



Update: Public Schools Funding

School Funding Summit
Friday, January 8, 2010
Lansing

Sponsored by:

MEA – Michigan Education Association

Middle Cities Education Association

SOS – Save our students, schools and state

Key economic factors for schools

- All three contributors to school aide fund are down
 - Property tax
 - Sales tax
 - Income tax
- Leading economists and ratings agencies suggest a 30 year time frame for economic recovery in MI
- Over 109,000 people left Michigan last year

Declining enrollment

- State funding is distributed on a per pupil basis
- Declining enrollment often results in fiscal problems
- It is much easier to scale up an educational system than to scale it down on a per pupil basis

Tax Exemptions limit revenues

- Enactment of numerous tax exemptions that reduced growth potential of School Aid Fund
 - Film industry credits
 - Special interest credits
 - Job growth credits – even if no jobs added
- Replacement funds, largely tobacco taxes, are long term decliners

Constitutional Guidelines

- Article VIII, Sec. 1 – Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.
- Article VIII, Sec. 2 – the legislature shall maintain and support a system of free public elementary and secondary schools as defined by law. Every school district shall provide for the education of its pupils without discrimination as to religion, creed, race, color or national origin.

Key Takeaways

- The entire tax system for the State of Michigan is in crisis - “unstable”, “declining”, “structural deficit”
- The cavalry is not coming – we must have the courage to face our problems, starting with tax reform
- Outside of tax reform, all other efforts are cannibalistic
- Legislators are just not that interested in school funding
 - Of over 400 attendees, ONE was a legislator and no other staffers were present
 - Neither party has education as one of their key platforms for the upcoming elections

Change requires Action

- What role does the PTO Council have in addressing school funding at the state level?

State level opportunities

- Michigan Parents for Schools at www.miparentsforschools.org
- Attend rallies and meetings with SOS –Save our Schools at www.sosmichigan.com
- Write your legislator about your concerns with Michigan’s education funding model

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Get involved in the discussions

➤ Local opportunities

- Understand our schools districts funding challenges
- Participate in district wide community conversations in January 2010 focused on 2010-2011 budget.
- Attend a Board of Education Meeting, review BOE materials
- Investigate alternative school funding opportunities like the Ann Arbor Public Education Foundation, PTOs, and specialty clubs.
- Keep up-to-date on AAPS News with the new bi-monthly AAPS News, available at <http://news.a2schools.org>