

# Recovery School District: Detroit Experience

Governmental Research Association  
July 26, 2016

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# Background

## Setting the Stage for the EAA

# Chasing Federal Funds

- 2009 - as part of state's Race to the Top application, created State School Reform/Redesign District (SRD) in MI Dept. of Education
  - Establish new accountability system, including Top-to-Bottom ranking
  - State Reform Officer (SRO) tasked with identifying and turning around lowest performing 5% of schools (priority schools)
  - Working with SRO, schools must write reform plans to improve
  - Under the law, districts that don't make progress are placed in SRD
- 2010 – First cohort of schools identified and developed plans
- Michigan did not receive federal dollars and legislature did not provide funds to support SRO

# Detroit Public Schools Crisis

- Detroit Public Schools – dual crisis
  - History of deficits going back to 1980s
  - Poor performing schools (lowest performance on NAEP)
- Policy response – state takeover
- 2009 – Gov. Granholm appoints emergency manager for DPS
  - EM assumes role and powers of local board and superintendent
  - EM tasked with addressing financial problems
- 2011 – Law change gives EM power over money and academics
  - Also, districts with EM are exempt from SRO oversight

# Governor Snyder's Education Message

- November 2010 – Republican Rick Snyder elected governor with Republican majorities in both chambers of the Legislature
- April 2011 – Governor's education message
  - Expand charter schools and online education
  - Change teacher employment policies (tenure, evaluation)
  - Disrupt current model - "Any Time, Any Place, Any Way, Any Pace"
- Number of Governor's priorities enacted
  - Notably absent, new policy to address low performing schools
  - This would come with establishment of Education Achievement System

# Education Achievement Authority

# Legal Basis

- Education Achievement Authority (EAA) is not created in state law
- Instead, created through an inter-local agreement between DPS and Eastern Michigan University in 2011
- At same time, Education Achievement System announced
  - Charged with operating lowest performing 5% of schools, starting with DPS schools before expanding statewide
- Powers of State Reform District transferred to EAA in late 2011
  - As a result, EAA had exclusive authority to act as State Reform District
- Bottom line: tenuous legal basis

# General Powers

- Appointed Board and Executive Committee (appointed by governor)
- All powers and authority of school district
- No authority to takeover schools
  - Schools assigned to EAA via: 1) placement by local district, or 2) newly created schools
  - 15 low-performing Detroit schools assigned to EAA by EM (beginning 2012-13)
- Authorize charter schools
  - Converted three DPS schools to charter schools
- Expansion plan – start with low-performing schools in Detroit and then expand statewide



# Operations

- John Covington appointed Chancellor in 2011
- Initial planning year (2011-12); operations began in fall 2012
- Directly managed 12 schools; 3 schools charter-managed
- Planning year financed by private funds (no state assistance)
- Operations financed with per-pupil funds, separate from DPS
  - Lease payment for use of DPS buildings
  - However, free of operating debt service payments (\$800 per pupil)
- Non-union teachers employed, few from DPS and many TFA

# Key Developments

- February 2014, State Reform District terminates transfer agreement with EAA (effective February 2015)
  - Authority for low-performing goes back to State Reform District
- March 2015, State Reform District transferred from Dept. of Ed. to Dept. of Management and Budget
  - State Reform Officer now direct-report to governor
- February 2016, EMU votes to cut ties with EAA
  - Internal pressure from College of Education
  - Under agreement, schools operate through 2016-17 school year
  - Leaves door open for another party to create new inter-local agreement
- June 2016, DPS reform legislation cuts ties with EAA

# Where do things stand?

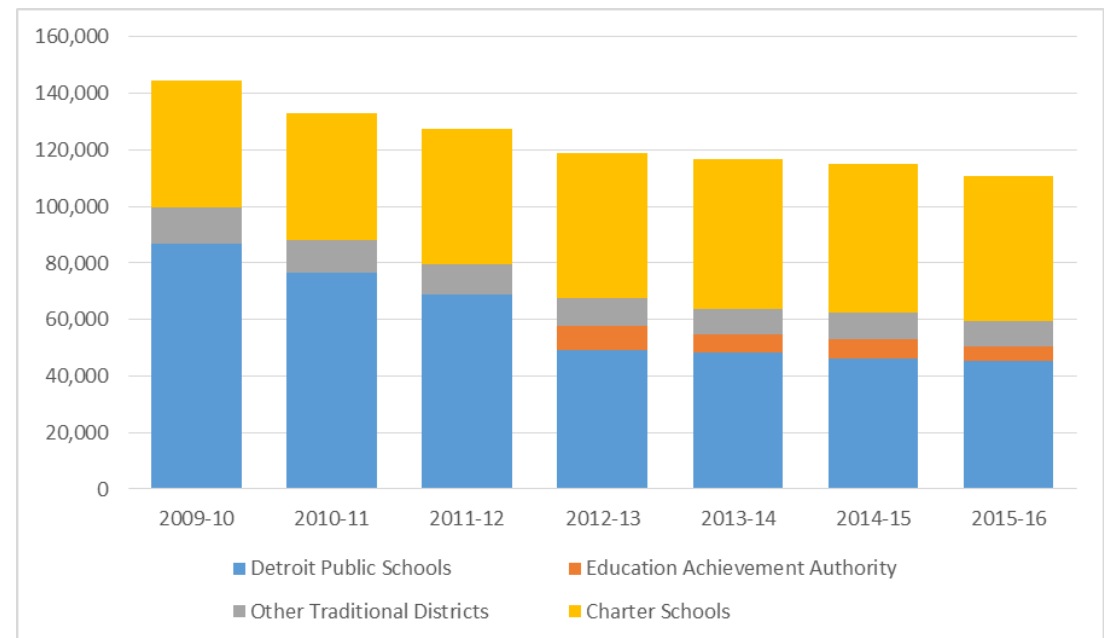
- EAA will be terminated on July 1, 2017
  - Schools likely to return to DPS, but students may not
- DPS legislation – financial, governance, and accountability reforms
  - Return district to local control (with state oversight)
  - New “A-F” accountability system for all schools in Detroit
- June 2016, State Reform Officer exercises “CEO option” – third option for state takeover (emergency manager and EAA)
  - Acts as emergency manager for academics to implement 1 of 4 intervention models

# Assessment

# A Highly Competitive Market

- Detroit market is shrinking, but # of schools increasing
- EAA competes against DPS, charters, and suburban schools
  - 233 districts enroll at least one Detroit resident student
- No “traffic cop” and no centralized services in Detroit
- Nearly all operating funding is tied to student enrollment

Resident Public School Student Enrollment by District Type



# Inability to Overcome Key Challenges

- Financial problems
  - No public money for start-up costs
  - Operating budgets hit by declining enrollment
- Accountability
  - Never gained public buy-in
  - Low test scores and poor student achievement
- Public perception
  - Viewed as another state takeover of DPS
  - Lack of transparency – financial and governance
- Legal uncertainty
  - Never codified in state law

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