



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #710

Eliminate TEACH Grants (TEACH Board)

[LFB 2003-05 Budget Summary: Page 397-98, #1 and 2]

CURRENT LAW

The TEACH Board administers the distribution of grants under the educational technology block grant and technology training and technical assistance grant programs. The block grant program provides funding to eligible educational agencies for any purpose related to educational technology, except salary and benefits for employees. The program is funded at \$35 million GPR annually. The training and technical assistance grant program awards grants to consortia of educational agencies for training and technical assistance in the use of educational technology. The program is funded at \$4 million GPR annually.

GOVERNOR

Delete funding of \$35 million GPR annually and eliminate the educational technology block grant program. Delete funding of \$4 million GPR annually and eliminate the training and technical assistance grant program.

DISCUSSION POINTS

Educational Technology Block Grants

1. The educational technology block grant program with \$35 million GPR of annual funding is a categorical aid provided to all 426 school districts, and as such is not subject to district revenue limits. Milwaukee and Racine charter schools receive grants under the program, as do secured juvenile correctional facilities operated by the Department of Corrections (DOC), including the Ethan Allen School, the Southern Oaks Girls School, and the Lincoln Hills School.

2. The educational technology block grant program provides eligible entities with grants that can be used for network upgrades, infrastructure debt service payments, hardware, software, consulting services, professional development, and telecommunications access payments. The grants are distributed based on a formula that uses equalized value per member, which is the full value of the taxable property in the district as certified for the prior year, excluding value adjustments resulting from appeals. There are adjustments for K-8 and union high school districts. Under 2001 Act 16 (the 2001-03 state budget), funding for Milwaukee and Racine charter schools is distributed in proportion to their membership, rather than weighted membership. The DOC receives \$5,000 per eligible facility.

3. Block grants are first distributed in \$5,000 allotments to each district, charter school, and secured juvenile correctional facility. In 2002-03, \$2.2 million was distributed under this provision. The balance of the funds, \$32,800,000, is distributed in proportion to the weighted membership of each school district and in proportion to the membership of each charter school. The weighting factor for members in each district is calculated by dividing the statewide average equalized value per member by the value per member in the district. For purposes of this calculation, if a district has an equalized value of less than \$75,000, it is treated as having a value per member of \$75,000, which applies only to the Norris School District. The attachment shows the distribution of TEACH block grants in 2002-03.

4. As noted in a 2002 report on the TEACH Board by the Legislative Audit Bureau, a lack of reporting requirements for grant recipients makes it difficult to assess the impact of TEACH programs statewide. The Audit Bureau did note, however, that in its review of expenditures in 11 districts, it found no evidence that block grants were used for prohibited purposes. Also, school district officials expressed a high degree of satisfaction with the program, and viewed block grants as important supplements to district educational technology budgets. Also, a technology survey of school districts was conducted jointly by TEACH and the Department of Public Instruction (DPI), and released in 2001. The survey found that TEACH block grant funds had helped schools buy 281,000 computers by 2001, and that the percentage of public school classrooms with Internet access had grown from 73% in 1999 to 90.8% in 2001.

5. *Education Week* released a special report on educational technology in 2002. That survey reported that Wisconsin had a ratio of students per Internet-connected computer of 5.6, as did Indiana. Meanwhile, Minnesota had a ratio of 5.3, Ohio's ratio was 5.7, Michigan's was 6.5, and Illinois, 6.9.

6. The Audit Bureau also noted that the TEACH initiative was originally proposed as a five-year, \$500 million program, to prepare Wisconsin educational institutions to take advantage of the Internet and digital educational technology. Although no sunset for the TEACH Board was ever specified in statute, some have argued that Wisconsin has accomplished the goal of a significant investment in educational technology. TEACH is currently in its sixth year of operation, and has expended approximately \$347.7 million, including all fund sources and bonding revenue. Over the life of the program, block grants account for \$202 million in expenditures. A total of \$23 million has been appropriated for training and technical assistance grants. Conversely, the Audit Bureau

noted that in 1999-00, when TEACH block grants were funded at \$35.0 million, a similar program in Ohio distributed \$20.6 million. Indiana used gaming and lottery revenues for \$27.5 million in technology grants to school districts. Illinois distributed approximately \$25.0 million annually for four years. Michigan and Minnesota did not provide educational technology block grants to schools.

7. Some have noted that alternative sources of funding for educational technology are also available. For example, in 2002-03, school districts shared approximately \$8.5 million under Title II Part D -- Enhancing Education through Technology, part of the Elementary and Secondary Education Act (ESEA) reauthorization. An additional \$2.9 million for libraries is expected to be received under the Library Services and Technology Act this year. There are also limited amounts of private funding available, such as the \$3.1 million in technology grants provided to Wisconsin libraries this year from the Bill & Melinda Gates Foundation.

8. On the other hand, some have noted that TEACH has not yet reached the originally proposed funding goal of \$500 million. Also, while the acquisition of hardware requires significant investment, it is only one aspect of the total cost of ownership associated with advanced technology. In the joint DPI/TEACH survey, school districts on average reported spending 11.9% of their overall educational technology budgets on telecommunications services, and 10.4% on technical support. Other significant ongoing costs included software (10.0%), professional development (5.2%), and supplies (2.3%).

9. Given the context of a state budget with limited GPR resources, it might be desirable to approve the Governor's proposal to eliminate the block grants at this time. One could argue that, given the state's investment to date, preservation of this type of educational technology grant is not a high enough priority to warrant reductions in other state services.

10. Opponents of this reduction argue that the grants should be preserved because they are provided outside district revenue limits. Therefore, the grants represent a significant resource to districts. Districts might find it difficult otherwise to maintain educational technology budgets, if revenue limit authority is earmarked for more basic operating expenses.

11. The Committee could also consider preserving the block grant, while reducing the amounts appropriated for educational technology. School districts and Milwaukee and Racine charter schools received an average of \$40 per member in 2002-03 under the block grant program. The Committee could consider providing, for example, \$10 per member on average, at a cost to the state of approximately \$8,763,300 annually, including \$15,000 for the secured juvenile correctional facilities.

Training and Technical Assistance Grants

12. Under the training and technical assistance grant program, funded at \$4 million GPR in 2002-03, the TEACH Board awards grants to cooperative educational service agencies (CESA), consortia of two or more school districts or CESAs, or one or more school districts or CESAs with one or more public library boards for training and technical assistance in the use of educational

technology. Under Act 16, Milwaukee-Racine charter school sponsors and secured juvenile correctional facilities are also eligible consortium participants. The Board is required to ensure that at least one grant is awarded annually to an applicant located in the territory of each CESA. Grants are awarded through one funding cycle annually on a competitive basis, but statutory preference is given to consortia that include public libraries.

13. Some activities and costs that are eligible for funding under this program include: (a) staff training in the use of technology and the integration of technology into the schools' curriculum; (b) training public library patrons in the use of available educational technology; (c) costs of hiring substitute teachers or other temporary employees to replace staff who are attending training activities during working hours; and (d) costs of contracts, services, fees or other costs for providing educational technology training and technical assistance.

14. Beginning in 1999-01, the training and technical assistance grant program was implemented by TEACH as a two-part process, with an initial planning grant and a second implementation grant. Grants were awarded separately for each phase, and only planning grant recipients were eligible for implementation grants. Guidelines required grant recipients implement educational technology model demonstration sites, reinforcement strategies, technical support, and community partnerships. TEACH defined a model demonstration site as a classroom where teachers model effective methods, strategies, and activities from their regular classrooms, producing live two-way interactive video lessons. These lessons are recorded with IP (Internet protocol) video recording equipment created for TEACH, and can be transmitted over the Internet or distance education networks for teachers participating in training. The model teachers are highly skilled in the integration of educational technologies into curriculum, and disseminate those skills via the lessons. An estimated 15,000 teachers, school staff and library staff were projected to receive training in the original training and technical assistance grant applications. In 2002, the Centers for Digital Government and Digital Education, national technology research and advisory institutes, designated the TEACH model demonstration site program as one of the top four programs of its kind in the country, out of 1,500 entries.

15. Planning and implementation grant recipients for 1999-01 included all twelve CESAs, a consortium of the Beloit and Janesville school districts, as well as Milwaukee Public Schools. A total of 372 school districts and 335 public libraries and systems are participating in the consortia. These projects were extended and funded by TEACH through December 31, 2003. TEACH awarded approximately \$2.1 million for continuation of these 1999-01 model classroom demonstration projects, out of the \$8 million available in 2001-03.

16. Of the remaining funding available, \$4.16 million is being disbursed in implementation grants in 2002-03 for other staff development models of the applicants' choosing. A total of 24 consortium projects are funded, including 354 districts, 232 libraries, and an estimated 17,000 teachers and librarians. Also, approximately \$1 million will be used to maintain and upgrade the TEACH-owned equipment used at model demonstration sites across the state.

17. From 1999 through 2002, districts consistently reported that their greatest technical

assistance need was for professional development, helping teachers use technology effectively. Each year, over 70% of districts reported improved professional development among their top three priorities. That was followed closely in each year by a need for technical assistance with integrating information and technology literacy standards into the content areas, including math, English language arts, science and social studies, of the state pupil assessment system. Wisconsin's Model Academic Standards, issued as Executive Order No. 326, identify and define these content areas, as well as the knowledge and skills essential for all students to access, evaluate, and use information and technology in the study of these content areas.

ALTERNATIVES

A. Block Grants

A1. Approve the Governor's recommendation to eliminate TEACH educational technology block grants.

A2. Modify the Governor's recommendation to reduce TEACH educational technology block grants from \$35,000,000 GPR annually to \$8,763,300 GPR annually. This would retain current law with regard to the statutory provisions governing the program and provide an estimated \$10 for each student.

<u>Alternative A2</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	\$17,526,600

A3. Delete provision, which would maintain \$35,000,000 GPR of annual funding for TEACH block grants.

<u>Alternative A3</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	\$70,000,000

B. Training and Technical Assistance Grants

B1. Approve the Governor's recommendation to eliminate TEACH training and technical assistance grants.

B2. Delete provision, which would maintain \$4,000,000 GPR of annual funding for training and technical assistance grants.

<u>Alternative B2</u>	<u>GPR</u>
2003-05 FUNDING (Change to Bill)	\$8,000,000

Prepared by: Layla Merrifield
Attachment

ATTACHMENT

2002-03 TEACH Educational Technology Block Grants

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
School Districts			
Abbotsford	\$47,752	Black Hawk	\$35,023
Adams-Friendship Area	73,378	Black River Falls	85,878
Albany	23,289	Blair-Taylor	46,651
Algoma	28,149	Bloomer	53,529
Alma	20,701	Bonduel	36,026
Alma Center	41,659	Boscobel Area	68,026
Almond-Bancroft	31,812	Boulder Junction J1	5,713
Altoona	66,693	Bowler	42,161
Amery	76,524	Boyceville Community	62,642
Antigo	138,057	Brighton #1	10,297
Appleton Area	522,929	Brillion	41,519
Arcadia	44,430	Bristol #1	17,154
Argyle	19,983	Brodhead	69,151
Arrowhead UHS	51,929	Brown Deer	36,039
Ashland	140,091	Bruce	28,729
Ashwaubenon	92,656	Burlington Area	119,035
Athens	29,668	Butternut	11,861
Auburndale	56,400	Cadott Community	54,515
Augusta	36,266	Cambria-Friesland	25,846
Baldwin-Woodville Area	61,374	Cambridge	34,620
Bangor	44,135	Cameron	51,249
Baraboo	101,486	Campbellsport	54,277
Barneveld	21,792	Cashton	38,388
Barron Area	84,117	Cassville	22,084
Bayfield	15,569	Cedar Grove-Belgium Area	35,023
Beaver Dam	138,259	Cedarburg	72,021
Beecher-Dunbar-Pembine	12,211	Central/Westosha UHS	35,038
Belleville	40,262	Chetek	40,704
Belmont Community	21,421	Chilton	70,417
Beloit	473,714	Chippewa Falls Area	160,323
Beloit Turner	50,917	Clayton	29,609
Benton	25,705	Clear Lake	44,781
Berlin Area	81,740	Clinton Community	57,700
Big Foot UHS	12,334	Clintonville	76,123
Birchwood	9,038	Cochrane-Fountain City	34,239

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
Colby	\$63,039	Flambeau	\$44,593
Coleman	28,433	Florence	27,373
Colfax	48,436	Fond du Lac	245,754
Columbus	47,422	Fontana J8	6,770
Cornell	37,297	Fort Atkinson	89,537
Crandon	28,444	Fox Point J2	15,613
Crivitz	23,071	Franklin Public	102,305
Cuba City	39,144	Frederic	26,140
Cudahy	120,164	Freedom Area	66,985
Cumberland	50,754	Friess Lake	9,993
D C Everest Area	220,882	Galesville-Ettrick	82,055
Darlington Community	53,064	Geneva J4	5,782
Deerfield Community	39,702	Genoa City J2	35,587
DeForest Area	94,655	Germantown	80,910
Delavan-Darien	82,294	Gibraltar Area	7,172
Denmark	79,346	Gillett	48,942
DePere	112,440	Gilman	29,242
DeSoto Area	27,890	Gilmanton	16,481
DodgeLand	34,813	Glendale-River Hills	17,282
Dodgeville	41,981	Glenwood City	55,479
Dover #1	7,651	Glidden	15,581
Drummond	10,513	Goodman-Armstrong	11,853
Durand	57,192	Grafton	46,803
East Troy Community	42,642	Granton Area	24,400
Eau Claire Area	378,133	Grantsburg	48,104
Edgar	46,019	Green Bay Area	709,501
Edgerton	72,795	Green Lake	8,369
Elcho	9,628	Greendale	52,538
Eleva-Strum	42,649	Greenfield	75,016
Elk Mound Area	48,498	Greenwood	27,978
Elkhart Lake-Glenbeulah	17,217	Hamilton	105,640
Elkhorn Area	75,677	Hartford J1	52,145
Ellsworth Community	77,122	Hartford UHS	58,575
Elmbrook	102,271	Hartland-Lakeside J3	39,880
Elmwood	23,969	Hayward Community	33,068
Erin	12,743	Herman #22	8,295
Evansville Community	70,789	Highland	21,441
Fall Creek	58,945	Hilbert	25,565
Fall River	22,264	Hillsboro	37,074
Fennimore Community	51,201	Holmen	169,067

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
Horicon	\$49,675	Lodi	\$53,658
Hortonville	95,463	Lomira	54,907
Howards Grove	44,119	Loyal	42,697
Howard-Suamico	179,910	Luck	30,709
Hudson	126,958	Luxemburg-Casco	79,810
Hurley	37,148	Madison Metropolitan	532,930
Hustisford	16,423	Manawa	50,789
Independence	18,036	Manitowoc	183,572
Iola-Scandinavia	34,920	Maple	55,102
Iowa-Grant	66,567	Maple Dale-Indian Hill	11,261
Ithaca	21,772	Marathon City	28,373
Janesville	438,990	Marinette	117,138
Jefferson	60,684	Marion	29,928
Johnson Creek	25,400	Markesan	30,386
Juda	20,258	Marshall	75,201
Kaukauna Area	164,500	Marshfield	165,676
Kenosha	822,899	Mauston	77,163
Kettle Moraine	111,172	Mayville	53,315
Kewaskum	65,331	McFarland	75,419
Kewaunee	51,650	Medford Area	115,893
Kickapoo Area	26,531	Mellen	21,931
Kiel Area	70,762	Melrose-Mindoro	42,906
Kimberly Area	113,030	Menasha	139,100
Kohler	12,870	Menominee Indian	81,969
Lac du Flambeau #1	12,972	Menomonee Falls	77,422
LaCrosse	257,095	Menomonie Area	141,795
Ladysmith-Hawkins	71,416	Mequon-Thiensville	60,427
LaFarge	23,938	Mercer	7,304
Lake Country	12,499	Merrill Area	144,636
Lake Geneva J1	43,672	Merton Community	34,103
Lake Geneva-Genoa UHS	27,793	Middleton-Cross Plains	107,160
Lake Holcombe	16,731	Milton	115,487
Lake Mills Area	43,389	Milwaukee	5,766,900
Lakeland UHS	14,238	Mineral Point	43,508
Lancaster Community	62,819	Minocqua J1	10,507
Laona	14,968	Mishicot	54,735
Lena	27,522	Mondovi	69,491
Linn J4	5,359	Monona Grove	83,801
Linn J6	5,625	Monroe	119,289
Little Chute Area	76,709	Montello	22,982

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
Monticello	\$21,799	Osseo-Fairchild	\$53,849
Mosinee	79,729	Owen-Withee	35,169
Mount Horeb Area	73,462	Palmyra-Eagle Area	41,270
Mukwonago	145,297	Pardeeville Area	38,218
Muskego-Norway	136,474	Paris J1	9,126
Necedah Area	33,636	Park Falls	27,207
Neenah	184,585	Parkview	55,755
Neillsville	64,246	Pecatonica Area	26,466
Nekoosa	50,887	Pepin Area	15,276
Neosho J3	11,299	Peshtigo	64,764
New Auburn	12,607	Pewaukee	39,226
New Berlin	86,684	Phelps	6,245
New Glarus	31,907	Phillips	40,851
New Holstein	44,944	Pittsville	41,726
New Lisbon	36,847	Platteville	71,532
New London	119,658	Plum City	23,493
New Richmond	98,343	Plymouth	91,867
Niagara	36,249	Port Edwards	27,579
Nicolet UHS	22,862	Port Washington-Saukville	93,457
Norris	17,481	Portage Community	91,063
North Cape	10,841	Potosi	33,621
North Crawford	38,872	Poynette	38,118
North Fond du Lac	61,190	Prairie du Chien Area	58,274
North Lake	14,573	Prairie Farm	26,812
Northern Ozaukee	28,769	Prentice	23,458
Northland Pines	20,082	Prescott	41,353
Northwood	9,169	Princeton	14,254
Norwalk-Ontario-Wilton	47,813	Pulaski Community	150,295
Norway J7	9,232	Racine	878,157
Oak Creek-Franklin	131,647	Randall J1	21,717
Oakfield	38,488	Randolph	20,884
Oconomowoc Area	81,092	Random Lake	40,072
Oconto	76,143	Raymond #14	15,368
Oconto Falls	79,503	Reedsburg	82,003
Omro	62,184	Reedsville	34,244
Onalaska	110,701	Rhineland	87,359
Oostburg	36,290	Rib Lake	27,576
Oregon	140,058	Rice Lake Area	97,039
Osceola	76,069	Richfield J1	14,071
Oshkosh Area	396,816	Richland	71,981

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
Richmond	\$19,092	Stanley-Boyd Area	\$51,396
Rio Community	29,516	Stevens Point Area	278,210
Ripon	74,503	Stockbridge	12,169
River Falls	95,665	Stone Bank	9,629
River Ridge	41,661	Stoughton Area	131,221
River Valley	50,935	Stratford	37,157
Riverdale	52,500	Sturgeon Bay	41,226
Rosendale-Brandon	53,105	Sun Prairie Area	139,075
Rosholt	36,017	Superior	235,565
Royall	46,821	Suring	17,406
Rubicon J6	11,194	Swallow	9,379
Saint Croix Central	49,670	Thorp	33,611
Saint Croix Falls	39,624	Three Lakes	13,275
Saint Francis	44,942	Tigerton	26,133
Salem J2	53,813	Tomah Area	144,311
Sauk Prairie	83,693	Tomahawk	41,643
Seneca	19,280	Tomorrow River	39,648
Sevastopol	10,113	Trevor Grade School	24,830
Seymour Community	147,472	Tri-County Area	36,307
Sharon J11	23,829	Turtle Lake	21,493
Shawano-Gresham	104,481	Twin Lakes #4	14,010
Sheboygan Area	453,107	Two Rivers	100,316
Sheboygan Falls	65,251	Union Grove J1	30,416
Shell Lake	21,037	Union Grove UHS	24,477
Shiocton	47,760	Unity	33,180
Shorewood	42,990	Valders Area	49,202
Shullsburg	25,881	Verona Area	143,644
Silver Lake J1	32,203	Viroqua Area	66,194
Siren	17,642	Wabeno Area	15,013
Slinger	90,480	Walworth J1	23,915
Solon Springs	17,619	Washburn	37,948
Somerset	47,963	Washington	5,618
South Milwaukee	149,844	Washington-Caldwell	11,910
South Shore	9,635	Waterford J1	53,423
Southern Door	31,461	Waterford UHS	38,834
Southwestern Wisconsin	35,008	Waterloo	42,411
Sparta Area	174,927	Watertown	127,864
Spencer	53,851	Waukesha	301,922
Spooner	39,792	Waunakee Community	92,645
Spring Valley	40,658	Waupaca	91,192

<u>Recipient</u>	<u>Block Grant</u>	<u>Recipient</u>	<u>Block Grant</u>
Waupun	\$109,097	Milwaukee Charter Schools	
Wausau	327,278	21 st Century Preparatory School	\$13,243
Wausaukee	20,121	Central City Cyberschool	16,184
Wautoma Area	47,669	Darrell Lynn Hines Prep. Academy	12,337
Wauwatosa	125,643	Downtown Montessori	7,586
		Khamit Institute	7,683
Wauzeka-Steuben	31,769		
Webster	12,981	Marva Collins Academy	18,253
West Allis	250,845	Milwaukee Academy of Science	33,380
West Bend	181,365	School for Early Development &	
West DePere	50,496	Achievement	6,002
		Urban League Academy of Business &	
West Salem	78,631	Economics	27,045
Westby Area	69,040	YMCA Youth Leadership Academy	21,323
Westfield	36,392		
Weston	21,427	YW Global Career Academy	<u>9,170</u>
Weyauwega-Fremont	41,408		
		Subtotal - Milw. Charter Schools	\$172,206
Weyerhaeuser Area	11,949	Secured Correctional Facilities	
Wheatland J1	23,756	Ethan Allen School	\$5,000
White Lake	10,809	Lincoln Hills School	5,000
Whitefish Bay	57,186	Southern Oaks Girls School	5,000
Whitehall	43,576		
		STATEWIDE	\$35,000,000
Whitewater	66,483		
Whitnall	59,049		
Wild Rose	19,869		
Williams Bay	10,991		
Wilmot Grade School	10,457		
Wilmot UHS	36,918		
Winneconne Community	57,562		
Winter	12,999		
Wisconsin Dells	31,820		
Wisconsin Heights	46,768		
Wisconsin Rapids	240,091		
Wittenberg-Birnamwood	68,412		
Wonewoc-Union Center	19,201		
Woodruff J1	14,918		
Wrightstown Community	41,449		
Yorkville J2	<u>12,092</u>		
Subtotal - School Districts	\$34,812,794		