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**FALSE START IN MICHIGAN: THE EARLY
IMPLEMENTATION OF THE FEDERAL "NO CHILD LEFT
BEHIND" ACT**

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I. Introduction

The strategy behind NCLB relies on two key elements to induce schools to improve: the clarity of the signals that schools receive about their own performance, and the credibility of the consequences that schools experience when they fail to meet their achievement targets. In Michigan, however, the clear message that NCLB is expected to send to schools has been muddied, and the sanctions foreseen under NCLB have been imposed weakly and capriciously. There is widespread confusion and anxiety about the identification of “failing” schools, and little confidence that the sanctions required by NCLB will lead to school improvement. It is possible that these are mostly start-up issues that will be resolved with time, but there is at present little reason to think that this is true. Instead, it is difficult to see NCLB gaining much traction or leading to significant improvements in the performance of Michigan’s public schools.

In this paper we review the early implementation of NCLB in Michigan. In the following section we describe the state policy context, with a particular focus on school choice and accountability policies adopted prior to or in parallel with the adoption of NCLB. We also discuss some of the administrative and political issues that have influenced implementation at both state and local levels. In the third section we discuss the school choice and supplemental services provisions of the law, and in the fourth we examine how these provisions have been put into effect in three urban school districts—Detroit, Flint, and River City¹. In the concluding section we offer an assessment of the early implementation of NCLB in Michigan, and express some doubts about whether the law will produce significant improvements in the performance of schools serving disadvantaged students.

II. Policy Context and Policy Implementation

A. The Michigan Policy Context

Three key features of Michigan's policy environment are especially important for an analysis of the implementation of NCLB. The first of these is the way Michigan funds its schools, and the second is Michigan's school choice policies, which are among the most comprehensive in the country. The third is the history of the state's efforts to develop an accountability system for Michigan schools.

1. School Funding and School Choice

Since the adoption of Proposal A in 1994, the Michigan Legislature has distributed most education revenues to local school districts on the basis of portable capitation grants.² When a child moves from one district to another, or from a traditional public school to a charter school, the full value of the state foundation allowance moves with her. There is no residual "local share." Under this system, the only way for school districts to increase revenues is to increase enrollments, and the competition among schools and school districts for students and the revenues that come with them has steadily intensified.

The competition to increase enrollments and revenues has produced new choices for parents. On the one hand, Michigan has one of the "strongest" charter school laws in the country. In 2002-03 there were 184 charter schools in operation in Michigan, enrolling more than 70,000 students. Most are located in urban school districts, including more than 40 in the city of Detroit. On the other hand, Michigan's interdistrict choice law places virtually no restrictions on parents' opportunities to choose among public schools. Parents may choose schools in any school district within their own Intermediate School District (ISD),³ or in any contiguous ISD. Children in Lansing, for example, can choose to attend any school in Ingham County (where Lansing is located), or in Clinton, Eaton, Jackson, Livingston, or Shiawassee Counties. The only constraint on inter-district choice

(apart from distance) is that districts may decide to close their schools to students who do not reside in the district. The number of “open” districts has nearly doubled since 1996; almost 70 percent of Michigan school districts are now open to non-resident students.

About 6 percent of all Michigan students are currently enrolled in charter schools or in schools in districts other than the one where they reside, and these numbers have been growing rapidly. (See Table 1.) The vast majority of students who participate in school choice programs are from school districts in Michigan’s major metropolitan areas, including Detroit, Grand Rapids, Flint, Lansing, and Pontiac.

Table 1
Participation in School Choice, 1996 - 2003

School Year	Number of Charter Schools	Number of Charter School Students	Charter School Students As a Percentage of All Michigan K-12 Students	Number of Interdistrict Choice Students	Interdistrict Choice Students As a Percentage of All Michigan K-12 Students	Percentage of Districts Accepting Nonresident Students	Choice and Charter Students As a Percentage of All Michigan K-12 Students
1996-97	79	12,047	0.8	7,836	0.5	36.8	1.3
1998-99	138	34,319	2.2	14,723	0.9	45.2	3.1
2000-01	176	56,417	3.5	25,553	1.6	58.3	5.1
2002-03	184	72,312	3.8	43,756	2.3	69.4	6.1

2. Holding Schools Accountable

Like other states, Michigan has wrestled over the past decade with the task of holding schools accountable. The Michigan Education Assessment Program (MEAP) was

created in the 1970s, as an instrument to determine whether schools were covering the main elements of the state's core curriculum. In the 1990s the stakes attached to MEAP assessments were significantly increased, for both schools and students. On the one hand, scores on MEAP were put to work as the principal basis for school accreditation. Schools in which a significant percentage of students failed to meet state standards were publicly identified, and some were subjected to state intervention. On the other hand, the Legislature established "merit awards" for middle and high school students who performed well on MEAP, in order to raise participation rates and encourage students to take the assessments seriously. More recently, the State Board of Education has developed a new accreditation system for Michigan schools (known as Education Yes!) that seeks to provide a more comprehensive and accurate account of how different schools are performing. The new accreditation system has been plagued by a number of conceptual and technical problems, which significantly delayed its implementation. The first "report cards" on Michigan schools were released in January 2004.

Over the past decade, Michigan has also acquired some experience with state intervention in local schools. In 1999 the Legislature replaced the elected school board in Detroit with a board appointed by the Mayor.⁴ The new board in turn appointed a Chief Executive Officer for the Detroit Public Schools, who enjoys all of the administrative authority traditionally vested in the school board. The board retains the right to fire the superintendent, but otherwise cannot intervene in the management of the school system. In 2000 the Michigan Department of Education declared the Inkster School District to be in financial and academic "bankruptcy." After negotiations with the state, the school board in Inkster signed a contract under which responsibility for managing the district was awarded to Edison Schools. Since 2001, under an initiative known as "Partners for Success," the Michigan Department of Education has identified low-performing schools and required them to participate in a program aimed at improving the achievement of their students. The program assigns seasoned administrators to assist troubled schools in turning themselves around.

B. Implementing NCLB in Michigan

The early implementation of NCLB in Michigan has been vexed by a number of factors. Controversy and debate over the legitimacy and efficacy of NCLB have consumed the first year of implementation, despite public expressions of support from Governor Granholm and other officials. Partly as a result, very little public attention has been paid to NCLB strategies for school improvement, including school choice and supplemental services. Two key obstacles account for these early stumbles. First, the state has sent weak and confusing signals to schools about the performance of their students. Second, the limited administrative and financial capacity of state government including the Michigan Department of Education (MDE) has undermined the implementation of key provisions of NCLB.

1. Weak And Confusing Signals

a. How many Michigan schools are failing?

The greatest controversy in the early implementation of NCLB has revolved around the question of how to identify schools that are not making adequate yearly progress (AYP). Disputes over this question have been addressed in very public negotiations between the Michigan Department of Education and the US Department of Education, which have produced two main outcomes. The first of these has been an extraordinary degree of volatility in the number of schools included on Michigan's list of schools that have failed to meet AYP targets. The second has been a dramatic lowering of the standards against which Michigan measures the performance of public schools.

When the US Department of Education announced its first list of schools that had failed to meet AYP targets in Summer 2002, 1513 Michigan schools were on the list. Nearly 20 percent of all "failing" schools in the United States were in Michigan, more than in any other state. This was attributable to the state's high standards for school performance, which had been in place since 1994. Under Michigan standards, 75 percent of a school's

students had to meet or exceed standards in four subject areas on the Michigan Educational Assessment Program (MEAP) test for the school to be given a satisfactory rating.⁵ The federal standards enacted in NCLB were significantly less rigorous than Michigan's, and some states did not yet have standards in place (and consequently had no schools on the federal list).

Despite affirmations from Washington that states would not be permitted to lower their standards in response to NCLB, negotiations to lower Michigan's standards immediately ensued. In November 2002, the State Board of Education adopted new standards that conformed to the federal standards enacted in NCLB. Under the new standards, 47 percent of elementary students would have to meet or exceed state standards in math, and 38 percent of elementary students would have to meet or exceed state standards in reading for a school to meet its initial AYP target. In middle schools, 31 percent of students were required to meet or exceed state standards in both math and reading. Performance on the science and social studies components of MEAP was no longer taken into account.

Under the new standards the number of "priority" schools in Michigan fell by more than 80 percent, from 1513 to 216. Negotiations between the Michigan Department of Education and the USDOE continued, and in July 2003 the number of "priority" schools was increased once again, to 760. At the time of this new announcement, however, parents and educators were assured that most of the schools being added to the list would soon be removed.⁶ In January 2004 the MDE announced that 896 Michigan schools had failed to make AYP in 2003-04, but many schools insisted that the state's calculations were in error.⁷ The "real" number of schools that are failing to meet Michigan standards consequently remains mysterious.

b. Penalties for early compliance

Under NCLB, schools that fail to make AYP for an extended period of time are subject to escalating sanctions, ranging from choice for parents in the second year to reconstitution

in the fifth. The idea is that schools should initially be subjected to relatively mild sanctions, and given an opportunity to turn themselves around, before more draconian interventions are imposed.

In states like Michigan, however, where assessment systems have been in place for some time, many schools have found themselves subject to the full array of sanctions in the first year of NCLB implementation.⁸ Of the 896 schools that failed to make AYP in 2003-04, for example, 112 schools are already facing reconstitution, and an additional 84 schools have not made improvement for four years. Of the remaining schools on the list, 83 have failed to make AYP for three years, and 30 have failed for two years.

There is virtually no public disagreement with the proposition that many of these schools are in serious trouble, and a variety of initiatives have been undertaken to turn them around.⁹ At the same time, however, the structured escalation of sanctions included under NCLB is not being given a chance to work in these schools. Instead, many of them find themselves obliged to respond to all three levels of sanctions at once. Under these circumstances, planning for reconstitution necessarily assumes the first importance. The signals that parents and educators are expected to receive from the school choice and supplemental services provisions of NCLB are confused or overwhelmed, and initiatives to turn the schools around are likely to be short-circuited.

2. Financial and administrative obstacles

As in the implementation of any complex social policy, financial and administrative problems have complicated the implementation of NCLB in Michigan. On the administrative side, problems with the management and analysis of MEAP scores have produced long delays in the identification of schools that are subject to NCLB sanctions. In addition, the radically diminished capacity of MDE undermines efforts to hold schools and districts accountable for implementation. On the financial side, a persistent and deepening budget crisis has diverted policy attention from the problems of “priority schools,” and curtailed the resources available to support intervention in these schools.

One of the persistent complaints about MEAP (and other state assessment programs) has focused on delays in getting scores back to teachers and schools. Failure to return scores in a timely manner deprives teachers of potentially useful feedback, because the students who participated in the assessment under their supervision have moved on to other teachers, and often to other schools. The prospect of sanctions under NCLB further increases the significance of prompt return of assessment results, for school districts and parents. Districts need to know the status of their schools if they are to inform parents about choice options, identify providers of supplemental services, and plan for reconstitution. Parents also need to know the status of their schools if they are to take advantage of the opportunities for choice and supplemental services that NCLB opens to them.

For the first full year of NCLB implementation, the Michigan Treasury¹⁰ contracted with a private company to manage and analyze MEAP data. The contract called for MEAP results to be returned to schools in June 2003, but in the event schools only received their preliminary results in October 2003, well after the beginning of the school year. In this process more than 3000 student assessments were misidentified or lost, and some results were sent to the wrong schools. In addition, more than one-third of all Michigan schools immediately filed appeals on their MEAP results, claiming errors in the data provided by the MDE.¹¹ Schools that had failed to achieve their AYP targets in 2002-03 were finally identified at the end of January 2004.

The early implementation of NCLB has been further undermined by the radically diminished capacity of state agencies including MDE to monitor local compliance. Over the course of the past decade the number of employees at MDE was reduced by 90 percent, with key functions including student assessment transferred to other agencies. Cuts in budget and staffing have continued under Governor Granholm, who has simultaneously moved to return most educational functions to the Department. As a result, the energies of key staff are consumed by financial emergency and administrative reorganization. Whatever capacity for leadership remains has been devoted to

implementing Michigan's own fledgling accountability system. As a result, MDE has exercised almost no oversight over the local implementation of NCLB. According to one senior official, "We're relying on the public trust and the good faith of schools to do what they need to do out of the interest of children."¹² Pressure to comply with key provisions of NCLB must therefore come from the federal government or from parents and other local actors, if it is to come at all.

Administrative obstacles to the implementation of NCLB are exacerbated by Michigan's current budget crisis, which is arguably the worst since World War II.¹³ Schools have been obliged to cut their budgets in each of the past two years, and the prospects are grim for 2004-05 as well. A growing number of districts are on the verge of bankruptcy, and this number includes many of the districts that face the steepest challenges under NCLB. The state's inability to fund its current commitments to K-12 education has intensified frustration with the new mandates and expectations associated with NCLB.

3. *Summary*

Taken together, the implementation problems identified here have had two main consequences. In the short run, they have significantly blunted the potential impact of NCLB on Michigan schools. Parents do not have the information that they need to make good choices on behalf of their children, and as a result schools do not feel the pressure that might oblige them to improve their performance. In the long run, the variety and severity of these implementation problems has undermined confidence in the reliability and legitimacy of the judgments about Michigan schools on which NCLB relies. Unless they are confident that the labels assigned to their schools are accurate and meaningful, and that changes in the ways they manage their schools and classrooms will lead to predictable changes in the labels, educators (and to some extent parents) will not make the changes in behavior that would be necessary for NCLB to produce sustained improvements in student achievement.

III. School Choice and Supplemental Services

In Michigan, the school choice and supplemental services provisions of NCLB are something of a sideshow, for reasons that can be derived from the preceding material. First, NCLB is being implemented in a policy context in which the sharpest policy instruments made available under the policy, including especially school choice, have been significantly dulled by previous use. Second, the administrative and other obstacles encountered in the process of implementation have called the legitimacy of the NCLB sanctions into question, and weakened the incentive of state and local administrators to comply with the law's more demanding requirements. In addition, state and local administrators have responded to the choice and supplemental services provisions of NCLB with a clear lack of enthusiasm, making it difficult for parents to understand or exercise their new options under these provisions.

1. School Choice

In Michigan, the impact of the school choice provisions of NCLB is likely to be marginal at best. As noted above, Michigan has an increasingly active and competitive market for schooling, with about 6 percent of public school students already attending schools other than the one to which they would traditionally have been assigned. This is particularly true in the state's metropolitan areas, where most of the schools subject to sanctions under NCLB are located. Many urban districts have adopted open enrollment policies, under which parents (including non-resident parents) may enroll their children in any school in the district, subject only to limitations of space. In addition, parents in metropolitan areas may choose schools from a wide array of charter schools and nearby school districts.

Under NCLB the parents of children who attend "failing" schools must be informed of that fact, and informed also that they have the right to select a more successful school within the district, subject to limitations of space. By definition, therefore, NCLB does

not expand the array of choices available to Michigan parents; the set of schools that is “open” to them under NCLB is a small subset of the schools that they could choose before the law was adopted.

It is possible that some Michigan parents were not previously aware of the performance of their children’s schools, or of the educational alternatives available to them. By the same token, it is possible that the prospect of transportation provided by the district will reduce the marginal cost of choosing different schools sufficiently to cause previously “trapped” parents to move their children. For now, however, there is virtually no evidence to suggest that the advent of NCLB has increased the incidence of non-traditional choices among Michigan parents.¹⁴

2. Supplemental Educational Services

With respect to supplemental services, the case is more complicated. The Office of Field Services in the Michigan Department of Education developed a supplementary services application process that requires prospective providers to demonstrate how their program will improve MEAP scores in reading and mathematics.¹⁵ In January 2004 the Department had approved 44 supplemental service providers, including three Intermediate School Districts, ten local school districts, and two individual public schools. The list of approved providers also includes some large private-sector companies like Sylvan Learning, Kumon, and Edison Schools, along with a variety of local firms.¹⁶ With a large and growing number of Michigan schools on the “priority schools” list there is a potentially huge market for supplemental services in the state, but the market has been slow to develop, for two main reasons.

On the one hand, state and local administrators have not taken aggressive steps to ensure that parents have access to supplemental services for their children. The Michigan Department of Education has done little in this regard other than to publish the list of approved providers and to inform districts of their obligations under the law. At present the Department has no information about which districts have funded supplemental

services for students in “priority schools,” or about how many students have received services. They expect to receive reports on the numbers who received services in 2002-03 beginning in January 2004, and to conduct their first evaluation of the performance of supplemental service providers and the effectiveness of their services in 2006. Local districts have sent letters to parents informing them of their right to seek out supplemental services, as NCLB requires, but few have taken active steps to facilitate parents’ access to these services.

On the other hand, some private-sector providers have reportedly been slow to enter the market for business reasons. Under NCLB school districts must set aside 20 percent of their Title I funds to provide transportation and supplemental services for their students. The available funds fall far short of the amounts that would be needed to finance access for all eligible students, and some districts have consequently engaged in protracted negotiations with potential providers aimed at reducing the price of service. Many providers have not been able to devise a business plan for local service delivery that promises a satisfactory return, nor have they been able to develop a strategy that would take advantage of potential economies of scale.¹⁷ For the time being, therefore, many potential providers remain on the sidelines, and the funds available for the purchase of supplemental services remain on the table.

Geography imposes further constraints in the market for supplemental services. In Flint, for example, only three of the 44 approved providers of supplemental services have offered to provide services, despite the relatively large number of eligible students in the district. Schools in outlying districts with fewer eligible students are likely to attract the interest of even fewer private-sector providers.

In consequence of the mutual reluctance of public sector administrators and private sector providers to move aggressively to develop the market for supplemental services, relatively few Michigan students have taken advantage of the opportunities that NCLB promises. Finding strategies to clear the obstacles to increased activity in this market should be a priority for those who seek to achieve the goals of NCLB.

IV. The Politics of NCLB in Michigan

Despite the implementation problems catalogued above, Michigan's political leaders including Governor Granholm have generally remained supportive of NCLB. Speaking to the state Board of Education in March 2003, for example, Granholm strongly endorsed the law's central purpose.

Let's embrace it, let's move on it. Let us go forward at 90 miles an hour and say we are not going to leave any child behind. You have to have high expectations, and you have to have accountability.... Failure is not an option.

In the same meeting, State Superintendent of Public Instruction Tom Watkins was more equivocal, but still supportive.

The point is this is the law of the land and we have to implement it. What we want to do is make No Child Left Behind more than just a rhetorical statement.¹⁸

In her response to NCLB, however, Governor Granholm has embraced the central purpose of the law, while effectively minimizing if not rejecting the instruments proposed to accomplish that purpose. Rather than emphasizing the sanctions that may be imposed on low-performing schools if they fail to increase student achievement, Governor Granholm has emphasized the importance of providing additional support for schools and students in danger of being left behind.¹⁹

Her signature initiative in this regard is the Children's Action Network, an effort to mobilize and coordinate the efforts of a variety of social service agencies in targeted schools. In current budget negotiations she has also striven to protect the categorical funding that Michigan provides for "at risk" students, arguing instead for across-the-board reductions in the foundation allowance and additional cuts for the highest-spending

school districts. She has supported the “Partners for Success” program, which provides technical assistance to severely troubled schools, and introduced mandatory “leadership academies” for the principals of schools that fail to meet their AYP targets.

The ways in which Governor Granholm has interpreted and acted on the law work at cross-purposes in some important respects to the intentions of the law’s sponsors. Most notably, she has attempted to increase the resources available to the most troubled schools, rather than encouraging parents to seek out alternatives or supplementary services. Her education policy initiatives have served to make the schools on Michigan’s priority schools list **more** rather than less attractive to parents. Enrollments have consequently increased rather than declined in some of the state’s lowest performing schools.

V. Local Responses to NCLB

In this section of the paper we examine the responses of three urban school districts—Detroit, Flint, and River City—to the school choice and supplemental services provisions of NCLB. Urban school districts are under intense strain in Michigan. Since the adoption of Proposal A and the expansion of school choice opportunities, enrollments and revenues have declined steadily in urban districts. At the same time, the population of students enrolled in urban schools has shifted significantly, with growing percentages eligible for special education services and free or reduced price lunch.²⁰ All but seven of the 216 schools on Michigan’s first “priority schools” list were in urban, high-poverty school districts. Fully half were in the city of Detroit.²¹ Nearly 90 percent of the students in these schools were members of racial or ethnic minorities, and more than three-quarters were poor.²²

A. Detroit

Detroit is the largest school district in Michigan, with a total enrollment of nearly 160,000 students. Enrollments have fallen dramatically in recent years, however,

because of demographic shifts and new school choice opportunities. Since 1994 more than 20,000 students have left the Detroit Public Schools (DPS), reducing district revenues by approximately \$160 million per year. In the first year of NCLB, half of the “priority schools” in Michigan were located in the city of Detroit, and more than 80 of these were part of the DPS. In 2002-03 approximately 78,000 DPS students were enrolled in schools that had failed to make AYP for at least two years.

1. Transportation and Parental Choice

In Fall 2003 the DPS mailed letters to the parents of students in schools that had not made AYP for two years. The letters informed parents that their children were eligible for transportation to a higher achieving school within the district. The letter specifically read, “... this letter is to officially inform you of the status of your youngster’s school and to inform you of your right to transfer your youngster to another school that made (AYP).” Immediately following this sentence, however, DPS alerted parents that the district was “poised to address the academic crisis . . . and that the district intended to move their schools off the current list. Our major concern is assuring the success of our students who continue to attend schools not making (AYP).”

The letter identified a number of special initiatives that DPS intended to implement to enable schools on the list to make AYP during the 2003-2004 school year. These included the assignment of a Reading and/or a Mathematics Instructional Specialist to each school not making AYP, the employment of additional consultants by the district to assist with the implementation of the Open Court Reading Program, and professional development for all staff. Parents who decided to have their children remain in their current school were told that the district would work with them “to help assure the school’s success during the upcoming year.”

Toward the end of the letter there were a couple of sentences informing parents who wanted to transfer their children to another school that they were required to contact the district within 30 days of the date the letter had been mailed. The district further

informed parents that it would provide a maximum of two options of schools to which their youngster might transfer. If the schools were located beyond the district's established walking distance of 1.5 miles, then would provide transportation from a central location to a new school within walking distance.

The DPS official responsible for overseeing these programs informed us that the district was prepared to set aside 5 percent of their Title I funding to support student transportation. When the 5 percent is spent, however, transportation ends. According to this official,

The transportation unit is working to identify two achieving schools closest to a failing school. The parent could then choose either school A or B. A parent may not choose a school 15 miles away because they are offering a program their child is interested in taking. It is either school A or B. The law is very open and vague. It only says that you must send them to a school making AYP. This is why DPS designates either school A or B. And, DPS is sending students to the closest achieving school available to students.

As of December 2003, approximately 900 families had requested information about transferring their children to a school making AYP. In fact, however, no students had been transferred. The Director explained that the district had not yet worked out the logistics involved with moving students to other schools and providing transportation, particularly in circumstances where the "real" number of schools subject to sanctions (and the number of students eligible for transportation assistance) remained uncertain.

We have no idea how many parents may opt for the transportation. We may not get the children transported until the second week of October. [NB: No children had been transported at the end of December 2003.] We are well after the fourth Wednesday's count for state aid so how are we going to do this? In addition, some schools where parents have requested transfers from may come in having made

AYP. We don't know because we don't have MEAP scores. In this case, we don't have to transfer/transport students. It is a nightmare.

2. Supplemental Educational Services

In May/June 2003 DPS mailed out 76,000 letters to parents of students eligible for Supplemental Educational Services, whose schools had failed to make AYP for three consecutive years.

There was an overwhelming response from parents when the letters were sent out initially in May. We did not anticipate the volume. My phone number and the number to the Title I office were on the letter. A huge volume of calls blocked all the phones out so it essentially wreaked havoc on the system.

DPS hired a temporary service that provided 20 people and 20 additional phone lines. The temps answered the phones and registered parents for SES. Temps collected information on students' schools and birthdates, which was crosschecked with the district's database of eligible students (i.e., students eligible to receive free or reduced price lunch who were attending schools that had not made AYP). In the end, however, only 3,700 students signed up for Supplemental Educational Services during summer 2003. According to the DPS official,

I think parents thought they were going to get a check that would enable them to send their child for supplemental services rather than be referred to a provider. Once they found out that they would not receive the \$1,352 the interest lessened. Summer Learning Academy was mandatory [a DPS program for low-achieving students] and it was going on at the same time. The law says that tutorial services could only begin at the end the day. Students were going to the academy from 8-1 and then were expected to begin SES at 1pm until whenever. This schedule was not appealing to students or parents.

In fall 2003 the district sent new letters to parents of students in schools that had not made AYP for three or four years. These families were given the option to receive supplemental services or transportation to an achieving school, but not both. The list of SES providers included programs like Sylvan where students would receive face-to-face instruction, and other programs featuring on-line services. DPS set an initial deadline of September 18 for families to sign up for SES, but this was subsequently extended to October 24 to allow more parents to enroll. DPS scheduled district wide parent meetings for October 17th and 18th to explain NCLB and options offered to parents including where they could sign up with approved SES providers in the Detroit area.

The DPS official attributed the delays to the fact that the district had not received the results of the state test.

The state is holding up the MEAP data so we don't really know. A school may have made AYP this year and in doing so gives them another year. We sent out 76,000 letters to parents to comply with [NCLB requirements]. The state not having this data available, puts the district in violation of NCLB mandates that parents be notified no later than the first day that school opens.

Of the approximately 76,000 students eligible for SES in the DPS in Fall 2003, only 3,200 ultimately enrolled to receive services.

On the other side of the market, some SES providers argued that DPS was creating obstacles for parents who would like their children to receive supplemental services. According to one provider, for example, some providers were told by DPS not to "stir up business because that would cause the money to soon run out." This provider also complained that information meetings scheduled by DPS were set up with too little advance notice and too little opportunity for SES providers to inform parents about services they offered and to provide parents with an opportunity to sign their children up for these services. Other providers complained of shifting rules and deadlines, and of differential treatment for different providers by DPS. Some had the names of students

referred to them from DPS, while others were obliged to acquire students' names through contacts from parents. One private-sector provider signed up a number of families who wished to enroll their children in the company's programs, only to be informed by DPS that children who enrolled directly through the provider (and not through the district) would not be eligible for services. The per student amounts received by different providers also varied significantly.

3. The Politics of NCLB: BAEO

Detroit is one of four cities across the country where chapters of the Black Alliance for Educational Options (BAEO) have been awarded \$600,00 grants from the US Department of Education to inform parents about NCLB and its provisions.²³ The Detroit chapter (DBAEO) began its outreach activities under the name of Project Clarion in September 2002. Their goal was to reach 5,000 parents in 18 months to inform them of their right to move their children from schools not making AYP. DBAEO held workshops for parents, participated in Parent Teacher Organization meetings, and partnered with the Mayor's Office and other community organizations in an effort to get the word out. Some of the workshops included representatives from the SES providers. There were also radio and billboard promotions aimed at informing parents.

According to the President of DBAEO, parents were frustrated because they were unaware of the options provided by NCLB and they wanted to know why they had not received this information sooner. The president also expressed frustration, but no surprise, over her mostly futile attempts to connect with DPS.

When asked whether DPS had worked with any community organizations (more specifically with DBEAO) to dispense information about NCLB and its implications, the Title I director indicated that the district had not. DPS is seeking to comply with NCLB while keeping Detroit children enrolled in DPS and keeping Title I resources under district control. DBAEO is encouraging children to exercise NCLB provisions that

would shift Title I funds out of the control of the DPS. Under these circumstances, the lack of cooperation is not surprising.

B. Flint²⁴

The Flint Community Schools (FCS) are on the verge of bankruptcy. Enrollments and revenues have fallen steadily in recent years, as families move to the suburbs and students move to charter schools and neighboring school districts. The district has closed ten buildings in the past two years, and expects to close another ten in the coming decade. In the current school year the district has experienced a net loss of 1,000 students, with an associated fall in revenues of approximately \$8 million. In response, the district has laid off staff and privatized virtually all non-instructional services. The district will cease providing transportation for students (except special education students) next year. Sixteen FCS schools were on the state's first "priority schools" list.²⁵

1. Informing Parents

FCS mailed out a first letter to parents of children attending schools that had not made adequate yearly progress in May 2003. The letter simply informed parents that they had the right to move their children to another school in the FCS, but stopped short of providing specific or more definitive directives on how this transfer would take place. The letter also (in a single sentence) made reference to supplemental services, but provided no explanation to assist parents in understanding what this option meant. At the same time, the letter very explicitly assured parents that administrators believed in Flint schools and that they were doing all they could to make necessary school improvements. A phone number was listed in the conclusion of the letter that recommended that parents with questions call for further information. It is uncertain what responses the district received to this letter, but no children were transported and no supplemental services were provided in Summer 2003.

2. District Plan

Instead, in Summer 2003 the district scheduled what they characterized as “priority meetings” with every school on the state’s “priority schools” list. A panel of administrators was assembled and charged with the responsibility to critique the school improvement plan put forward by each sanctioned school. A rubric was provided to assess the merits of the plan. Ideas were shared between the panel and the school improvement team.

The school improvement teams expressed frustration about the additional demands placed on them as a result of NCLB. It was their belief that they had done all they could do and that they had made improvements. They produced data to support their claims. In their discussion of their student population they expressed the view that they were “fighting an uphill climb to the bottom,” with little prospect of success in meeting AYP targets. The Superintendent echoed these concerns, proposing the creation of a local assessment model that would highlight district successes rather than district failures.

3. Transportation and School Choice

In May 2003, the district held discussions about the possibility of having to transport students to other schools within the district. By August, however, FCS had observed no increase in the number of students moving between buildings. The district has not transported any students using Title 1 funds; according to district officials, no parents have requested transportation for their children. In any case, FCS plans to cease transporting **all** students in the coming school year, because of budgetary pressures.

4. Supplemental Educational Services

In Fall 2003 FCS successfully negotiated contracts with two SES providers to provide supplemental services for students in the district’s “priority schools,” and was engaged in negotiations with a third. The contracts require both providers to offer services in all 16

“priority schools” in the district, in the first hour after the conclusion of the regular school day, in either reading or math. This arrangement places the providers in direct competition in every “priority school.” Payments will range from \$700 to \$1000 per student.²⁶ The contracts require the providers to deliver monthly reports to the district, in order to supply evidence of student progress. The district has encouraged both SES providers to hire and train district employees to staff their programs, on the grounds that FCS teachers are already familiar with the students who will be receiving services.

A letter sent to parents in August 2003 identified the two SES providers the district had approved, and encouraged parents to enroll their children. Approximately 1000 students had signed up to receive supplemental services in December 2003, and district officials expressed the hope that additional students would enroll. The first supplemental services were delivered to Flint students in January 2004.

C. River City²⁷

Like Detroit and Flint, River City is struggling with declining enrollments and declining revenues. The rate of decline has slowed in recent years, in response to a variety of initiatives launched by an energetic new Superintendent, but enrollment losses in 2003-04 were significantly larger than expected.²⁸ In combination with state funding cuts, this produced a substantial budget shortfall, which the district struggled to close. Only one district school was on the original “priority schools” list, and the district’s response to NCLB was different as a result.

1. Informing Parents

In River City, letters were mailed to parents in the district’s one “priority school” in April 2003. The letter contained information about choice options, and presented opportunities for parents to take advantage of supplemental services as well. The letter provided a list of 10 supplemental service providers approved by the state for parents to choose from.

2. Transportation and Parental Choice

There is no evidence that parents with students enrolled in River City's one "priority school" have sought to move their children to more successful schools, and the district has spent no Title 1 funds on student transportation. In fact, enrollments increased significantly after the school was identified as having failed to achieve its AYP targets, for two main reasons. First, the school is closely identified with River City's Hispanic community. According to the school's principal (himself Hispanic), parents and students in the community like the school and "are happy here." In the view of the principal, NCLB threatens to shift the school's focus away from the attributes most highly valued by the community.

I'm not talking about the MEAP. It's about students living and feeling good about themselves.... I'm trying to save lives.

Second, River City's "priority school" was selected as one of eighteen pilot sites for the Children's Action Network initiated by Governor Granholm. As a result, a variety of social services are available to families with children enrolled in the school, which are not available in other district schools. It appears that access to these services has attracted additional students.

3. Supplemental Educational Services

The River City school district has not contracted with any SES providers, and no Title 1 funds have been expended on supplemental services for students. Instead, the district has continued to focus resources and attention on its own internal improvement efforts, including expanded summer school opportunities and innovative instructional programs for students in the early grades. Additional resources including instructional specialists in reading and math have been assigned to the district's one "priority school," and the Superintendent has solicited assistance from a local university to help the staff identify weaknesses and improve academic outcomes.

4. District Strategy

Despite apparent non-compliance with key provisions of NCLB, the River City school superintendent views the law quite favorably. Indeed, he was frustrated when only one of the district's schools was placed on the state's original "priority schools" list, because the failure to list more schools reduced the pressure that he was able to bring to bear on other schools in serious need of improvement. With respect to the one school placed on the list, he has made it clear that the school will be reconstituted next year if MEAP scores do not improve. He expressed frustration that the close ties between the school and the Hispanic community made it extremely difficult to remove the current principal and encourage needed changes, and he expressed hope that NCLB would make that task easier.

VI. NCLB in Michigan: What Have We Learned?

Will the goals of NCLB be accomplished in Michigan? In our view, the answer depends on two key considerations: the clarity of the signals that are sent to schools and the credibility of consequences that schools experience when they fail to meet NCLB targets. In Michigan, as in other states, schools now find themselves in a turbulent policy environment in which they must respond to a variety of urgent political and financial—not to mention educational—challenges, including but hardly limited to NCLB. In this noisy and chaotic environment the "signal" conveyed by the incentives and sanctions at the heart of NCLB must come through loud and clear if it is to induce educators and others to behave in new and more productive ways.

The credibility and consistency of the "signal" conveyed by NCLB are as important as its strength. If incentives and sanctions are to produce desired changes in the behavior of educators and parents they must be introduced in ways that make sense to those who are subject to them. In the first instance, those expected to respond to new incentives and sanctions (e.g., designation as a "failing" school) must accept the legitimacy and

reliability of the information on which rewards and sanctions are based. In addition, they must have confidence that changes in their own behavior will produce positive consequences in terms of access to rewards or avoidance of punishment.

On these criteria, NCLB has gotten off to a rocky start in Michigan, for four main reasons. First, the integrity of the signals sent by NCLB has been called into question by public wrangling over which schools should be identified as “failing.” Many Michigan schools have already been on and off the “priority schools” list more than once, for reasons that they can only perceive as arbitrary. Under these circumstances, there is little reason to suppose that NCLB will spur educators to make the kinds of changes that might lead to sustained improvements in school performance or student achievement.²⁹

Second, Michigan educators are well acquainted with the sanctions introduced under NCLB, and as a result their impact is likely to be limited. This is especially true of the school choice provisions of NCLB, which add marginally at best to the array of choices already available to parents under Michigan’s current policies. It is also true of the central thrust of NCLB, which is to identify “failing” schools in the expectation that this information will encourage educators and parents to take actions that will lead to improvement in the performance of students and schools. Data on the MEAP performance of Michigan schools has been widely published and compared for most of a decade, and schools (and parents) have grown accustomed to the public opprobrium or praise that comes with their scores. The new focus on Adequate Yearly Progress under NCLB has generated new uncertainties and anxieties among schools that have traditionally performed well on MEAP, but in the Michigan schools that are most in need of improvement NCLB provides no new information and thus only a weak incentive to improve.

Third, the implementation of NCLB coincides with Michigan’s worst budget crisis in many years. This diminishes the impact of NCLB in two ways. On the one hand, schools and school districts are confronted by a host of challenges, which compete for their attention. These now include the need to plan for potentially severe budget

reductions as well as the need to meet AYP targets, and the threat of the former is likely to reduce the urgency with which they address the latter task. On the other hand, the prospect of reduced revenues is now available for deployment as a justification for limited compliance and accomplishment under NCLB, as state and local officials struggle to maintain the integrity of the systems they administer.

Finally, Governor Granholm and the Michigan Department of Education have made it clear that their preferred strategies for achieving the goals of NCLB are rather different than those provided for in the law. The Governor's education initiatives have focused almost exclusively on providing additional support for "priority schools," and virtually not at all on the threat or implementation of sanctions. The MDE has been careful to comply with the requirements of NCLB, and has encouraged schools and school districts to do likewise. At the same time, however, the Department has done little that would push schools and school districts toward more aggressive efforts to put the new alternatives for parents foreseen under NCLB into practice, and they have done nothing at all to monitor local responses to NCLB requirements. The law requires them to review district efforts after two years, and this is what they propose to do. For now, therefore, they have almost no useful information about how NCLB is being put into practice at the local level.

Some of these obstacles may be overcome with time, but two fundamental problems remain. The assessment system on which incentives and sanctions are based has proven itself too fragile and capricious to win the confidence of educators and other audiences, and the incentives and sanctions introduced by NCLB are not strong enough to have a significant positive impact in competition with the financial and political turmoil surrounding troubled schools. There are consequently few grounds for optimism that NCLB will lead to significant improvement in the performance of those Michigan schools where children are most in danger of being left behind.

NOTES

¹ We have agreed to protect the identity of this district, because of the possibility that the anonymity of specific individuals could be compromised.

² The value of the grants varies across school districts, depending on their level of educational spending in 1993-94. Some revenues continue to be distributed under categorical programs. For a full discussion of Michigan's school finance policies, see David Arsen and David N. Plank. *Michigan School Finance Under Proposal A: State Control, Local Consequences*. The Education Policy Center at Michigan State University, November 2003. Available at www.epc.msu.edu.

³ ISD boundaries correspond to county boundaries. Some ISDs comprise more than one county.

⁴ The State Superintendent of Public Instruction appoints one member, who enjoys a veto over some board decisions.

⁵ Schools could also meet the standard if 10 percent more of their students passed the tests than in the previous year, Michigan's own version of AYP.

⁶ "544 Schools are Added to Problem List," *Detroit News*, 15 July 2003. The additional schools had met their AYP targets in the 2002-03 school year, but not in the preceding year. NCLB requires schools to make AYP for two consecutive years.

⁷ Alexandra R. Moses, "Nearly 900 Michigan Schools Don't Meet Progress Goals," *Detroit News*, 31 January 2004. The new number includes high schools for the first time.

⁸ In states that did not already have assessment systems in place, in contrast, there will be no schools on the sanctions list in the first two years of implementation.

⁹ David N. Plank, "Business Involvement Key to Turning Around Failing Schools," *Michigan Forward*, July-August 2003.

¹⁰ The previous governor moved MEAP out of the Michigan Department of Education into Treasury. Governor Granholm has recently moved MEAP back into MDE.

¹¹ Maureen Feighan, "Districts Question 'Grades' from State," *Lansing State Journal*, 17 November 2003.

¹² Alexandra R. Moses, "Few Use School Transfer Rule," *Detroit News*, 4 February 2004.

¹³ For a discussion see Citizens Research Council, "A Recap of the FY2004 Budget and a Look Ahead to FY2005 and Beyond," October 2003. Available at www.crcmich.org. For additional data and further discussion see Arsen and Plank, *Michigan School Finance*.

¹⁴ As noted below, some 900 Detroit parents have made inquiries about how to take advantage of the school choice provisions of NCLB.

¹⁵ *Michigan Education Report*, Fall 2002.

¹⁶ For the current list, see http://www.michigan.gov/mde/0,1607,7-140-6525_17014-61646--00.html.

¹⁷ An insider in this market suggests that even \$1200 per student is too little to make the opportunity attractive from a business standpoint, and that the per pupil funding must be increased to attract significant private-sector participation.

¹⁸ Judy Putnam, "Granholm gung-ho on Bush education plan," *Grand Rapids Press*, 28 March 2003.

¹⁹ "If those schools need new leadership, they should get new leadership. If those schools need assistance from the state in making sure the families that feed into those schools are served better, the state should do that." *Ibid.*

²⁰ Arsen and Plank. *Michigan School Finance Under Proposal A: State Control, Local Consequences*, Table 12.

²¹ This number includes charter schools.

²² Kwanghyun Lee and Christopher B. Reimann. *Who's Attending Michigan's Priority Schools?* The Education Policy Center at Michigan State University, Data Brief #12, July 2003. Available at www.epc.msu.edu.

²³ The cities of Milwaukee, Dallas, Philadelphia and Detroit received \$600,000 from the US Department of Education from a grant awarded to the Black Alliance for Educational Options to specifically inform parents in their respective cities about NCLB.

²⁴ We would like to thank Sheila Klaas for her research assistance on the implementation of NCLB in Flint.

²⁵ Eighteen schools were on the original list. Three schools were closed or merged with other schools, and one school was added.

²⁶ Providers bill their services at between \$40 and \$50 per hour, which means that Title 1 will pay for something on the order of 20-30 hours of one-on-one instruction per pupil. Increasing “class size” or making use of on-line technologies could increase the number of hours of service provided to each student.

²⁷ We would like to thank Danielle LeSure for her research assistance on the implementation of NCLB in River City.

²⁸ A neighboring suburban district opened a new high school, and recruited an additional 200 River City students. This reduced revenues by an unexpected \$1.6 million.

²⁹ For a similar argument see David Figlio, “What School Accountability Might Do.” *NBER Research Reporter*, Fall 2001.