

## GLOSSARY OF SCHOOL FINANCE TERMS

This section contains a listing of terms and definitions to provide clarity and understanding of terminology related to schools and school finance.

**Absence** - Nonattendance of a student on a day or half-day when school is in session.

**Account** - A descriptive heading under which are recorded financial transactions that are similar in terms of a given dimension, such as fund, function, object, or source.

**Accounting Period** - A period at the end of which and for which financial statements are prepared (for example, July 1 through June 30).

**Accounting Procedure** - The policy and systematic arrangement of methods and operations for recording accounting information so as to provide internal control and produce accurate and complete records and reports.

**Accounting System** - The total process of recording, retrieving, and reporting information on the financial position and operations of an organization.

**Accounts Payable** - A liability account reflecting amounts owed to private persons or organizations for goods and services received. Accounts payable is a current liability on the balance sheet. (Amounts due to other funds of the same government or to other governments are not included here.)

**Accounts Receivable** - An asset account reflecting amounts due to the government by private individuals or organizations for goods or services rendered. Accounts receivable is a current asset on the balance sheet. (Amounts due from other funds of the same government or to other governments are not included here.)

**Accrual** - Basis of accounting under which revenues are recognized when earned and expenditures are recognized when incurred, regardless of the timing of related cash flows.

**ADA** - Average daily attendance. See "Pupil Count."

**ADM** - Average daily membership. See "Pupil Count."

**Adult/Continuing Education** - Instruction designed to meet the unique needs of adults and youth beyond the age of compulsory school attendance. This may be provided by a school system, technical college district school, college, or other agency or institution through activities and media such as formal classes, correspondence study, radio, television, lectures, concerts, demonstrations, and counseling.

**Amortization of Debt** - Gradual payment of an amount owed according to a specified schedule of times

and amounts.

**Appropriation** - A legal authorization granted by a governing body to make expenditures and to incur obligations for specific purposes.

**Assessed Valuation** - See "Property Valuation."

**Assessment Ratio** - See "Property Valuation."

**Attendance** - See "Pupil Count."

**Attendance Area** - The geographic area wherein reside the pupils normally served by a particular school.

**Audit** - An examination of records and documents, and the securing of other evidence, for one or more of the following purposes. (a) To attest to the fairness of management's assertions in financial statements, (b) Evaluate whether management has efficiently and effectively carried out its responsibilities, (c) Determining the propriety of transactions, (d) ascertaining whether all transactions have been recorded, and (e) determining whether transactions are accurately recorded in the accounts and in the statements drawn from the accounts.

**Auditor's Report** - In the context of a financial audit, a statement by the auditor describing the scope of the audit and the auditing standards applied in the examination, and setting forth the auditor's opinion on the fairness of presentation of the financial information in conformity with GAAP or some other comprehensive basis of accounting.

**Average Daily Attendance (ADA)** - See "Pupil Count."

**Average Daily Membership (ADM)** - See "Pupil Count."

**Balance Sheet** - A formal statement of assets, liabilities, and equity as of a specific date.

**Basic Financial Statements** - The basic financial statements as required by GASB Statement 34. Basic financial statements include: 1. Government - wide financial statements providing information about reporting government as a whole, except for its fiduciary activities; 2.) Fund financial statements providing information about the government's funds; and 3.) Notes to the financial statements. The basic financial statements should be preceded by a "management's discussion and analysis" that introduces the basic financial statements and provides an analytical overview of the government's financial activities.

**Bond** - A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually

payable periodically.

**Budget** - A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given accounting period.

**Budgetary Control** - The control or management of business affairs in accordance with an approved budget for the purpose of keeping expenditures within the authorized amounts.

**Business Manager** - A staff member performing assigned activities which have as their purpose the management of the organization's business administration functions.

**Capital Outlay** - Expenditures that result in the acquisition of or addition to capital assets.

**Cash Basis** - The basis of accounting under which transactions are recognized only when cash changes hands.

**Categorical Aid** - State or federal aid which is intended to finance or reimburse some specific category of instructional or supporting program or to aid a particular target group of pupils. The district may use the aid only for the purpose for which it is paid. (Also see "General Aid.")

**Certification** - The general process by which the DPI provides a license to an individual indicating qualification and employability.

**CESA** - A cooperative educational service agency.

**CCDEB** - A county children with disabilities education board. (Formerly known as CHCEB.)

**Chief State School Officer** - The chief executive of a school education agency (SEA). In Wisconsin, the State Superintendent of Public Instruction, which is a publicly elected position.

**Choice** - See "Milwaukee Parental Choice."

**Class** - A setting in which organized instruction of course content is provided to one or more students for a given period of time.

**Class Period** - The portion of the daily session set aside for instruction in classes, when most classes meet for a single such unit of time.

**Class Size** - The enrollment in a class as of a given date. (Also see "Pupil Count.")

**Classroom Teacher** - A staff member, assigned to the professional activities of instructing pupils in classroom situations.

**Cooperative Educational Service Agency (CESA)** - A grouping of school districts, headed by a board of control, charged with implementing and operating cooperative programs among member districts and insuring proper school district organization. Each school district in Wisconsin except Milwaukee, Racine and Kenosha is in a CESA area. (Also see "IEA.")

**Cost** - In general, an expenditure for goods (supplies, materials, equipment, land, buildings) or services (salaries, benefits, utilities, professional fees). In determining costs, care must be taken to avoid double counting. For example, if a school building is financed from borrowed money, the total cost should include either the payment to the building contractor or the repayment of the borrowed money, but not both. Similarly, if a school district spends money for a school lunch program out of the food service fund and also transfers money from the general fund to the food service fund to help pay for the school lunch program, it should not count the transfer as an additional cost. Depending on the grouping being examined, a given expenditure can be a cost in one case but not in another. For example, if one looks at a single school district, payments by that district to other school districts are counted as costs, since they are not otherwise counted by that district. If, however, one looks at the total expenditures for all school districts in the state, it is necessary to subtract the inter - district transfers, or else the same cost would be reported by two different districts. There are many different ways in which costs can be assembled for various purposes. The following are the ones most often used in Wisconsin school districts:

*Current Educational Cost (CEC)* - This measure attempts to identify overall instructional and instructional support service costs attributable to district residents. It can generally be described as the cost of the district's General and Special Project funds, excluding transportation and facility acquisition expenditures, less inter - fund transfers and revenues for instructional services the district provides to non - resident pupils such as tuition receipts, CESA and cooperative agreements, and state inter - district integration aid.

*Gross Cost* - The sum of all non - duplicative expenditures and transfers out of a fund or a school district.

*Net Cost* - The gross cost of a fund or a school district minus costs paid for by certain receipts (typically federal aid, state categorical aid, and local non - tax receipts) of that fund or district.

*Primary Cost* - That portion of the shared cost which is within the primary cost ceiling, and in which the state shares using the primary guaranteed valuation per member.

*Secondary Cost* - That portion of the shared cost which is above the primary cost ceiling, but not more than the secondary cost ceiling, and in which the state shares using the secondary guaranteed valuation per member.

*Shared Cost* - The cost used as the basis for computing state general aid. This cost is funded by a combination of property taxes and state general aid. It is equivalent to the net cost of the general fund plus the net cost of the debt service fund.

*Tertiary Cost* - That portion of the shared cost which is above the secondary cost ceiling and in which the state shares using the tertiary guaranteed valuation per member.

*Total District Cost (TDC)* - This is the TEC plus food and community service costs. It should be noted that food and community service activities are usually funded with fees and other program revenue, requiring little or no property tax subsidy.

*Total Education Cost (TEC)* - This is the CEC plus transportation, expenditures for facility acquisitions charged to the General, Special Project, and Capital Expansion (Tax Levy Financed "Sinking") funds, and debt service principal and interest.

**County Children with Disabilities Education Board (CCDEB)** - A branch of county government that provides instructional and therapeutic services to handicapped pupils. (Also, see "IEA.")

**Course** - An organization of subject matter and related learning experiences provided for the instruction of pupils on a regular or systematic basis. Credit toward graduation or completion of a program of studies generally is given to pupils for the successful completion of a course.

**Day in Session** - A day on which the school is open and the pupils are under the guidance and direction of teachers. On some days, school may be closed and all pupils may be engaged in school activities outside school under the guidance and direction of teachers. Such days should be considered as days in session. Days on which the teaching facility is closed for such reasons as holidays, teachers' conventions, and inclement weather should not be considered as days in session.

**Debt Service** - Expenditures for the retirement of principal and payment of interest on debt.

**Department of Public Instruction (DPI)** - The state agency, headed by an elected state superintendent, charged with the supervision and guidance of elementary and secondary education in Wisconsin. (Also see "SEA.")

**Diploma** - A certificate conferred by a high school Board of Education or similar agency as official recognition for the completion of a program of studies or for other attainment.

**Disbursements** - Payments in cash.

**District Administrator** - A staff member who is the chief executive of a school district; a superintendent of schools.

**DPI** - The Department of Public Instruction. (Also see "SEA.")

**Elementary School** - See "School."

**Enrollment** - See "Pupil Count."

**Equalization** - (1) The process by which the Wisconsin Department of Revenue converts all local assessor - determined property values, by municipality, to a uniform level. (Also see "Property Valuation.") (2) The process of ensuring a minimum tax base (the guaranteed valuation) for the support of education for each pupil in Wisconsin, so that school districts which spend at the same level will tax at the same rate.

**Equalized Valuation** - See "Property Valuation"

**Expenditures** - Decreases in net financial resources, including current operating expenses which require the current or future use of net current assets, debt service and capital outlay.

**Fiscal Year** - A 12 - month accounting period at the end of which a school district determines its financial condition and the results of its operations and closes its books. Wisconsin school districts have a July 1 through June 30 fiscal year.

**Food Services** - Activities involved with the food service program of the school or local education agency (LEA). This service area includes the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities, including food for the elderly and food delivery.

**Full - Time Equivalency (FTE)** - The result of a computation that divides the amount of time for a less than full - time activity by the amount of time normally required in a corresponding full - time activity.

**Function** - A WUFAR account designation that categorizes a reason or purpose served by a particular expenditure or made possible by a particular receipt. See "WUFAR."

**GAAP** - Generally accepted accounting principles.

**GED Test** - General educational development test.

**General Aid** - State aid which is not limited to any specific program, purpose, or target population but which may be used in financing the general educational program as seen fit by the recipient district. (Also see "Categorical Aid.")

**General Educational Development (GED) Test** - An internationally recognized and norm test of academic attainment used primarily to determine the competency of an individual to deal with basic academic skills in writing, reading comprehension, mathematics, science, and social studies (Also see "High - School Equivalency.")

**Generally Accepted Accounting Principles (GAAP)** - Uniform minimum standards and guidelines to

financial accounting and reporting which govern the form and content of the basic financial statements in an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. GAAP for governments is based on standards established by the Governmental Accounting Standards Board (GASB).

**Graduate** - A person who has received formal recognition from the school authorities for completing a prescribed course of study.

**Gross Cost** - See "Cost."

**Guaranteed Valuation** - The minimum tax base provided for support of a pupil's education.

**High School** - See "School."

**High School Equivalency** - A program designed to ascertain the ability of an adult who has not graduated from high school to deal with academic material on the level of a high school graduate. If a person presents evidence of having met established criteria (such as completion of a GED or STEP test or accumulation of credits), the state superintendent may grant her or him an equivalency certificate.

**Home - Based Private Instruction** - A program of educational instruction provided to a child by the child's parent or guardian or by a person designated by the parent or guardian. An instructional program provided to members of more than one family unit does not constitute home - based private instruction. Although home - based instruction does not occur in a "school," as defined above, it may be substituted for school attendance under Statute 118.15(4) if it meets the requirements for private schools under Statute 118.165(1).

**Homebound Student** - A student who is unable to attend classes, as attested to by a licensed medical professional, and for whom instruction is provided at home by a teacher whose program of instruction is under the direction and control of the district.

**HVAC** - Heating, ventilating, and air conditioning.

**IEA** - An intermediate educational agency; in Wisconsin, a cooperative educational service agency (CESA) or county handicapped children's education board (CCDEB).

**Interscholastic Athletics** - Organized athletic activities engaged in by pupils specifically trained for such purposes with similarly trained pupils from other schools.

**Intramural Athletics** - Organized athletic activities engaged in by pupils of a school with other pupils from the same school. The intramural program may be an integral part of the physical education program or a distinctive program of its own; in either case, the program must be confined to a single

school.

**Junior High School** - See "School."

**Levy** - (*verb*)To impose taxes or special assessments. (*noun*)The total of taxes or special assessments imposed by a governmental unit.

**Levy Rate** - In property taxation, the amount of tax to be raised divided by the value of property to be taxed; often expressed in mills of the tax per dollar of property value, hence the term "mill rate." (Also see "Property Valuation.")

**License** - A document issued by the Department of Public Instruction granting authority and permission to practice in an education - related profession (for example, teacher, superintendent, librarian, school nurse) in the public schools.

**Local Educational Agency (LEA)** - In Wisconsin, a school district.

**Lottery Tax Credit** - See "Tax Credits."

**Management** - Those activities which have as their purpose the general direction, execution, and control of the affairs of an agency or an organizational unit within the agency.

**Membership** - See "Pupil Count."

**Middle School** - See "School."

**Milwaukee Parental School Choice** - Program for low - income families residing in the Milwaukee School District only, that allows students to attend, at no tuition charge, a participating private, religious or non - religious, school rather than the public school. The state pays those private schools (through checks to the parents that must be signed over to the school) the equalization aid that the Milwaukee Public Schools would have received for those students or the private school's cost per student, whichever is less.

**Municipality** - A town, village, or city. For some specially identified purposes in Wisconsin Statutes, the term also includes counties, school districts, etc.

**Net Cost** - See "Cost."

**Non - Public School** - A private school.

**Non - Revenue Receipts** - Amounts received which either incur an obligation that must be met at some



future date or change the form of an asset from property to cash and therefore decrease the amount and value of school property. Money received from loans, sale of bonds, sale of property purchased from capital funds, and proceeds from insurance adjustments constitute most of the non - revenue receipts.

**Object** - A WUFAR account designation that categorizes an article or service obtained from a specific expenditure. See "WUFAR."

**Parochial School** - See "School."

**Part - time Attendance** - Option whereby a private school or home based student attends classes at a public school. A maximum of two periods per day may be counted towards general aid membership. See "Pupil Count - General Aid Membership."

**Partial School Revenues** - The sum of state school aids and property taxes levied for school districts.

**Policy** - A governing principle, plan, or guide for a course of action.

**Primary Cost** - See "Cost."

**Principal** - A staff member performing the assigned activities of the administrative head of a school (not school district) and who has been delegated major responsibility for the coordination and direction of the activities of the school.

**Private School** - See "School."

**Professional** - A term denoting a level of knowledge and skills possessed by an individual or required of an individual to perform an assignment and which is attained through extensive education and training, usually a minimum of a baccalaureate degree or its equivalent obtained through special study or experience.

**Property Valuation** - The dollar value placed on land and buildings for purposes of administering property taxes. There are two commonly used methods of describing property valuation: assessed and equalized. Equalized valuation may either include or exclude a TIF increment.

*Assessed Valuation* - The property valuation determined by the municipal (city, village, town, or county) assessor as of January 1 in any given year. It is important that property of equal value be assessed at equal amounts, but it is not necessary that the amounts reflect the true sale value of the property. State law requires that total assessments within a municipality be within 10 percent of equalized valuation no less frequently than every five years.

*Assessment Ratio* - The ratio of assessed to equalized valuation.

*Equalized Valuation* - The assessed valuation multiplied by an adjustment factor computed by the Wisconsin Department of Revenue for each type of property in each taxing district, designed to cause each type of property to have comparable value regardless of local assessment practices. The objective is to have equalized valuation reflect the fair market value of each piece of property. (Fair Market Value- The value that would be agreed upon between a willing buyer and a willing seller in an "arm's length" transaction where neither is required to act.)

*Tax Incremental Finance (TIF) Increment* - The appreciation of equalized valuation of property within a TIF district above the base - level equalized valuation of the TIF district at the time it was created. Property taxes on the TIF increment which would normally go to school districts, counties, Technical College districts, and others, instead go to the municipality which created the TIF district to help that municipality pay for the cost of urban renewal within the TIF district.

**Public School** - See "School."

**Pupil** - An individual for whom instruction is provided in an educational program under the jurisdiction of a school, school system, or other educational institution. No distinction is made between the terms "student" and "pupil". A pupil may receive instruction in a school facility or in another location, such as at home or in a hospital. Instruction may be provided by direct pupil - teacher interaction or by some other approved medium, such as television, radio, telephone, and correspondence.

**Pupil Count** - One of the following methods of determining the number of pupils in a class, school, or school district. (Also see "School Census.")

*Attendance* - The number of pupils present for instruction on a given school day.

*Enrollment* - The number of pupils officially enrolled as eligible to attend class, whether such pupils are actually in attendance on that day or not, plus pupils enrolled in home bound instruction.

*Membership* - Resident enrollment adjusted for full time equivalency (FTE) as noted in the following groups:

- **Pre - School - Special Education:** Typically a self - contained 3 or 4 year - old Special Education program for special education pupils who are a minimum of age 3 on or prior to the membership count date. If the district does not offer a 4 - year old kindergarten program, then 4 - year old special education pupils would be counted here.
- **4 - Year Old Kindergarten (437 Hours):** The number of pupils present, age 4 on or before September 1, of the current school year, or admitted under s. 115.28(8) in a program that schedules at least 437 hours of direct pupil instruction, exclusive of Title 1 or Special Education time during the school year. The school may substitute 87.5 hours of the schedules 437 hours in

outreach activities.

- 4 - Year - Old Kindergarten/437 Hours plus at least 87.5 Hours of Outreach: The number of pupils present, age 4 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that schedules at least 437 hours of direct pupil instruction, plus at least 87.5 hours of outreach activities for a minimum total of 524.5 hours, exclusive of Title 1 time, during the school year. The school **CANNOT** substitute instructional time for outreach activities.
- 5 - Year Old Kindergarten/Half time program: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that schedules at least 437 hours of direct pupil instruction during the year. A program of this type usually meets for half a day every day but other configurations can be utilized.
- 5 - Year Old Kindergarten/3 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 3 full days each week, but less than 4 full days, for the entire school year.
- 5 - Year Old Kindergarten/4 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 4 full days each week, but less than 5 full days, for the entire school year.
- 5 - Year Old Kindergarten/5 Full days per week: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s. 120.12(25) in a program that meets at least 5 full days each week, for the entire school year.
- 5 - Year Old Kindergarten/Blended Program: The number of pupils present, age 5 on or before September 1, of the current school year, or admitted under s.120.12 (25) in a program that meets for the entire school year, but structurally varies from the first semester to the second semester.

**NOTE:** A full - day is one in which the length of the kindergarten class is the same length as the first graders of the district.

- Grades 1 - 12: The number of pupils present, age 6 on or before September 1, of the current school year, or admitted under s. 120.12(25) in grades 1 - 12. (Note: First grade pupils must be at least six years old on or prior to September 1 to be counted.)

*Average Daily Attendance (ADA)* - The aggregate days of attendance during a given reporting period (typically a school year) divided by the number of days school is in session during that period.

*Average Daily Membership (ADM)* - The aggregate days of membership during a given reporting period (typically a school year) divided by the number of days school is in session during that period.

*Summer ADM Equivalent* - The aggregate class minutes of membership for the summer session divided

by 48,600. (The value 48,600 represents the number of class minutes in a typical school year).

**General Aid Membership** - The average of membership on the third Friday in September and the second Friday in January, plus the prior year summer FTE, foster/group home equivalents and FTE for high school pupils attending part - time.

**Pupil/Staff Ratio** - The enrollment of a school district, as of a given date, divided by the total full - time equivalency of all staff assignments in the school system on the same date.

**Pupil/Teacher Ratio** - The enrollment of a school district, as of a given date, divided by the total full - time equivalency of classroom teaching assignments serving those pupils on the same date.

**Pupil Transportation Services** - Activities concerned with the conveyance of pupils to and from school as provided by state law.

**Purchased Services** - Services rendered by personnel who are not on the payroll of the district, including all related expenses covered by the contract.

**Refinance** - To pay off an old debt with newly borrowed money and thus incur a new debt.

**Receipts** - Cash received.

**Refund** - (*noun*) An account paid back or credit allowed because of an over collection or due to the return of an object sold. (*verb*) (1) To pay back or allow credit for an amount because of the return of an object sold. (2) To refinance.

**Requisition** - A written demand or request, usually from one department or its purchasing officer or to another department, for specified articles or services.

#### **Revenue Limit - Definitions.**

**(1)** "Number of pupils" means the number of pupils enrolled on 3rd Friday of September.

**(1m)** "Revenue" means the sum of state aid and the property tax levy.

**(2)** "State aid" means aid under ss. 121.08, 121.09, 121.10 and 121.105 and sub ch. VI, as calculated for the current school year on October 15 under s. 121.15(4), except that "state aid" excludes any additional aid that a school district receives as a result of ss.121.07(6)(e) and (7)(e) and 121.105(3) for school district consolidations that are effective on or after July 1, 1996, as determined by the department.

**Revenues** - Increases in fund balance from sources other than expenditure refunds, operating transfers out, debt proceeds, or operating transfers - in.

**School** - An administrative unit dedicated to and designed to impart skills and knowledge to students. A school is organized to efficiently deliver sequential instruction from one or more teachers. In most cases, but not always, a school is housed in one or more buildings. Also, multiple schools may be in one building. By statute, a home - based private educational program **is not a school**. Schools are described in the following ways:

1. **By Administration.** Generally based on who makes the decisions and pays the bills. These terms are in common use:

*Parochial School* - A private school operated by a religious organization or in which religious instruction is offered.

*Private School* - An institution with a private educational program that meets all of the criteria under Statute 118.165(1) or is determined to be a private school by the state superintendent under Statute 118.167.

*Public School* - A school operated by publicly elected or appointed school officials, in which the program and activities are under the control of those officials, and which is supported primarily through public funds.

2. **By Grade Level.**

*Elementary school* - A school which generally offers undifferentiated instruction to a self - contained class, usually involving grades not higher than eight.

*Middle school* - A school with a program designed specifically for the early adolescent learner, usually beginning with grade 5 or 6.

*Junior high school* - A school between the elementary - and high - school levels, usually offering at least some separate classes in different subjects and usually covering grades 7, 8, and 9.

*High school* - A school offering separate classes in different subjects and usually covering grades 9, 10, 11, and 12.

*Elementary/secondary combined school* - A school which generally offers instruction at all grade levels through grade 12 in one location due, in most cases, to the size of the district. Although offered at one location, instruction is differentiated as elementary, middle/junior high school, and high school.

3. **By School Type.**

*Regular school* - A regular school is a public elementary/ secondary school that does not focus primarily on vocation, special, or alternative education.

*Special education school* - A special education school is a public elementary/secondary school that:

- Focuses primarily on special education, including instruction for any of the following: hard of hearing, deaf, speech - impaired, health - impaired, orthopedically impaired, mentally impaired, seriously emotionally disturbed, multi - handicapped, visually handicapped, deaf and blind; and
- Adapts curriculum, materials, or instruction for students served.

*Vocational education school* - A vocational education school is a public elementary/secondary school that focuses primarily on vocational education, and provides education and training in one or more semi - skilled or technical operations.

*Alternative education school* - An alternative education school is a public elementary/education school that:

- Addresses the needs of students that typically cannot be met in a regular school;
- Provides non - traditional education;
- Serves as an adjunct to a regular school; or
- Falls outside of the categories of regular, special education, or vocational education.

*Charter school* - A charter school is a school operating under provisions of a contract with a local public school board as required under s.118.40, Wis. Stats.

**School Board** - The governing body of a school district, comprising 3, 5, 7, 9, or 11 publicly elected members. Wisconsin law permits four different methods of election.

*At large by district.*

- (a) A candidate may reside anywhere in the district.
- (b) He or she runs against all other candidates.
- (c) Everybody in the school district may vote for any candidate.
- (d) Those elected represent the entire district.

*At large by apportioned area.*

- (a) A candidate must reside in a particular designated area within the district, as determined by a plan of appointment under Statute 120.02(2).

(b) He or she runs against all other candidates from that area.

(c) Everybody in the school district may vote for any candidate.

(d) Those elected represent the entire district.

*At large by numbered seat.* Statute 120.42(1)(b) requires Madison to use this method.

(a) A candidate may reside anywhere in the district.

(b) He or she runs against all other candidates who have declared they are running for a particular numbered seat, as provided by Statute 120.02(4).

(c) Everybody in the school district may vote for any candidate.

(d) Those elected represent the entire district.

*By sub district.* Statute 119.08 requires Milwaukee to use this method for eight of its nine board seats. The remaining seat is elected at large by district.

(a) A candidate must reside in a particular sub district (a designated area within the school district, as determined by Statute 119.08).

(b) He or she runs against all other candidates from that sub district.

(c) Only residents of a sub district may vote for candidates from that sub district.

(d) Those elected represent their sub districts.

**School District** - A geographical area established for administering, financing, and determining attendance eligibility for elementary and/or secondary education. (Also see "LEA.") School districts may be categorized in many ways, two of which are of interest here:

(a) **By Scope.** Based on grades operated. The three permissible categories are; pre - kindergarten to Grade 12 (PK - 12); elementary (PK - 8); and union high school or UHS (9 - 12); the latter two categories share the same territory, with multiple elementary districts for each high - school district.

(b) **By Kind.** Based on method of governance:

*Common* - Budget is presented to, and tax levy is voted on, by an annual meeting of citizens, who also

have other more rarely used powers; however, the school board may subsequently alter the levy, and it makes most of the operating policy decisions. Covered in Subchapter I of Chapter 120 of the statutes.

*Union High* - Just like a common district, except it operates only Grades 9 - 12.

*Unified* - A structure in which all the duties and powers of the annual meeting are vested in the school board. Covered in Subchapter II of Chapter 120 of the statutes.

*First Class* - A structure applying only to the Milwaukee School District, which is coterminous with the City of Milwaukee, the state's only first class city, in which some fiscal authority and responsibility of the schools is vested in city officials; however, the school board has final authority to adopt a budget and set a tax levy. Covered in Chapter 119 of the statutes.

**School District Reorganization** - Any alteration, dissolution, consolidation, or creation of a school district. Chapter 117, Wi Stats.

**School Levy Tax Credit** - See "Tax Credits."

**School Lunch** - Any lunch served by a school, approximating the minimum nutritional standards of the US Department of Agriculture, regardless of who pays for it.

**School Plant** - The site, buildings, and equipment constituting the physical facilities used by a school.

**School Site** - Land owned and managed by a school or district, including all nonstructural components of the land, such as grading, drainage, drives, parking areas, walks, plantings, play courts, and play fields.

**School System** - All the schools and supporting services controlled by a school board or by any other organization which operates one or more schools.

**School Year** - The time commencing with July 1 and ending with the next succeeding June 30.

**SEA** - A state educational agency.

**Secondary Cost** - See "Cost."

**Secondary School** - See "School."

**Self - Contained Class** - A class having the same teacher or team of teachers for all or most of the daily session.

**Sequential Test of Educational Progress (STEP)** - A nationally recognized and norm test of educational attainment. (Also see "High School Equivalency.")



**Session** - The time during a school term that the schools of a school district are operated for the attendance of pupils.

**Shared Cost** - See "Cost."

**Small Pupil Transportation Vehicle** - A pupil transportation vehicle with a manufacturer's rated seating capacity of fewer than 12.

**State Educational Agency (SEA)** - In Wisconsin, the Department of Public Instruction

**Student** - A pupil.

**Student/Staff Ratio** - See "Pupil/staff ratio."

**Student/Teacher Ratio** - See "Pupil/teacher ratio."

**Summer ADM Equivalent** - See "Pupil Count."

**Superintendent of Schools** - A district administrator.

**Supervisors of Instruction** - School personnel who have been delegated the responsibility of assisting teachers in improving the learning situation and instructional methods.

**Support Staff** - A staff member who works under the direction of a professional staff member and assists that staff member, but who does not have full professional status (for example, a teacher's aide).

**System wide** - Activities which extend or apply to all of the schools in the local education agency (LEA) or to all of the schools in the LEA where activities apply.

**Tax Credits** - Programs designed to provide property tax relief.

*Lottery Credit* - The lottery property tax credit, created in 1991 Wisconsin Act 39, is a below - the - line property tax relief program; that is, it is shown on the individual property tax bill as a reduction from the gross tax which would otherwise have been paid on the taxpayer's principal residence. The lottery credit was applied to homeowners' property tax bills from 1991 through 1995. In October 1996 this credit was determined to be in violation of the state constitution's tax uniformity clause.

*School Levy Tax Credit* - The school levy tax credit, created in 1985, is a below - the - line property tax relief program; that is, it is shown on the individual property tax bill as a reduction from the gross tax which would otherwise have been paid. The amount of the school levy credit paid to a municipality is based on the municipality's share of a three - year average of the total statewide levy. Each

municipality's total credit is divided by the total value of the municipality's taxable property to determine a rate which is applied to the individual tax bill. The school levy credit applies to all taxable property.

**Taxes** - Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

**Teacher** - A licensed person employed to instruct pupils in a situation where the teacher and the pupils are in the presence of each other. This term is not applied to principals, librarians, or other instructional or support personnel.

**Teacher Aide** - A person who assists a teacher with routine activities associated with teaching, those activities requiring minor decisions regarding pupils (such as monitoring and conducting rote exercises), operating equipment, and clerking.

**Teacher - Training Institution** - A college or university recognized by the DPI for the training of teachers.

**Teacher's Contract** - The formal agreement, represented by a legal signed document entered into by a teacher and the officials of the school system, stating the salary and benefits to be paid the teacher, the length of term of the agreement, and the general duties to be performed by the teacher.

**Teaching Intern** - A person who instructs pupils without having fulfilled all the requirements for a professional in the teaching field. The person usually has a professional level of competencies in a field other than education and is allowed to teach while obtaining the necessary knowledge and skills in education and educational psychology.

**Team Teaching** - An organization for classroom instruction which involves two or more teachers who are jointly responsible for planning, instructing, and evaluating a given group of pupils at any instructional level or in a selected subject - matter area or combination of subject - matter areas. A teaching team may or may not include assistants.

**Technical College District** - A geographical area established for administration, financing, and determination of attendance eligibility for post - secondary vocational, technical, and adult education.

**Tertiary Cost** - See "Cost."

**TIF** - Tax incremental financing. See "Property Valuation."

**Transcript** - An official record of student performance showing all schoolwork completed at a given school and the final mark or other evaluation received in each portion of the instruction.

**Transfer** - (*verb*) To leave one class, grade, school, or district and move to another class, grade, school,

or district. (*noun*) (1) A pupil who transfers. (2) Payment of money from one fund to another within a school district or from one governmental unit (such as a school district) to another.

**Ungraded Class** - For reporting purposes, this definition is specific to private schools. A class which is not organized on the basis of grade and has no standard grade designation. This includes regular classes, special classes for exceptional students, and many adult/continuing - education classes. Such a class is likely to contain students of different ages who frequently are identified according to level of performance in one or more areas of instruction rather than according to grade level or age level.

**Ungraded School** - For reporting purposes, this definition is specific to private schools. A school which has no grade designations or grade - level standards. In such a school, pupils are reclassified frequently according to individual progress. Aspects of subject matter taught are designed for the various abilities of individual pupils. Frequently, provision is made for independent study and research by pupils as well as for permissive self - selection of problems and materials. Achievement standards vary with the rate of learning for different pupils, and pupil achievement can occur at any time.

**Voucher** - A document which authorizes the payment of money and usually indicates the accounts to be charged.

**Wisconsin Technical College System** - A system of technical colleges which enables eligible person to acquire the occupational skills training necessary for full participation in the work force and to enable participants to obtain the knowledge and skills necessary for employment at a technical, paraprofessional, skilled or semiskilled occupation.

**Withdrawal** - An individual who has left a class, grade, or school by transferring, completing school work, dropping out or because of death.

**WTCS** - Wisconsin Technical College System.

**Wisconsin Uniform Financial Accounting Requirement (WUFAR)** - A system of classification of financial transactions using uniform definitions and code numbers, as prescribed by the DPI for school districts under Statute 115.28 (13).

*For questions about this information, contact [dpifin@dpi.wi.gov](mailto:dpifin@dpi.wi.gov) (608) 267-9114*

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