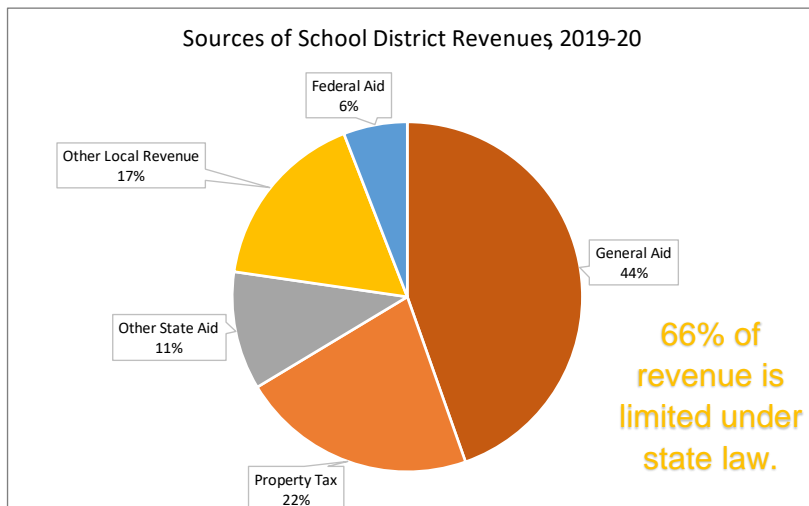




## Beaver Dam School District: A Failure of State Funding

### One Side of the Coin: Fair Funding for Schools

Wisconsin school districts have limited control over the amount of money they have to educate their students. Since 1993-94, the state government has imposed limits on the revenue school districts can receive from their two main funding sources: local property taxes and state aid.



The pie chart shows Beaver Dam's funding sources. Sixty-Six cents out of every dollar are constrained by the state's revenue limits. Although the school district has some discretion over its *other local revenue*, the amount it receives in federal and other state aid is out of its control.

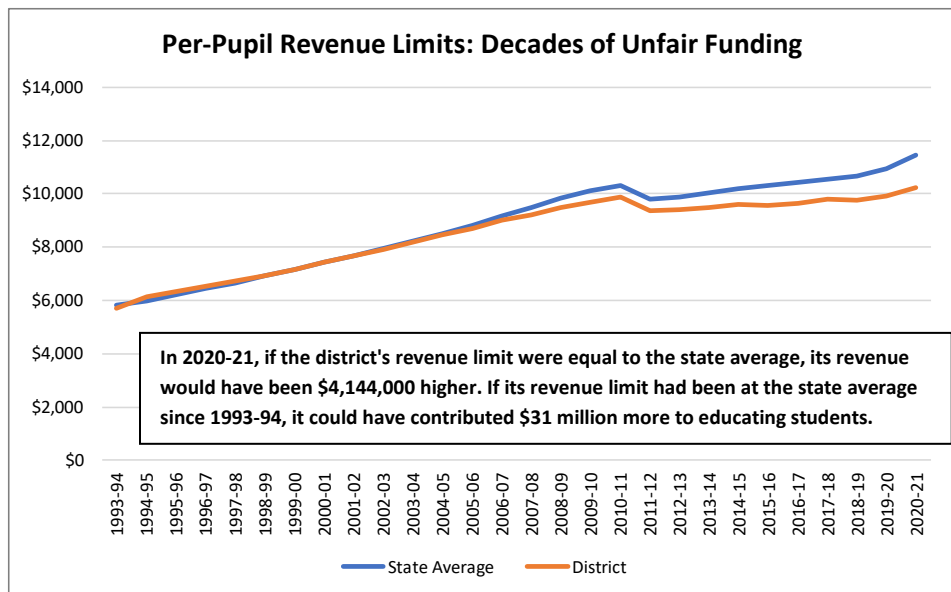
In 1993-94, Beaver Dam's revenue limit was set at \$5,711 per student, \$106 below the state average of \$5,817. In the same year, 24 school districts

were allowed to have revenues of over \$7,500! The system has grown worse since then.

Beaver Dam's revenue limit has remained below the state average since 2006. In 2020-2021, its revenue limit is \$10,232 per student, \$1,213 below the state average of \$11,445 per student.

New federal funding will help with pandemic-related costs, including learning losses. But these funds only last for a few years. Beaver Dam's funding gaps will continue unless the legislature takes

steps now to reform the state's school funding system.

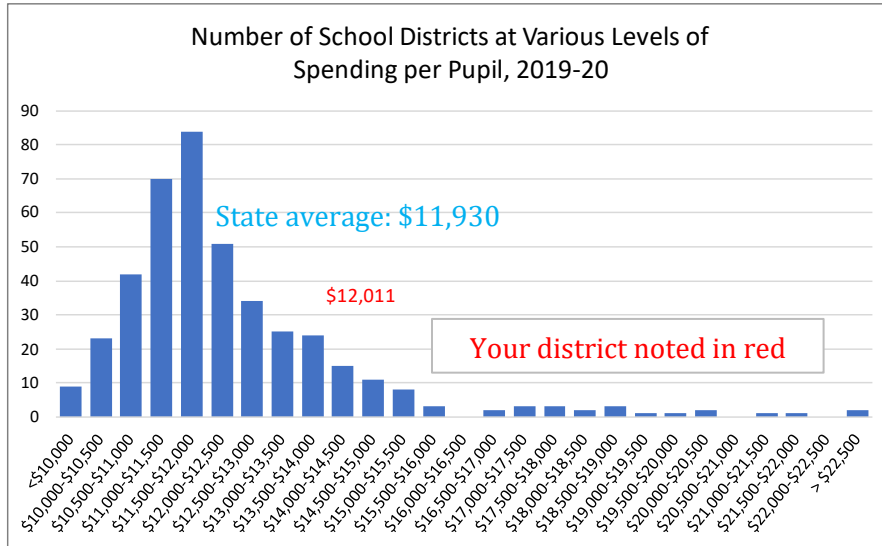


Special thanks to RW Baird School Business Solutions for expert assistance with data analysis.

## The Other Side of the Coin: Adequate Spending to Meet Student Needs

The amount of money Beaver Dam spends to educate its students is constrained by its available revenue. Given its low per pupil revenue limit, it is no surprise that Beaver Dam has had to rely on local revenue to attain spending of \$12,011, very close to the state average of \$11,930. **In other words, local property taxpayers have had to step up because the state is not fairly funding the schools in Beaver Dam.**

Beaver Dam not only faces the challenge of limited revenues. Its student body includes a heavy



concentration of *high-need* students.

- 48% of students are from low-income families.
- 13% of students have disabilities requiring extra services.
- 234 students are learning English.

*Providing high-need students with a quality education requires additional resources.*

**The state's funding system mostly disregards extra costs**

of educating high-need students.

- Wisconsin is one of only a few states that does not provide extra aid for students from low-income families.
- State aid covers only 28% of the extra costs to provide special education services.
- Beaver Dam receives no additional state aid to provide English language instruction.

To provide an adequate education to all its students, one that meets the state's academic performance standards, AEF estimates that Beaver Dam will need to increase spending by at least \$3,256 per student. At the current level of enrollment, this increase implies **a spending gap of \$11.5 million**. We base this on a conservative estimate of 40% higher costs for these students.

AEF calls on the state legislature to close unfair funding gaps and recognize the additional costs incurred by districts serving high-needs students. Specifically, AEF proposes:

- Raising low revenue limits by \$300 per year, and closing gaps for low-revenue districts.
- Raising special education reimbursement to 45%, then 55% of actual costs.
- Providing \$150 of additional state aid per low-income student.
- Providing "Bilingual/Bicultural Aid with a floor of \$10,000 and \$500/student.

**Call WI Senator Joan Ballweg at (608) 266-0751 and Rep. Mark Born at (608) 266-2540.**

**Tell them you want fair funding for the children in Beaver Dam's schools.**

Data in this Dashboard are from WI DPI Revenue Limit Longitudinal Data, School Report Card Data Downloads, 2019-20 student "membership" counts, and Comparative Revenue and Comparative Cost files. Dr. Andrew Reschovsky (LaFollette School of Public Affairs, UW-Madison) assisted in the analysis of the data. All averages are pupil weighted. Spending is defined as "Total Current Education Costs."