



# RACE TO THE TOP II

## ACCELERATE MICHIGAN

Section F

Michigan's  
Students

Michigan's  
Future

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Lansing, MI 48933  
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**(F) State Reform Conditions Criteria**

**(F)(1) Making education funding a priority**

The extent to which—

- (i) The percentage of the total revenues available to the State (as defined in this notice) that were used to support elementary, secondary, and public higher education for FY 2009 was greater than or equal to the percentage of the total revenues available to the State (as defined in this notice) that were used to support elementary, secondary, and public higher education for FY 2008; and
- (ii) The State’s policies lead to equitable funding (a) between high-need LEAs (as defined in this notice) and other LEAs, and (b) within LEAs, between high-poverty schools (as defined in this notice) and other schools.

*In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State’s success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.*

Evidence for (F)(1)(i):

Financial data to show whether and to what extent expenditures, as a percentage of the total revenues available to the State (as defined in this notice), increased, decreased, or remained the same.

Evidence for (F)(1)(ii):

Any supporting evidence the State believes will be helpful to peer reviewers.

**(F)(1) Making education funding a priority**

**(F)(1)(i) Percentage of available revenues used to support education for FY2009 compared with the percentage for FY2008**

	<b>FY2008</b>	<b>FY2009</b>
Level of state support for elementary, secondary and public higher education	\$13,534,559,765	\$13,000,204,587
Total revenues available to the state	\$30,439,826,239	\$27,573,314,658
Percentage of education spending to total revenues	44.47%	47.15%

Michigan continues to make education funding a priority at a time when the state is experiencing significant cuts. The State spent over 2.5 percent more on education in FY2009 than in FY2008. “Total revenues available to the State” was defined as state general purpose and state restricted revenues, as those terms are used in preparing the statutorily required annual report of state spending to local units of government required under Michigan Compiled Laws, MCL 18.1350e. This definition excludes federal and local revenues.

“Level of state support for elementary, secondary and public higher education” includes state-funded expenditures for the Michigan Department of Education; school aid, public colleges and universities, including capital outlay; and student financial aid.

**(F)(1)(ii)(a) Extent to which State’s policies lead to equitable funding between high-need LEAs and other LEAs.**

**Primary Operations Funding Formula**

The state funding policy ensures that high-need LEAs receive equitable funding because there are specific accommodations made for LEAs with low property taxable values. First, all LEAs are paid a per-pupil foundation allowance for general operations. Then, the State’s share of the foundation allowance is paid after subtracting the local revenue per pupil an LEA generates from millages levied against its property-taxable values. For two LEAs with the same foundation allowance, the LEA with the lower taxable values per pupil will receive a larger state per-pupil payment. This state/local mix is different for every district and changes for each district from year to year, depending on the local adjusted nonhomestead property taxable value. Because public school academies (charters) are not authorized to levy millages, the state pays all of their foundation allowance. The total amount of revenue an LEA or public school academy receives is derived from multiplying the number of pupils an LEA or public school academy educates by its foundation allowance. In fiscal year 2009, \$9.2 billion was paid out for general operations using this formula.

*At-Risk Categorical Funding*

At-risk is the second largest category of funds paid out to LEAs (after special education) at \$310.5 million. It is paid out to LEAs and public school academies based on the number of pupils in the LEA or public school academy who meet the federal income eligibility criteria for free breakfast, lunch, or milk. These are considered “high-need” LEAs. In general, the funding is to be used to provide instructional and direct noninstructional services for high-need or at-risk students. An at-risk pupil is defined as a pupil who has at least two risk factors, some of which are the following: tests below grade level in English language and communication skills, mathematics, or science; eligible for federal free or reduced-price lunch; and family history of school failure, incarceration, or substance abuse.

### *Early Childhood Preschool Services*

In fiscal year 2009, the state spent \$88.1 million on school readiness programs operated by LEAs and public school academies. The funds are distributed on a formula basis that targets the funds to high-need districts and children who are determined to be at risk of educational failure. Under the formula, LEAs and public school academies are ranked in descending poverty order (highest percentage of poverty to lowest), based on the number of pupils in Grades 1–5 who meet income eligibility for free and reduced-price lunches. The funding is distributed to districts and public school academies in this order on a per-child basis until the funds are fully disbursed. More than 50 percent of the children participating in a program must live in a family with a household income equal to or less than 300 percent of the federal poverty level.

### **(F)(1)(ii)(b) Extent to which State’s policies lead to equitable funding within LEAs, between high-poverty schools, and other schools**

The State requires that any Title I school receive equitable state funding, the same as any non-Title I school within the LEA. The State does a very detailed comparability analysis within grade ranges; that is, all elementary schools must receive similar state funding, all middle schools must receive similar state funding, and all high schools must receive similar state funding, although the high schools may receive more funding than the elementary and middle schools. The State also requires that the LEA allocate Title I funds to schools within a grade range in proportion to the school poverty rates, with higher poverty schools getting more Title I funds. In addition, all LEAs within the state are covered by labor agreements. In general, these labor agreements establish professional compensation plans that require equitable compensation at grade spans (elementary, middle, and high schools) regardless of which school is assigned; for example, all elementary school teachers are paid in accordance with a single compensation schedule. Labor costs make up 80 percent of educational costs; therefore, this guarantees a high degree of equity within districts across schools.

**(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools**

The extent to which—

- (i) The State has a charter school law that does not prohibit or effectively inhibit increasing the number of high-performing charter schools (as defined in this notice) in the State, measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools or otherwise restrict student enrollment in charter schools;
- (ii) The State has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools; in particular, whether authorizers require that student achievement (as defined in this notice) be one significant factor, among others, in authorization or renewal; encourage charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students (as defined in this notice); and have closed or not renewed ineffective charter schools;
- (iii) The State’s charter schools receive (as set forth in Appendix B) equitable funding compared to traditional public schools, and a commensurate share of local, State, and Federal revenues;
- (iv) The State provides charter schools with funding for facilities (for leasing facilities, purchasing facilities, or making tenant improvements), assistance with facilities acquisition, access to public facilities, the ability to share in bonds and mill levies, or other supports; and the extent to which the State does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools; and
- (v) The State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

*In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State’s success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.*

Evidence for (F)(2)(i):

A description of the State's applicable laws, statutes, regulations, or other relevant legal documents.

The number of charter schools allowed under State law and the percentage this represents of the total number of schools in the State.

The number and types of charter schools currently operating in the State.

Evidence for (F)(2)(ii):

A description of the State's approach to charter school accountability and authorization, and a description of the State's applicable laws, statutes, regulations, or other relevant legal documents.

For each of the last five years:

The number of charter school applications made in the State.

The number of charter school applications approved.

The number of charter school applications denied and reasons for the denials (academic, financial, low enrollment, other).

The number of charter schools closed (including charter schools that were not reauthorized to operate).

Evidence for (F)(2)(iii):

A description of the State's applicable statutes, regulations, or other relevant legal documents.

A description of the State's approach to charter school funding, the amount of funding passed through to charter schools per student, and how those amounts compare with traditional public school per-student funding allocations.

Evidence for (F)(2)(iv):

A description of the State's applicable statutes, regulations, or other relevant legal documents.

A description of the statewide facilities supports provided to charter schools, if any.

Evidence for (F)(2)(v):

A description of how the State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

**F(2)(i) Extent to which State law does not prohibit/inhibit increasing the number of high-performing charter schools**

With the combined strength of existing charter school law and the addition of innovative charter expansion legislation in December of 2009, Michigan expects to increase both quantity and quality of its charter school sector. The state projects that the number of charter schools will continue to grow - perhaps quite rapidly during the next five years. (See Appendix F.1 Michigan Charter School Legislation).

Michigan’s primary charter school law, Part 6a of the Revised School Code, allows four types of public educational bodies to authorize public school academies. They are state public universities, community colleges, intermediate school districts, and local school districts. Only universities were originally capped at 150, even then they could authorize an additional 15 Urban High School Academy charters and an uncapped number of Strict Discipline Academies which are designed to serve alternative populations of students. Under existing law, Bay Mills Community College, a tribal college able to authorize statewide, has no cap and authorizes schools statewide. Intermediate and local school districts have no limit.

There are currently 243 public school academies serving roughly 110,000 students in Michigan, including 3 urban high schools and 7 strict discipline academies.

Authorizer Name	Authorizer Type	Section	# of PSAs	Other relevant information
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Central Michigan University	Public university	6a	58	limited to 150
Grand Valley State University	Public university	6a	30	limited to 150
Saginaw Valley State University	Public university	6a	18	limited to 150
Ferris State University	Public university	6a	16	limited to 150
Eastern Michigan University	Public university	6a	8	limited to 150
Oakland University	Public university	6a	8	limited to 150
Lake Superior State University	Public university	6a	7	limited to 150
Northern Michigan University	Public university	6a	5	limited to 150
<i>Subtotal</i>			<i>150</i>	
Bay Mills Community College	Community college	6a	41	
Kellogg Community College	Community college	6a	1	
Washtenaw Community College	Community College	6a	1	
<i>Subtotal</i>			<i>43</i>	
St. Clair ISD	ISD	6a	9	
Wayne RESA	ISD	6a	6	
Saginaw ISD	ISD	6a	3	
Hillsdale ISD	ISD	6a	2	
Midland ISD	ISD	6a	2	
Bay Arenac ISD	ISD	6a	1	
Cheboygan-Otsego-Presque Isle ISD	ISD	6a	1	
Highland Park ISD	ISD	6a	1	
Macomb ISD	ISD	6a	1	

Ottawa ISD	ISD	6a	1	
Washtenaw ISD	ISD	6a	1	
<i>Subtotal</i>			28	
Detroit Public Schools	Local school district	6a	9	
Grand Rapids Public Schools	Local school district	6a	1	
Highland Park City Schools	Local school district	6a	1	
Manistee Area Public Schools	Local school district	6a	1	
<i>Subtotal</i>			12	
Ferris State University	Public University	380.1311d	1	Strict Discipline Academy
Central Michigan University	Public University	380.1311d	1	Strict Discipline Academy
St. Clair ISD	ISD	380.1311d	2	Strict Discipline Academy
Allegan ISD	ISD	380.1311d	1	Strict Discipline Academy
Wayne RESA	ISD	380.1311d	1	Strict Discipline Academy
Kalamazoo RESA	ISD	380.1311d	1	Strict Discipline Academy
<i>Subtotal</i>			7	
Grand Valley State University	Public University	6c	3	Urban High School Academy – up to 15 in a first class school district
<b>TOTAL</b>			<b>243</b>	

In December 2009, the Michigan Legislature passed a package of bills that, among other actions, expanded opportunities for university-authorized charter schools based primarily on quality and successful student academic achievement. To begin with, up to 10 new charter schools known as "Schools of Excellence" will be created in Michigan. These 10 schools must model an existing high-performing charter school or program. Up to 2 statewide "cyber charters" may also be authorized under this legislation. Additionally, the legislation provided for previously organized charter schools to transition to Schools of Excellence status if they meet the high performing school or academic achievement criteria. Vacancies under the "cap" can be issued for a school in an area with below-average graduation rates, with priority given to school operators whose schools qualify to become a "school of excellence." This unique "smart cap" approach provides for growth in the charter sector that is only limited by quality, and encourages this growth in areas of greatest academic need.

Michigan's charter sector has been growing steadily – both in terms of quantity and quality – since the first charter school opened in 1995. Currently, 243 charter schools are operating in Michigan, serving 7.7% of the state's children. The National Charter School Research Project lists Michigan as having the fifth largest percentage of public school students served by charter schools in the nation during 2007-08 and the seventh largest number of charter schools. In 2009, 11 new charters opened their doors in Michigan despite a legislative cap on the number of university-authorized charter schools. For Detroit resident students, 33% attend one of 111 charter schools.

Michigan authorizers are closing failing charter schools - 39 to date – which show that performance and accountability matter in Michigan's charter sector. These actions have been viewed positively by policymakers and, along with impetus from national discussion, helped provide context for recently-passed legislation that would serve to subject the bottom 5% of low performers among all public schools to transform or close.

The state is developing lists of the persistently lowest-achieving public schools (Lowest 5% Lists), which will likely include some charter schools in this first year. It is expected that the annual Lowest 5% Lists are likely to contain as few as five charter schools every year thereafter. The impact of this activity will improve the quality of the charters operating in Michigan as well as open additional opportunities for new, high performing, public charter schools.

These legislative and policy initiatives, coupled with fresh authorizing activity among new and existing authorizers, will result in unprecedented levels of chartering activity. Even with the increased number of charter schools likely to close, it is reasonable to anticipate that the state could experience a 20% increase in the overall number of charters during the next three to five years.

#### **F(2)(ii) Charter school authorizer regulations**

Michigan has delegated primary responsibility for charter school oversight to a set of approved charter school authorizers – accredited public institutions of higher education, local or intermediate school districts, and recognized tribal schools. Authorizers are allowed to use up to 3 percent of the per pupil state funding for schools they charter to support their oversight activities. Michigan’s current legal and regulatory framework addresses and exceeds all of the items described in this section, and student achievement is a significant factor in all authorizing decisions. Because of this, Michigan’s authorizers have become widely cited as national models for providing appropriate, quality oversight of the schools they charter. Because of the legal and regulatory framework of Michigan charter school oversight, Michigan was recognized as having the 3<sup>rd</sup> best charter school law in the nation by the Center for Education Reform in 2008 and the 7<sup>th</sup> best by the Center for Education Reform in 2009. Recently passed legislation to amend Michigan’s charter schools law also strengthens existing law by codifying existing practices on the use of student achievement as a significant factor in making reauthorization decisions, and as it relates to the closure of persistently low-achieving schools.

#### *Approval of Charter Contracts*

Under Michigan’s primary charter schools law, Part 6a of the Revised School Code (the Code), authorizing is a voluntary activity with consideration of student achievement as a significant factor throughout the process. Authorizers may receive applications from any person or entity, and may voluntarily issue contracts to applicants on a competitive basis, taking into account educational goals, student population to be served, financial resources, and the applicant’s track record, if any. MCL 380.503(1). This competitive process, coupled with the voluntary nature of chartering, helps ensure that authorizers select applicants that demonstrate the ability to implement a quality educational program. The Code prescribes essential elements that must be included in applications. MCL 380.502. These elements include: “A copy of the educational goals of the public school academy and the curricula to be offered and methods of pupil assessment to be used by the public school academy.” MCL 380.502(3)(e)(ii). Selection criteria is also further defined in policies adopted by authorizing bodies, which provide for a greater level of detail regarding the proposed school’s educational goals, curriculum, instructional design, assessment, personnel, business plan, facilities, and compliance. The Code also prescribes elements that must be included in contracts issued by authorizing bodies to organize and operate a public school academy. MCL 380.503. These elements include:

- “The educational goals the public school academy is to achieve and the methods by which it will be held accountable.” MCL 380.503(5)(a)
- “A description of the method to be used to monitor the public school academy's compliance with applicable law and its performance in meeting its targeted educational objectives.” 380.503(5)(b)

#### *Student Populations Served and Academic Results*

Public school academies are required to adhere to open admissions policies, and are prohibited from “discriminat[ing] in its pupil admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a student with a disability, or any other basis that would be illegal if used by a school district.” MCL 380.504(1). If more students apply

than space is available, a public school academy is required to select students by a random selection process. As a result of this, the ethnic composition of students at public school academies closely mirrors the ethnic makeup of the traditional school districts in which 75% of Michigan charter schools are located, according to the Michigan Department of Education. For example, according to the Michigan Department of Education African-American students make up 57% of students in Michigan charter schools, compared to 58% in comparable “host districts” and 18% statewide. The Michigan Department of Education also reports that 57% of public school academy students are eligible for free- or reduced-price lunch, compared to 63% of comparable “host districts” and 36% of traditional public schools statewide

#### *Monitoring Performance and Holding Schools Accountable*

Authorizers are required to oversee public school academies they charter. The Code requires that: “The oversight shall be sufficient to ensure that the authorizing body can certify that the public school academy is in compliance with statute, rules, and the terms of the contract.” MCL 380.502(4). Because the public school academy’s educational goals are included in its contract, authorizing bodies monitor progress toward them and public school academies are held responsible for their results. To monitor whether authorizing bodies are providing legally required oversight, MDE has also established an “assurances and verification” program to see authorizer systems and practices that relate to 18 requirements for the schools they charter.

- In its first year, the Michigan Department of Education visited 10 of the 26 active authorizers and found that “[a]cross the board, the authorizers MDE visited were actively monitoring their [charter schools’] compliance with law, and were, in addition, offering them support, data, and technical assistance toward not only compliance, but also academic success and fiscal stability.”

- Most recently, the Michigan Department of Education has reported that its “findings show authorizers are active in their compliance monitoring efforts and that they have, in many instances, developed a broad menu of tools and resources for supporting the academic and financial performance of the [charter schools] they oversee.”

Should an authorizer fail to meet statutorily required continuing oversight requirements, the state Superintendent of Public Instruction may suspend the authorizer’s chartering ability. MCL 380.502(5). To meet and exceed the statutorily required oversight requirement, Michigan authorizers have adopted principles and standards on how the schools they charter will be held overseen and held accountable. Through the Michigan Council of Charter School Authorizers, authorizers have been working together to develop a common framework for these standards, share best practices, and collaborate to mutually support each other. These principles and standards are recognized as national models, and have been a basis for the National Association of Charter School Authorizers authorizing standards, to which most Michigan authorizers also adhere.

The table below shows the numbers of charter school applications received, approved, and denied by charter school authorizers in Michigan over the past four years. The primary reasons for denial were the limit on university charters and weaknesses in the applications. Charter school authorizers have experienced an increase in applications in the current year.

**Charter Schools—Authorizer Actions**

	<b>Number of Applications</b>	<b>Number Approved</b>	<b>Number Denied</b>
2008–09	57	5	52
2007–08	42	1	41

2006-07	2	2	0
2005-06	57	12	45

Over the past 15 years, 39 public school academies have been closed for not meeting performance requirements. The most common reasons for closure, based on data collected over the last 11 years, are related to financial management, governance, and academic performance.

<b>Charter School Closure/Nonrenewal 1998-2009</b>		
<b>Authorizer Type</b>	<b>Reason for Closure</b>	<b>Number</b>
University	Financial and academic	1
	Financial and management	5
	Financial, management, and academic	1
	Academic	4
	Academic and facility	1
	Enrollment	2
	Management	2
	Financial and enrollment	1
Public school district	Management	2
	Unknown	2

	Academic and management	1
ISD/RESA	Unknown	1
	Financial	1
	Academic	2
<b>Total Closure/Nonrenewal</b>		<b>26</b>

Recently passed legislation, Public Act 205 of 2009, Sections 507(2) and 561(5), requires the authorizing body to revoke the charter of a school at the end of the school year if the Superintendent of Public Instruction (SPI) notifies the authorizer that the school has been in the lowest performing 5 percent of public schools in the state. This applies to charter schools that have been operational for at least four years and, with limited exceptions, to charter schools that also are in Year 2 of restructuring. After the SPI has notified the authorizer, the authorizer must revoke the school’s charter at the end of that school year. This does not apply to an alternative school serving a special student population.

**F(2)(iii) Equitable funding for charter schools**

The State School Aid Appropriations Act treats public school academies (charter schools) the same as LEAs for the purpose of receiving funding from sections allocating general operations and major categorical funding, such as special education, at-risk, and preschool (See Appendix F.1 Legislation for MCL 388.1603, MCL 388.1631a, MCL 388.1651a, esp. of the State School Aid Act of 1979, generally MCL 388.1601 et al.).

As noted in F(1), LEAs and public school academies are paid a per-pupil foundation allowance for general operations, a mix of State and local per-pupil revenues. Because public school academies are not authorized to levy millages, the State pays all of their

foundation allowance. The total amount of revenue an LEA or public school academy receives is derived from multiplying the number of pupils an LEA or public school academy educates by its foundation allowance.

Pursuant to current statutes, new public school academies are funded at the level of the combined state and local funding of the district in which they are located. Prior to fiscal year 2008, the per-pupil funding cap for public school academies was \$1,000 less than for traditional schools districts. In fiscal year 2008, this cap was removed and thus allowed public school academies to receive the same foundation allowance increases, up to the level of combined State and local funding as the districts in which they are located (See Appendix F1 Legislation for MCL 388.1620).

Although public school academies are not authorized to levy local millages, the primary operations funding formula compensates them with State dollars instead. Public school academies are authorized for federal funding based upon federal requirements.

#### **F(2)(iv) Charter school facilities—funding and requirements**

The State of Michigan does not provide direct funding for facilities to public school academies (charter schools) or to traditional public schools, nor does Michigan impose differential facility-related requirements. The Michigan Public Educational Facilities Authority (MPEFA) offers a long-term facilities financing option for public school academies. Under this program, the State serves as a facilitator of charter school debt by issuing bonds on their behalf. Bond payments are then intercepted from the public school academy's state school aid payments, which offsets some of the risk for investors.

#### **F(2)(v) LEA operation of innovative, autonomous public schools other than charter schools**

Using a combination of Title II D funding and waiver authority granted to the Superintendent of Public Instruction, Michigan has provided opportunities for the development of innovative schools. The Superintendent of Public Instruction issued waivers to local

school districts to allow a percentage of high school students to take all of their coursework online. Among the schools taking advantage of this “seat-time waiver” are three outstanding examples described briefly below.

Westwood Community Schools—This district implemented a research based model, Not School, developed in Great Britain. The program at Westwood is a year-round school. They started with a student population of 480 last year and have now asked for permission to grow to 1,000. Their students are all previously unenrolled (dropouts) from the Wayne County area.

Not School is a constructivist online virtual learning community intended to support young people who are excluded from the formal education system or who have dropped out. It is designed as an alternative for young people when school and home tutoring haven’t worked. The online program is implemented in a project-based, online learning environment available 24 hours a day, seven days a week, year round. Assessment is also innovative. Student projects are assessed from a formative and summative standpoint by a team of educators. Credit toward graduation is earned by demonstrated proficiency in the High School Content Expectations. The school district provides both the hardware (Apple Computers) and the Internet connections installed in the student’s home. The Internet connection is paid for by the district to eliminate any chance of a disconnection preventing a student from “attending” school.

New Tech High Schools—New Technology High Schools are small schools, with no more than 400 students in Grades 9–12; have a nonselective admissions policy; and provide a full-day program, so students take their entire core curriculum through the New Technology school. The New Tech High School model includes an instructional program focused on project-based learning that empowers students to accept responsibility and take ownership of their own learning. The model engages students through the use of one-on-one computing and incorporates the learning of and assessment of 21st century skills, focusing on the science, technology, engineering, and mathematics (STEM) fields or on digital media arts. The model places a high value on integrating critical 21st century skills with traditional course content. Project-based learning is the primary instructional strategy. Six New Tech High Schools are in the planning stage this year and will open in the fall of 2010 in the following communities: Holland, Westwood, Pinckney, Ypsilanti, N.I.C.E. Community, and River Rouge.

Northwest Academy Charter School—Northwest offers high school students online courses away from the school site. This option attracted students from the Charlevoix area of northern Michigan who had dropped out of school. Students are working from home on computers supplied by the school and are required to be on the school site for only a minimum of two hours a week to meet with their mentors. Courses are delivered by highly qualified teachers, and on-site highly qualified teachers are available five days a week for students needing additional face-to-face instruction. A mentor is assigned to each student and also visits the student’s home various times throughout the year, either to provide assistance when needed or to provide motivation for the student’s continued progress. Newly passed legislation (Public Act 204 of 2009) also allows the Superintendent of Public Instruction to approve two new cyber charter schools.

The Superintendent of Public Instruction issued a challenge to local school districts to “Reimagine” the education system in all of its aspects. He invited LEAs to send their ideas for becoming Project Reimagine districts and selected 14 applications from the 70+ he received. These districts, as detailed in Section A, will serve as pilot districts for the incubation of changes in the delivery of education, the structure of the “school year,” the inclusion of world languages and many other ideas that Michigan can learn from and scale up.

**(F)(3) Demonstrating other significant reform conditions**

The extent to which the State, in addition to information provided under other State Reform Conditions Criteria, has created, through law, regulation, or policy, other conditions favorable to education reform or innovation that have increased student achievement or graduation rates, narrowed achievement gaps, or resulted in other important outcomes.

*In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State’s success in meeting the*

*criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.*

Evidence for (F)(3):

A description of the State's other applicable key education laws, statutes, regulations, or relevant legal documents.

*Recommended maximum response length: Two pages*

**(F)(3) Other significant reform conditions**

Significant reform conditions indicate the capacity to carry out reform. The plan for Accelerating Michigan has discussed current capacity in some detail as well as delineating the plans for increasing capacity. Many initiatives have established a foundation for reform and have demonstrated conditions that lead to student achievement for all. These will be woven into the Accelerate Michigan plans to enhance the responsiveness of our system. Michigan has had significant reform in 5 areas: Early Childhood, Coordinated School Health, Early/Middle Colleges, Promise Zones, and the Michigan College Access Network. These initiatives span a child's education career to provide examples of support throughout the preK-20 continuum.

*Early Childhood*

Early in her administration, Governor Granholm established the Children's Cabinet with members from five state agencies to oversee cross-agency policy related to children and their issues. The overarching focus for this group is to provide direction for early childhood (i.e., ages 0–3 secondary prevention of child abuse and neglect). The work of this group is critical to avoid duplication of resources and efforts across these departments. The members also work diligently to blend funding across agencies to provide maximum program impact. All 83 counties in Michigan have established a corresponding collaborative group.

Michigan has invested in the creation of an innovative early childhood reform initiative known as Great Start. The purpose of Great Start is to assure a coordinated system of community resources and supports to assist all Michigan families in providing a great start for their children from birth through age five. The Great Start system envisions a single, interconnected and intertwined network of public and private services and supports working together in a community to accomplish better results for young children and families.

Great Start Collaboratives serve as the local infrastructure for governance, planning, investment, advocacy, and innovation for the Great Start system. Great Start Collaboratives focus on assessing the needs of young children and families in their communities; identifying community assets for addressing those needs; planning for systemic change and implementation of efforts to address any gaps; and strengthening effective innovations while ameliorating conditions that impede young children from arriving at kindergarten ready to learn. Great Start Collaborative work is informed by the community leaders and partners at the collaborative table such as parents of young children, members of the faith and business communities, local philanthropic organizations, community leaders, educators, and leaders of the local public agencies providing the majority of early childhood services in the community.

Great Start Parent Coalitions are another integral piece to the local infrastructure afforded by the Great Start system. The membership of the Great Start Parent Coalitions is open to anyone serving in the parenting role for a child under the age of 12 years who is interested in helping to assure that all children enter kindergarten safe, healthy, and ready to succeed in school and in life. The purpose of the Great Start Parent Coalition is to serve as a referent and constituency group for parents on the Great Start Collaborative.

With an array of early childhood supports and services, including the Great Start School Readiness Program, and 55 Great Start Collaboratives and Parent Coalitions representing all 83 counties, Michigan is well on our way to implementing systemic changes and improvements that will lay the foundation for long-term educational success for all children.

Michigan's Great Start Readiness Program, a state-funded early education program for children considered to be educationally disadvantaged, served nearly 25,000 four-year-old children in 2008-2009. The Great Start Readiness Program has been extensively evaluated by the High Scope Educational Research Foundation. Results come from data collected from a cohort of 596 children (338

Great Start Readiness Program graduates; 258 non-Great Start Readiness Program) from six districts followed from kindergarten through 8th grade and from a sample of 865 children (384 Great Start Readiness Program; 481 non-Great Start Readiness Program) assessed in preschool or kindergarten. The data provide evidence of both short- and long-term impacts of GSRP attendance on student outcomes:

- Great Start Readiness Program graduates have had a significantly lower rate of grade retention than the non-Great Start Readiness Program students.
- A higher percentage of fourth grade Great Start Readiness Program students passed the Michigan Educational Assessment Program as compared to non-Great Start Readiness Program students (55.1 percent versus 47.4 percent for mathematics and 44 percent versus 35.35 percent for reading).
- Great Start Readiness Program boys were less likely to be retained in grade and took more 7th grade mathematics courses than non-Great Start Readiness Program boys.
- Great Start Readiness Program children of color were less likely to be retained than their peers who did not attend Great Start Readiness Program and took more mathematics courses in 8th grade.

In 2009, the Michigan State Board of Education adopted revised program eligibility criteria and enrollment guidelines resulting in greater prioritization of the most vulnerable children for participation in the Great Start Readiness Program.

### *Coordinated School Health Programs*

A coordinated school health program consists of eight separate but interconnected components. Many of these components exist in every school, but often they are not formally linked in a coordinated way. Schools by themselves cannot—and should not be expected to—solve the nation’s most serious health and social problems. Families, health care workers, the media, faith-based organizations, community organizations that serve youth, and young people themselves also must be systematically involved. The

Comprehensive School Health Program is the comprehensive framework the Michigan Department of Education works within to support school districts to address the health needs of students and staff, and to foster an effective school climate. The department leverages numerous federal, state, and private resources (both financial and human) to support school districts in implementing the Comprehensive School Health Programs.

In addition, Superintendent of Public Instruction Flanagan’s School Breakfast Challenge, initiated in May 2008, challenged all Michigan districts to increase their school breakfast participation by 50 percent by May 2010. Preliminary data reveal that this initiative has increased the number of breakfasts served by approximately 12 percent (4.9 million) statewide compared with the previous school year. In order to encourage expanded breakfast participation by districts, the Michigan Department of Education outlined ways to serve breakfast during instructional time. Research shows that students who eat breakfast score better on standardized tests and behave better in class. Data from the initiative are presented in the following table:

Total breakfasts served July 2008–June 2009	45,237,467
Total breakfasts served July 2007–June 2008	40,239,159
Difference from 2007–08 school year to 2008–09 school year	4,998,308
Percent increase in breakfasts served	12.4%

Other initiatives that demonstrate significant reform conditions for education in Michigan are discussed below.

### *Early/Middle Colleges*

Early/Middle College High Schools are generally five-year high schools located on a state public university or community college campus where students may attend as early as ninth grade. These schools provide students with both a high school diploma and an associates degree or up to 60 college credits which are transferable to most state colleges and universities. Although Early/Middle College High School programs may have a general education/liberal arts focus or a career focus, the state Legislature allocated grant funds for the start-up of Early/Middle Colleges with a focus on preparing students for health and STEM careers. Michigan has created 10 of these new Early/Middle Colleges through community collaborations between an Intermediate School District and state public university or community college.

Because of the limited staffing in the Michigan Department of Education, the department's Office of Career and Technical Education has formed a partnership to provide statewide technical assistance for the formation of Early/Middle Colleges in Michigan with Mott Community College under a grant from the Mott Foundation. The offer of technical assistance has spurred interest across the state and discussions are underway in many communities even in the absence of start-up grant funds as educators and parents realize the benefit to students offered by gaining college credits and on-campus experience prior to graduation.

### *Promise Zones*

Pursuant to legislation passed in 2008 (PA 550 of 2008), 10 Promise Zones have been established to expand opportunities for students to attend college through universal "place-based" scholarship programs modeled after the Kalamazoo Promise. The Kalamazoo Promise has spurred economic growth in Kalamazoo, increased school district enrollment, and increased school district test scores. Promise Zones are located in communities that meet or exceed the State's average poverty level for families with children under age 18. The zones allow local communities to capture half the growth in State property tax revenues and use them to supplement the local funds dedicated to making a "Promise" tuition guarantee.

Promise Zone designations have been awarded to Baldwin Community Schools, Battle Creek Public Schools, Benton Harbor Area Schools, the City of Detroit, the School District of the City of Hazel Park, Jackson Public Schools, the Lansing School District, the Muskegon Area Intermediate School District, the School District of the City of Pontiac, and the Saginaw School District. Baldwin Community Schools, the first zone to become operational, made its first promise to the high school class of 2010. Graduates will be eligible to receive up to \$5,000 for up to four years of college.

To accelerate implementation in the Promise Zones, the Michigan Department of Education will offer two rounds of a competitive grant with \$500,000 of the Race to the Top funds offered in each round. The funding will be offered as a one-time grant, or seed money, to complete the work already underway to bring the “Promise” into full operational status. Promise Zones proposals will identify their needs (such as, community involvement, communication, staff time) and will submit a work plan and budget detail that describes how the Zone will reach full implementation within one year. The funding will be offered in the first year of the grant and reviewed for success before it is offered again in the third year.

### *Michigan College Access Network*

In 2009, Governor Granholm launched the Michigan College Access Network to promote postsecondary education by supporting local college access programs, which helps citizens learn about higher education options, get into college, and earn their degrees. As part of the Michigan College Access Network, Michigan is in the process of building and launching a one-stop website for students to plan, apply, and pay for college. It also will serve as a comprehensive tool for families, counselors, educators, and others who are helping Michigan students access information. Through the website, students will be able to find the right college, using side-by-side comparisons of Michigan universities and colleges; search for grant and scholarship opportunities; use career-planning tools;

measure their progress toward meeting college entrance requirements; submit all college-related documents, including admissions applications, financial aid applications, and transcripts; use free ACT test preparation resources; and more.