

ASSESSMENT REPORT AND ACADEMIC AND FINANCIAL OPERATING PLAN

Prepared by

Benton Harbor Area Schools Community Engagement Advisory Committee

Community Engagement Advisory Committee Members

- Joyce Parker, Michigan Department of Treasury, CEAC Chair
- Pastor Maurice McAfee, Ministerial Alliance, CEAC Vice Chair
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- Dr. Andrae Townsel, Benton Harbor Area Schools Superintendent
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Topics

- Assessment Process
- Assessment Findings
- Plan Recommendations
- Responsibility for Funding and/or Implementation

Assessment Process

Subcommittee Involvement: Four Subcommittees

- Community Engagement
- Academics and Programs
- Budget and Finance
- Buildings and Facilities

Assessment Findings

Community Engagement Subcommittee

- Community Meetings/Focus Groups (15 meetings)
 - 2 student meetings
 - 2 teacher meetings
 - 6 community meetings
 - Other meetings
 - Berrien RESA
 - Ministerial Alliance
 - ACLU
 - Benton Harbor School Board Finance Committee
 - Cornerstone Alliance
- Established website – michigan.gov/engagecomm
- Established email address – engagecomm@michigan.gov
- Produced video
- Conducted community survey (more than 400 responses)
- Findings - 4 Major Concerns
 - Safety and Security
 - Academic Programs
 - Teacher Retention/Recruitment
 - Building Facilities and Maintenance

Assessment Findings (cont.)

Academic and Programs Subcommittee

- Organized Work in 3 Areas
 - Academic performance on State Assessment and Testing Data
 - Student participation (chronically absent students, graduation and dropout rates, college enrollment, and schools of choice data)
 - Curriculum review, professional development, and programs
- Findings
 - Performing below State standards in all areas; M-Step, PSAT, and SAT in ELA and Math
 - Teaching staff with minimal classroom experience
 - Curriculum without approval and training
 - Lack of student participation in dual enrollment programs, after school programs, and early childhood programs
 - 26% of students were suspended between September 2019 and January 2020
 - Graduation rate is 42% compared to an 81% State average in the 2018/19 school year
 - Approximately 60% of students chronically absent in the 2018/19 school year

Assessment Findings (cont.)

Budget and Finance Subcommittee

- Conducted a review of District finances over 10-year period
 - Current financial position of BHAS
 - Overview of District operations
 - District-wide comparison of financial information with other districts within Berrien County
- Findings
 - Fund balance for 2019/2020 budget projects a general fund deficit of \$4.4 million
 - Over the past 10 years the district maintained an average deficit of \$14.7 million
 - Enrollment declined from 3,535 to 1,766 over a ten-year period
 - Reduction in District staff from 254 to 168 over a ten-year period
 - BHAS teacher salaries lowest in Berrien County
 - Shared services with Berrien RESA eliminated (over several years)
 - Business office operations and structure is inefficient
 - Lack of use of funds from sinking fund
 - Consistent pattern of audit findings
 - Internal control problems
 - Grant funds not are not being fully expended in a timely manner

Assessment Findings (cont.)

Building and Facilities Subcommittee

- Reviewed properties owned by District to determine conditions of buildings that may have significant impact on future operations of buildings
- Worked with consultant to inspect all buildings currently in use or not being used by District
 - Improvements required categorized as immediate, near future, or later in the future
 - Rightsizing number of buildings required for operations based on student population and proximity to neighborhoods
- Findings
 - Excessive number of buildings in comparison with student population for District
 - Excessive operational expenses to maintain buildings
 - Inadequate use of Sinking Fund dollars
 - Currently operating 11 buildings (6 buildings for instruction and 5 buildings for other uses)

The Academic and Financial Operating Plan

Responsibility for Funding and/or Implementation

There are four primary groups proposed to assist with implementing the Academic and Financial Operating Plan. In certain instances, a group may take responsibility for funding initiatives identified in the plan or providing advise and comments to facilitate strategy implementation.

- (A) Michigan Department of Education
- (B) Michigan Department of Treasury
- (C) School District
- (D) Community Stakeholders

Note: Funding sources include potential grants, reprogramming existing revenue, in-kind services, and current and future sinking fund revenue. An asterisk (*) will be placed next to an initiative if a funding resource has been identified.

Plan Recommendations

Community Engagement

Recommendation	Project Impact	Cost Est. 2021	Cost Est. 2022	Cost Est. 2023	Cost Est. 2024	Cost Est. 2025
1. Create and implement a safety plan which will include (1) an assessment of the physical infrastructure, security awareness training, review of surveillance systems, emergency preparedness plan, information & technology system, security system and staff training plans 2) Identify evidence-based program interventions e.g., social emotional interventions, Positive Behavioral Intervention and Support (PBIS), restorative justice, conflict resolution, and alternative programming. * (A,B,C,D)	Significantly improve school safety	\$150,000	\$50,000	\$50,000	\$50,000	\$50,000
2. Establish a Parent Academy (A,B,C,D)	Increase and improve parent and student engagement	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000
3. Increase communication between District and community by making improvements to website, creating a newsletter, and using social media. Also	Increase access to information regarding school	\$25,000	\$15,000	\$15,000	\$15,000	\$15,000
Subtotal:		\$375,000	\$215,000	\$215,000	\$215,000	\$215,000

Plan Recommendations

Academics and Programs

Recommendation	Project Impact	Cost Est. 2021	Cost Est. 2022	Cost Est. 2023	Cost Est. 2024	Cost Est. 2025
1. Design and conduct a curriculum and instructional audit. Hire a curriculum specialist for the District. (A,C)	Significantly improve curriculum and instruction at all levels to result in improved teaching and learning.	\$110,000	\$110,000	\$110,000	\$110,000	\$110,000
2. Increase the pool of highly qualified teachers and administrators. Establish a teacher resident program. (A,B,C,D)	Increase the capacity of school leadership. Improve teaching and learning. Retain highly qualified teachers.	\$425,000	\$515,000	\$605,000	\$100,000	\$100,000
3. Implement social, emotional, character education, and restorative justice programs. Provide professional training for staff. (A,C)	Improve school learning, culture, and environment. Improve the mental and social health of students. Improve teaching and learning.	\$100,000	\$100,000	\$100,000	\$75,000	\$75,000
4. Conduct a wage and compensation study and develop a strategy. * (C)	Reduce the turnover rate of teachers and administrators. Implement fair and competitive wage compensation system.	\$75,000	TBD	TBD	TBD	TBD
Subtotal:		\$710,000	\$725,000	\$815,000	\$285,000	\$285,000

Plan Recommendations

Budget and Finance

Recommendation	Project Impact	Cost Est. 2021	Cost Est. 2022	Cost Est. 2023	Cost Est. 2024	Cost Est. 2025
1. Perform operational assessment of business office. Review budget process and implement findings. * (C)	Improving business operations will positively impact General Fund. Cost savings.	\$60,000	\$0	\$0	\$0	\$0
2. Conduct an audit of vendor contracts. * (C)	Will improve accuracy in financial reporting.	\$5,000	\$0	\$0	\$0	\$0
3. Annually perform enrollment projection analysis. * (C)	Will improve accuracy in financial reporting.	\$5,000	\$2,000	\$2,000	\$5,000	\$5,000
4. Define roles of key stakeholders (MDE, Treasury, Berrien RESA, Foundations, Business Community) with implementing plan. (A,B,C,D)	Partnership with stakeholder benefits and supports plan implementation.	\$0	\$0	\$0	\$0	\$0
5. Continue governance training and professional development for school board and business office staff. * (A,B,C)	Improve leadership development, budget oversight, and district operations.	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
6. Consider bonding for facility improvements through a voter approved millage once District is stable. (B,C,D)	Reduce stress on general operating funds. Funds can be reallocated to address teaching and learning.	\$TBD	\$TBD	\$TBD	\$TBD	\$TBD
7. Create an incentive program	Will attract and retain highly qualified	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Subtotal:		\$190,000	\$122,000	\$122,000	\$125,000	\$125,000

Plan Recommendations

Buildings and Facilities

Priority	2021 Measurable Outcomes	2022 Measurable Outcomes	2023 Measurable Outcomes	2024 Ongoing/Sustainability Measurable Outcomes	2025 Ongoing/Sustainability Measurable Outcomes
1. Right-size the facility footprint from 600,000 s.f. down to a range of 250,000 to 350,000 s.f. based on current/projected enrollment of 1,750 students. * (C,D)	Reduce the number of facilities from (9) down to (2) or (3) facilities.				
2. Allocate current and projected sinking funds to remaining (2) to (3) facilities and address critical needs. * (C)	Expenditure of current funding of \$2.4M.	Expenditure of projected funding of \$1.4M.	Expenditure of projected funding of \$1.4M.	Expenditure of projected funding of \$1.4M.	Expenditure of projected funding of \$1.4M.
3. Demolition of remaining facilities. (C)	Work with legal counsel, draft RFQ/RFP for demolition services.	Ensure demolition work is complete.			
4. Disposition/sale of non-essential sites. (C,D)	Work with legal counsel to draft disposition/sale through RFQ/RFP process.	Update disposition/sale through RFQ/RFP process.			
Subtotal:	\$2,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000

Plan Recommendations

General Recommendations

Recommendation	Project Impact	Cost Est. 2021	Cost Est. 2022	Cost Est. 2023	Cost Est. 2024	Cost Est. 2025
1. A project manager/consultant is recommended. * (A,B,C)	Will facilitate the technical support to implement plan.	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
2. The Operating Plan shall be included in a Financial Recovery Agreement between the school district, MDE, and Department of Treasury. (A,B,C)	The agreement will extend the partnership currently in place during plan implementation. It will also provide support from other stakeholders.	\$0	\$0	\$0	\$0	\$0
3. Recommend requesting forgiveness of outstanding emergency loans. (B)	Funds can be reallocated in long-term to support General Fund expenses associated with plan implementation.	TBD	TBD	TBD	TBD	TBD
4. Increase access and participation in high-quality early childhood and preschool programs. (A,C,D)	Will provide a better foundation for children entering kindergarten.	TBD	TBD	TBD	TBD	TBD
Subtotal:		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Total Cost Est. of Recommendations:		\$3,825,000	\$2,612,000	\$2,702,000	\$2,175,000	\$2,175,000
Emergency Loan Forgiveness – Proposed Cost Savings		\$95,000	\$65,000	\$380,000	\$360,000	\$365,000

Closing Remarks

Questions

