November 5, 2012

The Honorable Rick Snyder
Governor of Michigan
P.O. Box 30013
Lansing, Michigan 48909

Dear Governor Snyder,

As you gather input and work to rewrite the School Aid Act, we recognize that the task you are considering is great, with tremendous consequences for children and our state as a whole. As superintendents representing 217,000 children, we know firsthand the importance of providing quality public education and the impact this has on our communities.

Given that, we submit the attached on behalf of the Oakland County Superintendents Association (OCSA) for your consideration. The School Aid Act addresses a number of programs, including early childhood, special education services, and "at-risk" pupil funding, in addition to the K-12 foundation allowance. These systems are woven together through our schools to ensure children receive a seamless education with the support they need. It is this seamless system that ensures children have the best chance of success in school and beyond.

We welcome the opportunity to work with you further on this. If you have any questions, please feel free to contact any of us.

Sincerely,

[Signature]
Dr. George Heitsch, Superintendent of Avondale School District and President of the Oakland County Superintendents Association

[Signature]
Dr. William Pearson, Superintendent of South Lyon Community Schools and Chairman of the OCSA Legislative Action Committee

[Signature]
Dr. Vickie Markavitch, Superintendent of Oakland Schools

CC: Oxford Foundation - Richard McClellen
Oxford Foundation - Peter Ruddell
Representative Bill Rogers, Chair, House K-12 Appropriations Subcommittee
Senator Howard Walker, Chair, Senate K-12 Appropriations Subcommittee

(ENCLOSURE)
Oakland County Superintendents Association (OCSA) Input On Governor Snyder’s Proposed Rewrite of Michigan’s School Aid Act

“The whole people must take upon themselves the education of the whole people and be willing to bear the expenses of it. There should not be a district of one mile square, without a school in it, not founded by a charitable individual, but maintained at the public expense of the people themselves.” - John Adams, 1785

“Democracy cannot succeed unless those who express their choice are prepared to choose wisely. The real safeguard of democracy, therefore, is education.” Franklin D. Roosevelt, 1938

Clearly, public education and democracy are inextricably linked in the United States ... and should be! Community-governed, public schools work because they are governed and driven by the wishes of the voters. Who better than the local community to know what is best for their schools?

Governor Snyder has announced his intention to rewrite the School Aid Act and has hired the private Oxford group to provide input to him on that rewrite. Knowing the importance of public education in our country and the value of our community governed schools, the Oakland County Superintendents Association (OCSA) is submitting the following comments to the Governor for consideration in that effort.

Local control and reform
Local control should be preserved whenever possible. In fact, recent research¹ points to public education’s role in democracy and that local control must be preserved. Further, there is very little evidence that specific types of reforms required in the new laws are effective methods at improving education. Reform needs to be research-based and peer-reviewed. Investment in early education is a clear example of well researched intervention and prevention (see below).

Governor Snyder talks about the pace of reforms happening in “dog years.” This has certainly been the case. Over the last two years, Lansing has passed dozens of reforms that are just now being implemented. Many changes are still not completely in place. Research also shows that the confusion caused by this upheaval will only hurt our kids² if we aren’t cautious. It is better to get these changes right, than to make them happen fast. We must give them time to be implemented and yield results. With this data we will know what is working, and can ensure our actions lead to improvement.

Choice
Governor Snyder’s plan would allow for any Michigan student to attend any district in the state. The law already allows local districts to make their own decisions about how to best manage taxpayer resources. Our districts are steeped in the wishes of the community and driven by voters, parents and business leaders. These communities understand the unique needs of our students and are committed to the success of all children.

Governor Snyder’s plan might allow each parent to have a coupon or a credit card system to pay for their children’s education cost. This idea smack of vouchers even if called by another name. It is a way to get public dollars into the hands of out-of-state, for-profit companies and their Wall Street investors. Further, new legislation from the same people working for the Governor on the School Aid rewrite proposes to allow the school to be the “chooser,” selectively enrolling only the smartest children and denying access to children that do not meet their exclusive requirements. This is NOT about parent choice, but ensuring those for-profit companies can weed out the children who need additional assistance and are thus unprofitable.

Finally, if policymakers are serious about this funding system and the concept of choice, Lansing must ensure that the education choices parents and students have are of the highest quality. Nowhere is the need for increased quality³ standards more pressing than in the new laws that uncap charter and cyber
schools. Strict standards of quality, accountability and transparency must be placed on all providers of education services. Authorizers and education management companies should only be allowed to charter new schools if they can show a track record of success in the schools they already run here and in other states.

**Cyber schools**
If the Governor is committed to applying market principles to our education system, reforms can not give one vendor or type of school a competitive advantage over local districts. The seat time waiver law needs to be changed to give local districts the same opportunities that cyber schools now have as was part of the legislative deal surrounding passage of the cyber charter school legislation this session.

Given that cyber schools are still an unproven education delivery system, slow and thoughtful reform, based on peer-reviewed research, is the best course going forward. Online and blended learning can be a positive change, but they must be subject to strong accountability and transparency standards to ensure quality programming and overall student achievement are the number one goals, NOT profits for out-of-state companies.

**At-risk students**
As we address overall funding, we must also account for the additional needs recognized and faced by "at-risk" children, and adequacy must be addressed! The history of funding for Michigan's "at risk" students tells a story of neglect for high poverty areas. School Aid Section 31a appropriations have remained flat for the last 10 years, while the number of eligible "at risk" students increased by 50% from approximately 420,700 to more than 631,000. As a result, the effect is a prorated reduction of "at risk" pupil funding from approximately $747 per pupil to less than $490 per "at risk" pupil. This is a reduction of 34 percent! The state must address this very real funding need.

**Special Education**
Gov. Snyder has said that his rewrite of school funding will not involve special education. This is a mistake and will continue the inadequate funding for children with disabilities. More than one in 10 (13.3%) Michigan students have an IEP. Federal dollars including Medicaid, local special education millages, and state foundation funding only cover approximately 70% of the cost of special education requirements, leaving the remainder to be absorbed by cash-strapped school districts. When applied to the 1.5 million students statewide, the underfunding of special education amounts to approximately $825 million per year.

The impact of this underfunding on community-governed public schools is exacerbated by the higher concentration of students with disabilities at these schools resulting from charter schools taking on fewer students with disabilities in some districts. Further, the students with disabilities that do go to charters have less severe disabilities, and that leaves an even larger cost for the community-governed public schools that take ALL children regardless of disability. Policymakers need to take a hard look at how charter schools are delivering special education service.

**Early Childhood**
Early education is another critical element of improving academic achievement for all of our students. We know from the research that early education provides more bang for the buck. Investments in quality early education programs results in savings of $16.14 for every $1 invested. But not all eligible children have access to quality programs like the Great Start Readiness Program as there are not enough slots funded. Efforts to support early education must improve access to those currently excluded and maintain quality programing. This additional support should not come at the detriment of cash-strapped schools.
**Personal Property Tax and the Proposal A funding structure**

Oakland County school districts are concerned about the disparate impact that elimination of the Personal Property Tax could have unless full replacement revenue is provided to each entity. Full replacement revenue must be the objective. Bad taxes should be reformed, but not at the expense of our kids’ futures.

Further, beyond just the revenue from the Personal Property Tax, it has been almost 20 years since Proposal A was passed. Much of that promise was eroded through the removal of General Fund support to schools. Schools are languishing as the issues of adequacy and equity have yet to be addressed.

**Equity and adequacy**

Thus far the efforts to rewrite school funding have not analyzed whether the amount Michigan provides in education funding is adequate to bring all students to the career and college ready level. Indeed, Proposal A and the budgets Governor Snyder has signed aim to eventually provide every school district with exactly the same foundation funding level per pupil. And while we agree that equity is important, it means little if that equal support is not enough support. Adequacy must also be addressed. The recent and crushing loss of property tax values has decimated special education and career focused education millage revenue. How will Governor Snyder address this critical need in terms of both overall funding and funding for career focused and special education?

It is time for a thoughtful look at the revenue structure and whether public education is being adequately funded. We hope that the Governor begins a careful look at those issues leading to action in the next legislative session.

1http://nepc.colorado.edu/newsletter/2012/10/democracy-left-behind
2http://nepc.colorado.edu/newsletter/2012/09/democratic-school-turnarounds
3http://www.mlive.com/education/index.ssf/2012/10/guest_column_charter_school_bi.html
6http://www.highscope.org/Content.asp?ContentId=219