

A TO F GRADES, RANKINGS, AND DESIGNATIONS FOR PUBLIC SCHOOLS

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House Bill 5526 (H-1) as reported from committee

Sponsor: Rep. Tim Kelly
Committee: Education Reform
Complete to 11-25-18

Analysis available at
<http://www.legislature.mi.gov>

BRIEF SUMMARY: House Bill 5526 would amend the Revised School Code to create an Education Accountability Policy Commission (“the commission”), which would develop a school grading system that assigns each public school in Michigan letter grades between A and F based on its achievement in six specified indicators. The Michigan Department of Education (MDE) would administer the system and begin assigning school grades based on achievement by September 1, 2019 and yearly thereafter. MDE would also assign rankings based on how the school relates to comparable schools, and how subgroups of students at the school compare to those subgroups statewide. Additionally, MDE would designate high- and low-performing public schools based on their grades and rankings. MDE would report schools’ grades and rankings as prescribed by the commission.

FISCAL IMPACT: House Bill 5526 would increase costs for the state and could increase costs for school districts, intermediate school districts (ISDs), and public school academies (PSAs). A detailed breakdown may be found in *Fiscal Information*, below.

THE APPARENT PROBLEM:

The Every Student Succeeds Act (ESSA), a federal K-12 education law passed in December of 2015, required that every state submit plans for a statewide school accountability program. Michigan’s initial submission on April 17, 2017 included three proposed assessment programs—two based on the A to F model and one with a dashboard which would be instituted in lieu of guidance from the legislature. When the legislature did not act in 2017, Michigan’s final ESSA submission on November 15, 2017 included the parent dashboard,¹ which was made public on January 9, 2018. The bill sponsor and supporters have stated that their intent is that those two accountability programs would work in concert.

The bill would repeal Sections 390, 391, and 1280c of the Revised School Code. Sections 390 and 391 were implemented under the Detroit Public Schools (DPS) legislation in June of 2016² and require creation of an A to F accountability system and closure of the lowest-performing DPS Community District schools. Section 1280c created the office of the State School Reform/Redesign Officer (SRO) and governs the identification of the lowest-achieving 5% of public schools and the implementation of one of the following redesign plans: turnaround model, restart model, school closure, or transformation model.

¹ <https://www.mischooldata.org/ParentDashboard>

² <http://www.legislature.mi.gov/documents/2015-2016/billanalysis/House/pdf/2015-HLA-5384-4D9538F1.pdf>

The bill would instead identify low-performing schools as comprehensive support and improvement schools and shift the current responsibilities of the SRO throughout the Code to the 13-member appointed commission.

THE CONTENT OF THE BILL:

Education Accountability Policy Commission

The commission, created in MDE, would consist of 13 members, including the superintendent of public instruction or his or her designee, seven members appointed by the governor (three representing the business community, one representing urban school districts, one representing rural school districts, one representing parents, and one representing teachers); one member appointed by the Senate Majority Leader; one member appointed by the Speaker of the House of Representatives; and three members appointed by the superintendent (one representing PSAs, one representing districts, and one representing ISDs). The members would elect a chairperson and other officers as appropriate.

Initial commission members would be appointed by July 1, 2018. Terms would be four years. The governor could remove a member for incompetence, dereliction of duty, malfeasance, misfeasance, or nonfeasance in office, or any other good cause.

Members would serve without compensation but could be reimbursed for necessary expenses incurred in the performance of their duties.

A to F public school grades

The bill would require the commission to develop a statewide system of accountability measurements by September 1, 2018. Based on those measurements, beginning September 1, 2019 and yearly thereafter, MDE would assign letter grades to each public school in the state in each of the following six indicators:

- Student ***proficiency*** in mathematics and English language arts, as measured by the percentage of all pupils who achieve proficiency on the applicable state assessments, as determined by the commission.
- Percentage of all students who achieve adequate ***growth*** in mathematics and English language arts on the applicable state assessment. Adequate growth may incorporate reporting of student growth measures, as reported by the model value-added growth and projection analytics system implemented by MDE, and would be based on at least all of the following, as determined by the commission:
 - Student growth from fall to spring of the same school year or spring of one school year to spring of the next, as appropriate based on the timing of state assessments.
 - Students who scored proficient on the immediately preceding applicable state assessment and who at least maintained a proficient score on the most recent state assessment.
 - Students who scored less than proficient on the immediately preceding state assessment and who demonstrate growth sufficient to reach proficiency in three school years.

- Percentage of students who are *English-language learners* and who achieve adequate growth toward proficiency in the English language as determined by the commission and required under ESSA.
- **Graduation rate** of students enrolled in high school, as applicable and as defined by and reported to the Michigan Center for Educational Performance and Information (CEPI).
- Rate of students who are *chronically absent*, as defined by and reported to CEPI.
- **Participation rate** for each applicable state assessment, based on students who are assigned to take that assessment.

Ranking public schools in relation to comparable schools and student subgroups

In addition to requiring that each public school be assigned a letter grade for each of the categories listed above, the bill would require MDE to assign a ranking to each public school beginning no later than September 1, 2019. MDE would assign a ranking of significantly above average, above average, average, below average, or significantly below average to each public school based on its academic performance in relation to comparable schools and its student subgroup performance in relation to the same subgroup statewide (for example, how African-American students at that school compare to the statewide average for that group).

Designation of high- and low-performing public schools based on grades and rankings

Under the bill, the commission would develop standards for identifying public schools as falling into categories of performance and adequate achievement.

One set of standards would identify the lowest achieving public schools as *comprehensive support and improvement schools*, as required under ESSA. The schools under this designation could not exceed 5% of the number of public schools statewide and could meet any of the following criteria:

- Is a high school that graduates fewer than 2/3 of its students.
- Receives an “F” grade in student growth and proficiency and a ranking of “significantly below average” in relation to comparable schools.
- Meets any other criteria for a comprehensive support and improvement school under ESSA, as determined by the commission.

The commission would also develop a set of standards to identify high-achieving public schools as *reward schools*. These schools could meet any of the following criteria:

- Is a high school that graduates at least 99% of its students.
- Receives an “A” grade in student growth or proficiency or a ranking of “significantly above average” in relation to comparable schools.
- Meets any other criteria for identification as a reward school, as determined by the commission.

Finally, the commission would develop standards for all of the following:

- Identifying public schools in which one or more groups of students are consistently underperforming as *targeted support and improvement schools*, as described in ESSA.
- Identifying public schools in which the performance of one or more groups of students would place those students in the bottom 5% of Title I schools. (Title I of ESSA targets

“disadvantaged” students, with a goal of “provid[ing] all children significant opportunity to receive a fair, equitable, and high-quality education and to close educational achievement gaps.”³

The superintendent of public instruction would publish a list of comprehensive support and improvement schools and reward schools for that school year by September 1, 2019 and by September 1 every three years thereafter.

Implementation and monitoring of accountability measures

The bill would charge MDE with implementing and administering the statewide system of accountability measures developed by the commission beginning in the 2019-2020 school year.

The commission would monitor the effectiveness of the system and make changes as it deemed necessary to make the system more effective and to ensure compliance with the bill’s requirements. As part of this process, the commission would have to develop and implement processes for receiving public comment.

By December 1, 2018, the commission would have to develop accountability measures to impose on comprehensive support and improvement schools. For the purposes of the accountability measures, a public school that was identified as one of the lowest-achieving 5% under Section 1280c (which would be repealed by the bill) would be considered a comprehensive support and improvement school for that school year. MDE would be required to implement the accountability measures by July 1, 2019.

Public schools exempted from grades and rankings

MDE would designate a public school as an *alternative education campus* and not assign grades or rankings if the school met one of the following criteria:

- Is a center program.
- Is a strict discipline academy.
- Is a program for adjudicated youth.
- Serves any other specialized student population with special needs, as determined by MDE.

However, beginning September 1, 2019 and annually thereafter, MDE would issue a summary status for each public school designated as an alternative education campus. The summary would indicate whether the school was in compliance with applicable law and whether students enrolled in the public school were making meaningful, measurable academic progress toward educational goals established by the governing body of the public school and approved by the superintendent of public instruction.

Teacher performance incentives

Currently, Section 1250 of the Code requires the Detroit Public Schools Community District to implement a method of compensation that focuses on job performance and job

³ The Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act of 2015 (ESSA):
<https://legcounsel.house.gov/Comps/Elementary%20And%20Secondary%20Education%20Act%20Of%201965.pdf>

accomplishments as the primary factor in determining compensation, to apply to all teachers and administrators hired by the district after the A to F grading system for schools required under Section 390 takes effect. Instead, the bill would provide that the performance incentives take effect September 1, 2019.

MCL 380.4 et al. and proposed MCL 380.1280g and 380.1280h

BACKGROUND INFORMATION:

MDE's initial ESSA submission included two A to F school report card options.⁴ One proposed report card would have weighted the following factors as follows:

- Student proficiency on state tests: 29%
- Student growth on state tests: 34%
- Graduation rate: 10%
- English learner progress: 10%
- School quality/student success: 14%
Measures to determine success would include: chronic absenteeism; teacher and school administrator longevity; advanced coursework by 11th and 12th graders; and time spent in fine arts, music, and physical education.
- Participation in state assessments: 3%

That option would have included those weighted indicators in a summative grade of A to F. This is the option that was released for public comment and developed by the ESSA Accountability Action Team at the request of the superintendent. The other proposed option would have included the same indicators, but without a summative grade.

However, in lieu of guidance from the legislature, and following conversations with parents, teachers, and other stakeholders, MDE's final ESSA state plan incorporated a "transparency dashboard" rather than an A to F grading system.⁵ According to the ESSA submission, the dashboard is better aligned to the state's specific education goals and represents a "more appropriate and holistic way to hold schools accountable for student outcomes in a well-rounded education."

The dashboard covers largely the same components, but presents all six without assigning different weights and combining them into a single letter grade. They are as follows:

- Participation (composed of participation in the content areas assessments and participation in the English language proficiency assessment)
- Proficiency
- Growth
- Graduation rate
- English learner progress

⁴ MDE's initial ESSA submission (submitted 4/17/17): https://www.michigan.gov/documents/mde/Michigan-ESSA-Consolidated-Plan-Overview_558371_7.pdf

⁵ MDE's explanation of the transparency dashboard (6/7/17): http://www.michigan.gov/documents/mde/SBE_Policy_Statement_on_Transparency_Dashboard_-_FINAL_TT_575834_7.pdf

- Additional indicator of school quality/student success
 - For schools with 11th and 12th grades, this would be measured by chronic absenteeism, 11th-12th grade advanced coursework (Advanced Placement/International Baccalaureate/dual enrollment/career and technical education), and postsecondary enrollment.
 - For schools without 11th and 12th grades, this would be measured by chronic absenteeism, access to arts/physical education, and access to a librarian/media specialist.

According to the Education Commission of the States, state ESSA plans indicate the following breakdown for accountability programs:

- 13 states plan to use an A to F rating system
- 11 states plan to use a descriptive rating system (Needs Improvement, Average, Good, Great, Excellent)
- 9 states plan to use an index rating system (1-100 or 1-10)
- 8 states plan to use a tier-of-support system (comprehensive support and improvement, targeted support and improvement, none)
- 4 states and the District of Columbia plan to use a 1-5 stars system

Detroit Public Schools Community District (DPSCD)

Public Act 192 of 2016 (House Bill 5384)⁶ required the State School Reform/Redesign Officer to implement an A to F accountability system for the Detroit Public Schools Community District “beginning with the second full school year that starts after the transfer date.” The transfer date—the date when the Detroit Public Schools (DPS) split into DPSCD, the entity that would operate the schools in Detroit, and the Qualifying School District, the entity that would discharge the district’s debt—was July 1, 2016. To date, an A to F accountability system has not been implemented.

The bill would repeal Section 390 of the Code, which required the A to F system of the DPSCD.

FISCAL INFORMATION:

House Bill 5526 would increase costs for the state and could increase costs for school districts, intermediate school districts (ISDs), and public school academies (PSAs).

The bill would not likely reduce costs related to the elimination of the School Reform Office (SRO) because the bill shifts SRO responsibilities and alternative accountability standards to the Education Accountability Policy Commission, which would require similar staffing.

The bill would increase costs for MDE to administer the statewide school A-F grading system and academic performance ranking system. MDE would incur additional costs for the following activities: assigning and reporting an A-F grade and academic performance rank for each school; administering the statewide system of accountability measurements;

⁶ Public Act 192 of 2016 (HB 5384): <http://legislature.mi.gov/doc.aspx?2016-HB-5384>

implementing the accountability measures developed by the commission; publishing the list of comprehensive support and improvement schools and reward schools; and designating alternative education campuses and approving their progress goals.

MDE's school accountability dashboard system presents data on individual characteristics rather than what is required by the A-F grading system and academic performance ranking system, which require a composite score for grade or ranking. MDE would incur cost increases where new data collection is needed and data aggregation/composite scores are created. Also, MDE would incur additional cost increases to oversee districts supplying data and verifying data integrity.

The bill permits reimbursements for the Education Accountability Policy Commission's expenses incurred in the performance of official duties, which include the following activities: prescribing how MDE would report A-F grades and academic performance rankings; developing standards for identifying comprehensive support and improvement schools and reward schools; identifying school categorizations required under ESSA; developing accountability measures for comprehensive support and improvement schools; and monitoring and taking input on the accountability system.

The bill also could create additional data reporting requirement costs for school districts, ISDs, and PSAs. It is difficult to determine whether all of the data required for MDE are provided in the form and manner to create the A-F grading system and academic performance ranking system, so the bill could increase data reporting requirements to fill those needs.

ARGUMENTS:

For:

Proponents argue that the A-F system would provide a simple and intuitive accounting of a school's performance for officials and the public. Other scoring and ranking options that include various number scales, colors coded to denote performance levels, and word descriptions are simply too complicated, they argue. How can parents be expected to navigate a series of charts, colors, and numbers just in order to ensure that their children are attending adequate schools? Instead, supporters say, providing each school with letter grades from A to F in specific categories presents a metric that is universally recognizable and understandable.

Against:

Opponents argue that assigning A-F grades oversimplifies the difficult job of assessing school performance. Schools in high-poverty areas and those with many English language learners are most likely to be identified as "F" schools, they fear, and need more supports rather than designation as a failing school. School assessment tools should assist parents in comparing neighborhood schools based on relevant criteria; how does it help parents, critics ask, to designate all area schools as failing? Surely parents are able to assess a school's achievement on a 0-100 scale and make their decision accordingly—do they really need to be told that all local schools are "significantly below average?"

Moreover, opponents ask, why would Lansing impose another arbitrary grading system on local school districts? While the dashboard provides objective information as to the proportion of students at a school fulfilling a certain competency, the A-F grading system would assign judgments in the form of failing grades based on those criteria.

POSITIONS:

Representatives of the following organizations testified in support of the bill:

West Michigan Talent Triangle (2-8-18)
Detroit Voices for School Choice (2-8-18)
The Education Trust-Midwest (2-8-18)
Business Leaders for Michigan (2-8-18)
Great Lakes Education Project (2-15-18)
Michigan Association of Public School Academies (2-15-18)
Michigan Charter School Authorizers (2-15-18)

The following organizations indicated support for the bill:

Grand Rapids Chamber (2-22-18)
Detroit Chamber (2-22-18)
Michigan Freedom Fund (2-22-18)

ESL Legislative Group indicated neutrality on the bill. (2-22-18)

Representatives of the following organizations testified in opposition to the bill:

State Board of Education (2-22-18)
Michigan Parents for Schools (2-15-18)
482Forward (2-22-18)

The following organizations indicated opposition to the bill:

Wayne RESA (2-22-18)
Michigan Association of School Administrators (2-22-18)
Michigan Association of Intermediate School Administrators (2-22-18)
Macomb County Association of School Administrators (2-22-18)
Michigan Education Association (2-22-18)
Michigan Association of Secondary School Principals (3-1-18)
Middle Cities Education Association (3-1-18)
Oakland Schools (3-1-18)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.