



February 23, 2010

To: Members of the Senate Appropriations Subcommittee for School Aid and the Department of Education

From: Jack Kresnak, President and CEO

RE: FY 2011 School Aid and MDE Budgets

On behalf of Michigan's Children and its Board of Directors, I am pleased to be able to share with you our priorities as you consider the Fiscal Year 2011 budgets for K-12 School Aid and the Department of Education. Michigan's Children is a statewide child advocacy organization that provides a voice for vulnerable children. Michigan's Children is independent; it does not receive any government funding or represent professionals who receive government contracts.

Michigan's Children's work is based on a set of core beliefs, including:

Equal opportunity: Racial and ethnic disparities must be reduced so that all children have equal opportunities to thrive.

Prevention: We can and must focus on preventing problems facing children and families, rather than intervening after children are harmed and families destroyed.

Civic engagement: The involvement of all stakeholders is critical, including community leaders, business and the private sector, parents, and youths themselves.

Collaboration: We must form key partnerships at the community level to address the needs of children and families.

We applaud the Governor's recognition that revenue options must be part of the FY2011 budget deliberation. At a minimum we must hold the line on current funding and make children a priority under any circumstances. There's no way around it: More cuts continue to erode the foundation of our future economy.

As members of this committee well know, without additional state tax revenues and more federal dollars, Michigan will be facing an even deeper round of cuts to programs and services on top of huge cuts made in recent years, including unacceptable cuts to education. Following significant reductions in the FY 2010 budget in per pupil grants to all local school districts, reductions for Intermediate School Districts, and cuts in programs improving school

BOARD OF DIRECTORS

Executive Committee

Terry Murphy, Chair
Bloomfield Hills

Andre Reddick, Vice Chair
Covert Public Schools

Richmond Hawkins, Treasurer
Detroit Commerce Bank

Susan Broman, Secretary
Steelcase Foundation

Gina M. Torielli, Past Chair
Thomas M Cooley Law School

Nolan Finley
Detroit News

Directors

Lynn Burdell-Williams
Detroit Youth Foundation

Daniel Chapman, M.D.
Pediatrician

Deborah I. Dingell
General Motors Foundation

Peter Eckstein
Retired - Michigan AFL-CIO

The Hon. Patricia Gardner
17th Judicial Circuit Court Family Division

Carol Goss
The Skillman Foundation

Mark Holoweiko
Story Point Communications

Kevin Kelly
Michigan State Medical Society

Rev. Michael Nabors
New Calvary Baptist Church

Juliette Thorpe Okotie-Eboh
MGM Grand Detroit Casino

Vicki Rosenberg
Council of Michigan Foundations

Lynda Rossi
Blue Cross Blue Shield of Michigan

Lynn Smitherman, M.D.
Children's Hospital of Michigan

Kurt Strehlke
Comerica

Kevin Walker
C.S. Mott Foundation

Judy Watson Olson
Great Lakes Center for Youth Development

Jeannette Wheatley
Farmington Hills

COUNCIL OF LEADERS

Armando R. Cavazos

Ed Deeb

Steve Ewing

Mary Caroline Frey

Earle S. "Win" Irwin

Kyle Smith Irwin

Wallis Klein

Russell Mawby

James McKay

R.D. Musser, III

John Porter

Kelly Rossman-McKinney

Louise Sause

Leonard Smith

Jane Thomas, Ph.D.

Gail Torreano

Marianne Udow

Jack Kresnak
President and CEO

readiness, adolescent health, and high school completion, Michigan's Children urges you to support the following in the fiscal year 2011 budget:

Early childhood programs. Michigan's Children places a high priority on ensuring that children are raised by parents or caregivers who have the supports they need to be their children's first and best teachers, and are guaranteed the opportunity to participate in high quality early learning programs. Without investments in young children, the state's attempts to improve schools, increase educational attainment, expand access to higher education and rebuild its economy will not be successful. We ask you protect funding for early childhood collaboration and pre-school programming.

Great Parents/Great Start program: The Governor's budget maintains funding (\$5 million) for Great Parent/Great Start early childhood programs. These funds, which flow through local Intermediate School Districts (ISDs), are used by communities to leverage other local dollars to provide services to encourage early literacy, improve school readiness, strengthen families, improve parenting and reduce the need for special education services. We urge you to also hold the line on these critical funds.

Great Start Collaboratives: Similarly, we ask that you maintain critical funding through the Early Childhood Investment Corporation to the local Great Start Collaboratives. This investment of \$6 million dollars enables 55 local collaboratives and parent coalitions to increase the efficiency of local services and successfully leverage local and private resources to improve services to young children.

Great Start Readiness Program (GSRP): The Governor maintained current funding for preschool programs. This includes \$88.1 million for district programs, and \$7.6 million for competitive programs. However, access to the preschool experiences that research shows lead to school readiness, and ultimately educational achievement, has been restricted this year. First, the competitive portion of the GSRP was cut by 50 percent in the current fiscal year, denying access to more than 2,200 children around the state. In addition, school districts under stress because of cuts in the School Aid per pupil allotment were given discretion in the current year to use GSRP funds to fill other holes in their budgets. As of the end of December, more than 10 percent of total GSRP funds had been redirected, further constricting the number of preschool slots available for at-risk children.

To stem this erosion of access to high quality preschool in Michigan, we urge you to restore funding for the GSRP competitive program (\$7.6 million), and to support language in the Governor's budget that requires districts to protect funding for preschool by removing the flexibility to redirect those funds to other budget priorities.

While we believe that all children can benefit from a high quality preschool experience, we understand that the state has limited resources and that it must target those resources to the children most in need. Further, the research on the effectiveness of preschool programs shows that the lowest income children receive the greatest benefit in terms of school readiness. To that end, we support language in the Governor's budget that requires that more than 75 percent of the children participating in a GSRP program are from families with incomes of 300 percent of poverty or less, and efforts by the State Board of Education to clarify participant eligibility and prioritization guidelines. We also support language in

the Governor's budget encouraging school districts to establish sliding fee scales for tuition for the GSRP for children who do not meet program eligibility requirements.

Initiatives to address high dropout rates and low academic achievement. Michigan's Children places a high priority on ensuring that children are educated in high quality schools engaging parents and the community in preparing students for post-secondary education, work and life. All community resources must work together to provide services to children and families in the most impactful way.

The flurry of education reform activity at the end of 2009 was focused to improve Michigan's national competitiveness. These and other education reforms must be funded, and they will not be successful if they take place within the context of disinvestment in other programs that support educational success. Michigan's Children is asking lawmakers to commit resources to dropout prevention and recovery, and remove policy barriers that prevent young people from obtaining educational success.

Before-and After School Programs: The Governor's budget recognizes continued federal funding for 21st Century Community Learning Center after-school programs. After-school programs have been shown to improve school attendance and academic achievement, as well as reduce violence and other risky behaviors by youths. While after-school programs have been available for elementary students whose parents can afford them, once children enter middle school, they are increasingly less likely to be in structured after-school activities. Michigan's Children encourages you to provide incentives and technical assistance to districts to develop innovative after-school programs in middle and high schools that might help adolescents stay in school and graduate, including, for example credit recovery programs and apprenticeships. We also encourage you to put language back into the budget allowing the use of some of the federal funding to be used to support the Michigan After-School Partnership (MASP). Michigan's Children works in partnership with others through MASP helping communities maximize their resources from multiple Departments and sources. As this committee continues to explore efficiencies, we urge you to prioritize support for existing partnerships in those efforts.

Child and Adolescent Health Centers. The Governor's budget fails to restore the 25 percent cut to adolescent health centers effective in the current budget year. These centers are critical health service providers to young people and others in the communities where they are located. They integrate a variety of medical, mental health, social and counseling services that would not otherwise be accessed. Michigan's Children urges you to at least hold harmless funding for these critical services and restore funding at FY2009 levels if possible.

Dropout Prevention and Recovery. There is strong research that allows us to predict which students are at-risk of dropping out. Young people who fall behind in credits are much more likely to not complete school, yet there are very limited options for credit recovery for these students. Once young people fall behind in school, or when they face significant personal and educational obstacles, a traditional high school setting is not always successful in reengaging them, yet few alternatives exist. In addition, school discipline policies often contribute to disengagement and lost credits. These barriers to success have always had significant implications for young people, their families and communities. Those implications have only grown with the recent change to compulsory attendance laws.

If we are really serious about serving ALL young people through age 18 or graduation, we need to create incentives for schools to establish effective discipline alternatives, and support truancy prevention and credit recovery initiatives. These can often be supported through local partnerships between school systems and other agencies, maximizing resources. We also need to focus on supporting alternative pathways: better support those that we have, like alternative and community education options, community college and workforce development partnerships; and create other pathways that we need to consistently serve young people throughout the state.

The Governor did not do enough to recognize system changes needed to support the new compulsory attendance law. The proposed budget retains damaging cuts in the current year's budget that include an end to support for the 21st Century Schools Fund that provided one vehicle for funding multiple pathways to high school graduation, continued retrenchment in Adult Education funding, and cuts to the Youth Challenge Academy. The budget proposal also includes flat funding for Middle College Programs, which serve to maximize School Aid, Community College, and other community resources to build an alternative path to graduation for some students.

Current actions that have diminished services for children, youth and families through cuts in the state budget are counter-productive to meaningful education reform. Consistent funding for schools and support programs will likely need to be expanded in order to see real improvement in school success for those most challenged schools, communities and young people.

As you well know, we are now in our tenth consecutive year of budget deficits and continue to at best hold flat funding for programs and services that people need now more than ever. We must be prepared to make investments needed in our children as the foundation of our future economy. To compete for the jobs of tomorrow, Michigan must invest in children today.

Thank you for this opportunity. I am available to address questions throughout the budget process. Please feel free to contact me at 517/485-3500 or by email at jack@michiganschildren.org