

Allocation Analysis

INSTRUCTION – REGULAR EDUCATION

Background

The MMSD allocation process is led by the budget department and conducted annually in connection with the budget approval process. Annual allocations are based upon historical allocations and adjusted for projected enrollment changes. MMSD currently uses a site-based management philosophy that provides discretionary FTE allocations for building-level management to utilize additional support resources to meet the needs of each individual school. Allocation types fall into many categories that can be classified broadly into these five areas that comprise our analysis:

- Base pupil to teacher classroom staffing ratios
- Targeted allocations to be used for specifically stated types of FTE positions
- Elementary Specials allocations for Art, Music, Reach and Physical Education.
- Discretionary allocations to be used for specific groupings of FTE types, however the mix of these FTE types varies by building dependent upon additional needs
- Supplemental allocations to be used at the discretion of the buildings for any types of additional services or FTE the buildings choose

Our review analyzed various allocation scenarios that present the District with multiple decisions. The analyses relating to secondary education are straightforward and the subsequent scenarios we generated are relatively easy to calculate. The elementary allocations are quite complex due to additional variables requiring multiple iterations of each scenario. These variables include base staffing ratios, SAGE ratios and subsequent funding, specials and supplemental allocations. Due to the numerous scenarios associated with this complexity, we are presenting selected scenarios that may have merit based on our analysis of financial and student impacts.

The cost savings presented with each opportunity are based upon a 1.0 FTE amount of \$48,500 that includes salary and fringe benefits for an entry-level teacher. This dollar amount of \$48,500 may be understated in circumstances where eliminated positions involve personnel with higher salaries.

Madison Metropolitan School District enrollment history and projections are provided below. The District provided these projections. The District's forecasting, analysis and review approaches to attain student projections utilize both quantitative and qualitative methods to attain student projections.

Year 2001-2002 total MMSD enrollment is 24,688. Year 2002-2003 projections indicate enrollment reduction to 24,510. The data projects an overall pattern of slightly declining total enrollments. Further breakdown of the projections indicates this slight overall downward trend is evidenced through reductions in elementary and middle school projections, with high school projections indicating an increase. This data is presented to demonstrate that the District does not anticipate any major enrollment changes leading to immediate school building projects or downsizing decisions. If long term downward trend projections become reality, the District may find the need to eliminate or consolidate buildings in order to maintain efficiencies and reduce costs.

INSTRUCTION – REGULAR EDUCATION (cont.)

Background (cont.)

Madison Metropolitan Schools enrollment history and forecast by grade level:

	History						Forecast				
	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07
K	1998	1902	1865	1703	1797	1810	1819	1798	1798	1798	1798
1	2080	1955	1868	1902	1701	1753	1792	1800	1780	1780	1780
2	1986	2011	1892	1818	1883	1722	1727	1765	1773	1753	1753
3	1985	1946	1931	1835	1782	1827	1670	1675	1712	1720	1701
4	2039	1970	1904	1938	1821	1802	1809	1654	1658	1695	1703
5	1992	1996	1940	1901	1931	1828	1793	1800	1645	1650	1686
6	1867	1946	1933	1908	1888	1884	1791	1757	1764	1612	1617
7	1849	1877	1948	1897	1944	1887	1884	1791	1757	1764	1612
8	1813	1824	1864	1950	1933	1946	1887	1884	1791	1757	1764
9	2041	2156	2141	2144	2263	2277	2267	2198	2195	2087	2047
10	1891	1952	2044	2077	2114	2219	2209	2199	2132	2129	2024
11	1731	1777	1779	1830	1939	1948	2041	2032	2023	1962	1959
12	1552	1650	1639	1697	1728	1785	1821	1909	1900	1892	1834
Total	24824	24962	24748	24600	24724	24688	24510	24262	23928	23599	23278

Comparative data for Wisconsin public school staff to student ratios is available from the Department of Public Instruction (DPI). The latest data available for the 2000-2001 year is presented here for the 10 most comparable Wisconsin schools based on enrollment.

District Name	Enrollment		Teacher FTE			Pupil/Teacher Ratios		
	K-8	9-12	K-8	9-12	Total	K-8	9-12	Overall
Madison Metropolitan	17043	8044	1,469.00	555.01	2,024.01	11.60	14.49	12.39
Racine	14722	6380	928.00	365.80	1,293.80	15.86	17.44	16.31
Kenosha	14387	5712	938.65	393.26	1,331.91	15.33	14.52	15.09
Green Bay Area	13909	6195	961.11	394.22	1,355.33	14.47	15.71	14.83
Appleton Area	9973	4820	658.29	291.07	949.36	15.15	16.56	15.58
Waukesha	8516	4244	578.78	268.10	846.88	14.71	15.83	15.07
Eau Claire Area	7494	3774	545.32	237.61	782.93	13.74	15.88	14.39
Oshkosh Area	7343	3395	500.03	199.75	699.78	14.69	17.00	15.34
Janesville	7251	3507	530.06	225.44	755.50	13.68	15.56	14.24
Sheboygan Area	7143	3275	465.76	218.05	683.81	15.34	15.02	15.24
Top Ten WI Schools Totals:	107781	49346	7,575.00	3,148.31	10,723.31	14.23	15.67	14.65
State of Wisconsin Totals:	592788	283001	40,108.59	19,663.28	59,771.87	14.78	14.39	14.65

According to this data, MMSD ranks lowest among peer schools in K-8 pupil to teacher ratio at 11.60. MMSD ranks 13th lowest across all 417 Wisconsin K-8 school districts. At the 9-12 grade levels, MMSD ranks lowest among peers and 246th across all 385 Wisconsin 9-12 school districts. An overall pupil to teacher ratio of 12.39 ranks MMSD lowest among peers and 47th across all 427 Wisconsin school districts.

INSTRUCTION – REGULAR EDUCATION (cont.)

Background (cont.)

Many factors can influence staffing decisions in a particular district. Thus, the fact that the Madison school district has the lowest ratios of staff to students among its closest peers and lower than average ratios across all Wisconsin schools should be interpreted with caution. However, benchmarks do serve to open discussion related to the benefits achieved from lower ratios including comparisons of student test scores and quality of education provided.

Allocation Decision Scenarios

With assistance and cooperation of the MMSD budget staff we have created decision scenarios based upon projected 2002-2003 data including enrollment projections and staffing levels. Our review of allocations indicates several areas of potential savings exist for MMSD. The areas are supplemental staffing, class size, SAGE, and specials. Some potential savings areas have dependencies with each other that create multiple scenarios. We are presenting the scenarios we feel have the most merit based upon financial and student impacts. The scenarios are presented here in a decision format by category.

REDUCTION TO SUPPLEMENTAL ALLOCATION

Supplemental allocations currently exist at varying levels for elementary, middle and high schools. The number of allocations for each individual school building is created through formulas based mainly on Educational Need Index (ENI). ENI attributes include EEN/ESL attributes as well as free & reduced, parent education and home status factors. This allocation method results in buildings with a higher index typically allocated more supplemental positions, while other buildings receive fewer supplemental allocations as a result of low ENI indexes. The supplemental FTE allocations are currently utilized differently by each building with the most common uses as additional psychologists, social workers, guidance or clerical staff.

Our overall functional analysis has included an individual review of the most common FTE uses of supplemental allocations. These reviews provide analysis and options for staffing levels for these functions. Additional supplemental FTE allocations in these areas are considered discretionary. **Current projected 2002-2003 supplemental allocations and potential savings are presented here:**

Supplemental Allocations	Total FTE	Approximate Building FTE	Dollar Equivalent FTE Savings
Elementary	28.74	1.0	\$1,393,890
Middle School	24.30	2.2	\$1,178,550
High School	7.80	2.0	\$ 378,300
Total Supplemental Allocations	60.84		\$2,950,740

While supplemental allocations have been provided historically, they are discretionary in nature and could be eliminated. The average impact at the building level is 1.0 FTE elementary, 2.2 FTE middle school, and 2.0 FTE high school. Individual building impact will be higher or lower than average ranging from 0 to 2.2 elementary, 0.6 to 3.2 middle school, and 2.8 to 1.6 high school.

INSTRUCTION – REGULAR EDUCATION (cont.)

Allocation Decision Scenarios (cont.)

CHANGE IN PUPIL TO TEACHER RATIOS - SAGE

Option 1: Change SAGE Allocation to 15:1

The first discussion point is SAGE State and Federal class size requirements for schools to qualify for SAGE funding at K-3 grade levels. The requirements for of the funding are for each SAGE school to have base pupil to teacher class size ratios of 15:1 or less for K-2 and 18:1 or less for Grade 3 (15/18). MMSD currently allocates SAGE schools at a 14/18:1 ratio, thus exceeding the ratio requirements to receive SAGE funding. **A policy decision to change allocations for SAGE schools to a ratio of 15:1 rather than the current ratio of 14:1 has potential District savings of 14 FTE positions or \$679,000.** This allocation change will not impact SAGE funding or change the SAGE program implemented at SAGE schools.

Our subsequent allocation discussions and scenarios are calculated based on 15/18:1 SAGE allocations. We do not presume Board of Education approval of this item. This merely simplifies our subsequent scenario discussion.

Option 2: Limit SAGE Program to Low Income Schools

The majority of additional scenarios run either increases local funding or reduces the number of schools participating in SAGE. One of these scenarios eliminates the remaining \$1,028,685 local funding entirely and maintains the existing components of the MMSD SAGE program along with the planned expansion to 3rd grade for 2002-2003. A total of 21.21 FTE are related to this potential \$1,028,685 reduction. This scenario changes the participating SAGE school requirement to those schools with greater than 30% overall low-income enrollment. The low-income enrollment requirement must be met by each school individually to qualify for SAGE under this scenario. Overall low-income enrollment for MMSD are approximately 30%.

For 2002-2003, this scenario would result in 10 of the existing 23 SAGE schools no longer participating in SAGE: Crestwood, Franklin, Lapham, Muir, Marquette, Randall, Schenk, Shorewood, Stephens, and Chávez. The following 13 schools remain on SAGE under this scenario: Allis, Emerson, Glendale, Falk, Hawthorne, Lakeview, Lowell, Mendota, Midvale, Thoreau, Lincoln, Lindbergh, and Leopold. The schools remaining on the SAGE program would be those with the most need as they are the 10 schools with the highest low-income enrollments.

This scenario yields an additional \$1,028,685 in District savings. The impact of implementing this scenario would be a reversal of the District plan to fully implement SAGE with the overall purpose to improve 3rd grade reading levels.

SAGE: Our SAGE analysis focused on reviewing scenarios for reducing the local funding requirements for SAGE. Elimination of the SAGE program entirely would cost the District approximately \$4.5 million in lost SAGE funding. Implementation of changing the SAGE allocation to 15/18 from 14/18 would reduce the SAGE local funding requirement for 2002-2003 from \$1,707,685 to \$1,028,685.

INSTRUCTION – REGULAR EDUCATION (cont.)

Allocation Decision Scenarios (cont.)

CHANGE IN PUPIL TO TEACHER RATIOS - BASE

Option 1: Change in Secondary Class Size

Base pupil to teacher class size is allocated at MMSD based on historical ratios. Base ratios exist at the elementary, middle and high school level independently. Current secondary pupil to teacher ratios in place for MMSD are 17.0 at the middle schools and 21.8 at the high schools:

The financial impact of a base pupil to teacher ratio change at the secondary-level is a simple calculation based on middle school ratios increasing from 17.0 and high school ratios increasing from 21.8. The impacts shown in 0.5 ratio increments are displayed here:

Middle School Allocations Base Ratio	Base Ratio	Base Position Allocations	Base Position Allocations FTE Reduction	Dollar Equivalent FTE Savings
Current	17.0	326.6	0.0	\$0
Increase 0.5	17.5	317.3	9.3	\$451,050
Increase 1.0	18.0	308.4	18.2	\$882,700
Increase 1.5	18.5	300.1	26.5	\$1,285,250
Increase 2.0	19.0	292.2	34.4	\$1,668,400

High School Allocations Base Ratio	Base Ratio	Base Position Allocations	Base Position Allocations FTE Reduction	Number of FTE Dollar Equivalent
Current	21.8	360.2	0.0	\$0
Increase 0.5	22.3	352.2	8.0	\$388,000
Increase 1.0	22.8	344.4	15.8	\$766,300
Increase 1.5	23.3	337.0	23.2	\$1,125,200
Increase 2.0	23.8	330.0	30.2	\$1,464,700

Wisconsin secondary school pupil to teacher ratios produced by DPI for the year 2000-2001 were displayed in an earlier table. The table indicates that MMSD overall secondary pupil to teacher ratio is 14.49. This compares to a 15.67 ratio for MMSD's closest 10 peer schools. A 1.0 increase in this ratio would bring MMSD's ratio to 15.49, closer, yet still below the average of the same 10 peer schools.

INSTRUCTION – REGULAR EDUCATION (cont.)

Allocation Decision Scenarios (cont.)

CHANGE IN PUPIL TO TEACHER RATIOS – BASE (cont.)

Option 2: Change in Elementary Class Size

Elementary Class Size: Elementary class size scenarios must be calculated with SAGE FTE and funding elements considered. The MMSD SAGE program began in the 1999-2000 school year with 4 schools participating. It has expanded as a District core program each year with 23 of the 30 elementary schools participating in 2001-2002. The District SAGE plan calls for further expansion for the 2002-2003 to include 3rd grade.

The elementary level currently has Student Achievement Guarantee in Education (SAGE) ratios in place at 23 of 30 schools that reduces K-3 class sizes to 15 or less in order for MMSD to receive State and Federal SAGE funding. Grades 4–5 at the elementary level do not have SAGE class size restrictions. In order to achieve current SAGE program levels, the District receives State and Federal funding for qualifying schools and locally funds the program in addition to the SAGE funding received. For 2002-2003, \$1,707,685 of MMSD local funding is required to maintain the program as implemented in 2001-2002 and implement the planned program expansion for 2002-2003 at the 3rd grade level.

Elementary Base Ratio. A change in base elementary pupil to teacher ratios from the current base of 22.0 (K-1), 23.5 (Grades 2-3), 25.0 (Grades 4-5) can also be calculated and considered. One ratio change scenario is increasing these ratios to 23.0 (K-1), 24.0 (Grades 2-3), 26.0 (Grades 4-5) as summarized below:

Grade level	Current Ratios	Proposed Ratios
Elementary SAGE Schools (K-1)	14	15
Elementary SAGE Schools Grades 2-3	18	18
Elementary Non-SAGE Schools (K-1)	22	23
Elementary Non-SAGE Schools Grades 2-3	23.5	24
Elementary Non-SAGE Schools Grades 4-5	25	26

The FTE impact of this change assuming SAGE @ 15/18 is a reduction of 18.2 base positions. This breaks down as 15 base teachers and 3.2 base Specials. This reduction in base is offset by an increased requirement in local SAGE funding of 7.06 positions. **The net effect of this change in elementary base staffing levels is a reduction of 11.14 positions or \$540,290.** The net savings of this change under the SAGE scenario of >30% schools would be approximately the same should the District elect this scenario.

INSTRUCTION – REGULAR EDUCATION (cont.)

Allocation Decision Scenarios (cont.)

CHANGE IN PUPIL TO TEACHER RATIOS – BASE (cont.)

Option 3: Change Elementary Specials Ratio

Specials include teachers for Art, General Music, Reach and Physical Education. Specials are allocated for base positions and for SAGE in order to accommodate SAGE local class size reductions. The number of Specials sections instructed determines Specials allocations. Specials allocations are a formula derived from the number of student sections and the number of sections each Special FTE instructs. Currently, specials for Art, Music and Reach are allocated at 21 sections instructed per 1.0 FTE. Physical Education, due to longer class times, is currently allocated at 14 sections instructed per 1.0 FTE. Our review determined that changing the number of Physical Education Sections yielded minimal savings while posing logistical issues for instructors.

The maximum sections a Special teacher can instruct are 25 sections. We ran scenarios to increase the Specials sections from 21 through 25 for iterations of the SAGE and class size scenarios presented above. The results were nearly identical for the various SAGE and class size scenarios. One scenario option is to increase Special allocations from the current 21 sections per 1.0 FTE to 22 sections instructed per 1.0 FTE. This scenario yields a reduction of 3.2 FTE base Specials and .5 FTE SAGE Specials for a **total reduction of 3.7 FTE positions. The dollar equivalent savings from this scenario are \$179,450.**

Further increases in Specials Sections per FTE would yield similar savings of approximately 3.7 FTE for each 1 section increase per 1.0 FTE Special. Each section increase per FTE increases the workload of the Specials instructors and potentially presents increasing logistical issues related to Specials instructors serving multiple schools.

INSTRUCTION – REGULAR EDUCATION (cont.)

Decision Summary

REGULAR EDUCATION ALLOCATION

The decision items discussed above are summarized and presented here:

Decision Item	FTE Reduction	Dollar Equivalent FTE Savings
Elementary Supplementals Eliminated	28.74	\$1,393,890
Middle School Supplementals Eliminated	24.30	\$1,178,550
High School Supplementals Eliminated	7.80	\$ 378,300
Total (ALL) Supplementals Eliminated	46.85	\$2,272,225
SAGE Ratio increase to 15/18	14.0	\$679,000
Middle School Ratio increase to 18.0	18.2	\$882,700
High School Ratio increase to 21.8	15.8	\$766,300
Elementary Ratio increase to 23-24-25	11.1	\$540,290
Elementary Specials Sections increase to 22	3.7	\$179,450
SAGE for schools >30% low income	21.21	\$1,028,685

These decision items represent a pool of allocation options available to the District. This serves to demonstrate the degree of financial impact these options present. The table above does not present all the options available to the District related to class size.

Impact. It is difficult to anticipate the student impact of an increase in pupil to teacher ratios. No data is available on the effect such a change would have on current student achievement measures such as the Wisconsin Knowledge and Concepts Exam (WKCE) or the ACT College placement exam. Data is becoming available for SAGE indicating positive effects of lowering K-3 class sizes, specifically improving 3rd grade reading scores.

The SAGE program is a part of the MMSD strategic planning priorities of Student Achievement as well as the Board of Education priorities for “all students completing 3rd grade to read at grade level or beyond”.

INSTRUCTION – SPECIAL EDUCATION

Background

As outlined in the MMSD Adopted Budget for 2001-2002, “Special education is required under the Individuals with Disabilities Education Act (IDEA) to insure that specially designed instruction and related services are delivered to students with disabilities through an array of programs and services”. The District has developed a cross-categorical model to deliver these services and ensure that they are provided in the least restrictive environment. This cross-categorical model allows students with different areas of impairment to be combined for delivery of services. The District’s commitment to providing services in the least restrictive environment translates into a model with instruction provided within the regular education classroom to the greatest extent possible.

The District’s cross-categorical model is consistent with the passage of 1997 Wisconsin Act 164, which eliminated program types for special education classrooms and the minimum/maximum enrollment ranges tied to those program types. As a result, the Department of Public Instruction initiated a task force to develop recommendations for caseloads. The DPI task force recommendations provide three options to school districts: use one of two DPI formulas (based on severity of disability and/or assuming a pullout model) or develop a model specific to the District.

The District elected to develop its own allocation/caseload model and formed a task force to examine the issue. The Special Education Allocation Task Force reviewed the options and recommended a model specific to the District. It should be noted that when the new allocation formula took effect, there was no impact of the formula on the number of teachers budgeted.

Based on the recommendations of the task force, the District allocates special education teachers to schools based on established student teacher ratios. This allocation includes all students who are high incidence cross-categorical (emotional disturbance, learning disabilities, cognitive disabilities).¹⁴ The student teacher ratios are as follows:

Elementary: 9:1
Middle School: 11:1
High School: 14:1

In addition, base special education assistant hours are allocated based on teacher allocation. For each teacher, SEA hours are allocated (34 - elementary, 30 – middle school, and 25 - high school).

To implement the ratios, the District projects the number of students at each school (including students in the evaluation process anticipated to be determined eligible) and divides the number of students by the approved ratio for the school. The teacher allocation is the result of this (any number that is not even (X.0 or X.5) is rounded up in increments of .5). For example, if an elementary school is projected to have 41 students, the teacher allocation would be $41 / 9$ or 4.56, which is rounded to 5.0 teachers. The department reports that allocations are rounded to accommodate growth. However, it should be noted that the 2002-2003 projection accommodates growth by accounting for early childhood enrollments into kindergarten, ensuring that retained seniors are included, and including students who are in process but not yet determined eligible.

¹⁴ Early childhood, speech/language, low incidence itinerant, and occupational and physical therapy allocations are calculated separately with different methodologies, and this decision item does not apply to those allocations.

INSTRUCTION – SPECIAL EDUCATION (cont.)

Background (cont.)

As a result of the implementation of allocations and the rounding methodology, the overall ratios are lower than the stated policy (with the current process, the elementary ratio would be 8.4 to 1, middle school is 10.7 to 1 and high school is 13.8 to 1).¹⁵ While projections were close to actual enrollments in 2001-2002, the projections in prior years have underestimated the number of students. The current rounding policy helps to ensure that, should the program have more students than projected, the District will have ample teachers. If rounding were eliminated and enrollment exceeded projections, there would be no flexibility in the budget and the department would require additional positions be authorized outside the budget cycle.

The number of Special Education Teachers in Madison can be compared with those of other districts. The Quality Education Coalition (QEC) prepares an annual summary of districts' instructional student/staff ratios, based on DPI data. The following table summarizes this information, provided by the QEC, for the largest 25 districts in 1999 (the most recent year for which data are available):¹⁶

Special Education Ratios in the Top 25 WI School Districts			
	FTE	Student to instructional staff ratio	Student to total special education staff
Elmbrook	93.5	8.68	4.45
Wauwatosa	67.18	8.9	5.06
Madison	437.72	9.42	4.51
Menomonee Falls	47.61	10.14	5.59
Waukesha	156.21	10.36	5.96
Green Bay	316.51	10.76	6.34
Eau Claire	126.65	11.09	6.67
Wausau	103.81	11.19	5.13
Janesville	145.1	11.32	5.62
West Bend	67.6	11.49	6.85
Racine	293.03	11.53	6.01
La Crosse	98.4	11.74	6.18
Appleton	163.23	11.79	6.82
Kenosha	231.1	11.86	6.87
Sheboygan	116.4	12.1	6.22
Oshkosh	115.77	12.52	6.44
Stevens Point	82.43	12.53	6.21
Manitowoc	50.2	13.01	5.63
Wisconsin Rapids	63	13.21	6.94
Beloit	100.4	13.49	7.44
Milwaukee	1139.67	13.67	7.84
Watertown	44.5	13.78	7.06
Fond du Lac	76.8	13.92	7.55
West Allis	79	14.84	10.5
Neenah	60.9	14.88	7.65
Average of above:	171.06	11.71	6.08
State of WI	9971.96	12.09	6.65
Madison Variance from Average of Top 25		24%	35%

¹⁵ It should be noted that the ratio determines the number of teachers per school, but principals do the allocation of caseloads within schools (so an individual teacher may, appropriately, have fewer or more students than the ratio for the level, depending on the specific students assigned).

¹⁶ Instructional staff includes all special education teachers, speech and language, physical therapists and occupational therapist. Total staff also includes special education leadership, program coordination, therapist assistants, social workers, psychologists, and special education assistants.

INSTRUCTION – SPECIAL EDUCATION (cont.)

Background (cont.)

Each district is unique, and many factors can influence staffing requirements in a particular district. Thus, the fact that the Madison School District has the second lowest ratio of total staff to students and third lowest ratio of instructional staff to students should be interpreted with caution. It is important to note, however, that the District also has a high percentage of students in the Madison District who are special education students. This fact, coupled with the District's history of above-average rates of eligibility determinations of those referred, should be considered in assessing student teacher ratios.

However, it should be noted that the District has some high cost, low enrollment programs. For example, as a recent press release notes, in May 2001, there were 4,468 students enrolled in special education programs. Of these, a total of 191 students had costs over \$25,000 with only 22 students having costs over \$50,000.

CHANGE ALLOCATIONS FOR SPECIAL EDUCATION

If the District were to increase student teacher ratios in special education, the following savings would result:

Option	FTE Impact	Expenditure Reductions	Reduced Revenue	Net Savings
Retain current ratios - eliminate rounding	12.5	\$ 848,175	\$ (254,453)	\$ 593,723
Increase ratio by .5 FTE	16.5	\$ 1,119,591	\$ (335,877)	\$ 783,714
Increase ratio by .5 FTE - eliminate rounding	24.5	\$ 1,662,423	\$ (498,727)	\$ 1,163,696
Increase ratio by 1.0 FTE	29.0	\$ 1,967,766	\$ (590,330)	\$ 1,377,436
Increase ratio by 1.0 FTE - eliminate rounding	39.5	\$ 2,680,233	\$ (804,070)	\$ 1,876,163

Note: This assumes a teacher salary of approximately \$67,854 (approximately 80 percent of average salary).

Net savings reflect that expenditure reductions are partially offset by reductions in categorical aid.

In addition, Special Education Assistant (SEA) allocations are based on teacher ratios. If the District were to retain the SEA ratios (based on teacher allocation), the following SEA reductions and savings would result:

Option	SEA Impact	SEA Expenditure Reductions	Reduced Revenue	Net SEA Savings	Total Savings
Retain current ratios - eliminate rounding	10.7	\$ 327,665	\$ (98,300)	\$ 229,366	\$ 823,088
Increase ratio by .5 FTE	11.9	\$ 366,070	\$ (109,821)	\$ 256,249	\$ 1,039,963
Increase ratio by .5 FTE - eliminate rounding	18.7	\$ 571,984	\$ (171,595)	\$ 400,389	\$ 1,564,085
Increase ratio by 1.0 FTE	22.2	\$ 679,027	\$ (203,708)	\$ 475,319	\$ 1,852,755
Increase ratio by 1.0 FTE - eliminate rounding	30.9	\$ 946,225	\$ (283,867)	\$ 662,357	\$ 2,538,521

Note: This assumes an SEA salary of approximately \$30,642 (approximately 80 percent of average salary).

INSTRUCTION – SPECIAL EDUCATION (cont.)

It is difficult to anticipate the student impact of a reduction in student teacher ratios. No data are available on the effect such a change would have on student outcomes. However, student impact could be minimized through additional assistance provided to principals from Educational Services in assigning caseloads to special education teachers. (Note: the department has an initiative underway to ensure that best practices in assigning caseloads are in place).

The correlation of this decision to the District's strategic priority should be considered, as special education teachers deliver curriculum and instruction (3) a strategic priority. Also for consideration is the fact that, while special education services are mandated, DPI does not provide any caseload guidance or minimums/maximums for special education teachers. The only guidance is comparison with other districts such as that depicted above, which indicate that Madison Metropolitan School District has historically had one of the lowest ratios in the state.