

ACTIVE CITIZENS FOR EDUCATION

WHITE PAPERS ON EDUCATION

Purpose: to present independent information and analyses about key educational issues concerning curriculum, instruction, administration and operation of concern to the Madison Metropolitan School District and to the community-at-large.

The reader is requested to keep in mind that as additional information becomes available these papers will be updated.

COMMUNITY SERVICE FUND (FUND 80)

Background: The Community Service Fund is used as an administrative and accounting mechanism for activities such as adult education; community recreation programs, such as evening swimming pool operation and softball leagues; elderly food service programs, non-special education preschool; day care services; and other programs which are not elementary or secondary educational programs but have the primary function of serving the community. Expenditures for these activities, including cost allocations for salaries, benefits, travel, purchased services, etc. are to be paid from this Fund to the extent feasible. The district may adopt a separate tax levy for the Fund. Building use fees charged for utilities and other operational costs must be charged in the General Fund if no cost allocation was made for these to the Community Service Fund.

Statutory Authority: 120.13(19) Community Programs and Services – “A school board may establish and maintain community education, training, recreational, cultural or athletic programs and services, outside the regular curricular and extracurricular programs for pupils, under such terms and conditions as the school board prescribes. The school board may establish and collect fees to cover all or part of the cost of such programs and services. Costs associated with such programs and services shall not be included in the school district’s shared cost under 121.07(6).”

The Fund 80 property tax levy was removed from revenue limit control (cap) starting in the 2000-01 school year (121.91(2m)(e)1). The tax levy for Fund 80 has never been a factor in the equalization aid calculation. This means that Madison, as a high property value community/school district, does not pay into the state any extra revenue related to the Fund 80 tax levy in order to help equalize state aid to poorer or lower property value districts as Madison does for the tax levy under the state imposed revenue cap.

Description: It is NOT “Community Service” if

1. ...in general, it involves activities that provide instruction and supporting services to K-12 pupils
2. It is part of a regular instructional program
3. It is only open to pupils enrolled in the district
4. It includes operational costs that support K-12 educational activities
5. It incurs costs not specifically identified with community service activities

Analysis:

School Year	Fund 80 Budget	Fund 80 Tax Revenue	Tax Revenue/ Budget Ratio	Equalized Property Valuation Base	Mil Rate
00-01	\$3.8 m				
01-02	\$5.4 m	\$3.3 m	61%	\$13.5 b	12.27
02-03	\$7.3 m	\$5.2 m	71%	\$14.9 b	11.96
03-04	\$9.0 m	\$7.4 m	82%	\$16.1 b	12.18
04-05	\$8.2 m*	\$7.7 m	93%	\$16.8 b	11.89

1. The expenditures for the Community Services Fund (80) have grown from \$3.8 million to \$8.2 million in five years.
2. The percent of the expenditures supported by the property tax levy (outside the statutory revenue cap) has grown from 61% to 93% in four years. This growth in property tax revenue support is a result of reductions in the amount of grants, fees and other sources of income received to support Fund 80.
3. While the mil rate has decreased, the tax revenues have increased due to the continuing rise of the equalized property valuation base.

Questions to Consider upon Reviewing the Data:

1. Are charges to this fund made to avoid the revenue limits in the general fund?
2. What criteria is used to determine a program or service should be included in Fund 80 and not in the regular district budget?
3. Does the Board fulfill its responsibility for making policy decisions that program operations should be subsidized by a separate community tax levy?
4. What Fund 80 oversight and policy direction is provided by the MMSD Board of Education?
5. What programs and services have been transferred from the MMSD general fund to Fund 80?
6. To what is attributed the growth in Fund 80 over the past five years?
7. What is the cost of the separate tax levy for Fund 80 over and above the tax levied under the revenue cap?
8. How are the priorities determined to spend money for programs and services in Fund 80?
9. Are programs evaluated on an annual basis? By whom? To whom reported?
10. Does the State Department of Public Instruction (DPI) review or monitor the District's use of Fund 80?
11. Are all current Fund 80 programs "community programs" or part of MMSD's instructional program?
12. Should the District utilize property tax revenues to provide after school child care?

13. Should the District subsidize rent, utilities and custodial services for private child care providers to provide after school child care in school facilities?
14. Should the District use tax revenues to purchase after school services from private providers for students eligible for fee waivers (students who qualify under federal free and reduced lunch guidelines?)
15. Do fees charged for the Madison School and Community Recreation (MSCR) program cover all of the costs associated with the program?
16. Should the school district continue to run the MSCR program? Should the district examine how a partner relationship with the city and county might better serve the community?

Notes:

1. Information was obtained from the web sites of the Department of Public Instruction (DPI) and the Madison Metropolitan School District (MMSD). The address for the DPI web site for the Community Services Fund is www.dpi.state.wi.us/dpi/dfm/sfms then click on “Community Service Fund” on the left-hand side bar.
The address for the MMSD web site is www.madison.k12.wi.us
2. Active Citizens for Education (ACE) is a Madison based non-profit, non-partisan organization committed to identifying, analyzing and presenting reliable information about issues concerning curriculum, instruction, administration and operation of the Madison Metropolitan School District. It is expected this information will assist in stimulating widespread public debate and increasing enlightened decision-making by the public and policy-makers to enhance the effectiveness, efficiency and performance of the Board of Education, administration, staff and pupils of the District. Contact: ACE, Don Severson, President at P.O. Box 2153, Madison, WI 53701; 608/238-8300; donleader@aol.com
3. For further information please refer to these additional documents by Active Citizens for Education:
 - a. “Comparative Performance Results” chart of academic test results.
 - b. “District Administration Costs & Administration Staffing Levels” comparing MMSD with four peer districts.
 - c. “Retention Rates: Comparatives to MMSD”
 - d. “Per Pupil Costs” comparing MMSD with four peer districts.

Revised: 09/01/04