

Memorandum of Understanding

Establishment of the MPS Innovation and Improvement Advisory Council

WHEREAS, as the largest school district in Wisconsin, the success of the Milwaukee Public Schools (MPS) is critically important to the futures of its students, their families, the City of Milwaukee, and the state of Wisconsin; and

WHEREAS, there are many successful students and schools throughout MPS, and countless parents, educators, staff, and community members dedicated to preparing Milwaukee's next generation for success; and

WHEREAS, despite the successes, the academic challenges MPS cannot be understated:

- Large achievement gaps persist; graduation rates significantly lag the state average; and MPS student achievement trails the performance of peer districts across the state and nation.
- MPS is a district "identified for improvement" under federal law and is subject to mandatory state corrective actions and sanctions as a result.
- The federal court has appointed an independent expert to ensure that MPS uses a system of early intervening services designed to timely address behavior and academic needs of students in each MPS school; and

WHEREAS, MPS' financial situation is also increasingly precarious:

- The combination of escalating expenses and continued enrollment declines will result in a serious financial shortfall that could reach \$200 million by 2012-2013, before increases in school property taxes are taken into account. The district's increasing expenses, declining enrollment and the financial impact of the Milwaukee Parental Choice Program have made the district's budget trends unsustainable for taxpayers.
- Without operational changes to address this growing gap, MPS property taxes could increase by up to 50% over the next five years, while cuts to instruction would be likely at the same time.
- MPS' financial challenges can be overcome if significant changes are made now, including changes to non-instructional operations and fiscal management; and

WHEREAS, robust performance management is essential for driving and sustaining change, but recent reports have found that MPS does not currently have effective performance management systems in place. Reforms to MPS' performance management will be needed for any initiative to be successful; and

WHEREAS, through the American Recovery and Reinvestment Act of 2009 (ARRA), MPS will receive an unprecedented, one-time influx in federal education funding. Rapid, careful action must be taken to ensure that these one-time dollars are invested wisely; and

WHEREAS, the State of Wisconsin, MPS, and local non-profit agencies have the opportunity through ARRA to compete for significant new dollars to fund educational reforms that have proven to be successful. All possibilities for competitive funding must be examined, and a comprehensive reform plan must be developed to put the state and the district in the best position to receive these funds; and

WHEREAS, in response to these challenges and opportunities, the Governor of the State of Wisconsin, the State Superintendent of Public Instruction, the State Superintendent of Public Instruction-Elect, and the Mayor of the City of Milwaukee are committed to working together with local community leaders to drive innovation, school improvement and fiscal responsibility in MPS;

NOW, THEREFORE, as part of this effort, and under the authority granted under state and federal law to the Governor and the State Superintendent of Public Instruction, the Governor, the State Superintendent, the State Superintendent-Elect, and the Mayor of the City of Milwaukee do hereby agree to:

1. Create the MPS Innovation and Improvement Advisory Council (“Council”);
2. Provide that the Council shall consist of not more than 7 members to serve at the pleasure of the Governor, Mayor, and State Superintendent;
3. Provide that the Mayor of the City of Milwaukee shall be one of the members of the Council, and shall serve as its Chair;
4. Provide that, in pursuing academic and financial reforms in Wisconsin’s largest school district, the Council shall be charged with the following:
 - a. **Coordinate and monitor the implementation of an MPS Innovation and Improvement Plan** – The Council shall work in collaboration with the Department of Public Instruction to finalize, monitor, and implement an “Innovation and Improvement Plan” for the Milwaukee Public Schools for the 2009-10 school year that promotes research-based educational reforms, accountability, and results. Since MPS is a “District Identified for Improvement” under the federal No Child Left Behind Act for more than two years, DPI is required under federal law to implement a system of corrective action that “substantially and directly responds to the consistent academic failure” and is “designed to meet the goal of having all students achieve at the proficient and advanced student academic achievement levels.” (Public Law 107-110). The Council shall work with DPI to ensure that all efforts are aligned with the corrective action and with the ruling of the U.S. District Court for the Eastern District of Wisconsin in *Jamie S., et al. v. Milwaukee Board of School Directors, et al.* The MPS Innovation and Improvement Plan shall also identify opportunities to leverage state and federal funds, including federal ARRA funds, to support implementation.
 - b. **Improve fiscal accountability, transparency, and performance management** – To address the district’s financial issues, the Council shall investigate and develop strategies for leveraging existing resources, containing costs, and increasing revenues, in partnership with the City of Milwaukee, DPI, MPS, and other stakeholders. Opportunities to reform the district’s non-instructional operations shall be considered as part of this effort. In addition, the Council shall work collaboratively with DPI in providing oversight and transparency regarding the district’s expenditure of federal funds, including federal ARRA funds that require by law an unprecedented level of transparency and accountability. The Council shall also monitor, support, and assist in the implementation of

improvements to performance management systems in the district, which are necessary for any fiscal or academic reforms to succeed.

- c. Compete for American Reinvestment and Recovery Act (ARRA) funding –** In partnership with the Governor’s office, DPI, and other eligible entities, the Council shall investigate and pursue all opportunities for competitive federal grant funding available through ARRA, including incentive grants intended to reward states and districts that are making major reforms to successfully reduce achievement gaps and improve student learning. The MPS Innovation and Improvement Plan and efforts to improve MPS finances shall, to the extent possible and practicable, be aligned with the goals and requirements of these competitive opportunities.
 - d. Work in collaboration with a broad base of community stakeholders.** In pursuing and implementing all elements of its charge, the Council shall work in collaboration with a broad base of community stakeholders, including parents, educators, the MPS Board of Directors and other MPS leadership, labor unions, the philanthropic community, the business community, community organizations, and all other interested parties. The Council shall establish mechanisms to solicit and incorporate feedback from the community and otherwise involve community stakeholders in these efforts, including the establishment of task forces and/or subcommittees as needed to successfully execute its charge.
5. Provide for the appointment of a Project Director, to serve at the pleasure of the Governor, Mayor, and State Superintendent, who shall be responsible for staffing the Council, establishing formal mechanisms for outreach and community involvement, and other day-to-day operations of the effort;
 6. Direct the Wisconsin Department of Public Instruction, the Wisconsin Department of Administration, the Milwaukee Department of Administration, and other state and city agencies as needed to provide support and assistance to the Council, and its Project Director;
 7. Provide for the leveraging of other state and local community resources to support this effort, including assistance from the philanthropic and business community as appropriate; and
 8. Provide that the Council shall exist until such time that the Governor, State Superintendent, and Mayor have determined that the group has successfully met its charge.

Signed this 27th day of May, Two Thousand and Nine,



Jim Doyle
Governor, State of Wisconsin



Elizabeth Burmaster
State Superintendent



Tom Barrett
Mayor, City of Milwaukee



Anthony Evers
State Superintendent-Elect