

PUBLIC INSTRUCTION

Budget Summary							
Fund	2014-15 Base Year Doubled	2015-17 Governor	2015-17 Jt. Finance	2015-17 Legislature	2015-17 Act 55	Act 55 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$11,065,102,000	\$11,109,105,200	\$11,354,425,000	\$11,354,425,000	\$11,354,415,000	\$289,313,000	2.6%
FED	1,548,933,200	1,755,430,400	1,755,269,400	1,755,269,400	1,755,269,400	206,336,200	13.3
PR	85,928,200	87,824,800	87,497,600	87,497,600	87,497,600	1,569,400	1.8
SEG	<u>105,553,600</u>	<u>112,104,600</u>	<u>115,104,600</u>	<u>115,104,600</u>	<u>115,104,600</u>	<u>9,551,000</u>	9.0
TOTAL	\$12,805,517,000	\$13,064,465,000	\$13,312,296,600	\$13,312,296,600	\$13,312,286,600	\$506,769,600	4.0%

FTE Position Summary						
Fund	2014-15 Base	2016-17 Governor	2016-17 Jt. Finance	2016-17 Legislature	2016-17 Act 55	Act 55 Change
						Over 2014-15 Base
GPR	253.43	250.47	250.47	250.47	250.47	- 2.96
FED	309.19	301.89	301.89	301.89	301.89	- 7.30
PR	<u>84.64</u>	<u>81.69</u>	<u>81.69</u>	<u>81.69</u>	<u>81.69</u>	<u>- 2.95</u>
TOTAL	647.26	634.05	634.05	634.05	634.05	- 13.21

Budget Change Items

General School Aids and Revenue Limits

1. STATE SUPPORT FOR K-12 EDUCATION [LFB Paper 505]

Governor: Provide \$5,125,577,200 in 2015-16 and \$5,377,050,000 in 2016-17 for general and categorical school aids. Compared to the 2014-15 base level funding of \$5,241,687,000, school aids would decrease by \$116,109,800 (-2.2%) in 2015-16 and increase by \$135,363,000 (2.6%) in 2016-17. These proposed funding levels would represent annual changes to the prior year of -2.2% in 2015-16 and 4.9% in 2016-17.

Under the traditional definition of state funding for support of K-12 education (the sum of state general and categorical school aids, the school levy and first dollar credits, and the general program operations appropriation for the program for the deaf and the center for the blind), the

bill would decrease state support from the base amount of \$6,149,875,000 in 2014-15 to \$6,139,815,100 in 2015-16 and increase it to \$6,391,287,900 in 2016-17. These proposed funding levels would represent annual changes to the prior year of -0.2% in 2015-16 and 4.1% in 2016-17.

Using the traditional definition of partial school revenues (the sum of state school aids and property taxes levied for school districts), the administration estimates that state support of partial school revenues would increase from 62.3% in 2014-15 to approximately 62.5% in 2015-16 and 63.8% in 2016-17. These estimates incorporate the state support funding in the bill, which is presented in Table 1.

Joint Finance/Legislature: Provide \$5,244,540,400 in 2015-16 and \$5,444,611,300 in 2016-17 for general and categorical school aids. Compared to the Governor's recommendations, school aids would be increased by \$118,963,200 in 2015-16 and \$67,561,300 in 2016-17. Compared to the 2014-15 base year, school aids would increase by \$2,853,400 (0.1%) in 2015-16 and \$202,924,300 (3.9%) in 2016-17. These proposed funding levels would represent annual changes to the prior year of 0.1% in 2015-16 and 3.8% in 2016-17.

Using the traditional definition of state support of K-12 education, total funding would increase from \$6,149,875,000 in 2014-15 to \$6,258,778,300 in 2015-16 and \$6,458,849,200 in 2016-17. These funding levels would represent annual changes to the prior year of 1.8% in 2015-16 and 3.2% in 2016-17. With the changes K-12 school finance adopted by Joint Finance and the Legislature, it is estimated that state support of partial school revenues would be 62.9% in 2015-16 and 63.9% in 2016-17. A summary of the funding amounts for state support under the recommendations of the Governor and Joint Finance/Act 55 is presented in Table 1.

TABLE 1

State Support for K-12 Education

	2014-15 Base Year	Governor		Joint Finance/Act 55	
		2015-16	2016-17	2015-16	2016-17
General School Aids	\$4,492,790,500	\$4,492,790,500	\$4,600,928,000	\$4,492,790,500	\$4,600,928,000
Categorical Aids	748,896,500	632,786,700	776,122,000	751,749,900	843,683,300
School Levy Tax Credit	747,400,000	853,000,000	853,000,000	853,000,000	853,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	10,788,000	11,237,900	11,237,900	11,237,900	11,237,900
Total	\$6,149,875,000	\$6,139,815,100	\$6,391,287,900	\$6,258,778,300	\$6,458,849,200
Change to Prior Year:					
Amount		-10,059,900	251,472,800	108,903,300	200,070,900
Percent		-0.2%	4.1%	1.8%	3.2%
Change to Base:					
Amount		-10,059,900	241,412,900	108,903,300	308,974,200
Percent		-0.2%	3.9%	1.8%	5.0%

Table 2 provides an outline of state support for K-12 education by individual fund source. Table 3 presents the Act 55 funding level for each general and categorical school aid program as

compared to the 2014-15 base funding level. The provisions relating to individual school aid programs are summarized in the items that follow.

TABLE 2

State Support for K-12 Education by Fund Source

	2014-15	Governor		Joint Finance/Act 55	
	<u>Base Year</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2016-17</u>
GPR					
General School Aids	\$4,492,790,500	\$4,492,790,500	\$4,600,928,000	\$4,492,790,500	\$4,600,928,000
Categorical Aids	701,953,400	578,095,000	719,630,300	704,937,300	794,070,700
School Levy Tax Credit	747,400,000	853,000,000	853,000,000	853,000,000	853,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>10,788,000</u>	<u>11,237,900</u>	<u>11,237,900</u>	<u>11,237,900</u>	<u>11,237,900</u>
GPR Subtotal	\$6,102,931,900	\$6,085,123,400	\$6,334,796,200	\$6,211,965,700	\$6,409,236,600
PR					
Categorical Aids	1,507,500	1,507,500	1,507,500	1,507,500	1,507,500
SEG					
Categorical Aids	<u>45,435,600</u>	<u>53,184,200</u>	<u>54,984,200</u>	<u>45,305,100</u>	<u>48,105,100</u>
Total State Support - All Funds	\$6,149,875,000	\$6,139,815,100	\$6,391,287,900	\$6,258,778,300	\$6,458,849,200

TABLE 3
General and Categorical School Aid by Funding Source
2014-15 Base Year Compared to Act 55

Agency	Type and Purpose of Aid	2014-15 Base Year	Act 55		2015-17 Change over 2014-15 Doubled	
			2015-16	2016-17	Amount	Percent
General Aid						
DPI	General School Aids	\$4,475,960,500	\$4,475,960,500	\$4,584,098,000	\$108,137,500	1.2%
	High Poverty Aid	16,830,000	16,830,000	16,830,000	0	0.0
	Total General Aid	\$4,492,790,500	\$4,492,790,500	\$4,600,928,000	\$108,137,500	1.2
Categorical Aid--GPR Funded						
DPI	Special Education	\$368,939,100	\$368,939,100	\$368,939,100	\$0	0.0%
	High-Cost Special Education Aid	3,500,000	3,500,000	8,500,000	5,000,000	71.4
	Supplemental Special Education Aid	1,750,000	1,750,000	1,750,000	0	0.0
	Spec. Ed. Transitions Incentive Grants	0	0	100,000	100,000	N.A.
	Per Pupil Aid	126,975,000	126,842,300*	211,248,200	84,140,500	33.1
	SAGE***	109,184,500	109,184,500	109,184,500	0	0.0
	SAGE -- Debt Service	133,700	133,700	133,700	0	0.0
	Pupil Transportation	23,703,600	23,954,000	23,954,000	500,800	1.1
	High Cost Transportation	5,000,000	7,500,000	7,500,000	5,000,000	50.0
	Sparsity Aid	13,453,300	17,674,000	17,674,000	8,441,400	31.4
	Bilingual-Bicultural Education	8,589,800	8,589,800	8,589,800	0	0.0
	Tuition Payments	8,242,900	8,242,900	8,242,900	0	0.0
	Head Start Supplement	6,264,100	6,264,100	6,264,100	0	0.0
	Educator Effectiveness Grants	5,746,000	5,746,000	5,746,000	0	0.0
	School Lunch	4,218,100	4,218,100	4,218,100	0	0.0
	County Children with Disabilities Educ. Boards	4,067,300	4,067,300	4,067,300	0	0.0
	Career and Technical Education Grants**	3,000,000	0	0	-6,000,000	-100.0
	School Breakfast	2,510,500	2,510,500	2,510,500	0	0.0
	Peer Review and Mentoring	1,606,700	1,606,700	1,606,700	0	0.0
	Four-Year-Old Kindergarten Grants	1,350,000	1,350,000	1,350,000	0	0.0
	School Day Milk	617,100	617,100	617,100	0	0.0
	Aid for Transportation--Open Enrollment	434,200	434,200	434,200	0	0.0
	Cooperative Educational Service Agencies	260,600	0	0	-521,200	-100.0
	Gifted and Talented	237,200	237,200	237,200	0	0.0
	Supplemental Aid	100,000	100,000	100,000	0	0.0
	Aid for Transportation--Youth Options	17,400	17,400	17,400	0	0.0
DOA	Debt Service -- Tech. Infrastructure Bonding	2,052,300	1,458,400	1,085,900	-1,560,300	-38.0
	Total Categorical Aid--GPR Funded	\$701,953,400	\$704,937,300	\$794,070,700	\$95,101,200	6.8%
Categorical Aid--PR Funded						
DPI	AODA	\$1,284,700	\$1,284,700	\$1,284,700	\$0	0.0%
	Tribal Language Revitalization Grants	222,800	222,800	222,800	0	0.0
	Total Categorical Aid--PR Funded	\$1,507,500	\$1,507,500	\$1,507,500	\$0	0.0%
Categorical Aid--SEG Funded						
DPI	School Library Aids	\$34,000,000	\$36,000,000	\$38,000,000	\$6,000,000	8.8%
DOA	Educational Telecommunications Access Support	11,105,100	9,105,100	10,105,100	-3,000,000	-13.5%
UW	Environmental Education--Forestry	200,000	200,000	0	-200,000	-50.0
	Environ. Educ. -- Environmental Assessments	130,500	0	0	-261,000	-100.0
	Total Categorical Aid--SEG Funded	\$45,435,600	\$45,305,100	\$48,105,100	\$2,539,000	2.8%
	Total Categorical Aid--All Funds	\$748,896,500	\$751,749,900	\$843,683,300	\$97,640,200	6.5%
	Total School Aid--All Funds	\$5,241,687,000	\$5,244,540,400	\$5,444,611,300	\$205,777,700	2.0%

*Per pupil aid for 2015-16 enrollments would be paid on a one-time delayed basis in July of 2016.

**Funding for this purpose may be available to school districts from the Department of Workforce Development.

***Renamed the Achievement Gap Reduction (AGR) program under 2015 Act 53.