

HOUSE BILL No. 5791

March 12, 2002, Introduced by Rep. Stallworth and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 372 and 375 (MCL 380.372 and 380.375),
section 372 as amended by 2000 PA 230 and section 375 as added by
1999 PA 10, and by adding sections 374b and 374c; and to repeal
acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 372. (1) Not later than April 25, 1999 or, if a quali-
2 fying school district becomes a school district of the first
3 class after April 25, 1999, not later than 30 days after the date
4 the qualifying school district becomes a school district of the
5 first class, the mayor shall appoint a school reform board for a
6 qualifying school district.

1 (2) ~~A~~ UNTIL JANUARY 1, 2004, A school reform board
2 established under this section shall consist of the following 7
3 members:

4 (a) Six members appointed by the mayor.

5 (b) ~~For a period of 5 years after the date of the initial~~
6 ~~appointment of the members of the school reform board appointed~~
7 ~~under subdivision (a), the~~ THE superintendent of public instruc-
8 tion or his or her designee. ~~After this period, the mayor shall~~
9 ~~appoint the seventh member of the school reform board.~~

10 (3) BEGINNING JANUARY 1, 2004, THE SCHOOL REFORM BOARD OF A
11 QUALIFYING SCHOOL DISTRICT SHALL CONSIST OF THE FOLLOWING 9
12 MEMBERS:

13 (A) FOUR APPOINTED MEMBERS, APPOINTED BY THE MAYOR OF THE
14 CITY IN WHICH THE FIRST CLASS SCHOOL DISTRICT IS LOCATED WITH THE
15 ADVICE AND CONSENT OF THE CITY COUNCIL OF THE CITY IN WHICH THE
16 FIRST CLASS SCHOOL DISTRICT IS LOCATED. TO BE ELIGIBLE TO BE
17 APPOINTED UNDER THIS SUBDIVISION, A PERSON MUST BE A RESIDENT OF
18 THE FIRST CLASS SCHOOL DISTRICT. THE MAYOR SHALL APPOINT THE
19 INITIAL 4 MEMBERS UNDER THIS SUBDIVISION NOT LATER THAN
20 NOVEMBER 3, 2003. IN MAKING APPOINTMENTS UNDER THIS SUBSECTION,
21 THE MAYOR SHALL CONSIDER EACH PERSON'S SPECIFIC SKILLS AND EXPER-
22 TISE AND SHALL ENSURE THAT THE MEMBERS HE OR SHE APPOINTS HAVE
23 DEMONSTRATED EXPERTISE IN AT LEAST ALL OF THE FOLLOWING AREAS:

- 24 (i) WORKFORCE PREPARATION AND DEVELOPMENT.
- 25 (ii) PUBLIC HEALTH.
- 26 (iii) TECHNOLOGY AND DISTRIBUTION SERVICES.

1 (iv) HUMAN RESOURCES.

2 (v) HIGHER EDUCATION.

3 (B) FOUR AT-LARGE ELECTED MEMBERS, NOMINATED AT THE
4 AUGUST 2003 PRIMARY ELECTION AND ELECTED AT THE NOVEMBER 2003
5 GENERAL ELECTION IN THE MANNER PROVIDED UNDER SECTION 411A.
6 ANOTHER ELECTION OF MEMBERS UNDER THIS SUBDIVISION SHALL BE HELD
7 IN 2007 IN THIS SAME MANNER.

8 (C) THE STATE TREASURER.

9 (4) ~~(3) A~~ UNTIL JANUARY 1, 2004, A person who is a current
10 member of the elected school board of a qualifying school dis-
11 trict is not eligible for appointment as a member of the school
12 reform board for that qualifying school district. ~~Section~~
13 UNTIL JANUARY 1, 2004, SECTION 1101(1) does not disqualify any
14 person from appointment to a school reform board under this sec-
15 tion or from appointment as an officer under section 374.
16 However, at least a majority of the appointed members of a school
17 reform board must be school electors of the qualifying school
18 district.

19 (5) ~~(4)~~ Except for the superintendent of public instruc-
20 tion or his or her designee, OR, BEGINNING JANUARY 1, 2004, THE
21 STATE TREASURER, members of a school reform board shall serve at
22 the will of the mayor. The term of an appointed member UNDER
23 SUBSECTION (2) shall be 4 years, except that of the members first
24 appointed under subsection (2)(a), 2 shall be appointed for a
25 term of 2 years, 2 shall be appointed for a term of 3 years, and
26 2 shall be appointed for a term of 4 years, AND THE TERMS OF ALL
27 OF THESE MEMBERS THEN SERVING SHALL EXPIRE ON DECEMBER 31, 2003.

1 THE TERM OF AN APPOINTED MEMBER UNDER SUBSECTION (3) SHALL BE 4
2 YEARS.

3 (6) ~~-(5)-~~ If a member of a school reform board is removed
4 from office by the mayor or is unable to complete his or her
5 term, the mayor shall appoint a successor for the balance of the
6 unexpired term. At the end of a member's term, the mayor shall
7 appoint a successor or reappoint the member.

8 (7) ~~-(6)-~~ The mayor shall call the first meeting of the
9 school reform board and shall designate a chairperson of the
10 school reform board from among its members. If there is a
11 vacancy in the office of chairperson, the mayor shall designate a
12 successor.

13 (8) ~~-(7)-~~ At the first meeting of the school reform board,
14 AND AT THE FIRST MEETING AFTER JANUARY 1, 2004, the school reform
15 board may elect from among its members other officers as it con-
16 siders necessary or appropriate. After the first meeting, the
17 school reform board shall meet at least monthly, or more fre-
18 quently at the call of the chairperson or if requested by 4 or
19 more members.

20 (9) ~~-(8)-~~ A majority of the members of the school reform
21 board constitute a quorum for the transaction of business at a
22 meeting of the school reform board. A majority of the members
23 present and serving are required for official action of the
24 school reform board.

25 (10) ~~-(9)-~~ Members of the school reform board shall serve
26 without compensation. However, members may be reimbursed for

1 their actual and necessary expenses incurred in the performance
2 of their official duties as members of the school reform board.

3 SEC. 374B. (1) NOT LATER THAN JANUARY 1, 2004, EACH SCHOOL
4 OPERATED BY A QUALIFYING SCHOOL DISTRICT SHALL ESTABLISH A
5 SITE-BASED MANAGEMENT TEAM. THE SITE-BASED MANAGEMENT TEAM SHALL
6 BE COMPOSED OF THE FOLLOWING 9 MEMBERS:

7 (A) THE PRINCIPAL OF THE SCHOOL, WHO SHALL SERVE AS CHAIR-
8 PERSON OF THE SITE-BASED MANAGEMENT TEAM.

9 (B) TWO MEMBERS WHO ARE PARENTS OF A PUPIL ENROLLED IN THE
10 SCHOOL, ELECTED BY PARENTS OF PUPILS ENROLLED IN THE SCHOOL.

11 (C) TWO TEACHERS EMPLOYED AT THE SCHOOL, ELECTED BY TEACHERS
12 EMPLOYED AT THE SCHOOL.

13 (D) ONE COUNSELOR EMPLOYED AT THE SCHOOL, APPOINTED BY THE
14 PRINCIPAL.

15 (E) ONE DEPARTMENT HEAD OR SIMILAR ADMINISTRATOR EMPLOYED AT
16 THE SCHOOL, APPOINTED BY THE PRINCIPAL.

17 (F) THE FACILITY MANAGER OF THE SCHOOL.

18 (G) THE BUSINESS MANAGER RESPONSIBLE FOR THE SCHOOL, WHO
19 SHALL NOT HAVE THE RIGHT TO VOTE.

20 (2) THE SITE-BASED MANAGEMENT TEAM FOR EACH SCHOOL SHALL DO
21 ALL OF THE FOLLOWING:

22 (A) MANAGE THE SCHOOL'S PER PUPIL BUDGET AND OVERSEE THE
23 SCHOOL'S DAILY OPERATIONS IN ACCORDANCE WITH THE POLICIES AND
24 PRACTICES ESTABLISHED BY THE CHIEF EXECUTIVE OFFICER. THIS
25 INCLUDES, BUT IS NOT LIMITED TO, FISCAL MANAGEMENT, CURRICULUM
26 IMPLEMENTATION, AND STAFF ASSESSMENT AND ALLOCATION.

1 (B) DEVISE AND IMPLEMENT STRATEGIES FOR PARENTAL
2 INVOLVEMENT, VOLUNTEERISM, OR ANY OTHER PROGRAM THAT IS DESIGNED
3 TO ENHANCE THE EDUCATIONAL MISSION OF THE SCHOOL AND THAT IS NOT
4 CONTRARY TO THE POLICIES AND PRACTICES ESTABLISHED BY THE CHIEF
5 EXECUTIVE OFFICER.

6 (C) PREPARE AND SUBMIT ANY REPORTS THAT ARE SCHOOL-SPECIFIC
7 AND ARE REQUESTED BY THE SCHOOL REFORM BOARD OF THE QUALIFYING
8 SCHOOL DISTRICT OR THE CHIEF EXECUTIVE OFFICER.

9 (3) THE CHIEF EXECUTIVE OFFICER SHALL REGULARLY PROVIDE A
10 TRAINING PROGRAM FOR SITE-BASED MANAGEMENT TEAMS TO TRAIN EACH OF
11 THEM IN HOW TO MAKE RESPONSIBLE ALLOCATIONS OF RESOURCES IN A
12 BUDGETARY PROCESS AND IN OTHER ASPECTS OF BUDGETING AND
13 MANAGEMENT.

14 (4) BEGINNING WITH FUNDS RECEIVED FOR THE 2004-2005 STATE
15 FISCAL YEAR, OPERATING FUNDS RECEIVED BY A QUALIFYING SCHOOL DIS-
16 TRICT ON THE BASIS OF PUPIL MEMBERSHIP SHALL BE DISTRIBUTED AND
17 CONTROLLED AS FOLLOWS:

18 (A) THE SCHOOL REFORM BOARD SHALL DISTRIBUTE AT LEAST 95% OF
19 THE AMOUNT OF THESE PER PUPIL OPERATING FUNDS THAT IS ATTRIBUT-
20 ABLE TO PUPILS ENROLLED AT A PARTICULAR SCHOOL TO THE SITE-BASED
21 MANAGEMENT TEAM OF THAT SCHOOL. THE SITE-BASED MANAGEMENT TEAM
22 HAS AUTHORITY OVER THE EXPENDITURE OF ALL FUNDS RECEIVED PURSUANT
23 TO THIS SUBDIVISION. IT IS THE INTENT OF THE LEGISLATURE THAT AT
24 LEAST 90% OF THE FUNDS CONTROLLED BY A SITE-BASED MANAGEMENT TEAM
25 WILL BE SPENT ON INSTRUCTION AND PROGRAMS FOR PUPILS AND THAT NOT
26 MORE THAN 10% OF THE FUNDS CONTROLLED BY A SITE-BASED MANAGEMENT
27 TEAM WILL BE SPENT ON ADMINISTRATIVE COSTS AT THE SCHOOL.

1 (B) THE SCHOOL REFORM BOARD MAY RETAIN NOT MORE THAN 5% OF
2 THE AMOUNT OF THESE PER PUPIL OPERATING FUNDS FOR THE OPERATIONS
3 OF THE SCHOOL REFORM BOARD AND THE CHIEF EXECUTIVE OFFICER AND
4 OTHER OFFICERS UNDER SECTION 374.

5 (5) A SCHOOL REFORM BOARD OF A QUALIFYING SCHOOL DISTRICT
6 MAY CHARGE A SITE-BASED MANAGEMENT TEAM FOR SUPPLIES, EQUIPMENT,
7 OR SERVICES PROVIDED TO THE SITE-BASED MANAGEMENT TEAM, AND MAY
8 OFFSET THESE CHARGES AGAINST THE AMOUNTS DISTRIBUTED TO THE
9 SITE-BASED MANAGEMENT TEAM UNDER SUBSECTION (4). A SITE-BASED
10 MANAGEMENT TEAM MAY OBTAIN SUPPLIES, EQUIPMENT, AND SERVICES
11 OTHER THAN INSTRUCTIONAL SERVICES FROM SOURCES OTHER THAN THE
12 SCHOOL REFORM BOARD. BEFORE ENTERING INTO A CONTRACT, A
13 SITE-BASED MANAGEMENT TEAM SHALL SUBMIT THE CONTRACT TO THE
14 SCHOOL REFORM BOARD OR THE CHIEF EXECUTIVE OFFICER.

15 (6) THE SCHOOL REFORM BOARD SHALL REVIEW ALL CONTRACTUAL
16 OBLIGATIONS PROPOSED BY A SITE-BASED MANAGEMENT TEAM THAT INVOLVE
17 A CAPITAL COMMITMENT IN EXCESS OF \$150,000.00. THE SCHOOL REFORM
18 BOARD MAY APPROVE OR REJECT THESE PROPOSED CONTRACTUAL OBLIGA-
19 TIONS, AND ITS DECISION IS FINAL.

20 (7) THE SCHOOL REFORM BOARD SHALL DELEGATE TO THE CHIEF
21 EXECUTIVE OFFICER THE AUTHORITY TO REVIEW ALL CONTRACTUAL OBLIGA-
22 TIONS PROPOSED BY A SITE-BASED MANAGEMENT TEAM THAT INVOLVE A
23 CAPITAL COMMITMENT OF NOT MORE THAN \$150,000.00. THE CHIEF EXEC-
24 UTIVE OFFICER SHALL PERFORM THIS FUNCTION AND MAY APPROVE OR
25 REJECT THESE PROPOSED CONTRACTUAL OBLIGATIONS. THE DECISION OF
26 THE CHIEF EXECUTIVE OFFICER IS FINAL.

1 (8) AFTER SITE-BASED MANAGEMENT TEAMS ARE ESTABLISHED UNDER
2 THIS SECTION, THE CHIEF EXECUTIVE OFFICER, WORKING COOPERATIVELY
3 WITH THE SITE-BASED MANAGEMENT TEAMS, SHALL PROMPTLY DEVELOP A
4 SYSTEM OF VOLUNTEER DISTRICT ADVOCATES. THE DISTRICT ADVOCATES
5 SHALL SERVE WITHOUT COMPENSATION AND SHALL DO ALL OF THE
6 FOLLOWING:

7 (A) BE AVAILABLE TO FAMILIES TO HEAR THEIR NEEDS AND
8 CONCERNS.

9 (B) REPORT TO THE SCHOOL REFORM BOARD ON THE NEEDS, CON-
10 CERNS, AND CHALLENGES EXPRESSED BY FAMILIES AND OBSERVED BY THE
11 DISTRICT ADVOCATES.

12 (C) SERVE AS A COMMUNITY RESOURCE TO ASSIST BOTH THE
13 SITE-BASED MANAGEMENT TEAMS AND SCHOOL FAMILIES IN ASSEMBLING
14 PUBLIC AND PRIVATE RESOURCES OUTSIDE THE SCHOOL SYSTEM TO ADDRESS
15 SOCIAL AND HUMAN SERVICE BARRIERS THAT PREVENT CHILDREN FROM
16 LEARNING.

17 SEC. 374C. THE LEGISLATURE SHALL ENSURE THAT THE CALCULA-
18 TION OF A QUALIFYING SCHOOL DISTRICT'S FOUNDATION ALLOWANCE UNDER
19 SECTION 20 OF THE STATE SCHOOL AID ACT OF 1979, MCL 388.1620, IS
20 ADJUSTED FOR THE 2002-2003 STATE FISCAL YEAR TO INCORPORATE AN
21 ADDITIONAL \$15,000,000.00 IN THAT CALCULATION, AND THAT THIS
22 ADJUSTMENT CONTINUES AT LEAST FOR EACH STATE FISCAL YEAR IN WHICH
23 THIS PART IS IN EFFECT.

24 Sec. 375. (1) After the expiration of ~~5~~ 6 years after the
25 initial appointment OF MEMBERS of a school reform board in a
26 qualifying school district under ~~this part, the question of~~
27 ~~whether to retain the school reform board and the chief executive~~

1 ~~officer and the authority under this part to appoint the school~~
2 ~~reform board and the chief executive officer shall be placed on~~
3 ~~the ballot in the qualifying school district under this section.~~

4 ~~(2) The question under subsection (1) shall be placed on the~~
5 ~~ballot in the qualifying school district at the next November~~
6 ~~general election occurring at least 90 days after the expiration~~
7 ~~of 5 years after the date of the initial appointment of the~~
8 ~~school reform board.~~

9 ~~(3) The question under subsection (1) shall be in substan-~~
10 ~~tially the following form:~~

11 ~~"Shall the school reform board and chief executive officer~~
12 ~~serving in _____ (name of qualifying school district)~~
13 ~~under part 5a of the revised school code be retained and shall~~
14 ~~the mayor of _____ (name of city in which the school~~
15 ~~district is located) retain the authority to appoint members of~~
16 ~~the school reform board? A vote in the affirmative continues the~~
17 ~~school reform board and chief executive officer in place in the~~
18 ~~school district and continues the authority of the mayor to~~
19 ~~appoint members of the school reform board. A vote in the nega-~~
20 ~~tive will result in the election of a new elected school board as~~
21 ~~the governing body of the school district and will render the~~
22 ~~provisions of law establishing authority to appoint a school~~
23 ~~reform board inapplicable for this school district.~~

24 ~~Yes (—)~~

25 ~~No (—)".~~

26 ~~(4) If the question under subsection (1) is approved by a~~
27 ~~majority of the school electors voting on the question either~~

1 ~~under subsection (1) or pursuant to subdivision (c), all of the~~
2 ~~following apply:~~

3 ~~(a) The school reform board and chief executive officer con-~~
4 ~~tinue in place in the qualifying school district.~~

5 ~~(b) The authority of the mayor to appoint members of the~~
6 ~~school reform board continues in the qualifying school district.~~

7 ~~(c) The question may not be placed on the ballot again in~~
8 ~~the qualifying school district until the expiration of 5 years~~
9 ~~after the election at which the question was approved. The ques-~~
10 ~~tion may be placed on the ballot again in the qualifying school~~
11 ~~district under this subdivision if petitions calling for the~~
12 ~~question to be placed on the ballot are filed with the county~~
13 ~~clerk for the county in which the qualifying school district is~~
14 ~~located not sooner than 4 years after the question was most~~
15 ~~recently on the ballot and if the petitions are signed by a~~
16 ~~number of school electors of the qualifying school district at~~
17 ~~least equal to 10% of the number of votes cast within the city in~~
18 ~~which the qualifying school district is located for secretary of~~
19 ~~state in the most recent November general election in which a~~
20 ~~secretary of state was elected. If those petitions are submitted~~
21 ~~and verified, the question shall be placed on the ballot in the~~
22 ~~qualifying school district at the next November general election~~
23 ~~occurring at least 5 years after the question was most recently~~
24 ~~on the ballot and at least 90 days after the petitions are sub-~~
25 ~~mitted and verified.~~

26 ~~(5) If the question under subsection (1) is not approved by~~
27 ~~a majority of the school electors voting on the question either~~

1 ~~under subsection (1) or pursuant to subsection (4)(c)~~

2 SECTION 372(3), all of the following apply:

3 (a) The school reform board shall arrange with local elec-
4 tions officials for election of a new elected school board for
5 the school district. This election shall be at a special elec-
6 tion held as soon as practicable, but not sooner than 90 days
7 after the ~~election under subsection (1)~~ EXPIRATION OF 6 YEARS
8 AFTER THE INITIAL ELECTION OF MEMBERS UNDER SECTION 372(3). This
9 election shall be conducted in the manner otherwise provided
10 under this act for an initial school board election in a newly
11 formed first class school district.

12 (b) Effective on the next July 1 following the election
13 under subdivision (a), the new elected school board of the quali-
14 fying school district shall serve as the governing body of the
15 qualifying school district and this elected school board and its
16 secretary and treasurer shall be fully vested with all powers and
17 duties that those officials had before the appointment of the
18 school reform board.

19 (c) Effective on the next July 1 following the election
20 under subdivision (a), the powers of the school reform board
21 established for the qualifying school district under this part,
22 of the chief executive officer, and of all other officers
23 appointed under section 374 cease.

24 ~~(d) Effective on the next July 1 following the election~~
25 ~~under subdivision (a), the provisions of this part do not apply~~
26 ~~to that qualifying school district.~~

1 Enacting section 1. Part 5a of the revised school code,
2 1976 PA 451, MCL 380.371 to 380.376, is repealed effective
3 July 1, 2010.