

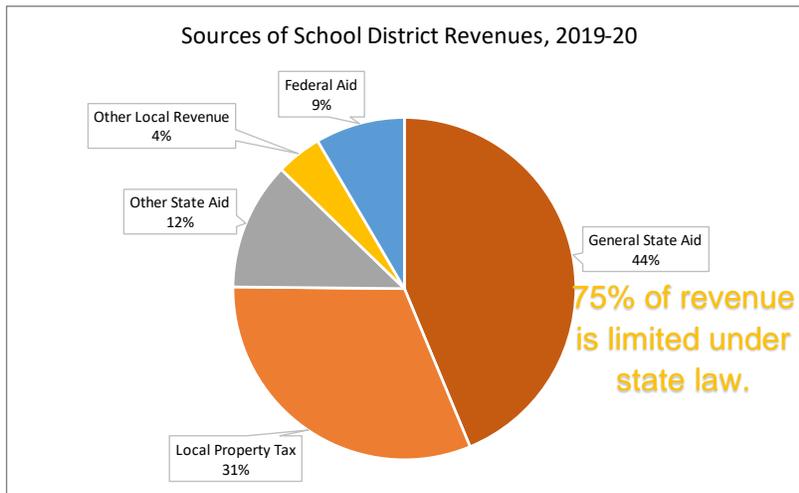


SD School District: A Failure of State Funding

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 **Neillsville's** funding sources. **Seventy-five** cents out of every dollar is constrained by the state's revenue limits. Although the school district has some discretion over

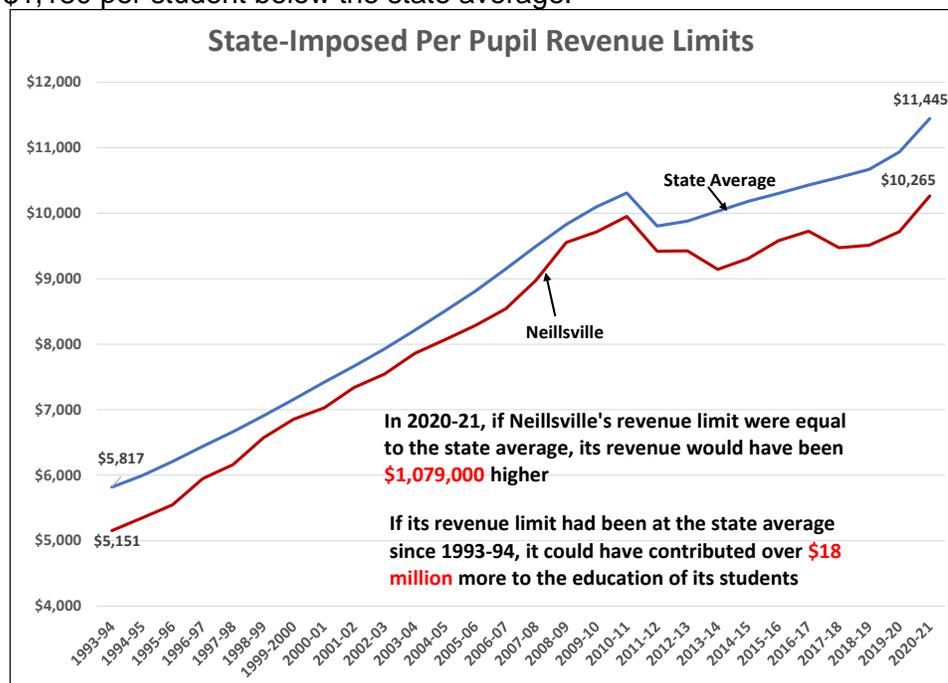


its *other local revenue*, the amount it receives in federal and other state aid is out of its control.

In 1993-94, the revenue limit in Neillsville was set at \$5,151 per student, \$666 below the state average of \$5,817. In the same year, 24 school districts were allowed to have revenues of over \$7,500 per student! Funding gaps have only grown worse.

Neillsville's revenue limit has remained below the state average since 1993. At \$10,265, its revenue limit is nearly \$1,180 per student below the state average.

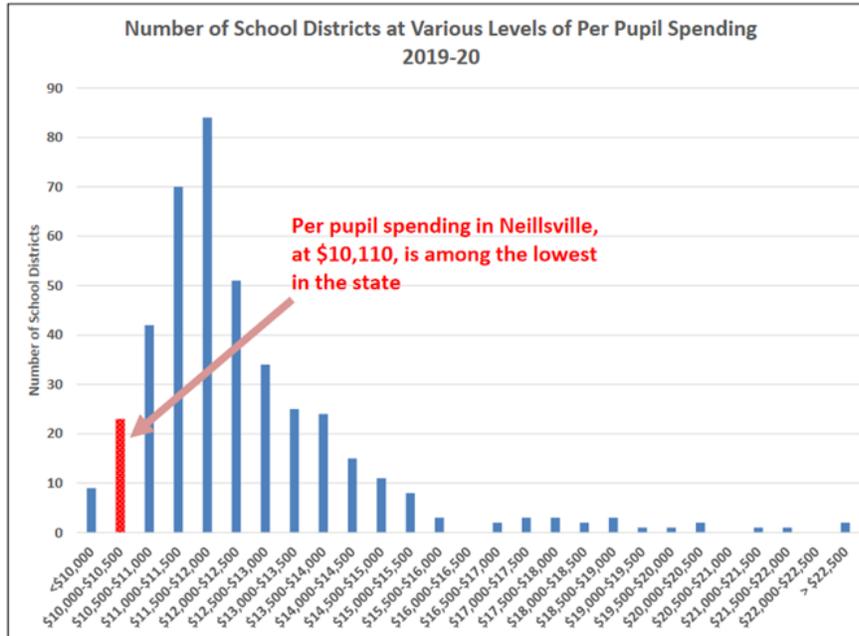
New federal funding will help with pandemic-related costs, including learning losses. But these funds only last for a few years. Neillsville's funding gaps will continue unless the legislature takes steps now to reform the state's school funding system.



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

The amount of money Neillsville spends to educate its students is constrained by its available revenue. Given its low per pupil revenue limit, it is no surprise that at \$10,110, education spending per pupil in Neillsville \$1,820 below the state average.

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



concentration of *high-need* students.

- 49% of students are from low-income families
- 17% of students have disabilities requiring extra services
- 13 students are learning English

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

Neillsville is not alone. Many districts struggle to meet student needs.

The state’s funding system mostly disregards extra costs of educating high-need students.

- Wisconsin is one of 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.
- Neillsville 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 Neillsville will need to increase spending by at least \$2,730 per student. At the current level of enrollment, this increase implies **a spending gap of \$2.6 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:

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

Please join AEF’s call for fairness. Contact State Senator Kathy Bernier today at (608) 266-7511. Tell her you want a fair funding system for students in Neillsville.

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.”