


## Impact of Private School Vouchers and Public Charters on Wisconsin Public Schools


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### Overview of Session

- Bob Soldner
  - Overview of revenue limits and general school aids.
  - Financial impacts of: (a) regular education (effective 2015-16) and special education (effective 2016-17) private school voucher programs; and (b) charter schools (school board and independent authorized).
- Sue Schnorr
  - Discussions by the Oshkosh Area School District and Actions of the School Board related to the regular education private school voucher program (Wisconsin Parental Choice Program).
- Mike Gerlach
  - Discussion by the Fond du Lac School District and Actions of the School Board related to the regular education private school voucher program (Wisconsin Parental Choice Program).



### Revenue Limits, State Aids, and Controlled Property Tax Levies


Revenue Limit

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State Aids  
(General Aid + High Poverty Aid + Computer Aid)


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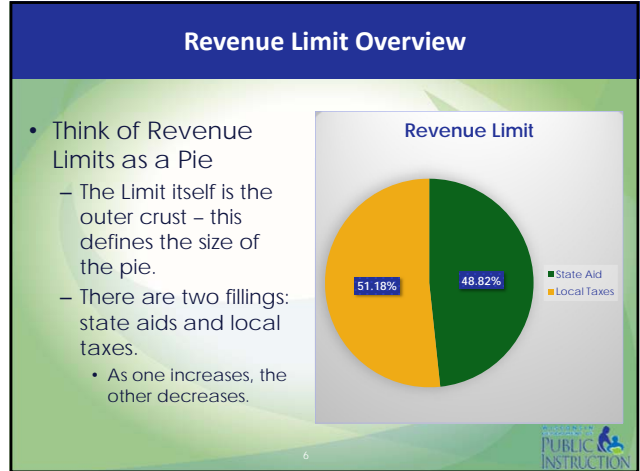
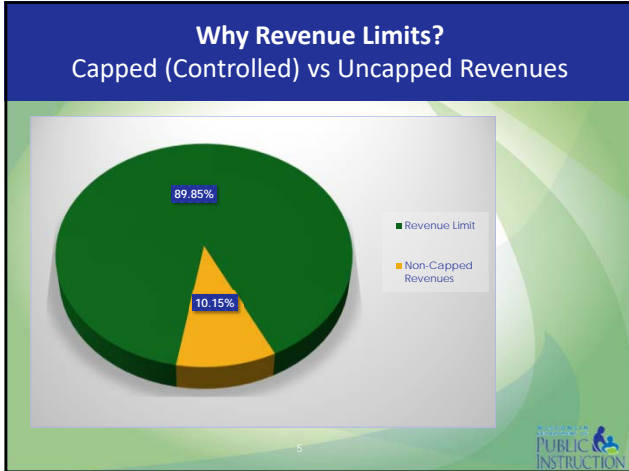
Revenue Limit  
Controlled Property Tax Levies



### Revenue Limit Overview

- In 1993-94, the State enacted revenue limits to control the amount of revenue a school district can collect through:
  - State General Aids
  - Aid for Exempt Computer Property
  - Local Property Taxes





### Revenue Limit Pie

- The amount of “filling” from state sources is determined by the state general school aids formula.
- The amount of “filling” from local taxes is based on the space available in the crust of the pie and whether the Board wants to fill the pie.

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### Revenue Limits

- Controlled (Capped) Revenues do not include other revenues such as:
  - Per Pupil Aid (**\$450/FTE in 2017-18 and \$654/FTE in 2018-19**)
  - Categorical Aids (Special Education Categorical Aid Library aid, Transportation aid, etc.)
  - State and Federal Grants
  - School Fees
  - Open Enrollment Tuition Revenue
- These revenues are in addition to the controlled revenues under the revenue limit.

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### Revenue Limit Factors

- **Critical factors in the revenue limit calculation include:**
  - Base Revenue (Prior Year Revenue Limit)
  - Membership (Full Time Equivalent Number of Students)
  - Allowable Annual Change Per Member
  - Allowable Exemptions to the Limit




### Revenue Limit Membership

- **Membership  $\neq$  Students in Seats**
  - Includes Residents attending School Board authorized charter schools (type of public school)
  - Includes Resident Open Enrollment (OE) students attending elsewhere
  - Excludes Non-Resident OE students being taught in your district
  - Pro-rates for part-time students, such as four year-old Kindergarten



### Revenue Limit Membership


- **Revenue Limit Membership is calculated on a three year average.**
  - A three year average is used to minimize the financial impact of a sharp increase or decrease in membership (FTE students).
  - 2017-18 Revenue Limit Membership =  $(\text{Sept 2015} + \text{Sept 2016} + \text{Sept 2017}) / 3$



### Revenue Limit Membership

2015-16 <u>Membership</u>	2016-17 <u>Membership</u>	2017-18 <u>Membership</u>
Sept 2013		
Sept 2014	Sept 2014	
Sept 2015	Sept 2015	Sept 2015
	Sept 2016	Sept 2016
		Sept 2017

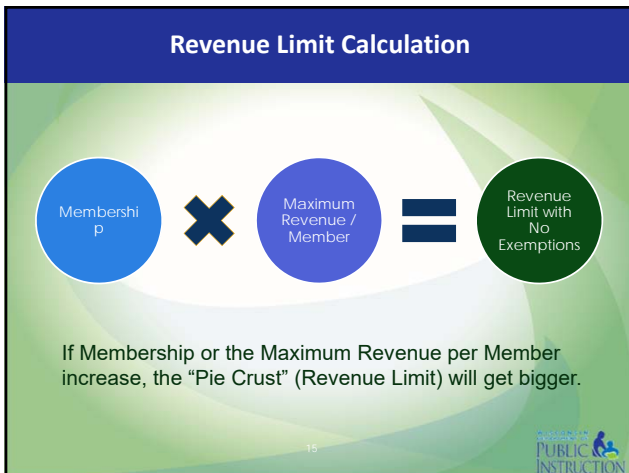
•Notice how an on-going membership change must be in place for 3 years before the full impact is realized in the revenue limit membership calculation.



### Per Member Adjustment & Per Pupil Aid

Year	Revenue Limit - Allowed Per-Member Change	Categorical Aid - Per Pupil
2009-10	\$200.00	\$0.00
2010-11	\$200.00	\$0.00
2011-12	(\$528.81)	\$0.00
2012-13	\$50.00	\$50.00
2013-14	\$75.00	\$75.00
2014-15	\$75.00	\$150.00
2015-16	\$0.00	\$150.00
2016-17	\$0.00	\$250.00
2017-18	\$0.00	\$450.00
2018-19	\$0.00	\$654.00

- ### Impact of Per Member Adjustment
- **Allowable Per Member Adjustment**
    - The amount of the per member adjustment will impact how much or how little the revenue limit increases.
    - A drop in the revenue limit membership may offset any increase, when applicable, generated by the per pupil amount.




- ### Allowable Exemptions to the Limit
- What are the most common Exemptions to expand the pie crust?
- Non-Recurring Exemptions (one time annual)
    - Make this year's pie crust bigger
      - Declining Enrollment
      - "Hold Harmless"
      - Energy Efficiency
      - Non-Recurring Referendum
  - Recurring Exemptions (ongoing permanent)
    - Makes this + future years' crusts larger
      - Transfer of Service
      - Recurring Referendum

### Allowable Exemptions to the Limit

**Important "New" Exemption**


- **Non-Recurring Exemptions**
  - Beginning in 2015-16, adjustment for incoming private school regular education voucher students:
    - In 2017-18, the authority to increase property taxes is equal to the state aid deduction used to pay the private school voucher amounts (\$7,530 per K-8 and \$8,176 per 9-12 FTE resident student) for the Wisconsin and Racine Parental Choice Programs.
  - Beginning in 2017-18, adjustment for incoming private school special needs scholarship program (SNSP) voucher students:
    - In 2017-18, the authority to increase property taxes is equal to the state aid deduction used to pay the private school voucher amounts (\$12,207 per FTE resident student) for the SNSP.
  - Revenue limit exemption (equal to the state aid deduction for these voucher programs) calculated by DPI and shared on October 15.

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### Top Ten State Programs (General Fund 2017-18)

Category	% of GPR Budget
<b>1. K-12 General and Categorical School Aids*</b>	<b>32.6%</b>
2. Medical Assistance	17.1%
3. State Correctional Operations	6.5%
4. University of Wisconsin System	6.3%
<b>5. School Levy/First Dollar Tax Credits</b>	<b>5.9%</b>
6. Shared Revenues	5.0%
7. Technical College System Aids	3.0%
8. State Debt Obligation Bonds	2.1%
<b>9. *Private School Choice and Charter Programs (DPI Combined)</b>	<b>2.0%</b>
10. Community and Juvenile Correctional Services	1.8%
All Other State Programs	17.7%
Total	100.0%

*Source: Legislative Fiscal Bureau (2017 Act 59 (2017-19 State Budget) Summary-Table 12)*


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### State Aids -- Equalization Aid Formula

General school aids primarily composed of Equalization Aids, which is a cost-sharing formula that incorporates:


- Spending = Shared Costs
- Number of Students to Educate = Members
- Property Value

**All Prior-Year Data**  
(2016-17 data is used for 2017-18 aid)

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### General School Aids Overview


- General School Aids contains three different components:
  - Equalization Aids
  - Integration (Chapter 220) Aids
  - Special Adjustment (85% Hold Harmless) Aids
- General equalization aids are received within school district revenue limits, thus increases or decreases in such state aids directly affect school district property tax levies.
- General equalization aids may be used by school districts for any purpose.
- Changes in any one school district's "factors" (membership, costs, property value) affect the distribution of general equalization aid in most other school districts.

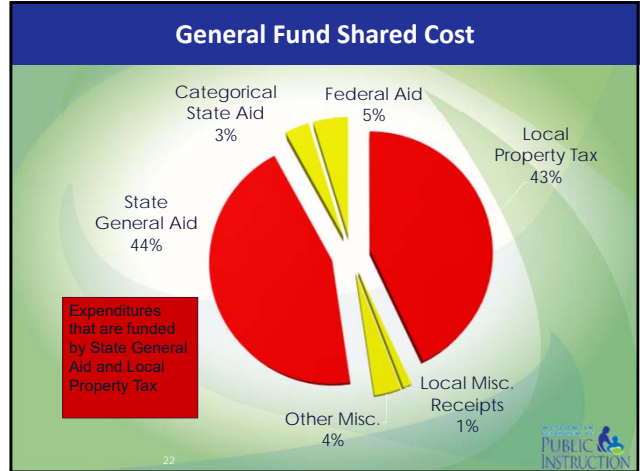
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### 2017-18 General School Aid Deductions

Program	Impact	Amount (In Millions)
Independent Charter Schools - Legacy	417 Districts*	\$65.9
Milwaukee Parental Choice (Vouchers)	Milwaukee	\$47.8
Wisconsin Parental Choice (Vouchers)	255 Districts	\$28.8
Racine Parental Choice (Vouchers)	Racine	\$14.0
Special Needs Scholarship (Vouchers)	25 Districts	\$3.0
<b>Total</b>		<b>\$159.5</b>

Five districts receive no state general aid.  
 • \$4,584.1 million in general school aids. \$159.5 million is 3.5% of total general school aids.





### State Aids Membership – Step 1


Average of  
 3rd Friday in September – FTE Residents  
 2nd Friday in January – FTE Residents


FTE = full-time equivalent  
 2 halftime (.5) kindergarten students = 1 FTE

+ Summer/Interim Courses FTE Residents

Summer/Interim = 48,600 minutes of instruction = 1 FTE


**All Prior-Year Data**  
 (2016-17 data is used for 2017-18 aid)



- ### State Aids Membership – Step 2
- Also Includes:**
- Wisconsin and Racine Private School Voucher Students
  - Special Needs Private School Voucher Students
  - Challenge Academy Students
  - Second Chance Partnership Students
  - Part-time Attendance F.T.E. of Resident and Non-Resident Private/Home-Schooled Students
  - Foster Group Home Students
  - Special Needs Scholarship Program Students
- See:  
 • <http://dpi.wi.gov/sfs/children/enrollment/membership-info-reporting>
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## Private School Voucher (Choice) Programs


- In 2017-18, four separate private school voucher programs exist:
  - Milwaukee Parental Choice Program
  - Racine Parental Choice Program
  - Wisconsin Parental Choice Program
  - Special Needs Scholarship Program
- A summary table including the:
  - participating private schools;
  - number of participating students (enrollment and FTE) by program by school;
  - estimated total annual payment received by the private school;
  - total number of students receiving a state funded voucher (the four programs combined) and the percentage of total private school student enrollment
- [https://dpi.wi.gov/sites/default/files/imce/sms/Choice/Data\\_and\\_Reports/2017-18/2017-18\\_Summary\\_MPCP\\_WPCP\\_RPCP\\_SNSP.xls](https://dpi.wi.gov/sites/default/files/imce/sms/Choice/Data_and_Reports/2017-18/2017-18_Summary_MPCP_WPCP_RPCP_SNSP.xls)

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## Private School Voucher (Choice) Programs

- [Go To: https://dpi.wi.gov/sms](https://dpi.wi.gov/sms)
- [Private School Choice Programs](#)
- [Private School Choice Programs: Data and Reports](#)
- Once on the page go to the Section "School Enrollment and Estimated Payment (MPCP, RPCP, WPCP & SNSP)"
- Select 2017-18 [PDF](#) or [Excel](#)


School Name	2017-18 School Year Student HC, FTE & Annualized Payment					3rd Friday September 2017					Total Choice & SNSP Student HC	Total Choice & SNSP Student FTE	% Choice & SNSP	
	MPCP Student FTE	RPCP Student FTE	WPCP Student FTE	SNSP Student FTE	Total Choice & SNSP Student FTE	Estimated Annualized Payment**	MPCP Student HC	RPCP Student HC	WPCP Student HC	SNSP Student HC				
1. A Promise of Hope Academy	0.0	0.0	0.0	0.0	0.0	\$0.00	0	0	0	0	0	0	0	0
2. Academy of Excellence	778.2	1.6	1.0	780.8	781.8	\$5,960,000.00	895	2	1	898	815	99.1%		
3. Aquinas Catholic Schools	138.5	138.5	940.5	1419.5	\$1,071,529.00	142	142	142	142	142	14.4%			
4. Assumption Catholic Schools	62.0	62.0	402.0	464.0	\$488,436.00	62	62	62	62	62	15.4%			
5. Atlas Preparatory Academy, Inc.	702.2	702.2	702.2	2106.6	\$5,446,836.00	719	719	719	719	719	100.0%			
6. Ascension Lutheran School	266.4	311.0	\$2,231,892.00	308	308	323	95.4%							
7. Bridge State Baptist School	14.5	3.0	33.5	51.5	\$408,564.00	47	8	2	57	87	65.3%			
8. Bay City Christian School	37.5	37.5	103.5	141.0	\$26,897.00	44	44	44	44	115	38.3%			
9. Beautiful Savior Lutheran School	2.5	5.5	8.0	49.5	\$40,240.00	3	7	10	10	57	17.5%			
10. Bethlehem Christ Church Academy	207.6	207.6	214.0	630.2	\$1,577,444.00	213	213	213	213	220	96.4%			

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## Parental "Choice" Options – 2017-18

<https://dpi.wi.gov/sites/default/files/imce/sfs/pdf/FY18-ChoiceOptionsFundingTable.pdf>

Program	2017-18 FTE Payment Amount	State/Federal Funding Sources	Created in Resident District's State Aid	Counted in Resident District's Revenue Limit	Retrieving Revenue Limit Exemption	Monetary Levy to Backfill Deduction	Other
MPCP – Milwaukee Private School Vouchers	\$7,530 K-8 \$8,176 9-12	77.6% GPR 22.4% MPS state general aid	No	No	No	Yes	MPS Receives High Priority Aid to reduce levy related to MPCP.
RPCP – Racine Private School Vouchers	\$7,530 K-8 \$8,176 9-12	100% GPR (for students participating prior to 15-16) Aid transfer equal to voucher payment from Racine (for students that participating in 15-16)	No	No	No	No	One year delay for state aid membership.
WPCP – Wisconsin Private School Vouchers (Statewide)	\$7,530 K-8 \$8,176 9-12	100% GPR (for students participating prior to 15-16) Aid transfer equal to voucher payment from resident school districts (for students that participating in 15-16)	No	No	No	No	One year delay for state aid membership.
SNSP – Special Needs Private School Vouchers (Statewide)	\$12,207 K-12	Aid transfer equal to SNSP (Special Needs Scholarship Program) payment from resident school district	Yes	No	Yes, equal to state aid deduction	No	One year delay for state aid membership. 2016-17: Counted in district's revenue limit FTE and no exemption.

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## Private Choice Programs and Per Student Payments

Wisconsin currently has three private school choice programs:

- Milwaukee Parental Choice Program (MPCP)-enacted in 1990-91
- Racine Parental Choice Program (RPCP)-enacted in 2011-12
- Wisconsin Parental Choice Program (WPCP)-enacted in 2013-14


Each program is funded on a current year basis with sum sufficient funds.

- 2017-18 Per FTE Student Payments:
  - Grades K-8 **\$7,530**
  - Grades 9-12 **\$8,176**
- 2018-19 Per FTE Student Payments:
  - Grades K-8 **\$7,747**
  - Grades 9-12 **\$8,393**

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### Milwaukee Parental Choice Program (MPCP) History

Fiscal Year	Number of MPCP Schools	Full-Time Equivalent (FTE) Students	MPCP FTE Student Payment	MPCP Total State Aid Payments/ Program Cost
1990-91	6	300	\$2,446	\$733,800
1998-99	83	5,761	\$4,894	\$28,194,300
2008-09	123	19,428	\$6,607	\$127,061,900
2010-11	100	20,256	\$6,442	\$129,183,100
2016-17	121	26,913	\$7,323/\$7,969	\$201,918,000
2017-18 (estimated)	126	27,670	\$7,530/\$8,176	\$213,300,000
2018-19 (estimated)	TBD	28,170	\$7,747/\$8,393	\$223,600,000

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### MPCP: State/Local Funding

- In 2017-18, the state directly pays 77.6% of the cost of the MPCP while Milwaukee Public Schools (MPS) pays 22.4% of the cost (\$47.8 million this year) through a reduction in its state general school aids.
- MPS can increase its property tax levy to replace this state general aid reduction under its revenue limit; however, MPS cannot count choice students in its membership for state general aid purposes and does not receive a revenue limit adjustment for each MPCP student.
- Under current law, the state General Purpose Revenue (GPR) share increases by 3.2% annually through 2023-24 and MPS' share decreases by the same figure each year until the MPCP is entirely GPR state-funded in 2024-25.
- MPS also received \$6.3 million in High Poverty Aid in 2017-18 to reduce its property tax levy related to the MPCP.

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### Racine Parental Choice Program (RPCP) History

Fiscal Year	Number of RPCP Schools	Total Full-Time Equivalent (FTE) Students	RPCP FTE Student Payment	RPCP Total State Aid Payments/ Program Cost
2011-12	8	219	\$6,442	\$1,408,200
2012-13	11	485	\$6,442	\$3,125,300
2013-14	13	1,169	\$6,442	\$7,529,400
2014-15	15	1,659	\$7,210/\$7,856	\$12,154,300
2015-16	19	2,057	\$7,214/\$7,860	\$15,089,900
2016-17	19	2,420	\$7,323/\$7,969	\$18,022,900
2017-18 (estimated)	23	2,915	\$7,530/\$8,176	\$22,356,000
2018-19 (estimated)	TBD	3,300	\$7,747/\$8,393	\$26,131,900

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### Wisconsin Parental Choice Program (WPCP) History

Fiscal Year	Number of WPCP Schools	Total Full-Time Equivalent (FTE) Students	WPCP FTE Student Payment	WPCP Total State Aid Payments/ Program Cost
2013-14	25	498	\$6,442	\$3,212,300
2014-15	31	994	\$7,210/\$7,856	\$7,345,200
2015-16	82	2,483	\$7,214/\$7,860	\$18,369,200
2016-17	121	2,978	\$7,323/\$7,969	\$22,382,500
2017-18 (estimated)	154	4,403	\$7,530/\$8,176	\$33,925,000
2018-19 (estimated)	TBD	7,150	\$7,747/\$8,393	\$56,600,000

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### RPCP/WPCP: State/Local Funding

- Students enrolled in the RPCP/WPCP prior to 2015-16:
  - Vouchers paid with state GPR funding until student exits program.
  - Students are not counted in a district's membership for state general aid or revenue limit purposes.
- Students enrolling in the RPCP/WPCP in 2015-16 or thereafter:
 

State General Aids

  - Resident district pays for RPCP/WPCP students through a reduction in its state general aids.
  - RPCP/WPCP students are counted in their resident district's membership for state general aid purposes in the following year.
  - In 2015-16 and 2016-17, the total number of pupils residing in the district who could participate in the choice program from each district was limited to no more than 1% of the district's prior year membership. Beginning in the 2017-18 school year, the enrollment limit will increase by one percentage point in each year until the enrollment limit reaches 10% of the district's prior year enrollment (2025-26). Beginning in 2026-27, no enrollment limit would apply.


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### RPCP/WPCP: State/Local Funding

- Students enrolling in the RPCP/WPCP in 2015-16 or thereafter (continued):
 


Revenue Limits

  - Resident districts receive a revenue limit adjustment equal to the per student choice payment, allowing them to replace the state general aid reduction through increased property taxes if the resident school board chooses to do so.

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### RPCP State/Local Funding History

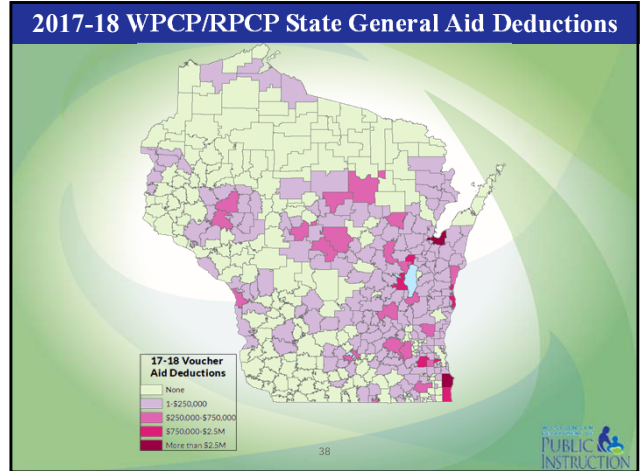
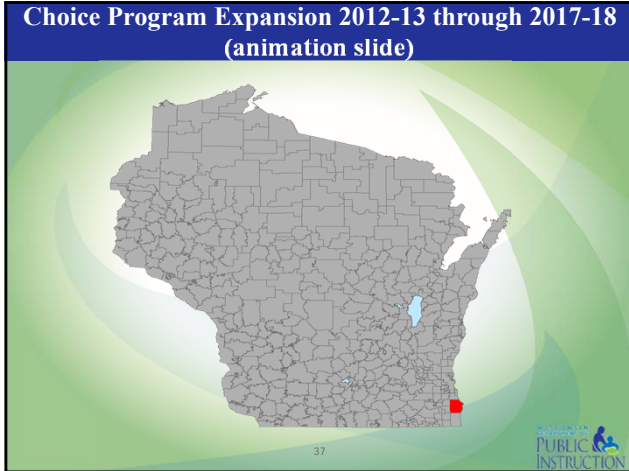
Fiscal Year	RPCP FTE Students	RPCP Direct State GPR Funding	State General Aid Deduction/Local Property Taxpayer Funding
2011-12	219	\$1,408,200	\$0
2012-13	485	\$3,125,300	\$0
2013-14	1,169	\$7,529,400	\$0
2014-15	1,659	\$12,154,300	\$0
2015-16	2,057	\$10,925,100	\$4,164,500
2016-17	2,420	\$9,482,900	\$8,540,000
2017-18 (estimated)	2,915	\$8,341,000	\$14,015,000
2018-19 (estimated)	3,300	\$7,185,100	\$18,946,800

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### WPCP State/Local Funding History

Fiscal Year	WPCP FTE Students	# of School Districts with WPCP Student	WPCP Direct State GPR Funding	State General Aid Deduction/Local Property Taxpayer Funding
2013-14	498	N/A	\$3,212,300	\$0
2014-15	994	N/A	\$7,345,200	\$0
2015-16	2,483	141	\$6,535,900	\$11,833,200
2016-17	2,978	182	\$5,837,000	\$16,545,400
2017-18 (estimated)	4,403	225	\$5,139,000	\$28,786,000
2018-19 (estimated)	7,150	TBD	\$4,675,000	\$51,925,000

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### Private (and Private Choice) Schools: State Categorical Aids

- All private schools in Wisconsin are eligible for the following state categorical aid programs:
  - School lunch aid;
  - School breakfast aid;
  - School day milk aid;
  - Robotics league participation grants; and
  - Personal electronic computing devices grants (new in 2018-19).
- Private schools participating in one of the state's choice programs are also eligible for some additional state categorical aid programs:
  - School performance improvement grants (new in 2018-19); and
  - School mental health aid (new in 2018-19).

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### Special Needs Scholarship Program (SNSP)

- The SNSP is funded on a current year basis with sum sufficient funds.
- SNSP Per FTE Student Payments:
 

2017-18	\$12,207
2018-19	\$12,424

State General Aids

- Resident district pays for SNSP students through a reduction in its state general aids.
- SNSP students are counted in their resident district's membership for state general aid purposes in the following year.

Revenue Limits


- Resident districts receive a revenue limit adjustment equal to the per student payment allowing them to replace the state aid reduction through increased property taxes if the resident school board chooses to do so.

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### SNSP State/Local Funding History


Fiscal Year	# of SNSP Private Schools	Full-Time Equivalent (FTE) Students	# of Districts with SNSP Student	SNSP Direct State GPR Funding	State General Aid Deduction/ Local Property Taxpayer Funding
2016-17	26	215	22	0	\$2,580,000
2017-18 (estimated)	28	244	25	0	\$2,962,000
2018-19 (estimated)	TBD	750	TBD	0	\$9,318,000

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### Parental “Choice” Options – 2017-18


<https://dpi.wi.gov/sites/default/files/imce/sfs/pdf/FY18-ChoiceOptionsFundingTable.pdf>

Program	2017-18 FTE Payment Amounts	State/Local Funding Sources	Counted in Resident District's State Aid	Counted in Resident District's Revenue Limit	Nonrecurring Revenue Limit Exemption	Increase Levy to Satisfy Deduction	Other
Legacy ICS - Independent Charters	\$8,395 K-12	Proportional state general aid reduction from all districts	No	No	No	Yes	
New ICS - Independent Charters	\$8,395 K-12	Aid transfer equal to ICS payment from resident school districts	Yes	Yes	No	No	One year delay for state aids membership and three year phase in for revenue limits

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### Independent Charter School Program (ICSP) Authorizers

Charter Authorizer	School Location	Pupil Residency	Number of Charter Schools
<b>Legacy Authorizers</b>			
City of Milwaukee	Statewide	Statewide	Unlimited
UW-Milwaukee	Statewide	Statewide	Unlimited
UW-Parkside	Statewide	Statewide	Unlimited
MATC	Statewide	Statewide	Unlimited
<b>New Authorizers (2015 Act 55 and 2017 Act 59)</b>			
Any Technical College District Board (other than MATC)	Statewide	Statewide	Unlimited
Waukesha County Executive	Waukesha County	Statewide	Unlimited
College of Menominee Nation	Statewide	Statewide	No more than 6 schools between these two authorizers
Lac Courte Oreilles Ojibwa Community College	Statewide	Statewide	
Office of Educational Opportunity (UW System) (Recovery Charter School Authorizer)	Statewide	Statewide	Unlimited
Any UW System Chancellor (other than UW-Milwaukee and Parkside)	Statewide	Statewide	Unlimited

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### ICSP: State/Local Funding

- The ICSP is funded on a current year basis with sum sufficient funds.
- Per FTE Student Payments: \$8,395 in 2017-18 and \$8,612 in 2018-19.

**1. Students currently attending existing independent charter schools (ICS):**

- All districts have their state general aid proportionally reduced (1.4% in 2017-18) to pay for ICSP students.
- No district counts ICSP students in their membership for state general aid purposes.
- Districts can increase their property tax levy under their revenue limit to replace the state general aid reduction if their school board chooses to do so.


**2. Students attending ICS authorized by new/other authorizers (none currently in place):**

**State General Aids**

- Resident district pays for students through a reduction in its state general aids.
- Students are counted in resident district's membership for state general aid purposes in the following year.


**Revenue Limits**

- Resident district counts students in its membership as part of its three-year rolling membership average.

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### ICSP: Other Funding/Categorical Aids

- Unlike private schools, charter schools may not charge tuition.
- Independent charter schools are treated as Local Educational Agencies (LEA's) for state/federal reporting requirements and directly receive federal aid (IDEA, Title I, etc.) as applicable.
- Independent charter schools are eligible for some state categorical aid programs:
  - Special education aid;
  - School lunch aid;
  - Pupil transportation aid;
  - Special education transition incentive grants;
  - Robotic league participation grants;
  - School performance improvement grants (new in 2018-19);
  - Personal electronic computing devices grants (new in 2018-19);
  - School mental health aid (new in 2018-19);
  - Community & school mental health collaboration grants (new in 2018-19); and
  - Special education transition readiness grants (new in 2018-19).

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### ICSP State/Local Funding History


Fiscal Year	Number of ICSP Schools	ICSP Full-Time Equivalent (FTE) Students	ICSP FTE Payment	ICSP Direct State GPR Funding	State Aid Deduction/Local Property Taxpayer Funding
1998-99	3	55	\$6,062	0	\$333,400
2015-16	24	8,807	\$8,079	0	\$71,151,800
2016-17	22	7,526	\$8,188	0	\$61,622,900
2017-18 (estimated)	23	7,850	\$8,395	0	\$65,900,700
2018-19 (estimated)	TBD	8,000	\$8,612	0	\$68,896,000

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### Private School Choice/Voucher Summary

#### Racine and Wisconsin Parental Choice Programs (RPCP/WPCP)

- For choice students enrolled in the RPCP/WPCP **PRIOR** to 2015-16:
  - These choice students are paid directly with state General Purpose Revenue (GPR) funds until the student exits the RPCP/WPCP. The State pays 100% of the costs of these vouchers.
  - There is no reduction from a school district's state general aids for these students.
  - These choice students are not counted in a school district's membership for state general aid or revenue limit purposes.


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### Private School Choice/Voucher Summary

#### Racine and Wisconsin Parental Choice Programs (RPCP/WPCP)

For choice students enrolled in the RPCP/WPCP in 2015-16 or thereafter, State General Aids Impacts:


- The choice student's resident district pays their voucher through a reduction in its state general aids.
- If a district does not receive enough state general aid to cover this reduction, the balance is taken from other state aids (e.g., per pupil aid) received by the district.
- These choice students are counted in their resident district's membership for state general aid purposes in the following year's state aid calculation.
- A district may recoup some state general aid depending on its "position" in the state general aid formula, but is very unlikely to fully recover its prior year state aid reduction.
- Most school districts that receive state general aid are negatively affected by adding choice students in those districts eligible to count them for membership purposes.

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## Private School Voucher Summary

**Racine and Wisconsin Parental Choice Programs (RPCP/WPCP)**  
 For choice students enrolled in the RPCP/WPCP in 2015-16 or thereafter,  
**Revenue Limits Impacts:**


- These choice students are not counted in the revenue limit membership
- The choice student's resident district receives a non-recurring revenue limit adjustment equal to the per FTE choice payment in the current year, allowing a school board to replace the state aid reduction through increased property taxes.
- If a school board chooses to levy less than the private school voucher non-recurring revenue limit exemption, the following year's revenue limit carry-over total will be reduced dollar for dollar. In other words, this new non-recurring revenue limit exemption is treated the same way as other non-recurring revenue limit exemptions if a school board chooses to levy less than the maximum allowed.

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## Private School Voucher Takeaways

**School District Budgets – Current Year (Year 1)**


- For choice students enrolled in the RPCP/WPCP in 2015-16 or thereafter, the law is designed to allow zero impact on the district's annual budget. However, the school board must decide one of the following **three options** (or a combination):
  - Option 1: **Increase property taxes** to replace the loss of state school aids in order to maintain existing student educational programs.
  - Option 2: **Use fund balance** or some other source of revenues to replace the loss of state school aids to maintain current programs.
  - Option 3: **Reduce current district expenditures** equal to the state aids deduction.

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## Private School Voucher Takeaways

**School District Budgets – Following Year (Year 2)**  
 For choice students enrolled in the RPCP/WPCP in 2015-16 or thereafter,


- These choice students **are counted** in their resident district's membership **for state general aid purposes** in the following year's state aid calculation.
- A **district may recoup some state general aid** depending on its "position" in the state general aid formula, but is **very unlikely to fully recover** its prior year state aid reduction.
  - Depends on the district's "position" in the state aid formula.
- **Most school districts that receive state general aid are negatively affected by adding choice students** in those districts eligible to count them for membership purposes.
- These choice students are never counted in the revenue limit membership.

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## Private School Voucher Takeaways

**Wisconsin and Racine Parental Choice Programs:**


- **Adding private school voucher students** to the general aid membership changes one of the factors used to determine state equalization aids. This **redistributes the existing level of state general school aids**.
- The **effect** is as though the **voucher expansion is funded statewide with property taxes**. Although a **district may recoup some state general aid** depending on its "position" in the state general aid formula, it is **very unlikely to fully recover** its prior year state aid reduction.

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### Fond du Lac and Oshkosh School Districts (2017-18 Private School Voucher Aid Deduction)

District	Incoming K-8 FTE*	Incoming 9-12 FTE*	Total Incoming FTE*	Incoming Summer School Payment	School Aid Deduction & Non-Recurring Revenue Limit Exemption (Line 10.H.)
Fond du Lac	52.1	37.0	89.1	\$0	\$694,825
Oshkosh Area	83.0	32.0	115.0	\$0	\$886,622

- Neither Fond du Lac nor Oshkosh had resident students participate in the Special Needs Scholarship Program (special education vouchers).
- The school aid deduction is the non-recurring revenue limit exemption – Incoming K-8 FTE \* \$7,530 plus Incoming 9-12 FTE \* \$8,176 plus Incoming summer school if applicable.
- \*An incoming voucher pupil (Wisconsin or Racine Choice Programs) is defined as a pupil who first begins participating in the Choice program in the 2015-16 school year or a school year after 2015-16.
- Source Spreadsheet at <https://dpi.wi.gov/sfs> ->Under "Latest Information" ->Select Wisconsin and Racine Private School Voucher Impacts



## Questions ?

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