

**Summary of
2007 Act 20
Final 2007-09 Budget Bill with Vetoes**

**Provisions Related to
Elementary and Secondary Education
and State Agency Operations**

**Also Includes Listing of Key Provisions from the
Department's 2007-09 Budget Request but NOT Included in
the Governor's Budget**

**Prepared by Policy and Budget Team
Department of Public Instruction**



November 2007

KEY TO ABBREVIATIONS

APPROPRIATIONS

GPR - Appropriations financed from general purpose revenues available in the state's general fund.

FED - Appropriations financed from federal revenues.

PR - Appropriations financed from program revenues, such as user fees or product sales.

PR-S - Program Revenue-Service - Appropriations financed from funds transferred between or within state agencies for the purpose of reimbursement for services or materials.

SEG - Appropriations financed from segregated revenues.

OTHER

FY - Fiscal year. For example, FY08 means the 2007-08 state fiscal year.

FTE - Full-time equivalent position.

FY07 Base - The total 2006-07 authorized funding level for an agency or program. The base equals 2006-07 appropriations, pay plan modifications and any other supplements. It is this base that serves as the beginning point for calculating budget changes for 2007-09.

TANF - Temporary Assistance to Needy Families. The federal TANF program provides an annual block grant to Wisconsin, which is the primary funding source for the Wisconsin Works (W-2) program, the child care program and a number of other public assistance expenditures.

2007-09 Final School Aids and Credits Summary
(italicized programs are new)

Categorical Aid Program	FY07 Base	FY08	FY08 to Base	FY09	FY09 to FY08	FY09 to Base	Overall Increase
Special Education	\$332,771,600	\$350,192,500	\$17,420,900	\$368,939,100	\$18,746,600	\$36,167,500	\$53,588,400
SAGE	\$98,588,000	\$111,984,100	\$13,396,100	\$111,984,100	\$-	\$13,396,100	\$26,792,200
Pupil Transportation	\$27,292,500	\$27,292,500	\$-	\$27,292,500	\$-	\$-	\$-
Bilingual-Bicultural Educ	\$9,890,400	\$9,890,400	\$-	\$9,890,400	\$-	\$-	\$-
Tuition Payments	\$9,491,000	\$9,491,000	\$-	\$9,491,000	\$-	\$-	\$-
P-5 Program	\$7,353,700	\$7,353,700	\$-	\$7,353,700	\$-	\$-	\$-
Head Start Supplement	\$7,212,500	\$7,212,500	\$-	\$7,212,500	\$-	\$-	\$-
TEACH Debt Service	\$6,600,800	\$4,478,400	\$(2,122,400)	\$4,475,700	\$(2,700)	\$(2,125,100)	\$(4,247,500)
Alternative Educ Grants	\$5,000,000	\$5,000,000	\$-	\$5,000,000	\$-	\$-	\$-
AODA Prev & Intervention Grants	\$4,520,000	\$4,520,000	\$-	\$4,520,000	\$-	\$-	\$-
School Lunch Match	\$4,371,100	\$4,371,100	\$-	\$4,371,100	\$-	\$-	\$-
Aid for CCDEB's	\$4,214,800	\$4,214,800	\$-	\$4,214,800	\$-	\$-	\$-
Spec Education-High Cost Pupils	\$3,500,000	\$3,500,000	\$-	\$3,500,000	\$-	\$-	\$-
Children-at-Risk Program	\$3,500,000	\$3,500,000	\$-	\$3,500,000	\$-	\$-	\$-
Grants for Mentors	\$1,350,000	\$1,350,000	\$-	\$1,350,000	\$-	\$-	\$-
School Breakfast Program	\$1,055,400	\$2,513,500	\$1,458,100	\$2,890,600	\$377,100	\$1,835,200	\$3,293,300
School Day Milk Program	\$710,600	\$710,600	\$-	\$710,600	\$-	\$-	\$-
Peer Review & Mentoring	\$500,000	\$500,000	\$-	\$500,000	\$-	\$-	\$-
Open Enroll Transportation	\$500,000	\$500,000	\$-	\$500,000	\$-	\$-	\$-
Aid for CESA's	\$300,000	\$300,000	\$-	\$300,000	\$-	\$-	\$-
Talented & Gifted Grants	\$182,000	\$273,000	\$91,000	\$273,000	\$-	\$91,000	\$182,000
SAGE-Debt Service	\$150,000	\$150,000	\$-	\$150,000	\$-	\$-	\$-
Supplemental Aid	\$125,000	\$125,000	\$-	\$125,000	\$-	\$-	\$-
Adv Placement Grants	\$100,000	\$100,000	\$-	\$100,000	\$-	\$-	\$-
English for Southeast Asian Youth Options	\$100,000	\$100,000	\$-	\$100,000	\$-	\$-	\$-
Transportation	\$20,000	\$20,000	\$-	\$20,000	\$-	\$-	\$-
MPS Achievement Grants	\$-	\$-	\$-	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
4K Start Up Grants	\$-	\$-	\$-	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
STEM Grants	\$-	\$61,500	\$61,500	\$61,500	\$-	\$61,500	\$123,000
Grants for Nurses	\$-	\$250,000	\$250,000	\$250,000	\$-	\$250,000	\$500,000
Sparsity Aid	\$-	\$-	\$-	\$3,644,600	\$3,644,600	\$3,644,600	\$3,644,600
Aid to High Poverty Dists	\$-	\$9,000,000	\$9,000,000	\$12,000,000	\$3,000,000	\$12,000,000	\$21,000,000
Supplemental Sp Educ	\$-	\$-	\$-	\$1,750,000	\$1,750,000	\$1,750,000	\$1,750,000
Consolidation Grants	\$-	\$-	\$-	\$250,000	\$250,000	\$250,000	\$250,000
Aid to Belmont Library	\$-	\$18,000	\$18,000	\$-	\$(18,000)	\$-	\$18,000
GPR Sub-Total	\$529,399,400	\$568,972,600	\$39,573,200	\$609,720,200	\$32,121,000	\$80,320,800	\$119,894,000
Aid for AODA	\$1,518,600	\$1,518,600	\$-	\$1,518,600	\$-	\$-	\$-
PR Sub-Total	\$1,518,600	\$1,518,600	\$-	\$1,518,600	\$-	\$-	\$-
School Library Aids	\$29,000,000	\$35,000,000	\$6,000,000	\$40,000,000	\$5,000,000	\$11,000,000	\$17,000,000
Envir Educ, Forestry-UW	\$400,000	\$400,000	\$-	\$400,000	\$-	\$-	\$-
Envir Educ, Envir. Assess-UW	\$30,000	\$50,000	\$20,000	\$50,000	\$-	\$20,000	\$40,000
Educ Telecomm Access-TEACH	\$11,330,100	\$11,340,700	\$10,600	\$11,340,700	\$-	\$10,600	\$21,200
La Causa Charter School	\$-	\$250,000	\$250,000	\$-	\$(250,000)	\$-	\$250,000
SEG Sub-Total	\$40,760,100	\$47,040,700	\$6,280,600	\$51,790,700	\$5,000,000	\$11,030,600	\$17,311,200
Total Categorical Aids	\$571,678,100	\$617,531,900	\$45,853,800	\$663,029,500	\$45,497,600	\$91,351,400	\$137,205,200
Total Equalization Aids	\$4,722,745,900	\$4,722,745,900	\$-	\$4,799,501,900	\$76,756,000	\$76,756,000	\$76,756,000
Total School Aids	\$5,294,424,000	\$5,340,277,800	\$45,853,800	\$5,462,531,400	\$122,253,600	\$168,107,400	\$213,961,200
School Levy Tax Credit	\$593,050,000	\$672,400,000	\$79,350,000	\$822,400,000	\$150,000,000	\$229,350,000	\$308,700,000
State Residential Schools	\$10,956,400	\$11,478,400	\$522,000	\$11,485,900	\$7,500	\$529,500	\$1,051,500
Total School Aids & Credits	\$5,898,430,400	\$6,024,156,200	\$125,725,800	\$6,296,417,300	\$272,261,100	\$397,986,900	\$523,712,700
Annual % Increases			2.13%		4.52%		
Total GPR Increases	\$5,856,151,700	\$5,975,596,900	\$119,445,200	\$6,243,108,000	\$267,511,100	\$386,956,300	\$506,401,500
Annual % GPR Increases			2.04%		4.48%		

GENERAL SCHOOL AIDS

General Equalization Aids

AGENCY REQUEST:

- Increase general school aids by \$149,947,800 GPR in FY08 and \$272,109,600 GPR in FY09 over the FY07 base of \$4,722,745,900. Fund the general equalization aids share of meeting approximately two-thirds of estimated “partial school revenues.” General school aids include equalization, integration, and special adjustment aid. The amounts reflect annual increases of 3.2 percent and 2.5 percent, respectively, over the biennium.

GOVERNOR:

- Provide \$79,319,200 GPR in FY08 and \$156,075,200 GPR in FY09 for general school aids. General school aids funding would increase from \$4,722,745,900 in FY07 to \$4,802,065,100 in FY08 and \$4,878,821,100 in FY09. The amounts reflect annual increases of 1.7 percent and 1.6 percent, respectively.
- General school aids, combined with the Governor’s proposed increases in categorical aids and the new “first dollar” targeted property tax relief (see below) are estimated to result in the state share of “partial school revenues” of 65.3 percent in FY08 and 65.5 percent in FY09.

LEGISLATURE/FINAL:

- Provide increases of \$0 in FY08 and \$76,756,000 GPR (1.6%) in FY09. Total general aid equals \$4,722,745,900 GPR in FY08 and \$4,799,501,900 GPR in FY09.
- Using the definition of two-thirds funding as it existed prior to its repeal, the Legislative Fiscal Bureau is estimating that the budget will provide 65.1% state support in FY08 and 65.6% in FY09. These are decreases from the estimated 66.2% in FY07.
- Total general and categorical aids increase by 0.9% in FY08 and 2.3% in FY09. If the higher school levy tax credit and residential schools are included, funding increases by 2.1% in FY08 and 4.5% in FY09.

School Property Tax Credit

AGENCY REQUEST: None.

GOVERNOR:

- Increase funding by \$123,745,000 GPR annually to reflect the amount under current law. The school levy tax credit was increased from \$469,305,000 to \$593,050,000 annually, beginning in 2007, by 2005 Wisconsin Act 25. The increased amount was reflected on property tax bills issued in December, 2006, payable in 2007.
- Create a new “first dollar” property tax credit by increasing the current school levy tax credit by \$100,000,000, starting with property tax bills mailed in 2008 (FY09).
- Funds would be distributed to property owners based on local K-12 school district mill rates. The Department of Revenue will determine the actual property value of the first dollar credit based on the amount necessary to expend the full \$100 million, but the Governor estimates to exempt from the property tax the first \$6,300 dollars on real property improvements.
- The \$100 million in new credits would not be paid to municipalities until July, 2009 (FY10). Therefore, the fiscal effect is not reflected until the 2009-11 biennial budget. However, the Governor counts the additional tax credit towards the estimated state share of “partial school revenues” for FY09.

LEGISLATURE/FINAL:

- Increase the credit by \$79,350,000 in FY08 and \$154,350,000 in FY09. Each amount is payable by the state in the subsequent fiscal year (i.e. the \$154,350,000 GPR increase will be paid as part of the 2009-11 biennial budget). Total two-year increase over the base equals \$308,700,000.
- The FY08 increase is approximately equal to the amount of General Equalization Aids that was proposed by the Governor, but unable to be included in the October 15, 2007 aid certification by DPI due to lack of agreement on the biennial budget.
- The additional \$75,000,000 in FY09 is to be paid out under a new “First Dollar Credit” formula, separate from the remaining \$747,400,000. See explanation above under “GOVERNOR”.

REVENUE LIMITS

Low Revenue Ceiling Adjustment

AGENCY REQUEST:

- Increase the per pupil low revenue ceiling amount by \$300 annually, to \$8,700 in FY08 and to \$9,000 in FY09, to continue to provide the state's lowest spending districts with the opportunity to narrow the disparity with the highest spending districts.
- It is estimated that this proposal would allow approximately 100 school districts to increase their revenues beyond the annual allowable per pupil adjustment each year without going to referenda. This provision has an estimated fiscal impact of \$5-10 million in additional revenue limit authority in each year.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve Governor's request.

Declining Enrollment Revenue Limit Adjustment

AGENCY REQUEST:

- Increase the current 75 percent declining enrollment provision to 100 percent on a non-recurring basis starting in FY08.
- The proposal would, compared to current law, provide roughly \$15-18 million in additional revenue limit authority statewide annually (above the \$40-45 million now allowed on a non-recurring basis). It would benefit all declining enrollment districts, regardless of the size of their membership decline.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve Governor's request.

Adjustment for Prior Year Base Revenue Limit

AGENCY REQUEST:

- Provide that districts receive at least their prior year's base revenue limit if their current year revenue limit calculation, after accounting for their per pupil inflationary adjustment and low-revenue ceiling increase (if applicable) is less than their prior year base revenue limit amount.
- This proposal would benefit the 40-60 most severely declining enrollment districts.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve Governor's request.

Revenue Limit Exemption for School Safety

AGENCY REQUEST: None.

GOVERNOR:

- Provide a revenue limit exemption of up to \$25,000 per 500 high school students if the school board and a local law enforcement agency prepare a school safety plan for each school in the district with students in grades 9-12. Excess revenue would be used to pay the district's equal share of costs (local law enforcement agency would pay the other half) of one security officer per 500 students in grades 9-12 or to purchase certain safety equipment that will be defined in administrative rules.

LEGISLATURE/FINAL: Delete the Governor's request.

Revenue Limit Exemption for Mentoring Initial Educators

AGENCY REQUEST: None.

GOVERNOR:

- Provide a new exemption to school revenue limits for costs associated with conducting mentoring activities for initial educators, as provided under Chapter PI 34, Wis. Admin. Code. The amount of the exemption would be capped at \$2,160 per initial educator, less any amount received by the school district for each initial educator under the Mentoring Grant for Initial Educators program. There is no limit on the number of initial educators for whom the new exemption could be taken.

LEGISLATURE/FINAL: Delete the Governor's request.

CATEGORICAL AIDS

Special Education Aids

AGENCY REQUEST:

- Request \$25,000,000 GPR in FY08 and \$50,000,000 GPR in FY09 to increase special education reimbursement.

GOVERNOR:

- Provide \$17,420,900 GPR in FY08 and \$36,167,500 GPR in FY09 for special education categorical aid, which would represent increases of 5.24% in FY08 and 5.35% in FY09. Based on cost data included in the DPI agency budget request, it is estimated that this funding would equal 28.8% of eligible costs in FY08 and 29.0% in FY09.

LEGISLATURE/FINAL: Approve the Governor's request.

Supplemental Special Education Aid

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$1,750,000 GPR in FY09 for supplemental special education aid to school districts that meet the following criteria: (a) per pupil revenue limit authority in the prior year was below the statewide average; (b) special education expenditures as a percentage of total district expenditures were above 16.0% in the prior year; and (c) membership in the prior year was less than 2,000 pupils.
- Also, require that a district could receive either the new additional special education aid or the current law high cost special education aid program in a given year, but not both.
- Provide that in FY09, DPI would pay each eligible school district the same amount. Beginning in FY10 and thereafter, aid would be distributed proportionally among eligible districts based on their total special education expenditures in the prior year.
- Require that aid to any one district could not be less than \$50,000, nor more than \$150,000 or 50% of their total special education expenditures, whichever is less.

Aid to High Poverty Districts

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$9,000,000 GPR in FY08 and \$12,000,000 GPR in FY09 in a new annual aid appropriation. Specify that a school district would be eligible for aid under the program if, in the October, 2006 pupil counts reported for the National School Lunch Program, at least 50%, after rounding to the nearest whole percentage point, of the district's enrollment was eligible for free or reduced-price lunch. Aid per pupil

in FY08 and FY09 would be calculated by dividing the appropriated amount by the total number of pupils enrolled in all eligible districts and multiplying that amount by each district's number of pupils enrolled. It is currently estimated that 23 districts would be eligible for this aid, with total enrollments of approximately 111,900 pupils.

- In FY10 and thereafter, a school district would be eligible for aid if, in the October preceding each biennium, the number of pupils eligible for free or reduced-price lunch divided by the district's enrollment for the third Friday in September pupil count is equal to at least 50% after rounding to the nearest whole percentage point. An eligible school district's aid would be calculated by dividing the total appropriation amount by the third Friday in September enrollment of all eligible school districts in the current fiscal year. Specify that this per pupil amount would be increased by a percentage adjustment equal to the percentage increase in general school aids in the current fiscal year and the percentage increase in state personal income in the prior calendar year. For each school district, this adjusted per pupil amount would be multiplied by its third Friday in September enrollment in the current fiscal year in order to calculate its aid in the current year.
- The aid amount for each eligible district could not be less than its aid in the prior year, increased by the same percentage adjustments applied to the per pupil amounts. DPI can prorate these payments if school district aid entitlement would exceed available funding.
- For all school districts except Milwaukee Public Schools (MPS), this aid would be subject to revenue limits. For MPS, require that the school property tax levied for the purpose of offsetting the aid reduction attributable to the Milwaukee Parental Choice Program would be reduced by the amount of this aid received. In either case, the effect of this aid would be to reduce the school property tax levy of the eligible school district.

Grants for Improving Pupil Academic Achievement

AGENCY REQUEST: None.

GOVERNOR:

- Provide \$5,000,000 GPR in FY08 and \$10,000,000 GPR in FY09 in a new, annual appropriation for grants to MPS to improve pupil academic achievement.
- Allow the MPS Board of Directors to apply to the Department of Administration (DOA) for a grant of up to \$5,000,000 in FY08, and up to \$10,000,000 in FY09 and annually thereafter. The purpose of the grant is to implement initiatives in MPS to improve pupil academic achievement in all grades, such as employing licensed teachers to tutor pupils who are struggling academically, or employing persons to coordinate the district's instructional programs and provide ongoing professional development for teachers.
- MPS Board must submit with its application a plan for DOA's approval describing the initiatives for which the grant will be used, describing the research showing that the initiatives have a positive effect on pupil academic achievement, and including criteria for evaluating the effectiveness of the initiatives, such as high school graduation rates or the results of the Wisconsin Knowledge and Concepts Exams.
- DOA may approve the MPS plan in whole or in part, and that, if DOA approves the plan in part, then the Board may submit an additional plan for the same school year and DOA may award the Board all or part of the balance of grant funds.
- Upon receipt of a notice from DOA that a plan has been approved, the State Superintendent shall pay the Board the amount specified by DOA. The appropriation is located within DPI, even though the approval of the plan comes from DOA.

LEGISLATURE/FINAL:

- Approve the Governor's request except provide no funding for FY08 (provide \$10,000,000 GPR beginning in FY09).

Bilingual-Bicultural Education Aid Increase

AGENCY REQUEST:

- Increase bilingual-bicultural education aid by \$1,055,800 GPR in FY08 and \$2,040,900 GPR in FY09 to maintain the state's reimbursement of approximately 12 percent of approved prior year costs for school districts required to offer bilingual-bicultural education programs.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Delete the Governor's request.

School Breakfast Reimbursement Rate

AGENCY REQUEST:

- Increase the grants for school breakfast programs by \$1,229,700 GPR in FY08 and \$1,458,200 GPR in FY09 to increase the reimbursement rate from 10 cents to 15 cents per breakfast served. These figures were based on 10% anticipated growth in the program.

GOVERNOR:

- Increase the school breakfast program grants by \$1,458,100 GPR in FY08 and \$1,835,200 GPR in FY09 and increase the meal reimbursement rate from 10 cents per breakfast served to 15 cents per breakfast served. After the actual number of breakfasts served in the 2005-06 school year became available, Governor Doyle was informed by DPI that the breakfast program had grown by nearly 16% instead of the original projection of only 10%. Due to such dramatic growth, a re-estimate was done and funding above the agency's original request was provided.

LEGISLATURE:

- Approve the Governor's request.
- Specify that this increase would first apply to breakfasts served during 2007-08.

VETO BY GOVERNOR:

- Delete the 2007-08 applicability date clause of the rate increase. There is no net effect on the aid increase as a result of this veto. FY08 breakfast reimbursement will be at 15 cents.

Driver Education Aid

AGENCY REQUEST:

- Request \$100,000 GPR in each of FY08 and FY09 to reduce the driver education course fee by \$150 for each Milwaukee Public Schools free or reduced-price lunch pupil.

GOVERNOR:

- Provide \$100,000 GPR in FY09 to reduce the driver education course fee by \$150 for each Milwaukee Public Schools free or reduced-price lunch pupil. Aid is based on the number of pupils that complete the driver education course in the prior year.
- Funding was not provided in FY08 because the 2007-08 school year will determine how many pupils complete the course; aid will be paid in FY09 based on these numbers.

LEGISLATURE/FINAL: Delete the Governor's request.

Transportation Aid

AGENCY REQUEST:

- Increase the reimbursement rate for pupils transported over 12 miles from \$180 per pupil to \$220 per pupil for FY08 and FY09. Current GPR funding will be sufficient to cover this increase.
- Request statutory language that would allow schools to claim refunds of the motor vehicle fuel tax.

GOVERNOR:

- Increase the reimbursement rate for pupils transported over 12 miles from \$180 per pupil to \$220 per pupil for FY08 and FY09.
- Delete DPI request regarding refunds of the motor vehicle fuel tax.

LEGISLATURE/FINAL: Approve the Governor's request.

Aid for Transporting Pupils Over Ice

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL: Allocate \$35,000 GPR annually from the current law pupil transportation aid appropriation to reimburse school districts for 75% of the cost of transporting pupils to and from an island over ice. Eligible costs would include maintenance and storage of equipment.

Transportation Appropriations

AGENCY REQUEST: None.

GOVERNOR:

- Convert all pupil transportation funding from GPR to SEG (transportation fund).

LEGISLATURE/FINAL: Delete the Governor's request.

Student Achievement Guarantee in Education (SAGE) – Per Pupil Aid

AGENCY REQUEST:

- Request \$10,366,900 GPR in both FY08 and FY09 to fund the statutory increase in SAGE aid from \$2,000 per eligible low income student to \$2,250 per low income student.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Provide \$13,396,100 in both FY08 and FY09 to fund the statutory increase in SAGE from \$2,000 per eligible low-income student to \$2,250 per low income student. This fully funds the re-estimated need for the program.

Student Achievement Guarantee in Education (SAGE) – Add New Schools

AGENCY REQUEST:

- Request \$540,000 GPR in FY 09 to allow a “fourth wave” of roughly five schools to join the SAGE program beginning in the 2008-09 school year.
- Request statutory authority for the proposed new wave of achievement guarantee contracts.

GOVERNOR: Approve both requests.

LEGISLATURE/FINAL: Delete both of the Governor’s requests.

Four-Year-Old Kindergarten Grants

AGENCY REQUEST: None.

GOVERNOR: Provide \$3,000,000 GPR in FY09 for start-up grants to school districts to implement 4K. Districts would be eligible for two-year grants of up to \$3,000 per pupil the first year and up to \$1,500 the second year. Districts adopting a “community approach” would be given preference for the grants.

LEGISLATURE/FINAL: Approve Governor’s request.

World Languages Initiative for Elementary Schools

AGENCY REQUEST:

- Request \$837,500 GPR in FY09 to fund the first year of a project entitled the World Languages Initiative for Elementary Schools.
- Request statutory authority to begin the initiative.

GOVERNOR:

- Provide \$500,000 GPR in FY09 to fund this initiative.
- Provide statutory authority.

LEGISLATURE/FINAL: Delete the Governor’s request.

Wisconsin Education for Science, Technology, Engineering and Math (STEM)

AGENCY REQUEST:

- Request \$157,500 GPR in both FY08 and FY09 to address achievement and participation gaps in science, technology, engineering, and math and in career pursuits regarding these fields.
- Request statutory authority to begin the initiative.

GOVERNOR:

- Provide \$109,500 GPR in both FY08 and FY09 to fund the grant and professional development components of this proposal.
- Provide statutory authority to begin the initiative.

LEGISLATURE/FINAL:

- Provide \$61,500 GPR in both FY08 and FY09 for a STEM grant program to school districts.
- Provide statutory language to begin the initiative.

Precollege Scholarship Program

AGENCY REQUEST:

- Request \$108,900 GPR in both FY08 and FY09 to provide a five percent increase for the Precollege Scholarship Program.
- Request statutory change to re-name of the program from the Minority Precollege Scholarship Program to the Precollege Scholarship Program and for this change to be reflected throughout applicable portions of the Statutes including the Chapter 20 appropriations schedule to assure the intent of the agreement reached between the department and the Office of Civil Rights of the U.S. Department of Education in November 2004 is carried out.

GOVERNOR:

- Approve the funding request.
- Approve the statutory language request.

LEGISLATURE/FINAL: Approve both of the Governor's requests.

Aid to Small Rural Districts (Sparsity)

AGENCY REQUEST:

- Request \$26,462,400 GPR in FY09 to create a new statewide, categorical aid program for small, rural districts that meet certain criteria and provided them with additional funding to be used for locally-determined purposes.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$3,644,600 GPR in FY09 for school districts that meet the following criteria: (a) an enrollment in the prior year of less than 725 pupils; (b) population density of less than 10 pupils per square mile of district attendance area; and (c) at least 20% of pupils qualify for free or reduced price lunch under the National School Lunch Program.
- Each district's aid would equal \$150 per pupil. Specify that the department could prorate these payments if funding would be insufficient to fully fund the program in a given year. Given the appropriation provided, aid will likely be prorated to roughly \$75 per pupil in FY09.

Supplemental Aid

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Allocate \$30,000 GPR in FY08 from the supplemental aid appropriation to provide a grant to the Butternut School District to study consolidation. This level of funds is projected to otherwise lapse from the Supplemental Aid program.

District Consolidation Studies

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$250,000 GPR in FY09 (one-time funding) for grants for district consolidation feasibility studies. Grants are not to exceed \$10,000 per consortium of two or more districts. Prohibit DPI from encumbering any funds from the appropriation after June 30, 2009. Require the consortium to submit a plan identifying the districts engaged in the study, the issues the study will address, and how the grant funds will be expended. A district cannot be a member of more than one consortium. DPI must give priority to applications that demonstrate prior attempts to address underlying issues associated with management and operation of the districts' programs. Require a consortium awarded a grant to submit the results of the study to DPI.

Supporting Gifted and Talented Pupils

AGENCY REQUEST:

- Request \$182,000 GPR annually in FY08 and FY09 to double the current gifted and talented grant program to benefit more schools and pupils in grades 5 to 8.

GOVERNOR: Deny the request.

LEGISLATURE/FINAL:

- Increase funding for gifted and talented education by \$91,000 GPR annually over base level funding of \$182,000.
- Modify current law to allow nonprofit organizations to receive grants for the purpose of providing advanced curriculum and assessments for gifted and talented pupils.
- Delete the provision that grants be used only for gifted and talented middle school pupils, to instead allow all gifted and talented pupils to benefit from grants.

Grants For Nursing Services

AGENCY REQUEST:

- Request \$925,000 GPR annually in FY08 and FY09 to award grants to public school districts to improve student access to school nurses.
- In addition, request \$75,000 GPR annually to administer and evaluate the grant program and to provide professional development activities to new and currently practicing school nurses.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$250,000 GPR annually for grants to school districts for nursing services. Provide that the State Superintendent would award grants to school districts, other than Milwaukee Public Schools, to employ additional school nurses or contract for additional nursing services. Grants would be awarded to those school districts that demonstrate the greatest need for nursing services based upon criteria such as the ratio of pupils in nurses, the rate of chronic health problems among pupils, and the number of pupils from low-income families. Provide that a school district receiving a grant could not use the money to supplant existing nursing staff or services. Require that each school district receiving a grant would submit a report to DPI describing how the district used the grant money and its effectiveness in providing additional nursing services to pupils who need such services.

CHOICE, CHARTER AND OPEN ENROLLMENT

Milwaukee Parental Choice Program (MPCP)

AGENCY REQUEST:

- Request \$8,524,000 GPR in FY08 and \$18,340,000 GPR in FY09 to continue to fund the Milwaukee Parental Choice Program. In addition to a re-estimate of the total costs of the program for the 2007-09 biennium, this request includes a change in the state's share of funding for the MPCP from 55 percent to 75 percent of the annual cost of the program.
- Request \$67,100 GPR and 1.0 FTE in FY08 and \$87,800 GPR in FY09 for a school finance auditor so the department can meet its responsibilities under 2003 Wisconsin Act 155 which places financial accountability requirements on schools participating in MPCP.

GOVERNOR:

- Provide \$18,340,000 GPR in FY08 and \$18,738,000 GPR in FY09. The Governor recommends reestimating the sum sufficient appropriation for MPCP. The Governor further recommends increasing the state's share of costs of the program, from 55 percent to 100 percent, for the cost related to pupils enrolled in the program in excess of 15,000 pupils.
- Approve the request for a school finance auditor, but change the funding source from GPR to PR-O. The new position will be funded by assessing a fee on all schools participating in the program.

LEGISLATURE/FINAL:

- Provide \$8,152,000 GPR in FY08 and \$16,667,000 GPR in FY09 over base year funding as a sum sufficient reestimate of funding for the program. This assumes 18,000 FTE students in FY08 and 19,000 FTE in FY09. Total funding is \$117,018,000 in FY 08 and \$125,533,000 in FY09. Actual MPCP enrollment is 18,500 FTE with total funding of \$120,215,800 in FY08.
- Based on the 0% and 1.6% increases in General Equalization Aids, the estimated per pupil payment under MPCP will be \$6,501 in FY 08 and \$6,607 in FY09.
- The state's share of funding remains at 55 percent. The new High Poverty Aid (see above) will be utilized to reduce MPS' local school tax levy related to MPCP.
- Delete the Governor's request for a 1.0 FTE school finance auditor.

Milwaukee/Racine Charter School Program

AGENCY REQUEST:

- Request an increase of \$5,153,500 GPR in FY08 and \$10,199,500 GPR in FY09 to fully fund the Milwaukee/Racine Charter School Program (MRCSP).

GOVERNOR:

- Provide an increase of \$4,614,500 GPR in FY08 and \$9,239,500 GPR in FY09 to fully fund the MRCSP.
- Allow the Common Council of the City of Milwaukee to establish one residential charter school of not more than 300 pupils. If the Common Council establishes a residential charter school, the department would pay double the state reimbursement per pupil. Payments to this school would be made as a result of a proportionate reduction in the general school aids of all school districts in the state.

LEGISLATURE/FINAL:

- Provide \$4,015,000 GPR in FY08 and \$8,585,500 GPR in FY09 over base year funding as a sum sufficient reestimate of funding for the MRSCP. This assumes 5,500 FTE students in FY08 and 6,000 FTE in FY09. Total funding is \$43,579,500 in 2007-08 and \$48,150,000 in 2008-09. Actual MRCSP enrollment is 5,600 FTE with total funding of \$44,346,400 in FY08.
- Based on the 0% and 1.6% increases in General Equalization Aids, the estimated per pupil payment under MRCSP will be \$7,669 in FY 08 and \$7,775 in FY09.
- It is estimated that the Racine Unified School District will receive additional aid payments of \$1,400,000 in FY08 and \$1,500,000 in FY09 under the MRCSP provisions.
- Delete the Governor's request for a residential charter school.

La Causa Charter School Grant

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$250,000 SEG in FY08 for the La Causa Charter School in Milwaukee for library, science, and technology improvements. Funding is provided through the state segregated universal service fund, which is funded through assessments on annual gross operating revenues from intrastate telecommunications providers.

ASSESSMENTS

Wisconsin Knowledge and Concepts Exam (WKCE)

AGENCY REQUEST:

- The department requests \$1,400,000 GPR in both FY08 and FY09 to support continued funding for state-required assessment contracts for the WKCE.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Governor's recommendation modified to transfer \$1,400,000 GPR annually to the Joint Committee on Finance's appropriation. DPI can request release of these funds under section 13.10 of the statutes after resolution of contract negotiations with CTB/McGraw-Hill.

LIBRARY SERVICES

Badgerlink

AGENCY REQUEST:

- Request an additional \$46,200 SEG (universal service fund) in FY08 and \$95,500 SEG in FY09 to maintain the current level of services through Badgerlink.
- Request \$442,800 SEG in FY08 and FY09 for the addition of one or more encyclopedias in Badgerlink.

GOVERNOR:

- Provide an additional \$31,200 SEG in FY08 and \$80,500 SEG in FY09 to maintain the current level of services through Badgerlink.

LEGISLATURE/FINAL: Approve the Governor's request.

Public Library System Aid

AGENCY REQUEST:

- Request \$9,639,400 GPR in FY08 and \$10,394,200 GPR in FY09 to fund public library system aid at the 13% index level that is statutorily required to be in the department's biennial budget request.

GOVERNOR:

- Provide \$616,800 SEG (universal service fund) in FY08 and \$1,262,300 SEG in FY09 to support public library costs. This funding will maintain the current 8.1% level of state support of public library costs.

LEGISLATURE/FINAL:

- Adjust funding by \$9,816,800 SEG and -\$9,200,000 GPR in FY08 and \$1,262,300 SEG in FY09 from base level funding of \$11,297,400 GPR and \$4,223,800 SEG to increase public library system aid, which would represent increases in total funding of 4% annually.
- The segregated revenue is from the universal service fund (USF), which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers. Direct the Public Service Commission to fund \$9,200,000 of the SEG increase with unencumbered carryover balance funds from the USF. Total public library funding would equal \$2,097,400 GPR and \$14,040,600 SEG in FY08 and \$11,297,400 GPR and \$5,486,100 SEG in FY09.

Library Services Contracts

AGENCY REQUEST:

- Request \$257,300 GPR in FY08 and \$220,300 GPR in FY09 to fully fund library service contracts and to purchase and maintain a Digital Talking Books server. The service contracts assure individuals equal access to informational resources regardless of where they live, their special needs or circumstances.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve the Governor's request.

School Library Aids

AGENCY REQUEST:

- Request \$6,000,000 SEG (Common School Fund) in FY08 and \$11,000,000 SEG in FY09 as a reestimate of projected school library aids.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Approve the reestimate of school library aids.
- Allow school districts to use up to 25% of their school library aids for library-related computers and software if they are located in the school library.

Newsline For the Blind

AGENCY REQUEST:

- Request \$106,000 SEG and -\$67,500 PR-S in FY08 and \$108,000 SEG and -\$67,500 PR-S in FY09 to support the Newsline for the Blind services.
- Request the Newsline SEG funding be made a direct appropriation to the department from the Universal Service Fund. The department would use the existing Badgerlink SEG appropriation which currently receives direct funding from the Universal Service Fund.

GOVERNOR: Approve both requests.

LEGISLATURE/FINAL: Approve the Governor's request.

Belmont School Library

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL: Provide \$18,000 GPR in FY08 to the Belmont Community School District to create an on-line school library catalog.

Exempt County Library Payments from Levy Limits

AGENCY REQUEST: None.

GOVERNOR:

- Exempt from levy limits certain county library reimbursements to an adjacent county.
- Note: There is a technical error here as county payments are actually made to libraries, not counties.

LEGISLATURE/FINAL:

- Approve the Governor's request.
- Approve a technical modification to correct an error in the bill regarding the levy limit exclusion for county levies for public libraries.

SCHOOL DISTRICT OPERATIONS

Qualified Economic Offer Repeal

AGENCY REQUEST:

- Repeal the QEO provisions related to teacher collective bargaining. Through this action, teachers will no longer be constrained by an artificial limit in terms of their ability to bargain compensation increases. Teachers will be able to collectively bargain under essentially the same parameters as other represented public employees.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Removed as a non-fiscal policy item.

Require Three Years of Math and Science

AGENCY REQUEST: None.

GOVERNOR: Increase the number of math and science credits required to receive a high school diploma from two to three. This requirement will first apply to pupils graduating from high school in 2011.

LEGISLATURE/FINAL: Removed as a non-fiscal policy item.

Wind Electricity Generators

AGENCY REQUEST: None.

GOVERNOR: Provide that a school board may construct or acquire, borrow funds to construct or acquire, operate, and maintain a wind electricity generation facility, and use or sell the energy generated by the facility, if the school board's share of the installed capacity of the facility does not exceed five megawatts and the school board incorporates information about the facility in its curriculum.

LEGISLATURE/FINAL: Removed as a non-fiscal policy item.

BUILDING PROGRAM

Building Projects

AGENCY REQUEST:

- Wisconsin School for the Deaf – Roadway/Parking Lot resurfacing at a cost of \$309,900
- Wisconsin School for the Deaf – Hannon Hall Stage lighting at a cost of \$190,500
- Wisconsin Center for the Blind and Visually Impaired – Handicapped Bathrooms in the boys and girls residence hall at a cost of \$152,400

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Remove \$60,000,000 from the funding provided for “All Agency” project requests.
- It is unclear which DPI projects, if any, may be affected by this funding reduction.

ADMINISTRATION AND OTHER FUNDING

National Teacher Certification Reestimate

AGENCY REQUEST:

- Request an increase of \$75,600 GPR in FY08 and \$264,000 GPR in FY09 for payment to teachers who are certified by the National Board for Professional Teaching Standards (NBPTS). The appropriation is sum sufficient, requiring the department to make payments for as many teachers as are eligible in any fiscal year.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Approve the Governor's request and increase funding by \$145,300 GPR annually in FY08 and FY09 as a reestimate of the number of eligible teachers in the program. Total funding increase equals \$220,900 in FY08 and \$409,000 in FY09.

Grants for Master Educators

AGENCY REQUEST:

- Request \$194,500 GPR in FY08 and \$329,100 GPR in FY09 to increase the existing sum sufficient national teacher certification grant appropriation to allow teachers receiving master educator licenses through the state process to receive the same grants as those master educators receiving licenses through national certification.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Reduce funding by \$137,300 in FY08 and \$213,000 in FY09 and authorize DPI to expand the program only to teachers receiving master educator certification for total funding of \$57,200 in FY08 and \$116,100 in FY09. This estimate assumes that of the 50 individuals predicted to receive master educator licenses in FY08, only 25 will be teachers.

High Poverty Grants for National Teacher Certificate/Master Educators

AGENCY REQUEST:

- Request \$67,300 GPR annually in FY08 and FY09 to provide an incentive to grant recipients under the national teacher certification or master educator programs to work in high poverty schools. If the recipient is employed in a school in which 60 percent of the school's pupil population is eligible for free and reduced-price lunch, the recipient will receive \$5,000, rather than \$2,500, for continuing grants under the program.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL:

- Approve the Governor’s recommendation and reestimate necessary funding for additional grants by \$16,100 annually to account for more recent estimates of eligible teachers working in high poverty schools. Total funding equals \$83,400 GPR annually in FY08 and FY09.

Statewide Data Systems

AGENCY REQUEST:

- Request \$295,100 PR-S (data processing operations) and 5.0 PR-S FTE (2.0 IS Systems Development Services Specialists [to replace 2 contracted staff], 2.0 IS Resources Support Technicians [to replace 4 LTE staff], and 1.0 Data Security Officer in FY08 and \$385,000 PR-S and 5.0 PR-S FTE in FY09 to support and maintain the WI Student Locator System, the Individual Student Enrollment System, the School Performance Report, and the WI Information Network for Successful Schools.
- Request \$287,200 GPR in FY08 and FY09 to provide funding for technical and ongoing support, development, and quality assurance testing for the statewide applications listed above.

GOVERNOR:

- Provide position and expenditure authority for 4.0 PR-S FTE and \$241,600 in FY08 and 4.0 PR-S FTE and \$313,600 in FY09 to maintain statewide data systems due to decreased federal support for these federally mandated data reporting systems. Funding will come from internal chargebacks to appropriate divisions within the department. The PR positions would include 2.0 information systems development services specialists, who would replace contracted staff, and 2.0 information systems support technicians, who would replace 4.0 LTE staff. The Data Security Officer position was established internally; thus, new position authority is not necessary.

LEGISLATURE/FINAL: Approve the Governor’s request.

International Education

AGENCY REQUEST:

- Request \$38,000 GPR in both FY08 and FY09 to support the following activities in international education: the Japanese Teacher Seminar, the China Initiative, and the France Exchange Projects.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve the Governor’s request.

Project Lead The Way

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$250,000 GPR annually for grants to Project Lead the Way to provide discounted professional development services and software for participating high schools in this state. Specify that no moneys could be encumbered from this appropriation after June 30, 2009. Similar funding was provided on a one-time basis in the 2005-07 biennium.

One-Time Grants to Organizations

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$50,000 GPR in FY08 and \$12,500 GPR in FY09 to fund one-time grants for the following organizations. Sunset the appropriation on June 30, 2009. The programs are: (a) Big Brothers/Big Sisters of Dane County for mentoring in collaboration with the Madison Metropolitan School District (\$25,000 in 2007-08); (b) Latino Community Center school safety improvement project at South Division High School (\$12,500 in 2007-08); and (c) Badger State Science and Engineering Fair (\$12,500 annually).

Elks and Easter Seals Center For Respite and Recreation

AGENCY REQUEST: None.

GOVERNOR: None.

LEGISLATURE/FINAL:

- Provide \$12,500 GPR annually above base level funding of \$75,000 GPR for the Elks and Easter Seals respite center. This funding would be one-time in 2007-09.

WESPDHH Distance Learning Program

AGENCY REQUEST:

- Request \$105,000 GPR in FY08 and \$5,000 GPR in FY09 to expand distance learning opportunities offered by the Wisconsin Educational Services Program for the Deaf and Hard of Hearing (WESPDHH) including one-time funding of \$100,000 the first year to establish an additional distance learning classroom on the Wisconsin School for the Deaf (WSD) campus as well as to upgrade telecommunications equipment in the existing classroom and \$5,000 in annual funding to support operational costs of the expanded program.

GOVERNOR:

- Modify the request by providing \$17,500 GPR in FY08 and \$30,000 GPR in FY09 and allowing the department to enter into a master lease agreement to purchase the requested equipment.
- As requested, provide \$5,000 annually for ongoing maintenance costs associated with the expansion.

LEGISLATURE/FINAL: Approve the Governor's request.

WSD Mental Health Intervention Program

AGENCY REQUEST:

- Request \$38,300 GPR in FY08 and \$33,300 GPR in FY09 to support the mental health intervention program in the residence hall of the Wisconsin School for the Deaf (WSD) including one-time funding of \$5,000 for sensory integration equipment and \$33,300 annual funding for staff training, an occupational therapy services contract, and sign language interpreters.

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve the Governor's request.

Residential Schools & UW Hospitals

AGENCY: None.

GOVERNOR: None.

LEGISLATURE:

- Delete the authority of the Superintendent of the Department of Public Instruction to apply to the board of directors of the University of Wisconsin Hospitals and Clinics Authority for admission to the University of Wisconsin Hospitals and Clinics of any pupil at the school operated by the Wisconsin Educational Services Program for the Deaf and Hard of Hearing or the school operated by the Wisconsin Center for the Blind and Visually Impaired.

VETO BY GOVERNOR: Delete the Legislature's provision. Maintain current law.

Attorney Consolidation Initiative

AGENCY REQUEST: None.

GOVERNOR:

- Transfer 2.0 FTE attorney positions from DPI to the Department of Administration, Division of Legal Services. Retain the 1.0 FTE lead attorney at the DPI.
- This is the DPI contribution to the larger multi-agency attorney consolidation in the Governor's budget request.

LEGISLATURE/FINAL: Delete the Governor's request.

State Agency Operations Reductions

AGENCY REQUEST: None.

GOVERNOR:

- Require the Secretary of the Department of Administration (DOA) to lapse or transfer \$40,000,000 annually to the general fund from the unencumbered balances of state operations appropriations, other than sum sufficient appropriations and federal appropriations, during each fiscal year of the 2007-09 and 2009-11 fiscal biennia.
- The DOA Secretary would allocate the reductions to state agencies; thus, the DPI share of the \$80,000,000 in lapses is not known.

LEGISLATURE/FINAL:

- Require the Secretary of the Department of Administration (DOA) to lapse or transfer \$200,000,000 during each of the 2007-09 and 2009-11 biennia to the general fund from the unencumbered balances of state operations appropriations, other than sum sufficient appropriations and federal appropriations,
- The DOA Secretary would allocate the reductions to state agencies; thus, the DPI share of the \$200,000,000 in lapses (in each biennia) is not known.

Alcohol and Other Drug Abuse (AODA)

AGENCY REQUEST: None.

GOVERNOR:

- Increase the current penalty surcharge from 26% of fines and forfeitures to 27%.
- Reduce DPI's penalty surcharge appropriations (for AODA programming) by \$108,300 PR in FY08 (\$32,400 state operations; \$75,900 aids) due to one-time across-the-board reductions statewide to reflect current projections in the penalty surcharge account.
- This reduction will result in less money for DPI's AODA program in FY08.

LEGISLATURE/FINAL: Delete the Governor's request and maintain current law.

Fuel and Utilities Reestimate

AGENCY REQUEST: None.

GOVERNOR:

- Provide \$68,300 GPR in FY08 and \$93,800 in FY09 (over a base of \$519,800) to increase available funding for energy costs at the campuses of the Wisconsin School for the Deaf and the Wisconsin School for the Blind based on expected changes in prices and statistically normal weather conditions.

LEGISLATURE/FINAL: Approve the Governor's request.

Restore Power Plant Positions

AGENCY REQUEST: None.

GOVERNOR:

- Restore 10.0 FTE power plant operator positions at the campuses of the Wisconsin School for the Deaf and the Wisconsin School for the Blind. A provision in 2005 Wisconsin Act 25 which transferred the operation of the power plants to private contract was vetoed by the Governor.

LEGISLATURE/FINAL:

- Delete the Governor's request as the 10.0 FTE power plant positions were restored under 2007 Wisconsin Act 5 (budget adjustment bill).

Program Revenue Reestimates

AGENCY REQUEST:

- Request changes in program revenue expenditure authority in Teacher Certification (-\$211,500 in FY08 and -\$158,000 in FY09); Publications (-\$316,700 in each year); School Lunch Handling Charges (-30,200 in each year); Gifts, Grants and Trust Funds (\$400,000 in each year); General Educational Development/High School Graduation Equivalency (-\$30,100 in FY08 and -\$25,100 in FY09); Funds Transferred from Other State Agencies (\$155,200 in FY08 and \$141,700 in FY09 for operations and -\$123,900 in each year for local aids); WESPDHH and WCBVI Pupil Transportation (\$60,000 in FY08 and \$153,500 in FY09); WESPDHH and WCBVI Leasing of Space (\$6,500 in FY08 and \$8,300 in FY09); and WESPDHH and WCBVI Services (\$15,000 in FY08 and \$20,000 in FY09).

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve the Governor's request.

Federal Revenue Reestimates

AGENCY REQUEST:

- Request changes in federal revenue expenditure authority in Federal Aids (-\$1,592,200 in FY08 and -\$1,781,100 in FY09 for operations and \$37,341,800 in FY08 and \$39,649,600 in FY09 for local aids); Other Federal Local Assistance (\$41,900 in each year); and Federal Aids to Individuals and Organizations (\$651,200 in each year).

GOVERNOR: Approve the request.

LEGISLATURE/FINAL: Approve the Governor's request.

Debt Service Reestimate

AGENCY REQUEST: None.

GOVERNOR:

- Adjust the department's base by -\$78,800 in FY08 and -\$116,100 in FY09 to reflect a reestimate of debt service on authorized bonds.

LEGISLATURE/FINAL: Approve Governor's request.

Standard Budget Adjustments

AGENCY REQUEST:

- Request adjustments to the agency's base to reflect standard budget adjustments for:
 1. Turnover reduction (-\$752,400 in each year).
 2. Full funding of continuing salaries and fringe (\$3,746,100 in each year).
 3. Overtime (\$349,500 in each year).
 4. Night and weekend differential (\$57,800 in each year).

GOVERNOR:

- Approve the request.
- In addition, delete \$250,000 GPR in both FY08 and FY09 to eliminate the grant to Project Lead the Way.

LEGISLATURE/FINAL: Approve the Governor's requests.

OTHER AGENCIES

Department of Administration – Wisconsin Covenant

GOVERNOR:

- Provide DOA with \$180,200 GPR and 2.0 FTE annually to staff the Office of the WI Covenant Scholars Program.
- Provide authorizing legislation in HEAB to establish a WI Covenant Scholars grant program. No funding is provided. To be eligible for the grants, beginning in 2011-12, 1) a higher education student must be eligible for a federal Pell grant, and 2) the income of a parent of a student must qualify for reduced-price lunches.

LEGISLATURE: Approve Governor's request.

VETO BY GOVERNOR:

- Removes eligibility requirements related to financial need. The Governor proposes to work with the Legislature to establish these requirements in the future.

Department of Administration - E-rate Funds

GOVERNOR:

- Since libraries and schools will need increased bandwidth in future years, provide authority to use excess federal E-rate money to help schools and libraries gain greater access in the telecommunications program. .

LEGISLATURE/FINAL: Approve the request.

Department of Administration - Wiring Loans

GOVERNOR:

- Provide a reduction of \$1,312,600 annually for loans to school districts (\$1,310,900 annually) and public libraries (\$1,700 annually) for wiring loans and grants.

LEGISLATURE/FINAL:

- Reestimate DOA's debt service costs related to general fund supported principal and interest for educational technology infrastructure in schools by \$1,310,900 annually. Also, reestimate GPR-Earned amounts by \$1,310,900 annually for DOA related to federal reimbursement of debt service costs from financing educational technology infrastructure improvements at school districts in the state.

Department of Administration - Educational Telecommunications Access

GOVERNOR:

- Delete the provision allowing DOA to make new grants to private schools or public school districts for payments to telecommunications providers for access to data lines and video links under contracts that were in existence on October 14, 1997.

LEGISLATURE/FINAL: Approve the Governor's request.

Department of Administration—Teacher Character

GOVERNOR:

- Provide \$250,000 annually to DOA to distribute as grants to school districts for reimbursement of teachers and administrators for costs incurred for training related to character education.

LEGISLATURE/FINAL: Delete the Governor's request.

Department of Health & Family Services – School Nurses/Medical Assistance

GOVERNOR:

- Provide nearly \$2,000,000 to hire 24 additional school nurses to ensure Milwaukee Public Schools students have access to a nurse.
- It is unclear yet where this money is allocated, but the proposal is part of Medical Assistance and the proposed expansion of the BadgerCare Program. The exact amount of funding is also unclear as it was not mentioned in the budget bill but instead in Governor Doyle's Milwaukee Plan (which was released the week prior to the budget bill).

LEGISLATURE/FINAL:

- DHFS will expand the Milwaukee Public Schools student health initiative by hiring an additional 24 nurses or other health care professionals to serve the 37 schools currently without health care services or with individual education plan services only. Two key components of the expansion are increased coordination among all school nursing staff and current health care providers to ensure that all eligible students are enrolled in BadgerCare Plus. Priority will be given to elementary schools with both high student poverty levels and poor attendance rates.

Department of Health & Family Services - Tobacco Control Funding

GOVERNOR:

- Create a health care quality fund which consists of moneys from the increase in cigarette and other tobacco products taxes, moneys transferred from the permanent endowment fund, and moneys from certain other sources. Moneys are used to support health care costs in the Medicaid program and support health care quality improvement activities, including full funding of tobacco control activities (at the Center for Disease Control recommended level - \$30 million in each year).
- The department expects that some of this tobacco control money could be directed to schools.

LEGISLATURE/FINAL:

- Increase funding for tobacco use control grants by \$5,000,000 GPR annually. Under this provision, a total of \$15,000,000 GPR annually would be budgeted for tobacco use control grants.

Department of Workforce Development – Boys and Girls Clubs of Milwaukee

GOVERNOR:

- Provide \$250,000 PR-S (moneys received at DWD by DHFS from vital records fees) in FY08 to award grants to the Boys and Girls Clubs of Greater Milwaukee to fund programs that improve the social, academic, and employment skills of youths who reside in the city of Milwaukee.

LEGISLATURE/FINAL: Delete the Governor’s request.

Department of Children & Families – Boys and Girls Clubs of Milwaukee

GOVERNOR:

- Provide \$250,000 PR-S (moneys received at Children & Families by DHFS from vital records fees) in FY09 from the Dept. of Children and Families to award grants to the Boys and Girls Clubs of Greater Milwaukee to fund programs that improve the social, academic, and employment skills of youths who reside in the city of Milwaukee.
- The budget bill would move this Boys and Girls Clubs appropriation from DWD (see above item) to the new Dept. of Children and Families; hence, the money in FY09 would come from the new department.

LEGISLATURE/FINAL: Delete the Governor’s request.

Department of Workforce Development – Boys and Girls Clubs of America

GOVERNOR:

- Provide an additional \$50,000 FED in both FY08 and FY09 for grants to the Wisconsin Chapter of the Boys and Girls Clubs of America to fund programs that improve social, academic, and employment skills of TANF-eligible youth.
- Last year, the Boys and Girls Clubs of America received \$300,000 in each fiscal year from federal Temporary Assistance to Needy Families (TANF) funds, so this addition would put the total at \$350,000 in each year.

LEGISLATURE/FINAL: Approve the Governor’s request.

Department of Administration - Information Technology Reporting

GOVERNOR: None.

LEGISLATURE:

- Require the following Information Technology (IT) reporting requirements:

1. *Planning for IT Projects in Strategic Plans.* Require DOA, in consultation with other executive branch agencies, to adopt written policies for executive branch information technology projects that are in excess of \$1 million or are otherwise vital to the functions of an agency. Specify that the policies must: (a) prescribe a standardized format for information technology projects that are included in an agency's annual strategic plan; and (b) require all ongoing and planned information technology projects be included in the annual strategic plan. Specify that an initial copy of these adopted policies must be provided to the Joint Legislative Audit Committee and the Joint Committee on Information Policy and Technology (JCIPT), if it is organized, by January 1, 2008, and specify that subsequent updates to these policies must be provided to these Committees. Specify that the JCIPT, if it is organized, or the Joint Legislative Audit Committee (JLAC), if JCIPT is not organized, must approve the written information technology policies established by the Department of Administration.

2. *High-Risk Projects and Cost Projections.* Require the Department of Administration to establish administrative rules by June 30, 2008, that would include the following: (a) a methodology for identifying large, high-risk information technology projects; (b) standardized, quantifiable project performance measures for monitoring large, high-risk projects; (c) policies and procedures for routine monitoring of these projects; (d) a formal process for modifying project specifications when doing so is necessary because of changes in program requirements; (e) requirements for reporting cost or time-line changes to high-risk information technology projects to the Department and the Joint Committee on Information Policy and Technology or the Joint Legislative Audit Committee; (f) methods for discontinuing projects or modifying projects in such a way to correct the performance problems of failing information technology projects; (g) policies and procedures for the use of master leases to finance new information technology system costs, and to maintain current information technology systems; and (h) establishment of a consistent reference point in the development of all IT projects in which an accurate estimate of the costs and timeline can be presented to the Department of Administration and the Joint Committee on Information Policy and Technology, or the Joint Legislative Audit Committee, if JCIPT is not organized. Require DOA to consider recommendations of the Joint Legislative Audit Committee and the Legislative Audit Bureau in creating these rules.

3. *Use of Off-the-Shelf Systems.* Require DOA to establish administrative rules that do the following: (a) specify when executive branch agencies must use off-the-shelf systems; (b) ensure that agencies have reviewed commercially available information technology products to determine whether an off-the-shelf system would meet agency information technology needs; and (c) before the system is modified or built in-house, an executive branch agency must provide information as to why an off-the-shelf system does not meet the agency's needs, to the satisfaction of DOA.

4. *Use of Master Lease.* By October 1, of each year, require the DOA to provide to the Governor, the members of Joint Committee on Information Policy and Technology, if it is organized, or the members of the Joint Legislative Audit Committee, if JCIPT is not organized, a report on the previous fiscal year's information technology projects funded through master lease. Specify that the report must include: (a) the amounts financed in the previous year; (b) the specific financing amounts that have been approved for future years; (c) principal and interest paid by agencies on projects funded from master leases compared to total financing originally approved; and (d) a summary of the repayments completed in the previous fiscal year.

5. *Vendor Contracts.* Require DOA or any executive branch agency that is given procurement authority by the Department to ensure that all IT vendor contracts, that have potential costs of greater than \$1 million, or are otherwise determined to be high-risk, include clauses that require vendors to complete projects without payments that are in addition to the original agreed upon cost. Allow an executive branch agency to exclude these clauses if such a stipulation would negatively impact the contract negotiations or limit the number of bidders on a contract. Specify that if such a clause is excluded, the agency must submit a plain language explanation to DOA which states the reason why such a clause was not included and what other safeguards would be included under the contract to ensure that the information technology project would be completed on time and within budget. Require the Department to submit the requested exclusion to the

JCIPT, if the Committee is organized, or to the JLAC, if JCIPT is not organized, for approval of the modified contract elements under 14-day passive review. Require executive branch agencies that have information technology contracts that include open-ended clauses to make quarterly reports to DOA stating the amounts expended on the IT project. Define "open-ended contracts" as stipulations in which a maximum payment is not specified or a stipulation that pays an hourly wage to a vendor without specifying the number of hours required for completing the project. Require DOA to annually compile these agency submissions for submission to the JCIPT, if the Committee is organized, or to the JLAC, if JCIPT is not organized.

6. *Information Provided to Legislative Committees.* Allow the Joint Committee on Information Policy and Technology (JCIPT), if it is organized, or the Joint Legislative Audit Committee, if JCIPT is not organized, to review all executive branch information technology projects with an actual or projected cost of at least \$1 million or considered high-risk by the Department of Administration. Require semiannual reports from the Department of Administration to JCIPT or the Joint Legislative Audit Committee that document the following for each project: (a) original and updated projections for project costs; (b) original and updated projections for the date of completion of any stage of the project; (c) the reason for cost or timeline changes under points (a) and (b); (d) contractual information related to an information technology project; (e) the funding sources for the project; (f) the amount of funding provided under a master lease; (g) information on the expected and actual completion of any stage of an information technology project; and (h) any additional information considered important by the Committee related to information technology projects. Allow JCIPT or the Joint Legislative Audit Committee to make recommendations to the Legislature and the Governor related to whether an information technology project should be implemented or continued.

VETO BY GOVERNOR:

- Assigns default advisory responsibility to the Joint Legislative Audit Committee, should the Joint Committee on Information Policy and Technology not be organized.
- Adds to the required duties of the Joint Committee on Information Policy and Technology the review of any executive branch information technology project identified in a new report required to be submitted by the Department of Administration.
- Requires the Department of Administration and University of Wisconsin Board of Regents to promulgate administrative rules in order to use commercially available information products; the Department of Administration to post on the Internet detailed cost and billing information for any services provided, managed or supervised by the department; and setting a limit of 110 percent of cost basis on the methodology used to determine project cost recovery charges.
- Requires approval by the Joint Legislative Audit Committee of reports on written policies for information technology projects that the Department of Administration and University of Wisconsin Board of Regents separately must submit to the Joint Committee on Information Policy and Technology; the promulgation of administrative rules pertaining to high-risk information technology projects undertaken by the Department of Administration and University of Wisconsin Board of Regents; and prior completion by the Department of Administration of another study to consolidate network servers in state agencies.

Department of Administration - Integrated Business Information Systems (IBIS)

GOVERNOR:

- Require DOA to implement, operate, maintain, and upgrade an integrated business information system (IBIS) capable of providing information technology services to all agencies, including the Legislature and the Courts, for the following: (a) all financial services (includes accounting, auditing, and payroll); (b) procurement; (c) human resources; and (d) other administrative duties. Allow DOA to provide these services to any agency, authority, or local unit of government as long as the service can be provided efficiently and economically, as determined by the Department. Specify that DOA may charge an

agency, authority, or local unit of government for these services in accordance with the methodology determined by the Department.

- Provide \$9,062,900 PR in 2007-08 and \$10,594,500 PR in 2008-09 for the receipt of charges to agencies for IBIS services, for the following: (a) \$647,900 PR in 2007-08 and \$660,100 PR in 2008-09 for salaries and fringe benefits; (b) \$493,300 PR annually for limited-term employees; and (c) \$7,921,700 PR in 2007-08 and \$9,441,100 PR in 2008-09 for supplies and services. The program revenue would be provided from charges to agencies. No positions would be created in the bill. Specify that the current printing, mail, communications, and information technology appropriation could not be used for IBIS service assessments. Allow the Department to expend monies in excess of the amounts appropriated under the new appropriation where the depreciated value of equipment purchased is at least equal to the excess expenditures. Create a PR-continuing appropriation for payments from authorities and local units of government for IBIS system operations. No funding is provided under this appropriation. However, the Department could expend all moneys received. Modify the current program revenue-supported information technology and communications services; non-state agencies appropriation to specify that IBIS system charges could not be expended under this appropriation. Create two sum sufficient appropriations (one for segregated appropriations and one for program revenue appropriations) that would allow DOA to provide sum-sufficient supplements to state agency appropriations that support IBIS system assessments.

LEGISLATURE/FINAL: Approve the Governor's request.

ITEMS NOT INCLUDED IN THE GOVERNOR'S BUDGET

The following requests were not included in the Governor's budget recommendations for the
Dept. of Public Instruction.

Decision Item	Source of Funds	FY08 Dollars	Positions	FY09 Dollars	Positions
Heritage Languages	GPR	52,500	0.00	148,500	0.00
Career and Employability Skills	GPR	125,000	0.00	125,000	0.00
Restore Arts to Milwaukee Public Schools	GPR	0	0.00	1,000,000	0.00
Preschool to Grade Five Program	GPR	367,700	0.00	367,700	0.00
Extended Calendar Pilot Grants to Milwaukee Public Schools	GPR	0	0.00	1,500,000	0.00
Engaging Partners for Student Success and Service Learning	GPR PR-S	165,000 67,400	0.00 1.50	165,000 86,700	0.00 1.50
Sparsity Aid for Small/Rural Districts	GPR	0	0.00	26,462,400	0.00
Library Delivery Services	GPR	382,000	0.00	401,000	0.00
Expanded Bilingual-Bicultural Education Aid	GPR	0	0.00	6,195,000	0.00
Assuring Early Learning Opportunities	GPR PR-O	272,200 70,500	0.00 1.00	194,900 92,100	0.00 1.00
Eliminate Reduced-Price School Breakfast Fee	GPR	1,100,000	0.00	1,100,000	0.00
Fully Fund School Milk Program	GPR	326,300	0.00	409,300	0.00
American Indian Education	PR-S	60,000	0.00	40,000	0.00
Before and After School Learning Opportunities	GPR	0	0.00	5,000,000	1.00
Enhancing PK-16 Councils	GPR	385,000	0.00	385,000	0.00
On-Line Learning - Promoting Quality	GPR	49,000	0.00	44,500	0.00
Fully Fund Open Enrollment Transportation Reimbursement	GPR	323,500	0.00	401,800	0.00
Motor Vehicle Fuel Tax Rebate	None	0	0.00	0	0.00