

Ann Arbor, Michigan schools post \$25 million deficit, plan to cut teachers and staff

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Following the announcement of a \$25 million budget shortfall, the Ann Arbor, Michigan School District will vote Thursday on a proposal to authorize staff layoffs including teachers and support workers. Pink slips have already been issued to members of the Association of School and Community Service Administrators (ASCA).

The college town is home to the University of Michigan, an elite so-called “public Ivy” whose endowment stands at about \$18 billion. The sudden announcement of cuts and layoffs in one of the wealthiest districts in the state has shocked and outraged educators, parents and students.

Ann Arbor Public Schools (AAPS) has scheduled community forums next week at the three high schools to take “input” from educators and families on what programs and services to target. Earlier, they posted an online survey asking residents to suggest deficit-reductions and rank programs in order of importance—a transparent effort to further justify cuts.

Parents and educators are incensed. Parent Andrea Walker told WXYZ 7, “We have no transparency. That is one of the problems, we want to know what is happening...I live about a half hour away and we drive every day because we love the school, we love the staff.

“If they make cuts like this and get rid of the teachers that we love, why should we drive here? What is the point? The concern is that we won’t have the same staff that are highly trained to work with autism, like [for] my son. He needs his paraprofessional. We don’t want them to touch any of the staff that are student-facing...We have a great staff.”

Parent Najla August, also speaking with WXYZ, asked why beloved teachers are being made to pay for “an accounting error.” AAPS Interim Superintendent Jazz Parks has cited a \$14 million accounting “error”

related to pension liabilities, increased staff and pay raises, as well as a 1,123-student decrease as the reasons for the deficit.

August continued: “One of the bigger shocks is...we were already hearing that they are short of staff [like] occupational therapists, that the [teacher-student] ratios are 1 to 25 and ideally they need to be lower, that we need more staff. Now they want to get rid of some? That is really not okay. They are short-handed.”

Parent Sonia Chawla pointed to the lack of after-school care, and that it impacts enrollment. She emphasized, “There’s a whole group of concerned caregivers and families that are rallying around to support our teachers.” She added, “Our kids are behind, socially,” asking why the children are being made to suffer by laying off teachers or paraprofessionals. “They should not pay for this,” she concluded.

On April 3, the Citizens Research Council of Michigan (CRC), a private non-partisan research organization, estimated that the state could lose 5,100 full-time teachers as pandemic aid ends. The state received \$3.7 billion Elementary and Secondary School Emergency Relief Fund (ESSER) funding which assisted districts in providing additional student support, hiring nurses, paraprofessionals, counselors, and teachers and lowering class sizes.

Based on historical trends, CRC’s analysis points to a likely return to 2018-19 student-teacher ratios. Taking enrollment levels into account, the CRC calculated the number of full-time teachers’ jobs cut required to close the budget gaps: 142 teachers in Ann Arbor, 119 in Utica, 106 in Wayne-Westland, 89 in Walled Lake, 88 in Plymouth-Canton and so on throughout the state.

Flint teachers staged a sickout March 13 over the district’s refusal to honor their agreement on wages, following a decade of wage freezes and poverty pay. In

January, 39 educators were laid off in Wayne-Westland, just outside Detroit. The Detroit Community School District has already cut 300 positions for the 2024-25 school year, leading to the termination of programs and services. Grand Rapids, in west Michigan, has announced the closure of 10 schools and an unstated number of layoffs. In Michigan's Upper Peninsula, the Tahquamenon schools faced desperate choices between fixing a 92-year-old building or repairs to an aging bus fleet. It is now one of four districts added to the state's "early warning" list of districts in fiscal crisis.

Ann Arbor Schools have been given an April 15 deadline for submitting a "corrective action plan" to the State Treasurer or face the possibility of state oversight, including a possible Emergency Manager.

The state requires a fund balance (a rainy day fund) of 5 percent of operating expenditures in each district; the District's "accounting error" regarding a \$14 million retirement liability dropped the fund balance below the mandated threshold. Following the bankruptcy of the city of Detroit and the Detroit Public Schools 10 years ago, Michigan imposed this new, far more stringent, "funding floor" requirement on state schools. It provides an additional legal mechanism to impose austerity on schools.

When the state posted a \$9 billion surplus (including a \$4 billion surplus to the School Aid Fund) for 2024, schools received a modest 9 percent increase, which failed to make up for years of districts falling behind inflation. Meanwhile, corporate handouts—particularly to the automakers—reached hundreds of millions of dollars, with \$225 million in annual tax breaks.

These are baked into state budgets through the "Make It In Michigan" initiative, supplemented by other grant programs including the Critical Industry Program, the R&D tax credit, the Strategic Site Readiness Program and more. GM alone will net about \$2.28 billion in tax savings through 2029, while Ford received \$630 million for its Blue Oval Battery Park.

The crisis in Michigan schools has erupted alongside existential budget cuts to schools across the state and nationally, as federal funding of ESSER expires as of September 2024.

Indifferent to the budgetary "fiscal cliff" facing schools nationally, the terrible effects of learning loss, and the mental health crisis among young people, the Biden administration has refused to renew federal

emergency assistance to schools.

Instead, both parties are focused on funneling new hundreds of billions towards military spending in Ukraine, Gaza, Taiwan and beyond. These ongoing appropriations follow the record \$825 billion for the military, the lion's share of all governmental discretionary spending.

Working with United Auto Workers President Shawn Fain and other top bureaucrats, Biden has relied on the union apparatus to block strikes and ram through contracts which have led to mass layoffs. Thousands of jobs have already been axed in the US auto industry so far this year.

The Michigan Education Association (MEA), which collects dues from Ann Arbor teachers and the majority of teachers across the state, has not threatened any action against the looming terminations. Both the MEA and AFT have left teachers isolated, district by district, while education is axed across the US. Moreover, tied hand-and-foot to the Democratic Party, the teachers' unions—committed to Biden's reelection—will not interfere with the administration's prioritization of war over social spending.

This struggle must be taken forward independently of the Democrats and Republicans, the two parties of austerity and war. The WSWS urges interested educators, parents and youth to sign up for the Michigan Educators Rank and File Committee.



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