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## Interdistrict Chapter 220: *Changing Goals and Perspectives*

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### Executive Summary

Every school day, about 5,500 students cross the boundaries between the City of Milwaukee and 23 suburbs in order to promote racial integration in public schools. These students are participants in the interdistrict Chapter 220 program, the longest running of Wisconsin's school choice programs. This program is under scrutiny by policymakers who want to provide quality education at an affordable cost and who seek to understand whether Chapter 220 has a continued value in light of the new statewide Open Enrollment program, also called public school choice. In light of these concerns, the Forum analyzed interdistrict Chapter 220, relying on data provided by school districts and the Department of Public Instruction, as well as interviews with several Chapter 220 district administrators.

We found that Chapter 220:

- **Is popular among participants.** The program is in demand by students and parents and has earned strong support from school district administrators. The 1998-1999 application process brought in 2,003 applications, three times more than the 758 seats available in suburban districts.
- **Benefits both Milwaukee Public Schools (which received \$24 million in sender aid) and participating suburban districts (which received \$36 million in integration aid--\$7,978 per pupil).** Chapter 220 aid ranges to as much as 71% of the total state aid for suburban districts. From a taxpayer's perspective, the program is expensive when compared to other choice programs.
- **Has consistently met its original goal, which was to promote cultural and racial integration in education.** Suburban school districts are more diverse as a result of the program, although the number of suburban students transferring into MPS is too low to affect racial integration within Milwaukee. Chapter 220 minority students make up an average of 7% of the total enrollment for the 23 suburban districts.
- **Needs accountability.** The program lacks the systematic data necessary to determine whether the program improves educational performance, results in social integration or leads to post-graduate success. The only valid measure of academic achievement is a 1993 study conducted by the state legislature; it found that students who transferred from MPS into suburban districts scored higher average test scores than did MPS students who had applied to attend a suburban district but were not accepted.

Policymakers now face the question of whether to continue, change or eliminate the Chapter 220 program. This question arises in light of the creation of the statewide Open Enrollment program. Open Enrollment, though not focused on integration, also allows students to choose among public school districts. The temptation to merge these similar programs is complicated by important differences between them. Under Open Enrollment, state aid is

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based on the statewide average cost per pupil; Chapter 220 integration aid is based on the receiving district's actual costs. Under Open Enrollment, parents are responsible for transportation; under Chapter 220, the state pays for busing of students, many or most of whom would not participate otherwise. Therefore, administrators we interviewed feel that policy changes should be aimed at maintaining a popular parental choice option program and ensuring that the goal of integration is not lost.

In our analysis, we explored a variety of options available to policymakers. These options exist on a spectrum, on which at one end lies elimination of the Chapter 220 program and at the other end is maintenance of the program in its current form. The number of different options along the spectrum is limited only by the number of different ways in which the various aspects of the program can be changed and combined. The Forum identified five basic aspects that lend themselves to change: 1) sender aid, which allows MPS to provide all transportation for the program, 2) integration aid, which is tied to the districts' actual per-pupil costs, 3) transportation, which is not provided by Open Enrollment, 4) accountability, for which there currently are no stated goals or measures in either Chapter 220 or Open Enrollment, and 5) areas in which there is currently much diversity across districts, such as the grade level for entry into the program, the determination of available seats, and the services and/or orientation provided to Chapter 220 students.

Within the above five areas aid can be reduced or eliminated, incentives for efficiency or achievement can be built in, or standards can be set. However, policymakers cannot have a complete discussion about these options for the future of Chapter 220 without answering the following questions:

- **Is integration important?** Should Chapter 220's goal of increasing integration be left intact?
- **Is diversity valued?** Should Chapter 220 districts be encouraged to continue addressing diversity issues?
- **Do measurable outcomes matter? Is accountability valued?** What is the best way to evaluate districts' academic, extracurricular, and athletic facilities and offerings?
- **How will low-income students get to and from school?** Should transportation or travel reimbursement be provided so low-income students are able to participate?
- **Is parental satisfaction important?** Should districts formally gather feedback from participants and parents?

Overall, the few data available indicate the Chapter 220 program has been successful in increasing integration in the suburbs, is popular among participants and administrators, provides revenue to participating districts, and has significant differences from the Open Enrollment program. These findings indicate that careful analysis of the impact any change would bring is needed before final decisions are made.

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**Table of Contents, Continued**

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Impact Scenarios: Replacing or Reducing Chapter 220 Aid.....23  
    *Impact on General Aid*.....23  
    *Impact on Enrollment*.....23  
    *Impact on District Expenditures*.....24  
    *Elimination of Sender Aid*.....25

**Conclusions**.....26  
    Standards for Future Integration Programs.....26  
    A Spectrum of Options for the Future.....29  
        *Sender Aid*.....29  
        *Integration Aid*.....30  
        *Transportation*.....30  
        *Accountability*.....31

**Endnotes**.....32

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# Interdistrict Chapter 220: *Changing Goals and Perspectives*

## Table of Contents

|   |    |
|---|----|
| <b>Executive Summary</b> .....                          | i  |
| <b>Changing Goals and Perspectives</b> .....            | 1  |
| Introduction.....                                       | 1  |
| History of the Program.....                             | 1  |
| Data and Methodology.....                               | 2  |
| <b>A Snapshot of the Program Today</b> .....            | 3  |
| Enrollment.....   | 3  |
| Ethnicity of Participants.....                          | 4  |
| Grade Levels.....                                       | 5  |
| Demand for the Program.....                             | 5  |
| <b>How the Program Functions</b> .....                  | 6  |
| Determining the Availability of Seats.....              | 6  |
| Application Process.....                                | 7  |
| Parental Information.....                               | 7  |
| Integration Aid as Per Pupil Cost.....                  | 7  |
| Transportation.....                                     | 8  |
| <b>Has the Program Met its Goals?</b> .....             | 9  |
| Legislative History.....                                | 9  |
| The Goal of Integration.....                            | 10 |
| Administrators' Views.....                              | 11 |
| <i>Successes of the Program</i> .....                   | 12 |
| <i>Limitations of the Program</i> .....                 | 13 |
| Administrative Efforts in Furtherance of the Goals..... | 14 |
| Academic Performance.....                               | 15 |
| <b>The Impact on Public Education</b> .....             | 17 |
| <b>What Will the Future Bring?</b> .....                | 18 |
| Chapter 220 and Open Enrollment.....                    | 18 |
| <i>Application and Selection</i> .....                  | 18 |
| <i>Funding and State Aid</i> .....                      | 19 |
| <i>Integration</i> .....                                | 20 |
| <i>Transportation</i> .....                             | 21 |

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## **Interdistrict Chapter 220: *Changing Goals and Perspectives***

### **Introduction**

After more than two decades of the interdistrict integration program known as Chapter 220, the Public Policy Forum has analyzed what the program is like now and what its potential for change will be in the coming decades. Milwaukee Mayor John Norquist characterizes the program as one that “doesn’t have lasting value ... [or] withstand scrutiny.” Is the program, as Mayor Norquist says, “Just about school districts wanting more money?”<sup>1</sup>

To determine whether the program does indeed have lasting value, the Forum studied the interdistrict Chapter 220 program’s original goals and current objectives. This report presents first a short history of the Chapter 220 program, followed by a snapshot of the program today. An explanation of how the program functions comes next. The report then highlights discussions held with program administrators about the program’s original and current goals, and whether these goals are being met. We then analyze how the program may be expected to change in the future as the public school choice program known as Open Enrollment grows. Finally, we suggest ways in which the program’s effectiveness may be measured in the future and present options for how the program may be changed in the coming years.

### **History of the Program**

The Chapter 220 program, the oldest of Milwaukee’s parental option programs, was established in 1976 to promote racial integration of Milwaukee and its surrounding suburban districts. The program coincided with a federal court order for desegregation in Milwaukee, the result of declining non-minority enrollment in the city. Funded with state aid, the program was intended to voluntarily draw minority students into non-minority districts for the purpose of improving racial balance. A school desegregation plan was developed by Milwaukee Public Schools (MPS) that addressed this need both within MPS and between MPS and twelve of its suburban districts. Within MPS, the program is referred to as intradistrict Chapter 220, and transfers take place between MPS attendance areas for the purpose of achieving racial balance. Intradistrict Chapter 220 will be phased out over the next five years.<sup>2</sup> The portion of the program dealing with transfers between MPS and the suburban districts is termed interdistrict Chapter 220, and is the focus of this paper.

From 1976 to 1987, minority Milwaukee students were able to transfer to schools in up to seventeen different suburban districts. In 1984 the increasingly high level of segregation in Milwaukee and its surrounding suburban districts led to a lawsuit against some suburban districts. A settlement agreement was reached in 1987 between MPS and 23 suburban districts. The agreement aimed to create parameters for integrating suburban school districts. It also established multicultural awareness and human resources training, as well as programs aimed at increasing diversity within teaching staffs.

The settlement agreement expired in 1993, at which time MPS and the suburban districts

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extended the agreement for two years. The 1995 Governor's budget proposed the elimination of funding for Chapter 220. While this proposal did not go into effect, neither did a renewal of the previous settlement agreement. Instead, MPS has yearly entered into individual contracts with each of the 23 suburban school districts in order to continue the desegregation initiatives.

The contracts work in the following way: A school district with less than 30% minority population qualifies for state aid for minority students transferring in from a district with 30% or more of a minority population. Also, state aid is provided for non-minority students transferring from an attendance area with less than 30% minority population to a district with 30% or more of a minority population. State aid for each pupil transferring into a district is equal to the district's actual cost of educating that student. Meanwhile, the sending district continues to receive equalization aid for each leaving student. MPS is responsible, with state funds, for transporting all students participating in the program.

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### **Data and Methodology**

To complete the snapshot of the program, the Public Policy Forum sent all 23 school districts and MPS a questionnaire asking for current program enrollment numbers by grade and the ethnicity of participating students for the 1998-1999 school year. Twenty-one suburban districts returned a completed questionnaire, along with MPS. Missing data were supplied by MPS, which administers the program, and by the Department of Public Instruction (DPI). All data are for the 1998-1999 school year, unless otherwise specified.

In addition, to gauge the program's effectiveness, interviews were conducted with program administrators from fourteen suburban districts and MPS between May 6, 1999 and June 30, 1999. For the purposes of this report, all interviewees, either district administrators, Chapter 220 coordinators, or other individuals in charge of the program, will be referred to as "program administrators." Where discussed in the report, administrator opinions are the reflection of the views expressed by the fourteen administrators interviewed. Interview questions were open-ended and interviews lasted between one-half hour and forty-five minutes. Both face-to-face and telephone interviews were conducted.

Finally, we obtained data from DPI on the number of free and reduced-price lunch program participants, and the amount of integration aid per district.

# Interdistrict Chapter 220: A Snapshot of the Program Today

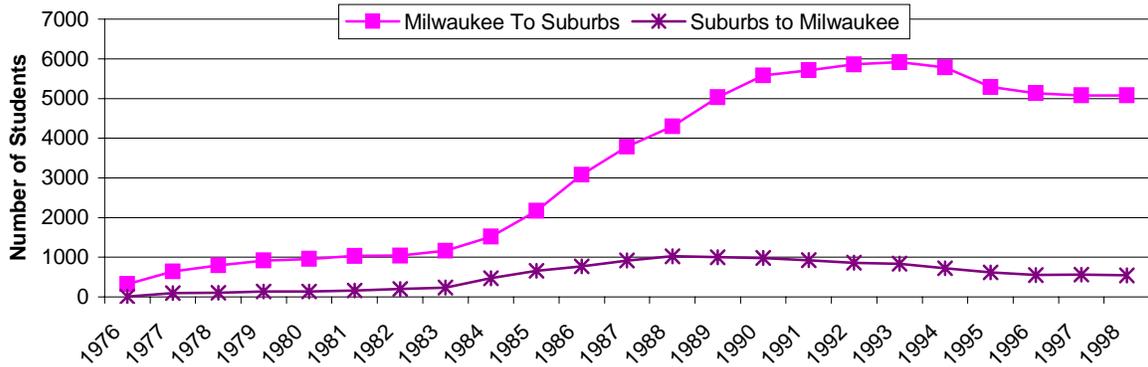
## Enrollment

The program has substantially expanded in its 23-year history. In 1976, 323 students transferred to twelve participating suburban districts. Five more districts joined prior to 1987, and six joined as a result of the 1987 settlement agreement.

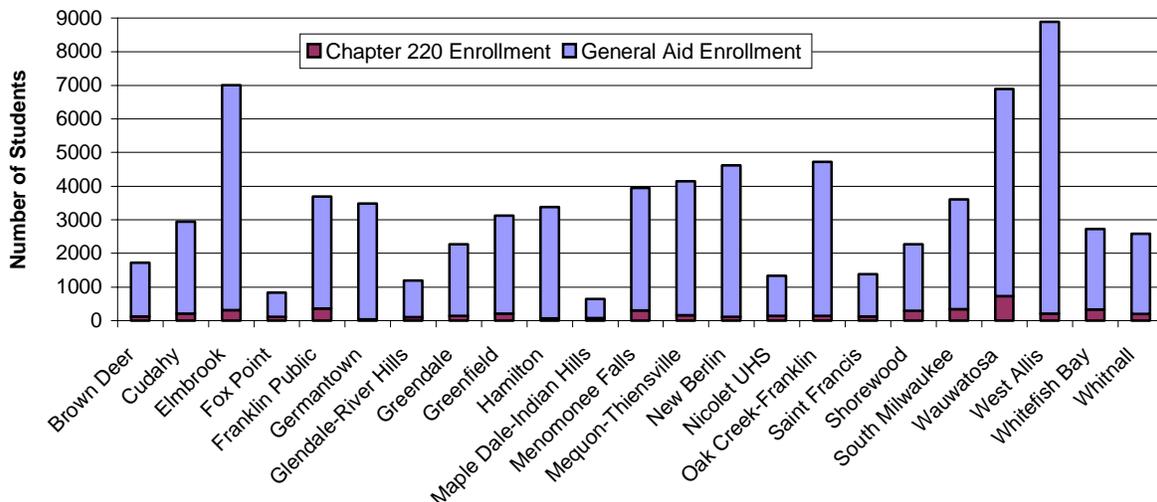
The number of students transferring to suburban schools peaked at 5,918 in 1993 and has leveled off over the last three years. (See Chart I.) For the 1998-1999 school year, about 5,058 Milwaukee students transferred to the 23 suburban districts, or about 4% of MPS enrollment. Chapter 220 enrollment in suburban districts averages 7% of a district's total student body. One-third of the districts' enrollments consist of 5% or less Chapter 220 participants. Slightly more than a quarter of the districts enroll 10% or more of their student population as Chapter 220 students. (See Chart II.)

The number of suburban students transferring into MPS peaked in 1988 at 1,021 and has declined since. In 1998-1999, 547 suburban students transferred into MPS, making up 10% of the total Chapter 220 program participation.

### I. Chapter 220 Participation 1976-1977 to 1998-1999

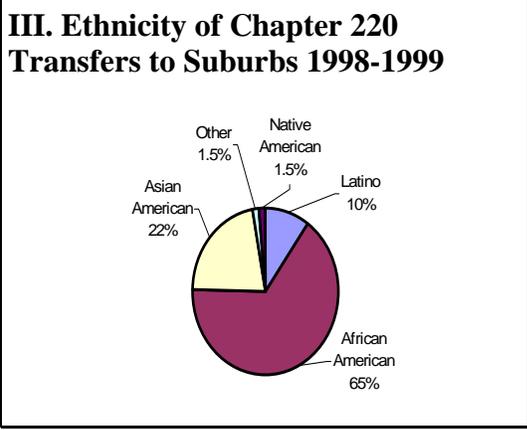


### II. Chapter 220 Enrollment as Portion of Total Enrollment



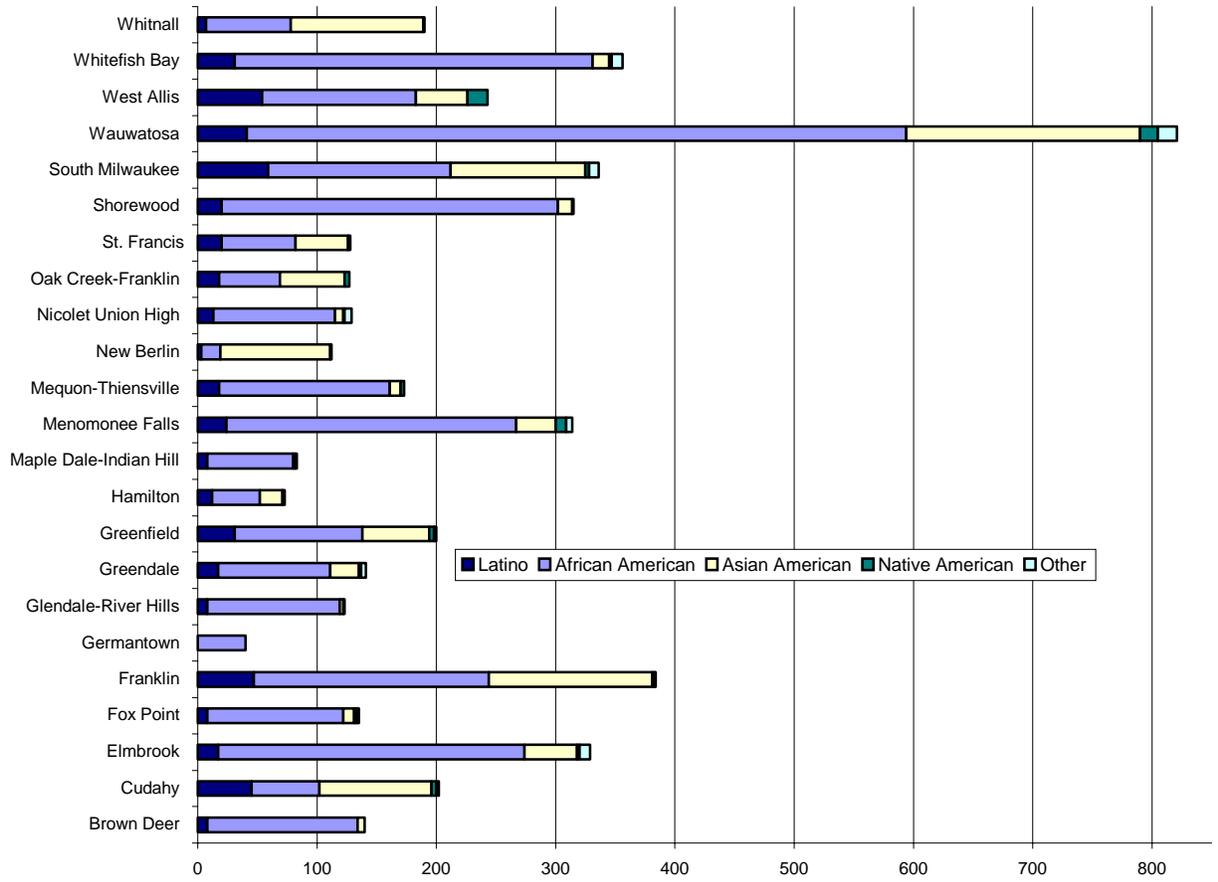
### Ethnicity of Participants

African-American students make up the largest ethnic group transferring into the suburbs, at 65% of the total Chapter 220 population. (See Chart III.) Eleven of the 23 districts' Chapter 220 student bodies consist of 70% or more African-American students and eight districts' Chapter 220 student bodies consist of 40%-70% African-American students. Asian-American students comprise the next largest ethnic group, at 22% of all Chapter 220 students. Asian-Americans make up as much as 58% of Chapter 220 enrollment in Whitnall,



while other districts have no participating Asian-American students. Latino participants in the program, 10% of all Chapter 220 students, make up as much as 22% of the Chapter 220 student bodies in West Allis and Cudahy, yet have no representation in some other districts.<sup>3</sup> Native American students, 1.5% of the total Chapter 220 student population, have a peak enrollment in West Allis at 7% of the district's Chapter 220 participants. In 16 of the 23 districts, Native Americans comprise between 0%-5% of the total Chapter 220 enrollment. (See Chart IV.)

### IV. Ethnicity of Chapter 220 Participants by District 1998-1999



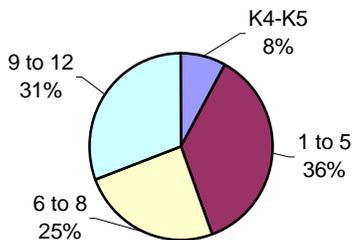
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## Grade Levels

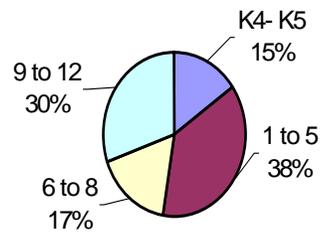
The highest concentration of Chapter 220 participants at a grade level is in the elementary grades. Of the 5,075 Chapter 220 students transferring to the suburbs, 36% are enrolled in grades 1-5. High school students make up nearly 31% of total Chapter 220 participation while middle school students comprise 25%. Kindergarten students make up slightly more than 8%. (See Chart V.)

Suburban students coming into MPS are similarly distributed among the grade levels. Of the 505 students transferring into MPS, 38% are enrolled at the 1-5 grade levels, 30% are enrolled in grades 9-12, 17% are enrolled in grades 6-8, and 15% are enrolled in the Kindergarten grades K4-K5.<sup>4</sup> (See Chart VI.)

**V. Transfers to Suburbs by Grade**



**VI. Transfers to MPS by Grade**



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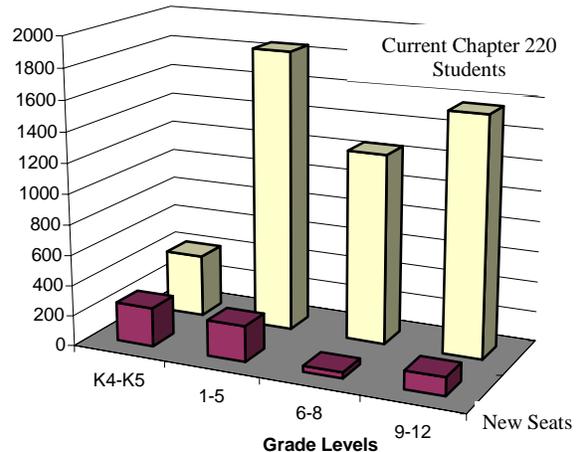
## Demand for the Program

The 1998-1999 application process brought in 2,003 applications, three times more than the 758 seats made available by the suburban districts.<sup>5</sup> About 40% of these seats were at the Kindergarten level, 36% were at the elementary school level, 6% at the middle school levels and the remaining 18% were at the high school level, mostly at grade 9.<sup>6</sup> (See Chart VII.)

It appears that, overall, suburban districts control their Chapter 220 populations by opening up more new seats in grades having few current Chapter 220 students, while making fewer new seats available in grades having larger numbers of current transfers, although not all schools admit Chapter 220 students at all grade levels.

Additionally, it appears from looking at the enrollment by grade level that suburban districts are keeping their K4/K5 Chapter 220 students through graduation, although other students also enter the program in later grades. The grade transitions where the most

**VII. Seats Available in Suburbs 1998-1999**



loss or gain in Chapter 220 enrollment takes place are between K5 and grade 1 and between grade 5 and grade 6.

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## **Interdistrict Chapter 220: *How the Program Functions***

### **Determining the Availability of Seats**

The suburban school districts have each institutionalized a process for determining how many new seats to make available for incoming Chapter 220 students. Each district has its own formula for determining the number of seats available and can select at which grade levels they will make these seats available. Eight of the 23 districts enroll Chapter 220 students at any grade, pending availability of seats. Four districts admit only at lower elementary grade levels, and three admit at all elementary school levels. Two districts admit students up to middle school levels and the remainder select certain specific grade levels in which to admit Chapter 220 students, such as grades 1, 3 and 9. Most districts have a policy to admit siblings of current Chapter 220 students in order to keep families whole within a district. All decisions about seat availability are made prior to the start of the application process.

Several administrators from districts admitting only at lower elementary grade levels explained the reasoning for their policy as a desire to make an impact on a student throughout his or her entire schooling career. One administrator stated that it is virtually impossible for a Chapter 220 student entering the district at the high school level to succeed.

The number of seats to be made available depends on a variety of factors. All Chapter 220 districts are required to have a planning council, made up of board members, parents, teachers and administrators, who determine yearly the number of slots they will make available. Planning councils examine factors such as class size, graduation rates and demographic data. The following are three sample formulas from districts participating in the program:

- One district makes seats available so as to maintain its integration rate between 23% and 30%. The integration rate is defined as the sum of the resident minority population, the number of suburban district residents transferring into MPS, and the number of Milwaukee students transferring into the district, divided by the resident enrollment of the district.
- Another district makes seats available only so long as average class sizes within each grade remain less than the district's class size limit; the grade is closed if two or more of the nine subjects reach or pass their class limits. For an example, see below.

|                                   |         |         |      |          |        |         |          |     |                |
|-----------------------------------|---------|---------|------|----------|--------|---------|----------|-----|----------------|
| <b>Class</b>                      | English | Science | Math | Language | Health | History | Computer | Art | Social Studies |
| <b>Class Limit</b>                | 20      | 25      | 25   | 25       | 25     | 25      | 25       | 24  | 25             |
| <b>Average Reached or Passed?</b> | Yes     | No      | Yes  | No       | No     | No      | No       | No  | No             |

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- A third district determines its capacity and then allocates half of its available seats to Chapter 220 students. The other half is allocated for Open Enrollment students and other new incoming students.

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### **Application Process**

The application process takes place in early January for the following school year. MPS administers the application process for all the districts. Each Milwaukee applicant can list up to three district choices, but cannot choose specific schools within a district. Suburban applicants can choose specific MPS schools. Kindergarten students are screened by their resident districts for exceptional education needs.<sup>7</sup> Then, MPS conducts a random selection process to pick students and match them with their chosen districts. If a student is not accepted at a preferred district, the student is placed on a waiting list, from which they may be admitted until mid-December. If an applicant is not selected for their first, second or third choice, the student may be assigned to a fourth district that has available seats without affecting the student's wait list status. A student must reapply for the program the following year if he or she is not selected off the waiting list.

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### **Parental Information**

The primary source of information for parents wanting to know about suburban Chapter 220 districts is an annual MPS publication that lists all participating districts along with descriptions of each district and number of seats available within each district. In addition, some suburban districts provide information through their own newsletters and brochures. An information night held every fall at the Milwaukee High School of the Arts gives Milwaukee parents the opportunity to speak with representatives of each suburban Chapter 220 district. The Chapter 220 program is also advertised to Milwaukee and suburban residents through local broadcast and print media.

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### **Integration Aid as Per Pupil Cost**

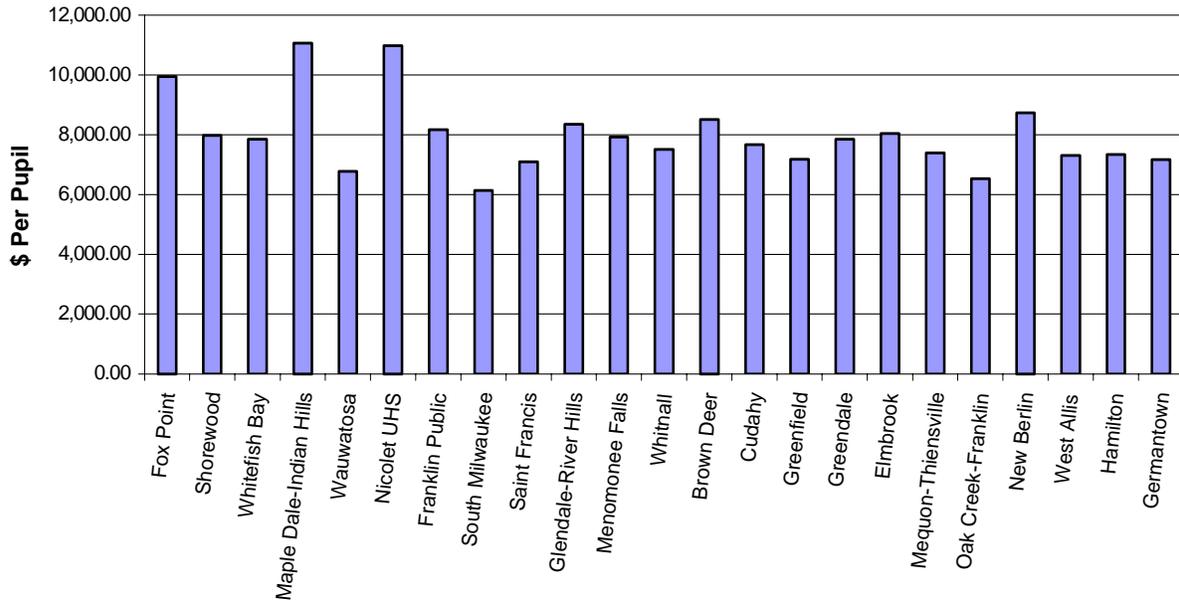
In 1997-1998, suburban school districts received \$36,465,276 in Chapter 220 integration aid.<sup>8</sup> The average amount of aid received by a suburban district is \$1,585,447.

Integration aid per Chapter 220 student to receiving districts equals that district's actual cost per pupil. (This is the same cost per pupil upon which equalization aid is based.) In 1997-1998 the average amount of integration aid per pupil was \$7,978. The lowest amount of integration aid received per pupil was \$6,135 and the highest was \$11,074. (See Chart VIII on next page.)

Sending districts "retain" their departing Chapter 220 students when determining their per-pupil state equalization aid. These districts receive an amount per departing Chapter 220 student equal to their equalization aid per member, where membership is enrollment adjusted for full-time equivalency.

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## VIII. Spending Per Pupil 1998-1999



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### Transportation

Since 1995, MPS has entered into one-year contracts with the suburban districts. The contract used for each district is essentially the same, but includes different transportation provisions for some districts.<sup>9</sup>

Transportation is provided by MPS in most cases. However, in 1996, Nicolet Union High School District and its three feeder school districts, Fox Point-Bayside, Maple Dale-Indian Hill and Glendale-River Hills, agreed to provide transportation for Chapter 220 students attending their districts. This was largely the result of the need for extra transportation services for Chapter 220 students. Pick-up areas within Milwaukee were limited. Also, MPS is only required to provide one daily round trip, to and from school. For students who needed to take extra trips during the day, had extra-curricular activities, or required a special pick-up or drop-off location, this practice was inconvenient. Therefore, these four districts now fulfill their Chapter 220 students' transportation needs and are reimbursed by MPS for the transportation costs.<sup>10</sup>

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## Interdistrict Chapter 220: *Has the Program Met its Goals?*

### Legislative History

There is much debate about what the original goals of the Chapter 220 program were and what they are or should be today. Should academic achievement of Chapter 220 students be considered when evaluating the program? Should graduation rates? Some legislators feel that such an expensive, state-funded program merits more standards for evaluation.

The original legislation for the Chapter 220 program illustrates what the original goals were. The legislative intent states:

*The State of Wisconsin declares that it is the announced policy of the state to facilitate the transfer of students between schools and between school districts to promote cultural and racial integration in education where students and their parents desire such transfer and where schools and school districts determine that such transfers serve educational interests. The state further declares that it is a proper state expense to encourage such transfers through the provision of special aids.*<sup>11</sup>

Scholastic achievement is not mentioned in the act as a goal of the program. An earlier version of the bill, which contained achievement-like language, was amended to delete such language. That version of the bill had a section entitled Purpose, which stated, “It is the policy of this state that a *quality education* for all children is fostered by encouraging racial balance in public schools [emphasis added].”<sup>12</sup>

Governor Patrick Lucey’s message upon signing the Chapter 220 bill reiterated the notion that integration and racial balance were the only goals of the program. The governor stated:

*One strength of the bill that should be noted is the fact that revenues will support program results rather than aspirations. From this perspective, the bill offers a rare opportunity to achieve an important social goal without a major initial investment in organizational overhead.*<sup>13</sup>

Therefore, Governor Lucey did not consider Chapter 220 to be aimed at long-range goals such as student achievement. That the next school year would see children transferred from one district to another, having an immediate effect on the racial balance of the schools, was an “important social goal” in and of itself.

If integration is the primary goal of the Chapter 220 program, the program has met its goal

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## **The Goal of Integration**

within the suburban districts. (See Table A.) The program more than doubles the percent of minorities enrolled in many suburban districts. However, the program, bringing only 547 students into Milwaukee in 1998-99, does not create the level of integration originally intended for Milwaukee.

**Table A. Integration of Chapter 220 Districts 1998-1999**

| <b>District Name</b>   | <b>% Minority with<br/>Chapter 220</b> | <b>% Minority without<br/>Chapter 220</b> |
|------------------------|--|---|
| <i>Milwaukee</i>       | 79.8                                   | 80.3                                      |
| Brown Deer             | 27.3                                   | 19.1                                      |
| Cudahy                 | 16.7                                   | 10.0                                      |
| Elmbrook               | 11.4                                   | 7.0                                       |
| Fox Point-Bayside      | 19.1                                   | 4.3                                       |
| Franklin               | 16.8                                   | 6.6                                       |
| Germantown             | 4.9                                    | 3.8                                       |
| Glendale-River Hills   | 28.1                                   | 17.9                                      |
| Greendale              | 13.3                                   | 6.9                                       |
| Greenfield             | 18.3                                   | 11.8                                      |
| Hamilton               | 5.9                                    | 3.9                                       |
| Maple Dale-Indian Hill | 24.3                                   | 11.6                                      |
| Menomonee Falls        | 13.1                                   | 5.4                                       |
| Mequon-Thiensville     | 11.6                                   | 7.6                                       |
| New Berlin             | 7.1                                    | 4.7                                       |
| Nicolet                | 20.2                                   | 10.7                                      |
| Oak Creek              | 12.9                                   | 10.3                                      |
| Saint Francis          | 18.8                                   | 9.5                                       |
| Shorewood              | 25.1                                   | 11.0                                      |
| South Milwaukee        | 17.5                                   | 8.1                                       |
| Wauwatosa              | 20.9                                   | 9.6                                       |
| West Allis             | 10.8                                   | 8.1                                       |
| Whitefish Bay          | 18.3                                   | 6.0                                       |
| Whitnall               | 12.2                                   | 4.8                                       |

NOTE: ONCE A SUBURBAN DISTRICT'S MINORITY ENROLLMENT, INCLUDING CHAPTER 220, REACHES 30% OF THE TOTAL ENROLLMENT, THE DISTRICT IS CONSIDERED INTEGRATED UNDER THE CHAPTER 220 STATUTE AND CAN NO LONGER RECEIVE INTEGRATION AID FOR MINORITY TRANSFER STUDENTS FROM MILWAUKEE.

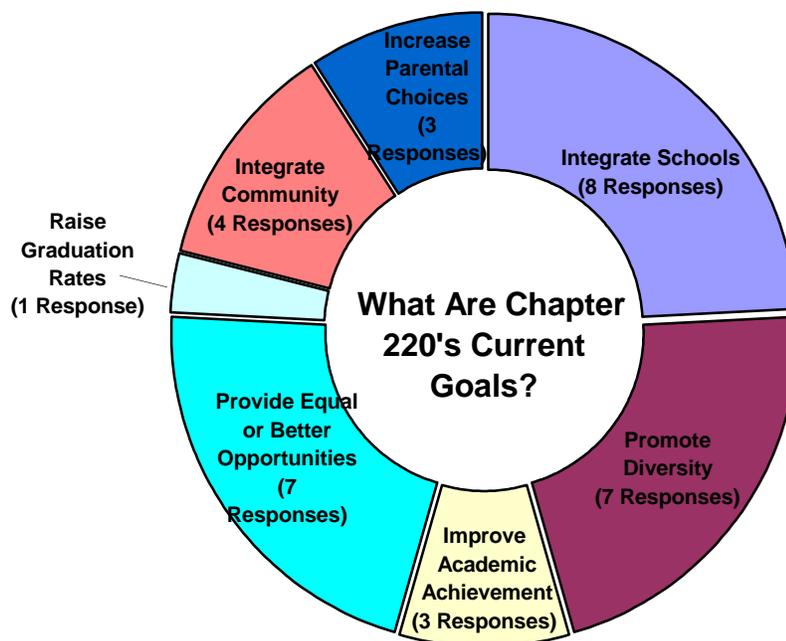
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## **Administrators' Views**

We interviewed fourteen administrators of the Chapter 220 program to find out what they identify as the current goals or objectives of the program and whether they feel these goals and/or objectives are being met. Most of the administrators we interviewed have been in their administrative positions long enough to witness the program as it has grown and changed throughout the years. The administrators of the Chapter 220 program whom we interviewed have been involved in education an average of 27 years and in their current position administering the Chapter 220 program an average of seven years. The newest Chapter 220 administrator interviewed has been with the program for one year, while the most experienced has administered the program for 24 years. Some administrators still look to revisit past goals, while others have adjusted the program's goals to the changing needs of their district.

When asked what they felt are the Chapter 220 program's current goals or objectives, 24% of the administrators' responses affirmed the original goal of school integration. Another 33% defined integration in broader terms, for example, promoting diversity or integrating the community itself. (See Chart IX.) Administrators distinguished between integration and promoting diversity; integration is simply bringing minority students into their district's classrooms, while promotion of diversity entails working with students of all races to develop friendship and understanding. Few administrators felt that improving academic achievement or raising the graduation rate of minority students were current goals of the Chapter 220 program. However, there seemed to be a strong emphasis on providing equal opportunities to Chapter 220 students, as 21% of administrators indicated. As one administrator stated, "The goal used to be desegregation, but it's changed because of

### **IX. Tally of Administrators' Responses**



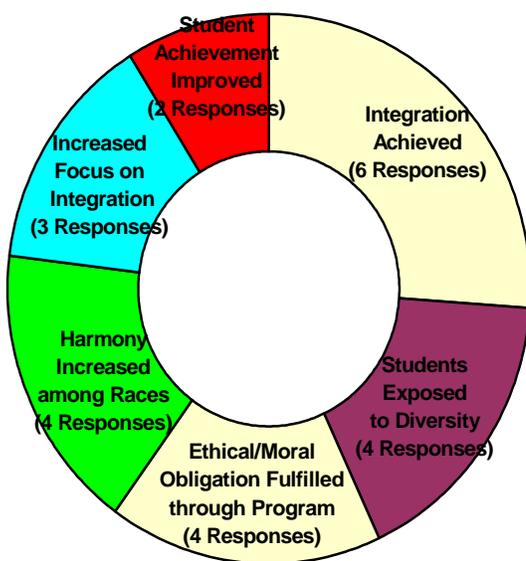
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political reasons. The goal now can only be to provide a quality education for kids.”  
*Successes of the program*

The Chapter 220 program, as Milwaukee’s first parental choice program, can be characterized as successful in meeting its goals in several ways: the number of applicants continues to exceed the number of seats available, administrators exhibit great commitment to the program, and the suburban schools have become more integrated. Administrators agreed that the program has worked and provided anecdotal evidence to demonstrate the program’s success. Their comments were categorized into the following (See Chart X):

### X. Tally of Administrators’ Responses

**How Have the Goals Been Met?**



Administrators had the following to say about how the program goals have been met:

- “Chapter 220 has accomplished what it was created to do and more. The program has been invaluable for exposing students to different cultural backgrounds.”
- “There is a strong feeling that Chapter 220 has lessened racial tensions, because the school district deals with race issues right up front.”
- “The program has created a tangible realization that we must work on diversity.” This administrator illustrated the success of the program with the district’s creation of a five-tier integration plan. Through this plan, the curriculum was scrutinized to ensure that it reflects the district’s diversity, the hiring process focused on multiculturalism, and staff was trained in diversity awareness.
- “Our district provides positive opportunities for students transferring in.” The administrator sees the value of the program in providing a college-bound curricu-

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lum and a safe environment, as well as in the opportunities MPS has to offer students from his district in terms of specialty schools.

- “Although other choices are available, people are still choosing Chapter 220. It allows for a more positive community. There are many successful things about the program: friendships, relationships, and opportunities for both sides.”
- “The Chapter 220 program helps to create an environment that prepares students for the real world.” This administrator hoped that exposing a child at a young age to a multicultural environment would prepare the child to live in an integrated society, one where today’s minorities will eventually make up a large portion of the population.

The Forum also asked administrators whether they feel parents are satisfied with Chapter 220 and if the districts measure this factor. None of the districts had recently administered a parent survey about the program; however, seven administrators feel they could account for parental satisfaction through the verbal feedback they receive about the program. Three other administrators feel that parents’ willingness to stay in the program demonstrates the program’s effectiveness. Comments included:

- “Parents speak with their feet. Year after year they bring their children to our district.”
- “Chapter 220 parents do all they can to keep sending their student here, even if they have to relocate. They still keep sending their child here.”
- One Chapter 220 coordinator described the parental support for the program shown every year when several parents in her district go to lobby for the program in Madison: “Parents share success stories with legislators. One parent last year spoke about her musically gifted child who was not able to ‘blossom’ artistically until he transferred to Milwaukee through the program.”

### *Limitations of the Program*

Although most of the administrators interviewed feel that the goals of the program have been met, two administrators feel that the goals are not met and three feel they are partially met.

- One administrator says that the goal, “stopping white flight,” is not met, because parents in the district tend to send their children to parochial schools when faced with the possibility of sending their children to schools in the district with high percentages of minorities.
- Another administrator feels that the program “is the right thing to do,” but that it is “systematically undermined by white upper class elite, who leave a vast ghetto of poor people and lower middle class behind.”

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- A different administrator echoes this feeling, and emphasizes that he knows of only two families who have participated in the program and then actually moved into his district. He feels this is proof of the program's failure to integrate the community.
  - Also expressed is the feeling that opportunities are not equal. One administrator expresses concern over the fact that most Chapter 220 students in the district do not enroll in advanced placement courses and sees this as a potential failing of the program.
  - The revenue caps imposed on every school district in the state are another concern for program administrators. An administrator whose per-pupil integration aid is lower than average feels that the revenue caps limit the program's effectiveness because they inhibit the districts' ability to provide equal education to minority students across all districts.

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### **Administrative Efforts in Furtherance of the Goals**

In most districts one administrator is in charge of running the Chapter 220 program along with a secretary/administrative assistant. On average, district administrators and coordinators report spending about 20% of their time on the program. Five district administrators spend 15% or less of their time on the program, and three spend 40% or more. In all but three districts, administrators have one assistant to help with the program, which averages 18% of the assistant's time.

This time is utilized in various ways. District coordinators work with Chapter 220 parents to accommodate their child's needs with proper programs, such as after school tutoring and summer school. Monthly meetings are held for half a day with all Chapter 220 coordinators and two meetings are held per year jointly with MPS.

In order to estimate the amount of time and effort put into the program, the Forum asked program administrators to outline what, if any, special services are provided for Chapter 220 students. Only one of the school districts describes formal services for Chapter 220 students and parents. Two school districts refer to past efforts that are no longer continued. Three others state that their districts prefer not to differentiate between Chapter 220 students and resident students by providing any special Chapter 220 programs. As one administrator explains, "We bring kids in and educate them to achieve the same academic success as the resident kids." The remainder of administrators state that Chapter 220 students' needs are dealt with on a case by case basis.

Despite the lack of formal services for Chapter 220 students, overall, program administrators express interest in meeting the needs of their students, either in a formal or informal way. The Forum encountered several examples of special efforts made by districts to

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accommodate their non-resident students:

- One district provides an orientation for Chapter 220 students. They match each new student with a “buddy” in the school so that all students will know someone on the first day of school.
- Another administrator states that their school principals go out of their way to make Chapter 220 families feel welcome. They meet with parents individually and try to accommodate their needs.
- One administrator explains that they offer transportation for parents of Chapter 220 students so that they can attend parent information nights at the district. The district’s Chapter 220 office works at establishing relationships so that parents feel comfortable asking for transportation to these events.
- Another administrator describes an extensive program at the district that has resulted from the Chapter 220 program: “A suburban parent was matched with a Milwaukee parent to bring diverse families together for social activities. This program lasted 8 years. At this time in the school district’s history, the focus on multiculturalism and integration manifested itself in every aspect of curriculum, teacher training, and parent to school interactions.” [However, due to restrictions on administrative time, the program has been discontinued.]

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### **Academic Performance**

Academic performance of Chapter 220 students is not currently measured by most suburban 220 districts.<sup>14</sup> The most comprehensive study of the academic performance of Chapter 220 students, conducted by the Legislative Audit Bureau in 1993, compared reading test scores of transfer students to those of resident students, for both MPS and suburban districts.

One finding of the study showed that eighth and tenth grade students who had transferred into suburban districts from MPS outscored MPS students who had applied to attend a suburban district but were not accepted through the random selection process. However, suburban resident students outscored both of these groups. A different finding based on third grade reading scores showed that MPS students who had not been accepted for Chapter 220 outscored third grade transfer students. Again, however, third-grade suburban students scored higher than these two groups.

The study also examined test scores of students leaving suburban districts to attend MPS. The Audit Bureau found that suburban transfer students attending MPS outscored suburban resident students at all three grade levels.<sup>15</sup>

Academic achievement of Chapter 220 students was previously examined in a 1984 study.

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The study examined test scores of 35 second grade and 72 fifth grade transfer students, along with a matching control group of MPS students. At both grades, transfer to the suburban district had no effect on academic achievement.<sup>16</sup>

Another study, conducted by the Compact for Educational Opportunity in 1993, examined self-perceptions of academic achievement of students participating in Chapter 220 and control groups. Approximately 318 minority students and 106 white suburban students made up the sample, along with their parents and teachers. Control groups from from MPS and suburban districts were also studied. Findings showed that minority transfer students self-reported lower achievement than suburban students. Another finding of the study was that students reported extensive cross-race friendships, especially among MPS controls and suburban transfer students.<sup>17</sup>

The second phase of this same study examined the question of whether minority students who transfer to suburban districts make more or less progress than those who do not. The study reports that at both fifth grade and seventh grades, MPS transfer students were performing at a somewhat higher level on standardized math and reading tests than MPS control students.<sup>18</sup>



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## **Interdistrict Chapter 220: *The Impact on Public Education***

Many of the Chapter 220 program's impacts on public schooling can be difficult to measure; however, the 23-year old program has had some specifically measurable effects on school districts, not the least of which is the increased presence of minority students in suburban schools. As discussed on page ten, in twelve districts the Chapter 220 program has more than doubled the percent of minority students enrolled. In addition, six districts that otherwise would have much less than one-fifth of their enrollment consist of minorities now have above 20% minority enrollment due to the Chapter 220 program.

Another measurable impact has been financial. Chapter 220 has financially benefited participating districts to such an extent that in some cases 70% of a district's state aid is Chapter 220 integration aid. Since aid for Chapter 220 students equals the actual cost of educating a student at the district, suburban districts with large Chapter 220 populations have come to depend heavily on this state aid. Because integration aid is required by state law to be used for property tax relief, Chapter 220 has directly impacted tax levies throughout the Milwaukee area.

In addition, Chapter 220 has had a large impact on suburban district enrollment. Chapter 220 members make up as much as 14% of one district's total enrollment and 10% or more of enrollment in nine districts. Chapter 220 students have become an integral part of the suburban school community.

Other impacts of the program have been more subtle. The program serves as a popular parental choice program for minority parents. Parents benefit by having more options available should they find themselves dissatisfied with MPS. It also allows MPS to alleviate some of the pressure associated with running a large school system by removing approximately 5,000 students from the system, while at the same time keeping the per-pupil aid for those students within the system.

Many citywide specialty schools were created to attract students from different areas of the city, thereby furthering integration. These specialty schools were an important part of attracting white suburban students into the city, as well. MPS specifically advertised these schools when promoting the interdistrict Chapter 220 program to the suburbs.<sup>19</sup> Thus, the interdistrict Chapter 220 program has helped to provide support, and white attendance, for several MPS schools.

Finally, the program has led to a greater awareness of multicultural issues within the suburban districts. For example, districts' responses to legislative requirements for promoting diversity have resulted in programs now institutionalized to such an extent that they stand on their own. One district administrator explained that the district's English as a Second Language (ESL) program was initially developed in part due to Chapter 220, but now the greater demand for the ESL is by resident students. Another district administrator described staff diversity training as a Chapter 220-initiated program that has become routine for new teachers and an annual event for all teachers.

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## **Interdistrict Chapter 220: *What will the Future Bring?***

### **Chapter 220 and Open Enrollment**

In the 1998-99 school year, Wisconsin witnessed the implementation of a new parental choice program, the Open Enrollment program. Under the Open Enrollment program, students may attend any public school located outside of the student's resident school district, thereby allowing students and parents the freedom to seek appropriate public schooling for their child throughout the state. Open Enrollment is intended to help motivate districts to improve programs and attract and retain students by creating competition between school districts.

The implementation of Open Enrollment has shed a different light on the Chapter 220 program. Of all the pitfalls imperiling the program over the past 23 years, the biggest threat to its continued existence is Open Enrollment. Legislators and others are re-examining the Chapter 220 program more than two decades after its inception. The question that lies in the minds of policymakers is whether the Open Enrollment program will serve to diminish the need for a program such as Chapter 220. Though not focused on desegregation, Open Enrollment does allow students to choose among districts. Chapter 220 essentially does this, although it focuses on the 23 suburban districts surrounding Milwaukee and sets a specific policy for integration. To help decipher the differences between the two programs, the Public Policy Forum examined how Open Enrollment works and how it interfaces with Chapter 220.

#### *Application and Selection*

Open Enrollment applicants must apply during a two-week period in February. This period is after the application period for the Chapter 220 program because state statute requires Chapter 220 applications to be acted on before Open Enrollment applications may be accepted. In order for an Open Enrollment applicant to be accepted, both the resident, or "sending," district and the nonresident, or "receiving," district must approve the application. If more nonresident students apply to a particular district than there are seats available, preference is given to students already attending the district and their siblings. The remaining seats are then given to students selected randomly. Open Enrollment applications may be denied if the receiving district has no space available, the student was previously expelled, or if the receiving district cannot meet the special needs of the student. In addition, sending districts may limit the number of students leaving their district to 5% of the district's total enrollment. Parents of denied students may appeal the decision to the Department of Public Instruction. Once accepted, students need not reapply every year, but may be required to reapply when transitioning to middle or high school.

Unlike the Chapter 220 program, every district in the state must participate in Open Enrollment. The 24 districts that also participate in Chapter 220 may consider how their racial balance will be affected when deciding whether to accept an Open Enrollment application, either into or out of the district. Open Enrollment itself does not set any racial

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parameters—any student may participate.

For Chapter 220 districts, Open Enrollment complicates the process by which they determine the number of seats available. As noted previously, each district determines the number of seats available for the Chapter 220 program in its own way. To illustrate:

- Two districts accept Chapter 220 students only in lower grades and accept Open Enrollment students in higher grades.
- Another district makes all grades available to all applicants, but always places a priority on Chapter 220 applicants.
- Three districts treat the programs as entirely separate enrollment issues, setting aside a certain number of seats for each.
- One district with few applicants under either program considers all nonresident students on a case-by-case basis.
- One administrator compares the selection process to that of “overbooking” an airline and emphasizes the difficulty in planning for incoming students. The district “overbooks” Chapter 220 and Open Enrollment students to begin with, knowing that some Chapter 220 students will be denied and some Open Enrollment students may decide to attend another district. By the time the application process is complete, extra seats usually become available.

### *Funding and State Aid*

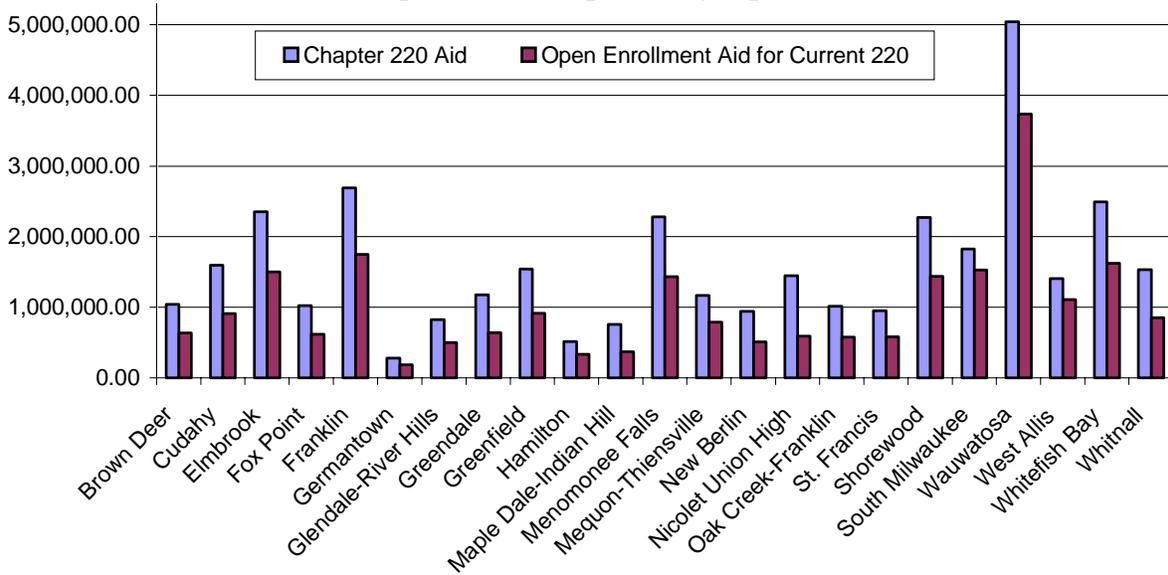
The funding mechanism for the Open Enrollment program also differs from that for the Chapter 220 program. Under Open Enrollment the receiving district receives aid for each incoming student equal to that year’s statewide average cost per pupil, instead of the district’s actual cost per pupil, as it works under Chapter 220. The Open Enrollment sending district continues to count the transfer student in its membership for revenue limit purposes, and can make up, through its tax levy, any net loss in aid due to departing Open Enrollment students. Chapter 220 sending districts, on the other hand, continue to receive equalization aid for each departing Chapter 220 student, although this sender aid will decrease by 25% in the next fiscal year. These differences between the two programs impact each district differently depending on several factors, including whether the district’s per-pupil cost exceeds the statewide average.

A potential future scenario for the Chapter 220 program is replacing it with Open Enrollment. One impact of this change would be a reduction in state aid to the districts. Open Enrollment provides \$4,551 in aid per student, the statewide average per-pupil cost. If Open Enrollment replaced Chapter 220 and all students who are currently Chapter 220 students could continue to attend their nonresident districts, aid to districts would decrease by a total of 38.73%. The highest reduction in state aid would be a 59% reduction at Nicolet Union High School District, which would stand to lose \$6,428 per student. (See Chart XVI.)

The suburban district least affected by such a change would be South Milwaukee, whose current aid per student would decrease by about \$1,600 per student, a 16% reduction.

MPS receives \$27,251,521 in Chapter 220 aid, including sender aid. If Open Enrollment replaced Chapter 220, MPS would receive \$2,489,397 in Open Enrollment payments. MPS would therefore experience a 91% reduction from replacement of the program. In addition, since Open Enrollment allows a district to limit the number of departing students to 5% of total enrollment, if the 5,000 Chapter 220 students became Open Enrollments students, MPS could allow very few, if any, additional Open Enrollments students to transfer out.

**XVI. Reduction in Aid if Chapter 220 is Replaced by Open Enrollment**



*Integration*

As discussed, the intent of the Chapter 220 statute was to better integrate suburban and Milwaukee schools. The Open Enrollment program, in contrast, has no such goal or expectation. Policymakers should consider that the elimination of the Chapter 220 program could unintentionally re-segregate suburban schools. Any discussion of potential alterations of Chapter 220 should include the topic of integration as a goal.

Program administrators unanimously cited integration as one reason the continuation of the Chapter 220 program is desirable.

- “The Chapter 220 program is necessary to the continuation of an integrated society. Open Enrollment’s goals are very different and race neutral.”
- “Chapter 220 is race based, while Open Enrollment is across the board, for everyone. But [Open Enrollment] doesn’t pay the real costs of educating students

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and doesn't pay for transportation. If you don't pay for these things, [Open Enrollment] is a meaningless gesture."

- One administrator refers to the Chapter 220 program as "antiquated," yet feels the Open Enrollment program and the Chapter 220 program could be combined if Open Enrollment set parameters on race.
- Another administrator says the Open Enrollment issue has "allowed racism to rear its ugly head. Many Open Enrollment applicants are angry about the preference given to minority students participating in Chapter 220." But the two programs could not be merged, according to this administrator. Not all current Chapter 220 students could participate in Open Enrollment due to issues of poverty and the resulting lack of transportation.

### *Transportation*

For most administrators, one of the greatest differences between the Chapter 220 program and Open Enrollment is transportation. According to school administrators, Open Enrollment is unlikely to effectively replace Chapter 220, particularly because of the transportation needs of many of its students. Under Chapter 220, transportation is provided for all students by MPS and paid for with Milwaukee's sender aid.

However, Open Enrollment students who qualify for free or reduced-price lunch also qualify for travel reimbursement. To estimate the cost of a change from Chapter 220 to Open Enrollment, we have calculated the cost for providing travel reimbursement under Open Enrollment to qualifying current Chapter 220 students. To do this, we first determine the level of poverty among Chapter 220 students.

Districts must report to DPI in their annual reports the number of Chapter 220 students transferring into the district who are eligible for free or reduced-price lunch.<sup>20</sup> Table B on the next page shows the percentage of Chapter 220 students in each district eligible for free or reduced-price lunch and provides the total percentage of elementary students in each district eligible for free or reduced-price lunch, including Chapter 220 students, as a comparison. The percent of Chapter 220 students eligible for free or reduced-price lunch ranges from a low of 29% in the Brown Deer School District to a high of 87% in the Oak Creek/Franklin School District.

Now that the level of poverty is known, we can calculate the amount of travel reimbursement needed for these students.

Our first calculation shows how much reimbursement would be needed per pupil based on an estimated distance traveled and the Open Enrollment travel reimbursement of \$.19 per mile. The distance estimate is based upon the miles between a central location in Milwaukee, the

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**Table B. Percent of Students Receiving Free or Reduced-Price Lunch 1997-1998**

| District               | Chapter 220 Students (All Grades) | Total Elementary Students* |
|------------------------|-----------------------------------|----------------------------|
| Brown Deer             | 29.1                              | 13.4                       |
| Elmbrook               | 68.8                              | 6.0                        |
| Fox Point/Bayside      | Not Available                     | 6.5                        |
| Franklin               | 76.3                              | 13.9                       |
| Germantown             | 0                                 | 6.9                        |
| Glendale/River Hills   | Not Available                     | 16.2                       |
| Greendale              | 46.9                              | 9.8                        |
| Greenfield             | 74.1                              | 24                         |
| Hamilton               | 55.9                              | 8.6                        |
| Maple Dale/Indian Hill | 42.8                              | 6.0                        |
| Menomonee Falls        | 41                                | 9.4                        |
| Mequon/Thiensville     | 33.1                              | 4.2                        |
| Milwaukee              | Not Available                     | 76.9                       |
| New Berlin             | 90.6                              | 5.5                        |
| Nicolet High School    | 14.2                              | Not Available              |
| Oak Creek/Franklin     | 86.9                              | 11.1                       |
| St. Francis            | 63.5                              | 14.2                       |
| Shorewood              | Not Available                     | 14.9                       |
| South Milwaukee        | 85.8                              | 28.5                       |
| Wauwatosa              | Not Available                     | 11.9                       |
| West Allis             | Not Available                     | 27.9                       |
| Whitefish Bay          | Not Available                     | Not Available              |
| Whitnall               | 74.0                              | 13.2                       |

\*DPI only collects district-wide data on free/reduced lunch eligibility for the elementary level. It is assumed that these percentages do not change drastically at the middle or high school levels.

Milwaukee High School of the Arts, and the suburban district. This number is multiplied by the current number of Chapter 220 students eligible for free or reduced-price lunch at each Chapter 220 district. The total cost for reimbursing these students is \$1,535,732.

The second calculation is based on DPI's alternative method of calculating the estimated travel reimbursement using an average yearly travel cost of \$611.41 per student for all districts. This amount multiplied by the 1,800 qualifying Chapter 220 students is \$1,100,538.

Current appropriations for Open Enrollment travel reimbursement allocate \$275,000 for the 1999-2000 school year, a reduction of \$225,000 from the previous year. For the 2000-2001 school year the appropriation is \$500,000.<sup>21</sup> A major consideration for legislators when considering replacing the Chapter 220 program with Open Enrollment will be whether to fully fund travel reimbursement for all qualifying Chapter 220 students. If so, the large gap between the appropriated amounts and the estimated amounts for travel reimbursement may need to be addressed.

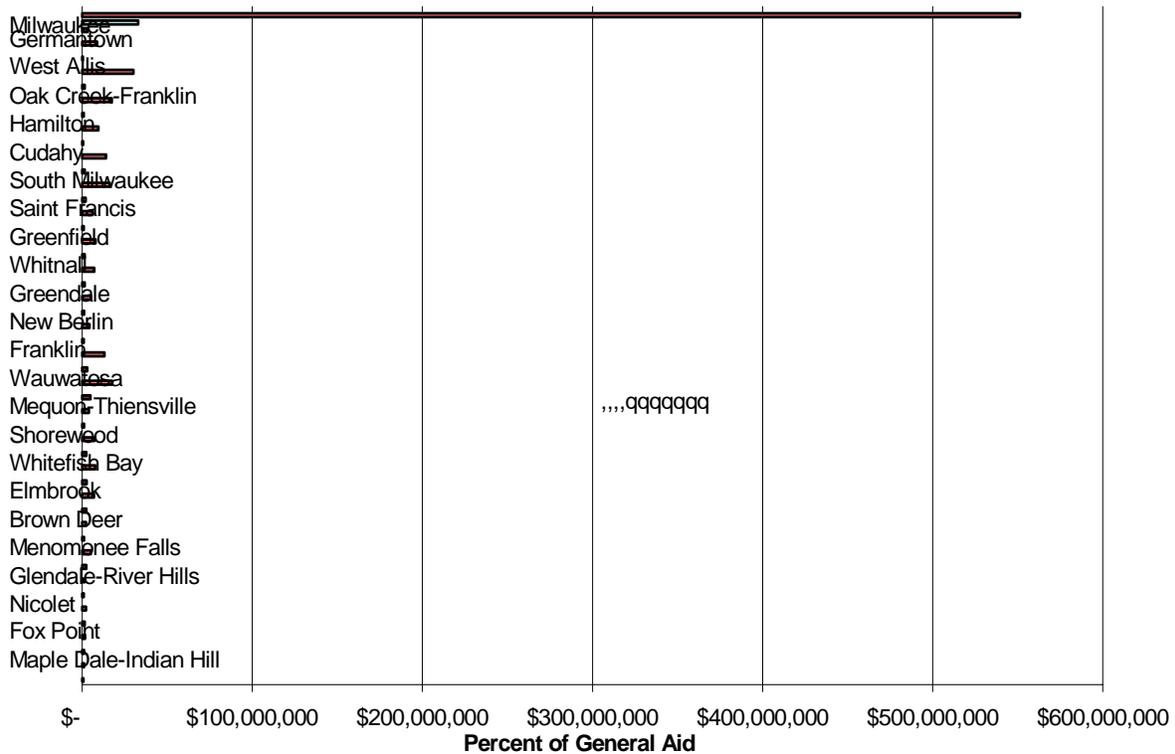
## Impact Scenarios: Replacing or Reducing Chapter 220 Aid

The Public Policy Forum developed several scenarios of how the Chapter 220 program could be affected by cuts in or the elimination of the program. We found that reducing or eliminating Chapter 220 aid would have a profound effect on the participating districts.

### *Impact on General Aid*

Currently, Chapter 220 aid represents a significant portion of the suburban districts' general state aid. Six districts' Chapter 220 aid comprises between 47% and 71% of their general state aid. (See Chart XI.) Cuts in Chapter 220 aid would impact these districts greatly, as districts increasingly rely on this aid to cover operating costs. Because state law specifies that Chapter 220 aid is to be used for property tax relief, decreases in Chapter 220 aid would likely require districts to increase their property taxes.

### **XI. Chapter 220 Aid as Percent of 1998-1999 General Aid**

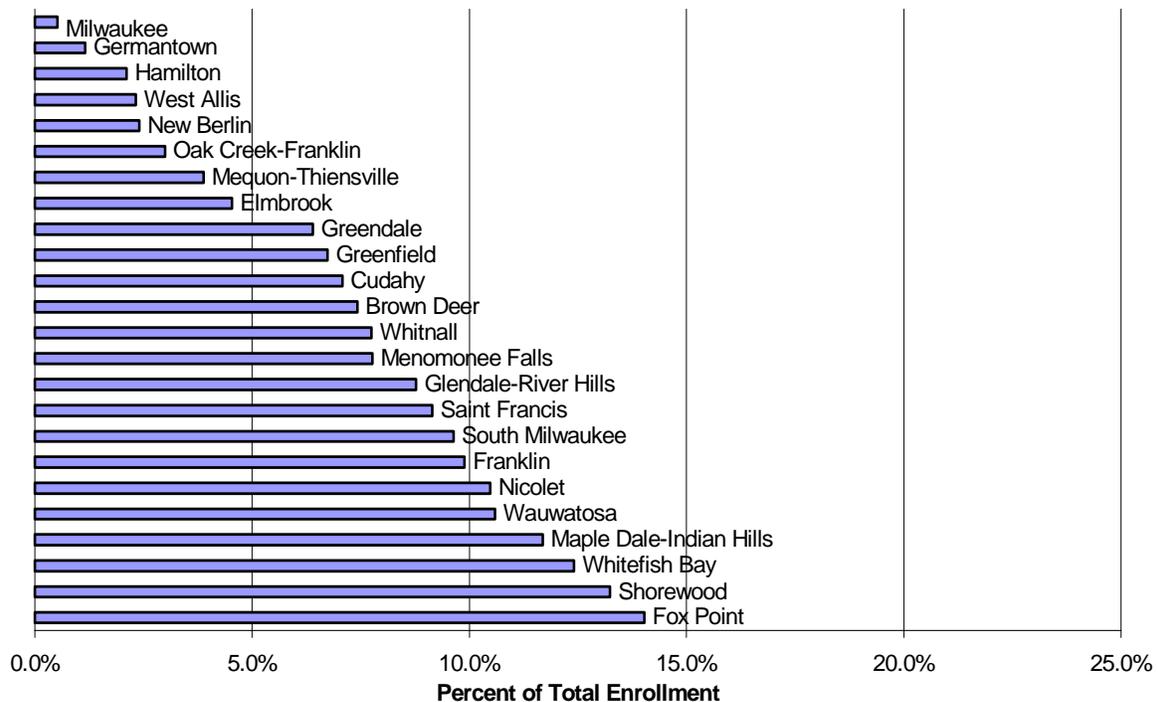


### *Impact on Enrollment*

Elimination of the Chapter 220 program would significantly reduce enrollments in many of the suburban districts. Chapter 220 students make up an average of 7% of total enrollment at the 23 suburban districts. Since the district receives integration aid equal to the actual cost of educating the student at the district, the percentage of Chapter 220 students enrolled reflects the actual percentage of the district's revenue from those students. Nine districts'

Chapter 220 enrollments make up between 9% and 14% of their total enrollments. The lowest percentage of Chapter 220 students in a suburban district is 1.2% of total enrollment, in Germantown. (See Chart XII.)

## XII. Chapter 220 Enrollment as Percent of 1998-1999 Total Enrollment



### *Impact on District Expenditures*

Several administrators interviewed point to the severe and even “disastrous” impact of cuts in Chapter 220 aid because of the different program areas which would be affected.

- One administrator describes the following scenario: “If Chapter 220 students are gone, and on average each class is reduced by four students, you still have to pay the same amount to educate 18 students as you do to educate 22 students. Those students still need one full-time teacher, instructional materials and resources.”
- Another administrator describes how the Chapter 220 program helps the district to have special programs for all of its students, such as remedial support, gifted and talented programs, and after school programs.

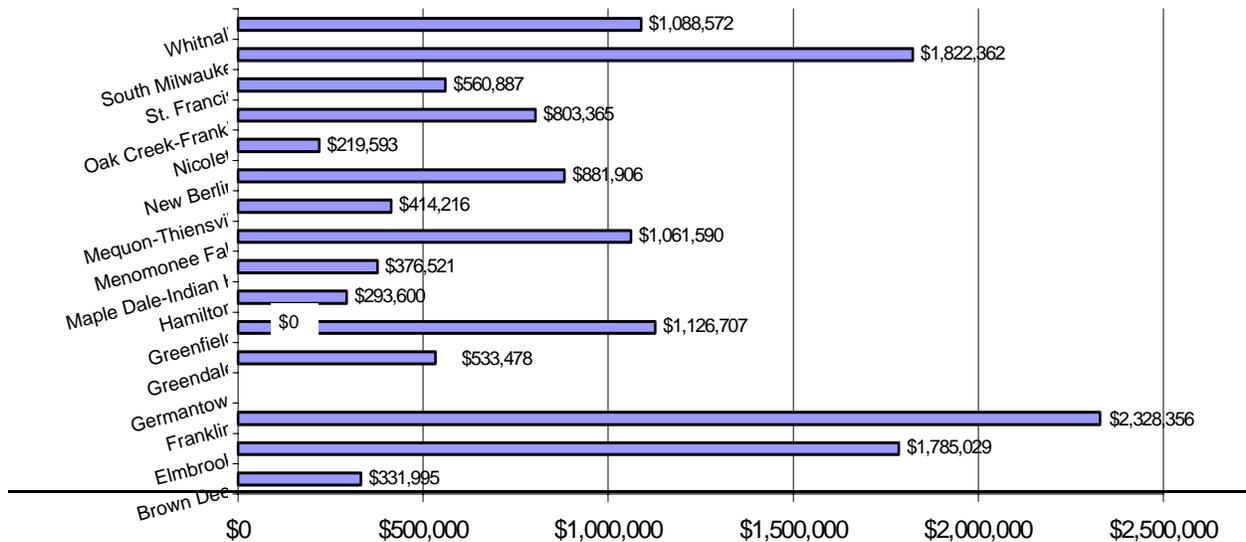
*Elimination of Sender Aid*

Last year, MPS received \$23,936,554 in equalization aid, called sender aid, for Chapter 220 students who attended a suburban district. With the next fiscal year, all sender districts will be required to count each student as .75 pupil for the purpose of determining sender aid, which will result in a reduction in aid by 25% per pupil.<sup>22</sup> MPS sender aid allows for the district to provide transportation for the transfer students, as well as providing an incentive for MPS to participate. The 1998-1999 cost of transporting students out of Milwaukee was \$8.98 million. Severe cuts in sender aid may impair the ability of MPS to provide transportation to these students. Total elimination of this aid would leave the burden on suburban Chapter 220 districts for transporting students. Should the suburban districts take on this burden, the average cost to each suburban district would be \$390,434. In our interviews, 14 administrators indicated that transportation is not a burden their districts are able or likely to take on.

We can examine a scenario of eventually eliminating sender aid without replacement transportation aid for the suburban districts. The group most impacted by this cut would be those students who could not afford to provide transportation for themselves. We are assuming that those students who qualify for free or reduced-price lunch are those who would most feel the burden of additional transportation costs, and who may not be able to continue in the program as a result.

Losing those students who qualify for free or reduced-price lunch, due to a lack of transportation, would result in a substantial reduction in Chapter 220 students. Six districts have between 70% and 90% of their Chapter 220 students participating in the free or reduced-price lunch program. Six other districts have between 40% and 70% of their Chapter 220 students receiving free or reduced-price lunch. Chart XV shows that the average loss per district would be \$492,000, with the highest loss being \$2.3 million to Franklin School District and the lowest loss (excluding \$0 loss to Germantown) being \$219,000 to Nicolet.

**XV. Estimated Loss in Aid Due to Losing Chapter 220 Students Who Receive Free or Reduced-Price Lunch**



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## **Interdistrict Chapter 220: *Conclusions***

### **Standards for Future Integration Programs**

The Chapter 220 program is a complex vehicle by which suburban districts strive to achieve integration. Incentives for the program over time have led some districts to financial dependency on the program. But our interviews demonstrate benefits beyond program revenue.

The Chapter 220 program is a widely popular choice program for parents, which administrators are committed to maintaining. It has met its goal of better integration within the suburban districts and over the years its focus has expanded to meet the changing needs of districts. In addition, the creation and implementation of new programs related to Chapter 220 have given school districts the ability to promote diversity.

While the program has shifted many MPS minority students to the suburbs, within MPS itself the program has had little impact on integration. The program has always attracted fewer suburban students into Milwaukee, and those numbers continue to decline.

The 23-year-old Chapter 220 program is now experiencing a time of uncertainty. As the Open Enrollment program increases in popularity, the natural tendency of legislators may be to merge the Open Enrollment program with Chapter 220, as both programs allow for students to choose a non-resident school district. However, a close examination of the differences between the programs leads the Forum to conclude that Chapter 220 is not easily replaced with Open Enrollment.

Open Enrollment has no focus on integration and its funding mechanism does not provide for transportation of participating students. Additionally, the funding mechanism for Open Enrollment provides less financial gain for participating districts than Chapter 220.

After a careful assessment of the data and interviews with Chapter 220 administrators, the Forum concludes that there are certain elements essential to the current Chapter 220 program that deserve the consideration of legislators when weighing potential alternatives or changes to the Chapter 220 program. Also necessary to the program are specific standards for evaluating each of these components. The current program, largely unevaluated, has left the program's successes undocumented. As the demand for accountability of public schools grows in the state, so does the need for assessment of this parental choice program.

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Any alterations to or replacements of the program should be considered in light of the following factors:

- **A stated focus on integration.** Administrators have expressed a commitment to the integration goal of Chapter 220. Anecdotal testimony shows that the program's goal of integration has led to many benefits for transferring students. Enrollment data show that suburban districts have more minority students due to Chapter 220 than they would otherwise have had.

Integration is therefore a worthwhile focus of the program; it may be advantageous to districts to increase the integration marker from 30% minority enrollment. If the program's goal is to diversify the student population, penalizing the district by making it ineligible for aid once it has reached 30% minority enrollment may be counter-productive. A higher integration marker would allow districts more flexibility in accepting minority students without threatening their participation in the program.

In addition, strides need to be taken to ensure a higher number of transfers to Milwaukee from suburban districts. This may mean an increase in magnet or specialty school offerings to accommodate both suburban Chapter 220 students and Milwaukee resident students.

Also included in an evaluation of integration might be the rate of minority student participation in enrichment, extracurricular, advanced placement, job training, and internship programs, as well as in social groups and/or functions and athletic teams. Suspension, discipline and expulsion rates by race can shed light on the success of integration.

- **A plan for promotion of diversity.** Addressing diversity at many levels of school administration, including teacher training, hiring practices, student and parent awareness, and multicultural curricula, is a way to ensure that the program has an impact beyond meeting enrollment goals. District diversity awareness plans with specific goals would be helpful tools with which districts progress in promotion of diversity could be measured.

One example of an area for diversity promotion in which improvement is needed is hiring. Currently none of the suburban districts have professional staff consisting of more than 10% minorities. On average minorities make up only 3% of suburban professional staffs. In MPS minorities make up 27% of the professional staff, which is an improvement over the suburban districts but is not representative of the student body.

District plans also could include programs to encourage and welcome non-resident parents and students, such as parent orientations, or "buddy systems" for new students or non-resident families, which some districts have in place already.

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- **Opportunities for measurable success of students.** If one of the goals that has evolved from the program is indeed to “provide a quality education for students,” then there needs to be a stated focus on academic and/or vocational benefits of the program. As with any “experimental” education program, the academic achievement of participants is a necessary factor in determining whether the experiment has worked, and whether it should be replicated. This is true whether or not the initial goal of the program focused on achievement—only programs that ultimately help students succeed should be worthy of continued, long-term public support.

Academic success can be evaluated through drop-out rates, graduation rates, grade point averages, standardized test scores, attendance rates, and/or mobility rates. Districts would need to confidentially code this data for Chapter 220 participants. Although this coding would be labor-intensive for districts, the process would result in a clearer, more convincing picture of program benefits. It would also help convince an increasingly skeptical state legislature of the program’s value.

Academic and vocational success also depends, in part, on the school’s facilities. If equal educational opportunity is now a goal of the Chapter 220 program, it calls for evaluation of the districts’ classroom, library, laboratory, athletic, fine arts, technical arts and computer facilities.

It may also prove valuable to conduct surveys of graduates from the Chapter 220 program as a way to measure vocational success. Survey questions could relate to the benefits and detriments of having attended a suburban school district, as well as the program’s long-term effects on job readiness and career success.

- **Transportation for nonresident students.** This component is necessary for many non-resident students, especially low-income students, as has been discussed. Transportation is perhaps a necessary burden for suburban districts to take on as the potential for continued sender aid decreases. State aid for travel reimbursement to low-income Open Enrollment participants may need to be augmented if Chapter 220 is merged into the program.
- **Parent and student satisfaction.** The current Chapter 220 program is in high demand. It may prove valuable to document how the program has succeeded from the parents’ perspectives. Most districts already receive verbal feedback about the Chapter 220 program, but do not have formalized means of measuring satisfaction. Documentation of this information could take the form of a parent and/or student survey or focus groups. These could be administered annually or periodically. Surveys may prove helpful for measuring the meaningfulness of integration at the individual student level.<sup>23</sup>

The above factors are necessary talking points when considering any future programmatic changes, for which there is a spectrum of options. At one end of the spectrum lies

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## **A Spectrum of Options for the Future**

elimination of the Chapter 220 program. At the other end, the program is maintained in its current form. The middle-ground is a combination of elements from the Chapter 220 program that will either 1) interface with Open Enrollment or 2) allow Chapter 220 to continue as an independent program but reduce costs to taxpayers. The Forum highlights below several points which, when combined, comprise many of the options available on the spectrum. We emphasize, however, that the number of options available to policymakers is limited only by the infinite number of ways in which these many points could be combined with one another or with other ideas.

### *Sender Aid*

Sender aid, or the amount of equalization aid a district retains for each student transferring out of the district, is significant to both Milwaukee and the suburban districts. Although Milwaukee receives much more sender aid than any other district, it is Milwaukee's sender aid that funds the transportation costs of all program participants. Therefore, while reductions in sender aid would most affect MPS monetarily, they would affect all other districts to the extent that MPS would no longer be able to cover the costs of transportation. Because the sender aid currently received by MPS is much greater than the actual costs of transportation, sender aid has long been a target for policymakers seeking ways of reducing the program's costs. Indeed, in the next fiscal year sender aid per pupil will be reduced by 25%. Open Enrollment has no sender aid component, the aid "follows the student" from the resident district to the receiving district. Following are several options for sender aid in the future:

- Eliminate sender aid. Provide all districts with some other aid to help cover the costs of transporting non-resident transfer students. If this substitute aid is not tied directly to the actual costs of transportation, districts would have an incentive to lower transportation costs in order to keep any excess aid. This would mean a net loss in aid for MPS, probably an increase in aid for suburban districts, but most likely an overall cost savings for the state.
- Eliminate sender aid. Reimburse MPS and/or the suburban districts for actual or estimated transportation costs on a per-pupil basis. This would mean a net loss in aid for MPS, little to no change in aid to suburban districts, and an overall cost savings for the state.
- Phase-out sender aid by reducing it by a percentage each fiscal year, until a certain minimum amount, sufficient to cover transportation costs, is reached. This would mean a net loss in aid to each district and a cost savings for the state.

### *Integration Aid*

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Each Chapter 220 district receives integration aid in an amount sufficient to cover the actual per-pupil cost of educating each transfer student and is to be used for property tax relief purposes only. This per-pupil cost is the same cost as used to determine the district's equalization aid. Open Enrollment does not pay the receiving district's actual cost, but pays each district an amount per pupil equal to the statewide average per-pupil cost. Future options for integration aid include:

- Maintain Chapter 220 as a program, but substitute Open Enrollment aid per pupil for Chapter 220 integration aid per pupil. This would reduce the amount of integration aid received by districts' whose actual cost per pupil exceeds the statewide average, but would increase aid to districts' whose actual cost per pupil is less than the statewide average. Overall, this would likely result in a cost savings for the state, as most, if not all, Chapter 220 districts have higher actual costs per pupil.
- Provide each district with a certain percentage of the actual cost per pupil. This would decrease aid to all districts and result in overall cost savings for the state. This percentage could be reduced each year until a certain minimum is reached, or until integration aid is phased out completely. Each district could then be free to determine whether to continue participating in the Chapter 220 program or to accept transfer students via the Open Enrollment program only.
- Eliminate integration aid by providing only Open Enrollment aid. This would effectively eliminate the Chapter 220 program, requiring districts that wish to retain their nonresident Chapter 220 transfer students to absorb them into their Open Enrollment population. This may require increasing the 5% statutory limit on Open Enrollment transfers from a district, so as to allow all current Chapter 220 students to become Open Enrollment students. This would result in an overall reduction in aid to all districts and a savings to the state.
- Eliminate integration aid by providing only Open Enrollment aid, but provide extra aid per pupil for transfer students of minority racial and/or socio-economic status. This incentive aid would help buffer the impact of eliminating Chapter 220, by encouraging districts to maintain their current levels of integration. This would be a cost savings for the state so long as the added incentive aid is less than the district's actual cost per pupil.

### *Transportation*

As explained above, currently MPS uses portions of its sender aid to cover the cost of transporting all Chapter 220 participants. MPS is required by state statute to provide all such transportation. The Open Enrollment program does not require any district to provide transportation for any transfer student. Parents of Open Enrollment participants are responsible for transporting their students to and from school, but the program does provide some travel reimbursement to low-income parents. If Chapter 220 were to be merged into

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Open Enrollment without any continuation of sender aid, Chapter 220 students might be required to provide their own transportation; policymakers may wish to consider some of the following options regarding transportation, should the two programs merge:

- Provide travel reimbursement for low-income parents of both Open Enrollment and former Chapter 220 participants. This would require an increase in the amount appropriated currently by the state for open enrollment travel reimbursement.
- Provide travel reimbursement for all former Chapter 220 participants, but provide reimbursement only for low-income Open Enrollment participants. This would require an increase in the amount appropriated currently by the state for open enrollment travel reimbursement.
- Fund the actual costs of transportation for former Chapter 220 students as provided by MPS and/or the suburban districts. Provide travel reimbursement for low-income Open Enrollment participants. This would not require any increase in the amount appropriated for travel reimbursement, but would require aid to districts for transporting former Chapter 220 participants. This aid, however, would be less than is currently provided via sender aid.

#### *Accountability*

As discussed above, the Chapter 220 program has no built-in modes of evaluating its effectiveness. One way begin to measure effectiveness would be to amend the purpose of the legislation to include an explicit goal of improving student achievement and include methods for measuring or benchmarking such improvement. Alternatively, changes to the financial structure of the program provide an opportunity to increase the program's accountability. For example, sender or integration aid could be structured so as to provide outcome-based incentives for succeeding as follows:

- Provide a financial reward to districts that exceed state academic standards for a majority of their students, including transfer students.
- Provide a financial reward to districts that collect and provide data on transfer students' academic achievement, satisfaction, post-graduation activities, and/or extracurricular involvement.

#### *Diversity Among Districts*

The way in which the current program has evolved has allowed suburban school districts to develop their own ways of administering the program. Policymakers may wish to modify

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the program so as to establish some uniformity across districts. Areas of administration that appear to be the most diverse across the districts include:

- Entry grade level. Currently each school district decides whether to limit admission to the program at certain grade levels.
- Availability of seats. As discussed, each district currently has its own formula for determining how many seats to make available to incoming Chapter 220 students.
- Services offered. The orientation and diversity training programs currently offered by the suburban districts differ in type and comprehension.

The above points are merely examples; the myriad potential options available to state and local policymakers and district administrators result from combining aspects of these points along with other ideas. These points are a foundation for discussion and provide a basis upon which detailed programmatic changes can be designed. It should be noted that provisions allowing current Chapter 220 students to finish their schooling careers in their present districts and allowing any younger siblings of current Chapter 220 students to attend the non-resident district are desirable if Chapter 220 is to be phased out.

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### **Endnotes**

1. Borsuk, Alan J., "End School Quotas, Mayor Says," Milwaukee Journal Sentinel, April 20, 1999.
2. As part of the 1999-2001 biennial budget, the state legislature passed a Neighborhood Schools Initiative aimed at reducing busing within the Milwaukee Public Schools school district. Intradistrict Chapter 220 will be phased out as the initiative is implemented. Funds that would otherwise have gone to Intradistrict 220 will be used to pay off bonds for neighborhood school construction. 1999 Wisconsin Act 9 (1999-01 Biennial Budget Bill).
3. The term Latino is used to identify students of Hispanic origin, regardless of race. Chapter 220 participants of Hispanic origin are referred to by the statute as students with a "Spanish Surname."
4. The percentages shown are based on information from 21 out of 24 questionnaires to school districts. MPS was unable to provide the remaining data by grade for students coming into MPS from the suburbs.
5. This refers to applications taken in the 1998-99 school year for the 1999-2000 school

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year.

6. The percentages are based on 649 seats available from MPS's publication for the Chapter 220 program, "Suburban School Opportunities For Milwaukee Students," which lists seats available by grade.

7. Suburban districts are not required to accept a student with exceptional needs if the district does not have services already available to meet that student's needs.

8. The most complete information on integration aid available from the Department of Public Instruction (DPI) was for the 1997-98 school year.

9. Each contract between MPS and the suburban district addresses the following:

- Number of interdistrict transfers, both continuing and new students
- Application process, selection and notification
- Exceptional education needs students
- Withdrawal of interdistrict transfer students
- Transportation
- Chapter 220 coordinators
- Planning councils
- Funding prerequisite
- School district rights

10. Administrative interviews provided us with this information.

11. Chapter 220, Wisconsin Session Laws of 1975, Section 1.

12. Assembly Substitute Amendment 1 to Wisconsin 1975 AB 1040, Section 4.

13. Governor's Veto Message, Chapter 220, Wisconsin Session Laws of 1975, April 27, 1976, p.1.

14. Only one district reported having disaggregated achievement data for their Chapter 220 students. Another district reported being able to easily obtain this data. The two districts did not provide the data at the time of this study.

15. *An Evaluation of the Chapter 220 Program*, Report 94-24, November, 1994, State of Wisconsin Legislative Audit Bureau. The data for this report was from one year of testing of the three groups: Students from the resident district staying at the district, students from the non-resident district, and MPS students who applied to participate in the program. The report examined state expenditures, integration, academic achievement, interdistrict program efforts, and offered various considerations for the future of Chapter 220.

16. Smuckler, Nancy S., 1984, *Chapter 220 A Study Of The Academic Achievement of Minority Interdistrict Transfer Pupils*, Doctoral Thesis, University of Wisconsin-Milwaukee.

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17. Rose, Harold M. and Diane M. Pollard, 1993, *Perspectives on the Chapter 220 Interdistrict Student Transfer Program: What Have We Achieved?* Phase One Report, Compact for Educational Opportunity, Milwaukee, WI.

18. Rose, Harold M. and Diane M. Pollard, 1993, *Perspectives on the Chapter 220 Interdistrict Student Transfer Program: What Have We Achieved?* Phase Two Report, Compact for Educational Opportunity, Milwaukee, WI.

19. Palay, Miriam J., 1978, *Chapter 220: Student Exchanges Between City and Suburb, The Milwaukee Experience*, University of Wisconsin-Milwaukee.

20. The most complete annual reports available at the time of this research in July, 1999 were for the 1997-98 school year. Reports are normally due in the fall of each year to DPI, but many reports are not submitted until the following year. The Cudahy School District report was absent. The calculations are based on the current students, assuming this number would not increase or decrease substantially as these students move through the grade levels.

21. The biennial budget reduces Open Enrollment Transportation Aid by \$725,000 in FY00 and \$500,000 in FY01. 1999 Wisconsin Act 9 (1999-01 Biennial Budget Bill).

22. The biennial budget adjusts state sender aid in the following way: “Modify the reduction in the per pupil count for the school district in which the pupil resides, to specify that a pupil who transfers to another school district under the interdistrict transfer program be counted as .75 pupil for school aids and revenue limits beginning in 2000-01 and thereafter.” 1999 Wisconsin Act 9 (1999-01 Biennial Budget Bill).

23. One school district interviewed provided a copy of their annual “Chapter 220 Report,” which contained comments from graduating students about the program, including feedback on topics such as integration, teacher attitudes, and opportunities for minority students.