

THE REVISED SCHOOL CODE (EXCERPT)
Act 451 of 1976

380.1311e Strict discipline academy; issuance of contract by authorizing body; placement of question on ballot; submission of contract and application to state board; selection, term, and number of members of board of directors; contract requirements; compliance with applicable law; immunity; exemption from tax; property acquisition and condemnation; definitions.

Sec. 1311e.

(1) An authorizing body is not required to issue a contract to any person or entity. Contracts for strict discipline academies must be issued on a competitive basis taking into consideration the resources available for the proposed strict discipline academy, the population to be served by the proposed strict discipline academy, and the educational goals to be achieved by the proposed strict discipline academy.

(2) If a person or entity applies to the board of a school district for a contract to organize and operate 1 or more strict discipline academies within the boundaries of the school district and the board does not issue the contract, the person or entity may petition the board to place the question of issuing the contract on the ballot to be decided by the school electors of the school district. The petition must contain all of the information required to be in the contract application under section 1311d and must be signed by a number of school electors of the school district equal to at least 15% of the total number of school electors of that school district. The petition must be filed with the secretary of the board. If the board receives a petition meeting the requirements of this subsection, the board shall place the question of issuing the contract on the ballot at its next annual school election held at least 60 days after receiving the petition. If a majority of the school electors of the school district voting on the question vote to issue the contract, the board shall issue the contract.

(3) Within 10 days after issuing a contract for a strict discipline academy, the board of the authorizing body shall submit to the state board a copy of the contract and of the application under section 1311d.

(4) An authorizing body shall adopt a resolution establishing the method of selection, length of term, and number of members of the board of directors of each strict discipline academy subject to its jurisdiction.

(5) A contract issued to organize and administer a strict discipline academy must contain at least all of the following:

(a) The educational goals the strict discipline academy is to achieve and the methods by which it will be held accountable. To the extent applicable, the pupil performance of a strict discipline academy shall be assessed using at least the Michigan student test of educational progress (M-STEP) or the Michigan merit examination developed under section 1279g, as applicable.

(b) A description of the method to be used to monitor the strict discipline academy's compliance with applicable law and its performance in meeting its targeted educational objectives.

(c) A description of the process for amending the contract during the term of the contract.

(d) All of the matters set forth in the application for the contract.

(e) For a strict discipline academy authorized by a school district, an agreement that employees of the strict discipline academy will be covered by the collective bargaining agreements that apply to employees of the school district employed in similar classifications in schools that are not strict discipline academies.

(f) Procedures for revoking the contract and grounds for revoking the contract, including at least the grounds listed in section 1311l.

(g) A description of and address for the proposed physical plant in which the strict discipline academy will be located.

(h) Requirements and procedures for financial audits. The financial audits must be conducted at least annually by a certified public accountant in accordance with generally accepted governmental auditing principles.

(i) The term of the contract and a description of the process and standards for renewal of the contract at the end of the term. The standards for renewal must include student growth as measured by assessments and other objective criteria as a significant factor in the decision of whether to renew the contract.

(j) For a contract that is entered into, extended, renewed, or modified on or after the effective date of the amendatory act that added this subdivision, a requirement that the names of the authorizing body and the primary educational management organization, if applicable, must appear and be verbally provided, as applicable, on all of the following:

(i) Unless prohibited by a local ordinance or local zoning authority, signage that is on the strict discipline academy's property and is erected, repaired, or installed on or after the effective date of the amendatory act that added this subdivision.

(ii) Promotional material that is created, modified, or distributed on or after the effective date of the amendatory act that added this subdivision.

(iii) The footer of the strict discipline academy's website pages.

- (iv) The school application that a student must submit to enroll in the strict discipline academy.
- (6) A strict discipline academy shall comply with all applicable law, including all of the following:
 - (a) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
 - (b) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
 - (c) 1947 PA 336, MCL 423.201 to 423.217.
 - (d) Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and 1274.
 - (e) Except for part 6a, all provisions of this act that explicitly apply to public school academies established under part 6a.
- (7) A strict discipline academy and its incorporators, board members, officers, employees, and volunteers have governmental immunity as provided in section 7 of 1964 PA 170, MCL 691.1407. An authorizing body and its board members, officers, and employees are immune from civil liability, both personally and professionally, for any acts or omissions in authorizing a strict discipline academy if the authorizing body or the person acted or reasonably believed the person acted within the authorizing body's or the person's scope of authority.
- (8) A strict discipline academy is exempt from all taxation on its earnings and property. Instruments of conveyance to or from a strict discipline academy are exempt from all taxation including taxes imposed by 1966 PA 134, MCL 207.501 to 207.513. A strict discipline academy may not levy ad valorem property taxes or any other tax for any purpose. However, operation of 1 or more strict discipline academies by a school district or intermediate school district does not affect the ability of the school district or intermediate school district to levy ad valorem property taxes or any other tax.
- (9) A strict discipline academy may acquire by purchase, gift, devise, lease, sublease, installment purchase agreement, land contract, option, or by any other means, hold and own in its own name buildings and other property for school purposes, and interests therein, and other real and personal property, including, but not limited to, interests in property subject to mortgages, security interests, or other liens, necessary or convenient to fulfill its purposes. For the purposes of condemnation, a strict discipline academy may proceed under the uniform condemnation procedures act, 1980 PA 87, MCL 213.51 to 213.75, excluding sections 6 to 9 of the uniform condemnation procedures act, 1980 PA 87, MCL 213.56 to 213.59, or other applicable statutes, but only with the express, written permission of the authorizing body in each instance of condemnation and only after just compensation has been determined and paid.
- (10) As used in this section:
 - (a) "Educational management organization" means an entity that enters into a management agreement with a strict discipline academy.
 - (b) "Entity" means a partnership, nonprofit or business corporation, or any other association, corporation, trust, or other legal entity.
 - (c) "Management agreement" means an agreement to provide comprehensive educational, administrative, management, or instructional services or staff to a strict discipline academy.
 - (d) "Primary educational management organization" means an educational management organization that is responsible for both of the following:
 - (i) Administrative services or staff.
 - (ii) Educational and instructional services or staff.
 - (e) "Promotional material" means any of the following:
 - (i) Billboards.
 - (ii) Internet advertisements.
 - (iii) Television advertisements.
 - (iv) Radio advertisements.

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