

Introduction

The purpose of this report is to present to the Board of Education and the Madison community information about our current student fees; what we're doing now and what we could do in the future. The information is intended to help the Board make decisions about the role that fees can / should play in helping support academic and extra-curricular programs.

Fee Collection Information

The chart below shows the recent history of fee collections in the District compared to the projected fees for the 2005-06 budget year. Fee collections in 2004-05 were up 12% from 2003-04 and comprised three quarters of one percent (.75%) of total General Fund revenue.

The 2005-06 budget contains projected student fee revenue of \$2,149,325, an increase of approximately \$129,000 or 6.4% over the 2004-05 actual fee collections. This projection is based on the expectation of higher fee collections that will result from improved collection procedures.

Fee Sources	2003-04 Actual	2004-05 Budget	2004-05 Actual	2005-06 Budget
Regular Year	\$ 1,731,301	\$ 1,964,746	\$ 1,950,601	\$ 2,060,167
Summer School	71,701	70,000	69,694	89,158
Total Student Fees	\$ 1,803,002	\$ 2,034,746	\$ 2,020,295	\$ 2,149,325

This analysis includes district-wide required academic fees, athletic fees, instrument rentals, summer school, activity fees and certain site-specific costs.

General Guidelines

The District Accounting Office has prepared a document for building Principals and secretaries that provides guidelines and procedures for the collection and handling of money from fees and other sources.

General Student Fees

Student fees are set by the Board. The fee schedule approved by the Board for the 2005-06 academic year is found in Appendix B.

Fee Waivers

Board policy 3340 Fee Waivers (Appendix A) allows building Principals to waive fees for those families that demonstrate financial hardship and request fee waivers. Historically, low income students, as determined by free or reduced price lunch eligibility comprise 35-40% of the total student enrollment. The Administration assumes that all eligible families will request fee waivers and takes that into consideration when budgeting for fee revenue. Recent history has shown that the District grants fee waivers totalling about \$225,000 each year.

Musical Instrument Rental Fee

The following table compares MMSD musical instrument rental rates with those being charged by two local vendors that rent these instruments to students. The vendor rates are monthly / 9 month for each instrument. The MMSD rates are semester / school year.

Instrument	Ward Brodt	USA Band	MMSD
Violin	\$19 /\$171	\$20 / \$180	\$35 / \$70
Cello	\$35 / \$315	\$36 / \$215	\$35 / \$70
String Bass	N/A	\$55 / \$495	\$35 / \$70
Trumpet	\$19 /\$171	\$20 / \$180	\$35 / \$70
Trombone	\$19 /\$171	\$20 / \$180	\$35 / \$70
Alto Sax	\$35 / \$315	\$33 / \$297	\$35 / \$70
Tenor Sax	\$45 / \$405	\$46 / \$405	\$35 / \$70
Tuba	\$55 / \$495	N/A	\$35 / \$70

Site-Specific Student Costs

In addition to the student costs that are established each year by the Board, there are costs that are specific to school sites. These costs cover such things as the Year-book, materials used in making an item of jewelry in art class, or rental of a calculator required in math or science classes.

These costs vary from school to school and like the Board approved fees, may be waived by the building Principal if economic need is evident.

Linking Student Fees to Corresponding Expenditures

The Department of Public Instruction (the DPI) says, "Fees must be supported by the actual cost of the provided service. For example, a general fee of \$30 per student to cover miscellaneous school supplies would probably not be legal. However if it is supported by evidence that each child receives at least \$30 worth of school supplies that would otherwise be provided by the parent, the fee is allowable." (Appendix C, Page 3, FAQ #1). The DPI also says on Page 1 of Appendix C that, "Sec. 118.03(2) permits schools to sell textbooks to students."

Textbook fees are collected at the school level and the money is forwarded to the District Office for distribution through ELM (Evaluation of Learning Materials). There is also the need for consumable materials in many programs. For example, much of the K-2 instruction uses workbooks that students keep at the end of the year instead of textbooks. The same is true for some High School Foreign Language classes. Textbooks can be used for several years but workbooks are for one-time use only.

Data gathered during the 2003-04 school year showed the following comparison between textbook / workbook fees and the per pupil cost of those resources at four selected grade levels. That data is from two school years ago and assumes that the cost of the resources is amortized over seven years, but still demonstrates that this fee can be justified under DPI guidelines. If anything, the textbook and workbook costs are now higher and still well in excess of the current \$25.00 fee.

Grade 2	Grade 4	Grade 8	Grade 9
Annual Per Pupil Textbook / Workbook Costs			
\$ 53.64	\$ 49.63	\$ 61.37	\$ 57.50
2005-06 Textbook / Workbook Fees			
\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00

Explanation of Certain Fees & Costs

Athletic Insurance - Students must have medical insurance in order to participate in interscholastic athletics per Board policy 4143: Insurance Coverage (Appendix D). Students who don't have their own insurance may purchase it through the District. An explanation and fee schedule can be found in Appendix D.

Senior Pictures - The cost for these pictures may vary depending on the student's choice of a photographer.

Athletic Supplies - Some equipment, such as football helmets and pads are supplied by the District, but other equipment such as football shoes, baseball gloves, golf clubs, etc., must be supplied by the athlete, although some items might be purchased by the District if the economic need is presented.

Metro Bus Cost - Students can ride the metro bus for a reduced rate through an agreement between the District and the City. High School students can purchase a pass for \$125 per semester that allows them to ride anywhere at anytime. Middle School students can buy weekly round trip passes for \$8.50.

Athletic Participation Data

The information in Appendix E is attached because it helps demonstrate both the District cost to provide each of the athletic activities and the student cost to participate in them. While athletic participation is voluntary, the cost of participation significantly increases the cost of attending MMSD schools. The first two charts show the net cost to the District of each sport on a per-athlete basis for 2003-04 and 2004-05. The third chart shows the cost to each athlete to participate in a sport in 2005-06, not including any equipment they might need to buy (baseball glove, golf clubs, etc.).

Conclusions

MMSD parents can expect to pay anywhere from a minimum of \$25.00 to more than \$1,000.00 annually for each of their children who attend our schools, depending on age and involvement in extra-curricular activities. The fees currently being charged appear to be compatible with the DPI's interpretation of the Statutes. Therefore, it seems that the following actions would be legally permissible:

- > Textbook fees could be raised to equal the annual per pupil costs cited in the chart on Page 3.
- > Instrument rental fees could be raised to equal the amounts charged by private vendors as shown in the chart on Page 2.
- > Fees for other things like goggles, padlocks, Yearbooks, etc., should remain at a level that recoups our cost but doesn't make a profit at the expense of the students.
- > Athletic fees could be raised so they recover a stated percentage of the net cost after gate receipts are subtracted - all the way to 100%, if necessary.