

MINUTES

STATE BOARD OF EDUCATION

Ladislaus B. Dombrowski Board Room
John A. Hannah Building
608 West Allegan
Lansing, Michigan

October 26, 2009
9:30 a.m.

Present: Mr. Michael P. Flanagan, Chairman
Mrs. Kathleen N. Straus, President
Mr. John C. Austin, Vice President
Mrs. Carolyn L. Curtin, Secretary
Mrs. Marianne Yared McGuire, Treasurer
Mrs. Nancy Danhof, NASBE Delegate
Mrs. Elizabeth W. Bauer
Mr. Reginald M. Turner
Ms. Casandra E. Ulbrich
Ms. Niya Hardin, representing Governor Jennifer M. Granholm,
ex officio

Also Present: Mr. Robert Stephenson, 2009-2010 Michigan Teacher of the Year

REGULAR MEETING

I. CALL TO ORDER

Mr. Flanagan called the meeting to order at 9:37 a.m.

II. APPROVAL OF AGENDA AND ORDER OF PRIORITY

Mrs. Bauer moved, seconded by Mrs. Curtin, that the State Board of Education approve the agenda and order of priority.

**Ayes: Austin, Bauer, Curtin, Danhof, McGuire, Straus, Ulbrich
Absent: Turner**

The motion carried.

III. INTRODUCTION OF STATE BOARD OF EDUCATION MEMBERS, DEPARTMENT STAFF, AND GUESTS

Mrs. Eileen Hamilton, State Board Executive, introduced members of the State Board of Education, Department of Education staff, and guests attending the meeting.

IV. RECESS

The Board recessed the Regular Meeting at 9:45 a.m. to convene the Committee of the Whole.

COMMITTEE OF THE WHOLE MEETING

V. CALL TO ORDER

Mr. Flanagan called the Committee of the Whole to order at 9:46 a.m.

VI. PUBLIC POLICY DISCUSSION REGARDING BUDGET AND FISCAL POLICY AND IMPACT ON PRE-K-12 AND HIGHER EDUCATION

Mrs. Straus and Mr. Austin said they are pleased to continue the discussions focusing on major policy issues in the format the Board has established for its meetings every other month. Mrs. Straus said the public conversations with stakeholders will increase knowledge, focus attention, accelerate action, and promote informed decision making.

The presentations provided an opportunity to have a discussion with three individuals who each have a perspective on the state's budget and its impact on Prekindergarten through Grade 12 and higher education.

- A. Discussion with Patrick Anderson, Anderson Economic Group, and Lou Glazer, Michigan Future, Inc.

Mr. Anderson shared a PowerPoint presentation. Mr. Glazer shared written materials.

Mr. Turner joined the meeting via telephone at 9:50 a.m., and arrived at the meeting at 10:15 a.m.

Board member comments and *clarifications* included:

1. clarify what is needed to make Michigan prosperous in the future – *create a new Michigan because what made Michigan prosperous in the past will no longer work; prepare, retain and attain talent; public investments that transform teaching and learning;*
2. there was talk of a new mix of taxes; more income tax, expanding sales tax, and lowering business tax; does a graduated income tax need to be part of the solution – *public investments cannot be made when there are constant deficits; a tax system relying on a broad sales*

tax including tax on services, and graduated income tax grows with the economy; spending cuts must be made to release money to make investments;

3. *how do we retain and attract people – tax policy matters; graduated income tax is a deterrent to entrepreneurs; modernizing the tax system to grow with the economy in a way that does not discourage entrepreneurs is a good idea;*
4. *how can Michigan's skilled labor force fit in – the skills are predominantly in the declining part of the economy; employment and wages are declining; what made Michigan successful 100 years ago is that we were leading the way to the new economy;*
5. *expand the sales tax base – at the retail level the system should tax at the lowest rate possible; this means that business to business transactions are not taxed; growth of the system should be encouraged, but it will not result in large revenues in the short term;*
6. *the government structure includes term limits, candidates who propose new taxes are unlikely to win upcoming elections; how will a revised system of taxation work – organize people who are not elected officials who are willing to lead; civic leadership for reforms is necessary; a debate about the future is needed;*
7. *how does perception play into policy making – there has been a failure to address tax burden and lack of a coherent strategy; high school graduation requirements were passed under the leadership of the State Board of Education and that demonstrated a direction; if the state started to deal with problems, the perception would be that Michigan is making progress and the reality would follow; and*
8. *public education is paralleling the automotive industry with too many models, redundancy, huge super structure; how do we make a strategy that helps people understand there is a need for change and higher education is a valuable investment – the world changes and there needs to be mid-course corrections; system needs to be decentralized and an accountability system is necessary;*

B. Discussion with Phil Power, The Center for Michigan

Mr. Power shared his perspective.

Board member comments and *clarifications* included:

1. must do a better job educating people on how things work; there is a lack of knowledge; there are some misconceptions – *newspapers have been the core of information exchange and there are fewer and fewer newspapers;*
2. with an upcoming election, how do we get the impetus to move forward on common sense ideas that have been proposed – *there is a bipartisan freshman caucus made up of 44 newly elected members of the House of Representatives who want to be more involved in developing policy; in times of great crisis elected officials realize they cannot sit idle while the state is in rapid decline; community conversations and public forums will contribute toward the rising tide of reform;*
3. is it best to challenge candidates with giving their recipe for a reform of the tax system or is it best to come up with a grassroots consensus plan for reform – *if the framing is left to politicians we are doomed to political stagnation and frustration; it is best to have candidates react to a statewide reform agenda built from broad public opinion; and*
4. how can we use social networking as a vehicle for change especially among younger adults – *social networking will be very important as a means of communication; a plan needs to be developed.*

VII. EDUCATION STAKEHOLDER AND PUBLIC PARTICIPATION IN STATE BOARD OF EDUCATION MEETING

Education stakeholders provided comments on the public policy discussion regarding budget and fiscal policy and impact on Prekindergarten through Grade 12 and higher education.

A. Mr. John Felske, Superintendent of Wyoming Public Schools and Godwin Heights Public Schools, provided verbal comments.

B. Mr. Nicholas Krishnan and Ms. Shari Krishnan, from Bloomfield Hills, provided verbal comments.

- C. Mr. Jack Kresnak, representing Michigan's Children, Lansing, provided verbal comments.
- D. Mr. Steve Matthews, Superintendent of Grand Ledge Public Schools, provided verbal comments.
- E. Mr. Rick Catherman, from Chelsea, provided verbal and written comments.
- F. Mr. John M. Hill, Superintendent of Bullock Creek Schools, provided verbal comments.
- G. Mr. John Ellsworth, from Grand Ledge, provided verbal comments and written information.
- H. Mr. Ernie Gaffner, Secretary of Board of Education, Williamston Community Schools, provided verbal comments.
- I. Mr. Matt Gillard, former State Representative from East Lansing, provided verbal comments.
- J. Mr. Lynn Jondahl, Chairman of the Board of the Michigan League for Human Services and former State Representative and Chair of the House Taxation Committee, provided verbal comments and written information.
- K. Mr. Brendan Walsh, Vice President of Board of Education, Grosse Pointe Public Schools, provided verbal comments.

VIII. RECESS

The Board adjourned the Committee of the Whole at 12:30 p.m. and reconvened the Regular Meeting at 1:17 p.m.

REGULAR MEETING

IX. DISCUSSION REGARDING ACTIONS AND DIRECTIONS AROUND FUNDING OF PREK-12 AND HIGHER EDUCATION

The Board continued its discussion of the morning presentation and follow-up action.

Mrs. Straus said there was agreement among Mr. Anderson, Mr. Glazer, and Mr. Power regarding the need for long-term restructuring of the tax system including expanding the sales tax base to include services. She said restructuring of the educational system is a necessity, and the general public agrees that things need to be done differently and more

economically. She said school districts are facing funding cuts when the school year is almost one third over.

Mrs. McGuire said she was surprised by the agreement among the presenters that revenue must be raised. She said there were many suggestions offered, and she would like the Board to encourage language addressing the need for revenue. She said we cannot keep cutting taxes and expect the same services.

Mrs. Curtin said there is a problem with the school fiscal year not matching the state government fiscal year. She said school budgets cannot be developed when funding is unknown.

Mr. Austin said the current budget situation is serving no one's interest. He said it is necessary to find money to restore school funding cuts. He said the Board should help with focused public discussions regarding the long term solution to making Michigan prosperous.

Mrs. Danhof said there is a lack of a coherent education strategy with a goal and steps to reach the goal.

Mrs. Danhof and Mrs. Curtin left the meeting at 1:40 p.m.

Mrs. Bauer said Michigan's demographics need to be considered. She said it is not just about the earning power of people, but also the fact that people are moving out of Michigan. She said if the number of students declines there will be declining funding. She said shared use of buildings among community programs with longer hours of operation would be a more beneficial way to use the infrastructure. She said current instructional modes will become obsolete, and online learning opportunities should be maximized and funded at the state level for universal access to provide a 24/7 learning opportunity.

Mrs. Bauer said it is very clear that the highest earning power is in the states with the highest population of college graduates, and Michigan should maintain its strong stance on high standards. She said we should not retreat on teacher preparation or student expectations.

Mr. Turner said education is also a key component in civic participation and maintaining a civil and just society while using various modes of learning. He said we need to hold ourselves accountable for better outcomes. He said he agrees that the timing and predictability of budgeting is important, and ways to cushion the blow to school budgets enacted during the current school year need to be examined. He said there is a strong consensus that there must be an accountable long-term fiscal process that results in an efficient effective system that is properly funded.

Ms. Ulbrich said the Board needs to have a sound communication plan to educate citizens and the Legislature. She said with the high turnover rates in the Legislature the conversations are bound to repeat, and there is too much re-education time. She said there should be a clear communications plan that results in information being shared often.

Mr. Stephenson said teachers need to be part of the long-term vision for teacher preparation and attracting and retaining teachers. He said the perception of Michigan's education system needs to be discussed to be sure we are not driving teachers away. He said there are concerns about the intense content areas of math and science.

Mr. Stephenson said he is concerned that schools and government do not have the same funding cycle. He said although funding may be inequitable, he believes it is unethical to take funding away months into the school year. He said revenue must be found and services must be consolidated.

Mrs. Straus introduced and read a proposed resolution regarding Funding of PreK-12 and Higher Education that is attached as Exhibit A.

Mrs. Straus moved, seconded by Mrs. McGuire that the State Board of Education adopt the resolution regarding Funding of PreK-12 and Higher Education.

There was consensus to delay the vote until later in the meeting when Mrs. Curtin and Mrs. Danhof could join by telephone.

The motion was tabled.

X. UPDATE ON AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) INITIATIVES

There was no new information to report since the October 13, 2009, State Board of Education meeting.

XI. REPORT OF THE SUPERINTENDENT

Grants

C. Report on Grant Awards

Reports

D. Report on a Modification to the Previously Approved Tuscola Intermediate School District Plan for the Delivery of Special Education Programs and Services

XII. CONSENT AGENDA

Resolutions

- E. Adoption of Resolution Regarding Michigan School Principal's Week

Approvals

- F. Approval of State Board of Education Travel Report – July-September 2009
- G. Approval of National Consortium on Health Sciences Education (NCHSE) National Healthcare Foundation Skills Assessment for Career and Technical Education (CTE) Health Science Students and the Use of the National Cut Scores

Mr. Austin moved, seconded Mrs. Bauer, that the State Board of Education approve the Superintendent's recommendations for the consent agenda as follows:

- E. approve the resolution regarding Michigan School Principal's Week, as attached to the Superintendent's memorandum dated October 20, 2009;**
- F. approve the July 1 – September 30, 2009 report of State Board of Education expenses, dated October 20, 2009; and**
- G. approve the National Consortium on Health Sciences Education (NCHSE) National Healthcare Foundation Skills Assessment for Career and Technical Education Health Science Students and the Use of the National Cut Scores, as discussed at the October 13, 2009, State Board of Education meeting.**

The vote was taken on the motion.

**Ayes: Austin, Bauer, McGuire, Straus, Turner, Ulbrich
Absent: Curtin, Danhof**

The motion carried.

The resolution regarding Michigan School Principal's Week is attached as Exhibit B.

XIII. DISCUSSION REGARDING ACTIONS AND DIRECTIONS AROUND FUNDING OF PREK-12 AND HIGHER EDUCATION (continued)

Mrs. Curtin and Mrs. Danhof rejoined the meeting via telephone at 1:50 p.m.

Mrs. Straus repeated the motion on the table “that the State Board of Education adopt the resolution regarding Funding of PreK-12 and Higher Education.”

The vote was taken on the motion.

The motion carried unanimously.

XIV. COMMENTS BY STATE BOARD OF EDUCATION MEMBERS

There were no additional comments by State Board of Education members.

XV. TENTATIVE AGENDA FOR NEXT MEETING

Mr. Flanagan said Board members may contact a member of the Agenda Planning Committee comprised of Mrs. Straus, Mr. Austin, and Mrs. Curtin with suggestions for agenda topics.

XVI. FUTURE MEETING DATES

- A. ~~Tuesday, November 10, 2009~~ *meeting cancelled*
- B. Tuesday, December 8, 2009
- C. Tuesday, January 12, 2010
- D. Tuesday, February 9, 2010

XVII. ADJOURNMENT

The meeting adjourned at 1:55 p.m.

Respectfully submitted,

Carolyn L. Curtin
Secretary

MICHIGAN
STATE BOARD OF EDUCATION

RESOLUTION

Funding of PreK-12 and Higher Education

WHEREAS, given the demonstrated importance of investments in education to Michigan's economic future, and the imperative to combine needed investments in preK-12 and higher education with meaningful, money-saving reforms in the organization and delivery of education; and

WHEREAS, the long-term economic health of our state, and opportunity for our citizens is conditioned on meaningful structural reform of both the revenue and expenditure sides of education; and

WHEREAS, given the crippling effects on our citizens and our educational institutions of continuing short-term, temporary, stop-gap measures and budget impasses over education funding; now, therefore, be it

RESOLVED, That the State Board of Education will join the Governor, Legislature, school districts, and other stakeholders in the coming months to develop a long-term structural remedy to enable the state's investment in education and its people; and be it further

RESOLVED, That along with the State Board of Education and Department of Education, school districts continue to reimagine the preK-12 educational system in Michigan that will lead to the Board's expectations for student achievement; and be it further

RESOLVED, That the State Board of Education encourages school districts to work with the Michigan State Board of Education and Department of Education to consolidate services and schools that lead to a more equitable, more efficient, more affordable, and more sustainable system of public education; and be it finally

RESOLVED, That the State Board of Education encourages the Governor and Legislature to immediately find the revenues necessary to reduce the cuts to the educational budget to meet their Constitutional responsibility.

Adopted October 26, 2009

MICHIGAN
STATE BOARD OF EDUCATION

RESOLUTION

**Michigan School Principal's Week
February 15-19, 2010**

WHEREAS, throughout Michigan and across the country, the school principal plays a central role in creating an environment conducive to learning; and

WHEREAS, the State Board of Education acknowledges the challenges of 21st Century teaching, leading, and learning; and

WHEREAS, the school principal acts as the liaison between the school and the community it serves, and ensures that parents and taxpayers are aware of student achievements; and

WHEREAS, the expectations for principal leadership within schools have increased greatly in the past decade, including quality and accountability for all children; and

WHEREAS, energetic and inspiring school leadership is essential if schools, teachers, students, and support staff are to implement college and career-ready standards and rigorous assessments; and

WHEREAS, the goal of Michigan School Principal's Week is to raise awareness of the importance of educational leadership in the school and the valuable contribution of the school principal to the success of the learning community; now, therefore, be it

RESOLVED, That the Michigan State Board of Education supports Michigan School Principal's Week, and encourages each school and community to appropriately recognize their principal during the week of February 15-19, 2010, and the vital role the principal plays in the success of all students.

Adopted October 26, 2009