

**V(b). PROPOSAL TO HIRE MARIE MILLER
AS AN INDEPENDENT
CONTRACTOR**

*March 13, 2014 Board Meeting
Education Achievement Authority of Michigan*

INDEPENDENT CONTRACTOR AGREEMENT

THIS AGREEMENT is made this 4th day of March, 2014, between the Education Achievement Authority of Michigan, a Michigan public body corporate and special authority (hereinafter referenced as the "EAA") and Marie Miller (hereinafter referenced as "Miller").

I. RECITALS

WHEREAS, Miller is an independent contractor that provides technical assistance, professional development, and on-site visits to EAA schools to ensure compliance with Title I funding processes;

WHEREAS, Miller represents that she possesses the necessary qualifications to provide these services to the EAA;

WHEREAS, the EAA desires to retain the services of Miller as an independent contractor; and

WHEREAS, Miller desires to provide technical assistance, professional development and on-site Title I compliance visits to EAA schools;

NOW THEREFORE, in consideration of the mutual covenants and promises and agreements contained herein, the EAA and Miller agree as follows:

II. SERVICES PROVIDED

Miller shall provide technical assistance and professional development support to schools within the EAA. More specifically, Miller shall provide support in the areas of Title I consolidated application, School Improvement Planning, the Title I annual audit, comprehensive needs assessments, action plans and data collection.

III. TERM

This engagement shall commence on March 4, 2014 and shall continue in full force and effect through August 31, 2014. The Agreement may only be extended thereafter by mutual agreement, unless terminated earlier by operation of, and/or in accordance with this Agreement.

IV. COMPENSATION/BILLING PROCEDURES

The EAA agrees to pay fees to Miller, for services performed, as more fully described herein. Miller shall be compensated for providing the technical assistance, professional development and on-site compliance visits at a rate of Eleven Hundred Dollars (\$1100.00) per day, including expenses during the term of this Agreement. Miller shall submit monthly invoices for services performed by no later than the 25th of each month to: 300 River Place, Suite 3600, Detroit, Michigan 48207, Attention: Accounts Payable. The EAA shall pay invoices for services satisfactorily performed within forty-five (45) days of receipt.

V. EXPENSES

During the term of this Agreement, Miller shall bill and the EAA shall reimburse her for all reasonable and approved out-of-pocket expenses which may be incurred in connection with the performance of duties hereunder. Miller shall bill and the EAA shall reimburse in the manner outlined, and more fully described under Section IV of this Agreement. Notwithstanding the foregoing, expenses for time spent by Miller traveling to and from EAA facilities shall not be reimbursable.

VI. INDEPENDENT CONTRACTOR

This Agreement shall not render Miller as an employee, partner, agent of, or joint venture with the EAA for any purpose. Miller is and will remain an independent contractor in her relationship with the EAA. The EAA shall not be responsible for withholding taxes with respect to Miller's compensation hereunder. Miller shall have no claim against the EAA hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.

VII. INDEMNIFICATION

Miller shall indemnify, defend and hold harmless the EAA, its agents, officers, Board members, successors, assigns and employees from and against any and all claims, actions, causes of action, demands, liabilities, losses, damages, costs and expenses, including but not limited to, attorneys' fees and interest, which may be sustained or incurred by reason of any act or omission by Miller, her agents, officers or employees, or otherwise arising out of or in connection with Miller's performance under this Agreement.

VIII. CONFLICT OF INTEREST

Miller represents that she is free to enter into this Agreement and that this engagement does not violate the terms of any agreement between the EAA and any third party. Further, Miller, in rendering services shall not utilize any invention, discovery, development, improvement, innovation, or trade secret in which she does not have a proprietary interest. During the term of this Agreement, Miller shall devote as much of her productive time, energy and abilities to the performance of services provided hereunder as is necessary to perform the duties in a timely and productive manner. Miller is expressly free to perform services for other parties while performing services for the EAA.

IX. TERMINATION

The EAA may terminate this Agreement at any time by providing 30 working days' written notice to Miller. In addition, if Miller, or any of her employees, contractors, officers, directors, or agents are convicted of any crime or offense, fails or refuses to comply with the written policies or reasonable directive of the EAA, is guilty of serious misconduct in connection with performance hereunder, or materially breaches provisions of this Agreement, the EAA at any time may terminate the engagement of Miller immediately and without prior notice.

X. FERPA COMPLIANCE

The Parties hereby acknowledge and understand that the EAA is in direct control of Miller with respect to the receipt, use, and non-disclosure of student education records (hereinafter "education records"), as those records are defined in the Family Education Rights and Privacy Act, 20 U.S.C. §1232g, 34 C.F.R. Part 99 (hereinafter "FERPA"), and shall comply with all EAA policies, direction, and requests with respect to the handling of student education records. Miller and the EAA further warrant that they will comply with all relevant laws regarding the protection and non-disclosure of education records, including, but not limited to, FERPA and its implementing regulations.

Miller warrants that she will cause each of her employees, officers, directors, agents, contractors, or any other individual associated with Miller whom may have access to education records to legally bind themselves to the confidentiality standards contained in FERPA and this Agreement.

Miller shall ensure that any education records which may contain highly sensitive information, including, but not limited to social security numbers, driver's license or state identification numbers, financial information, and student lists are encrypted (i) during transmission, whether sent by email, fax, or through any other digital or electronic download or transmission, and (ii) when stored in any format. Miller shall also provide written notice within twenty-four (24) hours of any unauthorized release, distribution, or other dissemination of any education records of the EAA or its students. This notice shall include all relevant information, as determined solely by the EAA, such as the date and time of the release, distribution, or dissemination, the name of the person responsible, the name of the person who received the education records, if known, and any other information the EAA may request.

XI. CRIMINAL HISTORY RECORD CHECKS

In compliance with the Revised School Code, specifically MCL §380.1230 through MCL §380.1230h, MCL §380.1535a, and MCL §380.1539b, Miller hereby consents, warrants, and agrees that she will either: (i) cause any background checks required under state and federal law or this Agreement to be conducted in the form and manner required by for law for each of his employees, officers, directors, agents or contractors ("personnel") who may have direct contact with any EAA student prior to such personnel having such contact; or (ii) provide all information the EAA requires in order to enable the EAA to conduct any required criminal history record checks for all personnel who may have direct contact with any EAA student prior to such personnel having such contact, including causing such personnel to provide fingerprints for such checks.

In the event Miller independently obtains the requisite criminal history record checks for personnel, Miller shall provide the results of those background checks to the EAA prior to allowing, and before the EAA shall allow, said personnel to have direct contact with any EAA student.

In the event a criminal history background check reveals that any proposed personnel have been convicted of any of the following: a "listed offense" as defined under the Revised School Code; any criminal sexual conduct or controlled substance; or any felony, Miller shall prevent, and cooperate with the EAA in preventing such personnel from performing any services provided for in this Agreement.

XII. CONFIDENTIALITY

Miller acknowledges that during the engagement she will have access to and become acquainted with education records, various trade secrets, inventions, innovations, processes, information, records and specifications owned or licensed by the EAA and/or used by the EAA in connection with the operation of its business. Miller agrees that she will not disclose any of the aforesaid, directly or indirectly, or use any of them in any manner, either during the term of this Agreement or any time thereafter, except as required in the course of this engagement with the EAA, and/or pursuant to applicable state and federal laws, which includes but is not limited to, FERPA. All files, records, documents, blueprints, specifications, information, letters, notes, media lists, original artwork/creative, notebooks, and similar items relating to the business of the EAA, whether prepared by Miller or otherwise coming to into her possession, shall remain the exclusive property of the EAA. Miller shall not retain any copies of the foregoing with the EAA's prior written permission. Upon the expiration or earlier termination of this Agreement, or whenever requested by the EAA, Miller shall immediately deliver to the EAA all such files, records, documents, specification, information, and other items in her possession under her control.

XIII. INSURANCE

Miller will carry liability insurance (including malpractice insurance, if warranted) relative to any service that she performs for the EAA.

XIV. CHOICE OF LAW

The laws of the state of Michigan shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the Parties hereto.

XV. ARBITRATION

Any controversies arising out of the terms of this Agreement or its interpretation shall be settled in Michigan in accordance with the rules of the American Arbitration Association, and the judgment upon award may be entered in any court having jurisdiction thereof.

XVI. NOTICES

Any written notice given under this Agreement by either Party shall be directed to the addressee at the address of such addressee as hereinafter set forth, unless prior written notice of change of address has been furnished, in which case the changed address shall be used.

To the EAA:

Education Achievement Authority
300 River Place, Suite 3600
Detroit, Michigan 48207
Attention: Chancellor

To: Marie Miller:

Marie Miller
3861 Cora Ave
Trenton, MI 48183-3438

XVII. HEADINGS

Section headings are not to be considered a part of this Agreement and are not intended to be a full and accurate description of the contents hereof.

XVIII. AMENDMENTS AND WAIVERS

No change or modification of any part of this Agreement, including any change or modification to this paragraph, shall be valid unless it is in writing and signed by the Parties. No waiver of any provision of this Agreement shall be valid unless it is in writing and signed by the Party making the waiver.

XIX. ASSIGNMENT

Miller shall not assign any of her rights under this Agreement, or delegate the performance of any of her duties hereunder, without the prior written consent of the EAA.

XX. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof and supersedes any and all other agreements either oral or in writing between the Parties with respect to this subject matter.

XXI. SEVERABILITY

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provision hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year outlined below.

EDUCATION ACHIEVEMENT AUTHORITY

MARIE MILLER

By: _____
J. Wm. Covington, Ed.D., Ph.D.

By: _____
Marie Miller

Its: _____

Date: _____

Date: _____

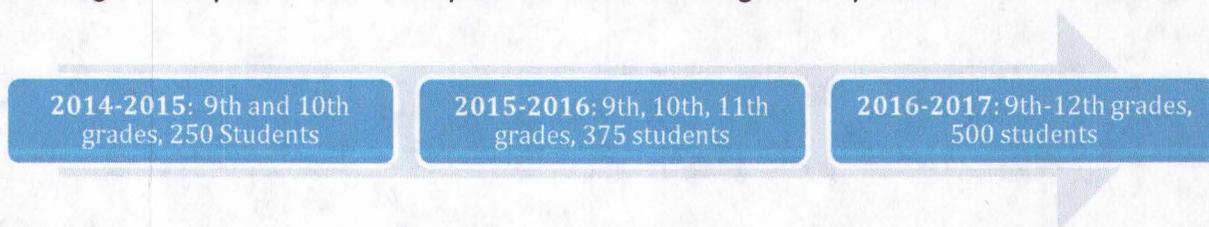
**V(c). PROPOSAL TO MOVE FORWARD
WITH PLANNING TO OPEN
PHOENIX NEXT GENERATION
HIGH SCHOOL**

*March 13, 2014 Board Meeting
Education Achievement Authority of Michigan*

Proposal Overview

Beginning in the fall of 2014, Phoenix Next Generation High School (PNGHS) will serve approximately 250 9th and 10th grade students from Detroit's Southwest neighborhoods. . Southwest Detroit was previously home to one of the priority schools that the EAA would have assumed in 2012 had it not been slated for closure. Parents at Phoenix have requested an additional high school option which support the student-centered system of teaching and learning that their students experience in elementary and middle school. PNGHS will be share facilities with Phoenix Multi-Cultural Academy (K-8) as a fully independent High School. In the 2015 and 2016 school years, the school will continue to grow and expand into all high school grade levels (9-12). The projected enrollment for the 2016-2017 school year is 500 students across all grade levels.

The school was designed a planning grant from the WAVE IV Next Generation Learning Challenge sponsored by the Gates Foundation. Students and staff participated in the planning of the school. Feedback was received on the design from a panel of national experts as well as WAVEIII grant recipients.



The Vision of Phoenix Next Generation High School

The Next Generation High School will expand on the EAA's 5 pillars while continuing to provide the foundations which ensure a high-quality secondary education. The school will be able to exercise the flexibility and autonomy to fully leverage time, talent, space and resources.

Time:

- The Next Generation High School will remove artificial time-based boundaries and bells to increase access to anytime, anyplace, any pace learning. Daily minutes of instruction tied to specific subject areas with specific teachers in individual classrooms will be phased out.
- The new school design will allow two or more students to work together on interdisciplinary units faster and more effectively.
- Opportunities for students to exercise choice in the daily selection of their instructional content area provides students the ability to determine the distribution of their classes across a weekly time frame, much like that found in a college setting.

Space:

- Teachers will no longer facilitate learning in isolated spaces; rather, collaborative learning opportunities will be supported in open learning pods which support 65 students facilitated by a team of interdisciplinary teachers and other adult roles such as tutor, para, and/or mentor.
- Applied Interdisciplinary projects can be completed in spaces which host advanced technology tools in an effort to develop deeper learning.
- The open pods and labs which will support inquiry and innovation will leverage participation in a wide range of learning opportunities including small group instruction, optional scheduled lectures, collaborative discussions with experts, and project-based learning.

Talent:

- The school will assume a distributed leadership model utilizing master teachers in cooperation with a Director of Next Generation Learning and a Director of Engagement. The roles and responsibilities traditionally assigned to a principal will be redistributed to the Directors and the Master Leaders for each pod.
- The school will utilize a variety of adult roles within the school including full time and part-time teachers, tutors, paras, instructional assistants, mentors and interventionists. In addition to 9 teacher allocations (2014-2015) Title 1 budgeting will be reconfigured to include 9 college tutors, 2 para professionals and \$25,000 for virtual courses (including Spanish and Arabic). These allocations will increase accordingly as student enrollment increases.
- Professional development for staff will mirror the personalized instructional model that is proposed for students. Teachers will participate in a blended course as part of their initial training. They will be enrolled in the teaching and learning platform as students and will learn the features and tools available through active learning, practice, application and assessment. Teachers and leaders will be required to achieve mastery in five different modules:
 - Mindset/Mission/Vision: “Why SCL?”, “The role of Technology”, “Who am I as an SCL Facilitator?”
 - Creating the learning environment: “Building Relationships”, “Embracing a Common Language”, “Creating a Shared Vision” and “Supporting Rituals and Routines”
 - Planning for Instruction
 - Assessing Mastery
 - Using Data to Drive Instruction

Resources:

- Much of the furniture and supplies needed will be obtained from other schools in the district that currently have large amounts in storage
- Resources will include an array of licensed, open-source, teacher-created and crowd-sourced content that can be modified and adapted including digital assets, hands-on and experiential learning opportunities.
- Asynchronous social media will play a critical role in communication and collaboration within and across schools and in peer communities.
- The school will seek to narrow the digital divide for teachers, parents and students through access to on-demand resources for each stakeholder group including adult basic education, GED, English as a Second Language, professional certifications in GIS, Programming, animation, coding and other computer technology fields.
- The school will promote global competence through the framing and investigation of issues of global significance, weighing perspectives, communicating across cultural and linguistic boundaries, and taking action on global issues.
- In this SCL model, students are required to be creative and encouraged to become agents of their own education through the use of technology. Teachers will be viewed more as facilitators than primary agents of knowledge so that peer collaboration is valued as an additional source of information. In efforts to create a culture of academic achievement and promote a learning community, networks of peer collaboration will be available in a virtual and face-to-face environment.

- Early access to college and careers through early-college on-campus experiences, internships, and service learning will be fostered through established partnerships with local community colleges, universities, and technical schools.

Student Recruitment

After the closing of Southwest High School, the local options for High School students have become very limited. Phoenix Next Generation High School will offer a local and exciting alternative to transporting students across the city to other schools. Phoenix Multi-Cultural Academy (K-8) will serve as a natural feeder school for Phoenix Next Generation High School (which currently has about 30 8th graders).

The following recruiting efforts will be launched in the Southwest Detroit community this spring:

- Neighborhood canvassing – Representatives from Phoenix Next Generation High School will go door to door to speak with parents about the new high school and our innovative instructional approach.
- Open houses and school tours – The easiest way to understand the PNGHS instructional approach will be to see the space it will take place in. Parents, students, and other community stakeholders will be welcomed to both organized open houses and “drop in” hours where anyone can come for a tour.
- Outreach to community leaders – Southwest Detroit is home to some of the most active community groups in the city. A major part in recruitment efforts will be communicating our vision to local leaders and integrating their valuable feedback.
- Advertising campaign – Including literature and billboards.

Intended Outcomes of Phoenix Next Generation High School

At The Next Generation High School, students will take ownership over their learning path by selecting assignments and activities aligned to the focus objectives they need to close their academic gaps and pursue their academic interests. Rather than being a passive learner, students will be mentored through the process of establishing rigorous goals, planning individualized learning paths, and creating quality artifacts that demonstrate evidence of their learning.

Progress relative to individualized goals will be monitored through district-wide common assessments and performance tasks that have been aligned to the Common Core Standards. Initial baseline data will be established for each student using the grade-level appropriate college readiness test (PLAN, EXPLORE, or ACT). Gaps in content knowledge will be assessed three times a year, after an initial baseline is obtained, to enable teachers to address critical content gaps while striving towards growth in the college readiness tests. Individualized learning paths based on the data from these sources will be created by the student and available to all stakeholders including parents, teachers and administration. Growth will be tracked in real-time through the Performance Series assessments to provide targeted interventions for small groups and individual students. Additional data will be collected through the administration of Work Keys, the Michigan Merit Exam and the ACT during a student’s junior year. If an expected goal of 1.5 to 2 years growth is set for each year, a freshman with a baseline score of 12 could earn an 18 by the end of their junior year. Successful achievement toward these goals will support student matriculation through the post-secondary education institution of their choice. A graduation of rate of 90% and post-secondary matriculation rate of 80% will be targeted.

The Learning Model of Phoenix Next Generation High School

Students and parents at PNGHS will spend the first semester (Phase 1.0) engaged in a learning environment in which they are provided with the supports necessary for them to become active participants in assuming responsibility for their learning. During the first week of school, students will meet off-site as they participate in a week of leadership development activities and an Innovation Incubator Camp through a partnership with The Henry Ford. As they participate in team building, planning, setting goals, and conferencing with their team leader, students will begin to make the paradigm shift from the traditional model of education that they have experienced over the course of their educational history to a student-centered model. As they transition from traditional classrooms and courses to working at their own pace and progressing based on mastery rather than age or seat time, they will learn how to build relationships with their teachers and peers, create a shared vision for how their school will look and function and create the structures and routines that will allow them to work independently, in pairs, and in small groups. They will also participate in activities designed to promote perseverance and grit as they seek to develop an academic growth mindset. In addition, each student will be assigned a teacher who will assume the role of a Next Generation Readiness Coach (NGRC) – a significant adult who will mentor and monitor his/her progress, as well as ensure that he/she graduates college, career, and workforce ready while having mastered all 12 of the Next Generation Ready competencies (Image 2).

The Power of 12: Next Generation Ready



Image 2. The Next Generation Power of 12 with clearly defined definitions will be used to promote Next Generation readiness through behaviors, externships, and performance tasks.

Teachers will collaborate to design common units that integrate skills, learning targets, the Next Generation Competencies and Common Core standards across subjects. Projects, assignments, and explorations will not be confined within the four walls of one classroom but will sprawl across the school (and beyond) in time and space.

Students within PNGHS will progress to Phase 2.0 based on readiness. Once a core of students have demonstrated the ownership and habits of work necessary to work in a less structured setting, individual classrooms will be eliminated and replaced with open laboratories and flexible spaces to support learning, real world application and innovation. Students will be required to connect virtually or face-to-face with their Next Generation Ready Coaches on a weekly basis to review their learning paths. However, they will have the autonomy and flexibility to determine the amount of time they spend in content areas each day, thus eliminating bells and artificial stopping points. NGR coaches will monitor and conference with students regarding pacing, productivity and grit using the tools available in the Teaching and Learning Platform, which includes a daily self-assessment that taps into interest, effort, and understanding. Students who show mastery in the core requirements across English, math, social studies and science, and who attain a 21 on the ACT will have the option to transition to the local community college as an early college student for their remaining coursework and electives. This is done with the explicit goal of graduating with an associate's degree and high school diploma simultaneously. As part of their social development, students will also be required to participate in servant leadership by participating as a peer expert in the learning labs for courses they have successfully completed. Badges in the areas of Service, Leadership, Character, Integrity and Scholarship will be used to document the attainment of personal milestones for each student.

Budget: *See Attached*

Checkpoints

Funding allocations and staffing for the school will be approved in three phases: 150 students, 200 students and 250 students to ensure financial viability. A committee comprised of the planning team, community stakeholders, the Chancellor, and any designees he selects will select the leadership and initial staff for the Next Generation High School.

Financial Summary	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Comments
A. Demographics							
Pre-K & Elementary School Enrollment	-	-	-	-	-	-	
Middle School Enrollment	-	-	-	-	-	-	
High School Enrollment	-	250	375	500	500	500	
Total Enrollment	-	250	375	500	500	500	
% African-American	0%	25%	25%	25%	25%	25%	
% American Indian	0%	0%	0%	0%	0%	0%	
% Asian/Pacific-Islander	0%	0%	0%	0%	0%	0%	
% Caucasian	0%	0%	0%	0%	0%	0%	
% Hispanic	0%	75%	75%	75%	75%	75%	
% Special Education	0%	20%	20%	20%	20%	20%	
% English Language Learners	0%	2%	2%	2%	2%	2%	
% Free Meals	0%	100%	100%	100%	100%	100%	
% Reduced Meals	0%	0%	0%	0%	0%	0%	
% Free or Reduced Meals	0%	100%	100%	100%	100%	100%	
B. Employees (# of FTEs)							
Admin/Ops Staff	-	8.0	8.0	8.0	8.5	8.5	
Instructional Staff	-	10.0	14.0	17.0	19.0	19.0	
Total FTEs	-	18.0	22.0	25.0	27.5	27.5	
C. Facilities information							
Square footage	-	28,000	28,000	57,000	57,000	57,000	
Rent/Lease or Own	Please choose one	Rent/Lease	Rent/Lease	Rent/Lease	Rent/Lease	Rent/Lease	
Public Revenue	\$ -	\$ 2,698,300	\$ 3,672,450	\$ 4,896,600	\$ 4,896,600	\$ 4,896,600	
Non-Public Revenue	-	-	-	-	-	-	
D. Total Revenue (All Sources)	\$ -	\$ 2,698,300	\$ 3,672,450	\$ 4,896,600	\$ 4,896,600	\$ 4,896,600	
E. Operating Expenses (\$)							
Salaries & Benefits: Admin/Ops Staff	\$ -	\$ 865,498	\$ 887,135	\$ 904,878	\$ 964,613	\$ 983,905	
Salaries & Benefits: Instructional Staff	-	748,389	1,083,952	1,340,376	1,533,735	1,564,410	
Wages & Benefits: Hourly Staff	-	116,406	119,316	121,703	124,137	126,619	
IT costs: Services	-	5,000	20,000	20,000	25,000	25,000	
IT costs: Infrastructure	-	65,000	46,500	46,500	14,500	26,000	
IT costs: Computing/Personal devices	-	210,000	295,140	393,200	332,700	448,350	
IT costs: Other hardware	-	40,250	42,250	61,250	74,000	58,250	
IT costs: Digital Curricula	-	35,524	35,527	35,527	35,530	35,530	
IT costs: Instructional Systems	-	-	-	21,000	21,100	21,100	
IT costs: Data	-	-	4,500	7,500	7,500	7,500	
IT costs: Talent Management	-	2,250	3,000	3,000	4,000	4,000	
IT costs: Other IT costs	-	-	1,800	1,800	1,800	1,800	
Facilities Costs: One Time	-	-	-	-	-	-	
Facilities Costs: Recurring	-	437,500	581,250	715,000	715,000	765,000	
Innovation Camp	-	-	150,000	150,000	150,000	150,000	
Professional Development	-	42,000	90,000	90,000	90,000	90,000	
Other operating expenses	-	111,500	308,199	355,332	365,432	428,132	
Total Operating Expenses	\$ -	\$ 2,679,316	\$ 3,668,569	\$ 4,267,065	\$ 4,459,047	\$ 4,735,596	
NET INCOME (PUBLIC REVENUE ONLY)	\$ -	\$ 18,984	\$ 3,881	\$ 629,535	\$ 437,553	\$ 161,004	
NET INCOME (ALL REVENUE)	\$ -	\$ 18,984	\$ 3,881	\$ 629,535	\$ 437,553	\$ 161,004	
F. Non Operating Expenses (\$)							
Mortgage Principal	-	-	-	-	-	-	
Capital Expenditures	-	-	-	-	-	-	
Total Non-Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
NET CASH FLOW (ALL REVENUE)	\$ -	\$ 18,984	\$ 3,881	\$ 629,535	\$ 437,553	\$ 161,004	

V(f). BEST PRACTICES INCENTIVE GRANT

*March 13, 2014 Board Meeting
Education Achievement Authority of Michigan*



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

August 29 2013

MEMORANDUM

TO: Local School District Superintendents, Public School Academy Directors

FROM: Carol Wolenberg, Deputy Superintendent, Administrative & Support Services
Venessa Keesler, Deputy Superintendent, Education Services
Joseph Martineau, Deputy Superintendent, Accountability Services

Carol
gm

SUBJECT: Guidance on 2013-14 Best Practice Incentive, Section 22f

On June 13, 2013 the Governor enacted legislation under Section 22f of the State School Aid Act, 2013 PA 60, that appropriates \$80,000,000 to provide \$52 per pupil allocations for the FY 2013-14 school year to local school districts and public school academies meeting seven out of eight of the following best practices.

- Hold policy on medical benefit plans (if directly employed by district, or not excluded by a voluntary employee beneficiary association)
- Obtain competitive bids for the provision of 2013-14 non-instructional services
- Accept applications for enrollment of non-resident pupils under Section 105 or 105c
- Monitor individual pupil academic growth in each subject area at least twice during the school fiscal year using competency based online assessments
- Support opportunities for pupils to receive postsecondary credit while attending secondary school
- Offer online courses or blended learning opportunities to all eligible pupils, and publish course syllabi
- Provide to parents and community members a dashboard/report card with required financial information on website
- Provide physical education or health education

To simplify the process, the Department has developed the attached guidance on Best Practices as defined in MCL 388.1622f. Each district wishing to apply for the funds under this section must submit to the Department a local board of education resolution that certifies the district's compliance with the required best practices. The funds will be distributed pursuant to the payment schedule in Section 17b of the State School Aid Act as the Department determines the district has met the best practice requirements.

If you have questions related to the guidance, please contact Glenda Rader at raderg@michigan.gov.

cc: Michigan Education Alliance
Intermediate School District Superintendents

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608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
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Michigan Department of Education (MDE)
Guidance on Best Practices as Defined in MCL 388.1622f
August 29, 2013

Statutory Requirements:

388.1622f Best Practices Incentive Grants

Sec. 22f. (1) From the appropriation in section 11, there is allocated for 2013-2014 an amount not to exceed \$80,000,000.00 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 \$52.00 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, 2014:

(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 2013-2014. 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 monitors individual pupil academic growth in each subject area at least twice during the school year using competency-based online assessments and reports those results to the pupil and his or her parent or guardian, or provides the department with a plan and is able to show progress toward developing the technology infrastructure necessary for the implementation of pupil academic growth assessments by 2014-2015.

(e) The district supports opportunities for pupils to receive postsecondary credit while attending secondary school, by doing at least 1 of the following, and makes all eligible pupils and their parents or guardians aware of these opportunities:

(i) Supports attendance of district pupils under the postsecondary enrollment options act, MCL 388.511 to 388.524, or under the career and technical preparation act, MCL 388.1901 to 388.1913, consistent with provisions under section 21b.

(ii) Offers college-level equivalent courses, as defined in section 1471 of the revised school code, MCL 380.1471.

(iii) Participates in a middle college. For the purposes of this subparagraph, "middle college" means a series of courses and other requirements and conditions that allow a pupil to graduate with a high school diploma and a certificate or degree from a community college or state public university.

(iv) Provides other opportunities to pupils that allow those pupils to graduate with a high school diploma and also complete coursework that a postsecondary institution normally applies toward satisfaction of degree requirements.

(v) If a district does not offer any high school grades, the district informs all pupils and parents of the opportunities that are available for postsecondary options during high school.

(f) 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: (j) "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.

(k) "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.

(l) 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 2013-2014 and fiscal year 2014-2015, a listing of all debt service obligations, detailed by project, including anticipated fiscal year 2013-2014 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.

(viii) The district provides physical education or provides health education.

(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 2014-2015.

(4) If the department determines that funds allocated under this section will remain unexpended after the initial allocation of \$52.00 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.

MDE Guidance

Overview

This guidance is intended to provide a district (LEA or PSA) with the process it must follow and the requirements it must meet in order to be eligible to receive funds under Section 22f of the State School Aid Act.

To be eligible to receive the 22f funds a district is required to provide evidence that it met at least seven of the eight best practice requirements listed in 2013 PA 60. Each district wishing to apply for funds under this section will submit to the department a copy of the board resolution detailing the district's compliance with the required best practices. Attached is a copy of an acceptable sample board resolution (Attachment A).

To meet Requirement A – The school board must certify that it is the policy holder on all of the health care benefit policies it covers on behalf of employees. An example of evidence for this would be each district insurance policy or employer participation agreement showing that it is the designated policy holder. 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.

To meet Requirement B – The school board must certify that it has obtained a competitive bid on the provision of pupil transportation, food service, custodial, or one or more other non-instructional services. MDE will consider a district to have met this requirement if it has either a single or multi-year proposal or contract for the provision of any fiscal year 2013-14 non-instructional function (Pupil Support, Instructional Staff Support, General Adm., Business Services, Operations and Maintenance, Transportation, Staff/Personnel Services, Non-Instructional Technology, or Food Services.) To qualify as a "provision of service," the bid should be for purchased services as defined in the *Michigan Public School Accounting Manual* under object codes 31xx - 49xx. When bids are compared to the current costs of whichever service is being bid on, unfunded accrued liability costs for retirement and other benefits should be excluded from the district's current costs. Indicate on the signed resolution which services were bid to meet the requirement.

To meet Requirement C – The school board must certify that it accepts applications for enrollment by nonresident applicants under Section 105 or 105c. A public school academy is considered to have met this requirement.

To meet Requirement D – The school board must certify that it has a policy and procedure in place to monitor individual pupil academic growth in each subject area at least twice during the school year using a reputable competency-based online assessment and report the results of those assessments to the pupil and his or her parent or guardian, OR provide the department with a plan and be able to show progress toward developing the technology infrastructure necessary for the implementation of pupil academic growth assessments by 2014-15. If a technology plan is necessary to meet this requirement, please submit the plan using Michigan Electronic Grants System (MEGS) as you have in the past; remembering to follow the guidelines already in existence for the technology plan. Indicate on the signed resolution which option meets the requirement for the district.

To meet Requirement E – The school board must certify that it has a policy and procedure in place to support opportunities for pupils to receive postsecondary credit while attending secondary school. The policy and procedure must provide at least one of the following, and make all eligible pupils and their parents aware of the opportunity:

- i) Supports attendance of district pupils under the Postsecondary Enrollment Options Act, MCL 388.511 to 388.524, or under the Career and Technical Preparation Act, MCL 388.1901 to 388.1913, consistent with provisions under Section 21b.
- ii) Offers college level equivalent courses, as defined in Section 1471 of the Revised School Code, MCL 380.1471.
- iii) Participates in a middle college. For the purposes of this subparagraph, "Middle College" means a series of courses and other requirements and conditions that allow a pupil to graduate with a high school diploma and a certificate or degree from a community college or state public university.
- iv) Provides other opportunities to pupils that allow those pupils to graduate with a high school diploma and also complete coursework that a postsecondary institute normally applies toward satisfaction of degree requirements.
- v) If a district does not offer any high school grades, the district informs all pupils and parents of the opportunities that are available for postsecondary options during high school.

A variety of designs and concepts are available to provide early college credit learning experiences for students ranging from Advanced Placement, dual enrollment, and Early/Middle Colleges (EMC). MDE has created a [comprehensive list of options](#) for providing your students the

opportunity to earn postsecondary credit while in high school. If you have questions related to any of these postsecondary options or are interested in learning more about how the expanded EMC will work, please contact either Patty Cantu, Director, Office of Career Technical Education at cantup@michigan.gov or telephone (517) 335-5224 or Linda Forward, Director, Office of Educational Improvement and Innovation, at forwardl@michigan.gov or telephone (517) 241-3147.

To meet Requirement F - The school board must certify that it has a policy and procedure in place to offer online courses or blended learning opportunities to all eligible pupils. Please reference the guidance found in the [Pupil Accounting Manual](#) Sections 5-O-A, 5-O-B, 5-O-C, and 5-O-D in order to determine district compliance with this requirement. The district policy and procedure should include the mechanism to make all eligible pupils and their parents or guardians aware of these opportunities. Districts must publish an online course syllabus as described in section 21F for each online course that the district offers. For 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.

Questions related to Best Practice Requirement F may be addressed to Barb Fardell at FardellB@michigan.gov or by phone at (517) 335-1291.

To meet Requirement G - The school board shall provide a link on the district's home page to the url for the MiSchoolData Portal which contains the required dashboard indicators pursuant to Section 22f(1)(e). The URL to the MiSchoolData Portal is: www.mischooldata.org. **However, for many public school academies** certain data elements (minimum, average, maximum teacher, principal and superintendent salaries) may be unavailable in the current state data collections because those entities do not report to the Michigan Public Employees Retirement System (MPSERS). In cases where data is currently unavailable for an academy, in order to meet requirement G the academy will provide those data on the academy website in a similar format as displayed on the MiSchoolData website for districts reporting to MPSERS. **NOTE: A change from last year is the requirement to report projections of 2013-14 and 2014-15 Revenue and Expenditure Projections. Districts must also report outstanding debt information.** To meet this requirement, districts will report the information on the district's Budget Transparency Page. The [MDE Budget and Salary/Compensation Transparency Reporting Guidelines](#) provide the reporting requirements for these data elements.

Following are the required data elements to meet the dashboard/report card requirement:

- Revenue and Expenditure Projections for 2013-2014, and 2014-2015
- A listing of all debt service obligations, detailed by project, including anticipated 2013-2014 payments for each project
- A listing of total outstanding debt
- Graduation and Dropout Rates
- Average Class Size in Grades Kindergarten to 3

- College Readiness as Measured by Michigan Merit Examination Test Scores Elementary and Middle School MEAP Scores
- Teacher, Principal, and Superintendent Salary Information
- General Fund Balance
- Total Number of Days of Instruction

To meet Requirement H – The school board shall certify that it provides health and/or physical education.

Submission Dates

While there is no specific date by which a district must submit its board resolution, state aid payments at \$52 per pupil can begin as early as the October 2013 payment. MDE must be in receipt of the district's board resolution **by June 1, 2014**. Districts failing to meet this deadline will be ineligible to receive the Section 22f funds.

Once MDE has received the school board resolution and confirmed that a district has met seven of the eight eligibility requirements, the \$52 per 2013-14 blended pupil membership will be paid out in accordance with MCL 388.1617b. A copy of the signed board resolution is to be sent to John A. Hayner in the State Aid and School Finance Office. The email address is: Haynerj1@Michigan.gov OR by mail at: John A. Hayner, Michigan Department of Education, State Aid and School Finance, PO Box 30008, Lansing, Michigan 48909. The MDE publication [Districts Submitting the Best Practice Resolutions for 2013-14](#) will be updated monthly.

MDE reserves the right to monitor districts for compliance with each of these requirements and may request additional information to verify eligibility.

Questions related to the MDE Best Practice Guidance may be addressed to Glenda Rader at raderg@michigan.gov.

**Best Practices Incentive
School Board Resolution**

WHEREAS, Section 22f of the State School Aid Act provides \$52 per pupil one-time grants to districts that satisfy at least 7 of 8 best practices criteria not later than June 1, 2014 [MCL 388.1622f].

WHEREAS, the board of education of _____ (NAME OF SCHOOL DISTRICT) _____ desires to receive the \$52 per pupil incentive payment.

WHEREAS, the _____ (NAME OF SCHOOL DISTRICT) _____ has satisfied at least 7 of 8 best practices criteria.

WHEREAS, eligibility for the incentive payment is contingent upon adopting a resolution that states the district has complied with the following 7 of 8 best practice criteria.

Now, therefore, be it resolved as follows:

1. The board of education of _____ (NAME OF SCHOOL DISTRICT) _____ certifies that the district has complied with the following requirements: [LIST only the Best Practice requirements the district has met to make it eligible to receive the Section 22f funds]
 - The district is the designated policy holder for medical benefit plan(s) pursuant to Section 22f(1)(a).
 - The district has obtained a competitive bid on non-instructional services pursuant to Section 22f(1)(b).
 - Identify which non-instructional services were competitively bid for 2013-14.
 - The district accepts applications for enrollment by non-resident applicants under Section 105 or 105c (MCL 388.1705) pursuant to Section 22f(1)(c). A Public School Academy is considered to have met this requirement.
 - The district identifies which of the following it provides pursuant to Section 22f(1)(d):
 - The district monitors individual pupil academic growth in each subject area at least twice during the school year using competency based online assessments pursuant to Section 22f(1)(d) and reports the results to the pupil and his or her parent or guardian.
 - Submits to the Michigan Department of Education a plan that shows progress toward developing the technology infrastructure necessary for the implementation of pupil academic growth assessments by 2014-2015.
 - The district supports opportunities for pupils to receive postsecondary credit while attending secondary school pursuant to Section 22f(1)(e).
 - The district offers online courses or blended learning opportunities to all eligible pupils, and publish course syllabi pursuant to Section 22f(1)(f).
 - The district provides a link on the district's home page to the url for the MISchoolData Portal which will contain the required dashboard indicators pursuant to Section 22f(1)(g). If certain data elements for our district are unavailable from state data collections, we agree to provide those data in the form and manner determined by MDE.

➤ The district identifies which of the following it provides pursuant to Section 22f(1)(h):

- Physical Education.
- Health education.

2. The board of education of _____ (NAME OF SCHOOL DISTRICT) _____ authorizes and directs its secretary to file this resolution with the State Aid and School Finance Office of the Michigan Department of Education.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Resolved this _____ day of _____, 20__.

Roll Call Vote: Passed: _____ Failed: _____

Board Representative Name

Board Representative Signature

Please send resolution to John A. Hayner at haynerj1@michigan.gov or it may be mailed to: John A. Hayner, Michigan Department of Education, Office of State Aid and School Finance, P.O. Box 30008, Lansing, Michigan 48909.