

Chapter PI 24

STATE AID FOR ACHIEVEMENT GUARANTEE CONTRACTS AND PARTIAL DEBT SERVICE REIMBURSEMENT

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Note: Chapter PI 24 was created as an emergency rule effective January 28, 2000.

Subchapter I — General Provisions

PI 24.01 Definitions. In this chapter:

(1) “Department” means the Wisconsin department of public instruction.

(2) “SAGE” means the student achievement guarantee in education program created under s. 118.43, Stats.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00; emerg. r. (3), eff. 12-20-04; CR 04-129; r. (3) Register June 2005 No. 594, eff. 7-1-05.

Subchapter II — Aid Payment

PI 24.015 Definitions. In this subchapter:

(1) “Aid” or “appropriation” means funds available for the SAGE program under s. 20.255 (2) (cu), Stats., minus the amount needed for the evaluation under s. 118.43 (7), Stats.

(2) “Eligible school” means a school within a public school district whose board has entered into or renewed a contract under s. 118.43 (2) (g) or (3) (ar), Stats.

(3) “Kindergarten” means 5-year-old kindergarten.

(4) “Low income” has the meaning defined under s. 118.43 (1) (b), Stats.

(5) “Low-income status” means the economic status of a child’s family on or after the third Friday in September.

(6) “Pupils enrolled” has the meaning defined under s. 121.004 (7), Stats.

History: CR 04-129; cr. Register June 2005 No. 594, eff. 7-1-05; correction in (1) made under s. 13.93 (2m) (b) 7., Stats.

PI 24.02 Purpose. Under s. 118.43 (6m), Stats., the department is required to promulgate rules to implement and administer the payment of aid under this subchapter. The department shall calculate and pay aid to school districts on behalf of eligible schools an amount not to exceed \$2,000 multiplied by the number of low-income pupils enrolled in the grades eligible for funding in each eligible school. This subchapter sets forth requirements for collecting data and paying aid under s. 118.43 (6), Stats.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00; emerg. r. and recr. eff. 12-20-04; CR 04-129; r. and recr. Register June 2005 No. 594, eff. 7-1-05.

PI 24.03 Calculation and payment of aid. (1) **AID CALCULATION.** (a) *October calculation.* 1. The department shall calculate the amount of aid to be paid in each school year to the school district of each eligible school by multiplying the number of low-income pupils enrolled in grades kindergarten through grade 3 reported by each eligible school under sub. (3) (a) by \$2,000.

2. If the amount of aid needed to fully fund all the eligible schools is more than the amount available in the appropriation for aid to the schools, the aid shall be prorated equally on a per low-income pupil basis.

3. If adequate funds remain in the appropriation after the October calculation under subd. 1., the department may notify all eligible schools, by the first Friday in December, that they may amend and re-submit the October report under sub. (3) (a) by the addition of pupils enrolled the third Friday in September for whom documentation of low-income status was not submitted, or for whom eligibility was not determined, until after the third Friday in October.

(b) *January calculation.* 1. If the department notifies school districts of available funds under par. (a) 3., the department shall calculate the amount of additional aid to be paid to the school district of each eligible school by multiplying the additional number of low-income pupils enrolled in grades kindergarten to grade 3 reported by each eligible school under sub. (3) (b) by \$2,000.

2. If the amount of aid needed to fully fund all the eligible schools is more than the amount available in the appropriation for aid to the schools, the aid shall be prorated equally on a per low-income pupil basis.

3. If adequate funds remain in the appropriation after the January calculation under subd. 1., the department may notify all eligible schools, by the third Friday in February, that they may amend and re-submit the October report under sub. (3) (a) or the January report under sub. (3) (b), whichever is applicable, by the addition of pupils enrolled the third Friday in September for whom documentation of low-income status was not submitted, or for whom eligibility was not determined, until after the third Friday in January.

(c) *March calculation.* 1. If the department notifies school districts of available funds under par. (b) 3., the department shall calculate the amount of additional aid to be paid to the school district of each eligible school by multiplying the additional number of low-income pupils enrolled in grades kindergarten through grade 3 reported by each eligible school under sub. (3) (c) by \$2,000.

2. If the amount of aid needed to fully fund all the eligible schools is more than the amount available in the appropriation for aid to the schools, the aid will be prorated equally on a per low-income pupil basis.

(2) **PAYMENT OF SAGE AID.** The department shall pay aid 3 times during the school year on the third Monday in November, the third Monday in February, and the second Monday in June upon the school district meeting the reporting requirements specified under the contract.

(3) **SCHOOL DISTRICT REQUIREMENTS.** To receive aid under this subchapter, an eligible school shall meet the following requirements:

(a) *October report.* By the third Friday in October, each eligible school shall report to the department, on a form supplied by the department, the number of low-income pupils enrolled in grades kindergarten to grade 3 in the eligible school on the third Friday in September.

(b) *January report.* By the third Friday in January, an eligible school notified under sub. (1) (a) 3., shall re-submit to the depart-

ment its October report under par. (a) amended by the addition of pupils enrolled the third Friday in September for whom documentation of low-income status was not submitted, or for whom eligibility was not determined, until after the third Friday in October.

(c) *March report.* By the second Friday in March, an eligible school notified under sub. (1) (b) 3., shall re-submit to the department its October report under par. (a) or its January report under par. (b), whichever is applicable, amended by the addition of pupils enrolled the third Friday in September for whom documentation of low-income status was not submitted, or for whom eligibility was not determined, until after the third Friday in January.

Note: PI SAGE ENT, the SAGE low income report form, is available on the department's web site at <http://www.dpi.state.wi.us/dpi/oea/sage/forms.html> or may be obtained at no charge from the Department of Public Instruction, P.O. Box 7841, Madison, WI 53707-7841.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00; **emerg. r. and recr. eff. 12-20-04; CR 04-129: r. and recr. Register June 2005 No. 594, eff. 7-1-05.**

Subchapter III — State Aid For Debt Service

PI 24.05 Purpose. Under s. 118.43 (8), Stats., beginning in the 2000-01 school year, a school district under s. PI 24.06 is eligible for an aid payment equal to 20% of the district's annual debt service on bonds approved by referendum prior to June 30, 2001 where a portion of the bond proceeds is to be used to fulfill a contract under s. 118.43, Stats. This subchapter sets forth criteria and procedures for awarding state aid for SAGE related debt service.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.

PI 24.06 Eligible applicants and program requirements. (1) A school district other than a school district under ch. 119, Stats., shall meet all of the following requirements to receive an amount equal to 20% of the annual SAGE related debt service cost on bonds:

(a) On or after October 29, 1999, the school board shall adopt an initial resolution under s. 67.05 (6a), Stats., for issuance of bonds where the purpose for borrowing includes providing funds for classroom expansion necessary to fulfill a contract under s. 118.43, Stats. The school board shall submit a copy of the resolution to the department as required under s. 120.115 (1) (a), Stats. The resolution shall include all of the following:

1. The total amount to be borrowed.
2. The amount of borrowing proceeds that will be used for SAGE classroom expansion.

(b) A copy of the resolution submitted under par. (a) shall be accompanied by a statement signed by the school board president and school board clerk on a form provided by the department identifying the amount of the bond proceeds that are required for SAGE classroom expansion by construction or renovation and the related furnishing and equipping of the classroom. The department shall approve or disapprove the amount identified as being necessary to fulfill a contract under s. 118.43, Stats. Before making a decision regarding approval or disapproval of the amount, the department may require the district to furnish additional documentation from a 3rd party as to the reasonableness of the amount identified for SAGE purposes. The department shall issue a decision in writing to the school district after receiving all requested information within 10 working days of receipt of the information.

Note: PI-7205 SAGE Classroom Expansion, Application for State Aid, may be obtained at no charge from the Department of Public Instruction, P. O. Box 7841, Madison, WI 53707-7841.

(c) Within 10 days after holding the referendum authorizing the school district to incur debt on the initial resolution, the school board shall notify the department of the approval or rejection of the referendum as required under s. 120.115 (1) (b), Stats.

(d) Within 10 days after adopting or revising a schedule for the payment of debt service under this subchapter, the school board shall submit the schedule to the department.

(2) If an initial resolution was adopted on or after October 29, 1999 but did not meet the requirements under sub. (1), the school board may adopt a supplemental resolution prior to the referendum election to amend the initial resolution to fulfill the requirements of sub. (1) and of s. 67.05 (6a), Stats.

(3) A school board shall hold a referendum before June 30, 2001, in order to receive aid under this subchapter.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.

PI 24.07 Payment of debt aid. (1) The department shall make an aid payment on a current fiscal year basis to the district in an amount equal to 20% of the SAGE portion of the debt service payment, excluding any payments required on bond anticipation notes. The department shall develop a proration formula if adequate funds are not available by dividing the SAGE portion of the district's annual debt service payment by the sum total of the SAGE portion of all participating SAGE school district's annual debt service payments and multiplying the result by the appropriation under s. 20.255 (2) (cs), Stats.

(2) The department shall calculate the SAGE portion of debt payment as the percentage of the original amount approved for SAGE purposes under s. PI 24.06 (1) (a) 2. to the total amount borrowed under s. PI 24.06 (1) (a) 1., multiplied by the annual debt service payment.

(3) The department may not pay aid to school districts under this subchapter for SAGE related school district referenda held on or after June 30, 2001.

(4) The department may not pay aid to school districts under this subchapter if the school district does not comply with the requirements under this subchapter.

(5) The school district shall certify to the department annually, on a form provided by the department, all of the following:

(a) Debt service payments eligible for aid under this subchapter for the current fiscal year.

(b) The amount identified under s. PI 24.06 (1) (a) 2. was expended for SAGE classroom expansion purposes and no other purpose. No annual aid payment shall be made to the school district until the department receives this certification. The school board president and school board clerk shall sign this attestation.

(c) The contract under subch. II has not been terminated for the building for which the debt service is being paid.

Note: PI-7206 SAGE Classroom Expansion, State Aid Claim, may be obtained at no charge from the Department of Public Instruction, P. O. Box 7841, Madison, WI 53707-7841.

(6) The school district under this subchapter shall record payments received as revenue in the district's general fund.

History: Cr. Register, July, 2000, No. 535, eff. 8-1-00.