



# SCHOOL EQUITY CAUCUS

*Making a difference for the public school children of Michigan*

423 W. Ionia Street • Lansing, Michigan 48933  
517.482.5110 • fax 517.482.5110  
www.schoolequitycaucus.org • schoolequitycaucus@gmail.com

## Information Alert

February 10, 2012

### **Re: Executive 2012-13 Budget Proposal**

Yesterday morning Governor Snyder introduced his 2012-13 Budget proposals for the state fiscal year beginning October 1, 2012. The Governor emphasized his commitment to education and said his budget reflects that commitment.

Actual increases to schools will amount to about 1%, way short of what would be necessary to just keep up with inflationary cost growth.

Some of the key features of the budget proposal include:

- Most of the increased funding is one-time dollars and is incentivized.
- \$470 per pupil Foundation reductions remains in place for another year.
- No equity payment (2X) at this time, but includes a commitment to look in the near future at “strategic investments” to further close the spending gap between districts.
- Full day kindergarten for full FTE remains in place for 2012-13.
- MPSERS rate will increase to 27.37% in 2012-13 and to 31.21% for 2013-14 with a 2012-13 \$15 per pupil offset (the actual cost of the 2012-13 MPSERS rate increase amounts to about \$170 pp).
- Funding for Small and Rural Schools remains the same.
- Up to \$100 pp for meeting student performance goals and best practices, including:
  - Up to \$30 pp for grade 3-8 math
  - Up to \$30 pp for grade 3-8 reading
  - Up to \$40 pp for high school tested areas
  - Five out of 6 best practices, including;

- Dashboard of progress
  - Health care policy holder
  - Participate in schools of choice
  - Monitor student progress in each subject area at least twice/year
  - Offer dual enrollment opportunities
  - Offer AP courses, middle college, post secondary opportunities, or online or blended learning
- Maintains school bus inspections.
  - Maintains ISD funding of which 5% is for 4 of 5 best practices, including:
    - Service consolidation plan
    - Competitive bids for at least 1 non-instructional service of at least \$50,000
    - Develop instructional tech plan for constituents
    - Provide Dashboard of progress
    - Work with consortium of ISD's to develop information management system
  - \$10 million in competitive grants as reimbursement for consolidation transition costs.
  - At Risk remains the same.
  - Changes ISD calculations for special education and vocational education millage.

While holding school districts to another year of inadequate funding, the Governor's proposal would increase higher education operational dollars by 3%. Further, 18 university and community college infrastructure projects would continue at a cost of over \$613 million dollars, while the School Loan Revolving Fund, public schools only access to state help for infrastructure, is being made inaccessible.

The 2012-13 budget process has a long way and many months to go. It remains critically important that you and your district continually remind your legislators of the very negative consequences that inadequate and unequal funding causes your public schools.

We could have hoped for better in this proposal, but while these extremely modest "increases" remain insufficient, remember that the economy is trending upwards and the overall picture is improving.

*Jerry*