

Fact Sheet: The Effects of Funding Cuts On Public Education in Wisconsin

November 2011

Introduction

The 2011-13 Biennial Budget contained sweeping changes to funding for public schools in Wisconsin. General aid was decreased by 8.4 percent (over \$ 390 million) for FY12 and by an additional 7.7 percent (over \$350 million) in FY13.

Several revenue limit exemptions were eliminated, including school nursing, pupil transportation, safety equipment, and security officers.

Some categorical aid programs were cut entirely, and most others received a 10 percent cut in funding.

The allowable per pupil revenue limit was reduced 5.5 percent in FY12. All told, including local support, school funding was cut by \$1.6 billion for the biennium.

Results from this year's survey

In fall of 2011, the Wisconsin Association of School District Administrators (WASDA) and the Department of Public Instruction sent a survey measuring the effects of revenue controls to Wisconsin school districts statewide. This is the 18th year that WASDA has undertaken this survey, previously done in conjunction with the Wisconsin Education Association Council. The results below represent responses from 372 school districts (88 percent) in the state serving a full 87 percent of Wisconsin's student population.

Reported below are significant findings from the survey.

Reductions in staff

A total of 3,447 staff positions were lost in Wisconsin schools in the 2011-12 school year. About 9 in 10 Wisconsin school districts experienced some loss in staff. These data comport with recently released information from the Department of Workforce Development, which reported a loss of 4,000 jobs in K-12 education for all school districts in the state.

Of the different job classifications, teachers experienced the greatest loss, down 1,676 positions throughout the state. Other positions lost include teacher aides (812), support staff (785), and administrators (175).

Reductions in teaching staff occurred in 65 percent of school districts serving 67 percent of the state's student population.

There was a significant wave of retirement in Wisconsin schools, with 2.5 times as many educators leaving the profession this year compared to the two prior years. The survey documented 3,477 teacher retirements around the state, for a total retirement loss of 4,866 education employees. The Employee Trust Funds reports that 6,212 education employees filed for retirement from all districts statewide as of September 2011, corroborating the survey findings.

This wave of retirements allowed school districts to save money as highly credentialed and experienced teachers left the profession and were replaced with new, lower cost employees.

Even with retirement savings, and the increased contributions made by educators for their benefits, the total number of staff leaving education employment was greater than the number of new employees districts were able to hire.

Support services for students

Statewide, 71 percent of school districts reported cutting pupil services in at least one area, such as guidance or special education. Stated another way, 80 percent of students in Wisconsin attend a school in which at least one support program was cut.

It is important to consider both the percentage of districts and percentage of students affected by a particular cut. Nine percent of school districts, for example, identified reductions in social workers, but those districts serve one-third (33 percent) of the state's children.

Reductions in special education (affecting 39 percent of students), social workers (33 percent), and drug and alcohol prevention (29 percent) are program cuts that affected the most students statewide.

Guidance counseling (28 percent of students), library media services (25 percent each), and reading specialists and IT support (21 percent each), also affected significant numbers of Wisconsin students.

A full 20 percent of Wisconsin students attend a school district that cut 5 or more support services.

Class size

All told, 57 percent of districts increased class sizes around the state.

For elementary grades K-6, 42 percent of school districts reported an increase in class size, affecting the state's youngest children.

More than one-third of students statewide attend school districts forced to increase class sizes in core academic subjects, including math, social studies and science, and 31 percent of students attend districts that saw class sizes increase in English and art.

Class size increases in science (37 percent of students), followed by math and social studies (36 percent each), affected the most student statewide.

Academic offerings

The survey asked school districts if they eliminated entire courses or sections of course offerings in different subjects.

Twelve percent of districts eliminated courses in Family and Consumer Education (serving 10 percent of students statewide); 11 percent of districts eliminated courses in vocational and technical education (9 percent of students), and 8 percent of districts cut course work in business.

More school districts reduced the number of sections offered (for example, Algebra was reduced from three to two sections) than eliminated courses outright. Students were most likely to experience reductions in vocational/technical education (31 percent of students), followed by business (29 percent). Family and consumer education (26 percent of students) and art (23 percent) are the courses next most likely to see reductions.

Combined:

- 46 percent of districts (serving 60 percent of students) increased class size, and/or reduced programs in art, music and physical education.
- 45 percent of school districts (57 percent of students) increased class size, and/or reduced programming in career, business and technical education.
- 36 percent of districts (48 percent of students) increased class size, and/or reduced course work in core academics, including math, English, science and social studies.

Predictions for next year

Sixty-five percent of districts reported that reductions in staff would be about the same or greater next year. This response is likely driven by several factors.

First, 51 percent of school districts reported that they still had federal “education jobs” money for the current school year, but those monies will be gone next year. Second, the savings that school districts achieved by reducing the salaries of teachers and other employees to pay for benefits is one-time in nature. School districts will not experience those “savings” again next year. And third, a large wave of retirements also saved school districts money this year. Next year, school districts will not be able to use funding from these sources again.

Background information on cuts to school funding

Cutting education was a choice, not an imperative: During the recent budget debate, Governor Walker claimed that he had no alternative but to cut spending. Most people do not realize that Governor Walker's budget actually *increased* spending over the prior biennium by about 2 percent—there were no cuts in overall spending. There were however, significant cuts imposed on both the UW system and K-12 education.

Funding for public education was diverted to special interests that supported the governor's election. As one example, the governor increased spending for private school vouchers by 10 percent while claiming the state was so broke he had to reduce public school funding by \$1.6 billion.

Alternatives existed: Many alternatives existed to the budget enacted by the governor. His cuts to education did not have to be enacted; they were a choice made by the Governor. One example of an alternative budget that balanced the books while keeping funding for education intact is the Wisconsin Values Budget developed by the Center on Wisconsin Strategies, the Wisconsin Council on Children and Families, the Wisconsin Education Association Council and Wisconsin Citizen Action, among other groups. You can find that budget here: <http://citizenactionwi.org/healthcare/alt-budget-2011.html>.

Second largest cut in the United States: With a \$635 reduction in per pupil funding, Governor Walker's cuts for public education were the second largest in the United States. Nine states actually increased education spending this year, while the majority of other states cut well less than Wisconsin <http://www.cbpp.org/cms/index.cfm?fa=view&id=3569>.

Education cuts harm the economy: One of the most deleterious actions a state can take in an economic downturn is to cut funding for education. The cuts have serious ripple effects on the economy as the purchasing power of thousands of teachers and school staff is reduced, and public educators lose employment altogether. Economic projections show that as many as 9,000 private sector jobs statewide may be lost as a result of decreased economic activity, in addition to reductions in public sector employment (<http://www.wisconsinsfuture.org/>).

Recent data from the Department of Workforce Development (October 2011) show that 8,000 public sector jobs were lost in the last year alone. In addition to inflicting serious harm on these Wisconsin families, the cuts depress overall economic growth and activity, slowing the state's recovery.

The cuts also harm educational opportunities for children, preventing them from receiving the skills and training they need to secure good employment. Today, more than 40 percent of Wisconsin's children live in poverty, but Wisconsin is cutting support services like counseling and guidance, and reducing vocational and technical education, and programs for At Risk students. Class sizes also are increasing in the majority of districts. As a state, we are failing to help students in a time of need. Wisconsin is disinvesting in our future, depriving today's children of opportunities received by earlier generations.

Today's cuts compound a downward trend in funding for Wisconsin's schools: Since 1993, when caps were first placed on school funding, Wisconsin's rank for per pupil expenditures has decreased. In 1992, Wisconsin ranked 10th nationally on per pupil expenditures, but the state fell to 18th last year. Significant 5.5 percent reductions in per pupil funding this year are likely to drive the state's rank even lower.

Teacher pay also declined, down from 15th nationally in 1992 to 23rd today. Wisconsin teachers once received more than the national average in pay (103 percent), but today receive less than the national average (93 percent). Recent pay reductions—which averaged about \$5,000—to cover a larger share of benefit costs will further drive down salaries.

The suggestion that Wisconsin's schools can absorb unprecedented cuts in funding without harming educational quality is not supported by national data which show that even prior to this year's dramatic cuts, Wisconsin's support for public education was declining relative to other states nationally.