

**THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)**  
**Act 94 of 1979**

\*\*\*\*\* 388.1622f.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2014 \*\*\*\*\*

**388.1622f.amended Incentive payments to districts meeting best practices; requirements; definitions; submission of false information; allocation of unexpended amounts.**

Sec. 22f. (1) From the appropriation in section 11, there is allocated for 2014-2015 an amount not to exceed \$75,000,000.00 to provide incentive payments to districts that meet best practices under this section. Payments received under this section may be used for any purpose for which payments under sections 22a and 22b may be used.

(2) The amount of the incentive payment under this section is an amount equal to \$50.00 per pupil. A district shall receive an incentive payment under this section if the district satisfies at least 7 of the following requirements not later than June 1, 2015:

(a) If a district provides medical, pharmacy, dental, vision, disability, long-term care, or any other type of benefit that would constitute a health care services benefit, to employees and their dependents, the district is the policyholder for each of its insurance policies that covers 1 or more of these benefits. A district that does not directly employ its staff or a district with a voluntary employee beneficiary association that pays no more than the maximum per employee contribution amount and that contributes no more than the maximum employer contribution percentage of total annual costs for the medical benefit plans as described in sections 3 and 4 of the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.563 and 15.564, is considered to have satisfied this requirement.

(b) The district has obtained competitive bids on the provision of pupil transportation, food service, custodial, or 1 or more other noninstructional services for 2014-2015. In comparing competitive bids to the current costs of providing 1 or more of these services, a district shall exclude the unfunded accrued liability costs for retirement and other benefits from the district's current costs.

(c) The district accepts applications for enrollment by nonresident applicants under section 105 or 105c. A public school academy is considered to have met this requirement.

(d) The district offers online courses or blended learning opportunities to all eligible pupils. In order to satisfy this requirement, a district must make all eligible pupils and their parents or guardians aware of these opportunities and must publish an online course syllabus as described in section 21f for each online course that the district offers. For the purposes of this subdivision:

(i) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(ii) "Online course" means a course of study that is capable of generating a credit or a grade, that is provided in an interactive internet-connected learning environment, in which pupils are separated from their teachers by time or location, or both, and in which a teacher with a valid Michigan teaching certificate is responsible for determining appropriate instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating the effects of instruction and support strategies.

(e) The district provides to parents and community members a dashboard or report card demonstrating the district's efforts to manage its finances responsibly. The dashboard or report card shall include revenue and expenditure projections for the district for fiscal year 2014-2015 and fiscal year 2015-2016, a listing of all debt service obligations, detailed by project, including anticipated fiscal year 2014-2015 payment for each project, a listing of total outstanding debt, and at least all of the following for the 3 most recent school years for which the data are available:

(i) Graduation and dropout rates.

(ii) Average class size in grades kindergarten to 3.

(iii) College readiness as measured by Michigan merit examination test scores.

(iv) Elementary and middle school MEAP scores.

(v) Teacher, principal, and superintendent salary information including at least minimum, average, and maximum pay levels.

(vi) General fund balance.

(vii) The total number of days of instruction provided.

(f) The district complies with a method of compensation for teachers and school administrators that

includes job performance and accomplishments as a significant factor in determining compensation, as required under section 1250 of the revised school code, MCL 380.1250.

(g) The district's collective bargaining agreements, including, but not limited to, appendices, addenda, letters of agreement, or any other documents reflecting agreements with collective bargaining representatives, do not contain any provisions pertaining to, relating to, or that are otherwise contrary to the prohibited subjects of bargaining enumerated in section 15(3) of 1947 PA 336, MCL 423.215.

(h) The district implements a comprehensive guidance and counseling program.

(i) The district offers pupils in grades K to 8 the opportunity to complete coursework or other learning experiences that are substantially equivalent to 1 credit in a language other than English.

(3) If the department determines that a district has intentionally submitted false information in order to qualify for an incentive payment under this section, the district forfeits an amount equal to the amount it received under this section from its total state school aid for 2015-2016.

(4) If the department determines that funds allocated under this section will remain unexpended after the initial allocation of \$50.00 per pupil to eligible districts under subsection (2), the remaining unexpended amount is allocated on an equal per pupil basis to districts that meet the requirements of subsection (2) and that have a foundation allowance, as calculated under section 20, in an amount that is less than the basic foundation allowance under that section.

**History:** Add. 2011, Act 62, Eff. Oct. 1, 2011;—Am. 2012, Act 201, Eff. Oct. 1, 2012;—Am. 2013, Act 60, Eff. Oct. 1, 2013;—Am. 2014, Act 196, Eff. Oct. 1, 2014.