

State of Wisconsin

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Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: September 12, 2023

Re: 5-Day Passive Review Approval – DPI

Pursuant to 2021 Wisconsin Act 89, attached is a 5-day passive review request from the Department of Public Instruction, resubmitted on September 12, 2023.

Please review the material and notify **Senator Marklein** or **Representative Born** no later than **Monday, September 18, 2023**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

HM:MB:jm

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2021 Act 89 Committee Report

February, 2023

Wisconsin Department of Public Instruction

2021 Act 89 Committee Report

Developed by
Thomas McCarthy, on behalf of the 2021 Act 89 Committee
Executive Director for the Office of the State Superintendent



Wisconsin Department of Public Instruction
Jill K. Underly, PhD, State Superintendent
Madison, Wisconsin

This report is available from:

The Office of the State Superintendent
Thomas McCarthy, Executive Director
Wisconsin Department of Public Instruction
125 South Webster Street
Madison, WI 53703
608-266-2630
<https://dpi.wi.gov>

February, 2023
Wisconsin Department of Public Instruction

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Summary of Recommendations

Overview

The Department of Public Instruction (DPI) convened a committee as articulated under 2021 Act 89, which met from August 2022 to January 2023. The committee reviewed recommendations as spelled out by the act, and focused on three key questions: whether additional resources were necessary to implement the law, what data elements needed to be present, and the design of the dashboard itself. The report spells out the findings of those recommendations.

Resourcing the dashboard

The committee is recommending that the department constrain spending on the dashboard to leverage current fund sources and not request additional funds to support the dashboard. The committee discussed the tradeoffs of this decision, including the amount of time it will take the department to deliver the dashboard, and the limitations of the data visualizations that could be built. This recommendation also means the first year's release will occur later in the school year and may result in the original dashboards being flat excel files.

Data elements of the dashboard

The committee is recommending that the department focus on displaying data elements that are relatable to the general public, and organized around wireframes included as Attachment 1 and Attachment 2. During the final meeting of the committee, an ask was made to make explicit the non-district expenses incurred by districts (areas where funding is diverted – regardless of funding source – to pay for non-public school costs).

Design of the dashboard

The committee is recommending that the department model its dashboard off of the one [created by the state of Georgia](#), using available tools (Microsoft's PowerBI or Tableau). The committee is recommending the dashboard use multiple data views to make the information accessible to the average user. Finally, the committee is asking for a feature that allows a user to compare a district to another district or the statewide average across the categories.

Attachments

Revenues

State

Varying depth of information regarding state aids can be displayed under this category (i.e., state general aid, state categorical aids) or rolled up into a broad category.

Federal

Again, varying depth of information regarding federal aids can be displayed under this category (i.e., federal title funds, federal grants, etc.).

Local

This category would be dominated by property tax receipts but could also include local sources (tickets for events and games).

Expenses

Instructional

Instructional funds are funds where elementary and secondary instruction (i.e., K - 12) activities (100 000 function series), pupil support activities (210 000 function series) or instructional staff support (220 000 function series) are recorded.

Debt Service

These funds are used for recording transactions related to repayment of the following general obligation debt: promissory notes (issued per statute 67.12(12)), bonds, state trust fund loans and TEACH loans. Also included in these funds are transactions pertaining to land contract payments and refinancing of debt issues and other district obligations as specified by DPI.

Capital Projects

These funds are used to account for the acquisition or construction of capital facilities financed through the use of bonds, promissory notes issued per statute 67.12(12), state trust fund loans, land contracts, an expansion fund tax levy established per statute 120.10(10m) or projects funded with a TIF capital improvement levy (Kenosha School District only).

Food and Community Service

These funds are used to account and report transactions of the district's food and community service activities. No K-12 instructional (100 000 series) or instructional support related functions are recorded in these funds.

Custodial

This fund is used to account for custodial activity, which is primarily related to pupil organizations, parent organizations, and certain scholarships pursuant to GASB 84, including the district not having administrative involvement with the custodial assets. Please refer to GASB 84 and the implementation guide.

Trusts

These funds are used to account for assets held by the district in a trustee capacity for individuals, private organizations, other governments and/or other funds pursuant to GASB 84. The Employee

Benefit Trust Fund provides relevant information concerning the establishment of an employee benefit trust and the accounting associated with the trust. Please refer to GASB 84, the implementation guide, and the Wisconsin Uniform Financial Accounting Requirements (WUFAR) webpage for additional resources related to Custodial Funds.

Revenues to the LEA

Pass through revenues (LEA is simply the fiscal agent)

- Voucher programs
- Open enrollment
- Independent charter

The user should be able to know

1. The amount of their tax levy going to these programs
2. The extent to which overall revenues for public school students are reduced (if at all): Does the district offset 100% of aid reductions or not?

Revenues that are in the district budget, i.e., they have some role in the allocation of funds

Spending on non-public school students

- Services
- Transit
- Special needs
- Etc.

Spending for community services

- Recreation
- Meals for community members
- Etc.

Spending serving public school students

- Operations and/or instructional expenses
- Facilities
- Administration
- Etc.

The user should be able to know:

1. How much of available revenue is being spent on non-public school students
2. How much of available revenue is being spent on community items
3. How much of available revenue is being spent on public school students being served by the district
4. The breakdown of where spending is going by functional category (to be determined by group or DPI)



WISCONSIN DEPARTMENT OF
Public Instruction

Jill K. Underly, PhD, State Superintendent

July 19, 2023

Financial Transparency Advisory Committee
c/o: Office of the State Superintendent,
Wisconsin Department of Public Instruction
125 S. Webster Street
Madison, WI 53711

Financial Transparency Advisory Committee,

The Department of Public Instruction (DPI) is in receipt of the recommendations report for the Financial Transparency Advisory Committee as specified in 2021 Act 89.

The department agrees with the recommendations of the committee but will be exercising the authority under 2021 Act 89 to delay implementation until the 2024-25 school year to improve data collections systems and build the requisite data displays. Additionally, the department wants to make clear that the lack of funding associated with the activities required under this report will require reallocating resources that would otherwise be used to support learners and school districts and will also limit the technical capability of the dashboard itself.

The department wishes to thank you for your service to and appreciates the time and energy you put into this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom McCarthy", written over a horizontal line.

Thomas McCarthy
Executive Director
Office of the State Superintendent
Wisconsin Department of Public Instruction