

Did you know?...

Cumberland's New Playground

Have you noticed the new playground at Cumberland Elementary School? Over the summer all existing equipment was removed and an entirely new playground took shape. New play structures, new swings and a new sand-box were installed.

The approximate cost of \$100,000 was raised by the Cumberland PTO through the sale of personalized bricks and opportunities to purchase/sponsor individual pieces of equipment. Donations were made by Cumberland families and alumni, other Whitefish Bay families, and local businesses.

The playground was assembled by over 100 volunteers, including parents, high school students from Whitefish Bay and Shorewood, Glendale residents, retirees and others.

The school district supported the project by removing the old equipment, moving and adding gravel, and putting up caution tape and fences. Come check out the results of this community-wide effort! ❖

JOIN

Advocates for Education of Whitefish Bay, Inc.

Join the team of voices speaking on behalf of children to provide the best public education possible.

- Active Member(s) (WFB resident or parent/gardian of WFB School District student) @ \$20 per household
- Supporting Member(s) @ \$20 per household
- I am interested in volunteering for AFE. Please call me.
- Enclosed is an additional donation to support AFE. Due to the lobbying mission of AFE, donations are not tax-deductible. \$ _____ donation enclosed.

Total enclosed: \$ _____

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Send this form today to:

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Advocates for EDUCATION

Fall 2003

www.advocatesforeducation.org

The SQUEEZE Tightens

Taxes, Schools and Children

Funding for public education in Wisconsin is undergoing significant change, and it's hard to tell whether Whitefish Bay schools will benefit.

Facing a budget deficit and a growing number of Wisconsin residents who struggle to pay high income and property taxes, Governor Jim Doyle and the legislature are likely to revamp the public school funding formula in the next two years. The governor has appointed a task force of citizens to draw up a new funding formula and issue recommendations next winter.

What does the future hold for our schools? To understand where we are and where we may be headed, it's important to understand how Wisconsin funds its public schools. This article tackles this complicated subject with the broadest of strokes,

in the simplest of terms. It is what you need to know.

The first step is to understand three things. First, there are no easy answers. Nobody is wrong, and nobody is right. Second, the school funding issue is enormously complicated. Third, it is up to the people of the community to think, talk, listen, and understand each other; and eventually, to come up with the best public policy possible to meet the complicated and sometimes conflicting needs of our community.

In Whitefish Bay, approximately 36% of our school budget comes from the state, as compared with a state average of 65%

Revenue

Schools receive money from five major sources: the state, the local property tax, the federal government, local user fees, and other private monies.

In Whitefish Bay, a little more than a third of our *continued on page 6....*

MISSION Statement

Advocates for Education is a non-partisan, not-for-profit organization that works to promote high quality public education in Whitefish Bay by:

- Informing residents about education issues and encouraging public participation in matters affecting the schools
- Fostering a social and political climate favorable to public education
- Advocating for public policies that promote high quality public education in Whitefish Bay

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A MESSAGE FROM OUR PRESIDENT

THE UNCE

Welcome to another year of newsletters from Advocates for Education of Whitefish Bay. This year marks the tenth anniversary of advocating on behalf of high quality education in the Whitefish Bay public schools. We hope you have renewed your membership, or will do so shortly, so you can continue to receive our newsletters this school year. Renewal forms were mailed recently to everyone on our mailing list. If you missed yours, there is a form on the back page of this newsletter. And please don't be shy about passing one on to a friend or neighbor (photocopies are accepted!). That's how we gain valuable new members who share our interest in supporting high quality public education in Whitefish Bay.

This is shaping up to be a crucial year for public education supporters. The board of directors of Advocates for Education has already spent the summer monitoring the state budget as it went through the legislative process, communicating with our local school district officials, and contacting our elected representatives at the state level to let them know of our concerns about how the various proposed budget provisions would affect Whitefish Bay Schools. Now we must all continue to stay informed about how our school board and administrators will respond to the constraints the new two-year state budget places on our local school budget, so we can let them know our priorities. If you find the current method of school funding con-

fusing, please be sure to read our front-page article for a good plain-language explanation.

In addition to our local spending issues, we must continue to keep our eye on funding at the state level, as Governor Doyle has appointed a special task force to examine Wisconsin's system of financing public education. The recommendations of this task force are expected to have a strong influence on how the governor treats education in his next budget proposal. Advocates for Education is initiating its own study group to monitor the activities of the Governor's task force. It is our goal to keep our members informed on a regular basis of what is being proposed and how it would affect Whitefish Bay Schools.

We have found that e-mail alerts are a quick and efficient way to communicate with our members. Please let us know your e-mail address if we don't already have it and you'd like to receive our alerts on education items of interest throughout the year.

Finally, we were pleased to see so many of you at our recent forum on local school funding challenges. And we hope you will join us for our next forum on Thursday, November 6th, when we will learn how writing is taught in the Whitefish Bay school system.

Jim Schacht
332-2834

The future of Chapter 220, the Milwaukee area program that integrates suburban schools, is in jeopardy. Several factors are causing some state legislators to question whether the program is worth continuing. The rapid growth of participation in the Wisconsin public school choice program is probably the leading factor contributing to the efforts to eliminate Chapter 220. But the state's budget deficit, recent changes in transportation policies, an increase in minority student enrollment in suburban schools, and questions about the long-term benefits of desegregation programs have also led policymakers to wonder whether maintaining these two programs independently is the best policy for the state. Last spring, some state legislators announced plans to eliminate Chapter 220 in favor of the less costly open enrollment program.

Development of the 220 Program

The Chapter 220 program was established in 1976 to promote racial integration of Milwaukee Public Schools (MPS) and 12 of its surrounding suburban school districts. The program

Budget Timeline

The Whitefish Bay Schools' budget must be determined before final figures are set by the state. Here is a chronology of how the Wisconsin legislature sets the 2003-05 budget and how that process affects the deadlines faced by our local schools in the 2003-04 school year. The most useful time for public input on the school budget is during winter.

December 2002:
First budget projection sent to school board

January 2003:
Administration discusses program needs for '03-'04, receives enrollment projections

February 2003:
School bd. approves staffing levels for '03-'04 (accounts for 80% of budget)

February 18, 2003:
Gov. Doyle delivers budget message, warns of deficit

March-April 2003:
Joint Finance Comm. holds public hearing on budget

books became more limited, and families felt the pressure of increasing user fees and special charges.

The saving grace during that ten-year squeeze was that the state economy was fairly strong during the first years. The state was able to pay their portion, which averaged 66% of a district's revenues. Note, however, that Whitefish Bay has always received a much smaller portion of their budget from the state, because we are considered a property-rich district. However, at least the state was willing and able to pay what we were entitled to, in the range of one-third of our total budget

The Squeeze Tightens

Fast forward to 2002. Due to the grave economic situation in Wisconsin, with many people not working, personal and business income taxes were drastically under budget. The state was simply not taking in enough money to fulfill its historic obligation of funding the schools at approximately 66% of their overall budgets. Therefore, in the budget just passed by the legislature all state spending, including school funding, was reduced. All districts, including Whitefish Bay, are receiving less money than they did in the past.

This leaves our district two choices. One, the Whitefish Bay School District could spend less money overall. Sounds simple, right? But it is not simple, because the story of the past ten years was already squeeze, squeeze, squeeze. At some point, all the "easy" cuts and the cuts "away from the classroom" and the cuts that "nobody would notice" have already been made.

Well then, what about choice two? That choice would be to raise the local tax levy to make up the difference of what the state paid formerly. Enter the legislature, which, during last summer's budget process, was adamant that taxes would not be raised, even locally, and even if the will of the community seemed to be that they would rather pay a bit more in taxes than to cut educational programs. In fact, they were so adamant that they passed the property tax freeze, which would have prohibited any community from increasing taxes, even to make up the difference created by the state funding shortfall. That tax freeze would have forced Whitefish Bay without a referendum to reduce its total budget by \$116 per pupil, or just under \$300,000 total.

As most people know, Governor Doyle vetoed the property tax freeze, and the veto was narrowly upheld in the Senate override vote. Whitefish Bay and all other school districts will have less state money, but will have the option of raising local property taxes to make up all or

part of the state shortfall.

So, what does this all mean? Because the state budget controversy lasted well into the summer, the Whitefish Bay School Board and administration set the budget for the current school year on the assumption there would be some significant revenue cuts. They also assumed an increase of enrollment. For this school year, some cuts were made in expenses, and the property tax increase was minimal.

Looking Ahead

However, the picture is not so rosy for next year. Early predictions tell us there will be an increasing shortfall between what the state paid in the past and what they are paying now. Ironically, this shortfall will be relatively larger if Whitefish Bay property values increase in greater proportion to the rest of the state...remember that concept of "equalization"?

As they do each year, the district administrative team will develop two or three scenarios of ways to achieve the budget. No doubt some scenarios will target specific programs to reduce expenses and some scenarios will increase taxes in order to preserve the present level of educational programming. Ultimately, the school board will adopt a budget, and that budget will determine the tax levy for the community.

What can you do? The most important thing each citizen can do is to understand the basics of school funding. This will lead people to the truth: that there are no easy answers, that we can't have it all, and that each and every citizen has an opportunity and obligation to shape Whitefish Bay to be what it will be. Elected officials in Madison and our own community need to hear from you. Everyone wants to educate kids in the most effective manner possible, and everyone wants reasonable taxes. How our community will do that is up to each of us. Try to understand this issue, and make your voice heard.

Advocates for Education has begun facilitating dialogue on school funding in our community. On September 30, School Superintendent Dr. James Rickabaugh, AFE president-Elect Cheryl Maranto and School Board President Tom Scrivner discussed school funding in simple and specific terms in a forum attended by about 40 parents.

Advocates for Education is committed to keeping members abreast of developments in Madison and at the local level. Look for future newsletter articles and e-mail alerts as this important issue takes shape across the state. ❖

Activities Director

JOHN GUSTAVSON

Whitefish Bay High School's new activities director hopes to maintain an environment that allows students to thrive outside the classroom. John Gustavson took over the newly created administrative position this summer following the retirement of Jeff Thielke. He describes his new position by saying "Everything students do outside the classroom is my domain."

Gustavson came to Whitefish Bay from Nicolet, where he taught math for 19 years. In addition, he coached varsity girls' basketball, boys' and girls' volleyball, and headed the math department for six years. His wife teaches at Nicolet, and they have a son who attends Richards Elementary School.

Gustavson says he wanted to move into an administrative position and Whitefish Bay High School was the only other school he would consider. "I always wanted to be at a school named for the community," he explains, "because people take more pride in their school. When Whitefish Bay does something impressive, people know all about it. At Nicolet, people often weren't sure where we were located."

Gustavson plans to spend much of his first year evaluating how activities and athletics work at the high school. "When you follow someone as successful as Jeff (Thielke), you need to tap into those ideas. I will make changes. Things will evolve. But it's helpful to have a foundation."

His first big challenge will be improving facilities scheduling. "Organizing it is a big challenge. We can't always go by what was done in the past," he says. The high school's athletic facilities, auditorium, cafeteria and meeting spaces are under heavy demand by students, parents, the recreation department, and community groups.

The decision to create the position of activities director rather than replace the outgoing athletic director follows a growing trend to emphasize the importance of activities in the lives of high school students. Gustavson tells students to get a great education first, "But the memories they'll carry will be in activities. No one remembers their physics test, but they will remember the bus ride to a volleyball game." ❖

HOW EFFECTIVE IS THE CHAPTER 220 PROGRAM?

Critics of the Chapter 220 program have expressed concerns about its high cost and long-term effectiveness. The Chapter 220 program has never included a legislative mandate to collect or measure achievement data for participating students.

However, current research has indicated that Wisconsin 220 students have benefited from participation in the program. A study conducted by the Public Policy Forum in 2002 found that Chapter 220 had been very successful in meeting its goals of integrating suburban districts and providing opportunities for suburban students to attend MPS schools.

However, they were unable to comment on the effectiveness of the program with regard to student performance or parental satisfaction. In addition, the well-publicized gap in performance on standardized test scores between white students and African American and Hispanic students, and differences in the choice of courses and curriculum available to different groups of students, is leading to serious examination of what happens to minority students within individual schools and classrooms. To address some of these concerns, the Whitefish Bay School District is in the process of developing an internal study to examine the 220 program's effectiveness.

WHY NOT MERGE 220 AND OPEN ENROLLMENT?

Because the funding formulas for these programs differ, a merger creates fiscal uncertainties for school districts. Current policy allows districts more flexibility with their open enrollment payments than with their Chapter 220 integration aid. This is because the funding they receive for open enrollment is above and beyond their revenue limit, while

integration aid must be used to reduce the district's property tax levy. Thus, some districts may be willing to forsake greater aid in exchange for greater flexibility in spending those funds. Recent research conducted by the Public Policy Forum indicates that such a change would affect more than just the bottom line. In their study, the Public Policy Forum found that the elimination of the Chapter 220 program would substantially reduce the level of integration in the majority of suburban districts. Since open enrollment does not serve the same population as Chapter 220, significant changes would be required for open enrollment to have the same impact on diversity as Chapter 220. During the 2001-02 school year, approximately 63% of the students who left MPS through open enrollment were white. However, the percentage of Milwaukee residents who are white is about 50%, while the percentage of white students in MPS is much lower at about 18%. While it is unknown if the Milwaukee students are transferring into participating Chapter 220 districts, researchers assumed this would likely be the case. Thus, it is clear that unless changes are made to the open enrollment program, it will not help suburban districts diversify their student populations. The study also found a consensus among suburban school administrators that the Chapter 220 program should continue to be funded because program benefits outweigh costs to the state. Despite national trends indicating an increase in school segregation, local suburban school administrators place a high value on diverse student communities.

HOW IMPORTANT IS RACIAL DIVERSITY IN OUR SCHOOLS?

The national outlook is not favorable. Faced with financial crises, many states are reducing financial support

for racial integration programs. In some states, recent court decisions have put an end to mandated school desegregation programs. As the debate continues, it is important to note that even with the massive desegregation efforts during the last few decades, U.S. schools are still very much divided by race. Research conducted by Gary Orfield and his colleagues at the Harvard Project on School Desegregation reported that school segregation has increased steadily over the past 15 years, particularly in non-southern states. According to an analysis of 1998-99 school data, more than 70% of the nation's black students attended predominantly minority schools. More than one-third of Hispanic students attended segregated schools. While white students attended schools where fewer than 20% of the students were from all other racial and ethnic groups. The increase in school segregation has profound consequences for urban minority students. For example, while only five percent of segregated white schools face poverty among their students, more than 80% of segregated African American and

Questions about the long-term benefits of desegregation programs have also led policymakers to wonder whether maintaining these two programs independently is the best policy for the state.

Hispanic schools exist in conditions of poverty. This means that a student who moves from an integrated school back to a segregated neighborhood school will most likely exchange the resources of a middle-class school for a school struggling with serious financial limitations. Financially troubled schools in impoverished neighborhoods generally have lower levels of educational performance and are less likely to prepare students for college than more affluent schools.

HOW WOULD THE LOSS OF CHAPTER 220 AFFECT WHITEFISH BAY?

While Chapter 220 is a more costly program than open enrollment, Whitefish Bay School District administrators feel it is a worthwhile endeavor resulting in greater academic opportunities for participants and greater diversity for the school district. Acknowledging that Chapter 220 may be nearing the end of its political life, district administrators are taking a proactive approach to address the problem. In addition to initiating an internal study of the program's effectiveness, the district plans to begin investigating alternate ways of providing available seats to non-resident minority students if the program is eliminated. District administrators plan to continue to be vocal advocates for maintaining the current funding for Chapter 220. Despite their plan of action, participating 220 suburban school districts remain concerned about the program's future. While Governor Doyle agreed to provide financial support for the current school year, he has made no commitments to long-term support, so the future of the Chapter 220 program is uncertain. Pam Ryder expresses the frustration felt by most participating suburban school districts, "I feel like we are on a roller coaster." ❖

The

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school budget comes from the state. The state gets this money from income and sales tax revenues. The amount we receive from the state is based on the number of pupils we serve; that is why maintaining enrollment is important. It is also one reason that school districts do not want to reduce the number of non-resident students, such as Chapter 220 and open enrollment students, who come into the district. The more students we have, the more money we get.

In some states, the amount of state money per pupil is the same for all students in all communities, but that is not true in Wisconsin. In Wisconsin, that amount is adjusted to give the poorer communities more and the wealthier communities less. Note that “poorer” and “wealthier” are based on property value per student, not on average income.

The adjusting of state funding based on need is referred to as “equalization,” and it is done for two reasons. First, there is general agreement that it doesn’t help the state in the long run if the poorest kids get the poorest education. Second, there is a belief that, to the extent possible, all taxpayers should pay property taxes at a fairly equal rate. Specifically, a community with low property values, such as a depressed rural area or an impoverished urban area, should not have to pay an enormous rate in order to raise a sum that in a community like Whitefish Bay could be raised with each property owner paying a lower rate. Therefore, the state provides more for those who have less. In Whitefish Bay, approximately 36% of our school budget comes from the state, as compared with a state average of 65%.

Local property tax money makes up most of the remainder of the Whitefish Bay budget. In Whitefish Bay, property tax revenues fund 60% of the school district’s total budget. Our school board sets the levy each fall, taxing property owners the amount it takes to fund the portion of the Whitefish Bay school budget that is not covered by state funds.

Federal money, user fees and other monies such as facilities rentals are very important to our district, but they make up only 3% of the total budget. Ninety-seven percent of all the district’s revenue comes from state and local tax dollars.

Expenses

As for what we spend, it is important to note that 80% of the whole school budget in Whitefish Bay goes toward teacher and staff salary and benefits. This is typical for

most districts, and it recognizes that the single most important factor in providing good learning is providing good teachers. Hiring, retaining and supporting good classroom teachers are crucial to assuring good student learning.

Other expenses, such as building maintenance, security, supplies, books, technology, extra-curriculars, and other non-salary items are a small but vital part of the overall budget.

Got it so far? It’s pretty simple. For each child we educate we get money from the state and from our local property tax. We spend most of it on teachers and other staff, covering both their salaries and their benefits such as health insurance.

Up until ten years ago, Whitefish Bay received state money and the school board taxed the property owners whatever amount was needed to bring the total revenue up to the amount deemed by the school board to be necessary to run good schools. The good news was that schools were well funded, particularly in communities like Whitefish Bay, where property values were high and people were willing to pay for good schools.

The bad news was that, over time, property taxes throughout the state rose tremendously. Politicians in Madison were feeling the heat from citizens and businesses that wanted an end to escalating property taxes.

Spending Caps: Love ‘em or Hate ‘em

In response to the tax problem, the state legislature implemented spending caps. These caps prohibited a school district from increasing its revenues more than 2.8% in any given year. That meant that even in communities that historically had been willing to spend for high quality education, the district had to limit its total budget increase to no more than 2.8%.

However, at the same time the legislature essentially required districts to increase their staff and teacher salaries by 3.8% per year. Obviously, increasing salaries by 3.8% while at the same time increasing overall spending by only 2.8% resulted in a tremendous budget squeeze, particularly in the non-salary areas. Year after year, budgets were squeezed. As the cost of health insurance escalated, the amount left for actual salary increases dwindled, since the cap is on the total spending in a district. This resulted in teacher dissatisfaction and pressure on districts to keep up with their neighboring districts to retain effective staff. Programs were cut, supplies and

RETAIN FUTURE OF *Chapter 220*

coincided with a federal court order for desegregation and was the result of declining white enrollment in city schools. Under the program, there is no tuition charge and transportation to suburban schools is provided for participating students. Eligible students must be racial minorities: African American, Asian, Hispanic, or Native American; and they must live in Milwaukee school attendance areas where 30% or more of the students are minorities.

Funded with state aid, the program was intended to voluntarily draw minority students into non-minority districts for the purpose of improving racial balance. Under the program, the district providing a student's education receives state aid aimed at covering the cost for that student, while Milwaukee Public Schools also counts the student as one of its own for state aid purposes (primarily transportation). The Whitefish Bay School District is projected to receive \$2.4 million in Chapter 220 aid this year.

Questions about Chapter 220 come as participation in the program is on the decline. Chapter 220 peaked at

5,981 students in 1993, and has 4,846 students enrolled today. This fall, 265 students (12 fewer than last year) are enrolled in Whitefish Bay Schools through the Chapter 220 integration program. Director of Personnel and Pupil Services Pam Ryder, who oversees the 220 program in Whitefish Bay Schools, indicates that the reduction in 220 enrollment this year is due, in large part, to the decision to limit expansion of the K4 program at Richards School. When the district decided not to open an additional K4 classroom at Richards for budgetary reasons, some K4 220 children could not be admitted to the district. These children and their older siblings (who were already enrolled in the district) elected to attend different schools.

In contrast, the state public school open enrollment program allows parents to enroll their child in a school district other than the one in which they live. Any Wisconsin resident in 5-year-old kindergarten to grade 12 may apply to participate in open enrollment. Three factors distinguish open enrollment from Chapter 220. First, any Wisconsin (not limited to Milwaukee) resident student is eligible to participate (regardless of racial

background or neighborhood). Second, open enrollment state aid payments are much lower than what most suburban districts receive for 220 students. Finally, parents are responsible for providing transportation.

According to the Wisconsin Department of Public Instruction, participation in the open enrollment program has grown steadily since it was implemented in the 1998-'99 school year. However, the increase in Whitefish Bay has not been significant. There are 65 open enrollment students attending Whitefish Bay Schools this year. "Other districts use open enrollment more than Whitefish Bay," reports Ryder. "We view diversity and choice as being two distinct purposes. We are committed to maintaining a diverse student population."

Diversity is a key issue when comparing the two programs. According to a Public Policy Forum report, only 15% of the students participating in open enrollment are minorities, compared with 100% of the Chapter 220 students attending suburban schools.

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