

The Best Education System for Michigan's Success

A Blueprint for Educating Michigan's Residents to Build the
Best Businesses, Win the Best Jobs, and Achieve the
American Dream

Prepared for Gov. Rick Snyder
Prepared by the 21st Century Education Commission
February 28, 2017

Michigan at a Glance

Early Childhood

- Number of children ages 0–4: 574,000¹
- Number of child care providers: 8,484²
- Number of children enrolled in state-funded prekindergarten: 48,854³
- State investment: \$720 million⁴

K–12

- Number of K–12 students: 1,491,151⁵
- Number of students enrolled in charter schools: 146,119⁶
- Number of students participating in schools of choice: 123,121⁷
- Number of students enrolled in career and technical education: 126,502⁸
- Number of traditional school districts: 540⁹
- Number of charter schools: 302¹⁰
- Number of intermediate school districts: 56
- State investment: \$14.9 billion¹¹
- Fourth-grade reading rank on the National Assessment of Educational Progress (NAEP): 41st
- Eighth-grade math rank on the NAEP: 37th
- Average SAT score: 1001¹²
- Four-year graduation rate: 79.8 percent¹³

Higher Education

- Number of students enrolled in community colleges: 277,589¹⁴
- Number of community colleges: 28¹⁵
- Number of students enrolled in public universities: 259,754¹⁶
- Number of public universities: 15¹⁷
- State investment for community colleges: \$395.9 million¹⁸
- State investment for universities: \$1.4 billion¹⁹
- Students required to enroll in remedial courses: 27 percent²⁰
- Residents ages 25–64 with a postsecondary credential: 43.3 percent²¹

Cover photo taken at Countryside Academy in Benton Harbor

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Letter from the Chair

Dear Governor Snyder and fellow Michiganders:

On behalf of my colleagues on the 21st Century Education Commission, I am honored to share the Commission's final report—*The Best Education System for Michigan's Success: A Blueprint for Educating Michigan's Residents to Build the Best Businesses, Win the Best Jobs, and Achieve the American Dream*. This report was created through a collaborative effort, and every element of the report garnered a high level of consensus. I am proud of this work and honored to have been part of this diverse group whose members share a commitment to educating our young people.

As public servants, educators, business leaders, mentors, parents, and grandparents, my fellow Commissioners and I share a common goal: for our children to do better than us. We want them to participate fully in our democracy, create thriving communities, and build a strong economy. However, we also share a common fear—that this dream is slipping further and further away for too many of our state's children.

Executive Order 2016-06 issued us a bold and comprehensive charge: analyze top-performing states and nations and, based on that research, offer recommendations to significantly improve student achievement and career preparedness. We believe that the framework outlined in this report will help shape Michigan's education system for the next 30 years and restore the promise of the American dream for Michiganders across our great state.

The importance of education has been recognized as fundamental and vital to Michigan and its citizenry since its inception. Since the Northwest Ordinance passed in 1787, Michigan has encouraged education and intellectual and scientific pursuits in its constitution, requiring funding for the promoted pursuits at the K–12 and university levels.²²

This document continues in that esteemed tradition. Our intent is for this report to serve as a blueprint rather than a checklist—a design for the future. There are many critical decisions that will be necessary in the coming years. We urge our state leaders to maintain the same focus as this Commission—improved outcomes for students.

Please join me, as well as my fellow Commissioners, in accepting the challenge to act now to build a high-performing education system that delivers TALENT: A citizenry that is transforming, aspiring, leading, educating, innovating, and transcending.

Very respectfully,



Thomas J. Haas, Ph.D.
President, Grand Valley State University

Acknowledgements

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- *West Michigan:* Kim Ashton, Gayle DeBruyn, Chris Hanks, Kelly Hillary, Kevin Holohan, Jerry McComb, Mike Posthumus, Tim Priest, Rob Rodriguez, Jennifer Teaker, and Cindy Todd.

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Terms and Definitions

- **Child:** This report uses the term child to refer to young children from birth through preschool entry—when education is generally informal. The report also uses the term to refer to young people in our state.
- **Classroom:** Learning occurs in many different places. The term classroom is referring to any place—physical or virtual—where learning happens.
- **Postsecondary credentials:** Degrees are not the only pathway to postsecondary success. Certificates, industry certifications, and apprenticeships also offer participants an opportunity to learn the skills and knowledge necessary to enter a particular field. Credentials may be awarded by career and technical programs, community colleges, or employers. The quality of programs varies dramatically, as does completers' earning potential. This report advocates only for credentials that are valued by employers and increase completers' wages above the expected wage of a high school graduate.
- **P–20:** A P–20 education system provides services and supports to children and students from prenatal (P) through graduate school (grade 20). It encompasses three existing systems: early childhood, K–12, and higher education.
- **Parent(s):** The term parent is used broadly throughout this report and refers to a child's legal guardian(s). Parents are children's first and primary teachers, and they are critical partners in education.
- **Postsecondary education:** Postsecondary education includes all education that occurs after high school that leads to a marketable credential. This includes certifications and certificates, and all forms of degrees, including associate, bachelor's, and professional/graduate degrees.
- **Student:** The term student refers to anyone participating in formal education from preschool through graduate school. Formal education can take a variety of forms and occurs in many different settings.

Introduction

We want our children to do better in life than we have. It is among the most basic tenets of American society to have the next generation do better than the one that came before. For nearly a century, the American dream has promised that if our children work hard and push to their full potential, they will achieve a higher standard of living than their parents.

For many of us, the American dream was ubiquitous. Nearly all children (93 percent) born in Michigan in the 1940s earned more than their parents; however, that started to change for children born as soon as the early 1950s. Still, 77 percent of these early baby boomers earned a higher income than their parents. The story becomes darker for children born in the 1980s—Michiganders who are now in their midthirties. Less than half of them (46 percent) are earning more than their parents at the same point in their lives. The world has changed. We now live in a global economy in which markets and labor forces are no longer local. Our education systems, structures, and supports that were designed to propel the next generation forward are no longer strong enough to meet the demands of a changing economy.²³

The Economy has Changed

As recently as 30 years ago, Michiganders could earn a high school diploma, enter the workforce, and earn a wage that could support their family. High-wage manufacturing jobs were the foundation of our economy, and our shared economic prosperity was among the highest in the country. Over the past three decades, the story has changed. In the 2000s, Michigan lost over 766,000 private sector jobs.²⁴ By 2009, the state had lost more automotive jobs than remained.²⁵ With the coming of technological advances and globalization, the high-wage, lower-skilled jobs

that were the foundation of our state's economy for a generation have disappeared and are unlikely to return. A high school diploma no longer serves as a ticket to economic prosperity.

At the individual level, the single most effective strategy to improve your economic outlook is education.

Today workers with a postsecondary education face an improving economic outlook. Since 2010, 99 percent of the jobs added to our nation's economy have gone to workers with at least some postsecondary education. While three in four jobs lost during the Great Recession required a high school diploma or less, only 1 percent of those jobs have come back.²⁶ This stark contrast in economic opportunity has been evolving for some time. Since the second half of the 20th century, industries that require more educated workers—such as healthcare, consulting and business services, financial services, education services, and government services—have been growing. Jobs have shifted away from production industries—like manufacturing and construction—and the jobs remaining in those industries now require more advanced education.²⁷

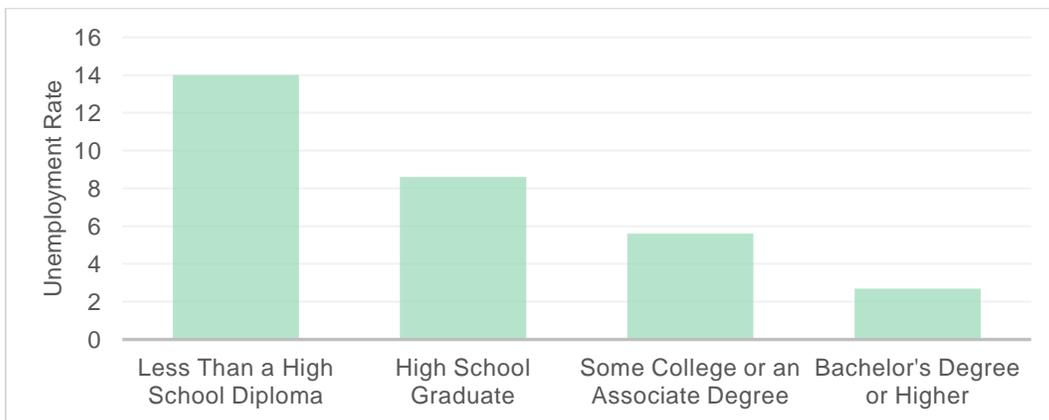
Education Improves Opportunity

At the individual level, the single most effective strategy to improve your economic outlook is education. From postsecondary credentials to bachelor’s degrees—individuals who master skills and knowledge that are in demand in today’s economy are more likely to be self-sufficient, less likely to be unemployed, and more likely to give back to their communities. While only half of generation Xers have a higher standard of living than their parents, most (80 percent) of that generation’s college graduates are more prosperous than the previous generation.²⁸

The power of postsecondary education—including not only degrees but also certificates, industry certifications, and apprenticeships—to restore the American dream is clear. The unemployment rate for Michiganders with a bachelor’s degree or higher is only 2.7 percent, and it is 5.6 percent for residents with some college or an associate degree. The unemployment rate increases, however, as workers’ education levels fall; it is 8.6 percent for high school graduates, and 14.0 percent for residents without a high school diploma.²⁹

As residents’ education levels rise, their ability to command higher salaries grows. On average, residents with bachelor’s degrees earn nearly twice as much as those with high school diplomas.³⁰ Residents with some college or an associate degree earn \$5,100 more than high school graduates, and high school graduates earn \$7,600 more annually than residents without a diploma.

Exhibit 1. Residents with a Bachelor’s Degree Are Three Times Less Likely to Be Unemployed Than High School Graduates



Source: 2015 American Community Survey, one-year estimates.

Education is a Public Good

As our state’s earliest leaders rightly recognized, the benefits of education extend beyond the individual, and it is critical for a thriving democracy. The importance of education has long been recognized in Michigan, even in the years before Michigan was granted state status. The Northwest Ordinance, passed in 1787 by Congress, created a compact between the original states and the Northwest Territory, which included Michigan, in which “schools and the means of education shall

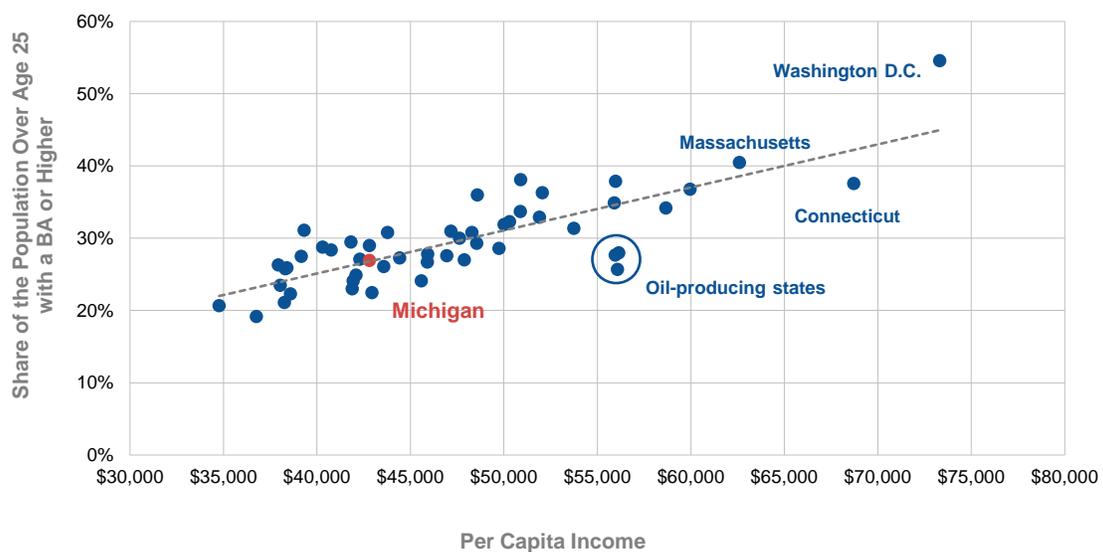
forever be encouraged.”³¹ When Michigan adopted its first constitution in 1835, two years before it achieved statehood, Michigan encouraged education and intellectual and scientific pursuits in its constitution, requiring funding for the promoted pursuits not only at the K–12 level but also for universities.³²

And although the funding mechanisms have since changed, Michigan has provided that education and schools shall be promoted in every iteration of the constitution and continues to do so today. Mirroring language from the Northwest Ordinance, in 1908 and in the current constitution, the people included the mandate that “[r]eligion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.”³³ As in the state’s first constitution, Michigan chose not only to express such encouragement but also to continue funding the education system, both K–12, which is provided at no cost, as well as to maintain public colleges and universities in the current constitution.

This investment in our residents has allowed Michiganders to participate fully in our democracy, create thriving communities, and build a strong economy. Researchers have long recognized a link between education levels and civic and social engagement. Education increases multiple forms of engagement including voter turnout, tolerance, and political knowledge.³⁴ Today, more than ever before, we must continue our long tradition of educating citizens. Our state’s prosperity depends on it.

The correlation between state income (a proxy for prosperity) and education levels is strong. Highly educated states, such as Massachusetts and Connecticut, also boast the highest per-capita incomes in the country.³⁵ Michigan, however, ranks 35th for educational attainment (the number of residents with a bachelor’s degree or higher) and 33rd for per-capita income.³⁶ This is not the path to prosperity.

Exhibit 2. Highly Educated States Boast the Highest Per-capita Incomes in the Country



We Need to Act Now

Over the past nine months, the 21st Century Education Commission has examined our state’s public education system and debated the best strategies to improve opportunities for every child and student in our state. A changing economy now demands that all residents earn a postsecondary education—an education level previously reserved for a select few. The current state of our education system demands that we all participate in this transformation: from students and parents to educators, school personnel, and administrators, and to business leaders and local residents.

Once regarded as having a strong public education system, Michigan’s schools—those in our most affluent suburbs as well as our rural areas and inner cities—are now quickly falling behind those of our competitors in Europe, Asia, and much of the United States. Most distressingly, we see a public education system unable to position our children to achieve the American Dream—to do better than the generation before them. The urgency could not be greater.

This report outlines recommendations for how to design and rebuild our public education system to prepare all children for the careers they aspire to and a bright future. The Commission aimed to build a P–20 education system that serves Michiganders from birth through life.



Photo taken at Jalen Rose Leadership Academy in Detroit



Photo taken at Schoolcraft College in Livonia