

27g/6

**(Gov) Agency:** Alternative Schools for American Indians (DPI)

**Recommendations:**

**Paper #170:** Alternatives 1 + 2

**Comments:** The gov would delete \$136,000 GPR annually with \$198,000 and \$203,000 PR for alternative schools for native Americans.

The gov raises the reimbursement rate from its current \$185 to \$200, although this level of funding would not support that rate and grants would have to be prorated.

Alternatives 1+2 goes with the governor's funding level, but doesn't jack up the rate artificially.

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## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #170

### *Tribal Gaming Revenue Allocations*

### **Alternative Schools for American Indians (DPI -- Categorical Aids)**

[LFB 1999-01 Budget Summary: Page 493, #12]

#### **CURRENT LAW**

Aid is provided to alternative schools, defined as nonsectarian private or tribally-operated schools, operating American Indian language and culture educational programs which meet certain planning, parental involvement, record-keeping and reporting requirements. Under the program, a school receives \$185 for each pupil who has completed the fall semester in the program. If funding provided is insufficient to pay the full amount, aid payments are prorated among all eligible schools.

#### **GOVERNOR**

Delete \$136,900 GPR annually and provide \$198,000 PR in 1999-00 and \$203,000 PR in 2000-01 for alternative schools operating American Indian language and culture programs. Provide that all funding for the program would be from tribal gaming revenue. Increase reimbursement to schools under the program for pupils who have completed the fall semester in the program from \$185 per pupil to \$200 per pupil.

#### **DISCUSSION POINTS**

1. An American Indian language and culture education program is statutorily required to be designed to: (a) make school curriculum more relevant to the needs, interests and cultural heritage of American Indian pupils; (b) provide reinforcement of the positive self-image of American Indian pupil; and (c) develop intercultural awareness among pupils, parents and staff. The statutes provide that such a program may include: (a) instruction in American Indian language,

literature, history and culture; (b) in-service training and technical assistance for staff; (c) vocational education and counsel for pupils; (d) modification of curriculum, instructional methods and administrative procedures to meet to the needs of the pupils; (e) pupil testing; (f) identification of the educational needs of the pupils; and (g) classification of the pupils by grade, level of education, age and achievement.

2. In 1998-99, 1,176 pupils from four alternative schools (Lac Courte Oreilles Ojibwa School, Mashkiisiibii Tribal School, Oneida Tribal School and Menominee Tribal School) participated in the program. The per pupil reimbursement amount was approximately \$116, which reflected a 63% proration in payments.

3. The \$185 reimbursement amount under the program has been prorated since 1991-92. The table below shows the number of pupils that competed the fall semester in this program, the per pupil reimbursement amount and the proration amount, for fiscal years 1991-92 through 1998-99. In each of these fiscal years, \$136,900 GPR was appropriated for this program.

**American Indian Language and Culture Education Program  
Participation and Payments Since 1991-92**

	<u>Pupils</u>	<u>Payment Per Pupil</u>	<u>Prorate</u>
1991-92	854	\$160.30	87%
1992-93	980	139.69	76
1993-94	1,159	118.12	64
1994-95	1,076	127.23	69
1995-96	1,083	126.41	68
1996-97	1,235	110.85	60
1997-98	1,240	110.40	60
1998-99	1,176	116.41	63

4. The Governor's recommended funding increase would provide for per pupil grants of \$200 for 990 pupils in 1999-00 and 1,015 pupils in 2000-01. However, as shown in the table above, the number of pupils completing the program has exceeded 990 for the last six years. Therefore, even with the Governor's recommendation to increase funding, reimbursement amounts will have to be prorated based on prior year participation in the program.

5. Assuming the same level of participation under the program as in 1998-99, reimbursements under the Governor's proposal would increase by an \$52 in 1999-00 and \$57 in 2000-01. However, these increase payment amounts will still result in a proration of payments of 84% in the first year and 86% in the second, based on a \$200 reimbursement amount. Based on the

current reimbursement rate of \$185, it is estimated that the proration amount would be 91% in 1999-00 and 93% in 2000-01.

6. One could question why the reimbursement rate is being increased from \$185 to \$200 when neither amount will be fully funded under the Governor's funding proposal. The Committee could consider maintaining the current law reimbursement level of \$185, which would result in lesser proration of payments each year than under the Governor's recommendation.

7. Alternatively, to fully fund the program at a rate of \$185 per 1,176 pupils an additional \$19,600 PR in 1999-00 and \$14,600 PR in 2000-01 would be needed.

8. If the Committee wishes to also increase the reimbursement rate and fully fund 1,176 pupils, it could provide \$37,200 PR in 1999-00 and \$32,200 PR in 2000-01.

9. Because this program is a categorical aid program and is included in the state's calculation of funding two-thirds of K-12 partial school revenues, any changes in funding for the program affect the state equalization aid funding. If funding for this program is increased, the amount of equalization aid could be reduced by 33.3 cents for every dollar of funding and still maintain two-thirds funding. Conversely, if funding for the program is decreased, funding for equalization aids would need to be increased by 33.3 cents for every dollar of funding to meet the two-thirds funding goal.

10. Although these monies would be expended in a way that benefits American Indians, it does not appear that this categorical aid program is consistent with the purposes specified in the state-tribal memoranda of understanding.

## ALTERNATIVES

1. Approve the Governor's recommendation to delete \$136,900 GPR annually and provide \$198,000 PR in 1999-00 and \$203,000 PR in 2000-01 for alternative schools operating American Indian language and culture education programs. Increase reimbursement under the program from \$185 per pupil to \$200 per pupil.

2. Modify the Governor's recommendation by deleting the increase in reimbursement under the program from \$185 per pupil to \$200 per pupil.

3. Modify the Governor's recommendation by: (a) deleting the increase in reimbursement under the program from \$185 per pupil to \$200 per pupil; and (b) providing an additional \$19,600 PR in 1999-00 and \$14,600 PR in 2000-01 to fully fund estimated program demand at a rate of \$185 per pupil. Offset equalization aid payments by \$6,500 GPR in 1999-00 and \$4,900 GPR in 2000-01.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$11,400	\$34,200	\$22,800

4. Modify the Governor's recommendation by providing an additional \$37,200 PR 1999-00 and \$32,200 PR in 2000-01 to fully fund estimated program demand at a rate of \$200 per pupil. Offset equalization aid payments by \$12,400 GPR in 1999-00 and \$10,700 GPR in 2000-01.

<u>Alternative 4</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	-\$23,100	\$69,400	\$46,300

5. Maintain current law.

<u>Alternative 5</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	\$316,200	-\$401,000	-\$84,800

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