

MINUTES/ACTIONS

STATE BOARD OF EDUCATION
Also Meeting As
STATE BOARD FOR VOCATIONAL EDUCATION

Wayne Regional Education Service Agency
Superintendent's Library
33500 Van Born Road
Wayne, Michigan

May 2, 2000

Present: Mr. Arthur E. Ellis, Chairman
Mrs. Dorothy Beardmore, President
Mrs. Kathleen N. Straus, Vice President
Dr. Herbert S. Moyer, Secretary
Mrs. Sharon A. Wise, Treasurer
Mrs. Sharon L. Gire, NASBE Delegate
Mrs. Marianne Yared McGuire
Mr. Michael David Warren, Jr.
Mrs. Eileen L. Weiser

Absent: Governor John Engler, ex officio

I. CALL TO ORDER

Mr. Ellis called the meeting to order at 5:45 p.m.

II. APPROVAL OF AGENDA AND ORDER OF PRIORITY

Mr. Warren moved, seconded by Dr. Moyer, that the State Board of Education approve the agenda and order of priority.

The vote was taken on the motion.

Ayes: Beardmore, Gire, McGuire, Moyer, Straus, Warren, Weiser, Wise

The motion carried.

III. APPROVAL OF SUPERINTENDENT SEARCH FIRM

Mrs. Beardmore said during the Committee of the Whole meeting earlier in the day, the

Board heard presentations from the Michigan Association of School Boards, Educational Leadership Institute, and Cascade Consulting Group, which are the three firms which responded to the Request for Proposal. She said even though the Board did not follow the list of questions prepared by Mr. Ody Norkin, Office of Purchasing, Department of Management and Budget, she thinks most of the issues were covered, and Board members had an opportunity to ask questions they felt were important.

Mrs. Gire suggested that each Board member rate the three firms to determine if there is consensus regarding the selection of a search firm.

Mrs. Straus said it may be more appropriate to allow Board members an opportunity to offer comments regarding the search firms which may reveal a consensus.

Dr. Moyer said he was impressed with all three of the firms. He said they were each knowledgeable and experienced in their fields, and the Board would receive good service from any one of them. He said, even though Mr. Lee Pasquarella, Cascade Consulting Group, has a significant background in conducting searches, he is concerned because they are based in Seattle, Washington. He said the Michigan Association of School Boards (MASB) represents a large constituency relative to their collaborative involvement. He said both MASB and the Michigan Leadership Institute indicated a willingness and ability for a broad recruitment from the private sector. He said MASB and the Michigan Leadership Institute are his selections for a superintendent search firm.

Mrs. Wise said she also believes that all three presentations were good, but because MASB lobbies the Board, she is concerned about a conflict of interest. She said she would favor either Cascade Consulting Group or the Michigan Leadership Institute.

Mr. Warren said he was impressed by each of the presenters. He said he liked the fact that the Michigan Leadership Institute has a broad board of advisors that are nationally based. He said he was not convinced that MASB would be able to access national contacts. He said they have historically only placed local superintendents, and there is a substantial difference between a local superintendency and running a state agency. He said he also did not accept their answer regarding the firewall. He said it would be very hard for them to separate when they were working for the State Board of Education and conducting their everyday business. He said he knows in good faith they would try, but it would be very difficult. He said that is not the case for the other two firms. He said he is not concerned about the travel time for

Mr. Pasquarella because that is what he does for a living and limits himself to only four searches at a time. He said he would have to choose either Cascade Consulting Group or the Michigan Leadership Institute.

Mrs. Gire said she was pleased with the presentations and was particularly impressed with MASB. She said she has some qualms about the difficulty in separating the two roles, but thinks that any of the three presenters would do well for the Board. She said her gut reaction is that the Michigan Leadership Institute would probably be the best bet in terms of breadth of connections, professionalism, and experience.

Mrs. Straus said she was impressed with the presenters, but found that she really liked Mr. Pasquarella because he came across very positively. She said the Michigan Leadership Institute has worked with many local and intermediate school districts in Michigan, and she has heard positive remarks regarding advice, counsel, and training they have given. She said she would be happy with any one of the three presenters.

Mrs. Gire and Mrs. Straus both suggested the Board review credit references before making a final selection regarding the search firm.

Mrs. McGuire said there were pros and cons with each of the presenters, and even though she liked Mr. Pasquarella, she is a little concerned regarding his accessibility, and the cost of his services. She said she was not pleased to note that Ms. Debra McGriff worked with Michigan Leadership Institute. She said she was satisfied with MASB's response regarding their national contacts, but except for the money issue, she would endorse Cascade Consulting Group.

Mrs. Weiser said she was impressed with Mr. Pasquarella's grasp of the nuances of this job. She pointed out that MASB and the Michigan Leadership Institute have other occupations besides searches. She said she thinks that MASB would be in a difficult position to divorce everything they do on a daily basis from this search. She said the Michigan Leadership Institute seemed very competent, but Mr. Pasquarella came across as more intuitive. She said he indicated that he would document the process, gather the different points of view, and try to establish a common theme. She said she thinks because there will only be one man involved, he will move the Board through the discussion process constructively and that, even though one or two Board members may leave, it would still be unified regarding the search. She said that may not be possible with Michigan Leadership Institute. She said the only thing Mr. Pasquarella does for a living is searches, and has worked for corporations as well as the private and non-for-profit sectors. She said he only conducts four searches at a time so if the Board thinks that it needs a specialist who is going to pay attention to the subtleties and nuances of this job, but is also willing to focus on what public education is all about, she thinks he would be an excellent choice. She said her second choice would be the Michigan Leadership Institute.

Mr. Norkin mentioned that Mr. Pasquarella stated that he would dedicate staff for the superintendent search. He said his experience is that he works independently and has no staff. He said this search may be very demanding, and he feels Mr. Pasquarella may not have the resources to meet those need.

Mrs. Weiser said her sister is a consultant in a very similar fashion and utilizes contractors and vendors as needed. She said Mr. Pasquarella stated that he had resource people available.

Mr. Norkin said he heard Mr. Pasquarella state that, but his personal experience is that Mr. Pasquarella does all of the work himself.

Mrs. Weiser said Mr. Pasquarella quoted a fee of 22% of the current salary which would be somewhere between \$22,000 and \$30,000 dollars plus expenses.

Mr. Norkin said Mr. Pasquarella's expenses could be extensive because he has four trips planned at \$7,000 each. He said this search will be much more involved than what he did for the Jobs Commission because it is a much larger in terms of the number of trips, meetings, and overnight stays.

Mrs. Weiser said the Michigan Leadership Institute mentioned approximately ten working days, while Mr. Pasquarella stated that the trips could easily be four or five days each.

Mr. Norkin said the current Superintendent of Public Instruction salary is \$118,000, and therefore, whomever accepts the position will not be in it for the money. He said it is essential to sell the position, and he feels that someone in Michigan can sell Michigan better than someone in Washington.

Mrs. Weiser agreed with Mr. Norkin, and understands that he is trying to get to the end with the least amount of aggravation and with a measure of success. She said her concern is that some of the things that have made it difficult or unusual in other situations may actually be advantages for the Board because of its uniqueness.

Mr. Norkin said Mr. Pasquarella has not been difficult to work with in the past, but conducting a search for the Governor's office was a different process than what the Board will require.

Mrs. Beardmore said there are many references in Cascade's proposal which state "the Cascade Consulting Group will work with representatives of the State Board." She said she wanted to make it clear that Mr. Pasquarella will be working with the entire Board, and therefore, no representatives will be assigned.

Mrs. Hamilton said she believes that the staff in the Attorney General's office has made it very clear that whichever search firm is selected will work with the whole Board.

Mrs. Beardmore said the Board must establish a process for identification of candidates which would not reveal their names in case confidence is requested.

Mrs. Hamilton said the Board may entertain the option of going into a closed session if the candidates request confidentiality.

Mr. Norkin said the Board should expect that Mr. Pasquarella will be the only staff person working on the superintendent search if they choose him, and that expenses will be high because of his being based in Seattle. He said from his perspective, there is a big difference in price considering the seven months of consultation that will be necessary.

Mr. Warren said even the Michigan Leadership Institute stated that they were going to shift interviewing until the fall.

Mr. Ellis said none of the big search firms even expressed an interest in submitting a proposal. He said only two local entities, and Mr. Pasquarella, who has worked for the state before, provided the requested information.

Mr. Norkin said the salary for the superintendent's position pays relatively little when compared to a similar executive position in the private sector.

Mr. Ellis said the superintendent is the sole administrator of the State School Aid Fund which is \$12 billion, and if the Board wants to pay \$100,000 to find a successor, it should not be embarrassed to do so.

Mrs. Straus said it should not be the determining factor if Mr. Pasquarella is more expensive than the others. She said the expenses could add up with the Michigan Leadership Institute as well.

Mrs. Gire said the Board should select the firm in which it has the most confidence and feels will do the best job. She said she thinks that there is a broader depth of staff for the Michigan Leadership Institute and consultants for recruitment.

Mrs. Weiser said the only difference between the Michigan Leadership Institute and Cascade Consulting is that specific people were named. She said she is sure that Mr. Jim Duderstadt is only called on for technical, engineering, or university searches. She said even though the people listed by the Michigan Leadership Institute do not have experience in this area, they are available if needed by subcontracting out their services.

Mrs. Weiser said Mr. Pasquarella stated that when suggesting a candidate for placement, he ensures that they have the necessary experience. She said that is important for the Board because it will try to reach a consensus on the major responsibility of hiring the Superintendent of Public Instruction.

Dr. Moyer said he has worked with MASB on several occasions and knows that they are: (1) ethical; (2) are pro education; (3) have sufficient staff; (4) are more collaborative in

their involvement in terms of touching base with the education community, and the ability to relate to the business community; and (5) are insightful of the needs the Board has identified educationally for Michigan. He said that is their business. He said they are connected to the educational environment more than any other group, and are representative of Michigan. He said they would give the Board ownership by bringing the state together in that respect which would, in turn, improve the Board's credibility by working with an organization that is recognized, appreciated statewide, and would be more cost effective.

Mr. Norkin asked Dr. Moyer if he were not concerned that the engagement could cause a problem in the midst of the search due to the conflict of interest.

Dr. Moyer said he did not see a conflict.

Mr. Norkin said the superintendent search should be conducted by a third party, unbiased firm, however, it could be perceived that MASB has an agenda to find a superintendent to suit their needs. He said once it was publicized that the Board engaged a biased search firm, it would no longer be a viable process.

Dr. Moyer said MASB would function in an unbiased manner and is pro education.

Mr. Warren said the Board must be aware of the appearance of conflict even if none exists. He said it would be perceived that the Board hired a major "special interest group" with an agenda. He said it does not matter if the entire Board agrees with Dr. Moyer because they would have hired a group which is an advocacy and lobbying firm. He said he is sure that in good faith MASB will try their best to not have a conflict, but subconsciously, every day they are exposed to their other activities.

Mrs. Straus said she thinks that MASB keeps the search process separate from their every day operations because they also have a labor relations service which is not affected by their lobbying operations. She said they are very departmentalized.

Mr. Norkin said for a local superintendent that is very appropriate, but the position of state superintendent is a different arena.

Mr. Warren said the state superintendent oversees, supervises, and administers programs that affect local school boards. He said the superintendent is in charge of state aid, and through the Board and Legislature, directly deals with what happens in schools throughout Michigan. He said now there is an organization that is controlled by those same districts which want to assist in selecting that person. He said that is the story that will more than likely be reported by the media.

Mr. Ellis said it is evident that the Board will not be able to reach a consensus at this

meeting.

Mr. Norkin asked for a clarification of what additional information the Board would like other than staff availability.

Mrs. Weiser said she would be interested in a comparison of national search results for profit or non profit organizations.

Mr. Norkin said another good indicator would be if there were a search where the documentation was public, and a synopsis of services provided to clients as well as what information was provided for each of the candidates. He said this information would provide a great insight regarding performance of the search firms.

Mrs. Beardmore said even though the Board is not prepared to make a decision right now in selecting a firm, she thinks a vote on the type of further investigation may be necessary so that action can be taken at the May 18, 2000, meeting. She said the Board should establish a process for gathering the information that would enable it to make a decision. She said she does not believe that there are five votes for MASB, but additional information should be collected for the Education Leadership Institute and Cascade Consulting.

Mr. Ellis said it may be stated that the Board already has significant information on MASB or they never would have been allowed to make a presentation.

Mr. Norkin said he would send the requested information to the Board before May 12, 2000, to allow for review before the next Board meeting.

Mrs. Gire expressed concern regarding how much will be expected of Department staff by the search firm selected.

Mrs. Wise said both Cascade Consulting and the Michigan Leadership Institute indicated that they are unsure of the role staff would play.

Mrs. Weiser said on page 11 of the Cascade presentation there is a bulleted analysis of what Mr. Pasquarella will provide the Board for each of the final candidates. She said she feels that during his presentation he did a very good job of explaining the process he would follow. She said the other two firms did not do that.

Mrs. Weiser said Mr. Norkin has expressed concern regarding Mr. Pasquarella's ability to produce documents. She said the Board must determine from the references received if he is equal to the services necessary for this search. She said if he is not, the Board should define its needs, and if Mr. Pasquarella cannot conform, he will not be the firm selected for the superintendent search.

In response to Mr. Norkin, Mrs. Beardmore said the Board is not asking for a great deal

of paperwork. She said references are listed in the proposals received from Cascade Consulting and Michigan Leadership Institute. She suggested Mr. Norkin obtain information that is provided to clients about the finalists.

Mrs. Gire suggested that the Board receive a sample of a nationwide recruitment process.

Mrs. Weiser suggested the firms select a search relevant to what the Board would like them to do.

Mr. Norkin said the Board should realize that it is impossible to create a search of six months and keep viable candidates on hold, and therefore, the search will not actually take place until November for a January 2001 decision.

Mrs. Straus said Mr. Quinn discussed starting the search in September, but taking care of the preliminary criteria now.

In response to Mr. Norkin, Mrs. Wise said the selection of the search firm will take place by a majority vote on a particular motion to accept the search firm for the Superintendent search and will require at least five votes for the motion to carry.

Mr. Norkin said he will write a synopsis at the conclusion of the Board's selection so the Department of Management and Budget (DMB) can grant the award and justify the Board's decision.

In response to Mrs. Beardmore, Mr. Norkin said if he is asked whether the Board has made a decision, he will state that the Board and DMB are in process and expect a decision by May 20, 2000.

No action was taken on this item.

IV. PUBLIC PARTICIPATION IN STATE BOARD OF EDUCATION MEETING

There were no individuals present who wished to offer comments to the Board.

V. ADJOURNMENT

The meeting was adjourned at 6:47 p.m.

Respectfully submitted,

Herbert S. Moyer
Secretary