

Fiscal Estimate - 2015 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 15-1171/1	Introduction Number SB-001
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Description
 School and school district accountability report, chronically failing schools and school districts, and educational options information

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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Local:

No Local Government Costs
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DPI/ Katie Schumacher (608) 267-9127	Authorized Signature Erin Fath (608) 266-2804	Date 1/23/2015
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Fiscal Estimate Narratives

DPI 1/23/2015

LRB Number	15-1171/1	Introduction Number	SB-001	Estimate Type	Original
Description School and school district accountability report, chronically failing schools and school districts, and educational options information					

Assumptions Used in Arriving at Fiscal Estimate

School and School District Accountability Report

Under the bill, the multiple measures used to determine a school's performance or a school district's improvement on the school and school district accountability report must be categorized by English language proficiency, disability, income level, and race or ethnicity. Under the bill, the multiple measures that must be included on the school and school district accountability report to determine a school's performance or a school district's improvement are modified. Under the bill, the index system identifying a school's level of performance is modified to require a school and school district accountability report to also identify a school district's level of improvement and place each school district into one of 5 performance categories. Additionally, under the bill, the school and school district accountability report must include a definition for each of the 5 performance categories that are part of the index system.

This bill requires the Legislative Audit Bureau to perform a performance evaluation audit of the school and school district accountability report system no later than January 1, 2017, including an evaluation of whether the index system used to identify a school or school district's performance is being consistently applied. The performance evaluation audit must be performed biennially thereafter. The Legislative Audit Bureau must charge the Department of Public Instruction for the cost of the audit performed on the school and school district accountability report system.

Local:
None.

State:
This bill would require the Department to modify the school and school district accountability reporting system. It is unknown how much additional staff time or other additional resources would be needed to make these changes. Thus, the costs are indeterminate and may be possible to absorb within the Department's budget.

Additionally, the Department is required to pay for the cost of the audit performed on the school and school district accountability report system by the Legislative Audit Bureau. It is unknown what that cost would be and the cost may be possible to absorb within the Department's budget.

Chronically Failing Schools and School Districts

Identifying chronically failing schools and school districts

Under the bill, a chronically failing school is a public school, including a charter school, that DPI placed in the lowest performance category in the most recent accountability report and in the preceding 2 accountability reports. A chronically failing school district is a school district that DPI placed in the lowest performance category in the most recent accountability report and in the preceding 2 accountability reports.

Under the bill, the Public and Charter School Accountability Board is created and attached to the Department under s. 15.03, Stats. The board consists of the State Superintendent or his or her designee and 8 members nominated by the State Superintendent with the advice and consent of the Senate and appointed for 3-year teams.

Local:
None.

State:

This bill provides no additional position authority or funding resources, either to the Public and Charter School Accountability Board or to the Department, to implement the duties the Board is required to perform under the bill. To the extent the Department would have to perform additional duties in order to implement the requirements under the bill, including any operational responsibilities related to the Board itself, the costs may be possible to absorb within the agency's budget.

Improvement plans and interventions

Under the bill, annually, by November, the Public and Charter School Accountability Board must review the school and school district accountability report produced by DPI and identify chronically failing schools and chronically failing school districts.

Under this bill, a school board of a chronically failing school district, as identified by the Board, must, by April 30, submit to the public and charter school accountability board for approval an improvement plan that fulfills the requirements as outlined under current law (employing a curriculum aligned with the state's model academic standards; using pupil academic performance data; implementing a system of academic and behavioral interventions and early interventions; and additional learning time) and one new requirement: to implement other strategies and interventions, as appropriate to improve school district performance.

A school board of a school district in which a chronically failing school is located or an operator of an independent charter school must, by April 30, submit to the Board for approval an improvement plan that describes the steps that the school board or operator will take to improve the school's performance.

If a school district is a chronically failing school district for 3 consecutive years, the Board may, with the State Superintendent's approval, direct the school board to perform one of the following:

- Implement or modify activities described in the improvement plan.
- Implement a new or modified instructional design, which may include expanded school hours or additional pupil supports and services.
- Implement professional development programs that focus on improving pupil academic achievement.
- Implement changes in administrative and personnel structures.
- Adopt accountability measures to monitor the school district's finances or to monitor the other interventions mentioned above.

Under the bill, every school district must comply with a directive issued to a school district that is a chronically failing school district for 3 consecutive school years by the Public and Charter School Accountability Board, with the State Superintendent's approval. Every school district must also comply with an improvement plan approved by the Board, as determined by the State Superintendent. No state aid may be paid in any year to a school district which fails to meet these requirements.

Under the bill, the Department may not pay an operator of an independent charter school upon determining that the operator is not in compliance with its improvement plan approved by the Public and Charter School Accountability Board. Additionally, a contract with an independent charter school may not be renewed if the contract has been renewed at least once and the charter school established under the contract is identified as a chronically failing school in the penultimate school year of the contract term.

Local:

It is unknown how many schools and school districts will meet the criteria under this bill as chronically failing schools or school districts and be required to participate in improvement plans and other required activities. The cost of these activities will vary by school, based on the exact challenges each school faces. Therefore, the overall cost to schools resulting from being identified as a chronically failing school or chronically failing school district is indeterminate, but it is likely to cause an increase in costs.

Under current law, an independent charter school receives a per pupil payment from the state from a GPR, sum-sufficient appropriation. The costs of the independent charter school program are paid for by a proportionate reduction to the general aid payment for every public school district that receives a general aid payment (all but two districts in the state). Therefore, if some independent charter schools were identified as chronically failing schools and did not have their contract renewed or failed to follow their improvement plans, and, if this resulted in fewer pupils enrolled in independent charter schools, the

general aid payment for schools in the district would slightly increase. It is unknown how many independent charter schools would be chronically failing, how many of those schools would not have their contract renewed or fail to follow their improvement pupils, and whether this would result in fewer pupils enrolled in all independent charter schools. Additionally, if pupils left independent charters, it is unknown whether they would go to another independent charter, other public schools, or private schools and how much it would cost to educate these pupils. Thus, the costs are indeterminate.

State:

A net increase or decrease in the number of pupils for whom the state makes payments under the independent charter school program would have no net impact on the state's general fund (state payments are 100% offset by general aid reductions to public school districts). Rather, there would be a redistribution of state funds between general aid for public school districts and state payments under the independent charter school program.

Chronically Failing Choice Schools

Under the bill, a chronically failing choice school is a private school participating in the Racine, Wisconsin, or Milwaukee Choice Program that satisfies all of the following:

- At least 20 pupils are attending the private school under the choice program
- DPI placed the private school in the lowest performance category in the most recent accountability report and in the preceding 2 accountability reports

Under this bill, beginning in the school year a private school is identified as a chronically failing choice school, the private school may not accept any additional pupils. Any pupil attending the private school at the time the private school is identified as a chronically failing choice school may continue to attend the private school. However, no earlier than three school years after being identified as a chronically failing choice school, a private school may apply to the Department to begin accepting additional pupils. A private school applying to accept additional pupils must be considered a new private school applying to begin participating in the choice program and must comply with the requirements a new private school must meet to participate in the choice program.

Local:

It is unknown how many schools participating in the Parental Choice Programs will meet the criteria under this bill as chronically failing choice schools and not be able to accept any additional pupils. Furthermore, it is unknown whether pupils in chronically failing choice schools would remain at that school. It is not possible to estimate how many schools in the Parental Choice Programs would be identified as chronically failing choice schools or how many of the choice pupils in those chronically failing choice schools would leave the school. As a result, the fiscal effect is indeterminate.

State:

While the bill does not require private schools participating in the Parental Choice Programs that are identified as chronically failing choice schools to close, pupils may decide to leave a chronically failing choice school. To the extent that there is a net decrease in pupils attending a Parental Choice program, the state's expenditures for these programs (funded via a GPR sum-sufficient appropriation) would decrease. The reduction in the number of pupils for whom the state makes a payment in the statewide Parental Choice program would reduce the state's GPR expenditures, dollar for dollar. The reduction in the number of pupils for whom the state makes a payment in the Milwaukee Parental Choice Program would reduce the state's GPR expenditures, though not dollar for dollar, as the costs of the Milwaukee Parental Choice Program are partially funded via a general aid reduction to the Milwaukee Public Schools district, under current law. Fewer pupils enrolled under the Milwaukee Parental Choice Program would most likely result in a lower aid reduction to the Milwaukee Public Schools general aid payment (but the aid reduction amount depends on remaining number of pupils and the per pupil payment amount under the Milwaukee Parental Choice Program).

Long-Range Fiscal Implications