



Education Reform in Michigan

Elk Rapids Rotary

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Citizens Research Council

- Founded in 1916
- Statewide
- Non-partisan
- Private not-for-profit
- Promotes sound policy for state and local governments through factual research – accurate, independent and objective
- Relies on charitable contributions of Michigan foundations, businesses, and individuals
- *www.crcmich.org*



“Our dilemma is that we hate change and love it at the same time; what we really want is for things to remain the same but to get better.”

--Sydney Harris



Education Reform in Michigan

It is not a question of whether we should reform K-12 in Michigan. Reform is happening at a rapid rate. Education reform is being driven by:

- Budget pressures
- Dissatisfaction with outcomes
- Technological changes
- Political factors

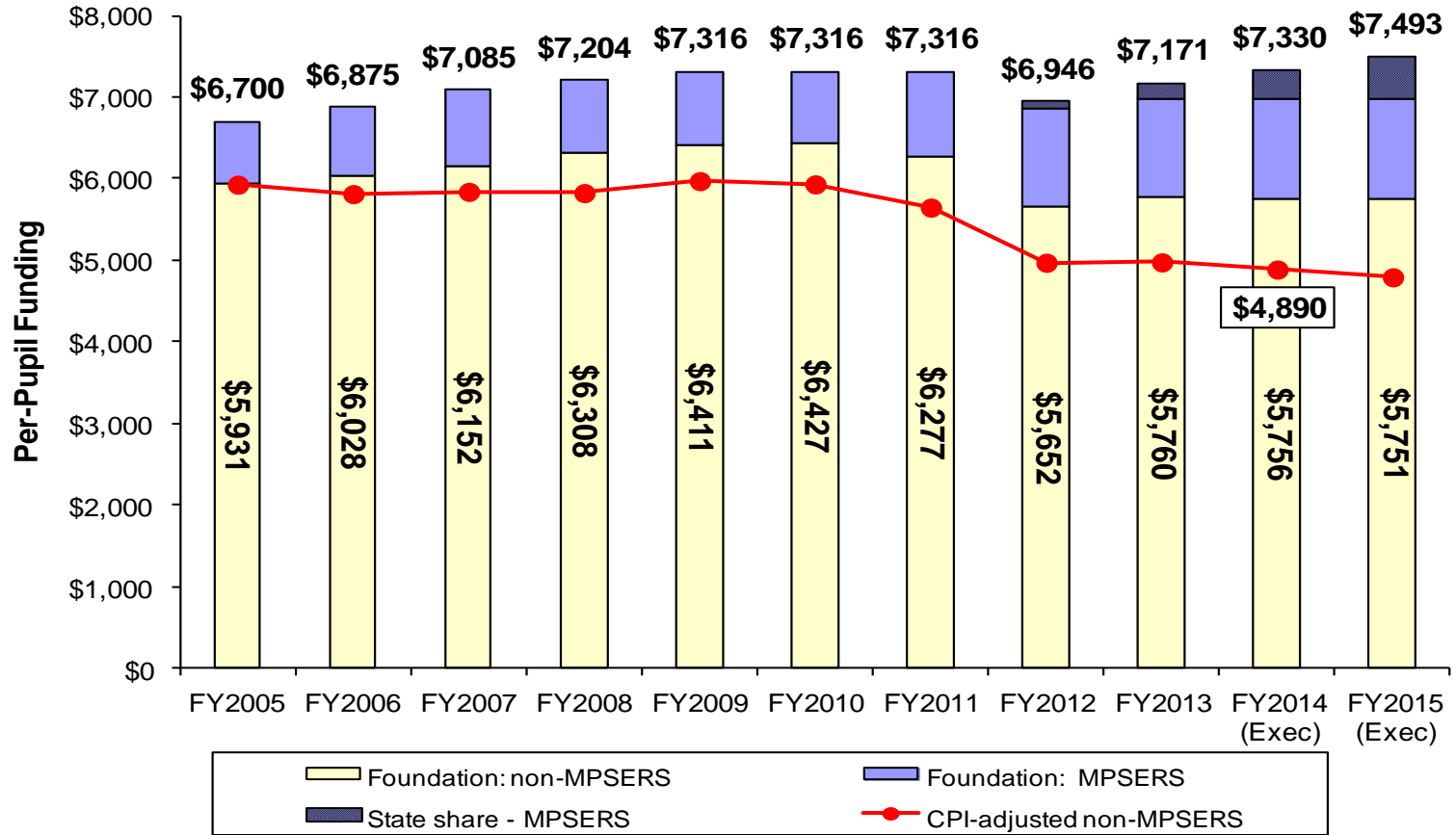
K-12 Budget Pressures

- CIT replacement of MBT did not include replacement revenues for SAF (Tax changes lowered SAF revenues ~ \$650 million per year)
- \$400 million of SAF revenues now supporting community colleges and universities
- Increasing retirement costs weigh on traditional districts; recent reforms will help
- Declining enrollment – a mixed blessing; funding higher per pupil, but managing declining enrollment difficult



MPSERS Costs and the Foundation Grant

Estimated impact on districts receiving minimum grant





Dissatisfaction With Outcomes Nationally

- America's investment in public education was one of the great success stories of the 20th Century
- However, feeling that national progress has stalled goes back to the 1980s. *Nation at Risk* notes that U.S. education system was failing to meet needs for a competitive workforce.
- Concern that U.S. is falling behind other countries in test performance, educational attainment, worker productivity, etc.
- Obama administration initiated the Race to the Top (R2T) to spur innovation and reforms in state and local districts

Dissatisfaction With Outcomes in Michigan

- Gov. Snyder noted the following in Special Message on Education:
 - Less than 50% of students proficient in writing in grades 4 and 7
 - In NAEP testing: 4th grade math 39th; 4th grade reading 34th; 8th grade math 37th; 8th grade reading 33rd
 - Only 16% of students deemed college ready across all subjects
- The results in some districts are abysmal (e.g. Detroit set record low on national NAEP for 4th and 8th graders in 2009)
- There are legitimates criticisms of many of the statistics used to cite poor education performance in Michigan, but there is also clearly the feeling we could do better



Education Reform in Michigan

- This presentation will discuss the following school reforms:
 - School Choice
 - Charter Schools
 - Priority Schools
 - Education Achievement Authority
 - Teacher Evaluation Reforms (MCEE)
 - Personalized Learning
 - Oxford Foundation School Aid Fund Rewrite



School Choice

- 1996 legislation made it easier for school districts to accept school of choice students
- Districts are not required to accept school of choice students
- Cannot grant or refuse based on religion, race, or athletic ability. Special ed needs cannot be taken into account if moving within ISD
- Get lesser of own foundation allowance or host district
- This change in state law altered what had been a major tenet of public education: pupils attended their resident districts

Charter Schools

- Charter schools are known as Public School Academies (PSAs) in Michigan – enabling legislation was passed in 1993
- PSAs are semi-autonomous public schools – operate under a charter authorized by a public body and meet the same accountability standards as traditional schools but have freedom from some regulations
- PSAs are seen as both a way to provide parents and students with more choices and provide opportunities for innovation



Charter School Demographics

	<u>TPS</u>	<u>Charters</u>
Number Districts	549	256
Number Schools	3,579	297
Total Enrollment	1,507,621	110,904
Greater Detroit	6%	49%
Students in Poverty	43%	70%
White Students	73%	33%
Black Students	17%	57%
Special Education Students	11%	9%



Do PSA's Have a Financial Advantage?

- Provided with a per pupil foundation grant
- Cannot levy taxes – buildings and facilities paid for with operating dollars
- Can issue bonds but cannot pledge full faith and credit of state or authorizing body
- PSA that is not part of a traditional district does not have to participate in MPSERS
- Does not have to provide every grade (i.e., can be K-5 or K-8)
- Share of special education students had been much smaller in charters but is now approaching traditional districts



Public Acts 129, 232, and 277 of 2012

- Phase-in elimination of cap on number of PSAs
- PSA authorized by school district no longer has to be covered by district's collective bargaining agreement
- Phase-in change in limit on cyber schools from 2 to 15
- Maximum number of cyber school pupils from 1,000 to 10,000
- Each cyber school offer family computer and subsidize internet access
- Property occupied by a PSA exempted from the 18 mill school operating tax



Provisions Discussed but Not Enacted

- Allow parental conversion to charter if in lowest 5% of schools (SB 619)
- Require districts to lease buildings to converted schools for \$1 (SB 619)
- Expand list of PSA authorizers to include things like employers offering a school for their employees and allow students to be picked selectively (HB 5923 – did not move out of committee)



What is the Performance of Charters? Results of CREDO Study

- CREDO estimates performance of charters by matching students who don't attend charters with those who do on all observable demographic characteristics
- Findings:
 - 35% of charter schools have bigger gains in reading than TPS with 2% worse
 - 42% of charters have bigger gains in math than TPS peers and 6% worse
 - On average charter school students gain an additional 2 months of schooling over their TPS counterparts; 3 months for charters in Detroit

Charter School Criticisms

- CREDO study criticized by National Education Policy Center that although findings were statistically significant actual difference academic growth by school type identified by study was so small it was not meaningful
- While students may be matched demographically in study, risk of selection bias
- Charters have an unfair cost advantage due to teaching lower grades, no MPERS participation, lower special education population, etc.
- Negative impact on students remaining in traditional districts due to charters skimming best students or cheapest students



40% of Detroit Students Are not Attending DPS

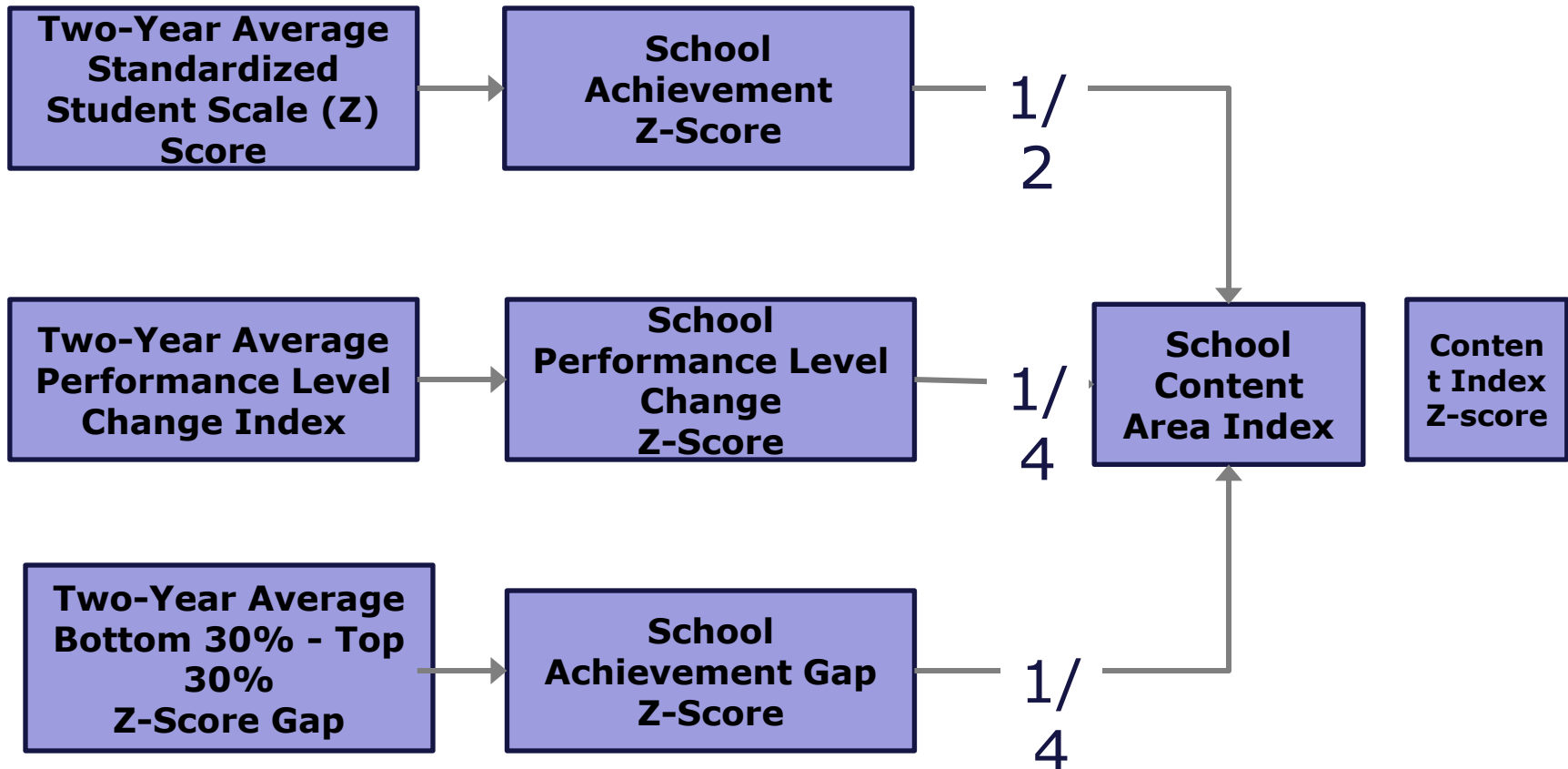
	<u>FY 2003</u>		<u>FY 2010</u>	
Attending Detroit Public Schools	156,127	82%	86,470	60%
Attending Other Traditional Pub. Schools	7,770	4%	12,929	9%
Attending Charter Schools	<u>27,506</u>	14%	<u>45,036</u>	31%
Total	191,403		144,435	

Priority Schools

- “Priority Schools” are those schools in the bottom 5% of MDE’s top-to-bottom list
- Priority Schools replaced the prior Persistently Low Achieving school designation
- Priority schools required to develop and implement a reform/design plan based on 1 of 4 intervention models
- If priority schools do not turn around successfully, the plan is to make them part of the EAA



How Is the Top to Bottom Ranking Calculated



Source: Michigan Department of Education. Z-score is the school's score less the statewide average of the score with this difference divided by the statewide standard deviation of state scores.



Turn Around Models

1. Transformation Model –

- a. Replace principal
- b. Implement comprehensive instruction reform
- c. Extend learning and teacher planning time and create community oriented schools
- d. Provide operational flexibility and support

2. Turnaround Model

- a. Similar to transformation model but also
- b. Replace at least 50% of staff (plus principal)
- c. Adopt new governance structure
- d. Implement new or revised instructional program



Turn Around Models

3. Restart Model

- a. Districts close school and reopen under management of a charter operator, charter management organization, or educational management organization
- b. Required to enroll any former student who wants to attend

4. Close/Consolidate Model

- a. District closes school and enrolls the students who attended that school in other high-achieving schools in district



Education Achievement Authority

- Designed to be a statewide school system that assumes operation of the lowest 5 percent of performing schools if they are not achieving satisfactory results on a reform plan or that are under an emergency manager
- Currently, EAA established through an inter-local agreement between Eastern Michigan University and DPS; currently 15 schools – 12 managed by EAA; 3 are charters managed by an education service provider. Approximately 10,000 pupils are in the EAA



HB 6004 of Last Session (not enacted)

- Would codify the EAA into state law
- Creates statewide district known as the “reform district”
- District is supposed to provide “innovative, flexible, transparent, efficient, and effective public education services throughout the state... and to improve learning environments and student achievement”
- Governed by a 7 member board – 5 appointed by the Governor and 2 selected by Governor from list supplied by House Speaker and Senate Majority Leader
- Schools put in when student achievement, as measured on state tests, fell within the lowest 5% of Michigan schools for 3 straight years



HB 6004 of Last Session (not enacted)

- Other provisions in bill:
 - Statewide inventory of unused school buildings that can be leased or sold to other education entities (H3) (applies to district with at least one building in reform district)
 - Collective bargaining contracts cancelled when school enters district; employees would not accrue seniority rights in the school district, nor would they accrue creditable service under MPERS
 - Can stay out of district if meet a number of criteria related to reform model in good faith including firing the principal and replacing at least 50% of staff, increased learning time and meets certain financial benchmarks



Criticisms of EAA Plan

- Loss of local control over local schools
- State control over local school buildings purchased with local tax dollars
- Possible that EAA schools may be opted out of statewide accountability standards
- No history of success – EAA is new
- Suspension of collective bargaining

- Note: since EAA plan is still draft legislation rather than state law, it is not clear what provisions would be included if the EAA were enacted



Michigan Council for Educator Effectiveness

- Established as part of teacher tenure reform efforts (PA 102 of 2011)
- Will submit to the State Board of Education a report that recommends all of the following:
 - A student growth and assessment tool
 - A state evaluation tool for teachers
 - A state evaluation tool for school administrators
 - Changes to requirements for a professional teaching certificate
 - A process for evaluating and approving local evaluation tools
- Pilot program in place; four teacher observation tools being piloted in 14 districts
- Recommendations expected by June of 2013.

What is Personalized Learning?

- **Personalized Learning** is the tailoring of pedagogy, curriculum and learning environments to meet the needs and aspirations of individual learners.
- Similar in concept to the **Individualized Education Program** (IEP) currently used in special education. IEPs are aimed at tailoring an education program allowing special education students to meet their full potential
- Advances in technology may enable personalized learning to be offered to all Michigan students



Personalized Learning Concepts

- **Blended Learning** – combines face to face learning with learning done on the computer
- Personalized learning can potentially allow students to access curriculum customized for their interests and to move at their own pace speeding through topics they learn easily and spending more time on topics they struggle with; provides teachers with better formative assessments
- May fundamentally change the way some classes look; may move some learning off campus to community colleges, or some other learning center, or to home



Challenges in Implementation

- Teachers are not taught to teach this way
- Wealthier districts have students that have access to technology and wealthy districts will have an easier time raising funds to implement – could increase the education gap between rich and poor
- Schools will need help in creating spaces that support personalized learning and figuring out how to integrate technology into their learning processes – particularly since technology evolves rapidly
- Proponents of personalized learning often envision many providers of education services besides traditional schools how do you ensure the quality of new entrants?



Online Education

- Online education is a subset of personalized learning and it is increasing rapidly
- An estimated 5% of K-12 students nationwide are enrolled full-time in online or blended learning programs
- There is at least one student enrolled in an online course in just over half of all public school districts and numbers are growing rapidly
- Online programs can be supplementary to traditional approaches or in place of traditional approaches



So Does it Work?

- Virtual learning is new and there is not a lot of research yet
- It has been around longer for higher education, but college students and K-12 students are not the same
- Difficulty doing apples to apples comparisons – sometimes the online students are spending more time on the subject, sometimes the online programs are aimed at remediation, fully online and blended programs are not the same and need to be evaluated separately
- Bottom line is that we do not know; However with rapid advances in technology the use of online and blended programs will inevitably increase



Examples of Online Programs in Michigan

- **Oakland ISD Virtual Learning Academy** – tuition free virtual K-8 public school offered to students in Genesee, Lapeer, Livingston, Oakland, Washtenaw, and Wayne Counties (uses Calvert a home school provider)
- **Ed Trek** – Holt Public Schools alternative education program for students who are behind; primarily online based but with a high teacher student ratio
- **Michigan Virtual University**– Offers over 150 online courses to schools. Served 500 districts and 20,000 students this past year
- **Michigan Community College Virtual Learning Collaborative** – Michigan community colleges collaborating to make their online offerings available to students at other community colleges



Oxford Foundation School Aid Rewrite

- The **Michigan Education Finance Project** is drafting a school aid rewrite aimed at meeting goals laid out by Governor Snyder in his special message on education:
- *Proposing a new – Any Time, Any Place, Any Way, Any Pace public school learning model.*
- *Performance-based funding rather than seat time requirements.*
- *Michigan’s state foundation allowance should not be exclusively tied to the school district a child attends. Instead, funding needs to follow the student.*
- Rewrite basically would reserve a portion of the foundation allowance for record keeping in the host district and allow the rest to be split to follow the student if they used an alternative provider



Rewrite Benefits and Risks

- Rewrite would greatly enhance the flexibility of funding and support a more diverse set of providers and enhance student choice, but:
- School districts are already under significant fiscal strain
- Pricing is challenging to say the least:
 - What is the cost of host district functions such as record keeping and extra curricular activities?
 - Should all grades cost the same amount?
 - Should all subjects cost the same amount?
 - Should all students cost the same amount?
 - Incorrect pricing allows for profit providers to seek out situations where they can provider a cheaper class or serve cheaper students earning a profit and leaving host districts with the more expensive population
- 35 How can you allow choice but also control the quality of entrants and keep out shady operators?

Concluding Thoughts

- A wide variety of political philosophies and motivation are driving reform
- Rapid technological innovations will also push some reforms
- School districts are struggling to adapt to rapid change in an era of declining resources
- Reduced resources may offset the benefits of other reforms. For example, teaching improvements resulting from evaluation reform may be offset by larger class sizes; will make it harder to evaluate success or failures of reform



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