

Detroit Public Schools State of the District Address

Dr. Kenneth S. Burnley, CEO

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Honorable board members, parents, students, colleagues and friends of the Detroit Public Schools, thank you for joining us today. Education is a team effort. This involves parents, educators and members of the community.

I want to publicly acknowledge our Chairman William Brooks and board members Belda Garza, Gerald Smith, Michael Tenbusch, Thomas Watkins and Geneva Williams. They put in long hours and make sacrifices each day for our children. Together we have developed a shared vision for student achievement and performance. The Board has also focused on parent involvement, contract review and community outreach.

We are all DPS!

Today I'd like to talk about our recent accomplishments, our initiatives, our challenges, and our planned vision. Finally, I will tell you how you can help us reach our goals. As you know, these are difficult financial times. We face a \$78 million dollar budget shortfall this fiscal year. We are projecting an even larger shortfall next year—of at least \$91 million dollars.

In spite of these hurdles and despite dwindling resources, our primary goal remains improved student achievement and performance. We are more committed than ever to maintaining quality programs in all of our schools. We continue to implement creative ways to restructure the Detroit Public Schools into an efficient and effective organization.

Even in the midst of these fiscal difficulties the evidence continues to mount that academic performance at the Detroit Public Schools is rising. This week we learned that for the second year in a row MEAP test scores went up for our students.

DPS students practically made a clean sweep. Fourth grade reading, writing, English/Language arts and mathematics scores all went up, as did reading and language arts scores in the seventh grade. Eighth grade mathematics and science scores also jumped, while fifth grade science and social studies remained stable.

It is the first time in years that test scores have gone up over two consecutive years. The scores are an eloquent testimony to the hard work of our teachers, students, principals, staff, administrators and parents.

The test scores demonstrate that the strategies we've put in place over the last several years are paying off. If the trend continues, we will be able to significantly reduce our dropout rates within the next few years.

We have turned the corner! We are on the right track! We are staying the course!

This is the system wide change we have been working toward.

In part, the success of our students is due to a huge investment we made in a new reading program more than a year ago. But mainly it is because we have some of the finest and most dedicated workers in public education in this school system.

Our success is not confined just to standardized test scores. In addition, we are helping our students develop goals, aspirations, self esteem and teamwork.

In the course of the last four years, we have devoted considerable resources to teaching students how to work together as teams. We've deployed scores of social workers, psychologists and counselors to our schools to teach them the essentials of resolving conflicts peacefully.

No child can learn in an environment of fear. No teacher or instructional leader can adequately convey a curriculum in fear. That's why as part of our commitment to increased student achievement and performance we have made safer schools a priority. Since 2000, we have more than doubled the number of security and police officers in the Detroit Public Schools.

Today I am pleased to announce some other initiatives also aimed at improving student achievement and performance. This summer we are launching a new federally funded mathematics initiative known as Algebraic Thinking. It is a revolutionary program that is aimed at the bottom 40 percent of students in the sixth, seventh and eighth grades. The goal of the program is to help all of these students take and pass algebra by the ninth grade.

Although we have reduced dropout rates in the last four years the issue remains a big source of concern for us. When even one child does not complete the 12th grade we should all be concerned. In the end, all of us pay for it.

That's why we are launching an extended day program known as "Second Chance." The Second Chance program is aimed at students who are at-risk. These include those who have fallen behind on their credits, have poor attendance, poor basic skills or are in danger of dropping out. The program would enable them to take classes late in the afternoons and at night. This state-funded program will give them a chance to improve their basic skills, get a GED during our school program, make up credit for a high school diploma and allow them to get a foot in the door of a community college while they are with DPS.

We are also announcing the "Summer Transition Academies", which focus on at-risk 8th grade students who are about to enter high school. Language Arts and Mathematics will

be the areas of focus. These are students who are not failing but whose scores on the Terra Nova test suggest they may need additional support. We intend to step up our attention to high school dropouts in this city. Both of these programs will assist us in this effort.

There are two other initiatives we are proud of. One is what we have been able to do with technology. The other is what we are doing with the use of data on students that tells parents, teachers and principals where students are and what they need.

We are working to bring Detroit Public School students into the 21st Century by closing the digital divide. We will have wired and networked well in excess of 100 schools by the beginning of the next school year, including additional electrical power upgrades to support the technology. We have an electronic product called Learning Synergy that provides data to principals and teachers in the classrooms. We have another electronic product called School Improvement Planner that allows principals and teachers to develop and communicate their school improvement plans.

We realize that although we are on the right track and we have a long way to go. But we are delighted that as we stay the course confidence in the District is growing. In a report card issued by the Michigan Department of Education a few months ago, more than 96 percent of our schools received passing grades; that percentage was slightly higher than the state average of 95 percent.

While we're making progress academically, we continue to face major challenges, some of which are beyond our control. Let me take a minute to talk about one of them: the bi-partisan federal No Child Left Behind Act. We appreciate the fact that the law holds every public school in America accountable for student achievement. It is a bold attempt to elevate educational standards for all children. However, full funding of the act as well as special education remain necessary.

Another challenge facing us is the city's changing demographics. As residents have left the city, the number of students in our schools has steadily declined. On this graphic, which shows what has happened over the last three decades, you see blue bars showing the city's loss of residents and orange bars showing the District's declining enrollment. The trend is parallel.

In the last eight years alone, we have lost 30,000 students. That is the equivalent of 65 elementary schools. And while the cost of maintaining and staffing school buildings continues to increase steadily, the District's revenues are decreasing dramatically--at the rate of \$7,000 for each pupil that leaves. Since 1996 this decline has reduced revenues by nearly \$200 million annually.

Our enrollment decline mirrors the population decline of the city of Detroit. Enrollment decline is not unique to Detroit. Many urban districts around the country, such as St. Louis, Baltimore and Washington D.C. are confronting the same problem, as are many urban, rural and suburban districts around the state. Small rural districts already have

the ability to average their enrollment over several years. This results in less severe dollar reductions each year and more planning time to address the decline.

Large districts should have the same capability. In light of recent developments in education, such as No Child Left Behind and high stakes testing, we call on the state Board of Education to fulfill its constitutional duty by doing an analysis of the adequacy of the funding of public education in Michigan and advising the legislature of the financial requirements for the education of children age 0 to five and k-12. But in the meantime we must tighten our belts in order to balance the budget.

In the last four years we've built 16 schools, but we've also closed 16 schools in response to shifting population within the city. We recently announced that we will be closing five more. And it's not over. We expect to close more schools in the next fiscal year. In order to be a more efficient organization, we have to close buildings that are either inefficient or have a declining student base. What we're doing is no different from what's going on in many urban districts around the state.

Where possible, we will endeavor to keep these students and their programs together as we move them.-Commerce High School has been unable to keep its enrollment up for the last several years. The high school is being extended the option of remaining a school within a school at Southwestern High School. It will maintain its business program.

The Communication Media Arts (CMA) High School, which has kept its enrollment up, will remain open as a college preparatory high school and will rename its school. Students at CMA will also have rights of first refusal to enroll in the new high school for the Fine Performing and Communication Arts. The concept of communication arts and the name will be incorporated into the new high school.

We recently announced that we must reduce 3,200 positions. So far, we have identified 2,200 positions for reduction. In an attempt to save another 1,000 positions, I am directing my division heads to work with our unions to explore the possibility of an early retirement incentive for eligible employees, among a host of other solutions. It is my hope that a successful retirement program, coupled with other solutions, will allow us to recall some of the employees later in the year. In the meantime, our expenses must be reduced to match our revenues. It's taking multiple approaches to solve this problem. We cannot expect the state to come up with a solution for the next school year.

We have reduced staff and cut spending on purchase services, contracted services, supplies and equipment. We have also restricted travel and hiring.

We are having discussions with our vendors about reducing their costs to us. One of these vendors, Aramark, has graciously stepped forward and proposed that it reduce its contract for next year by a third or \$2.1 million. We've brought much of our legal work in house and that has saved us at least \$1 million.

We're making cuts everywhere we can. We are starting with significant reductions at the central office. There will be more on that later this month. We are re-structuring and re-engineering throughout the District while staying focused on student achievement and performance.

Yes, we've tackled many challenges but quite a few still remain. But I can assure you that even though our restructuring plan is far from over we have already become a much leaner organization.

We have raised the threshold for financial accountability. Even though state law does not require it, we audit our schools and departments. We provide continuous training in this area. We are determined that every dollar in our District be spent wisely.

But while we take these measures, fiscal challenges beyond our control continue to mount. For example, the cost of health care for our employees has skyrocketed, as have mandatory expenses for employee retirement. This year, for the second year in a row, we suffered a reduction in state aid in the middle of the year.

In 1999, state lawmakers began awarding \$15 million dollars per year in supplemental funding to the District as part of the reform legislation. However, this money is not included in the current funding bill. So there is the possibility that our projected budget shortfall for the 2004-05 could go up by \$15 million. This is unacceptable. We do not believe that any school district in this state should be singled out. We've made a commitment to maintain the standards of many of our finest programs. Due to revenue shortfalls, the State has been unable to keep its school funding promises. As a result, school districts are struggling to maintain their programs and services.

Public education is the responsibility of every citizen in this state. So while the residents of this city and the employees of the Detroit Public Schools may be expected to sacrifice now, we must not be expected to keep making these sacrifices indefinitely. We recognize that the problems cannot be solved overnight. But we also realize that at times like this, the tendency is sometimes to fight among each other. Let's avoid that. This is a state problem and it should be treated as such.

As we tackle these financial concerns, we are pressing ahead with our vision for the District. Ours is a holistic approach to education. We believe that a parent is a child's first teacher. And we recognize that to be effective, parents need tools to help their children learn.

Our vision includes empowered and informed parents who work with the District to improve student achievement. We have launched a series of parent enrichment seminars in our Welcome Center. The workshops cover a variety of topics including general parenting skills and specific strategies for helping children to achieve academically. These seminars have been a major success.

We launched Parent University last fall. Parent University is a series of workshops held throughout the year that teach parents fun activities so they can better help their children sharpen their cognitive abilities. This year the workshops have attracted hundreds of parents. We have received rave reviews from the parents and we plan to have the workshops again in the fall.

Each school and its principal must have a functioning parent organization by the end of the calendar year. Results from this effort are promising and are being measured on a regular basis. Another component of our vision is developing creative ways to improve our financial outlook.

We have created the DPS Philanthropic Foundation. The foundation will be independent of the District. It will be run by a board made up of business and civic leaders from the community. The money raised by the foundation will help us meet the needs of some of our students without having to dip into our limited operating funds.

We continue to work with other foundations. We are grateful for the impact that many of these foundations, such as Skillman, Ford, Chrysler, GM, Kellogg, Kresge, and many others have had on our children. We also have a relationship with the Gates Foundation. Examples of the Gates Foundation's impact include the Gates School of Technology, a school within Pershing High School and smaller learning communities in other high schools. We are also keeping the door open with the Thompson Foundation. We'd like to find a win-win solution for Detroit, Detroit Public Schools as well as the Thompson Foundation.

A decade ago, Detroit residents approved a \$1.5 billion dollar bond for the Detroit Public Schools. An important point to stress over and over is that while we're struggling with our operating budget, bond dollars are not affected and cannot be used to solve the operating problem. Therefore, the building and improvement program will continue until the dollars are spent. Likewise, federal and state grant dollars, like Title One, are not affected, nor can they be used to solve our budget problems. They too will continue to be spent according to the law.

Because of your generosity, 16 state-of-the-art schools have been built, five more are slated to go on line in a year or two. Over 200 schools have been renovated extensively and had technology installed. Examples of renovations are new roofs, boilers, kitchens, bathrooms, athletic fields, fencing, gymnasiums and bleachers. Thanks to you, our children now attend cleaner, safer and more modern schools.

Our children have not been the only beneficiaries. The bond has pumped nearly \$25 million each month into the city's economy. It has provided employment opportunities for thousands of people. It has created the largest construction boom in this city in 50 years. Forty-five percent of the business has gone to African-American owned companies. Sixty-one percent of the work has been awarded to Detroit-based businesses.

Ten years ago the Detroit Public Schools reported that the \$1.5 billion dollar bond would cover only about a third of the District's needs.

The current bond program is winding down. The District's Community, Civic and Corporate Advisory Committee has requested a full report on how the current bond money has been spent. In addition, the committee asks for a list of what remains to be done by school and dollar amount. The District is also seeking your input in prioritizing what still needs to be done to bring all of our schools up to an acceptable standard. In the coming weeks we will be holding a series of community meetings throughout the city. This is a critical opportunity for you to learn about improvements in your neighborhood schools and share your vision for modernizing all the schools. We are also publishing a comprehensive document, a progress report that charts everything we've done. Where we go from here is in your hands.

I want to thank all of you who've helped us stay the course. I am especially grateful to Governor Jennifer Granholm. She has placed an emphasis on education in Michigan, particularly early childhood education. I also want to thank Mayor Kwame Kilpatrick for stressing the need for more after school programs for students and coordinating with all providers to fill the gap.

I again appeal to the entire school community to help us stay the course.

We are all DPS. We are all in this together.

So let us work together to uplift our children. Parents, I urge you to continue to create home environments that promote learning. Read to your children; make sure your children get enough sleep at night; help them with their homework; get them to school on time and ready to learn.

To my colleagues at the Detroit Public Schools, thank you for all the sacrifices you've made for our children. For the sake of the children, I implore you to continue your efforts that are propelling our students to success.

To the rest of you in the community, I ask for your continued support. Help us by reaching out to our children. Take an interest in them. Mentor them. Volunteer at a school. Let's all make it our business to ensure that every child succeeds. Visit our schools. Talk to teachers, principals and parent volunteers. Check out the exciting programs that are boosting student achievement and performance in our schools. And most importantly, spread the word. Help us make more people aware of the high standards and innovative teaching methods that are getting results in Detroit Public Schools.

Finally, I ask for your support as we execute some more painful decisions in the coming months. I ask for your patience and your understanding.

We know our challenges and we are meeting them head on. But, as the example of the newly released MEAP test scores demonstrate, nothing beats working as a team. We

can't do it alone. The schools were never intended to be mom, dad, church, school, and community all rolled into one. Too often that's the case.

Our focus is on student achievement and performance. We will create a laser like focus on programs and services that assist student achievement and performance. We must all pull together. We're on the right track. Let's stay the course! We are all DPS! Thank you and God bless!