higher.

Given that the statewide average free-and reduced price lunch (FRL) eligibility is now over 40 percent, the 20 percent threshold is no longer relevant and should be eliminated. We urge you to eliminate this threshold.

Changing gears just a bit, there's an old saying that when you find yourself in a hole, the first thing to do is to stop digging.

I would ask that you not impose more mandates on schools without a compelling reason and considerable thought. And if you DO impose mandates, please provide funding. There is a hearing tomorrow on a bill mandating everyday instruction in P.E. at the elementary level. Many small and rural school districts are not staffed to accomplish this. Many rural elementary schools hold their P.E. classes in "multipurpose rooms" that also serve as the school cafeteria. These rooms are occupied all day as it is. These schools lack the space to hold everyday P.E.

Other bills that would impose additional financial burdens on schools include proposals to require safety belts on school busses. This mandate would impose an additional cost of \$10,000-\$15,000 per bus. Passing this bill could actually have the unintended consequence of causing districts to hold on to their aging buses longer, which could potentially reduce student safety in other ways. This bill will have a more serious impact on rural districts simply because they transport children longer distances, which puts more wear and tear on buses. In many northern districts school busses travel on unpaved roads that become "wash boarded" due to the freezing and thawing that occurs during the longer winter season up north. Driving busses on these roads for long distances means these busses take a pounding that buses in other parts of the state do not have to withstand and, in many cases, shortens their lifespan. The more frequently busses must be replaced, the greater the impact the bill mandating seat belts will have on the finances of rural school districts.

I also ask that you carefully consider the impact of creating new systems of publicly funded schools—whether through vouchers or independent charters—and that you create separate appropriations to fund such schools.

You have heard testimony warning you about how expand independent charter schools under the current funding system will drain increasing amounts from school aids that would otherwise be paid to school districts, including—and perhaps especially—rural school districts. I urge you to find a way to fund independent charter schools without taking money away from rural schools and to do it now before independent charter schools are expanded further. Create a separate appropriation to fund independent charters. It will reassure public school folks that their funding won't be continually raided or eroded by what are essentially competitors and it will make your job of evaluating how well these independent charters are working and how they should be funded much easier in the future.

I hope you will ask yourselves two questions as you look for solutions: 1) is what you're proposing adequate to meet the needs of rural schools and students? and 2) is it equitable?

One area where opportunities for rural students are neither adequate nor equitable relates to the availability of course offerings in smaller, rural districts. Often, these districts simply don't have teachers with the proper certifications to teach all the courses that larger districts offer.

This is an area where technology can play a role. It is essential for rural schools to be able to provide high quality and equitable options for students. Virtual or online education can provide this content. It can do so using certified teachers who have the proper content knowledge.

You heard excellent testimony about information technology and how it can help rural schools from both Jerry Fiene and Dawn Nordene, among others. All the statewide education groups that testified before this committee have stressed technology as an equalizing factor to improve opportunities in rural schools.

Dawn Nordene from CESA 9 outlined for you how online learning can improve learning options at low cost or no cost to students—and at a much lower cost than through other traditional options such as the Youth Options program, where students physically travel to technical college or university campuses to take classes on those campuses.

Over 225 Wisconsin school districts currently supplement their class offerings through online classes offered by the Wisconsin Virtual Learning Collaborative which operates without any direct state support or subsidy. Yes, it is correct that, currently, Wisconsin provides no state funding for development or implementation of the virtual options offered by the Wisconsin Virtual Learning Collaborative. Imagine how much more this cost-effective collaborative could do if it were properly supported by the state.

All of our surrounding states spend money in support of virtual school programs. Wisconsin is lagging behind in this area and some of the students most hurt by this are our rural students. It is time for the state to step up for rural students and provide funding for virtual school programs.

And speaking of funding for virtual, online education, the WASB urges you to work to develop a new version of the TEACH program for the “two thousand teens.” (TEACH is an acronym for **T**echnology for **E**ducational **A**CHievement.) When it was adopted in 1997 as a major initiative of Republican Governor Tommy Thompson, the TEACH program placed Wisconsin in the forefront of state’s investing in educational technology.

Created by 1997 Act 27, the biennial budget act, as a 5-year, up-to-\$500 million program, TEACH easily gained bipartisan support. It didn’t hurt that dollars spent on the TEACH program were considered part of the state’s commitment to provide two-thirds state funding for schools, which was in effect at the time. A 2002 Legislative Fiscal Bureau Audit of the TEACH program found that through 2001, the state had spent roughly \$200 million on the TEACH program.

Sadly, little remains of this program, which was of particular benefit to small and rural schools. The only piece left of the original TEACH program is bandwidth subsidies. While helpful, bandwidth subsidies address only a small fraction of schools’ technology needs, many of which relate to infrastructure. Rural school districts need funding for infrastructure and connectivity. They need updated, modern servers, switches and wireless access points, items not funded by what remains of the TEACH program.

Jerry Fiene of the Wisconsin Rural Schools Alliance has outlined a proposal for a new program, based on the original TEACH program concept, that would be funded through bonding and administered through the Department of Administration. That proposal would combine block grants to rural school districts to help them develop their technology infrastructure (e.g., upgrading servers, adding or upgrading wireless networks or other hardware, contracting for technology support, etc.) with separate funding for bandwidth expansion and for staff development of teachers and aides in the use of technology and blended learning. Block grants could be based on enrollment and sparsity to better target rural schools. A portion of the proposal would provide state funding for the Wisconsin Virtual Learning Collaborative.

On the issue of bandwidth, you heard testimony about BadgerNet and how much capacity districts are using. The current BadgerNet contract, which runs through 2016, provides for 100 Megabits per second at a cost of \$250 per month. Current national recommendations call for at least 250 Mbps per 1,000 students now and at least a Gigabit (1,000 megabits) per second per thousand students by 2017. Clearly, Wisconsin schools are lagging behind this recommendation. Consider this: between 2009 and 2012 bandwidth utilization by K-12 school districts grew by 325 percent, and that was before we had the following state-driven initiatives that are coming

down the pike and will require additional bandwidth: student information system, online state assessments and online professional development for teachers and staff.

The principal driver of the need for more bandwidth is a move toward 1-to-1 computing, where each child has his or her own device as well as software such as Google Apps for Education. Allowing or providing each student with a device (a laptop, tablet or iPad) would allow personalized choices for students and personalized learning experiences. Moving to 1-to-1 computing in classrooms also allows teachers to focus on identifying, implementing and helping students to master high quality curriculum materials. Further, it frees up teachers to focus on teaching rather than tasks such as photocopying lesson materials.

Finally, I want to give you a list of specific initiatives the WASB supports that we believe will be of benefit to smaller and rural school districts. These initiatives mainly center on providing additional flexibility or relief from existing mandates. They include:

- Scheduling flexibility, including eliminating the mandate to hold school for a 180-day school calendar and eliminating the September 1 school start date;
- Flexibility in sharing students, including through programs such as “whole grade sharing,” which has provided districts in the state of Iowa a flexible option for reducing costs for many years and an alternative to permanent consolidation.
- Providing either a revenue limit exception or a state grant program as a way to fund innovative programs. Presently, districts have little alternative but to go to voters with a referendum in order to fund such programs.
- Rolling back a provision in the 2013-15 state budget limiting eligibility to receive a Wisconsin retirement System (WRS) pension that prevents many retired teachers and administrators from coming back to work when school districts have an opening. These retirees often hold necessary and critically needed certifications; they often know the students as well as the district’s procedures and practices. They can step in immediately to fill the void when a long term absence arises such as through illness or accident. It is penny-wise and pound-foolish not to encourage these retirees from contributing further to the schools they served so well for so many years.

Thank you again for the opportunity to address this task force and thank you for the important work you have taken on. I would be happy to answer any questions you may have.