



## **FREQUENTLY ASKED QUESTIONS**

### **What is the School Finance Network?**

The School Finance Network is a statewide coalition of education, religious, and community organizations committed to strengthening our system of public school funding. The coalition is made up of the following groups: AFT – Wisconsin, Fair Aid Coalition, School Administrators Alliance, Southeastern Wisconsin Schools Alliance, Wisconsin Alliance for Excellent Schools, Wisconsin Association of School Boards, Wisconsin Association of School District Administrators, Wisconsin Education Association Council and Wisconsin PTA.

### **Why do we need to change the way Wisconsin funds its schools?**

After 15 years of capped school funding, we need to protect programs across the board, while restoring opportunities in art, music and foreign language, as well as business and vocational training. We need a better system of school funding to keep schools solvent and to avoid making more cuts in vital programs and services for children.

The state's system of school funding fails to keep up with inflationary increases in the economy and does not provide adequate resources for high cost students. Many districts report they may not be solvent in a few short years. Without making the school funding system more effective, opportunities for Wisconsin's students will continue to erode, communities will be hurt, and the state's economy weakened.

### **What does the group propose for school funding?**

The School Finance Network proposes increasing categorical aid for children with disabilities and special needs, for small, rural school districts, and for low income students — making the system more equitable while ensuring that all children have the opportunity to learn. The proposal also reconfigures how annual per pupil increases are calculated, moving them from \$264 to \$350 in year one, and then tying future increases to overall statewide economic growth. The new system is more effective in aligning school district revenue with annual costs.

Increases in categorical aid and improvements in the funding formula will allow school districts to maintain classes in non-tested subjects, including business, vocational and technical training, art, music, and history, keeping intact experiences and opportunities for children that increase overall achievement and benefit them for life. This outcome — maintaining educational opportunities for all children — is of the utmost importance.

### **Will this plan increase my property taxes?**

No — it controls them. The plan increases state aid and expands homestead property tax relief, generating lower property taxes and providing tax relief for homeowners.

### **How will you pay for it?**

The state Legislature has the responsibility to fully fund public education, as mandated by the state's Constitution. There are many funding options for state leaders to improve our school funding system, including closing corporate tax loopholes, eliminating tax breaks and subsidies for companies that do not keep jobs in Wisconsin, changing the sales tax system, eliminating sales tax exemptions, and adopting strategies to increase federal support for the state.

### **Why should investing in education be a state priority in a time of economic distress?**

Research consistently shows what common sense tells Americans: that education has a positive effect on economic growth. Education is a permanent asset for the state that benefits individual earnings, local communities and overall economic development. Continued tax cuts will harm education, while investments will expand opportunity. Investments in education boost economic growth by helping individuals rise to their full potential, help local communities stay strong, and reap an overall return for the state.

### **Will any districts lose funding with this plan?**

No district loses money under this plan because it builds on existing funding levels and does not re-shuffle money within the current system, producing winners and losers. Some districts, however, do receive more aid than others. This is because new aid is primarily based on need — those districts with more high-cost students will get more aid from the state.

### **Will this plan help maintain art, music and other educational programs at my local school?**

Yes. Although there is no guarantee that all programs will be restored (these decisions are locally controlled), targeting money to high cost students will free up funds elsewhere in the budget. Also, by tying funding to economic growth, schools will have more flexibility to promote experiences and opportunities in a full range of subjects.

### **Can't we just eliminate wasteful spending?**

New research has documented the extent to which school districts statewide are adopting different business strategies to generate cost savings:

99% of districts have adopted new programs/equipment to reduce energy costs

94% have changed health care benefits

87% use cooperative education services (CESAs)

86% of districts are now combining job responsibilities within their own district, such as those between a principal and curriculum director.

65% of districts belong to a purchasing consortium (cooperative), including for school materials, food and energy, where bulk purchases reduce costs

57% of districts share staff with another district

While some of the above practices were driven by innovation, many arose from necessity. Responses from educators on multiple surveys, for example, show that increased workload and doubling job responsibilities are not perceived as improving the quality of education. Moreover, these cost savings strategies are in addition to outright cuts in programs and services that districts are making across-the-board, as documented in an annual revenue control survey.