



## ISSUE SUMMARY 2-2019

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### SUMMARY OF FISCAL IMPACT ON MMSD, AND OTHER QUESTIONS

#### 1. One City Senior Preschool is a Public Charter School

- Since all charter schools in Wisconsin are “public” schools, there is no such thing as a “private charter school”. One City is a public school chartered by the University of Wisconsin System Board of Regents, with public oversight provided by its Office of Educational Opportunity (OEO) and the state Department of Public Instruction (DPI).
- As a state law designated “2x” Charter School, children residing anywhere in Wisconsin can enroll in One City. Tuition aid (aka Charter School Payments) for these students will come from their home school district. This payment equals \$8,619 per student in 2018-19. Funding follows the student to the public school where they attend.
- Per WI Law – One City students will be counted by Madison Metropolitan School District (MMSD) for state general aid and revenue limit purposes similar to how current public school students are counted (\*Wisconsin School Finance Overview from DPI 2017).
- It is possible that not all charter school payments made to One City through the DPI will come from MMSD, though we expect that 95% of our children will be Madison residents.

#### 2. Enrollment Numbers

- One City **Junior** Preschool is adding 28 preschool slots (ages 1 to 3) in a South Madison neighborhood (zip code 53713) where kids have historically lacked these options. One City Junior Preschool is an independent accredited 5 Star early learning childhood center. It is funded by tuition paid by families, private donations and grants. These grants come from the City of Madison, Dane County, local colleges and universities, and Wisconsin Department of Children and Families.
- One City **Senior** Preschool (ages 4-6) currently has 62 students (but can enroll up to 82 students): 38 enrolled in 4K and 24 enrolled in 5K. Our 4K and 5K are public and therefore tuition-free.

#### 3. Serving Special Needs Children

- Despite our smaller enrollment, One City provides Special Education services just like larger schools.
- As a public charter school, we are required to serve children with special needs. One City has ALWAYS served special needs students - even before it became a charter school.
- There is an experienced Special Education Coordinator for the Senior Preschool and more than \$120,000 has been dedicated to provide special needs services and support to children during the 2018-19 school year.

#### 4. Oversight

- There is public oversight (from UW System and DPI) and a significant annual review process for One City as a public charter school.
- One City also has oversight from its large and active Board of 11 Community Leaders. The latest addition to the board is Gloria Ladson-Billings, Phd., Professor Emerita, Department of Curriculum and Instruction, UW Madison.
- Comparison: MMSD has 4K at 26 schools, but those programs only offer 3 hours and 15 minutes of instruction time – making it hard for working families to participate in these programs. MMSD also contracts with 33 private early childhood education centers in Madison. There is currently no formal public oversight or significant annual review process of these private early childhood centers.

#### 5. Financial Comparison of One City 4K to MMSD Private 4K

- One City’s 4K program is full day. Our children are enrolled, tuition-free, from 8:30 a.m. to 5:00 p.m. each day, including a 90-minute co-curricular after-school program from 3:30pm to 5:00pm five days per week (Monday through Friday).
- One City’s public 4K program will cost MMSD \$5,167 per pupil in 2018-19. Total class time is 6.5 hours, excluding a two-hour nap time every day. This equals **\$4.41\*** worth of investment in each hour of learning time for 4K children enrolled at One City. (\*Formula: 5,167 per student/1170 total class hours).

**6. MMSD's Payments to the 33 Private Childhood Education Centers Providing 4K**

- a. MMSD is spending \$3,500 per child for each Madison student in a private 4K program. In 2017, there were 741 students enrolled in these private early childhood centers in Madison.
- b. MMSD's 33 private school-based programs provide three hours of class time for children four days per week (Tuesday through Friday).
- c. MMSD paid approximately \$2,593,500 to 33 private 4K centers in 2017-18.
- d. This equals **\$8.10\*** paid by MMSD for each hour in these private 4K programs. (\**Formula: \$3500/432 class hours in school year*)
- e. In other words, MMSD is investing 54% less in One City's 4K class hour than it is in the private 4K class sites. (\*\$4.41 per hour vs \$8.10 per hour).

**7. Fiscal Impact of Wisconsin's Open Enrollment Program on MMSD.**

- a. Under the full-time open enrollment program, pupils in grades 4K to 12 may apply to attend any school district in the state.
- b. For the 2016-17 school year, the per pupil transfer amount for regular education students was \$6,748/student. The special education per pupil transfer amount was \$12,000/student.
- c. In 2016-17, there were 390 children who transferred into MMSD from other school districts, and 1,314 who transferred OUT of MMSD to other school districts.
- d. MMSD paid \$8,696,922 to other school districts in Dane County for MMSD resident students open enrolling into non-district public schools.

**8. Fiscal Impact of MMSD High School Dropouts**

- a. In 2016-17, 230 (or 2%) of MMSD's high school students formally dropped out.
- b. Using the 2017 DPI per pupil revenue number of \$11,500 per student for the Madison school district, MMSD lost an additional ~ \$2,645,000 in annual revenue because of students who dropped out.

**9. Comparison of the Fiscal Impact of One City Senior Preschool on MMSD**

- a. One City will receive \$8,619 per child for its 5k students and \$5,167 per child for its 4k students (2018-2019). One City Senior Preschool has 62 students enrolled for this school year. This will result in One City receiving \$420,134 for its children for the regular 180-day school year (semesters one and two).
- b. One City offers both a longer school year; 234 days compared to 180 days for WI school districts and a longer school day. However, it is only reimbursed by the state for fraction of the time students are learning.
- c. Unless DPI approves an exception for One City, it will not receive the additional \$172,584 for 54 additional days of instruction during our third semester (summer 2019) because DPI presently doesn't fund longer-year school programs. One City will qualify only for the reduced "summer school aid" and will have to raise the remaining funding needed from private philanthropy.
- d. Therefore, total One City public charter school payments for a year-round 12-month school year is only is 3%\* of what MMSD spends or loses) through:
  - o *private 4K early childhood sites* (\$2,593,500 see above)
  - o *public school open enrollment* (\$8,696,922 see above)
  - o *school dropouts* (\$2,645,000 see above)
  - o *\*Formulas* (\$2,593,900 + \$8,696,922 + 2,645,000 = \$13,935,422) AND (\$420,134/\$13,935,422=3%)

**10. Potential Fiscal Benefit for MMSD and its Students**

- a. One City utilizes a Two-Generation Approach, which means that parents are also educated and supported in the curriculum. Two parents serve on One City's Board per its bylaws. Parent meetings are held once per month. The education of our youngest students requires the partnership between school AND family.
- b. Early demonstrated success: In August 2017, 89% of 4K students graduated kindergarten ready. In August of 2018, 94% of the 4K students did the same.
- c. One City Schools has the structure necessary to decrease the achievement gap and benefit all of MMSD.

*Sources: Wisconsin Department of Public Instruction, Wisconsin Legislative Fiscal Bureau, Madison Metropolitan School District and One City Schools, Inc. of Madison.*