



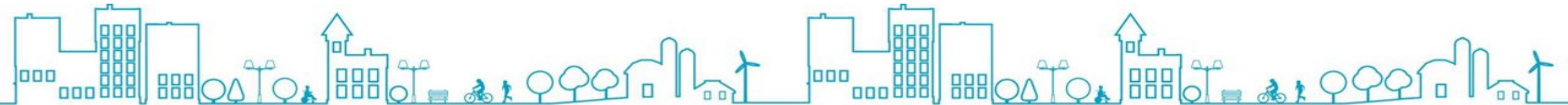
Goal 8 of the State's Top 10 Strategic Education Plan:
Provide Adequate and Equitable School Funding

*State Board of Education
February 8, 2022*



Goals

1. Expand early childhood learning opportunities
2. Improve early literacy achievement
3. Improve the health, safety, and wellness of all learners
4. Expand secondary learning opportunities for all students
5. Increase the percentage of all students who graduate from high school
6. Increase the percentage of adults with a post-secondary credential
7. Increase the numbers of certified teachers in areas of shortage
- 8. Provide adequate and equitable school funding**



2020-21 Pre-K-12 Funding



- **Local Revenue**
 - Local district millages to support foundation allowances
 - ISD millages (e.g., operating and special education)
- **State Revenue**
 - At-risk funding, CTE, and other funding
- **Federal Revenue**
 - Title funding individuals with Disabilities Education Act funding

Type of Revenue	Amount
Local Revenue	\$3,700,000,000
State Revenue	\$13,900,000,000
Federal Revenue	\$1,800,000,000
Total Funding for Pre-K-12	\$19,400,000,000

Comparing School Finance Research Collaborative (SFRC) Funding Recommendations and Actual 2020-21 Funding

SFRC Recommendations

- SFRC recommended a base funding of \$9,590 per student with specific substantial additional weights for students with disabilities, poor children, and English learners.
- SFRC recommended further exploration of three other areas of school underfunding.

FY22: Historic School Aid Budget Investments



The governor and the legislature agreed to the following historic investment in public schools:

- Increase in the minimum foundation allowance to \$8,700 per pupil.
- Increase in Great Start Readiness Program (GSRP) funding by \$168 million.
- Funding of \$240 million to help districts hire school nurses, social workers, counselors, and psychologists.
- Increase in the *Early On* program from \$7.5 million to \$14.5 million.
- Provision of \$1.67 million to help districts with Grow Your Own programs to help school support staff explore careers in teaching.

This budget demonstrates a **rising bipartisan consciousness** that Michigan public schools have been underfunded and require more funding.

Goal 8: Summary

Even with the historic state investments in public education last summer, Michigan schools continue to be underfunded by billions of dollars annually.

FY23 Budget Development Timeline

- February 9:** Governor Whitmer presents her executive budget recommendation to the House and Senate appropriations committees.
- February/
March:** State agency budget presentations to respective house and senate appropriations subcommittees.
- April/May:** Appropriations subcommittees draft and act on appropriations bills.



Educator Recruitment and Retention



- **\$2.3 billion** over four years to recruit and retain educators and other school staff.

Of that

- **\$1.5 billion** for retention bonuses for support staff over the next two years, and for educators over the next four years.

Educator Recruitment and Retention



- **\$600 million** for educator recruitment programs:
 - Proposal includes scholarships for future educators and stipends for student teachers.
 - Proposal expands in-district Grow Your Own programs to recruit and train teachers.
- **\$100 million** for educator onboarding and mentoring programs.
- **\$75 million** for innovative approaches to addressing regional educator retention needs.

Educator Recruitment and Retention



- The governor's budget will request that the majority of the \$2.3 billion for educator recruitment and retention be appropriated in the current fiscal year (FY22) through a supplemental appropriations budget.
- This is a critical request to give districts the time to recruit and retain educators and other school staff before the start of next school year.

Ongoing Operations

- **\$580 million** increase in per-pupil funding, equating to a \$435 increase per student (5% increase).
 - This investment would increase the per-pupil allocation from **\$8,700 to \$9,135**.
- **\$222 million** increase in section 31a at-risk funding.
- **\$150 million** increase in special education funding, increasing the district reimbursement rate from 31% to 36%.

Ongoing Operations

- **\$30.8 million** increase in funding for Career and Technical Education (CTE) programs.
- 5% increase in funding for English Learners.
- 5% increase in funding for rural and isolated districts.
- 5% increase in funding for intermediate school district (ISD) operations.

Mental Health

- **\$120 million** increase in section 31o funding to support the hiring of school social workers, psychologists, counselors, and nurses.
- **\$50 million** increase in section 31n funding for school-based mental health services.
- **\$150 million** to increase section 31p funding for the TRAILS Program.

School Safety

- **\$50 million** for school safety grants.
- **\$15 million** for supports to students who threaten violence.

Early Child Programs

- **\$56 million** increase for the Great Start Readiness Program (GSRP).
- **\$7.1 million** increase for the *Early On* Program.
- **\$9.5 million** increase for home visitation and great start collaborative efforts.

Before and After School Programs



- **\$50 million** increase for before and after school programs.

Thank You!

*Kyle Guerrant, Deputy Superintendent
of Finance and Operations*

