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**What's Driving  
Michigan's Education  
Performance?**

*September 30, 2014*

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Council of Michigan Foundations  
Education Matters: Student Achievement  
For Life-Long Success

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## Michigan's Education Performance is Slipping

- 4<sup>th</sup> grade math NAEP: from 19<sup>th</sup> in 1992 to 42<sup>nd</sup> in 2013
- 4<sup>th</sup> grade reading NAEP: from 21<sup>st</sup> in 1992 to 38<sup>th</sup> in 2012

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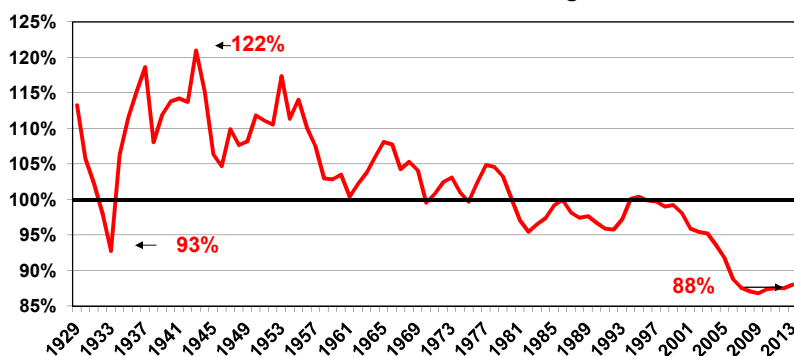
## Why should we worry?

- Manufacturing no longer the easy path to the middle class
- New jobs require higher educational attainment
- Workforce is shrinking as population ages

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## Michigan No Longer Outperforms its Educational Attainment

Michigan per Capita Income as a Percent of U.S. Per Capita Income  
2001: 22<sup>nd</sup>; 2009: 39<sup>th</sup>; 2013 36<sup>th</sup> highest



4 Source: PSC calculations from Bureau of Economic Analysis data.

## Likely Candidates for Michigan's Performance Decline

- **Fiscal pressure** on schools – combined with enrollment declines
- **Falling incomes** in Michigan
- Decline in **teacher experience**

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## Michigan Slips Down National Rankings on K–12 Spending

Per Pupil K–12 Expenditures in Constant 2013 Dollars

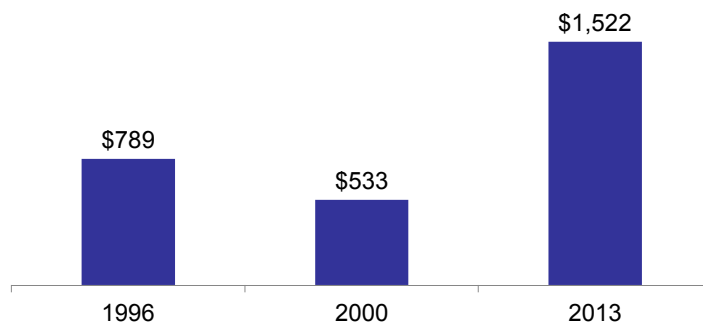
| Year | Michigan | U.S.   | MI % of U.S. | MI Rank   |
|------|----------|--------|--------------|-----------|
| 1995 | 10,075   | 8,441  | 119%         | 9         |
| 2000 | 11,083   | 9,446  | 117%         | 10        |
| 2009 | 11,179   | 11,359 | 98%          | 24        |
| 2011 | 11,068   | 11,153 | 99%          | <b>25</b> |

SOURCE: National Center for Education Statistics  
[https://nces.ed.gov/programs/digest/d13/tables/dt13\\_236.65.asp](https://nces.ed.gov/programs/digest/d13/tables/dt13_236.65.asp)

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## Per Pupil Retirement Costs Triple

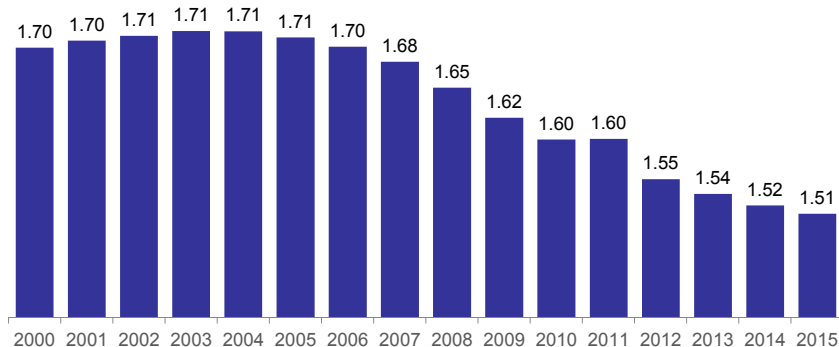
Michigan Public School Employee Retirement System  
Per Pupil Employer Contributions (2013\$)



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## Enrollment Drops Pressure District Budgets

Number of Pupils (millions)



SOURCE: Senate Fiscal Agency, FY 2015 total is the estimate from the FY 2015 Executive Budget.

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## Urban/High Minority Districts See Massive Enrollment Drops

| District Name                | Enrollment       |                  | % Change     |
|------------------------------|------------------|------------------|--------------|
|                              | Fall 95          | Fall 13          |              |
| Detroit City Schools         | 163,140          | 48,147           | -70.5%       |
| Flint City School Dist.      | 25,011           | 7,104            | -71.6%       |
| Grand Rapids Public Sch.     | 25,851           | 15,983           | -38.2%       |
| Saginaw City School District | 13,095           | 7,167            | -45.3%       |
| Pontiac City School District | 12,520           | 4,420            | -64.7%       |
| Lansing Public Schools       | 19,732           | 11,936           | -39.5%       |
| Southfield Public Schools    | 9,217            | 7,015            | -23.9%       |
| Benton Harbor Area Schools   | 6,160            | 2,668            | -56.7%       |
| Kalamazoo Public             | 12,233           | 12,457           | 1.8%         |
| <b>Total For Michigan</b>    | <b>1,607,296</b> | <b>1,516,370</b> | <b>-5.7%</b> |

SOURCE: MDE Headcount data and PSC calculations.

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## Michigan Income Falls

### Per Capita Income (2013\$)

| State    | 1996<br>Income | 1996<br>Rank     | 2000<br>Income | 2000<br>Rank     | 2013<br>Income | 2013<br>Rank     |
|----------|----------------|------------------|----------------|------------------|----------------|------------------|
| Michigan | \$36,645       | 19 <sup>th</sup> | \$40,605       | 19 <sup>th</sup> | \$39,215       | 36 <sup>th</sup> |
| National | \$36,687       | -                | \$41,379       | -                | \$44,543       | -                |

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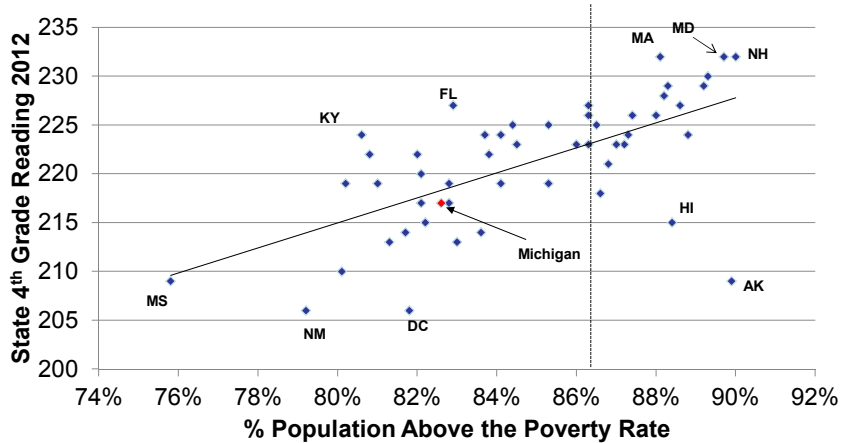
## Michigan's Poverty Rate Climbs

| State    | 1996 Poverty | 1996 Rank        | 2000 Poverty | 2000 Rank        | 2012 Poverty | 2013 Rank        |
|----------|--------------|------------------|--------------|------------------|--------------|------------------|
| Michigan | 11.7%        | 25 <sup>th</sup> | 9.9%         | 22 <sup>nd</sup> | 17.4%        | 37 <sup>th</sup> |
| National | 13.8%        | -                | 11.5%        | -                | 15.9%        | -                |

Note: a rank of 1 means a state has the lowest poverty rate, while a rank of 51 means a state had the highest poverty rate.

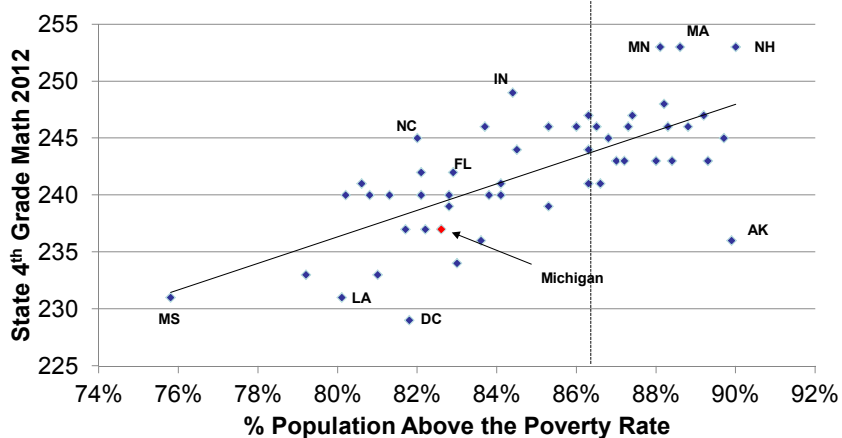
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## Poverty and Reading NAEP Highly Correlated



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## Poverty and Math NAEP Highly Correlated



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## Michigan Teacher Experience Declines

Percent of Michigan Teachers with  
More than 20 Years Experience

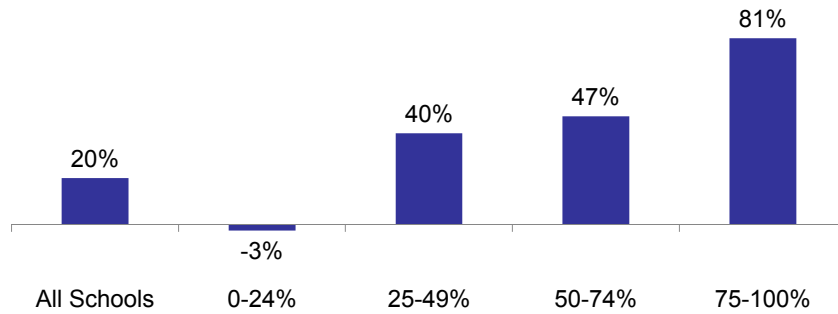
| State    | 1994<br>% with<br>20+ | 1994<br>Rank | 2000<br>% with<br>20+ | 2000<br>Rank | 2012<br>% with<br>20+ | 2012<br>Rank |
|----------|-----------------------|--------------|-----------------------|--------------|-----------------------|--------------|
| Michigan | 42%                   | 3            | 31%                   | 19           | 19%                   | 39           |
| National | 30%                   | -            | 30%                   | -            | 21%                   | -            |

SOURCE: National Center for Education Statistics.

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## Income Achievement Gap Appears to Narrow

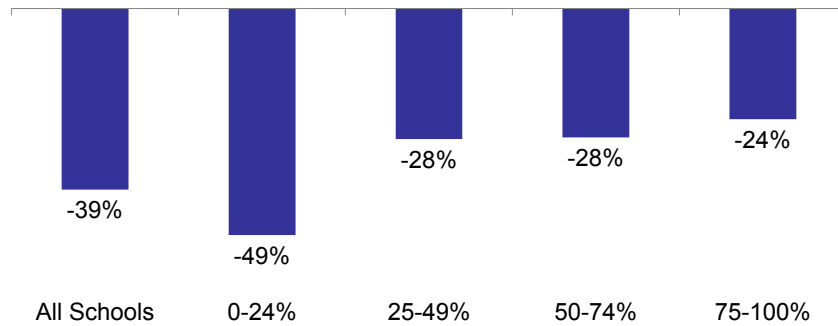
**% Change in 4<sup>th</sup> Grade Reading MEAP Proficiency  
By Free/Reduced Lunch % of School:  
1999-00 to 2013-14**



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## Income Achievement Gap Appears to Narrow

**% Change in 4<sup>th</sup> Grade Math MEAP Proficiency  
By Free/Reduced Lunch % of School:  
1999-00 to 2013-14**

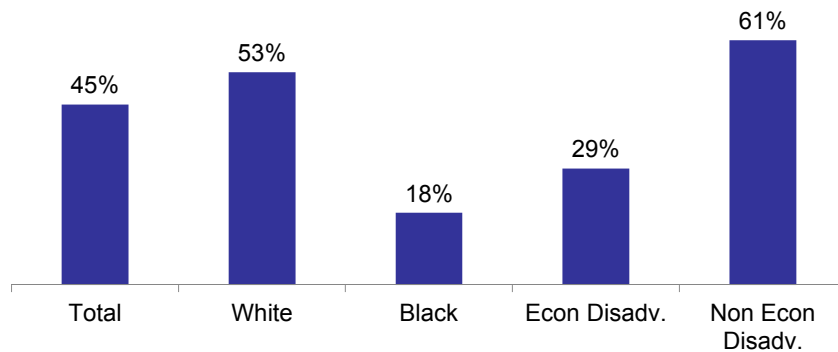


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## But Large Gaps Persist

**% 4<sup>th</sup> Grade Math MEAP Proficiency  
2013-14**



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## Other Potential Causes of Michigan's Performance Slide

Thoughts?

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## What State Policy Levers Could Michigan Pull?

Falling income levels and increased poverty put downward pressure on education outcomes, but they do not determine our destiny.

Where should state policymakers direct their focus?

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## Finance Questions

- Should we increase the allotment for at-risk children?
- Should districts be allowed to raise local funds to supplement state money?
- How should aid formulas adjust for declining enrollment?
- Does the state need to spend more money overall?

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## Teacher Quality Questions

- How can we attract, retain, and support the best and brightest as teachers?
- How can we improve teacher preparation and professional development?
- How do we fairly evaluate teacher performance?
- How can we assign the most effective teachers to where they can add the most value?

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## Standards and Accountability

- Do we stick with the Common Core?
- How do we improve implementation?
- How can you evaluate schools fairly?
- Can we develop broader measures of school quality than ones that simply rely on test scores?

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## Early Childhood

- Where should Michigan invest to ensure that at risk students arrive at kindergarten on track and ready to succeed?

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## Governance

- What is the proper role and authority of MDE, the state board, ISDs, districts and local boards, and principals?
- Who should have open and close authority for charters and traditional districts?

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## Technology

- Are there ways to leverage technology to improve student performance?

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## Levers for Improving Michigan Education

What else?

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