

More money is needed to boost Michigan student achievement

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Inside Michigan's schools, there's a divide. Half the public school students in the state are considered economically disadvantaged.

It's a designation that doesn't bode well for their academic outcomes.

By fourth-grade, students from middle-class and affluent families are twice as likely as their low-income counterparts to pass the state assessment in reading and math. By high school and college, the disparity only gets worse.

The achievement gap between low- and middle-income students has been documented for decades and is arguably the most persistent issue in American education. But despite a host of reforms unrolled in recent years - the expansion of school choice, high-stakes testing, teacher evaluations - Michigan has been unable to close the gap.

Educators say a new direction is needed -- and a lot of it boils down to money.

They're pushing to redesign how Michigan funds its schools to focus more deeply on the needs of each student. In short, that means more dollars for children who need the most help, such as those who live in poverty, have a limited grasp of the English language or require special education services.

"There's a growing consensus now among the specialists, the researchers in this field that money clearly matters," said David Arsen, a professor at Michigan State University's College of Education. "It's very, very important in raising student achievement."

Redesigning school funding

Pick a school district in Michigan.

It doesn't matter if it's in Flint, Grand Rapids or suburban Oakland County.

Look inside a school there, and chances are you'll see students from all walks of life, each with their own unique needs, challenges and learning style.

Yet, the vast majority of state funding doesn't take those differences into account.

The biggest pot of money provided to schools - the per-pupil foundation grant - is distributed evenly to all children, regardless of whether they're from affluent families, live in poverty, or struggle to speak English.

Changing that is the top recommendation of a study commissioned by the School Finance Research Collaborative, a coalition of educators, nonprofits and philanthropic groups. The study examined what it costs to provide an education where all students have the resources needed to meet Michigan's state academic standards. That includes small class sizes, more tutoring and specialized instruction, and access to school counselors, social workers and after-school programs.

It found that the base cost of educating a student who does not live in poverty or require other special services is \$9,590. From there, the cost rises depending on student need.

- Students from low income families cost an additional \$3,356 per pupil.
- Students with a limited grasp of English cost between \$3,356 and \$6,713 more per pupil to educate.
- Students with disabilities cost between \$6,713 and \$11,028 more per pupil depending on the level of services needed.
- The base cost of educating a student varies depending on school size. Moderate- to very-small districts cost between \$364 and \$1,892 more per-pupil to operate than large districts. That's because schools with fewer students are less able to take advantage of economies of scale.

Last school year, average per-pupil revenue in Michigan totaled \$9,910, a figure that includes state, federal and local sources, according to the Michigan Department of Education.

"Different children come with different needs, and those different needs have different costs," said Kalamazoo Public Schools Superintendent Michael Rice.

"The map below shows per pupil spending by state. It differs with the per pupil revenue figure collected by MDE, because it includes more categories, such as capital expenses."

Funding needs

Inside Westwood Middle School in Grand Rapids, Mary Jo Tibbets has seen first-hand what those different needs look like.



Eighty-eight percent of the children in her school come from low-income families and about a third are English-language learners. And by the time many of them make it to Tibbets' classroom - where she teaches eighth-grade English language arts - some are on-track and exceeding expectations, but a significant number are behind.

"I have many at the first and second grade level," she said. "Every classroom, it doesn't matter if it's science or social studies or math, if you're reading at a first-grade level, it's like putting me in a calculus class when I can't even do multiplication."

The reasons behind the academic struggles faced by low-income students are well documented. It can start early, with less stimulation at home and parents who are less savvy in promoting academic success. There also is a growing body of research showing the stress of childhood poverty can have a measurable impact on brain function, hurting cognitive, social and emotional development.

Those challenges are reflected in state test scores.

Nearly half of Michigan's eighth-graders from middle-class and affluent families passed the state assessment in math last school year.

For children from low-income families, the number was significantly lower. Just one out of every six students passed.

The challenges faced by other student groups were even more stark. Fourteen percent of English-language learners passed the exam, while 5.6 percent of students with disabilities were proficient.

By the time students get to high school, those disparities often remain.

Eleventh-graders from middle-class and affluent families are almost three times more likely to test as "college ready" on the SAT than low-income students.

Inside her classroom at Westwood, Tibbets says she and her colleagues work hard to close such gaps, and she's proud of their work. But if she had her way, she would have more classroom support to give further one-on-one attention to the students who need it most.

One example: A co-teacher.

That, Tibbets says, would help her tailor instruction - in a classroom where children have vastly different reading levels - to fit each student's need.

"I've got kids that read at a first-grade level, and I have kids that read at a 12th-grade level," she said. "It's really difficult as a teacher to navigate that because I have to meet the needs of everyone and try to differentiate my instruction."

Travel 40 miles north of Grand Rapids to rural Newaygo County, and you'll still hear about the challenges of inadequate funding.

But there, at Newaygo Public Schools, the greatest need isn't smaller class sizes or more tutors - it's mental health and counseling services, says superintendent Peggy Mathis.

At her district, where almost two-thirds of the population is economically disadvantaged, some students suffer from problems like abuse, neglect or substance abuse. It can result in students who act out in class or struggle to cope with their emotions - issues that need to be addressed to ensure that students are ready to learn, Mathis said.

"If all we had to do is teach them to read and write and do math, then we would be all set," she said. "Unfortunately, that's not all we have to do."

The challenge: Her district - which has 1,574 students - only has enough funding for one high school counselor and one behavioral interventionist shared between two elementary schools, Mathis says.

Oftentimes, that means students aren't getting the help they need, she says.

"I think of it as pay now or pay later," she said. "We either pay now and support them and get them the skills to be successful or they end up on public assistance or with addiction issues. It's much easier to help them now."

If the funding was available, Mathis says she would like to have a counselor and social worker in each of Newaygo's four schools.

"Then our principals could actually be educational leaders," she said. "Because right now, they do a lot of that work."

Even districts with significantly fewer low-income students say they still see a need for a greater investment in education.

At Western School District in Jackson County - where 37 percent of students are low-income - Superintendent Mike Smajda wants to help his teachers improve by hiring instructional coaches for each of his district's six schools.

The coaches would provide ongoing feedback and support for teachers, helping analyze student performance data and offering strategies and suggestions to help boost student outcomes, he said.

Doing so would be pricey, Smajda says, and there's currently not money in the budget to do so. But he would like to see greater state investment to help make the idea a reality.

"If you improve teachers, and their teaching ability and skill, that's going to get passed down to their students," he said.

How we got here

To see how Michigan's school funding system ended up where it is now, look back to 1994.

That's when voters passed Proposal A, a measure that created a state education tax and largely eliminated the use of local property taxes to fund schools. The idea was to lessen the tax burden on property owners and make funding more equitable by eliminating the disparities between districts in rich and poor communities.

And over the years, as lawmakers provided bigger increases to poorer district, that gap has narrowed - though it does remain.

In 1995, for example, the gap between the highest- and lowest-funded districts was \$2,300 per

pupil.

Today, it's significantly smaller.

The highest funded districts get \$8,289 per pupil, while those at the low end get \$7,631 - a gap of \$658 per pupil.

Moving forward, educators say providing equitable funding remains an important goal. But equally crucial, they say, is creating a funding formula that recognizes the individual needs of all students.

"We don't have a formula right now. What we have is an incrementally adjusted left over from a tax reform in 1994," said Bob Moore, a deputy superintendent at Oakland Schools and member of the School Finance Research Collaborative.

Michigan, in recent years, has provided more funding based on need.

The Legislature approved a significant increase for at-risk students, as well as additional dollars for English-language learners and high schoolers, who cost more to educate because of expensive lab equipment and other expenses.

And this year, Gov. Rick Snyder is pushing for a \$240 per-pupil increase to the lowest funded districts - the largest increase in 15 years.

Educators have applauded those increases.

But members of the School Finance Research Collaborative are hopeful the next governor and a new batch of lawmakers elected in November will push for a more comprehensive overhaul of how Michigan's schools are funded.

Ron Koehler, assistant superintendent at Kent Intermediate School District and a member of the collaborative, said he recognizes the change will take time.

"But we must take these results and work with them as we discuss with our parents, our communities and our policy makers what we want and need for our children," he said, referring to the recommendation in the study.

Two current members of the Michigan Legislature who help set the state school aid budget say they see merit in the study's recommendations, but they're not completely sold on the idea.

"I could see a revamp of how we fund students," said Rep. Tim Kelly, R-Saginaw Township. "I would tailor it to be more individualized."

But Kelly, who chairs the House Education Reform Committee, is skeptical of the claim that more funding is needed to improve student outcomes.

He questions, for instance, why Michigan's academic performance has fallen or remained flat on state and national assessments in recent years, while - during that same time frame - the state has increased its investment in education.

"They want more money to do more of the same," he said. "So, it becomes 'more and louder' not better spent or dealing with inequality."

The study doesn't prescribe specific uses for the additional funding.

But Moore, the assistant superintendent of Oakland Schools who serves as a member of the collaborative, says his group isn't asking for a blank check.

He says "strings" should be attached to the funding to ensure it's being used to deliver evidence-based strategies, such as lowering class sizes, and hiring high-quality teachers, tutors and social workers.

"We need the evidence-based practices to be implemented so we are sure we're going to get those kids to improve their student performance," he said.

Sen. Goeff Hansen, R-Hart, who chairs the Senate Appropriations Subcommittee on school aid, said the study provides a good template for a long-term goal, but there's a lot of discussion to be had on the issue of redesigning how schools are funded.

Plus, there's the reality that there's not unlimited dollars in the state budget.

"It is a big lift," he said. "We spend the dollars that we have every year and try to do the best we can with them."

Looking forward, though, educators say change is needed to push Michigan forward.

"Simply adding more money does not necessarily improve student achievement," said Rice, the Kalamazoo superintendent. "But if you add money in research-based areas, you are going to drive higher student achievement."

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