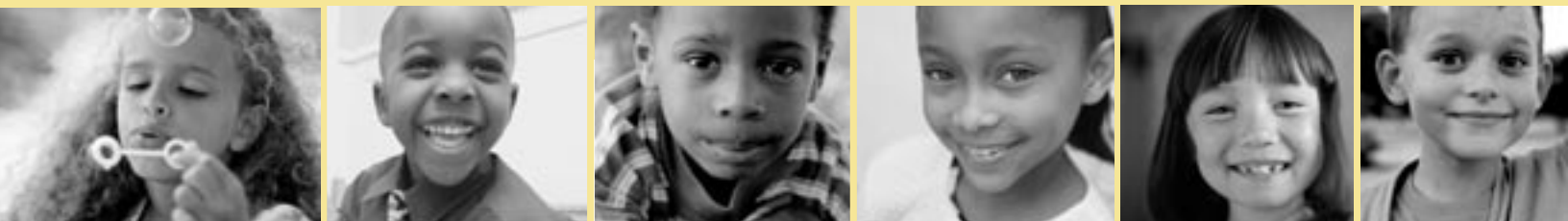


MILWAUKEE'S PUBLIC SCHOOLS IN AN ERA OF CHOICE



Milwaukee parents have more tax-supported educational choices than parents in other U.S. cities. These include private schools with voucher students, charter schools, contracted schools serving at-risk students, state and district-wide open enrollment, district specialty schools, and traditional neighborhood schools. Most of these programs were enacted or expanded during the 1990s.

Opponents of Milwaukee's school choice programs predicted that they would foster enrollment declines, less financial support, and lower academic achievement in the Milwaukee Public Schools (MPS). School choice proponents suggested the opposite would occur.

Using MPS data, this report describes actual trends during the time that MPS has operated in the nation's most wide-open K-12 education market. These MPS data demonstrate that school choice opponents have, so far, been wrong. Specifically:

- MPS enrollment increased 5.7% between 1990 and 2003.
- The annual high school dropout rate declined from 16.2% to 9.0% between 1990 and 2002.
- When compared to a representative national sample, overall academic achievement is up. Achievement on state proficiency tests has increased.
- Budget reforms have made MPS schools more accountable. Dollars follow students, with 95% of the MPS operating budget now controlled at the school level.
- Reforms negotiated with teachers let schools fill vacancies without regard to seniority.
- To reduce long waiting lists, MPS expanded early childhood classes and other popular programs.
- Real spending per pupil increased (\$8,520 to \$11,772) as did state support for MPS (\$396 million to \$649 million) between 1990 and 2003.
- In partnership with several private schools, MPS will invest tens of millions of dollars in new and remodeled central city schools.

OCTOBER 2003



“WHEN CHOICE

CAME ABOUT,

MPS HAD TO

RETHINK EDUCATION:

IT'S NOW A MATTER

OF SEEING PARENTS

AS CUSTOMERS.”

KEN JOHNSON, MEMBER
MPS BOARD OF DIRECTORS

AMERICAN EDUCATION
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All these developments occurred as the number of MPS students from low-income families rose, a trend some observers associate with the likelihood of lower achievement (See Figure 5).

Scholarly research finds that gains experienced by MPS are in part a consequence of more school choice. Noted Harvard University economist Caroline M. Hoxby found the Milwaukee public schools that were most subjected to competition from the vouchers showed rapid improvement in their students' results. Hoxby said,

“Normally we expect small changes to occur in response to policy changes, and these were much larger changes than I expected to see.”

The learning gains coincide with **important, system-wide changes** within MPS:

- School budgets are driven by enrollment. Dollars follow students to schools they choose, so that schools must recruit to strengthen their budgets.
- The district's operating budget has been decentralized. Individual schools control 95 percent of district operating funds.
- Teachers—once assigned almost strictly by seniority—are now typically hired by school selection committees (See Table 3).
- The district's teacher contract now contains eased provisions for releasing unsatisfactory probationary or non-tenured teachers.
- MPS has expanded dramatically the full-day four-year-old kindergarten programs and popular specialty programs in high demand by parents.
- Often working with private and independent charter schools, MPS has expanded facilities in central city neighborhoods, once neglected in favor of school construction at the city's periphery.

The impact of these changes is particularly strong on low-income children in racial and ethnic minority groups. These children make up a large part of the MPS population and were often left behind in earlier reform efforts.

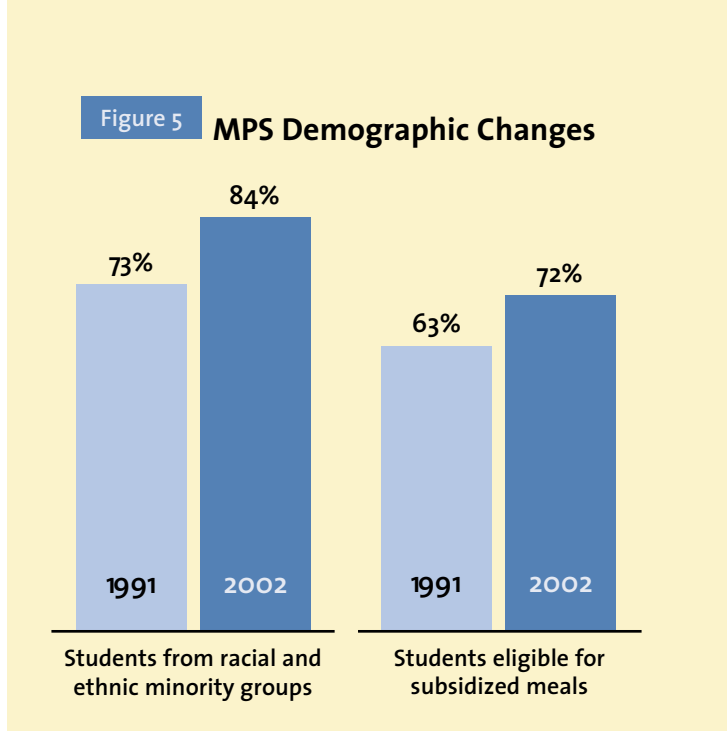


Table 3 MPS Schools Using School-Based Hiring

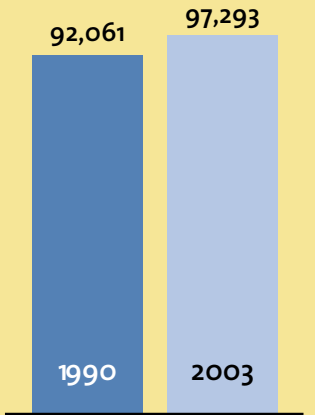
	1989-90	1995-96	2003-04
MPS schools using school-based hiring	0	8	167
All schools in MPS	150	153	167





Figure 1

MPS K-12 Enrollment



MPS enrollment is up 5.7%.



“THE IMPROVEMENT HAS BEEN DUE TO A COMBINATION OF CHOICE, CHARTER SCHOOLS AND PRIVATE SCHOLARSHIPS. ALL OF THESE PROGRAMS MADE THE MILWAUKEE PUBLIC SCHOOLS REALIZE THEY WOULD LOSE A LARGE NUMBER OF THEIR STUDENTS IF THEY DIDN’T IMPROVE THEIR EDUCATION AND DECREASE THE MINORITY DROPOUT RATE.”

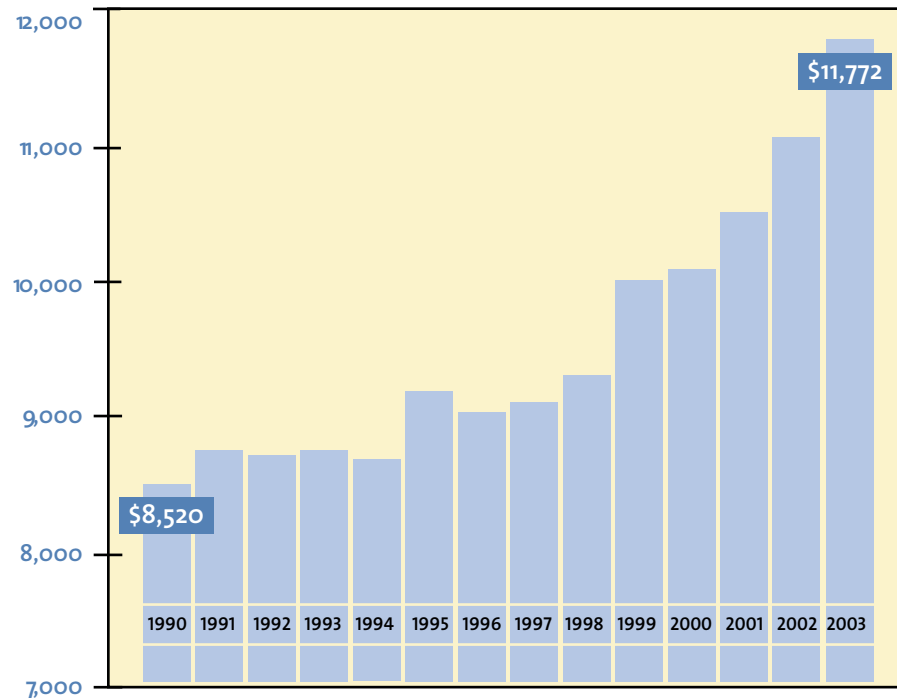
TONY HIGGINS
MILWAUKEE PARENTAL CHOICE PROGRAM PARENT

MPS remains a district where overall academic achievement is too low. While test scores have improved, more progress is necessary. While dropout rates have decreased, they remain too high. Much improvement is still needed. Still, measurable gains have occurred during a time of rapidly expanding educational options for parents.

The need for more gains should not diminish what has occurred. For example, MPS enrollment has increased by 5,232 students (See Figure 1). Further, real spending per pupil has grown 38 percent (See Figure 2) and state support for MPS—adjusted for inflation—has risen 64 percent (See Figure 3).

Figure 2

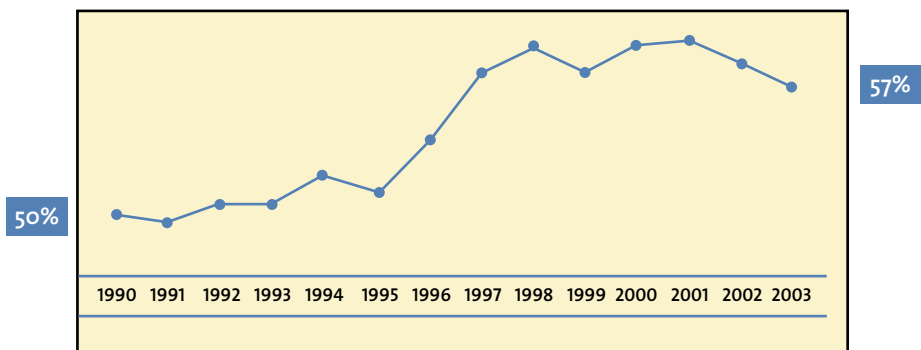
MPS Real Per Pupil Spending (\$2003)



The overall MPS budget in these years grew from \$784 million to \$1.145 billion, in real dollars.

Figure 3

Real State Aid to MPS as a Percentage of MPS Spending



Real state aid to MPS grew from \$396 million to \$649 million between 1990 and 2003.

During the years of most rapid expansion of school choice, the **academic achievement of MPS students improved**.¹ Between 1997 and 2002, MPS students improved on twelve of fifteen tests where their performance was compared to a national sample (See Table 1). MPS student performance on statewide exams increased on thirteen of fifteen tests between 1997 and 2003 (See Table 2). (In comparison, student performance statewide during the same period improved in 9 of 15 categories.) The MPS **dropout rate declined** (See Figure 4).

¹Since 1996-97, the State of Wisconsin has tested Wisconsin public school students on what is called the Wisconsin Knowledge and Concepts Examination (WKCE), given annually at grades four, eight, and ten. These tests allowed for a comparison to students nationwide in math, science, reading, language arts, and social studies. Starting in 2002-03, national comparison of scores is no longer possible.

Data Sources for all Tables and Figures: MPS Comprehensive Annual Financial Reports, MPS Budgets, MPS Accountability Reports, and MPS Human Resources Department.



“WITH THE PARENT CHOICE PROGRAM, WE HAVE MANY DIFFERENT MODELS BY WHICH PARENTS CAN CHOOSE. WHEN YOU HAVE THAT, NO LONGER IS MPS A MONOPOLY. THAT COMPETITIVE NATURE HAS RAISED THE BAR FOR EDUCATORS IN MILWAUKEE TO PROVIDE A GOOD PRODUCT OR THEY KNOW THAT PARENTS WILL SIMPLY WALK...”

WILLIAM ANDREKOPOULOS,
MPS SUPERINTENDENT



Table 1

Change in MPS Student Scores, Compared to a National Sample, Between 1996-97 and 2001-02

	4th	8th	10th
Reading	no change	lower	higher
Language Arts	higher	higher	higher
Math	higher	higher	higher
Science	higher	higher	higher
Social Studies	higher	lower	higher

Table 2

Change in MPS Student Mean Scale Scores on WKCE Between 1996-97 and 2002-03

	4th	8th	10th
Reading	+3	-4	+15
Language Arts	+5	+3	+23
Math	+17	+7	+19
Science	+8	+10	+13
Social Studies	+9	-4	+11

Figure 4 **MPS Dropout Rate**

