



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 29, 2001

Joint Committee on Finance

Paper #760

High School Graduation Test (DPI -- Assessments and Licensing)

[LFB 2001-03 Budget Summary: Page 548, #1]

CURRENT LAW

Under 1999 Act 9, by September 1, 2002, school boards operating high schools must adopt a written policy for granting a high school diploma. The criteria must include: (a) the pupil's score on a high school graduation test (HSGT) adopted by the board; (b) the pupil's academic performance; and (c) the recommendations of teachers. These criteria are in addition to credit requirements.

A school board must adopt a high school graduation exam that measures whether pupils meet pupil academic standards adopted by the board. If the board adopts the statewide standards in mathematics, science, social studies and English language arts as issued and adopted under executive order 326, the board could adopt the HSGT developed by DPI. If a school board develops and adopts its own high school graduation exam, it is required to notify DPI.

Beginning in 2002-03, a high school diploma cannot be granted to any pupil unless the pupil has satisfied the school board's written criteria. The test may be administered only in grades 11 and 12, and must be offered twice each year. In addition, a board must excuse a pupil from the exam upon the request of a parent or guardian.

These provisions apply to charter schools operating high schools as well.

Act 9 also specifically provided 2.0 permanent positions beginning in 1999-00 and 4.0 two-year project positions beginning January 1, 2000, for DPI's development and administration of the HSGT. The project positions are scheduled to expire at the end of December 2001.

In 2000-01, \$2.5 million is provided for administration and development of the HSGT.

GOVERNOR

Provide \$4,599,800 GPR in 2001-02 and \$4,651,700 GPR in 2002-03 above a base level of \$2,500,000 GPR for development and administration of a high school graduation test. Of the total, \$24,000 in 2002-03 is attributable to allowing schools participating in the Milwaukee parental choice program to administer the test to students attending school under the program. Although the Governor's proposal did not provide nonstatutory provisions to extend the project positions for another two years, funding was provided for these positions, and DOA officials indicate that it was the Governor's intent to extend and fund these positions.

DISCUSSION POINTS

1. Under 1997 Act 27, DPI was required to design a state high school graduation test that local school districts could use if they adopted the model academic standards of executive order 326. Act 27 provided that, starting September 1, 2002, a pupil would be required to pass either the state HSGT or an alternative test adopted by the school board to be granted a high school diploma. Act 9 changed the HSGT law to make a passing score on the test one criterion for graduation, rather than a requirement. Act 9 also specified that the test could be administered only in grades 11 and 12, and must be offered at least twice each year. Finally, Act 9 applied the requirements to charter schools.

2. The Department requested \$4,623,800 GPR in 2001-02 and \$4,651,800 GPR in 2002-03 above the base level of \$2,500,000 GPR, as well as the extension of the 4.0 project positions for another two years. The Governor's bill provides \$4,599,800 GPR in 2001-02 and \$4,651,700 GPR in 2002-03. Although the Governor's proposal did not include a specific nonstatutory provision to extend the 4.0 positions, funding was provided for these positions in each year. DOA officials indicate that it was the Governor's intent to extend these positions for another two years. In addition, DPI requested \$24,000 GPR in each year for the estimated cost of administering the HSGT to MPCP pupils. The Governor included this funding only in 2002-03.

3. Proponents of the HSGT have contended that in order for Wisconsin to remain competitive in the 21st century, Wisconsin high school graduates must be able to demonstrate their knowledge and skills based on high standards across core academic subjects. A high school graduation exam would establish that a Wisconsin high school diploma would ensure a high quality graduate that is prepared for higher education, a competitive job market or community service.

4. Opponents of a high-stakes high school examination requirement argue that such an exam is expensive to develop and would provide little specific information about the skills or knowledge of a high school graduate in Wisconsin. Further, they contend that a high-stakes examination may encourage marginal pupils to drop out of high school, rather than fail an examination and be denied a high school diploma. In addition, opponents argue that the decision to award a high school diploma should not be focused on one type of performance measure, but rather include a broad array of pupil performance indicators.

5. Officials from DPI have testified that while they believe that all students should be expected to meet, at a reasonable level, appropriate academic standards as a precondition of grade advancement and graduation, a determination of whether or not a student meets the standards should not be based solely on the results of one test.

6. The Committee could consider repealing current statutory provisions that allow a parent or guardian to excuse a pupil from taking the HSGT, as DPI proposed in its agency budget request. One could argue that if the intent of a HSGT is to ensure all students are meeting a certain achievement level prior to high school graduation, then the parental opt-out provision should be removed. By eliminating the opt-out provision, the current flexibility of parents to take into account their child's unique circumstances in determining whether the child should take the exam would be eliminated. However, one could argue that the HSGT would be a standard measurement of pupil achievement and provide information for comparing students and school districts. If lower-achieving pupils are permitted to opt out of the test, one could argue that the HSGT's results would be skewed and thus a less accurate indicator of aggregate student achievement in Wisconsin. The test currently cannot be the sole reason why a child would not receive diploma, and students are permitted four opportunities over two school years to pass the exam. The test is not "high stakes," and therefore, one could argue that there is no significant need for a parental opt-out provision.

7. Further, if the goal of the pupil academic standards and high school graduation exam is to ensure a high level of achievement across the state of Wisconsin and to establish that a high school diploma is a valuable indicator of graduate skills and knowledge, it may be beneficial to require all students take the high school graduation exam in order to provide an accurate measurement of pupil knowledge. This might benefit institutions of higher education and potential employers when considering high school graduates.

8. The Committee could also consider modifying current law to require a pupil to pass the HSGT before the pupil could be granted a diploma. One could argue that the expenditure of nearly \$14.3 million GPR over the biennium warrants an assurance that the test will be utilized to the fullest extent possible. Elimination of the parental opt-out, as well as requiring pupils to pass the exam in order to receive a diploma, would restore the exam's original "high stakes" nature. Arguably, if it is a valid exam and measures student performance accurately and fairly, then pupils should not be allowed to graduate until they can demonstrate their competence on the exam. One could argue that it is unfair to require some pupils to pass the exam, while others are allowed to fail the exam but demonstrate their competence through academic performance, teacher recommendations, or other criteria set by school boards. If the exam is a valid measure worthy of ongoing state investment, then arguably it should be applied evenly to all pupils.

9. Alternatively, one could argue that it would be inappropriate for the exam to be "high stakes." Some have argued that some pupils cannot be expected to pass the HSGT, and furthermore that for every pupil, it must be left to an individual parent's discretion to determine whether the exam is an appropriate measure of that pupil's ability. If the exemption of certain students and the parental opt-out are deemed necessary, then one could call into question the exam's value as an accurate indicator of aggregate student performance or for any individual pupil. If even

after implementation of the HSGT, alternate criteria must still be used for some pupils, one could argue that the HSGT would not be a prudent investment of state funds during a fiscally challenging budget process. Traditionally it has been left to local school officials to judge a pupil's competence for graduation, and that would still be the case under current law, since the HSGT would be only one factor among many that may be considered even for pupils who take the exam. While it may be desirable to provide school officials the luxury of one more measure by which to judge a pupil's performance, in the context of a state budget with limited GPR resources, the Committee could consider whether this GPR funding might be better invested in more essential state functions. Additionally, if school boards found a HSGT to be a desirable criterion for graduation, individual districts could develop their own assessments to be used in this capacity. If the HSGT were to be eliminated, \$500,000 would be needed in 2001-02 to buy-out the contracts relating to test development.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to increase funding for the HSGT by \$4,599,800 in 2001-02 and \$4,627,700 in 2002-03 above a base level of \$2,500,000 GPR. The second year funding amount reflects a reduction of \$24,000 related to the deletion from the bill of assessments for the Milwaukee parental choice program. Clarify that the 4.0 HSGT project positions would be extended until December 2003.

Alternative 1	GPR
2001-03 FUNDING (Change to Base)	\$9,227,500
<i>[Change to Bill]</i>	<i>-\$24,000]</i>

2. Approve provisions of Alternative 1 with one or both of the following modifications:

- a. eliminate the current parental opt out for the HSGT; or
- b. require pupils to pass the HSGT in order to receive a high school diploma.

3. Delete \$6,599,800 GPR in 2001-02 and \$7,151,700 GPR in 2002-03 and 6.0 GPR positions as well as the related current law requirement that DPI develop and administer an HSGT and that school board criteria for granting a diploma include a pupil's score on a state HSGT.

Alternative 3	GPR
2001-03 FUNDING (Change to Base)	-\$4,500,000
<i>[Change to Bill]</i>	<i>-\$13,751,500]</i>
2001-03 POSITIONS (Change to Base)	- 6.00
<i>[Change to Bill]</i>	<i>- 6.00]</i>

4. Take no action.

Alternative 4	GPR
2001-03 FUNDING (Change to Base)	\$0
<i>[Change to Bill</i>	<i>- \$9,251,500]</i>

Prepared by: Layla Merrifield