



Educational Equity and Fiscal Responsibility

The Madison Metropolitan School District (MMSD) is at a pivotal transition time. Over the past 12 years, MMSD has navigated fiscal challenges stemming from inadequate state resources for public education. As we continue to embark on a journey to transform instruction and enhance school climate, we're facing ongoing disruptive cuts from the state.

MMSD faces an anticipated budget shortfall beginning in the 2024-2025 school year. Had state funding kept pace with inflation, MMSD would have received over **\$20.8 million** in vital support for the 2023-24 academic year alone. Yet, we grapple with the financial strain as healthcare costs escalate for our more than 6,000 employees and we work to retain top-tier educators.

One of the ways MMSD continues to focus on high-quality education is through investments in literacy instruction. Grounded in the science of reading, the district has prioritized teacher professional development and curriculum resources to improve students' academic outcomes.

MMSD also remains steadfast in investing in early learning opportunities, including funding full-day four-year-old (4K) kindergarten. State formulas discount the funding of 4K learners, counting students as "half" a child and only providing funding to support their education at 50 percent, leaving school districts to cover the other 50 percent from their general fund.

State funding inadequacies extend to special education. Public schools are required to provide these important services to the students who need them, however, the state covers only 31 percent of these costs. This left MMSD with a **\$66.4 million** gap in 2023-2024, which needed to be covered by MMSD's general fund.

Meanwhile, record increases to private and independent charter schools by the state government adds to financial challenges to public schools. MMSD is required by state law to allocate nearly **\$11 million** of public tax dollars to support private and independent charter schools.

Consumer Price Index - Inflation
\$30.2 Million
revenue gap from 23-25
Revenue Limit

State aid counts full-day 4K students as

1/2

a child providing funding to support their education at 50%



31%

State Special Education reimbursement rate resulted in **\$66.4 Million** MMSD funding gap in 2023-24.

Statewide, the funding gap is \$1.5 billion.