



STATE OF MICHIGAN

DEPARTMENT OF HUMAN SERVICES
LANSING

RICK SNYDER
GOVERNOR

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February 20, 2014

The Honorable Bruce Caswell, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, Michigan 48933

The Honorable Peter MacGregor, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator Caswell and Representative MacGregor:

This report is provided pursuant to the Department of Human Services' (DHS') Fiscal Year 2014 Appropriations Act, PA 59 of 2013, Article X, Section 710 (3). This section requires that DHS submit a report on the findings of a workgroup in conjunction with members from the Department of Education, the House and Senate Appropriations subcommittees on the DHS budget, and the House and Senate Appropriations subcommittees on the Michigan Department of Education (MDE) budget to study the feasibility of a public school academy providing a residential program including lodging, meals, and other essential wraparound services for at-risk youth.

DHS convened a workgroup as described in the requirement that included representatives from DHS, MDE, House and Senate Appropriations Subcommittees on DHS and MDE, and private child caring institutions. The workgroup convened five meetings that commenced on September 16, 2013, and concluded with a final meeting on January 15, 2014.

As a means to study the specific aspects of the feasibility of a public school academy, the workgroup broke into several subcommittees to evaluate the components required by Section 710 and reviewed a similar public school academy model Pathways Global Institutes, Pathways Global Leadership Academy (PGLA) Residential Plan located in Southfield, Michigan. The PGLA Residential Plan provided a general outline of a proposed model that would begin implementation with a population of approximately 230 students in grades K-5, with a plan for expansion to higher grade levels over time. The workgroup's study included specific assessment of the following:

(a) Eligibility Requirements

MDE uses a specific definition of "at-risk" as a pupil for whom the district has documentation that the pupil meets at least 2 of the following criteria: is a victim of child abuse or neglect; is below grade level in English language arts or mathematics; is a pregnant teenager or teenage

parent; is eligible for a federal free or reduced-price lunch subsidy; has atypical behavior or attendance patterns; or has a family history of school failure, incarceration, or substance abuse. The term has a different, yet relevant definition in the realm of child welfare and juvenile justice. Examples include youth with adjudicated abuse, neglect, or juvenile justice cases, household income at the federal poverty level or some multiplier of it (e.g. 200 percent of the federal poverty level) and youth achieving below grade level and geographic considerations. Although the workgroup was not charged with designing a specific public academy model, it did support the inclusion of a comprehensive set of definitions and eligibility requirements that are not isolated to just education or human services domains.

(b) Service Needs

The workgroup determined minimally, services to be provided should include lodging, meals, and other wraparound services including but not limited to academic advisors and counseling services that would have the capacity to address a myriad of concerns enrolled youth may be facing such as adjustment to a residential educational environment, emotional distress, depression, culture, lifestyle, sexual identity/orientation and conflict resolution.

(c) Anticipated Costs/Possible Fund Sources

The PGLA model reviewed by the workgroup suggested that a budget of approximately \$2.7 million would be appropriate to fund a class of 230 students for one year. However, the material that summarized the PGLA model did not offer a clearly defined model that was inclusive of specific eligibility for students, types of educational programming, services offered and necessary administrative costs.

The workgroup did identify several potential fund sources. Title I-A, Title II-A, State School Aid, DHS Food Assistance Program and private or foundation funds. However, in order to complete a thorough assessment of the extent to which these fund sources could be leveraged, it is necessary for the intended model to be further developed because most, if not all, of the potential fund sources identified by the workgroup have specific eligibility requirements tied to utilization of the funds.

(d) Metrics and Data Needed to Determine a Successful Program

The workgroup asserted that the determination of a successful program would be reliant on available data that correlates to the type of services offered as well as child-centric outcome measures such as the MEAP, graduation rates, work-ready status and the ability to enter semi-skilled professions.

(e) Potential Increases in Student Achievement

The workgroup asserted that in order to determine potential increases in student achievement it is first necessary to identify the underlying program design and services delivered by the academy.

The workgroup charged with this study has determined that in order to appropriately evaluate the feasibility of a residential public school academy, it is necessary for the programs design to be further defined so that funding mechanisms can be fully addressed. Without this definition, the workgroup cannot determine the extent to which potential federal fund sources may be utilized to offset the need for state general funds to initiate and sustain the residential public school

academy. Therefore, it is determined at this time the concept of a residential public school academy is not feasible.

If you have any questions, please contact Bernell L. Wiggins, acting deputy director, Children's Services Administration, at (517) 373-3985.

Sincerely,



Susan Kangas
Chief Financial Officer

cc: Senate and House Appropriations Subcommittees on DHS
Senate and House Appropriations Subcommittees on MDE