

**ORDER OF THE
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION
AMENDING RULES**

The state superintendent of public instruction hereby repeals PI 24.01 (3) and repeals and recreates subchapter II of chapter PI 24, relating to the payment of state aid under the student achievement guarantee in education (SAGE) program.

ANALYSIS BY THE DEPARTMENT OF PUBLIC INSTRUCTION

Statute interpreted: s. 118.43 (6), Stats.

Statutory authority: s. 118.43 (6m), Stats.

Explanation of agency authority:

Section 118.43 (6m), Stats., requires the department to promulgate rules to implement and administer the payment of state aid under s. 118.43 (6), Stats.

Related statute or rule: None.

Plain language analysis:

The department is required to promulgate rules to implement and administer the payment of state aid under the student achievement guarantee in education (SAGE) program. By statute, the department must pay an amount not to exceed \$2,000 multiplied by the number of low-income pupils enrolled in grades kindergarten to 3.

The proposed rules establish 3 calculation periods for the department and provide eligible schools with 3 reporting periods in October, January, and March. The proposed rules establish deadlines in each reporting period for eligible schools to report low-income pupils for aid under the SAGE program. If funds are insufficient in any calculation period to award \$2,000 per low-income pupil, the payment will be prorated. If adequate funds remain after any calculation period, the department will notify eligible schools that they may report any additional low-income pupils who were enrolled on the third Friday in September but for whom low-income status was not submitted or eligibility was not determined on or before the reporting dates in October, January or March.

Summary of, and comparison with, existing or proposed federal regulations:

Title II-A under the No Child Left Behind Act allows federal money to be used for class size reduction initiatives but does not specify what those initiatives must be. The Act provides non-regulatory guidance only.

Comparison with rules in adjacent states:

Illinois, Iowa, Michigan, and Minnesota do not have administrative rules relating to state-funded class size reduction programs.

Summary of factual data and analytical methodologies:

The proposed rules codify current practice.

Analysis and supporting documents used to determine effect on small business or in preparation of economic impact report: Not applicable.

Anticipated costs incurred by private sector: None.

Effect on small business:

The proposed rules will have no significant economic impact on small businesses, as defined in s. 227.114 (1) (a), Stats.

Agency contact person: (including email and telephone)

Janice Zmrazek, SAGE Program Coordinator, (608) 266-2489, janice.zmrazek@dpi.state.wi.us

Place where comments are to be submitted and deadline for submission:

Written comments on the proposed rule must be submitted by January 19 to Lori Slauson, Administrative Rules and Federal Grants Coordinator, DPI, 125 South Webster Street, P.O. Box 7841, Madison, WI 53707-7841.

SECTION 1. PI 24.01 (3) is repealed.

SECTION 2. Subchapter II is repealed and recreated to read:

SUBCHAPTER II - AID PAYMENT

PI 24.02 Definitions. In this subchapter:

(1) "Aid" or "appropriation" means funds available for the SAGE program under ss. 20.255 (2) (cu) and (cv), 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 s 118.43 (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.

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.

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 [http://folio.legis.state.wi.us/cgi-bin/om_isapi.dll?clientID=609078566&infobase=stats.nfo&jump=118.43%283%29%28am%29&softpage=Document - JUMPDEST 118.43\(3\)\(am\)](http://folio.legis.state.wi.us/cgi-bin/om_isapi.dll?clientID=609078566&infobase=stats.nfo&jump=118.43%283%29%28am%29&softpage=Document - JUMPDEST 118.43(3)(am)) 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 department 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.

The rules contained in this order shall take effect on the first day of the month commencing after the date of publication in the Wisconsin Administrative Register, as provided in s. 227.22(2)(intro.), Stats.

Dated this _____ day of April, 2005

Elizabeth Burmaster
State Superintendent