

# OPPORTUNITIES IN MICHIGAN'S STATE BUDGET: ADVANCING EQUITY IN PUBLIC EDUCATION



Brief on FY2017-18 Executive School Aid Budget Recommendation

BY SUNIL JOY

In little more than a decade, Michigan has gone from a fairly average state to the bottom ten states for key subjects on the national assessment.

It's a devastating fall.

Over the coming months, the state has an important opportunity for change in the crafting of the Fiscal Year 2017-18 state budget. The roughly \$14 billion school aid budget is the primary source of public school funding in Michigan.

To be clear, money alone will not necessarily produce dramatically better teaching and learning, especially if that money simply maintains the status quo. However, money invested in transformative, systematic changes has produced extraordinary improvement for student learning in leading states like Massachusetts. Likewise, it's important that our most vulnerable students get the adequate dollars they need to be successful.

Lawmakers and advocates alike will be debating the governor's budget recommendations along with their own ideas for investing in Michigan's public education system.

In this brief, we highlight and analyze key areas of the governor's recommendations that advocates and state leaders should watch out for in the upcoming fiscal year:

## FAIR AND ADEQUATE SCHOOL FUNDING

In exchange for greater accountability for schools and educators, Massachusetts leaders committed to greater funding for its schools—particularly those that were high-poverty. Unfortunately, we know that Michigan is among the most inequitable states when it comes to funding inequities between high-poverty and low-poverty districts nationwide.<sup>i</sup>

The governor's recommendation includes an increase of \$128 million for schools, which amounts to about \$50-100 per student. The recommendation also includes \$22 million for high schools operations, as these schools often have higher costs that elementary schools typically wouldn't incur.

In a smart cost-saving effort, online cyber schools are recommended to receive 20 percent less in per-pupil funding. Previously, these schools received similar funding levels as brick-and-mortar schools, even though online schools have little to no building costs.

In addition, the governor recommends a \$7 million investment for districts that have declining enrollments. Because funding is based on the number of students enrolled in each school, many districts—particularly high-poverty districts like Detroit or Benton Harbor—struggle to fill budgetary short-falls due to rapidly declining enrollment numbers.

Lastly, the governor's budget recommends a significant increase in funds dedicated to addressing the additional needs of low-income and low-performing students—also known as “at-risk” funding. The \$150 million increase brings total funding for at-risk students to over a half billion dollars. In a similar light, due to upcoming reductions in federal grant dollars for high-poverty students, a proposed supplemental budget is being planned to fill these holes.

These proposed funding increases—particularly for our most vulnerable students—are a positive step for Michigan's public school students. We recommend that these investment recommendations be included in the state's final budget.

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## IMPROVING EARLY LITERACY

Research supports that the first few years of life are vital in a child's development. In fact, by the time a child enters kindergarten, we already see massive gaps in vocabulary between low-income and high-income students. Research also shows that a child's ability to read by third grade is an important predictor of whether that student will drop out of school, find regular employment or even end up incarcerated.

The governor's budget recommendation includes \$26.9 million for early literacy efforts statewide. This is about \$2 million greater than the current fiscal year.

While we don't oppose additional dollars for early literacy initiatives, it's also important that these dollars are spent efficiently and on the right strategies. We know that the state has had no real system of tracking early literacy dollars in the past, making it impossible to know whether these dollars truly made an impact. This needs to change moving forward.

## STRONG LEADERS & EXCELLENT TEACHERS

While there are a number of factors that are outside of the control of schools, research consistently shows that teaching quality is the number one in-school predictor of student success.

The state legislature took an important step forward when they passed a comprehensive set of reforms in 2015 to provide honest evaluation and support to educators—critical for improving instructional practice.

The governor's budget includes \$7 million to provide training to educators and administrators around implementing educator evaluations. It is essential that this training is both high-quality and comprehensive. The state should also track the implementation of educator evaluation efforts and whether these efforts have truly moved the ball for student learning.

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<sup>i</sup> Natasha Ushomirsky and David Williams, "Funding Gaps 2015," (Washington, D.C.: The Education Trust, March 25, 2015). <http://edtrust.org/resource/funding-gaps-2015/>

## IMPROVING LOW-PERFORMING SCHOOLS

When a school is not serving its students well, it is important that the district undergo a comprehensive needs assessment to address root causes. In the end, these schools should be setup for long-term success.

The governor's budget proposes \$3 million for partnerships between the Michigan Department of Education (MDE) and struggling school districts to support improvement. In addition, the budget recommendation maintains the \$5 million allocation for the state school reform office (SRO)—the office created a few years ago to intervene in the state's worst performing schools.

School or district improvement is hard work and it is critical that these dollars are closely monitored to ensure that low-performers are actually seeing results.

## HONEST STATE ASSESSMENTS

Quality assessments provide critical feedback to educators on the impact of their student learning and let parents know if their child is on track. They also ensure that *all* students—including our most vulnerable—are being held up to the same high expectations statewide.

Created with the input of thousands of experts and educators over multiple years, Michigan's adoption of the M-STEP assessment has for the first time provided a truly honest portrait of college- and career-readiness for Michigan students.

In recent months, plans have been revealed to drop the M-STEP assessment entirely. The executive budget recommendation also includes language that may one day lead to dropping the M-STEP as well. We urge that as the budget process continues, no budget changes be made that could eliminate the current administration of M-STEP.



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